

5/15/80 [2]

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telephone message request	Frank Moore to the President. Re: House Budget Committee Chairman Bob Giaimo. (2 pp.)	5/14/80	C

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THE WHITE HOUSE
WASHINGTON

14 May 80

Jack Watson
Arnie Miller

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

May 12, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON
ARNIE MILLER

SUBJECT:

Presidential Appointment

We join Secretary Andrus in recommending that you nominate Lindsay D. Norman, of Maryland, as Director, Bureau of Mines at the Department of the Interior.

Dr. Norman has been the Acting Director of the Bureau of Mines since April 1979. Prior to serving as the Acting Director, he was the Bureau's Assistant Director for Program Development and Evaluation.

Dr. Norman is highly regarded as a metallurgist in the scientific community. We feel that this, coupled with his twenty years of experience at the Bureau of Mines makes him an excellent choice.

RECOMMENDATION:

We recommend that you nominate Lindsay D. Norman, of Maryland, as Director, Bureau of Mines at the Department of Interior.

approve

disapprove

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Lindsay D. Norman, Jr.
Bureau of Mines
U. S. Department of the Interior

Lindsay D. Norman, Jr., was appointed Acting Director of the Bureau of Mines on April 11, 1979. He had been the Bureau's Assistant Director for Program Development and Evaluation since August 23, 1978.

Dr. Norman was born October 14, 1937, at Drexel Hill, Pennsylvania. He was awarded three degrees from the University of Maryland; a B.S. degree in metallurgy and chemical engineering (1960), an M.S. degree in metallurgy and nuclear engineering (1964), and a Ph.D. degree in materials science and physics (1969). While attending graduate school, he joined the Bureau of Mines on October 31, 1960, as a metallurgical engineer at the College Park (Maryland) Metallurgy Research Center. As a research supervisor, he became associated with research projects concerned with extractive metallurgy, energy conversion, and mathematical simulation. His original work on mathematically interpreting the statistical geometrics of fine particle systems was acclaimed as a major step forward in the theoretical understanding of powder metallurgy. In recognition of his scientific accomplishments, he received the Bureau's Superior Performance Award in 1968, was inducted into the National Metallurgy Honor Society, was listed in American Men and Women of Science, and was an invited lecturer before numerous university faculties and student groups. During his active research career, Dr. Norman authored numerous publications on minerals processing, materials development, and environmental protection in minerals and materials operations.

In 1970, Dr. Norman transferred to the Bureau's headquarters staff for Metallurgy Research where he assisted in the development of the Bureau's metallurgy program. From 1971 to 1975, he served as the Bureau's Special Assistant for Environmental Activities and was the Bureau's chief adviser on all mineral-related matters concerning development, research, legislation, and regulations. During this period, Dr. Norman received a Presidential commendation for his efforts as chairman of a blue ribbon panel that identified major technological opportunities in minerals. He also successfully chaired several interagency study groups for the Federal Science Council, Department of the Interior, and the National Research Council.

In 1973, Dr. Norman's minerals expertise was further recognized when the United Nations requested his assistance in developing mining guidelines for the Third World Nations. He also, in 1974, played a key role as Departmental representative in developing the National Plan for Project Independence.

From 1975 to 1978, he served as the Bureau's first Chief, Division of Planning and Evaluation. In this position, he developed and managed the Bureau's long-range planning efforts and directed program evaluation activities. Prior to assuming his present responsibilities, he served as Assistant Director for Program Development and Evaluation where he was the principal architect and designer of the Bureau's plans, programs, and budgets.

Throughout Dr. Norman's active research and management career he has performed numerous consulting assignments as an expert on mining and minerals technology. He has received several awards for his achievements including, in 1978, the Department of the Interior's Meritorious Service Award and Silver Medal. Moreover, he has received contemporary recognition in Who's Who in America, Dictionary of International Biography, and Men of Achievement. He is a member of the American Institute of Mining, Metallurgical, and Petroleum Engineers.

Dr. Norman is married to the former Janet L. Davenport. They live in Harwood, Maryland, with their three children, Todd, Julie, and Lindsay.

THE WHITE HOUSE
WASHINGTON

14 May 80

Jack Watson
Arnie Miller

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Rick Hutcheson

2777

THE WHITE HOUSE

WASHINGTON

May 12, 1980

C

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*

ARNIE MILLER *AM*

SUBJECT:

National Mediation Board

We join with Secretary Marshall in recommending that you reappoint Robert O. Harris, of Washington, D. C., as a Member of the National Mediation Board. Landon Butler concurs.

The Board's jurisdiction is limited to resolving disputes involving railroads and airplanes.

Harris, whom you appointed in 1977, is currently serving as Chairman, and his term will expire in June. He is respected by unions and management, and his reappointment is strongly supported by Senator Eagleton, the AFL-CIO and the International Brotherhood of Teamsters.

RECOMMENDATION:

Reappoint Robert O. Harris, of Washington, D. C., as a Member of the National Mediation Board.

✓ APPROVE

DISAPPROVE

ROBERT O. HARRIS
Washington, D. C.

EXPERIENCE:

1979 - Present	Chairman, National Mediation Board.
1977 - 1979	Member, National Mediation Board.
1971 - 1977	Staff Director and Counsel, U. S. Senate Committee on the District of Columbia. Staff Director and Counsel, U.S. Senate Subcommittee on Governmental Efficiency and the District of Columbia.
1969 - 1971	Staff Director and Counsel, U.S. Senate Committee on Labor and Public Welfare.
1967 - 1969	Counsel, U.S. Senate Subcommittee on Labor; Committee on Labor and Public Welfare.
1961 - 1967	Assistant to the Chairman, National Labor Relations Board.
1959 - 1961	Attorney, Office of the Solicitor, U.S. Department of Labor.
1957 - 1959	Attorney, Office of the General Counsel, Department of Health, Education and Welfare.

EDUCATION:

1951	A.B., Columbia College, New York.
1954	LL.B., Yale Law School.
1961	LL.M., Georgetown Law School

PERSONAL:

White Male
Age 50
Democrat

9:45 AM

THE WHITE HOUSE

WASHINGTON

MEETING WITH GAMAL AND DINA AL-SADAT

Wednesday, May 14, 1980

9:45 a.m. (5 minutes)

The Oval Office

From: Zbigniew Brzezinski 25

I. PURPOSE

To greet President Sadat's son and daughter-in-law (Gamal and Dina al-Sadat), following her recovery at the Washington Hospital Center.

II. BACKGROUND, PARTICIPANTS & PRESS ARRANGEMENTS

- A. Background: Following birth of her child, Mrs. al-Sadat contracted a high fever. She subsequently came here, to the Washington Hospital Center, for diagnosis and treatment, through your efforts and those of Dr. Lukash. For the past 10 days, her fever has subsided. (Following your meeting, the First Lady may entertain the visitors for coffee).
- B. Participants: The First Lady, Gamal and Dina al-Sadat, Egyptian Ambassador Ashraf Ghorbal, and Mrs. Amal Ghorbal (wife of the Ambassador).
- C. Press Arrangements: None

III. ISSUES FOR DISCUSSION

1. Gratitude at the progress of Mrs. al-Sadat's recovery. You are glad we could be of help.
2. Recall your visit to Egypt.
3. Greetings to President and Mrs. Sadat.

THE WHITE HOUSE
WASHINGTON

Frank Moore

The attached was received in
our office and is forwarded
to you for your information.

Rick Hutcheson

Bob Thomson

2776

RH
NAME Congressman Charles Vanik

1445

TITLE Congressman

Requested by Frank Moore
Bob Thomson

CITY/STATE Washington, D.C.

Date of Request May 13, 1980

Phone Number--Home () _____

Work () _____

Other () _____

ASAP 5/13/80

INFORMATION (Continued on back if necessary)

PURPOSE: To request a freeze on committee action until legal issues regarding the gasoline conservation fee are resolved.

BACKGROUND: We would like to prevent Ways and Means Committee action on a Resolution of Disapproval of the Gasoline Conservation Fee in the immediate future because of the psychological impact of Judge Robinson's opinion. The Vanik Trade Subcommittee has scheduled a mark-up for

NOTES: (Date of Call _____)

not done

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tomorrow (Wednesday). We ^{Sub committee} will lose there. We would like you to call Vanik urging him to freeze Committee action on a Resolution of Disapproval until a stay of Judge Robinson's opinion is granted or until the legal issues are definitively resolved by the appellate courts.

TALKING POINTS:

1. As you know, Judge Robinson enjoined the Administration from implementing further the 10 cent-a-gallon Gasoline Conservation Fee. We will seek a stay of that order soon and will appeal it, as well.
2. I originally imposed the fee as a result of agreement with Congressional leaders in March. The leadership agreed that the fee was necessary for conservation and foreign policy purposes. In fact, it is my understanding that discussions of the fee were initiated by the Members of Congress who were present at that session.
3. I agreed to impose the fee and strongly support it. I will fight for it and veto any legislation that repeals the fee or diminishes my authority to impose it.
4. Although criticism of the fee has risen to a crescendo prior to the May 15 date on which the fee appears at the pumps, we do have some support in the Congress--even on the Ways and Means Committee. I believe that support will grow and the public clamor will diminish very rapidly after the fee has been on the pumps for a time.

5. I would like you to defer any action in the Committee on a Resolution of Disapproval until after a stay of the judge's order is granted or until the legal issues are definitively resolved by the appellate courts. I have bitten the bullet and imposed this fee in a way which would have required no action or complicity by the Congress whatsoever. Yet, you are now in a position where every House Democrat up for reelection faces the prospect of declaring his position.

6. The least I can expect from you is a delay while the legal issues are being resolved. I firmly believe such a move will be in the best interests of House Democrats in the long run.

RK

NAME Chairman AL ULLMAN

1444

TITLE Congressman

Requested by Frank Moore/
Bob Thomson

CITY/STATE Washington, D.C.

Date of Request May 13, 1980

Phone Number--Home () _____

Work () _____

ASAP 5/13/80

Other () _____

INFORMATION (Continued on back if necessary)

PURPOSE: To request a freeze on committee action until legal issues regarding the gasoline conservation fee are resolved.

BACKGROUND: We would like to prevent Ways and Means Committee action on a Resolution of Disapproval of the gasoline conservation fee in the immediate future because of the psychological impact of Judge Robinson's opinion. Chairman Ullman has scheduled full Committee mark-up for

NOTES: (Date of Call 5-14)

done

Thursday. The situation does not look good there at this time. We would like you to call Ullman urging him to freeze Committee action on a Resolution of Disapproval until a stay of Judge Robinson's opinion is granted or until the legal issues are definitely resolved by the appellate courts.

TALKING POINTS:

1. As you know, Judge Robinson enjoined the Administration from implementing further the 10 cent-a-gallon Gasoline Conservation Fee. We will seek a stay of that order soon and will appeal it, as well.
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6. The least I can expect from you is a delay while the legal issues are being resolved. I firmly believe such a move will be in the best interests of House Democrats in the long run.

THE WHITE HOUSE
WASHINGTON

5/13/80

Rick --

You all may want to call
Camp DAvid and ask
Ralph Cugowski to ask-his--
people-to-- look in Aspen CABin
to see if these cards are
somewhere around there....
and/or ask Phil Wise/Bob Dunn
if they know.

Thanks--ssc

Records indicate calls made,
but phone call cards have not been
returned/sent out.

? Clarence Darrow - #1432 (completed 5/11)
will help Richard Daley - #1425 (completed 5/11)
no Monroe Flinn - #1430 (completed 5/11)

~~SH~~ Probably
at C David -

THE WHITE HOUSE
WASHINGTON

May 7, 1980

Dear Mr. President:

The flowers are beautiful! They ease the pain in the arm and the tummy. I would love to give you a handwritten note but I can't write with a broken arm.

Your recent actions for the Federal Trade Commission -- the humanism of your letter to the employees, your staunch support on the basis of what is right and your doing this all with the weight and magnitude of the other burdens you carry, fill me with pride and gratitude for being part of your team.

My prayers are with you.

Sincerely,



Esther Peterson
Special Assistant to the President
for Consumer Affairs

The President
The White House
Washington, D.C. 20500

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THE WHITE HOUSE
WASHINGTON

May 14, 1980

1:00 p.m.
oh
J

MEMORANDUM FOR PHIL WISE

FROM: ANNE WEXLER *Anne*
STU EIZENSTAT *Stu*

SUBJECT: MEETING WITH AUTO INDUSTRY EXECUTIVES
AND LEADERSHIP OF THE UNITED AUTO WORKERS

By necessity this meeting is fairly large --- some 30 people almost evenly split between Administration and non-Administration, but all principals. We feel that it will be important for the President to personally communicate to the six key non-Administration people in the meeting his seriousness about dealing with the problem.

Therefore, we recommend that at 1:00 p.m. the President meet in the Oval Office for 5 minutes with:

- Tom Murphy -- GM
- Phil Caldwell -- Ford
- Gerald Meyers -- American Motors
- Lee Iacocca -- Chrysler
- Jim McLernon -- Volkswagen
- Doug Fraser -- UAW
- Secretary Goldschmidt
- Stu Eizenstat

In this session the President would tell the participants that he is serious about dealing with the problem, that he is open to consideration of all their concerns (except for restrictions on imports), that he is putting Neil in charge with the full backing of the Administration, that he wants to move very quickly over the next few weeks to determine short-term actions, and that he hopes that they will honestly lay on the table their concerns during the meeting. He can also more forcefully make the point that he does not see this as a case for federal action alone, but will be looking to see what actions the manufacturers and the UAW are willing to take.

If you concur with this plan, we will bring the suggested Oval Office attendees to the reception area at 1:00 p.m., while holding the rest of the guests in the Cabinet Room and postponing the press for 5 minutes.

MEETING WITH

Premier David (John) Gibbons
 Time 11:55 (5 minutes)
 Place Oval Office
 From Zbigniew Brzezinski
 Frank Moore *F.M./m* 

I. PURPOSE To greet Premier Gibbons of Bermuda

II. BACKGROUND, PARTICIPANTS AND PRESS ARRANGEMENTS

A. Background. At Senator Inouye's request, you will be meeting with David Gibbons, who has been Premier of Bermuda since August 1977, when his United Bermuda Party was victorious in elections. The 52 year old Premier is a millionaire businessman and banker who entered politics in 1972 after a successful business career in which he was the director of a chain of enterprises originally established in Bermuda by his father. Prior to becoming Premier, he was Minister of Health and Social Services, and served as Minister of Finance in 1976.

Premier Gibbons attended Hodgekiss School in Lakeville, Connecticut, and received a B.A. in Economics from Harvard in 1948. He is married to the former Lilly Lorenson of Oslo, Norway. The Premier and his wife have three sons and a daughter.

He is correctly addressed as "Mr. Premier."

B. Participants. Senator Daniel Inouye
 Dan Tate
 Bob Pastor

C. Press Plan. Press and White House photo opportunity.

III. ISSUES FOR DISCUSSION As appropriate.

IMMEDIATE ACTION REQUESTED

THE WHITE HOUSE
WASHINGTON

May 14, 1980

NOTE TO THE PRESIDENT

From: Jim McIntyre *JMG*

Attached are two letters concerning an amendment to the Defense authorization bill coming up this afternoon on the House floor. I suggest you sign these letters as soon as possible. NSC and CL concur.

TWO SIGNATURES REQUESTED

THE WHITE HOUSE

WASHINGTON

May 14, 1980

Dear Chairman Price:

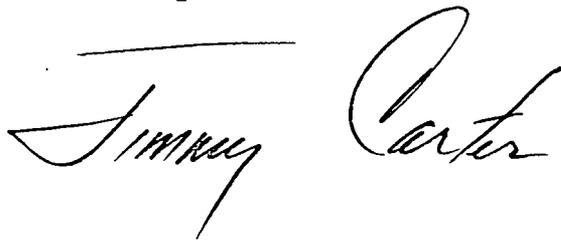
Your Committee has recommended that \$600 million be added to my FY 1981 Defense authorization request for development and initial production funding for the B-1 as a strategic weapons launcher. This includes \$400 million for research and development and \$200 million for procurement.

There is no urgency to pursue major development and production of the B-1 at this time. We fully expect the current B-52 force, which is undergoing substantial upgrade, to be a capable cruise missile carrier well into the 1990's.

However, we are requesting \$15 million in 1981 to maintain the option for a B-1 type carrier, in the unlikely event that the B-52 develops unforeseen difficulties. For the long term, we need to consider alternatives, in addition to B-1 derivatives, for a B-52 follow-on aircraft.

I understand that Representative Edwards of Alabama will introduce an amendment to delete the \$600 million added by your Committee. I strongly support such an effort and wanted you to be aware of my position.

Sincerely,

X 

The Honorable Melvin Price, III
Chairman
Committee on Armed Services
House of Representatives
Washington, D. C. 20515

THE WHITE HOUSE

WASHINGTON

May 14, 1980

Dear Mr. Speaker:

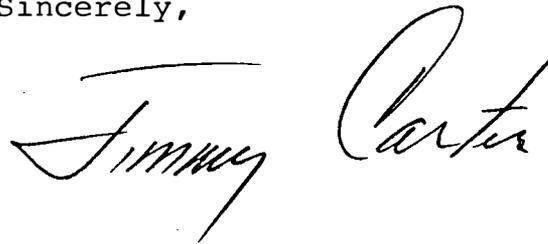
The House Armed Services Committee has recommended that \$600 million be added to my FY 1981 Defense authorization request for development and initial production funding for the B-1 as a strategic weapons launcher. This includes \$400 million for research and development and \$200 million for procurement.

There is no urgency to pursue major development and production of the B-1 at this time. We fully expect the current B-52 force, which is undergoing substantial upgrade, to be a capable cruise missile carrier well into the 1990's.

However, we are requesting \$15 million in 1981 to maintain the option for a B-1 type carrier, in the unlikely event that the B-52 develops unforeseen difficulties. For the long term, we need to consider alternatives, in addition to B-1 derivatives, for a B-52 follow-on aircraft.

I understand that Representative Edwards of Alabama will introduce an amendment to delete the \$600 million added by the Armed Services Committee. I strongly support such an effort and solicit your assistance in gaining House approval for such an amendment.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

The Honorable Thomas P. O'Neill, Jr.
Speaker of the House of Representatives
Washington, D. C. 20515

C
—

THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON
20506

INFORMATION

May 14, 1980

MEMORANDUM FOR

THE PRESIDENT

FROM:

Robert D. Hormats *RH*
Acting

SUBJECT:

Japanese Initiatives on
Auto Trade

Governor Askew has reached agreement with the Japanese Government in Tokyo on a package of initiatives the GOJ will take unilaterally to help address the problems faced by the U.S. auto industry. Prime Minister Ohira will formally inform Governor Askew of this package at 9:30 a.m., Thursday, Tokyo time. The GOJ will make a public announcement of the package following the Ohira-Askew meeting although a report is carried in this morning's Washington Star. You can present the following outline of the primary elements of the package to auto industry officials in your 1:00 p.m. meeting.

Investment in the U.S.

- The GOJ will continue its policy of encouraging economically-viable investment by Japanese auto manufacturers in passenger car, truck and component industries in the U.S.

- The Japanese Government and auto parts industry have decided to dispatch, in early summer, a government/business mission to the U.S. to explore economically-viable investment and licensed production in auto parts production.

Governor Askew has been given more positive statements by the Japanese on possible investment in auto production in the U.S. Governor Askew and Toyota President Mr. Toyoda agreed on the following statement:

"President Toyoda, Governor Askew have had fruitful discussions concerning the automotive situation. President Toyoda expressed his appreciation for President Carter's strong opposition to import restrictions and his willingness to support these efforts. President Toyoda and Governor Askew agreed to remain in close contact on the automotive issue.

Following is text of statement on which Governor Askew and Toyota President Toyoda (sic) reached agreement. This is carefully negotiated language and we therefore request that if you or White House use the statement, you use it verbatim without expanding upon text or releasing it in writing.

Begin text: President Toyoda, Gov. Askew have had fruitful discussions concerning the automotive situation. President Toyoda expressed his appreciation for President Carter's strong opposition to import restrictions and his willingness to support these efforts. President Toyoda and Gov. Askew agreed to remain in close contact on the automotive issue.

Toyota is now making a serious study of auto investment in the U.S. Toyota will invest in the U.S. if the studies by research firms, combined with Toyota's management judgment show that such investment would be economically and financially viable. End text.

Toyota is now making a serious study of auto investment in the U.S. Toyota will invest in the U.S. if the studies by research firms, combined with Toyota's management judgment show that such investment would be economically and financially viable."

Access to the Japanese Market

- The GOJ has decided to further simplify standards and licensing procedures in twelve areas identified as problems by the USG.
- The GOJ will eliminate tariffs on imports of almost all auto parts to be effective in April, 1981.
- The GOJ has decided to dispatch, in early summer, a government/business mission for the promotion of imports into Japan of auto parts. It is estimated that auto parts imports into Japan will more than triple in 1980 compared to 1978.

THE WHITE HOUSE
WASHINGTON

14 May 80

Frank Moore

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

cc: Sarah Weddington

May 13, 1980

*Frank
He's a
friend
J*

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M. Moore*
SUBJECT: Attached article

Paul Kirk of Kennedy's staff called an O'Neill staff member and asked for a "urge Carter to debate" statement. The Speaker refused and takes quite a different view as you can see by the attached article. The Kennedy people have given him hell over this view.

Senator Byrd's staff briefed him on Friday before his press conference on the debate question. He and his staff agreed that he would try to dodge any questions on the issue. What he actually said at the conference was this: "We need an airing of issues but the fight should be ended soon to allow the Democratic party to prepare itself for the Republican challenge in November." Senator Byrd's staff person says he doesn't know what happened between the rehearsal and the actual press conference.

FROM SPOKANE, WASH.

"THE SPOKESMAN REVIEW" - SUN. MAY 11, 1980

Kennedy loss predicted

By ROBERT L. ROSE
Spokesman-Review political editor

House Speaker Thomas P. "Tip" O'Neill, as close a friend of the Kennedy family "as anybody could possibly be," said Saturday in Spokane, "I can't conceive of Ted Kennedy winning the nomination."

"It looks to me as though it's going to be Jimmy Carter," O'Neill said in an exclusive interview with The Spokesman-Review.

"Kennedy's going to lose, in my opinion, by 900 to 1,000 delegates. But he's still going to fight all the way."

O'Neill came to Spokane to speak at a fund-raiser at the Davenport Hotel for Rep. Thomas S. Foley Saturday night and at 10 a.m. commencement ceremonies at Gonzaga University today.

The Massachusetts Democrat predicted in the interview that the "economy will be turned around by election time," that there will be "no massive Republican swing" in House races and that Carter will find in November "the best thing he's got going for him is his opponent, Ronald Reagan."

"That man makes unbelievable statements," O'Neill said, "like saying under his tax program, he would give back \$180 billion to the taxpayers in three years."

"It's absolutely ridiculous. The government couldn't function."

On the economy, O'Neill said, "I don't see any doom and gloom out there. I think the whole thing will be turned around by election time."

(Continued on page 10)



S-R illustration by LILI HIRATA

REP. O'NEILL

O'Neill

(Continued from page 1)

The speaker said he had had "a long talk" with presidential economic adviser Charles Schultz last Thursday and "Charlie was optimistic. The interest rate is going down. The prime rate is going to move down. There's a tightening of credit."

"The recession isn't going to be that bad. It's only in two pockets, to be perfectly truthful — automobiles and lumber. Overall, the inflation should really flatten out by August."

By then, he said, "things will look a helluva lot better for Mr. Carter."

"There's one thing that people don't understand," he continued.

"Jimmy Carter is one of the most able, talented people you'll ever see."

"His biggest problem has been the people he's had around him. He's been too parochial, surrounding himself with just the people he brought up from Georgia — and they've never learned, to be perfectly truthful."

While some pollsters and political prognosticators have been predicting a Democratic

loss of House seats of as much as two dozen or more, "I don't figure the House will change 12 votes. There is not going to be any massive swing — and there never will be any more massive swings," O'Neill said.

The reason, he explained, is the change in the kind of members elected to the House since 1972 and the fact that "political organizations have fallen apart. There aren't any left. Chicago is the last, and it's dubious whether that will ever be put back together again."

In the old days, the parties put their men in Congress.

But starting with 1972, "highly independent" candidates came out and "got themselves elected — young, good-looking, talented, well-educated, junior executives — and they defeated veteran congressmen who had lost touch with their districts."

These newcomers themselves are hard to beat because they aren't making the mistakes of their predecessors.

They keep in touch, provide better service and the people at home "see them more than they've ever seen a congressman before," he said.

O'Neill, just a few months ago, had said that "all Ted Kennedy needs to do to get the nomination is ask for it."

What happened?

"I think probably 99 percent of the American public thought the same way," he said.

"But once the campaign started, Teddy never got on track."

"Pollsters said Chappaquiddick had gone from a 57 percent negative item to 14 percent, that it wouldn't be an issue in the campaign."

"But suddenly this 'mud story' came out of the box, and it was an issue. Kennedy just couldn't get himself on track until way down the line. He was just too late."

His own family is split, he said, with two sons supporting Kennedy and a son and a daughter working for Carter's reelection.

"I have tried to remain absolutely neutral," he said.

"But the practicality is that Kennedy would have to get 72 percent of the remaining unpicked delegates. How can he possibly do it? I can't see him getting over 1,200-1,250."

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

May 14, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CS*

In my memo to you Monday I stated "On the basis of the latest OMB expenditure estimate and the revised Treasury revenue forecast, revenues and outlays for FY 1981 now appear to be in rough balance." Your marginal comment asked "using oil import fee?"

Yes. The budget would be in rough balance including the import fee in receipts.

I used the term "rough balance" to mean that some details still need to be pinned down and that the balance could swing several billion either way.

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Q
/

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

May 12, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze ^{CLS}

Subject: Follow-up on last week's Quadriad meeting

1. Balanced budget

The Treasury has completed its detailed reestimate of revenues based on our latest economic forecast. Tax collections have been running a bit higher than expected this spring. Incorporation of that data into the estimate increases the 1981 revenue forecast.

The economic outlook, on which the revenue estimates are based, foresees a significant recession, but much smaller than 1974-75. GNP falls by 3-1/4 percent from 1Q 1980 to 1Q 1981 compared to a peak-to-trough decline of 5.7 percent in 1974-75. After turning around in 1Q 1981, GNP is predicted to rise at a 2-1/4 percent rate in the remaining three quarters of the year. Unemployment averages 8.2 percent during FY 1981. Within a few days I will send you a memo on the latest forecast.

On the basis of the latest OMB expenditure estimate and the revised Treasury revenue forecast, revenues and outlays for FY 1981 now appear to be in rough balance. This conclusion is based upon both the economic forecast and the assumption that Congress passes all of your legislative proposals that reduce the deficit (dividend and interest withholding, cash management savings, hospital cost containment, pay reform, etc.).

*using
or info?
fee?*

OMB, together with Treasury and CEA, is preparing a presentation to you, as part of the 1982 Spring Budget Preview, that will incorporate the latest budget estimates.

2. Can we do anything to hasten the response of the housing industry to lower interest rates?

Lyle Gramley has put together a small group of experts (HUD, FHLBB) to address this question. We have set a deadline of the end of this week for a preliminary assessment.

3. Are consumers overreacting to the consumer credit controls? Have banks withdrawn from the auto loan business in a large way?

The Federal Reserve is using its channels to lenders around the country (through District banks) to assess the situation. The nature of the question does not permit precise answers, but we should be able to get some insight into whether serious problems exist. o :'

THE WHITE HOUSE
WASHINGTON

May 14, 1980

Jack Watson

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

277

FOR STAFFING
FOR INFORMATION
✓ FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
FOR APPROPRIATE HANDLING
LAST DAY FOR ACTION

ADMIN CONFID
CONFIDENTIAL
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EYES ONLY

ACTION
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
✓	WATSON
	WEDDINGTON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
	GOLDSCHMIDT
	HARRIS
	KREPS
	LANDRIEU
	MARSHALL

	MILLER
	VANCE
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	FRANCIS
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

THE WHITE HOUSE
WASHINGTON

May 10, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: USS Nautilus

Secretary Brown has informed me that in his discussion with you regarding the Nautilus he agreed to go with the Groton site only if certain conditions were met by the state. The conditions he outlined to me are as follows:

- o The state must appropriate all adjoining property including existing commercial establishments and eliminate architectural eyesores.
- o Further commercial encroachment in the nearby area must be halted.
- o The design is subject to approval by the Secretary of the Navy.
- o The Federal government would only provide \$2.6 million for site preparation and the state has to pick up all costs above this amount.

I spoke with Ella and she indicated that the state could meet all of the DoD stipulations with the possible exception of the prevention of commercial encroachment. If the offer is made, she will examine the local zoning laws and work with the community and the Secretary of the Navy to make the necessary changes. She understands the zoning changes are a pre-condition to getting the Nautilus.

*Jack - Grace
Ella max credit*
Q
—

On Wednesday, May 7, the House Armed Services Subcommittee voted 13 to 1 to locate the Nautilus in Groton. Congressman Chris Dodd has been taking credit for this action to the Governor's dismay.

- Agree
Make the offer to Ella with DoD stipulations.
- Disagree J
Let Washington Navy Yard decision stand.

5:00 PM

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: LONDON BUTLER 

SUBJECT: MEETING WITH THE UNITED STATES DELEGATION TO THE INTERNATIONAL LABOR CONFERENCE (ILO)

Wednesday, May 14, 1980
5:00 p.m. (10 minutes)
The Cabinet Room

I. PURPOSE

To meet briefly with the government, worker and employer members of the U.S. delegation to the 66th Session of the International Labor Conference.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background. Secretary Marshall recommended that you meet with the delegation. They are in Washington today attending a one-day pre-Conference briefing session at the Labor Department.

The Conference, June 4-25, 1980 in Geneva, Switzerland, is the first ILO conference the United States will attend since resumption of the U.S. membership in the Organization.

B. Participants. Approximately fifty persons will attend today, including the following leaders of the delegation:

Government Delegation

Secretary Ray Marshall, who will head the delegation
Secretary Philip M. Klutznick
Dean Clowes, Deputy Under Secretary, International Affairs
James Quackenbush, U.S. Representative to the ILO Governing Body

Employer Delegation

O. M. Sherman, Vice President, Industrial Relations, Goodyear Tire and Rubber.

Worker Delegation

Marty Ward, General President, United Association.

(Ward is representing Lane Kirkland who is unable to attend today's meeting).

Chick Chaikin, President, International Ladies' Garment Workers

Bob Georgine, President, Building and Construction Trades

Howard Samuel, President, Industrial Union Department

Joyce Miller, Vice President, Amalgamated Clothing and Textile Workers Union

C. Press Plan. White House photographer only.

III. TALKING POINTS

- This will be an important conference for the United States. Our withdrawal from the ILO in 1977 and return on February 18, 1980, represented an important statement to the entire world about the work of the U.N. system.
- Over the years a number of U.N. organizations have been turned into political debating societies. U.S. efforts to keep extraneous politics out of these organizations met with little success.
- Our withdrawal from the ILO in 1977 carried an important message: the U.S. Government would not accept the politicization of these organizations indefinitely. We had said we would withdraw from the ILO unless it reformed, and when it failed to do so we made good our word.
- We have now seen the results of this policy. In the past two years the ILO has made substantial progress. It is still far from a perfect organization, but our chances for promoting further reform from within are now better than ever.
- The ILO Conference this June will be an important one. It is the first Conference we will attend since 1977. Secretary Marshall has pulled together a strong delegation-- one which is better prepared than ever before to deal with the political and technical issues we will face.
- It is important for this delegation to demonstrate our commitment to the principles and purposes of the ILO.

We have said this many times before -- now we have an opportunity to demonstrate our beliefs through actions.

- The U.S. role in the Conference must be a positive one. We are there to show that we share the legitimate aspirations of workers throughout the world.
- At the same time, we must continue to stand firm against the efforts by some to divert the work of the ILO into inappropriate political channels. We expect the Middle East issues to be raised, and we should deal with those firmly.
- Jim Quackenbush was sworn in today by Secretary Marshall as the U.S. Representative to the ILO Governing Body. I would like to wish him every success in this important assignment.
- Each member of the delegation has my best wishes.

5/14/80

1. { TENS OF THOUSANDS OF CUBANS ARE FLEEING THE REPRESSION ↘
2. { OF THE CASTRO REGIME UNDER CHAOTIC & PERILOUS CIRCUMSTANCES.
3. { CASTRO HIMSELF HAS REFUSED TO PERMIT THEM SAFE, ORDERLY PASSAGE ↘
4. { TO THE U.S. & TO OTHER COUNTRIES WILLING TO RECEIVE THEM.
5. { REPEATED INTERNATIONAL EFFORTS TO RESOLVE THE CRISIS ↘
6. { HAVE BEEN REJECTED OR IGNORED BY THE CUBAN GOVERNMENT. //
7. AT LEAST 7 PEOPLE HAVE DIED ON THE HIGH SEAS.
8. { THE RESPONSIBILITY FOR THOSE DEATHS & THE THREAT OF FURTHER LOSS OF LIFE ↘
9. { RESTS SQUARELY ON FIEDL CASTRO, WHO HAS SO FAR REFUSED TO COOPERATE ↘
10. { IN ESTABLISHING LEGAL & ORDERLY PROCEDURES FOR DEALING WITH THIS
CUBAN PROBLEM.

(=OVER=) (IN KEEPING WITH.....)

1. { IN KEEPING WITH THE LAWS & TRADITIONS OF THE UNITED STATES,
2. { OUR COUNTRY HAS PROVIDED A SAFE HAVEN FOR MANY OF THESE PEOPLE
WHO HAVE ARRIVED ON OUR SHORES.
3. { SINCE THE BEGINNING OF THIS CRISIS,
4. { OUR POLICY HAS HAD 3 FUNDAMENTAL ELEMENTS:
5. --FIRST, TO TREAT THE ESCAPING CUBANS WITH DECENCY, FAIRNESS & HUMANITY;
6. --SECOND, TO OBSERVE & ENFORCE U.S. LAW: AND
7. --THIRD, TO WORK WITH OTHER NATIONS & INTERNATIONAL ORGANIZATIONS
8. TO DEVELOP AN ORDERLY, LEGAL SOLUTION TO THIS VERY PAINFUL HUMAN DILEMMA.
9. THIS IS STILL OUR FUNDAMENTAL APPROACH.
10. { BUT NOW WE MUST TAKE ADDITIONAL STEPS TO END CUBA'S INHUMANE ACTIONS ↗
11. { AND TO BRING SAFETY & ORDER TO A PROCESS THAT CONTINUES TO THREATEN LIVES.

(=NEW CARD=) (THEREFORE, WE WILL.....)

1. THEREFORE, WE WILL IMPLEMENT A 5-POINT PROGRAM ↗
2. TO PERMIT SAFE & ORDERLY PASSAGE FROM CUBA ↗
3. FOR THOSE PEOPLE WHO ~~SEEK~~ ^{SOUGHT} SAFETY; IN THE U.S. INTEREST SECTION,
4. FOR THOSE WHO SOUGHT FREEDOM BY GOING TO THE PERUVIAN EMBASSY,
5. FOR FORMER POLITICAL PRISONERS,
6. AND FOR CLOSE FAMILY MEMBERS OF CUBAN-AMERICANS WHO ARE ALREADY
PERMANENT RESIDENTS OF THE UNITED STATES. //
7. (ONE) WE ARE READY TO START AN AIRLIFT & A SEALIFT ↗
8. FROM CUBA TO THE UNITED STATES & OTHER COUNTRIES IMMEDIATELY,
9. JUST AS SOON AS THE CUBANS ACCEPT THIS OFFER.

(=OVER=) (THE U.S. GOVERNMENT.....)

1. { THE "U.S. GOVERNMENT" WILL HAVE AIRCRAFT READY,
2. { AND WILL IMMEDIATELY CHARTER SHIPS, ONE OF WHICH WILL STAND BY IN KEY WEST.
3. { THESE SHIPS & KEY WEST PLANES WILL BE READY TO GO TO CUBA
4. { TO RECEIVE PROPERLY-SCREENED CUBANS FOR ENTRY ✓
5. { TO THE UNITED STATES & OTHER COUNTRIES PLEDGED TO HELP IN RESETTLEMENT. /
6. { TO ENSURE LEGALITY & ORDER,
7. { ALL PEOPLE WILL HAVE TO BE SCREENED BEFORE DEPARTURE FROM CUBA. /
8. { WE WILL WORK WITH THE CONGRESS, THE CUBAN-AMERICAN COMMUNITY,
9. { INTERESTED NATIONS, AND THE CUBAN GOVERNMENT,
10. { TO DETERMINE THE TOTAL NUMBER OF PEOPLE WE WILL BE ACCEPTING FROM CUBA.

(=NEW CARD=) ("Two", TOMORROW, WE WILL.....)

LATER
OTHER

1. (TWO) TOMORROW WE WILL OPEN A FAMILY REGISTRATION OFFICE IN MIAMI ↘
2. TO BEGIN RECEIVING THE NAMES OF PEOPLE ELIGIBLE FOR IMMIGRATION ↘
3. AS MEMBERS OF CUBAN-AMERICAN FAMILIES PERMANENTLY RESIDING IN THE U.S. //
4. (THREE) THE COAST GUARD IS NOW COMMUNICATING WITH ALL BOATS
ENROUTE TO CUBA & THOSE IN MARIEL HARBOR
5. TO URGE THEM TO RETURN TO THE UNITED STATES WITHOUT ACCEPTING PASSENGERS.
6. NO NEW TRIPS SHOULD BE STARTED.
7. THOSE WHO COMPLY HAVE NOTHING TO FEAR FROM THE LAW,
8. BUT WE WILL ENSURE THAT THE LAW IS OBEYED.

(=OVER=) (PERSONS WHO.....)

1. { PERSONS WHO VIOLATE "U.S." IMMIGRATION & CUSTOMS LAWS ↗
2. { BY TRAVELLING TO CUBA TO PICK UP PASSENGERS ↗
3. { WILL BE SUBJECT TO CIVIL FINES & CRIMINAL PROSECUTION.
4. FURTHERMORE, BOATS USED TO BRING PEOPLE UNLAWFULLY TO THIS COUNTRY
WILL BE SEIZED.
5. { I HAVE DIRECTED THE VARIOUS LAW ENFORCEMENT AGENCIES ↗
6. { TO TAKE ADDITIONAL STEPS, AS NECESSARY,
7. { TO ASSURE THAT THIS POLICY & THE LAW ARE OBEYED. //

(=NEW CARD=) ("FOUR", IN AN UNPRECEDENTED.....)

1. (FOUR) IN AN UNPRECEDENTED & IRRESPONSIBLE ACT,
2. CASTRO HAS TAKEN HARDENED CRIMINALS OUT OF PRISON ✓
3. AND FORCED BOAT OWNERS TO BRING THEM TO THE UNITED STATES.
4. THUS FAR, OVER 400 SUCH PERSONS HAVE BEEN DETAINED.
5. I HAVE INSTRUCTED THE ATTORNEY GENERAL ✓
6. TO COMMENCE EXCLUSION PROCEEDINGS IMMEDIATELY ✓
7. FOR THESE CRIMINALS & OTHERS WHO REPRESENT A DANGER TO OUR COUNTRY.
8. WE WILL ASK APPROPRIATE INTERNATIONAL AGENCIES ✓
9. TO NEGOTIATE THEIR RETURN TO CUBA.

(=OVER=) ~~██████████~~ (THESE STEPS ARE.....)

1. { THESE STEPS ARE FULLY CONSISTENT WITH THE CONSENSUS ✓
2. { REACHED BY THE 22 NATIONS & 7 INTERNATIONAL AGENCIES
3. { AT THE SAN JOSE CONFERENCE ON MAY 8TH.
4. IN ADDITION, THE SECRETARY OF STATE WILL CONTINUE ✓
CONSULTATIONS WITH OTHER NATIONS ✓
5. TO DETERMINE ADDITIONAL STEPS THE INTERNATIONAL COMMUNITY
CAN TAKE TO RESOLVE THIS PROBLEM.
6. WE WILL SEEK THE HELP OF THE UNITED NATIONS
AND OTHER INTERNATIONAL ORGANIZATIONS AS WELL.

(=NEW CARD=) (THE CUBAN-AMERICAN COMMUNITY.....)

1. { THE CUBAN-AMERICAN COMMUNITY HAS CONTRIBUTED MUCH }
2. { TO MIAMI, TO THE STATE OF FLORIDA, AND TO OUR COUNTRY. }
3. I RESPECT THE DEEP DESIRE TO REUNITE FAMILIES. *ETHNIC*
4. { IN THE INTERESTS OF THAT GREAT & VALUED COMMUNITY, }
5. { AND IN THE INTERESTS OF OUR COUNTRY, }
6. { WE WILL WORK CLOSELY WITH THE CUBAN-AMERICAN COMMUNITY }
7. { TO HELP BRING ABOUT A SAFE & ORDERLY RESOLUTION TO THIS CRISIS. }
8. { I CONTINUE TO BE GREATLY CONCERNED ABOUT THE TREATMENT OF HAITIANS }
9. { WHO HAVE COME TO THIS COUNTRY RECENTLY ON SMALL BOATS. }
10. { I HAVE INSTRUCTED APPROPRIATE FEDERAL AGENCIES TO TREAT }
11. { THE HAITIANS NOW HERE IN THE SAME HUMANE MANNER AS WE TREAT CUBANS
AND OTHERS SEEKING ASYLUM. }

(=OVER=) (OUR LAWS NEVER.....)

1. { OUR LAWS NEVER CONTEMPLATED & DO NOT ADEQUATELY PROVIDE FOR ↘
2. { PEOPLE COMING TO OUR SHORES THE WAY THE CUBANS & HAITIANS HAVE DONE.
3. { I WILL WORK CLOSELY WITH THE CONGRESS ✖
4. { TO FORMULATE A LONG-TERM SOLUTION TO THIS PROBLEM
5. { AND TO DETERMINE THE LEGAL STATUS OF THESE "BOAT" PEOPLE
6. { ONCE THE CURRENT EMERGENCY IS UNDER CONTROL.

#

US Delegation to Intl Labor Conf 5/14/80

ILO

5-14-80

77-80

Pol debate society

2 years - progress

June conf important

Strong delegation

Marshall, Kutznick

Jim Quackenbush ^{US} Rep

Principles / purposes

Positive role → workers

Divert fm recession → ME

Auto Industry Executives/Doug Fraser, etc
Wednesday, May 14, 1980

Auto Ind 5-14-80

Current & future probs
+ recession, hi int rate

No easy solution

Meté Cab - Goldschmidt et

Examine Tax, reg options

Deep concern, Product, Jobs

Work together

Japaner - ^{500mil} invest open mkt

Elim imp tariffs, spare pt

(Toyota) Auto pts 3x 80/78

Poor mouth effects

Meeting with Auto Industry Executives
Doug Fraser, etc.
Wednesday, May 14, 1980

THE WHITE HOUSE
WASHINGTON

Murphy - 200,000 (1/2 GM) = Credit =
Loss 80 2Q = Gas econ = Reg review = Air bag -
Ozone-co - HD truck - bumpers - Anti-Tort
Copy mss → Tap = SBA Loan =
Caldwell - Not for blame = 56% laid off -
truck unprofitable - 79 2Q, 80 1Q net total loss =
Commission - 2.5% mt → for = us layoffs, Tap overtime =
Hi-Alt JACOCCA Tax incentive rules no help - 23,000 dealers
Incl off can '82 4 → 13 mil units in J = Truck tariff
OMA = Domestic Competition
Wing Laws (Calif) = 27% Markt Auto Recd Act
Weyers dealers loss 100/mo = elim overtime
April - sales levelled = Jeep ↓ = Credit #1 Reg
Elim 6, 9, 15% limit = 25% Trucks
McLernon = Scrap old cars = OMA
No protective tariffs - Chicken tariff (25%)
Limit VW imp to 79 level
Fraser = dump ^{perm} 214,000 + ^{Temp} 80,000
Roham auto imports = Passive restraints +
Tax incentive re Δ auto eff re trade-in
Mille Fed seasonal financing → dealer

Meeting to discuss Cuban Refugee Situation
Wednesday, May 14, 1980

THE WHITE HOUSE
WASHINGTON

Boat people - Cuba/Haiti. 5-14-80

Registration office

To UN/OAS - other international

Offer regular Xport

Ship at 12-mi limit → Key West

Air craft - lease

Impose fines (30 days)

seizures

Criminals & others

Rate of entry per mo. 75000/12 mos

PR

Priorities: US int sect

Peruvian

Pol prisoner

Relatives

Asylum/refugees 500 / 1600

Haitian equity

Brief Congress/announce

THE WHITE HOUSE
WASHINGTON

14 May 80

Stu Eizenstat
Jack Watson
Zbig Brzezinski

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

8:00 AM

THE WHITE HOUSE

WASHINGTON

May 13, 1980

①

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT ^{Stu}
JACK WATSON
ZBIG BRZEZINSKI

SUBJECT: Cuban Boat People -- 8 a.m. Meeting
Wednesday, May 14

PURPOSE

The purpose of this memorandum is to review our policies to date regarding the Cuban influx and to propose some new initiatives for your consideration. The memo will be the basis of the meeting which has been scheduled for 8:00 a.m. Wednesday, May 14th.

BACKGROUND

Over the last few weeks, our policy with respect to the Cuban influx has been to:

1. Welcome the Cubans (as you indicated at the League of Women Voters) in the context of an orderly flow.
2. Attempt, through the San Jose Conference, to internationalize the situation and move the issue from a problem between Castro and the United States to a hemispheric or international level.
3. Seek, in conjunction with other nations, to establish an orderly flow with pre-screening outside the U.S., preferably in Cuba.
4. Seek to reduce the boat flotilla (which creates disorder, threatens lives, and makes advance planning difficult) by (a) convincing the Cuban-American community of its dangers and of our intention to safeguard and regularize the flow; (b) modest enforcement of our entry laws (fines and citations but few seizures and no attempt to block boats seeking to go to Cuba.)
5. Provide for immediate needs of asylum applicants, review their claims for refugee status, and assist the voluntary resettlement agencies and state and local agencies involved in providing necessary services.

Electrostatic Copy Made
for Preservation Purposes

We have had some success in internationalizing the issue as a result of the San Jose conference, which did embarrass Castro. It is not clear where it will lead since he has shown no greater inclination to negotiate. At the conference, a three-nation delegation (Britain, Costa Rica and the United States) was created to meet with Castro in an attempt to work out a formula for regularizing the flow. Skepticism was expressed at a Senate Judiciary Committee Hearing this week over the fact that Mexico and other major Central American countries did not participate in this Conference and that no member of this delegation has positive relations with Castro. It is still unclear - though doubtful - that Castro will accept the delegation's formal request to meet with him.

On the domestic side, the Cuban-American Community has resisted our requests to stop or curtail the flow. At the current rate of entry, approximately 50-55,000 Cubans will have arrived in Florida by the end of this week. Our promises to seek an orderly flow have not been enough. The fines (none have been collected) and occasional seizures (nine) have only marginally reduced the number of boats leaving for Mariel. We believe that the flotilla will continue as long as Cuban-Americans believe they can return with long-separated family members or until they are assured that an alternative transport system is in place.

Finally, there is increasing evidence that Castro is using this opportunity to rid the island of persons believed to be "undesirable" -- hardened criminals, the mentally ill, the retarded and persons who are diseased. As a result there is considerable concern within the Cuban-American community about the growing backlash among non-Cuban Americans.

The existing situation cannot continue. While he continues to invite small boats to Mariel, Castro is unwilling to talk directly with us or an international group to regularize the flow. We cannot continue indefinitely to cope with arrivals at the present rate of 13,000 per week. The boat passage is dangerous and requires the presence of a substantial force of Coast Guard and naval vessels for emergency rescue operations (more than 500 have been made to date). At a time of recession and budget stringency, it will be increasingly difficult to justify to the American people considerable new expenditures for people fleeing to our shores. Additionally, the attention the media has focused on the arriving undesirables has contributed to a growing impression of the Administration's helplessness in the face of Castro's cynical and capricious actions.

We believe the time has come to take firm measures both to restrict the boat traffic and to regularize the flow of refugees. We now propose a mix of international and unilateral actions to persuade Castro to accept an orderly flow, or embarrass him if he refuses.

Over the last few days, the following recommendations of next steps have emerged from a series of meetings with State, Justice, and INS.

PROPOSED PACKAGE OF INITIATIVES

1. U.S. Supervised Transport. Announce that the United States will send a chartered vessel to Mariel Harbor to pick up persons wishing to come to the United States and provide their safe transport. As in 1965, pre-screening would be done in Cuba, and we would take up to 75,000 for the next twelve months. Preference would be given certain relatives of U.S. residents, political prisoners, occupants of the U.S. Interest Section in Havana, and persons who sought refuge in the Peruvian Embassy last month.

If Castro refuses to let the ship enter Cuban waters with pre-screening in Cuba (while continuing to invite private boats), we would anchor the ship in international waters and denounce him publicly for refusing to permit an orderly and safe evacuation. While Castro may not agree to an orderly flow, it is not inconceivable that faced with the prospect of dealing directly with the United States, on our terms, he might terminate the flow. In either event, we will have turned the table on Castro to our own advantage.

If he agrees to an orderly evacuation, we can choose, as we did in 1965, to use an airlift instead. The benefit of sending a ship initially is that if he turns it down, we can leave it in international waters for a period afterwards. It would be a dramatic and visible symbol -- to the Cuban community and the world -- of our humanitarian concern and Castro's instability and brutality.

State recommends against sending a ship as it could make us look ineffective if the flotilla continues and it could lead to an incident with the Cubans.

*Equity
Haitians?*

Status Implications. Cubans who have arrived in the U.S. in the last few weeks are being treated as asylum applicants, the same as Haitians. It must be understood that if Castro permits an orderly flow with U.S. pre-screening and transport, it will intensify pressure to treat individuals brought over as entitled to refugee status. Were we to do so, it would have short-term fiscal implications and would undermine our present policy of treating Haitians and Cubans alike. We would propose to also treat those escorted over as asylum-applicants and leave to a later time the determination that would be applicable to all. This determination should also follow consultation with the Congress. In the long run, it may well be that special legislation is the best solution to this problem.

2. Open Registry Office in Miami. To demonstrate to the Cuban-Americans our intention to regularize the flow and to dissuade them from making the trip themselves, we would open up an office in Miami to which Cubans would be invited to report the names of relatives in Cuba seeking to come to the United States. Such an office can be open and operating within 24 hours after a decision.

Our entire package -- from U.S. directed transport to stricter enforcement -- requires a massive outreach campaign to the Cuban-American community. The Registry office can provide the focus for such an effort.

3. Stricter Enforcement Against Boat Traffic. Enforcement of existing immigration and customs laws is not inconsistent with your "open arms" policy. Since we will have offered a safe transport alternative, we believe it is appropriate to significantly strengthen our law enforcement efforts. Whereas boats now returning are merely fined (only nine have been seized), after your announcement, all returning boats would be seized. Thereafter, any boat owner or captain who makes an additional trip will be arrested and subjected to criminal felony prosecution. The law enforcement agencies will assess the effectiveness of these procedures and will implement additional procedures -- preventing boats from leaving the United States -- if necessary and feasible.

Good

Ambassador Palmieri urged strongly that we should now prevent boats from leaving Key West. The Coast Guard stated that several thousand additional personnel would be necessary to implement such a policy. The sense of the group was that we should evaluate the effectiveness of the new procedures before moving to a total interdiction policy.

4. Notification to Boats in Transit or at Mariel. The Coast Guard would notify boats on their way to or waiting at Mariel that a United States ship (or U.S. escorted vessel) was in transit, that their trip was no longer necessary, that more serious penalties would be applied, and encourage them to return immediately.

No forcible attempt would be made to block boats already on their way back, but the sanctions previously announced and presently being enforced -- fines, seizures and prosecution -- would be applied. We could require that these boats discharge their passengers to the chartered vessel, as was done in the 60's. However, it is a dangerous procedure and the Coast Guard recommends against it.

5. Expedite Exclusion Hearings for Criminals, and Other Persons Subject to Exclusion. Criminals and other persons subject to exclusion under the immigration laws may be denied asylum. However, due process requires that they be given exclusion hearings (at which they may be represented by counsel), the results of which may be appealed. Some 425 persons are presently being detained for exclusion hearings; only three have consented to return voluntarily. Assuming the rest are represented by counsel, it could take as much as six months to a year to obtain final orders of exclusion.

It is not clear that Castro or any other nation will accept these undesirables after we obtain exclusion orders. We could, however, ask the UNHCR or another international agency to negotiate their return with Castro. Whatever difficulties exist down the road, we believe the responsible position is to announce that we will not permit Castro to use the United States as a dumping ground and that we will expedite exclusion hearings for those persons now being detained.

ok → While we would also schedule the mentally ill and the retarded for exclusion hearings, we should, in our public announcements, refer only to "criminals and other persons who are not eligible for entry."

6. Coordinate With Other International Efforts. The steps described in this memo should be related to the international efforts we have been pursuing in San Jose and elsewhere over the last ten days. We hope to get the Costa Ricans to formally request negotiations with the Cubans Wednesday morning; we do not expect a Castro response soon. After you have decided on those initiatives -- but before they are announced -- we will inform President Carazo that we view these steps as a further way to encourage Castro to negotiate with the three-country delegation. We should also ask Carazo to inform the other San Jose participants of these steps.

If Castro rejects negotiations, then we should suggest to Carazo that he ask the San Jose participants to attend a follow-up meeting in New York where they would raise this issue in a private conference with the UN Secretary General and petition him to hold a Special UN General Assembly on Mass Exoduses. The terms of reference would be both the specific case of the Cubans and the general issue raised in the Mass Exodus Resolution passed by the UN Human Rights Commission on March 11, 1980. We should also ask the Inter-American Commission on Human Rights and the UNCHR to investigate human rights abuses in Cuba. We should also ask third countries to cooperate in resettlement.

If you agree, we suggest the following schedule:

- o You will be briefed at the Wednesday morning breakfast with us, the Department of State, Justice and the Coast Guard.
- o That we brief the relevant Congressional committees (Judiciary, Foreign Affairs, Appropriations) and leaders of the Cuban community on the package just prior to the time you make your announcement.
- o That you announce the package Wednesday afternoon or Thursday morning. Except where noted above, Victor Palmieri, the Attorney General, the Deputy Secretary of State, Lloyd Cutler and John White all join in these recommendations.

As you can see, these elements do not reflect decisions on the very important issues of assistance to be provided to the new Cubans, assistance to local communities, the legal status of the new Cubans, and the status of the Haitians. While these issues should be resolved quickly they must not prevent us from moving immediately to regularize and control the flow.

THE WHITE HOUSE
WASHINGTON

14 May 80

Frank Moore
Sarah Weddington

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

5/14/80

Mr. President: .

FYI, the Yorktown Committee has invited you to participate in the October, 1981 ceremonies; Phil has declined to make a commitment that far in the future.

Rick

THE WHITE HOUSE

WASHINGTON

April 22, 1980

"Acknowledge"

The Committee?

J

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F.M. MOR*
SARAH WEDDINGTON *SW*

SUBJECT: BATTLE OF YORKTOWN VICTORY CELEBRATION

In October of 1981 this country will celebrate the 200th anniversary of the victory at Yorktown, Va. where Cornwallis surrendered to George Washington. Every fifty years the citizens of Yorktown commemorate this victory with a four day gala celebration.

In the past presidential commissions have been established to organize the celebration and to act as the conduit for generous federal funds. Budget restraints this year and last prevented the establishment of such a commission. Nevertheless, the local citizens have joined with state and federal representatives in forming an ad hoc Bicentennial Committee.

This group has been pursuing various avenues in an attempt to adequately fund the planned events. (In 1931 at the height of the Depression over 400,000 people attended as well as President Hoover and the Governors of all thirteen original colonies.) This ad hoc committee has been working closely with the Departments of State, Defense and Interior. These departments have agreed to support the celebration within present budget constraints.

In addition, a Congressional Joint Resolution calling for a National Day of Celebration will be sent to you shortly. The National Governor's Conference has also adopted a resolution calling for national recognition in 1981 of the victory.

Attached is a letter from you to the Chairman of the Yorktown Committee expressing your support for the celebration. We feel this is necessary to convey an appropriate degree of presidential support to the committee.

THE WHITE HOUSE

WASHINGTON

May 14, 1980

To Mr. McMurrans:

I would like to take this opportunity to acknowledge the Yorktown Bicentennial Committee and to lend my support to the Committee and its endeavors. The Committee's plans to celebrate the victory at Yorktown, Virginia where Lord Cornwallis surrendered to George Washington are commendable.

You have my best wishes for a successful celebration.

Sincerely,

Mr. Lewis McMurrans, Jr.
Chairman
Yorktown Bicentennial Committee
Post Office Box 200
Yorktown, Virginia 23690