

9/17/80 [2]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 9/17/80 [2]; Container 177

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

8:00 AM

THE WHITE HOUSE

WASHINGTON

September 16, 1980

ADMINISTRATIVELY CONFIDENTIAL

CONGRESSIONAL LEADERSHIP BREAKFAST

Wednesday, September 17, 1980

8:00 a.m.

Family Dining Room

From: Frank Moore

I. PRESS PLAN

White House Photographer

II. PARTICIPANTS

See attached list.

**Electrostatic Copy Made
for Preservation Purposes**

III. AGENDA

INTRODUCTION

As the October 4 recess date rapidly approaches, we can expect a flurry of activity on the Hill -- but not necessarily on our priority legislation. You should seize on every opportunity, including this breakfast, to impress upon the Leadership the importance you place on seeing our priority legislation enacted before the election.

Other issues which should be raised at the breakfast include Tarapur, tax cuts, higher education, and pending nominations.

A. PRIORITY LEGISLATION

You should express your appreciation to Speaker O'Neill for his insistence last week that the House finish the rail bill. You should also thank the Majority Leader for his helpful letters to the committee chairmen asking them to avoid reporting out controversial legislation. You should indicate that you were pleased with the progress that was made last week on some of our priority measures and hope that this progress can continue. After quickly running down our priority list (i.e., the list of important pieces

of legislation which require the combined efforts of the White House and the Leadership to ensure passage), you should again indicate that you are ready to help in any way. Special emphasis should be placed on the fair housing bill and the higher education conference. The higher education conference committee resumes deliberation at 6:00 p.m. this evening. We don't have a clear idea at this time of what might occur. You will receive additional information on this issue prior to the breakfast.

B. TARAPUR

Senate floor action on the resolution of disapproval is scheduled for Thursday, and our vote count remains very close. While Senator Byrd has been helpful to us on this issue, Senator Cranston has been working with Senator Glenn to round up votes against us. The main concern in the Senate is that the shipment violates our non-proliferation policy, so the emphasis should be placed on this aspect of the issue.

Talking Points

1. I would appreciate your support in opposing John Glenn's disapproval resolution on my decision to export nuclear fuel to India.
2. Our country has a solemn commitment to ship this fuel under a 1963 agreement which calls upon us to furnish fuel for India's Tarapur reactor. In return, the Indians agreed to maintain international safeguards over our fuel and to obtain our consent before transferring it to third countries or reprocessing it to extract plutonium.
3. Our non-proliferation policy will be seriously damaged if we renege on our agreement and safeguards are removed from this facility. India would then be free to reprocess our spent fuel, thereby producing U.S.-origin plutonium which could be used to make the equivalent of 300 atomic bombs.
4. We have agreed to delay the second of the two shipments in order to monitor the situation over the next year. We will consult with Congress before that shipment goes to India. I believe that this compromise goes far in meeting your concerns without causing us to violate an international agreement. Such a violation would threaten the non-aligned status of India's foreign policy.

C. TAX CUT

Hopefully, you and Secretary Miller will have discussed the tax cut bill before the breakfast. In any event, he will

be in attendance and you will almost certainly want to ask him for his remarks.

Talking Points

1. Senate passage, not to mention passage by both houses, of a tax cut bill either before or after the election would aggravate inflation and would cause interest rates to go up. It is bad economics coming at a time when Democrats can least afford it.
2. A tax cut could seriously harm my campaign as well as the campaigns of several Democratic Members of Congress up for reelection. It would also mean that we would have Democrats fighting Democrats, a situation which would play directly into the hands of Governor Reagan and the Republicans.

D. NOMINATIONS

The Republicans have been using delaying tactics to prevent Senate confirmation of many of your nominations. As a result, there is a large backlog of pending nominations. You should let the Leadership know that you are concerned about the situation and particularly emphasize your interest in seeing your nominations to the Board of the Synthetic Fuels Corporation quickly confirmed. A hearing on the Sawhill nomination is scheduled before the Energy and Natural Resources Committee this Thursday. The six other members of the Board are scheduled for September 24th.

Talking Points

1. I am increasingly concerned about the slow pace in confirming many of my nominations but realize that much of the delay is due to Republican intransigence. I hope that we can break the logjam and get some of these nominations confirmed.
2. I am particularly anxious that my nominations to the Synthetic Fuels Corporation receive quick Senate approval. I was urged by many Members to act quickly in naming individuals to the Board, and now that I've done my part, I expect the Senate to reciprocate. John Sawhill was recommended as Chairman of the Board by several of you, and is well-respected in both the public and private sectors. I believe that my other choices for the Board are judicious and ones which will meet with bipartisan approval.
3. The Synthetic Fuels Corporation is a cornerstone of our national energy policy. The sooner we can put it to work, the greater the inroads we can make in reducing oil imports

and the firmer our ground in countering Republican accusations that we've done little toward attaining energy independence.

E. COUNTERING REPUBLICAN CHARGES

You should emphasize to the Leadership the importance of Democrats forcefully speaking out in support of our legislative record and the goals and ideals of the Democratic Party, particularly in light of the Republican criticism that will be increasingly generated in the coming weeks. You should solicit the Leadership's views on how we can put the information that we are developing to the best use for all Democrats.

Talking Points

1. I, and I expect most of you, have noticed that political attacks on the Democratic Party have picked up markedly this week.
2. It is ridiculous for the Republicans to charge that our party has not developed a solid record of accomplishments over the last 4 years. It is ill-conceived for them to suggest that a Republican President and a Republican Congress -- especially of the Reagan variety -- would be in step with a majority of the American people.
3. If elected, these are the same people who will bring us the repeal of the 55-mile per hour speed limit and whose Party platform is silent on so many things -- such as future increases in the minimum wage, a commitment to Humphrey-Hawkins, expansion of low-income energy assistance, and so on.
4. Together we have begun a process of regularly sending you through the Whip systems our major campaign talking points. My campaign staff will continue to provide this material. We will also continue to provide materials from the White House on official policies.
5. We need to work together to ensure that this material is put to good use for all Democrats. I would appreciate your views and suggestions on how this can be done.

F. MISCELLANEOUS

As you know, the Reagan notebook has been completed. To date, distribution has been limited to senior White House and campaign staff, pending a decision by Hamilton, Jack,

Pat, and Jerry on wider distribution. Congressman Brademas has previously asked for a copy of the book and may repeat his request at the breakfast. While I will try to head off Brademas before the breakfast, you should be prepared to respond in the event this issue is raised.

The campaign has indicated a desire that Senator Magnuson do some campaigning for you in Washington State next week. After the breakfast you should take Senator Magnuson aside and ask him if he would appear with you in Takoma during your visit there on September 23.

CONGRESSIONAL LEADERSHIP BREAKFAST

Wednesday, September 17, 1980

PARTICIPANTS

The President
The Vice President

Senator Robert C. Byrd
Senator Warren G. Magnuson
Senator Alan Cranston
Senator Daniel K. Inouye

Speaker Thomas P. O'Neill, Jr.
Congressman Jim Wright
Congressman Tom Foley
Congressman John Brademas
Congressman Dan Rostenkowski
Congressman Jim Corman

Bill Miller
Stu Eizenstat
Zbig Brzezinski
Jim McIntyre
Al McDonald
Bill Smith
Frank Moore
Bill Cable
Dan Tate
Bob Schule

THE WHITE HOUSE

WASHINGTON

September 16, 1980

MEMORANDUM TO: THE PRESIDENT
FROM: GRETCHEN POSTON *GP*
SUBJECT: RAIN PLAN - SCENARIO FOR SIGNING CEREMONY OF AGREEMENTS BETWEEN THE UNITED STATES AND THE PEOPLES' REPUBLIC OF CHINA AND RECEPTION, SEPTEMBER 17, 1980, 2:15 PM.

2:00 PM Guests arrive Southeast Gate and proceed to East Room via Diplomatic Reception Room.
(If number of guests is 225 or less, they will be seated. If number is closer to the anticipated 500, they will stand for the ceremony with a roped-off area reserved in the front of the room.)

2:15 PM The official Chinese party (approx. 30) and the principals arrive Northwest Gate and proceed to North Portico.
These include: Secretaries Muskie, Miller and Klutznick; Dep. Secretaries Beckham and Williams; Wu Bo, the Chinese Finance Minister; His Excellency, Chai Zemin, the Chinese Ambassador and Bo Yibo, the Vice Premier.
They are escorted to Red Room.
The Vice President arrives Red Room.
Members of Congress arrive West Lobby and are escorted to reserved area in East Room.

2:30 PM The Vice Premier is escorted to Oval Office to meet THE PRESIDENT.

2:35 PM THE PRESIDENT and the Vice Premier arrive State Floor and proceed to Red Room to greet principals.
Principals are escorted to positions behind signing table on East Room platform.

Vice Premier Bo Yibo is announced and escorted to position at signing table on East Room platform.

THE PRESIDENT is announced and proceeds to signing table on East Room platform.
(Table mikes in place for both.)

THE PRESIDENT makes remarks.

THE PRESIDENT and the Vice Premier sign documents. (Officials from the Chinese Embassy and our State Department assist with signing.)

At conclusion of the signing, Vice Premier Bo makes remarks.

At conclusion of ceremony, principals depart.

Guests proceed to reception which follows in State Dining Room (printed in program).

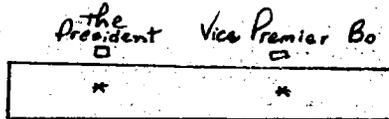
(The Vice Premier's car will be at North Portico.)

3:45 PM

Guests depart Residence.

EAST WALL

Dep. Sec. Bechtel Amb. Askew Sec. Miller His Excl. W. Bo The Vice President Sec. Muskie His Excl. Chai Zemin	Sec. Kutznick Dep. Sec. Williams Amb. Woodcock
--	--



Members of Congress

Official Chinese Party

Announcer
*

East Room doorway

SSC

PLEASE ADD SENATOR GLENN TO THE
PRESIDENT'S BRIEFING PAPER FOR THE
11:45 BOY OF THE YEAR GROUP.

11:45 AM

THE WHITE HOUSE

WASHINGTON

**Electrostatic Copy Made
for Preservation Purposes**

NATIONAL BOY OF THE YEAR

Wednesday, September 17, 1980

11:45 a.m.

The Oval Office

FROM: ANNE WEXLER AW

I. PURPOSE

To present Jace Smith of Massillon, Ohio, with the National Boy of the Year award for his selection by the Boys' Clubs of America and to receive the Boys' Clubs' "Status Report".

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: As Honorary President of Boys' Club of America, the President of the United States traditionally presents the Boy of the Year award to the Clubs' national winner. The Boy of the Year program has been sponsored annually since 1947 by the Reader's Digest Foundation. Scholarship grants are awarded to the five regional winners to further their education.

Locally, Boys' Clubs choose Boys of the Month and Boy of the Year on the basis of service to home, school, church, community and Boys' Club. One exceptional boy is chosen each year to represent the one million Boys' Club members.

Last year, you presented the award to Danny Rolett, from Little Rock, Arkansas.

Prior to their meeting with you, the boys will have had a Congressional Breakfast and a White House tour.

B. Participants: This year's participants will include the 1980 Boy of the Year, Jace Smith, from Massillon, Ohio; the four runners-up, and their local club directors. Jace will be accompanied by his Congressman, Ralph Regula (R-Ohio). Also present will be the Chairman of the Boys' Clubs of America, Albert Cole, and the Vice President of the Reader's Digest Foundation, John Allen, and other Boys' Clubs officials (list attached).

- C. Press Plan: Open press coverage, White House photographer, and Boys' Clubs photographer.

III. AGENDA

This agenda follows the format used in each of the last three years.

- The four regional finalists and the Boy of the Year (fifth in line), accompanied by Congressman Regula, will enter followed by their directors, the adult representatives of Boys' Clubs of America, and the Readers's Digest.
- John Burns, President of Boys' Clubs of America, will give you a plaque which you should then read and present to Jace Smith, Boy of the Year.
- Jace Smith will then present you with a framed poster of the Boys' Clubs' new logo. It has been autographed by the artist, Saul Bass.
- Al Cole, Chairman of the Board of the Boys' Clubs of America, will then present the "Status Report" of the Boys' Clubs.
- You then pose for a photograph with the Boy of the Year and the four runners-up.

IV. TALKING POINTS

1. As Honorary President of the Boys' Clubs of America, I would like to congratulate Jace Smith, the 1980 Boy of the Year, and the runners-up for their service to their community, church, school and Boys' Club.
2. I would also like to commend the Reader's Digest Foundation for its sponsorship of the Boy of the Year contest.
3. Boys' Clubs of America is a congressionally chartered organization dedicated to volunteer service. Its one million members contribute to the health and well-being of the United States.

LIST OF PARTICIPANTS

Jace Smith	Boy of the Year from Massillon, Ohio
James Loughran, Jr.	Runner-up from Greenwich, Connecticut
Gary Andre Dickerson	Runner-up from Decatur, Georgia
Jim Hoerr	Runner-up from Everett, Washington
John "Jay" Reginald Clark, III	Runner-up from North Little Rock, Arkansas
Robert J. Hibbard	Director, Massillon, OH
James Starcher	Director, Greenwich, Connecticut
James Chisolm	Unit Director, Atlanta, Georgia
Donald F. Uglum	Director, Everett, Washington
Jim Wetherington	Executive Director, North Little Rock, Arkansas
Albert Cole	Chairman, Boys Clubs of America
John Lawrence Burns	President, BCA
Martin Bud Seretean	Government Relations, BCA
William Rudolph Bricker	National Director, BCA
John M. Allen	Vice President, Readers Digest
David F. Wynn	BCA
Joan R. Licursi	BCA
Evan McElroy	BCA Photographer
Richard Miller	BCA
Morris Semiatin	BCA Photographer
Mike Perangelo	BCA

11:30 AM

CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.

2000 L STREET, N.W., WASHINGTON, D.C. 20036

(202) 887-4700

Robert S. Strauss, Chairman
Tim Kraft, National Campaign Manager
S. Lee Kling, Treasurer

September 16, 1980

**Electrostatic Copy Made
for Preservation Purposes**

MEMORANDUM TO THE PRESIDENT

FROM: Robert S. Strauss *R.S.S.*
THRU: Rick Hutcheson
RE: Meeting with former Governor Edwin Edwards of Louisiana
DATE: September 17, 1980, Wednesday
TIME: 11:30 a.m.
PLACE: Oval Office

I. Purpose

To indicate importance of Governor Edwards' active support, particularly in Louisiana campaign.

II. Participants, Background, Press

A. Participants

The President, Robert S. Strauss, Governor Edwin Edwards.

B. Background

Governor Edwin Edwards left office early this year after two terms as a very popular governor. Barred by law from a third successive term, Edwards stepped down with an approval rating of roughly 80 percent, and with about \$1 million in his campaign treasury. Reportedly, Edwards will run again for governor in 1983.

At a later date, Edwards will be announced as Chairman of the Carter/Mondale campaign in Louisiana, and he has agreed to host a fundraising event October 21. He is the key Democratic fundraiser in Louisiana, with excellent ties to the business community, particularly the oil industry. Edwards has a broad reach and can bring in funds from groups and individuals that are not normally active in politics, and his support is crucial to our efforts in the state.

C. Press

None. White House photographer.

III. Talking Points

1. Thank him for coming to Washington, and for his past support.
2. Stress importance of Louisiana to campaign.
3. Stress his personal importance to Louisiana campaign, and our need for his active and strong support.
4. Stress that you personally will not forget his help in this campaign.

11:50 AM

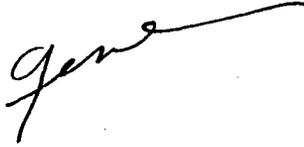
THE WHITE HOUSE
WASHINGTON

September 16, 1980

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

FROM: GENE EIDENBERG



SUBJECT: Photo Opportunity for Dallas County
Commissioner Roy Orr, 11:50 a.m.

Purpose. The purpose of this meeting is to greet Roy Orr who was elected President of the National Association of Counties (NACo) last July.

Background. Roy is in town to make courtesy calls in his official capacity as President of NACo. The Texas Delegation is hosting a reception in his honor later in the evening.

You have just signed the papers to appoint Roy to a two year term on the Advisory Commission on Intergovernmental Relations. An official announcement will be made within a week.

Roy has been active in Texas politics for several years. He is a former school board chairman and Mayor of Desoto, a Dallas suburb. For the past eight years he has served as a Dallas County Commissioner and was Chairman of the State Democratic Executive Committee for one year.

Roy is an outspoken supporter of yours and is actively working for your re-election. He is proud of his close relationship with Bob Strauss.

Participants. Michael Lunceford, Administrative Assistant to Roy Orr and Bernie Hillenbrand, Executive Director of NACo.

Press. There will be photographers from AP, UPI and the White House present at the meeting.

Suggested Talking Points

- o Congratulations on your election as President of NACo. I look forward to working with you in the coming year.
- o You appreciate his personal support of you.
- o You have just signed the papers for his appointment to the Advisory Commission on Intergovernmental Relations and it will be officially announced in the next few days.
- o Although this is a government event, you might ask him how the campaign is going in Texas.

11:55 Am

THE WHITE HOUSE

WASHINGTON

September 15, 1980

PHOTO OPPORTUNITY FOR CONGRESSMAN DON ALBOSTA
ORMOND DANFORD

Wednesday, September 17, 1980
11:55 a.m. (2 minutes)
The Oval Office

From: Frank Moore



I. PURPOSE

To be photographed with Congressman Don Albosta (D-Mich.), Ormond Danford, Forester of the Year, and Richard Lewis, President of the American Forest Institute.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: "Forester of the Year" is an annual award given to the outstanding tree farmer in America by the American Forest Institute. This year's winner is Ormond Danford, a former circuit court judge from Michigan.

Rep. Albosta, himself a farmer, represents Michigan's tenth district, which is known for its lush forests.

Participants: The President, Congressman Albosta, Ormond Danford, his wife Madge Danford, and John Caulkins, Executive Director fo the Michigan Forest Products Council.

Press Plan: full press, White House photographer

**Electrostatic Copy Made
for Preservation Purposes**

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

C
/

September 16, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: Stephen M. Goldfeld *SS*

Subject: Housing Starts

Data on housing starts in August -- to be released by the Bureau of the Census tomorrow at 2:15 p. m. -- continue to show strength. Housing starts rose a healthy 12 percent, from 1,249 thousand units in July to 1,399 thousand units in August.

From their low point in May, housing starts have now risen 54 percent, and have contributed to a more favorable outlook for the economy. But, as Charlie Schultze has previously indicated, we continue to be concerned that the upcreep in mortgage interest rates may slow the future recovery in housing.

**Electrostatic Copy Made
for Preservation Purposes**

TALKING POINTS FOR THE RUSSELL LONG MEETING

At no point should there be any implication that Long and his Committee have acted irresponsibly. Also, his pre-eminence in tax matters in the Congress should be readily acknowledged.

1. You feel very strongly that enacting the tax cut bill before the election is both good politics and good economics. I feel at least equally strongly that this is neither.

2. Senate action on, not to mention passage of, a tax cut bill before the election would aggravate inflation and would send up interest rates. Rather than speeding the economic recovery, it would push it back. As President, I have to oppose the cut for now as a real danger to the welfare of our country.

3. Politically, I cannot change my mind if I were inclined to. I cannot acquiesce if I were inclined to. In fact, I neither want nor am inclined to. I know I am right politically.

4. You and your Democratic colleagues on the Committee have acted in good faith; you feel that an immediate tax cut is in the national interest. The Senate Republicans do not care whether it is or not. They care only about one thing -- getting themselves out of the corner that they and Gov. Reagan have appointed themselves into with the Kemp-Roth proposal. They see this tax cut bill as both an escape mechanism and as a means of giving themselves a degree of credibility they had never dreamed of.

5. In the next few days you can irreparably damage the re-election chances of both myself and, I venture to say, several other Democrats. If you pursue your present course, I have no choice economically and politically but to fight you. The Republicans will simply sit back and gloat.

6. You have some formidable weapons in your arsenal. You have a unanimous Committee behind you. You have virtually every Republican in the Senate on your side. You have 24 nervous Democrats who are up for re-election considering whether they should hedge their bets. You can win. But even if you do not, you will not be harmed. You have already won your campaign. I have not and I have an uphill fight. If the most powerful Democrat in Congress defies me on this fundamental economic issue, only Governor Reagan will benefit. I may win, but the price will be too costly.

7. I need your help. I must ask you to consider the consequences if you do not.

THE WHITE HOUSE
WASHINGTON

9/17/80

ARNIE MILLER

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

Rick Hutcheson

United States Senate
Office of the Majority Leader
Washington, D.C. 20510

September 11, 1980

The President
The White House
Washington, D. C.

Dear Mr. President:

We are writing to inform you that today, in accordance with Public Law 90-206 creating the Commission on Executive, Legislative, and Judicial Salaries, the following individuals were designated by the Senate to be members of this Commission:

Edward P. Morgan
Practicing Attorney, Washington

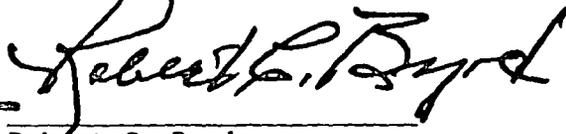
Robert P. Griffin
Former U. S. Senator

With best wishes, we are

Sincerely yours,



Howard H. Baker, Jr.
Minority Leader



Robert C. Byrd
Majority Leader

ADMINISTRATIVELY
CONFIDENTIAL
NODIS

THE WHITE HOUSE
WASHINGTON

September 17, 1980

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER *LC*
SUBJECT: Response to House Resolution 745

1. Your response to House Resolution 745, calling for information with respect to the Billy Carter matter, is due today. Attached is a transmittal letter for your signature. As the letter indicates, we are simply incorporating by reference your August 18 Statement to the House of Representatives and are providing a Supplemental Counsel's Report concerning those few items which have come to light since August 18.
2. A draft of the Supplemental Report is also attached. The only reference to your activities which has not previously been submitted to either the House or the Senate is the description on page 1 of your meeting with Billy Carter on the tennis court on June 11, 1980. The tennis court meeting was described by Billy Carter in a New York Times interview (attached). According to the interview, Billy said that he exchanged pleasantries with you but had not discussed the Libya payments at that time. I also referred to the meeting in my testimony before the Senate Subcommittee (attached). Is the description in the Supplemental Report accurate to the best of your recollection?

 ✓ Approve transmittal letter.

 ✓ Approve Supplemental Report.

[Handwritten signature]

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

ACTION
FYI

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

VICE PRESIDENT
JORDAN
CUTLER
DONOVAN
EIDENBERG
EIZENSTAT
MCDONALD
MOORE
POWELL
WATSON
WEDDINGTON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE

ANDRUS
ASKEW
BERGLAND
BROWN
CIVILETTI
DUNCAN
GOLDSCHMIDT
HARRIS
HUFSTEDLER
LANDRIEU
MARSHALL

MILLER
MUSKIE
AIELLO
BUTLER
CAMPBELL
H. CARTER
CLOUGH
FIRST LADY
HARDEN
HERTZBERG
HUTCHESON
KAHN
MARTIN
MILLER
MOE
MOSES
PETERSON
PRESS
RECORDS
SANDERS
SHEPPARD
SPE' TH
STRAUSS
TORRES
VOORDE
WISE

9-17

9-17

THE WHITE HOUSE
WASHINGTON

9/16/80

Mr. President:

DPS concurs with OMB.

Rick

UNCLASSIFIED

Sent 12:00 Washington time
4:00
Received 11:46 pm Washington
12:46 pm - Local time

VOO WTE1
DE WTE #6789 2591655
O 151631Z SEP 80
FM STU EIZENSTAT
TO SUSAN CLOUGH FOR THE PRESIDENT
ZEM
UNCLAS WH06789

12:45 pm - She E. Janshoff
11:41 (xsc)

THE WHITE HOUSE
WASHINGTON

SEPTEMBER 15, 1980

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT
JIM MCINTYRE
CHARLIE SCHULTZ

SUBJECT: FEDERAL SUPPLEMENTAL BENEFITS (FSB)

IT IS CRITICAL THAT A DECISION BE MADE AS SOON AS POSSIBLE TODAY ON THE FSB PROGRAM. CONGRESSMAN JIM CORMAN (D. CALIF.) HAS SCHEDULED HEARINGS ON OUR PROPOSAL ON WEDNESDAY AND IS COMMITTED TO REPORTING OUT A BILL THIS WEEK. WE MUST GET LEGISLATION TO THE HILL TODAY OR JEOPARDIZE ANY CHANCE THIS PROGRAM MAY HAVE IN THE FEW REMAINING DAYS BEFORE THE OCTOBER RECESS.

WE HAVE TAKEN ANOTHER LOOK AT THE 6 MONTH NATIONAL FSB PROGRAM WE PROPOSED TO YOU ON SATURDAY AS THE ALTERNATIVE TO A MORE TARGETED PROPOSAL. IF YOUR PREFERENCE IS BROAD COVERAGE, AS YOUR NOTE INDICATES AND YOUR POLITICAL ADVISORS STRONGLY URGE, A TWO QUARTER NATIONAL FSB PROGRAM IS THE ONLY FEASIBLE OPTION. THE BEST WAY TO REDUCE COSTS IN THAT OPTION IS TO INTRODUCE A "WEEKS OF WORK" REQUIREMENT FOR THE NATIONAL PROGRAM, RATHER THAN RELY ON THE INDIVIDUAL STATE STANDARDS.

BETWEEN \$300 AND \$400 MILLION CAN BE SAVED BY PAYING FSB BENEFITS ONLY TO THOSE INDIVIDUALS WHO WORKED AT LEAST 32 WEEKS IN THE YEAR BEFORE THEY WERE UNEMPLOYED. THIS IS A FEATURE OF THE STATE TARGETED PROGRAM PROPOSAL AND HAS THE EFFECT OF TARGETING BENEFITS ON THOSE WORKERS WITH THE STRONGEST ATTACHMENT TO THE LABOR FORCE.

WITH THE ADDITION OF THIS PROVISION A 6 MONTH NATIONAL PROGRAM WOULD NOW COST BETWEEN \$1.25 AND \$1.39 BILLION. THE EARLIER PROPOSAL WOULD HAVE COST BETWEEN \$1.5 AND \$1.8

END OF PAGE 01

UNCLASSIFIED

Move on National
FSB program
ok to impose
32-week work
requirement, &
tighten up in
other ways if
possible J

UNCLASSIFIED

Sept 12:00 Washington time

Received 11:40 pm Washington time

12:40 pm - Local time

BILLION. WE ALL RECOMMEND THIS CHANGE AND RAY MARSHALL CONCURS.

ATTACHED ARE ANSWERS TO THE QUESTIONS YOU RAISED WITH STUART LAST NIGHT.

1. HOW LONG CAN SOMEONE COLLECT BENEFITS?

BOTH THE TARGETED AND NATIONAL FSB PROGRAMS WE HAVE PROPOSED ARE DESIGNED TO HELP THOSE INDIVIDUALS WHO EXHAUST THEIR REGULAR UNEMPLOYMENT BENEFITS (UP TO 26 WEEKS) AND THEIR EXTENDED BENEFITS (UP TO 13 WEEKS) AND ARE STILL UNABLE TO FIND A JOB. THE REGULAR AND EXTENDED BENEFITS PROGRAM ARE PAID FOR OUT OF EMPLOYER FINANCED TRUST FUNDS. THE FSB PROGRAM FINANCED OUT OF GENERAL REVENUES, WOULD PROVIDE UP TO 13 WEEKS OF ADDITIONAL COVERAGE. THUS, UNDER THE THREE PROGRAMS UP TO 52 WEEKS OF BENEFITS COULD BE PAID.

2. WHAT EFFECT DOES THE TERMINATION DATE HAVE ON THE PAYMENT OF BENEFITS?

TERMINATION DATES HAVE BEEN PROPOSED FOR BOTH THE TARGETED (DECEMBER 31, 1981) AND THE NATIONAL (MARCH 31, 1981) FSB PROGRAMS. NO BENEFITS CAN BE PAID AFTER THIS DATE. THUS, AN INDIVIDUAL COULD BECOME ELIGIBLE FOR 13 WEEKS OF NATIONAL FSB BENEFITS ON MARCH 1ST BUT ONLY COLLECT 4 WEEKS -- NOT 13 WEEKS. IF A PERSON'S BENEFITS EXPIRED ON MARCH 30 HE WOULD GET ONLY ONE DAY'S COVERAGE -- NOT 13 WEEKS. THIS WAY OF HANDLING ENDING OF BENEFITS IS SIMILAR TO THE CURRENT EXTENDED BENEFIT PROGRAM WHEN THE NATIONAL TRIGGER GOES OFF.

3. WHY NOT PROPOSE A ONE QUARTER NATIONAL PROGRAM THAT WOULD END ON DECEMBER 31, 1980?

ANY ADVANTAGE THAT A ONE QUARTER PROGRAM OFFERS IN COST SAVINGS WOULD BE QUICKLY LOST. THE REAGAN CAMP AND REPUBLICANS ON THE HILL WOULD CHARGE US WITH PLAYING POLITICAL ROULETTE WITH THE UNEMPLOYED. CONGRESS WILL HAVE ADJOURNED AND WOULD HAVE NO CHANCE TO CONSIDER AN EXTENSION OF THE PROGRAM. THE UNIONS OBJECT THAT BOTH THE 6 MONTH AND THE YEAR LONG PROGRAM END TOO SOON. THEY WOULD SURELY BE OPPOSED IF WE NOW WERE TO PROPOSE A 3 MONTH PROGRAM. THE PROGRAMMATIC LOGIC OF PROPOSING A MORE TAILORED PROGRAM POST JANUARY, WHEN THERE IS MORE TIME AND WE KNOW MORE ABOUT THE ECONOMY WOULD BE LOST WITH A ONE QUARTER PROGRAM.

Move on National
FSB program
to impose

32-week work
requirement, &
tighten up in
other ways if

UNCLASSIFIED

UNCLASSIFIED

3. 12. 1980
Received 11:40 pm
12:40 pm - local time

4. WON'T UNEMPLOYMENT STILL BE HIGH ON THE FIRST OF APRIL?

IN COSTING THESE PROGRAMS WE USED TWO UNEMPLOYMENT ESTIMATES -- THE MID-SEASON ASSUMPTIONS, ADJUSTED FOR THE EFFECTS OF YOUR RECOVERY PROGRAM AND A LOWER PATH. BOTH ESTIMATED SHOW UNEMPLOYMENT COMING DOWN IN THE THIRD QUARTER. CEA NOW BELIEVES AN INTERMEDIATE PATH BETWEEN THE HIGH AND LOW IS MOST LIKELY. GIVEN THE UNCERTAINTY OVER UNEMPLOYMENT NEXT YEAR, A 6 MONTH PROGRAM WILL ALLOW US TO TAILOR A PROGRAM FOR THE LATTER HALF OF 1981 BASED ON AN OFFICIAL FORECAST. IF UNEMPLOYMENT WARRENTS, IT WOULD BE POSSIBLE TO PROPOSE A MORE TARGETED PROGRAM AFTER THE FIRST OF THE YEAR THAT WOULD INTRODUCE SOME OF THE STRU WURAL CHANGES WE INITIALLY SOUGHT.

0834
#6789

UNCLASSIFIED

THE WHITE HOUSE
WASHINGTON

September 16, 1980

MEMORANDUM FOR THE PRESIDENT

**Electrostatic Copy Made
for Preservation Purposes**

FROM: Dan Tate
SUBJECT: Senator Russell Long

This morning you meet with Senator Long. We requested this meeting on an urgent basis because all else has failed.

We had hoped that if Long had won his primary last Saturday, his enthusiasm for pushing the Finance Committee tax cut bill before the November election would wane. It has not. In fact, he returned to Washington on Monday more determined than ever to get Senate action on that measure as soon as possible. We had hoped that Senator Byrd, Senator Hollings, and Senator Bentsen would be able to dissuade him. They have not. In fact, Senator Bentsen is now his ally; Senator Hollings now is showing signs of indifference; and Senator Byrd is becoming nervous because of Long's insistence. We had hoped that Bob Strauss, a good and respected friend of Long, could talk some political sense into Long, but he too was unsuccessful in two recent conversations. We had hoped that Secretary Miller could explain to Long that mere action on the tax cut bill before the election could adversely affect inflation and interest rates and these serious economic consequences could be devastating to our reelection as well as the campaigns of various Democratic Senators and House members. That did not work either.

Long believes sincerely that the tax cut bill is both good economics and good politics. At least in part, he feels it is good economics because by passing the bill quickly and making it effective on January 1st, we will have given individuals and businesses time to plan for the entire calendar year and also the recovery will be hastened by several months. He is not convinced by Paul Volcker's and Bill Miller's arguments that the markets would react unfavorably at least in the short term thus aggravating inflation and causing interest rates to rise. He is convinced at least in part that it is good politics because he just returned from a victorious campaign in which he found that 70% of the people favored a tax cut and in which he promised tax relief if elected. Therefore, he believes that he is an expert on the real political world.

The Senator has been working very, very hard to convince his colleagues that they should follow his lead. We have some allies and potential allies but they are either overwhelmed by Long's persistence and zeal or they are so scared (those who are up for reelection) that they are listening to anyone who has just run a successful campaign or they are reluctant to go against the Chairman of the Finance Committee who will be around for another 6 years and in favor of a President who may not be re-elected. Undoubtedly some see that Long has the support of virtually every Republican and that number (40+) combined with the Democrats on the Finance Committee who unanimously voted with Long amounts to almost 50 votes -- enough to win in the Senate regardless of how they themselves vote, so why not follow the path of least resistance?

Obviously, Long has built up quite a head of steam. He is working this issue as if his reelection depended on it and he has the zeal of a missionary. Frankly, he is an intimidating force in the Senate when he gets like this, which explains why he has been met with so little opposition from such people as Senator Byrd and Senator Bentsen. This too is why I would like to have avoided getting the two of you together -- not that I fear that you will be intimidated but because he tends to be more effusive and seemingly less rational at times such as these. Usually, he winds himself down after a while, but we simply cannot wait on this to happen in this instance. With every hour that passes, he is digging himself and us deeper into a hole.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 16, 1980

FOR : JODY POWELL
FROM : AL MCDONALD *Al*

While I think the attached draft does a good job of relating to the audience, I think we lack those few catchy lines that the networks will be forced to show of the President's remarks. It seems to me that the key message of those few lines should underscore the stark contrast between Ronald Reagan and Jimmy Carter on this vital foreign policy subject.

We might be able to assure that snatch of videotape by inserting after the first sentence in the last paragraph something like the following:

"The focus of my efforts has been to put behind us the divisions, doubts, and suspicions that have thwarted our mutual interests. With these agreements, we will move forward together into a new era of cooperation, mutual respect and steady progress in our relationship."

Mr. President,

I have given you a clean copy; a copy with my editing suggestions. Insert A is an attempt to deal with the need described above. That insert and the one on Ford (p. 5) have been cleared with Roger Sullivan of the NSC.

THE WHITE HOUSE
WASHINGTON

September 16, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
Rick Hertzberg

SUBJECT: Presidential Speech:
US-China Agreements
Signing Ceremony

Scheduled delivery:
Wed, Sept 17, 2:30 p.m.
State Floor

Your remarks for this signing ceremony are attached.

Copies have been sent to Pat Caddell and Jerry Rafshoon. Jody will write his comments on this original before giving it to you.

Clearances

Stu Eizenstat
Anne Wexler
Zbigniew Brzezinski
State Dept
Ray Jenkins

[Salutations will be updated
by Allison Thomas no later
than 10:30 a.m. Wednesday.]

Hertzberg
Draft A-1; 9/16/80
Scheduled Delivery:
Wed, 9/17, 2:30 p.m.

Remarks for U.S.-China signing ceremony

Vice Premier Bo, Mr. Ambassador, distinguished guests,
friends:

I am delighted to welcome you, Mr. Vice Premier, and
your delegation to the White House. You are among friends.

We are here today to share some good news with each
other. With the four agreements we are about to sign, the
normalization of relations between the United States and the
People's Republic of China is at last complete.

What we have accomplished together in the less than two
years since the beginning of diplomatic relations between
our countries has been extraordinary. But as I said when
Vice Premier Deng Xiaoping was here in January 1979, our aim
is to make these exchanges not extraordinary but ordinary --

in other words, to make the benefits of this new relationship a routine part of the everyday lives of the Chinese and American peoples.

That is exactly what these four agreements will do.

Let me say a brief word about each of them.

¶ First, the civil aviation agreement. This agreement will mean regularly-scheduled, direct flights between the United States and China -- beginning in the very near future. I have instructed the Civil Aeronautics Board to move quickly to name the first of the two U.S. airlines which, along with Chinese carriers, will fly the new routes. If any of you happen to find yourselves at the airport in New York or Los Angeles or San Francisco or Honolulu a few months from today, you are likely to hear flights announced for Shanghai and Beijing as well as London and Paris. Many of you will be boarding those flights.

¶ Second, the maritime agreement. For the first time in more than 30 years, all U.S. ports will be open to Chinese merchant ships. American ships will have access to all Chinese ports of call -- also for the first time. This will mean a stronger American maritime industry. It will mean revenue for U.S. shippers from the growing Chinese market for American goods. And it will mean more trade and commerce between China and the United States.

¶ Third, the textile agreement. By permitting orderly marketing in this country of Chinese textile products, this agreement will benefit American retailers and consumers without damaging our own textile industry, which was represented in the negotiations. American shoppers will soon be able to buy clothes made of cotton grown in America, spun and woven in China, and sewn, perhaps, back here in America.

¶ The fourth agreement is the consular convention. It

spells out the duties of consular officers in providing services to citizens of both countries.

One immediate benefit is to ensure the protection of the rights and interests of American citizens in China. We have two consulates in China already, and now we will open three more. These offices will promote trade, travel, and cultural and educational exchange. They will serve the needs of the hundreds of thousands of Americans who will be visiting China in the next few years.

On this side of the Pacific Ocean, China now has two consulates in the United States -- one in San Francisco and one in Houston. Soon, thanks to this agreement, there will be new Chinese consulates in New York, Chicago and Honolulu as well.

These agreements are the fruit of some very hard work. A year ago, when Vice President Mondale visited China, both sides pledged to try to complete the political and legal

framework of normalization by the end of 1980. We have met that goal with three and a half months to spare. The negotiators on both sides deserve the thanks and appreciation of us all.

So much has happened since the decision to re-establish normal ties between our two great nations that it is hard to believe how short the time has been -- just 21 months. I feel privileged to have been able to lead our nation in taking this step, together with the leaders of the People's Republic of China. I consider it one of the most important achievements of my Presidency -- but it is an achievement with a bipartisan history. President Nixon concluded the Shanghai Communique of 1972, explicitly pointing toward full normalization as the goal. My Administration took the decisive steps which made that goal a reality.

One result has been the astonishing outburst of activity by private and public organizations on both sides to rebuild

human contacts between our peoples after 30 years of near-total mutual isolation. Another was the establishment of the Joint Economic Committee, which is meeting here this week under the co-chairmanship of Vice Premier Bo and Secretary Miller. Our economic ties, like our cooperation in science and technology, grow broader and closer every day. Trade between the U.S. and China this year will be nearly four times what it was in 1978. China will buy some \$3 billion worth of American goods. That means jobs for American workers and opportunities for American businesses. And it means help for China's efforts to modernize and develop her economy.

Almost 700,000 Americans trace their roots to China. There are strong bonds of kinship and history between the United States and China. Yet both countries have acted not out of sentiment, but out of mutual interest.

In a few moments, normalization will be a fact. But

this does not mean there will be no further progress in the years ahead. We are building something together -- not an alliance, but a broadly-based consultative relationship that will enable us to expand our cooperation more and more as the years go by.

Both of us will gain from this relationship. So, I firmly believe, will the peace of the world. America and China, so recently at odds, have shown the world something about the possibilities of peace and friendship. In a world that badly needs a good deal more of both, that is an achievement to be proud of.

#

2:30 PM

C

THE WHITE HOUSE
WASHINGTON

September 17, 1980

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

FROM: GENE EIDENBERG *Gene*

SUBJECT: Mayor Jane Byrne's Participation in
U. S./China Trade Agreement Signing
Ceremony

As a part of the signing of the U.S./China Trade Agreements, the mayors of the affected cities were invited to the White House for the ceremony. Mayor Byrne has accepted the invitation and will be present. No other mayor was able to accept.

In addition to Mayor Byrne, Chicago will be represented by former Lt. Gov. Neil Hartigan. Neil is an officer of the First National Bank of Chicago which will have banking interests in China.

This will be the first occasion for the Mayor to be at the White House since her endorsement of Senator Kennedy last fall. The political press will be focused on any meeting or conversation you and the Mayor may have during this ceremony.

Jack, Jim Johnson and I all agree the tenderness of the Daley-Byrne fight in Cook County and its potential impact on your race suggest the following:

- The Mayor will be one of many people observing the signing ceremony in the Rose Garden and your paths may not cross. If you do meet, we advise against any special show of affection or attention to her;
- You can thank her for her support. Yesterday after greeting the First Lady at Midway Airport, she told the press the primaries are over and that she is working to elect the entire Democratic ticket;
- She continues to be very unpopular and controversial in Chicago. We need to be careful that we are not perceived in Chicago as leaning too heavily on her for support. At the same time, we want to be in the posture of enlisting the efforts of all Democrats in the campaign effort.

Al McDonald

*Susan
ok
J*

THE WHITE HOUSE
WASHINGTON

September 16, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
Rick Hertzberg

SUBJECT: Presidential Speech:
US-China Agreements
Signing Ceremony

Scheduled delivery:
Wed, Sept 17, 2:30 p.m.
State Floor

Your remarks for this signing ceremony
are attached.

Copies have been sent to Pat Caddell
and Jerry Rafshoon. Jody will write
his comments on this original before
giving it to you.

Clearances

Stu Eizenstat
Anne Wexler
Zbigniew Brzezinski
State Dept (MIKE ARMACOST)
Ray Jenkins

**Electrostatic Copy Made
for Preservation Purposes**

September 17, 1980

Insert (A)

THAT RELATIONSHIP IS A NEW AND VITAL FORCE FOR PEACE AND STABILITY ON THE INTERNATIONAL SCENE. IN ADDITION, IT HOLDS THE PROMISE OF EVER-INCREASING BENEFITS IN TRADE AND OTHER EXCHANGES FOR BOTH THE U.S. AND THE PEOPLE'S REPUBLIC OF CHINA. I AM PERSONALLY COMMITTED, MR. VICE PREMIER, TO THE PROPOSITION THAT OUR RELATIONSHIP WILL NOT BE UNDERMINED BUT STRENGTHENED. BOTH THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA HAVE MADE FIRM AND WRITTEN COMMITMENTS WHICH FORM THE BASIS OF THIS

RELATIONSHIP. ^{They} ~~THESE~~ COMMITMENTS WILL BE HONORED. ~~BY BOTH GOVERNMENTS~~

These commitments have the support of the people of the U.S. and the PRC, and

[Salutations will be updated
by Allison Thomas no later
than 10:30 a.m. Wednesday.]

Hertzberg
Draft A-1; 9/16/80
Scheduled Delivery:
Wed, 9/17, 2:30 p.m.

Remarks for U.S.-China signing ceremony

Vice Premier Bo, Mr. Ambassador, distinguished guests,
friends:

I am delighted to welcome you, Mr. Vice Premier, and
your delegation to the White House. You are among friends.

We are here today to share some good news with each
other. With the four agreements we are about to sign, the
normalization of relations between the United States and the
People's Republic of China is at last complete.

insert  What we have accomplished together ~~in the less than two~~
~~years~~ since the beginning of diplomatic relations between
our countries has been extraordinary. ^{2 3} But as I said when
Vice Premier Deng Xiaoping was here in January 1979, our aim
is to make these exchanges not extraordinary but ordinary --

in other words, to make the benefits of this new relationship a routine part of the everyday lives of the Chinese and American peoples.

That is exactly what these four agreements will do.

Let me say a brief word about each of them.

¶ First, the civil aviation agreement. This agreement will mean regularly-scheduled, direct flights between the United States and China -- beginning in the very near future. I have instructed the Civil Aeronautics Board to move quickly to name the first of the two U.S. airlines which, along with Chinese carriers, will fly the new routes.

~~[If any of you happen to find yourselves~~ at the airports in New York or Los Angeles or San Francisco or Honolulu a few months from today, ^{we will hear} ~~[you are likely to hear]~~ flights announced for Shanghai and Beijing as well as London and Paris. ~~[Many of you will be boarding those flights.]~~

¶ Second, the maritime agreement. For the first time in more than 30 years, all U.S. ports will be open to Chinese merchant ships^{and} American ships will have access to all Chinese ports of call, -- ~~[also for the first time]~~ This will mean a stronger American maritime industry. It will mean revenue for U.S. shippers from the growing Chinese market for American goods, ^{and growing} ~~(And it will mean more)~~ trade and commerce *will benefit the people of both* ~~between China and the United States.~~ *with grow.* 4 } 5

¶ Third, the textile agreement. By permitting orderly marketing in this country of Chinese textile products, this agreement will benefit American retailers and consumers without damaging our own textile industry, which was ^{fully} represented in the negotiations. ~~American shoppers will soon be able to buy clothes made of cotton grown in America, spun and woven in China, and sewn, perhaps, back here in America.~~

¶ The fourth agreement is the consular convention. It

spells out the duties of consular officers in providing services to citizens of both countries. } 6

One immediate benefit is to ensure the protection of the rights and interests of American citizens in China. We have two consulates in China already, and now we will open three more. These offices will promote trade, travel, and cultural and educational exchange. They will serve the needs of the hundreds of thousands of Americans who will be visiting China in the next few years.

On this side of the Pacific Ocean, China now has two consulates in the United States -- one in San Francisco and one in Houston. Soon, thanks to this agreement, there will be new Chinese consulates in New York, Chicago and Honolulu as well. } 6 7

These agreements are the fruit of some very hard work.

A year ago, when Vice President Mondale visited China, both ^{nations} ~~sides~~ ^{an effort} pledged ~~to try~~ to complete the political and legal

framework of normalization by the end of 1980. We have met that goal with three and a half months to spare. The negotiators on both sides deserve the thanks and appreciation of us all.

~~[So much has happened since the decision to re-establish normal ties between our two great nations that it is hard to believe how short the time has been just 21 months.]~~ I am ~~feel~~ privileged to have been able to lead our nation in taking this step, ~~[together with the leaders of the People's Republic of China.]~~ I consider it one of the most important achievements of my Presidency -- but it is an achievement with a bipartisan history. President Nixon concluded the Shanghai Communique of 1972, ^{and} ~~explicitly pointing toward full normalization as~~ *Pres. Ford accepted and supported the principles of that communique.* ~~the goal.~~ My Administration took the decisive steps which made that goal a reality.

One result has been the ~~astonishing outburst of~~ activity by private and public organizations on both sides to rebuild

human contacts between our peoples after 30 years of near-total mutual isolation. Another was the establishment of the Joint Economic Committee, which is meeting here this week under the co-chairmanship of Vice Premier Bo and Secretary Miller. Our economic ties, like our cooperation in science and technology, grow broader and closer every day. Trade between the U.S. and China this year will be nearly four times what it was in 1978. China will buy some \$3 billion worth of American goods. That means jobs for American workers and opportunities for American businesses. And it means help for China's efforts to modernize and develop her economy.

Almost 700,000 Americans trace their roots to China.

There are strong bonds of kinship and history between the United States and China. Yet both countries have acted not out of sentiment, but out of mutual interest.

In a few moments, normalization will be a fact. ~~But~~

~~this does not mean there will be no further progress in the~~
~~years ahead.~~ We are building something together -- ~~not an~~
~~alliance, but~~ a broadly-based consultative relationship that
will enable us to expand our cooperation ~~more and more~~ as
the years go by.

Both of us will gain from this relationship. So, I
firmly believe, will the peace of the world. America and
China, so recently at odds, have shown the world something
about the possibilities of peace and friendship. In a world
that badly needs a good deal more of both, that is an
achievement ^{of which we can be proud.} ~~(to be proud of)~~

#

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

September 15, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CLS*

Subject: Industrial Production in August
(to be released at 9:30 a.m., Tuesday, Sept. 16)

Industrial production in August increased by 0.5 percent. While the rise was small it is the first increase since January. Moreover, the size of the previously reported declines in June and July was revised downward.

Seasonally adjusted, production of autos and parts fell sharply, by 7.9 percent. (Seasonal adjustments in months of model changeovers are difficult to estimate.) But output of appliances and other home goods rose nicely (2.9 percent) as did production of construction supplies (2.4 percent) and materials (1.0 percent).

Production of business equipment was virtually unchanged, and the magnitude of the July decline was revised downward.

All in all, while the data are not terribly strong, they are consistent with other evidence that the economy has already reached or is very close to the end of the recession.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

Phil
has seen

THE WHITE HOUSE
WASHINGTON

9/15/80

Rick Hutcheson --

F.Y.I. -- Jody conveyed
President's message to
Stu Eizenstat over
telephone.

-- Susan Clough

file

THE WHITE HOUSE
WASHINGTON

Sept. 17, 1980

MR. PRESIDENT:

Former Louisiana Governor
Edwin Edwards is in town today
and Bob Strauss would like
to bring him over for a brief
5-minute appointment.

Approve Disapprove

PHIL 

**Electrostatic Copy Made
for Preservation Purposes**

C

The Interim Report
of the
U.S. Commission on Proposals
for the
National Academy of Peace and Conflict Resolution

Public Law 95-561, Education Amendments of 1978

Title XV—Part B

Ninety-Sixth Congress

**Electrostatic Copy Made
for Preservation Purposes**



Commissioners:

The Honorable Spark M. Matsunaga, Chair
James H. Laue, Vice-Chair
The Honorable John M. Ashbrook
Arthur H. Barnes
Elise Boulding
John R. Dellenback
John P. Dunfey
The Honorable Dan Glickman
William F. Lincoln