

10/6/78

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Kraft & Moore to Pres. Carter, w/attachments 8 pp., re:1978 Elections <i>opened per RAC NLC-126-H-35-1-7, 6/27/19</i>	10/5/78	A
Memo	Lipshutz to Pres. Carter, w/attachments 7 pp., re:GLACAA contract	10/5/78	A
Memo	Kraft & Gammill to Pres. Carter, w/attachments 6 pp., re:Alaskan pipeline	10/3/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File, 10/6/78 Box 105

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
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THE PRESIDENT'S SCHEDULE

Friday - October 6, 1978

NOT ISSUED

- 7:30
(90 min.) Breakfast with Vice President Walter F. Mondale, Secretaries Cyrus Vance and Harold Brown, Dr. Zbigniew Brzezinski and Mr. Hamilton Jordan. The Cabinet Room.
- 9:00 Mr. Frank Moore - The Oval Office.
- 9:13 Mr. William Fitzgerald, Michigan Democratic Gubernatorial Candidate, and Mr. Wallace Long - The Oval Office.
- 10:15
(15 min.) His Excellency Spyros Kyprianou, President of the Republic of Cyprus. (Dr. Zbigniew Brzezinski) - The Cabinet Room.
- 10:30 Mr. Jody Powell - The Oval Office.
- 11:00
(20 min.) Mr. Charles Schultze et al - The Cabinet Room.
- 11:30
(30 min.) Congressman Bob Krueger. (Mr. Frank Moore). The Oval Office.
- 12:05
(2 min.) Mrs. Anna Elisa Trimble - The Oval Office.
- 1:00
(10 min.) Senator Howard H. Baker, Jr. (Mr. Frank Moore) - The Oval Office.
- 1:15
(10 min.) Mr. Michael Forrestal and Mr. Bill Verity. (Dr. Zbigniew Brzezinski) - The Oval Office.
- 2:00 Depart South Grounds via Helicopter en route Camp David.

1102 - DNC
869 Mayflower
Pete Gillingham - advise available
704/542-3031
233 - 5090

THE WHITE HOUSE
WASHINGTON

10/6/78

Mr. President:

Stu's office has not
yet completed work on
several enrolled bills
which will become due
over the weekend.

We'll send them up to
Camp David as soon as
they're ready.

Rick

sk
J

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

5
1

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 

DATE: OCTOBER 6, 1978

SUBJECT: RAIL STRIKE

The rail carriers and BRAC agreed yesterday on the language of an injunction which would prohibit a strike for the remainder of the 60-day cooling off period.

It is now likely that Judge Robinson will extend his order when he meets with the parties next Tuesday.

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

OCT 5 1978

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR, Ray Marshall *for*

SUBJECT: Status Report on the Railroad Strike

As a result of your decision last week to create an Emergency Board and the District Court's decision to issue a temporary restraining order (TRO), three major developments should be reported.

First, the unions have returned to work and the railroads are now in full operation. We have had no reports of reprisals against striking workers and labor-management relations are again reasonably stable.

Secondly, when Judge Robinson issued the TRO, he set October 10th as the date for a hearing on a preliminary injunction against further strikes. The injunction would last for the balance of the 60-day cooling off period which expires at the end of November. I believe the Court will grant the injunction. The attorneys for the parties have just reached agreement on language for the injunction. Our attorneys and Justice Department attorneys will review it tonight, but I do not now expect major problems. Even if agreement is difficult to achieve among all the parties, prospects for the injunction remain good. However, we are also prepared to appeal.

Finally, the Emergency Board met on Monday and has continued to meet during this week. I am meeting with the Board today. The Board does not plan to issue its report and recommendations to you until after the full 30 days prescribed by law has elapsed. This will be at the end of October. The best case scenario would find the Board in a mediation role and an agreement reached by the end of the 30 days. This could only happen if

the parties agreed to let the Board mediate and even then, the chances of success are not certain. Since the Board is for now the primary vehicle for dispute settlement, I will not nor should anyone else intervene with the parties. This would only undercut the ability of the Board to get an agreement and reduce the pressure its recommendations would put on the parties if a settlement is not reached in the next 30 days.

If the Emergency Board does not produce a settlement, we will have another 30 days to mediate. Past experience with Emergency Boards indicates that the chances of getting an agreement in the first 30 days are slim, but the probabilities are extremely high during the 30 days after the Board's report. I will arrange for the mediation during this period if it is required.

The parties understand that the Board's recommendation will in all likelihood be the same as produced through legislatively mandated binding arbitration, or a legislated settlement. Few incentives exist then for the parties to pursue a legislative resolution particularly given the uncertainty about what the Congress could add to any such legislation. The parties should also understand that for you to call a special session of Congress to only extend for another 60-90 days the no strike status quo would be a somewhat weak and only temporary solution. Furthermore, it will be difficult for the union to get its members back to the picket lines.

For these reasons, I expect a settlement in the next 60 days. However, if this does not happen, we are prepared to review the legislative options with you and your staff at a later time.

ID 785123

THE WHITE HOUSE

WASHINGTON



DATE: 06 OCT 78

FOR ACTION:

LONDON BUTLER

INFO ONLY: THE VICE PRESIDENT

HAMILTON JORDAN

STU EIZENSTAT

BOB LIPSHUTZ

JODY POWELL

ANNE WEXLER

JACK WATSON

CHARLIE SCHULTZE

SUBJECT: MARSHALL MEMO RE STATUS ON RAILROAD STRIKE

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+++++
+  RESPONSE DUE TO BERT CARP  +
+      BY:                    +
+++++

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ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

10-6-78

THE WHITE HOUSE
WASHINGTON

Breakfast

UN + CPD at 5 AM. For Africa
Sudan +, Euro +, ASEAN +
Arabs muted criticism

Lebanon = Sec Council

Nicaragua - Dom Rep. Guat - US
today

ACDA - McPhee, Seaman, Bill Hyman

Cyprus - Kyprianou / Bechtash
4 princ. slight expansion Varosh

V Nam - eager to normalize
Huang Hua says ok
Li Kang Yu - ok SU ok

Zambia - fertilizer

Namibia: Cy → SAf = Elect 4/30/79
3500 + 1500 = 5000

Confront S. Africa or Withdraw slowly

Sanctions - Air traffic / credit

THE WHITE HOUSE
WASHINGTON

10/6/78

Jack Watson

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

Rick Hutcheson

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

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
/	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

*Wrote him
J*

THE WHITE HOUSE
WASHINGTON

October 5, 1978

Mr. President:

Our success in getting Western Governors' support for the public works veto is owed, in very large measure, to the persistent efforts of Mike O'Callaghan. He spent hours on the telephone in our behalf both with Governors and with members of Congress, and he made a real difference.

I called Mike immediately after the vote today and thanked him, but I think it would be a very good idea for you to call and thank him personally. (I've also called all the other Governors who helped us to thank them but don't think you need to call any of them.)

Respectfully,



Jack Watson

THE WHITE HOUSE
WASHINGTON

10-6-78

To Mike O'Callaghan

Thank you for
the great & effective
work you did in
supporting my public
works veto. It
really made a dif-
ference.

Jimmy Carter



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

BOB KRUEGER
21ST DISTRICT, TEXAS

6 October 1978

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

Dear Mr. President:

I wish to congratulate you on your sincere efforts to curb federal spending, and also to suggest that you support pending legislation which will greatly assist you in these efforts.

As a candidate for the Presidency in 1976 you stressed the need for federal spending restraint, and promised to work for a balanced budget by 1981, economic conditions permitting. You have remained faithful to that pledge throughout your term in office, and on numerous occasions you have held the line against unnecessary spending, regardless of political consequences. The budget which you submitted to the Congress this January was one of the leanest in recent memory; it permitted only 2% real growth in federal outlays over the previous year's budget. Largely because of your guidance, the House and Senate have approved a final budget with a federal deficit of under \$40 billion this fiscal year; this figure is still too high, but it is one of the smallest deficits in recent years.

The progress made in curbing federal spending is encouraging; however, we must continue to exercise restraint in the future while eliminating additional waste and inefficiency. Control over unnecessary spending could be greatly enhanced if an amendment requiring a balanced federal budget were added to the United States Constitution. I ask that you consider granting your support to legislation which would accomplish this objective.

124 Members of the House have joined me in co-sponsoring H.J.Res. 130, which was originally introduced by Representatives Andy Jacobs of Indiana and Martha Keys

President Jimmy Carter
6 October 1978

Page two

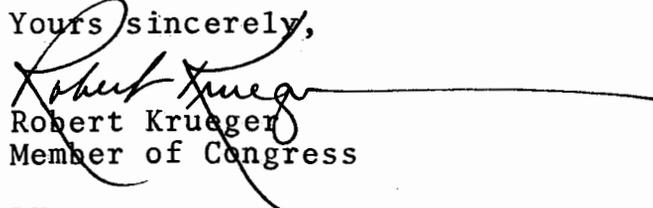
of Kansas. This bill would amend the Constitution to require a balanced budget within five years. Once a balanced budget was achieved, the amendment would require that federal revenues exceed expenditures for the next twenty years in an amount large enough to retire 5% of the federal debt each year. Thus, the entire national debt would be eliminated in twenty years.

When I entered Congress I did not think that an amendment to the Constitution requiring a balanced budget was needed, because Congress and the President could work together to keep expenditures down and eliminate waste on a program-by-program or department-by-department basis. Experience, however, has shown me that strong measures are necessary to curb excess federal spending. Political and constituent pressures too often obscure the need for spending restraint.

Seventeen states, including my own state of Texas, have enacted prohibitions against deficit spending. Those provisions have contributed to the sound financial condition of these state economies. The prohibitions against deficit spending have been carefully drawn, to permit flexibility in times of emergency. H.J.Res. 130 resembles the state laws in this respect, because it would allow federal spending to exceed revenues by as much as 10%, if both Houses of Congress find by resolution that a state of national emergency exists.

A recent Gallup poll indicated that 78% of Americans support this amendment to the Constitution; the public realizes that the first step towards tax reduction is elimination of unnecessary government spending. Support for this initiative clearly exists both in Congress and among the general public. I hope that you will join us in advocating adoption of this powerful and effective budgetary tool.

Yours sincerely,


Robert Krueger
Member of Congress

RK:rs

THE WHITE HOUSE

WASHINGTON

October 5, 1978

MEETING WITH SENATOR HOWARD BAKER

Friday, October 6, 1978

1:00 p.m. (15 minutes)

The Oval Office

From: Frank Moore

I. PURPOSE

To discuss Republican FEC nominations.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background: The Republican slot on the Federal Election Commission has been a serious and embarrassing bone of contention, as you well know. You have a chance to resolve this issue once and for all in this meeting.

The memorandum from Tim Kraft (attached) lists two persons who are deemed qualified for appointment - Frank Reiche and Max Friedersdorf. Those two are taken from a list of 8 submitted by Senator Baker and Congressman Rhodes. Baker has told me that, as President, you have the option of picking anyone on the list. However, he has also indicated Friedersdorf is his strong preference.

Baker has placed a hold on all Executive Branch nominations until the FEC matter is resolved. This includes John McGarry, the Democratic nominee to the FEC. Consequently, I believe the meeting with Baker should not end before you and he have reached agreement on a nominee or, less preferably, have reached agreement on the submission of a new list.

Participants: The President, Senator Baker, Frank Moore.

Press Plan: White House Photo only.

III. TALKING POINTS

1. The process of choosing a successor to Commissioner

Springer at the Federal Election Commission has been a long task. I would like for us to resolve the issue at this meeting.

2. You have given me a list of eight names from which to choose. I have narrowed the list down to two people whom I feel are qualified for appointment. They are Max Friedersdorf and Frank Reiche. I think Frank Reiche is the more qualified, although both have their strong points.
3. I know you have indicated to Frank that your first preference out of the eight was Max Friedersdorf. Your recommendation is important to me. Between Reiche and Friedersdorf, do you still recommend Friedersdorf?
4. The progress of the meeting from this point on depends on your preference between the two nominees. If you prefer Friedersdorf, you should tell the Senator that you intend to appoint him (assuming that is still his preference). If you strongly prefer Reiche, you should try to change Baker's mind.

IV. ADDITIONAL INFORMATION

Howard Baker

Wife: Joy

Administration Support 50.0%

Committees:

Committee on Environment and Public Works (2)

Committee on Foreign Relations (6)

Committee on Rules and Administration (3)

Joint Committee on the Library (2)

WITHDRAWN

THE WHITE HOUSE

WASHINGTON

ADDITIONAL MATERIAL FOR 1 P.M. MEETING WITH SENATOR BAKER

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
CHARLIE SCHULTZE *CS*
FRANK MOORE *F. M. JR*
JERRY RAFSHOON *JR*
ANNE WEXLER *AW*

SUBJECT: Humphrey-Hawkins Bill

We believe it is important for the Administration to do everything we can to secure consideration and passage of the Humphrey-Hawkins bill. If we are not seen as doing everything we can criticism from the Black Caucus and others may escalate, and, we are afraid, spill over into the Midterm Convention.

The most serious obstacle now is the refusal of a small number of conservative Republican Senators to consent to a time agreement.

We believe Senator Byrd is committed to bring the bill up and we have the votes for cloture. Time is very short and any delaying tactics will jeopardize the bill. It is critical that maximum pressure be put on conservative Republicans for a time agreement. If the bill fails blame should fall squarely on them.

We strongly recommend that you take the following steps:

1. Call Senator Byrd and tell him that you will be speaking with Senator Baker about his efforts to secure a time agreement.

_____ Approve _____ Disapprove

2. Speak to Senator Baker when you see him at 1 P.M. (talking points attached). Note that Baker himself has agreed to cooperate.

3. Invite Senators Hatch (who has 150 amendments filed), Garn, and Schmitt to the White House next Tuesday for a ten minute meeting with you to attempt to secure their agreement to allow the bill to be considered in an orderly manner.

4. Have Jody Powell mention your efforts with Senator Baker to the press today.

5. Coretta Scott King's Full Employment Action Council will be holding a press conference in Washington Monday or Tuesday of next week. Approve a White House strategy breakfast for the Council Tuesday morning, at which you or the Vice President would stop by for a brief pep talk (no Q & A) with press present. Otherwise next week may repeat the frustrating experiences of last week.

_____ Approve breakfast

_____ Approve President drop by

_____ Approve Vice President drop by

TALKING POINTS FOR YOUR MEETING WITH SENATOR BAKER

1. You understand that the sponsors of the bill have a firm commitment from a sufficient number of Senators to ensure cloture on the bill. While Senator Baker has been helpful procedurally (although he is against the bill), a few Republican Senators are withholding agreement on a time limitation for debate.
2. You personally place a very high priority on achieving passage of the bill in this session of Congress. You and the groups supporting this bill feel very strongly that at least the bill should have a full hearing and a vote on the floor of the Senate.
3. Humphrey-Hawkins is now a top priority, but there is other critical business still to be done in the Senate. A time agreement is essential if other critical Senate business is not to be impaired. You would hope for Senator Baker's full support.
4. Baker will very likely say that he is trying to reach a time agreement, but that a few members of his party are resisting. You should ask who they are and offer to work on them.

NOTE

Senator Kennedy and others are talking about putting Humphrey-Hawkins on the tax bill. We are not encouraging this because it is likely to kill the bill.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

October 5, 1978

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze ^{CL 5}

SUBJECT: September Employment and Unemployment
(released Friday at 9:00 am)

Unemployment ticked up slightly in September, from 5.9 to 6.0 percent.

Data from the household survey showed the following:

Labor force	+	320 thousand
Civilian employment	+	290 thousand
Unemployment	+	30 thousand

Data from the survey of business establishments showed that nonfarm employment fell slightly (60 thousand) in September. Since July there has been little employment increase shown by the series. (Over longer periods of time the household and establishment surveys track each other pretty well, but from month to month they often show puzzling contradictions.)

The index of aggregate hours worked in business firms showed a tiny decline in September as it did in August.

On balance there is not much news in the September data. There is one tiny glimmer in the last several month's data which has both good and bad implications. After the big surge in employment and hours during the spring, total demand for labor has flattened out. We believe that production continues to rise moderately. Hence, productivity could be reviving. On the other hand, our production data from month to month aren't all that accurate. So the employment and hours data may also mean that production isn't really rising very much. It will take a few more months of data to sort this out. (It's not a fantasy, but it is a puzzle.)

9:13 AM

THE WHITE HOUSE

WASHINGTON

October 5, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: Meeting with Gubernatorial Candidate,
Bill Fitzgerald (D-Mich.)
October 6, 1978
9:13 a.m. (2 minutes)
The Oval Office

PURPOSE

A photo with the President.

BACKGROUND

Bill Fitzgerald is the democratic gubernatorial candidate running in a very difficult race against incumbent Governor Bill Milliken. Fitzgerald is 35 years old and has an impressive record to recommend him for the office. He was the youngest Senate majority leader in Michigan history; was named one of the Ten Outstanding Legislators in 1974; has drafted legislation on consumer protection and job development; and authored the Michigan Emergency Energy Act during the fuel crisis which was praised by the Council of State Governments as a model for state action in the crisis.

He is an attorney from a well-respected political family in Detroit. He enjoys good support from the Black community and profits from his Irish Catholic background as well. His campaign is well-financed -- he's spending \$1.2 million in the general election.

As you know, he faces a formidable opponent in Bill Milliken. A Gannett News Poll taken at the end of September showed Fitzgerald trailing Milliken 47% to 39%. An earlier poll showed Fitzgerald as much as twelve points down.

PARTICIPANTS

The President and Bill Fitzgerald

PRESS PLAN

White House Photographer

TALKING POINTS

Usual Courtesies

THE WHITE HOUSE
WASHINGTON

10/6/78

Frank Moore

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

Rick Hutcheson

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

ACTION
FYI

/	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
/	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAF'SHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

October 5, 1978

*Frank
J*

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M./BR*
TIM KRAFT *TK*

RE: 1978 ELECTIONS

Attached for your information is an update on recent polling data in major senate and gubernatorial races.

cc: Hamilton Jordan
The Vice President
Jody Powell
Gerry Rafshoon

DECLASSIFIED

Per: Rac Project

ESDN: NLC-~~126-14-351-7~~

BY: *KS* NARA, DATE: *6/29/13*

Electrostatic Copy Made
for Preservation Purposes

RECENT POLLING RESULTS IN MAJOR SENTATE RACES

<u>STATE</u>	<u>SOURCE</u>	<u>DATE</u>	<u>DEM %</u>	<u>REP %</u>	<u>UND %</u>	
Colorado	Cambridge REsearch Survey	Sept.	Haskell-40%	Armstrong-43%	18%	
Illinois	CBS-Local Affiliate	Sept.	Seith-32%	Percy-63%	5%	
Iowa	Iowa Poll Des Moines Register	Sept.	Clark-52%	Jepsen-40%	8%	+
Kansas	Kansas City Star	Sept.	Roy-47%	Kassenbaum-41%	11%	+ help
Maine	Hathaway private poll	Sept.	They put Cohen ahead by 1-4 points			need help
Massachusetts	Boston Herald American	Sept.	Tsongas-47%	Brooke-43%	10%	help
	Tsongas' poll	Sept.	Tsongas-43%	Brooke-43%	14%	
Michigan	Teeter	Sept.	Levin-45%	Griffin-44%	11%	help
Minnesota	Minnesota Tribune	Sept.	Anderson-48%	Boschwitz-44%	8%	} help
	Minnesota Tribune	Sept.	Short-46%	Durenberger-39%	15%	
Mississippi	No new numbers since July. Seen as very close between Maurice Dantin and Congressman Thad Cochran.					
North Carolina	Dresner	July	Ingram-46%	Helms-39%	15%	!
South Carolina	Peter Hart	Aug.	Ravenal-39%	Thurmond-49%	12%	
	Ravenal's TV starts this week. Hart is currently in the field.					

Tennessee	Cambridge REsearch Survey	Sept.	Eskind-39%	Baker-46%	15%
Texas	Krueger	Sept.	Krueger-40%	Tower-40%	20%
Virginia	Richmond Times Dispatch	Sept.	Miller-34%	Warner-28%	38%
	Miller has dispatched Peter Hart to the field this week.				
West Virginia	Peter Hart	Sept.	Randolph-48%	Moore-44%	8%

help

help

RECENT POLLING RESULTS IN MAJOR GUBERNATORIAL RACES

<u>State</u>	<u>Source</u>	<u>Date</u>	<u>Dem %</u>	<u>Rep %</u>	<u>Und %</u>
California	Field	Oct.	Brown-48%	Younger-34%	11%
	L. A. Times	Oct.	Brown-53%	Younger-34%	11%
Connecticut	Gannett News	Sept.	Grasso-47%	Sarasin-44%	9% <i>help</i>
Colorado	Denver Post	Sept.	Lamm-43%	Strickland-43%	14%
Idaho	Hart	Aug.	Evans-54%	Larsen-31%	15%
Illinois	soft--Bakalis about nine points behind Governor Thompson				
Kansas	News poll-local	Sept.	Carlin-43%	Bennett-45%	12% <i>help</i>
	On site review indicates this seat is winnable				
Maine	soft--Brennan has a 2:1 margin over the republican ✓				
Maryland	soft--Hughes far out in front of Beall ✓				
Massachusetts	Caddell	Sept.	King-55%	Hatch-25%	20%
	Teeter	Sept.	King-50%	Hatch-25%	25%
Michigan	Market Opin.	Aug.	Fitzgerald-35%	Milliken-47%	18% <i>help</i>
	Gannett News	Sept.	Fitzgerald-39%	Milliken-47%	
Minnesota	Minn. Tribune	Sept.	Perpich-51%	Quie-42%	<i>help</i>
Nebraska	Lincoln Journal	Oct.	Whelan 14 points behind Cong. Thone		
New Hampshire	Cambridge	Sept.	Gallen-39%	Thomson-43%	18%
New Mexico	ZIA Research	Sept.	King-45%	Skeen-40%	15%
New York	Research Anal.	Sept.	Carey-46%	Duryea-46%	8% <i>help</i>
Ohio	Hart	Sept.	Celeste-42%	Rhodes-42%	16% <i>help</i>

<u>State</u>	<u>Source</u>	<u>Date</u>	<u>Dem %</u>	<u>Rep %</u>	<u>Und %</u>
Oregon	OR Attitudes	Sept.	Straub-43%	Atiyeh-48%	9%
South Dakota	soft--Roger McKellips is two points ahead of the republican, about 15% undecided				
Tennessee	Caddell	Sept.	Butcher-48%	Alexander-39%	13%
Texas	Louis, Boles, & Grove	Sept.	Hill-52%	Clements-30%	18%
Wisconsin	Hart	Sept.	Schreiber-36%	Dreyfuss-41%	18%

ADDENDUM

It should be noted that we are seeing fairly substantial fluctuation in recent polling results with different polls showing the same candidate ahead and behind.

THE WHITE HOUSE

WASHINGTON

MEETING WITH REPRESENTATIVES OF THE
US-USSR TRADE AND ECONOMIC COUNCIL

Friday, October 6
1:15 p.m. (10 minutes)
The Oval Office

From: Zbigniew Brzezinski *ZB.*

I. PURPOSE

William Verity, Michael Forrestal, and James Giffen recently returned from Moscow where they met with Soviet President Brezhnev. They want to report on their trip, deliver a message from Brezhnev, and win your support for their efforts to expand US-Soviet trade.

II. BACKGROUND, PARTICIPANTS & PRESS ARRANGEMENTS

- A. Background: Verity and Forrestal recently took leadership positions with the US-USSR Trade and Economic Council, a semi-private organization designed to promote bilateral trade. While in Moscow, Brezhnev gave them a message for you reportedly expressing interest in the expansion of US-Soviet economic ties. We are concerned that their trip may have raised undue expectations among the Soviets about the future direction of US East-West trade policy. The Soviets apparently chose to see their visit as a positive signal of a more forthcoming US approach on trade and economic relations.
- B. Participants: William Verity, Michael Forrestal, James Giffen, Dick Cooper, and Henry Owen. Verity is President of Armco Steel and Chairman of the Council. Forrestal is President, a full-time position. He is knowledgeable about Soviet affairs, having served as an Assistant Naval Attache in Moscow. James Giffen is head of Armco International.
- C. Press Arrangements: Meeting to be announced. Photo opportunity.

III. ISSUES FOR DISCUSSIONS

1. US Trade Policy: The Council believes that our trade relations are at a low ebb and that we need to do something to get them back on track. The Council has developed a two-phased program to achieve that goal. Verity and Forrestal will describe it to you.

2. Specific Industrial Projects: In Moscow, Verity outlined a program of 28 joint industrial projects in which the Soviets have expressed interest. These include the development of Yakutsk natural gas reserves, petrochemical plants and other major industrial projects. They may seek your endorsement for specific projects. We believe it would be unwise to give any advance commitments of this nature.

Talking Points

-- I favor the expansion of non-strategic trade and welcome your efforts to advance that goal.

-- But we cannot divorce trade from our overall relationship with the Soviet Union.

-- Existing legislation inhibits trade. We have the matter under continuing review and will propose changes to the Congress as our overall relations improve.

-- We cannot endorse specific projects in advance but will review them individually on their merits.

THE WHITE HOUSE
WASHINGTON

10/6/78

Tim Kraft
Jim Gammill

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

Rick Hutcheson

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

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE
WASHINGTON

Q

October 5, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

TIM KRAFT *TK*
JIM GAMMILL *Jim G*

SUBJECT:

Member, Council of Economic Advisers

When you nominated William Nordhaus to be a Member of the Council of Economic Adviser, you waived the requirement that he serve for a full four years. Mr. Nordhaus has decided to return to Yale University in January.

Charles Schultze recommends that you nominate Edwin S. Mills, of Princeton University, for the position now held by Mr. Nordhaus.

Not only does Mr. Mills have a distinguished academic record, he also has had considerable experience in government at the State and federal level. His areas of concentration have been urban economics, housing policy, energy, and environmental regulation.

RECOMMENDATION

Nominate Edwin S. Mills to be a Member of the Council of Economic Advisers.

approve disapprove

J

May 1978

Vita

EDWIN S. MILLS

Home Address

46 Sturges Way
Princeton, NJ 08540
(609) 921-6496

Office Address

Department of Economics
Princeton University
Princeton, NJ 08540
(609) 452-4004 (direct line)
(609) 452-4000/4005 (messages)

Date and Place of Birth

June 25, 1928 Collingswood, NJ

Marital Status

Married Barbara Dressner Mills, September 1950; 2 Children
Divorced, January 1977
Married Margaret M. Mills, January 1977

Military Service

U.S. Army: August 1946-April 1948
Commissioned 2nd Lt., June 1947

Education

Collingswood High School - graduated 1946
Brown University - September 1948-June 1951
Graduated A.B. Degree, Magna Cum Laude
Highest honors in Economics
Class of 1873 Prize in Economics
Phi Beta Kappa
Assistantship in Economics Department, Senior year
University of Birmingham, England - September 1951-June 1953
Fulbright Scholarship, 1951-1953
Ph.D. Degree 1956 - Thesis: "The Theory of Inventory Decisions"
Prize for best graduate thesis submitted in 1955.

Academic Posts

University College of North Staffordshire, Keele, Staffordshire, England
Assistant Lecturer in Mathematical Economics and Statistics, September 1953-
June 1955

Massachusetts Institute of Technology
Instructor, July 1955-June 1957

Johns Hopkins University
Assistant Professor, July 1957-June 1960
Associate Professor, July 1960-June 1963
Professor, July 1963-June 1970
Chairman, Department of Political Economy, June 1966-June 1969

Academic Posts (continued)

Princeton University

Professor of Economics & Public Affairs and Gerald L. Phillippe Professor of Urban Studies, July 1970-June 1974
 Professor of Economics and Gerald L. Phillippe Professor of Urban Studies, July 1974-June 1976
 Professor of Economics, June 1976-
 Chairman, Department of Economics, July 1975-June 1977

Other Professional Activities

Sometime Consultant: U.S. Navy, Bendix Radio Corporation, Rand Corporation, U.S. Council of Economic Advisers, U.S. Bureau of the Budget, Office of Science and Technology, State of Maryland, U.S. Public Health Service, Lawrence Livermore Laboratory, Mathematica, State of New Jersey, Committee for Economic Development, The Urban Institute, U.S. Department of Housing and Urban Development, The World Bank, Attornies in several states, Federal Trade Commission

Ford Foundation Faculty Research Fellowship, 1961

Visiting Research Fellow, Cowles Foundation, Yale University, Spring and Summer 1961

Taught courses in mathematical economics and econometrics, Board of Governors, Federal Reserve, Washington, DC, 1961-62, 1962-63

Teaching staff, Economics Institute, University of Colorado at Boulder, Summer 1960, Summer 1962

Senior Professional Staff, U.S. Council of Economic Advisers, 1964-65

Advisory Editor, Scott, Foresman and Company, 1968-1975

Member, President's Science Advisory Committee, Panel on the Environment, 1968-1971

Member, Interuniversity Committee on Urban Economics, 1968-1976

Chairman, Governor's Council of Economic Advisers, State of Maryland, 1969-1970

Chairman, Study Commission on the State Tax Structure, State of Maryland, 1969-1971

Board of Editors, American Economic Review, Quarterly Journal of Economics, Journal of Regional Science, 1971-72

Project Director, Sub-committee on Quality of the Environment, Committee for Economic Development, 1970-74

Member, Committee on Motor Vehicle Emissions, National Academy of Sciences, 1972-74

Member, Policy and Advisory Board, Economics Institute, 1972-
 Chairman, 1973-

Editor, Journal of Urban Economics, 1973-

Member, Systems and Program Analysis Panel, General Accounting Office, 1973-

Other Professional Activities (continued)

Chairman, Universities-National Bureau Committee for Economic Research, 1974-

Chairman, Committee on the Assessment of Demand for Outdoor Recreational Resources, National Academy of Sciences, 1974-75

Elected member Council of the Regional Science Association, 1974-77

Member, Energy Forecasting Advisory Committee, Federal Energy Administration, 1974-76

Member, Panel of Experts, Experimental Housing Allowance Program, Department of Housing and Urban Development, 1975-

Member, Modelling Resources Group, Committee on Nuclear and Alternative Energy Systems, National Academy of Sciences and National Academy of Engineering, 1976

Editor, Studies in Urban Economics, Academic Press, 1977-

Publications: Books and Book-Length Reports

Price, Output and Inventory Policy. New York John Wiley & Sons, Inc. 1962, pp. vii, 271.

(with David F. Bramhall) Future Water Supply and Demand, a report to the Maryland State Planning Department, April 1965, pp. ix, 267, appendices.

Studies in the Structure of the Urban Economy. Baltimore: Johns Hopkins Press for Resources for the Future, 1972, pp. xi, 151.

Urban Economics. Glenview: Scott, Foresman and Co., 1972, pp. x, 277.
Japanese translation, 1974.
Spanish translation, 1975.

Fiscal Zoning and Land Use Controls (edited and with an Introduction by Edwin S. Mills and Wallace E. Oates). Lexington: D.C. Heath and Co., 1975, pp. xiii, 205.

Economic Analysis of Environmental Problems (edited and with an Introduction by Edwin S. Mills). New York: Columbia University for the National Bureau of Economic Research, 1975.

The Economics of Environmental Quality. New York: W.W. Norton & Company, Inc., 1978, pp. 304.

Publications: Papers

"Expectations, Uncertainty and Inventory Decisions," Review of Economic Studies, Vol. XXII, 1954-55, No. 57, pp. 15-22.

"Professor Nurkse on Inventory Fluctuations," Oxford Economic Papers, Vol. 7, 1955, pp. 226-228.

"The Theory of Inventory Decisions," Econometrica, Vol. 25, No. 2, April 1957, pp. 222-238.

"Expectations and Undesired Inventory," Management Science, Vol. 4, No. 1, October 1957, pp. 105-109.

Publications: Papers (continued)

- "A Note on the Asymptotic Behavior of an Optimal Procurement Policy," Management Science, Vol. 5, No. 2, January 1959, pp. 204-209.
- "Uncertainty and Price Theory," Quarterly Journal of Economics, Vol. LXXIII, No. 1, February 1959, pp. 116-130.
- "A Note on 'Seasonal Inventories,'" Econometrica, Vol. 28, No. 4, October 1960, pp. 919-920.
- (with Hartsel G. McClain) "A Study of Optimum Assembly Runs," Operations Research, Vol. 9, No. 1, January-February 1961, pp. 30-39.
- "The Use of Adaptive Expectations in Stability Analysis: Comment," Quarterly Journal of Economics, Vol. LXXV, May 1961, pp. 330-334.
- "A Statistical Study of Occupations of Jurors in a U.S. District Court," Maryland Law Review, Vol. XXII, No. 3, Summer 1962, pp. 205-214.
- "The Economic Effects of Arms Control," Problems of World Disarmament, (Charles A. Barket, Editor). Boston: Houghton-Mifflin, 1963, 1963.
- (with Michael Lav) "A Model of Market Areas with Free Entry," Journal of Political Economy, Vol. LXXII, June 1964, pp. 278-288.
Reprinted in Spatial Economic Theory (Robert Dean, et.al., Editors). New York: Free Press, 1970.
- "Some Economic Aspects of Outdoor Recreation," Patterns of Market Behavior, (Michael J. Brennan, Editor). Providence: Brown University Press, 1965, pp. 27-42.
- "Economic Incentives in Air Pollution Control," The Economics of Air Pollution Control (Harold Wolozin, Editor). New York: W.W. Norton, 1966, pp. 40-50.
Reprinted in Ecology and Economics: Controlling Pollution in the 70s, (Marshall Goldman, Editor). Englewood Cliffs: Prentice-Hall, 1972.
Reprinted in Readings in Urban Economics (Matthew Edel and Jerome Rothenberg, Editors). New York: Macmillan Co., 1972.
Translated in Umweltgefahrung and Gesellschaftssystem (HRSG. Manfred Glogow). Munchen: Piper & Co., 1972.
Reprinted in Urban Economics Reading and Analysis (Ronald Grieson, Editor). Boston: Little, Brown, 1973.
- (with David F. Bramhall) "Alternative Methods of Improving Stream Quality: An Economic and Policy Analysis," Water Resources Research, Vol. 2, No. 3, 1966, pp. 355-363.
- (with David F. Bramhall) "A Note on the Symmetry Between Fees and Payments," Water Resources Research, Vol. 2, No. 3, 1966, pp. 615-616.
- "An Aggregative Model of Resource Allocation in a Metropolitan Area," American Economic Review, Vol. LVII, No. 2, May 1967, pp. 197-210.
Reprinted in Urban Analysis (Alfred Page and Warren Seyfried, Editors). Glenview: Scott, Foresman and Co., 1970.
Reprinted in Readings in Urban Economics (Matthew Edel and Jerome Rothenberg, Editors). New York: Macmillan Co., 1972.
Reprinted in Urban Economics Readings and Analysis (Ronald Grieson, Editor). Boston: Little, Brown, 1973.

Publications: papers (continued)

- "Federal Jury Selection," Federal Jury Selection, Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary, U.S. Senate, 90th Congress, First Session, 1967, pp. 205-215.
- "The Value of Urban Land," The Quality of the Urban Environment (Harvey Perloff, Editor). Baltimore: Johns Hopkins Press for Resources for the Future, 1969, pp. 231-253.
- "The Small Business Capital Gap," Revista Internazionale Di Scienze Economiche E Commerciale, Anno XVI, 1969, No. 3, pp. 259-279.
- "A Statistical Profile of Jurors in a United States District Court," Law and the Social Order, Vol. 1969, No. 3, pp. 329-339. Reprinted in Selected Readings: The Jury (Glenn Winters, Editor). Chicago: American Judicature Society, 1971.
- "Urban Density Functions," Urban Studies, Vol. 7, No. 1, February 1970, pp. 5-20.
- "The Efficiency of Spatial Competition," Papers and Proceedings of the Regional Science Association, Vol. 25, 1970, pp. 71-82.
- (with David de Ferranti) "Market Choices and Optimum City Size," American Economic Review, Vol. LXI, No. 2, May 1971, pp. 340-345.
- "Welfare Aspects of National Policy Toward City Sizes," Urban Studies, Vol. 9, No. 1, February 1972, pp. 117-124.
Reprinted in Cities, Regional and Public Policy (Gordon Cameron and Lowdon Wingo, Editors). Edinburgh: Oliver & Boyd, 1973, pp. 117-124.
- "Markets and Efficient Resource Allocation in Urban Areas," Swedish Journal of Economics, Vol. 74, No. 1, March 1972, pp. 100-113.
- "City Sizes in Developing Economies," Conference Papers: Rehovot Conference on Urbanization and Development in Developing Countries. Rehovot, Israel: Continuation Committee of the International Conference on Sciences in the Advancement of New States, 1972.
- "Economic Aspects of City Sizes," Population, Distribution and Policy (Sara H. Mazie, Editor). Vol. V, pp. 383-394 of Commission Research Reports, U.S. Commission on Population Growth and the American Future. Washington: U.S. Government Printing Office, 1972.
- (with James MacKinnon) "Notes on the New Urban Economics," Bell Journal of Economics and Management Science, Vol. 4, No. 2, Autumn 1973, pp. 593-601.
- "Sensitivity Analysis of Congestion and Structure in an Efficient Urban Area," Transport and the Urban Environment (Jerome Rothenberg and Ian Heggie, Editors). New York: John Wiley & Sons for the International Economic Association, 1974, pp. 192-208.
- "Mathematical Models for Urban Planning," Urban and Social Economics in Market and Planned Economies. (Alan Brown, Joseph Licari and Egon Neuberger, Editors). Vol. 2. New York: Praeger Publishers, 1974, pp. 113-129.
- "User Fees and the Quality of the Environment," Public Finance and Stabilization Policy: Essays in Honor of Richard A. Musgrave (Warren L. Smith and John M. Culbertson, Editors). Amsterdam: North-Holland Publishing Company, 1974. pp. 53-70.

Publications: Papers (continued)

- (with Frederick M. Peterson) "Environmental Quality: The First Five Years," American Economic Review, Vol. LXV, No. 3, June 1975, pp. 259-268.
- "Evaluating Costs, Benefits and Incentives," Carroll Business Bulletin, Vol. 15, No. 1, Spring 1975, pp. 4-7.
- (with Bruce Hamilton and David Puryear) "The Tiebout Hypothesis and Residential Income Segregation," Fiscal Zoning and Land Use Controls (Edwin S. Mills and Wallace E. Oates, Editors). Lexington: D.C. Heath and Co., 1975, pp. 101-118.
- "Do Market Economies Distort City Sizes?", Issues in the Management of Urban Systems (Harry Swain and Ross MacKinnon, Editors). Schloss Laxenburg, Austria: International Institute for Applied Systems Analysis, 1975, pp. 80-90.
- (with Katsutoshi Ohta) "Urbanization and Urban Problems," Asia's New Giant (Hugh Patrick and Henry Rosovsky, Editors). Washington: The Brookings Institution, 1976, pp. 673-752.
- "Planning and Market Processes in Urban Models," Public and Urban Economics: Essays in Honor of William S. Vickrey (Ronald E. Grieson, Editor). Lexington: D.C. Heath and Co., 1976, pp. 313-330.
- "Housing Policy as a Means to Achieve National Growth Policy," Housing in the Seventies Working Papers, I, U.S. Department of Housing and Urban Development. Washington, DC: U.S. Government Printing Office, 1976.
- (with Lawrence White) "Auto Emissions: Why Regulation Hasn't Worked," Technology Review, Vol. 80, No. 5, March/April 1978, pp. 54-63.
- (with Daniel Feenberg and Randall Zisler) "Environmental Problems in the Mature Metropolis," The Mature Metropolis (Charles L. Leven, Editor). Lexington: D.C. Heath & Co., 1978, pp. 169-185.

Unpublished Works

- "National Housing Policies: A Critique and a Proposal," forthcoming.
- "A Survey of Economic Issues Related to Urban Land Use Controls," forthcoming.
- (with Byung Nak Song) Urbanization and Urban Problems in Korea, 1950-1975, forthcoming.
- (with Lawrence White) "Government Policies Toward Automotive Emissions Controls," forthcoming.
- "Land Use Controls and Local Government Finance in the U.S.," forthcoming.
- "Population Redistribution and the Use of Land and Other Natural Resources," forthcoming.
- (with Daniel Feenberg), "Measuring Benefits of Water Pollution Abatement."

THE WHITE HOUSE
WASHINGTON

10/6/78

Tim Kraft

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the President's outbox. It is
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Rick Hutcheson

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	VICE PRESIDENT
	EIZENSTAT
	JORDAN
/	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE
WASHINGTON
October 4, 1978

*not called
J 10/6*

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT *TK*

SUBJECT: Edward King

Edward King is an anti-bussing, pro-capitol punishment, pro-Proposition 13 candidate, but in a self-enforced unity, he and Tommy O'Neill are running as a team, and Paul Tsongas has endorsed the entire ticket.

Joe Timilty says King will talk less about the above and more about economic development and urban revitalization as the campaign moves along. King will probably invite you to come up; you should acknowledge a written invitation that Appointments and Scheduling just received (from him to you) and say you'll "do your best" to work it in. (Hamilton, myself and Appointments and Scheduling would recommend that you do go to Massachusetts).

Attached, an article that reports my response to a Curtis Wilkie story, supposedly quoting some jerk on our own staff.

His campaign headquarters number is 617/482-1117.

Carter aide doubts King slur

By Walter V. Robinson
Globe Staff

An assistant to President Jimmy Carter denied last night that "anyone with political credentials" in the White House would have been responsible for unflattering and unattributed remarks in yesterday's Globe about Edward J. King, the Democratic gubernatorial nominee.

In yesterday's story, an unnamed White House aide was quoted as referring to King, who upset Gov. Michael S. Dukakis in last week's Democratic primary, as a "turkey." The story also said: "Several White House aides said that Carter was figuratively holding his nose over King's presence on the Democratic ticket."

Presidential assistant, Tim Kraft, called the remarks "totally inappropriate" yesterday and said Carter supports the

● **Problems of being on way out,** Page 6

● **Kennedy, Tip O'Neill to aid Tsongas,** Page 7

entire Democratic ticket in Massachusetts, including King.

Within the King campaign, there was also anger at the remarks. Martin A. Burke 3d, King's press secretary, called them "inaccurate, unfair and distasteful to say the least."

Kraft said he felt certain the remarks were not made by any senior White House staff member.

"Anyone with political credentials would not refer to a Democratic candidate for governor in that way," he asserted.

The story also reported that Carter, although he has doubts about King's conservative ideology, was urging Dukakis to support the man who beat him, despite reservations by Dukakis and other Democrats that have been prompted by King's positions on some issue.

Kraft also denied that the White House has abandoned plans for Carter to attend an October Democratic fundraiser in Massachusetts that had been scheduled when it was thought Dukakis would win re-nomination.

"The President's October schedule is still tentative," he said, "and a visit has not been ruled out."

King, for his part, dismissed the remarks and said he would be "delighted

KING, Page 10

10 The Boston Globe Friday, September 29, 1978

White House aide doubts insult to King

★KING

Continued from Page 1

and honored" to have Carter visit next month.

King also defended as "normal" an arrangement, reported yesterday by United Press International, which provided him with \$103,000 in severance benefits when he was fired as executive director of

the Massachusetts Port Authority in 1974.

The UPI story said MassPort records show that King received a year's salary, \$58,500; \$39,700 in accrued vacation pay; an additional month's salary, \$4875, as a consultant; and an unknown amount of insurance benefits.

The story also said the termination agreement, adopted by the Port's board in

1973, the year before the firing, also covered 28 other executives.

King noted that he had been at the Port Authority for 15 years when he was fired by the board after a long-running policy dispute.

He said he was entitled to a month's pay for each year's service up to a full

year's severance pay. And the vacation pay was for almost six months of vacation accumulated and never taken during his tenure, he said.

The arrangement, he said, "probably amounted to less than a chief executive of a private corporation would have received under similar circumstances."

THE WHITE HOUSE
WASHINGTON

10/6/78

Frank Moore

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the President's outbox. It is
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Rick Hutcheson

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	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE
WASHINGTON

October 4, 1978

*Not done
J*

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE *F.M.*
BOB THOMSON *Bob*

SUBJECT: PRESIDENTIAL CALLS

** See campaign
Appearances attached.*

**
5*

1. MUSKIE (D-ME) - The Senator is leaning against and may already have committed to Robert Byrd. You should stress the impact of incremental funding for these projects on an orderly budget process. No projects at issue in Maine.
Will help later on full funding & H₂O policy issues
2. BELLMON (R-OK) - The Senator is leaning no. You should stress the impact of incremental funding for these projects on an orderly budget process. There are \$228 million in projects at issue in Oklahoma between the Congressional bill and your budget.
3. CHILES (D-FL) - He is on the Appropriations Committee. Would be inclined to support his colleagues, but has supported your water policy in the past. No projects at issue in Florida.
4. INOUYE (D-HA) - You recommended \$54 million in fully-funded new starts for Hawaii. No additional new starts are at issue in the state. Will be heavily influenced by Robert Byrd.
5. MATSUNAGA (D-HA) - Will be influenced by Inouye. More sympathetic, but still leaning no.
6. McGOVERN (D-S.D.) - Claims to be against us. Has "taken a walk" on other votes last year, testing your water policy. No projects at issue this year in South Dakota.
7. MORGAN (D-N.C.) - Is philosophically with us, but afraid to say so or vote with us. Could be talked into it, however.
8. STAFFORD (R-VT) - Ranking Republican on Public Works authorizing committee. Is afraid of voting against appropriations that he authorized. Answer that by saying ~~you~~ ^{he} authorized a project costing the full amount and the appropriations committee should provide the fully-funded cost of the project pursuant to the authorization.

9. DOLE (R-KA) - He will not be expecting a call from you. He may see an advantage in supporting the veto when Howard Baker is opposed. It would allow him to say he is the true fiscal conservative.
10. GLENN (D-Ohio) - Start conversation out by asking him how he is doing on his amendment which would sunset tax expenditures (e.g., credits, deductions). Stu has written a letter of support. Bob Thomson is making calls in support. Long strongly opposes. Glenn has been approached by Byrd on the veto but has said he wants time to study it.
11. BUMPERS (D-ARK) - On Appropriations Committee. Would normally support colleagues but is with us philosophically. He is concerned about the Norfolk Lake Highway Bridge. OMB says we can take the bridge if it gets us a vote. You should tell him we would do what is necessary to get it included in the substitute bill. His vote is important, because he will take Hodges with him.
12. CULVER (D-IOWA) - He has told us he cannot support the veto, but Clark has appealed to him and his opposition softened. Tell him that Clark wants to support the veto for his campaign, but cannot with Culver voting to override. He is on Public Works Authorizing Committee - use same argument as those with Stafford.
13. HATFIELD (D-MT) - Stress budget responsibility. No projects at issue in Montana.
- * 14. HATHAWAY (D-ME) - Stress value to campaign of voting as fiscal conservative. Cohen is undecided at this time. If Cohen supports the veto, he will attack Hathaway as a big spender if he votes to override. If Cohen votes against us, Hathaway can make the same charge against Cohen.
15. HEINZ (R-PA) - He is not the lovable sort, as you know, but could support us. He has studied the matter.
- * 16. HUMPHREY (D-MN) - Said she will vote as Anderson votes. Anderson will vote against. However, Anderson has explicitly stated he is releasing Mrs. Humphrey from any obligation.
17. McINTYRE (D-N.H.) - Talk up the importance of a vote in favor of fiscal responsibility to his campaign.
18. MELCHER (D-MT) - His staff indicates he might be willing to support a "fiscal responsibility vote".
19. PEARSON (R-KA) - Full funding, inflation are issues to use. No projects at issue in Kansas.
20. STEVENSON (D-IL) - Stress the importance of allocating scarce

resources for projects that are truly meritorious. There are \$29 million in projects at issue in Illinois.

21. DANFORTH (R-MO) - The Senator is inclined to support you on override, but he is worried about a \$400,000 reimbursement for a Missouri locality that built a pumping station after assurances from the Corps that a project would be built and reimbursement would be forthcoming. We oppose the full project, but OMB says we can do everything in our power to get the \$400,000 reimbursement in the new bill that comes to you after a veto is sustained. Tell him we will do our utmost to get the \$400,000.
22. STONE (D-FLA) - Will have trouble mustering the guts to oppose the Senate leadership. However, he has supported your water policy in the past. When you call, he will talk to you about a problem he perceives developing in the Mid-East. He has been seeking an appointment to discuss whatever the matter is with you.
23. WEICKER (R-CONN) - May see the need to cast a fiscally conservative vote. He may think it would get him on the Prop 13 Presidential bandwagon.
24. WILLIAMS (D-N.J.) - Supports us philosophically. No projects at issue in New Jersey. However, he probably does not have the spine to stand up against Byrd.
- * 25. ANDERSON (D-MN) - Senator Anderson has told us he is against the veto and will support an override. We think you should point to the campaign appearances we are making in his state and stress the help we could be in establishing his role as a fiscal conservative if he supports you.

CAMPAIGN APPEARANCES

MUSKIE AND HATHAWAY (MAINE)

- *You appear at a state party dinner October 28, at Hathaway's invitation.
- *The First Lady will campaign for him October 18.
(Not announced yet)
- *Secretary Bergland will campaign for him on October 19.

ANDERSON AND HUMPHREY (MINNESOTA)

- *You go to Minnesota on October 21 to campaign for Anderson and others (not announced yet).
- *First Lady will campaign in the state this Saturday, October 7.
- *Strauss will campaign in Minnesota October 24.
- *Vice President Mondale is there October 21.
- *Mrs. Mondale is there October 18-20.

12
+

Abourezk
Biden
Brooke
Byrd (Va.)
Chafee
Helms
Leahy
Lugar
Metzenbaum
Nelson
Proxmire
Roth

9
L+

Bayh
Clark
Danforth
Eagleton
Kennedy
Pell
Ribicoff
Riegle
Zorinsky

27
?

Allen
Bumpers
Case
Culver
Dole
Durkin
Glenn
Griffin
Hatfield (OR)
Hatfield (MT)
Hathaway
Hayakawa
Heinz
Hodges
Humphrey
Javits
McIntyre
Melcher
Pearson
Percy
Schweiker
Scott
Sparkman
Stevenson
Stone
Weicker
Williams

24
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Bellmon
Bentsen
Chiles
Church
Curtis
DeConcini
Domenici
Goldwater
Inouye
Jackson
Mathias
Matsunaga
McClure
McGovern
Morgan
Moynihan
Muskie
Nunn
Packwood
Sarbanes
Schmitt
Stafford
Talmadge
Thurmond

28
-

Anderson
Baker
Bartlett
Burdick
Cannon
Cranston
Eastland
Ford
Garn
Gravel
Hansen
Hart
Haskell
Hatch
Hollings
Huddleston
Johnston
Laxalt
Long
Magnuson
Randolph
Sasser
Stennis
Stevens
Tower
Wallop
Young
Byrd (W. VA)

WATER PROJECT CONSTRUCTION
SUPPORTED BY THE ADMINISTRATION

This is the
amount you support
in each state

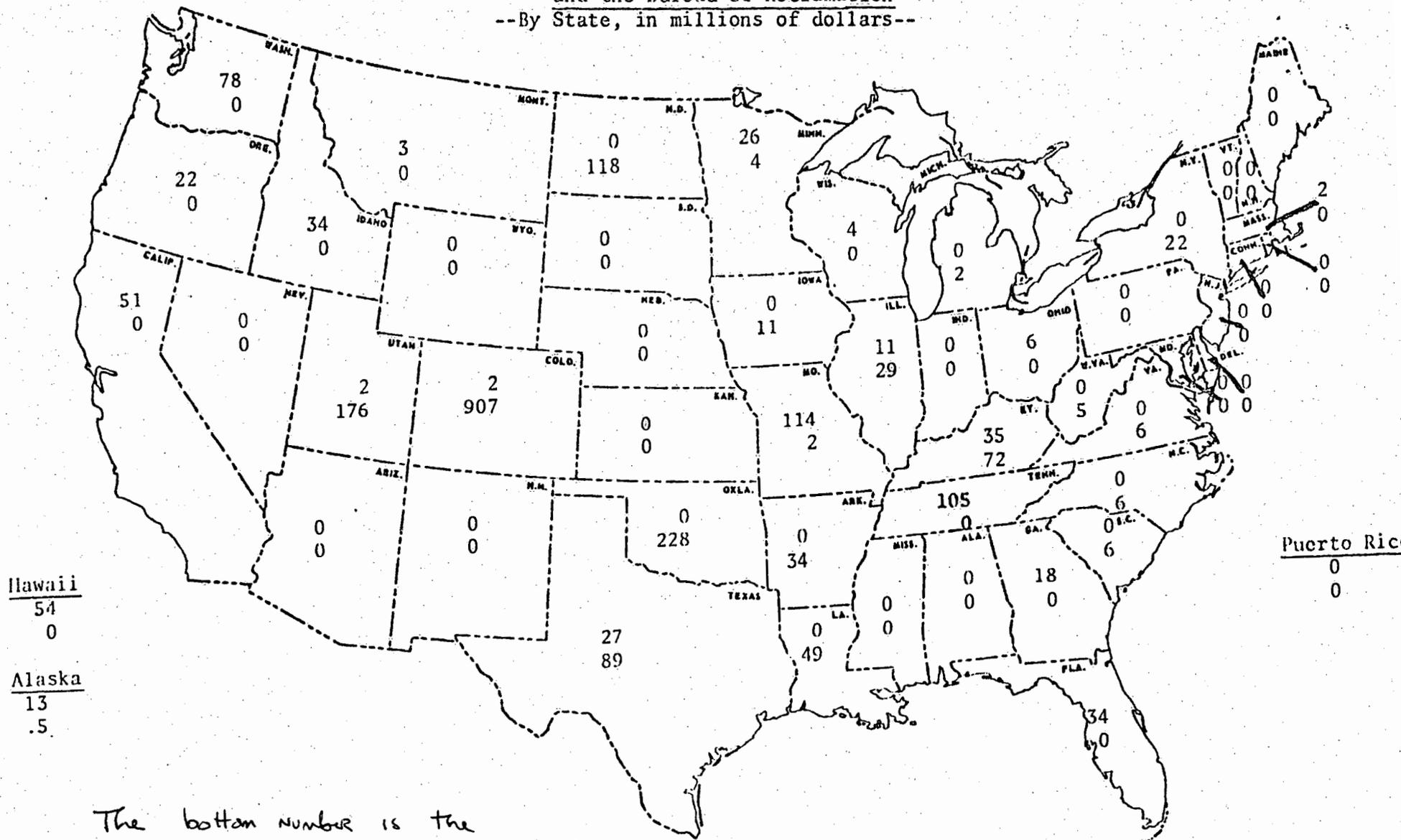
TOTALS BY STATE*

<u>STATE</u>	<u>ONGOING PROJECTS</u>	<u>NEW STARTS</u>	<u>TOTAL</u>
	(\$ in thousands)		
1. ALABAMA	447,269	--	447,269
2. ALASKA	167,000	12,456	179,456
3. ARIZONA	1,955,300	--	1,955,300
4. ARKANSAS	1,526,040	--	1,526,040
5. CALIFORNIA	3,637,656	50,669	3,688,325
6. COLORADO	1,120,517	1,677	1,122,194
7. CONNECTICUT	63,250	--	63,250
8. DELAWARE	--	--	--
9. DISTRICT OF COLUMBIA	15,000	--	15,000
10. FLORIDA	923,430	33,620	957,050
11. GEORGIA	267,220	18,400	285,620
12. HAWAII	10,540	54,300	64,840
13. ILLINOIS	512,789	11,200	523,989
14. IDAHO	341,678	33,496	375,174
15. INDIANA	283,800	--	283,800
16. IOWA	261,760	--	261,760
17. KANSAS	241,140	--	241,140
18. KENTUCKY	572,500	35,000	607,500
19. LOUISIANA	4,995,190	--	4,995,190
20. MAINE	--	--	--
21. MARYLAND	98,200	--	98,200
22. MASSACHUSETTS	23,800	2,300	26,100
23. MICHIGAN	68,190	--	68,190
24. MINNESOTA	96,800	26,180	122,980
25. MISSISSIPPI	2,487,300	--	2,487,300
26. MISSOURI	1,529,937	114,000	1,643,937
27. MONTANA	769,913	3,147	773,060
28. NEBRASKA	391,327	--	391,327
29. NEVADA	200,871	--	200,871
30. NEW HAMPSHIRE	--	--	--
31. NEW JERSEY	54,935	--	54,935
32. NEW MEXICO	114,153	--	114,153
33. NEW YORK	55,365	--	55,365
34. NORTH CAROLINA	241,900	--	241,900
35. NORTH DAKOTA	916,392	--	916,392
36. OHIO	338,690	6,320	345,010
37. OKLAHOMA	326,800	--	326,800
38. OREGON	470,100	22,330	492,430

<u>STATE</u>	<u>ONGOING PROJECTS</u>	<u>NEW STARTS</u>	<u>TOTAL</u>
39. PENNSYLVANIA	425,446	--	425,446
40. RHODE ISLAND	--	--	--
41. PUERTO RICO	147,000	--	147,000
42. SOUTH CAROLINA	213,100	--	213,100
43. SOUTH DAKOTA	4,000	--	4,000
44. TENNESSEE	924,700	105,000	1,029,700
45. TEXAS	1,337,901	27,082	1,364,983
46. UTAH	841,031	1,720	842,751
47. VERMONT	--	--	--
48. VIRGINIA	128,480	--	128,480
49. WASHINGTON	4,346,901	77,630	4,424,531
50. WEST VIRGINIA	459,700	--	459,700
51. WISCONSIN	--	3,993	3,993
52. WYOMING	51,270	--	51,270
	<u>34,406,281</u>	<u>640,460</u>	<u>35,046,741</u>
TOTAL			

*Figures do not include completed and operating projects located in many of the States.

Total Cost of (New) Water Projects in FY 1979
Water Development Appropriations Bill for the Corps of Engineers
and the Bureau of Reclamation
 --By State, in millions of dollars--



The bottom number is the amount at issue in each state in the context of this veto. Note half the \$1.8 billion total

Upper: President's Budget
Lower: Congressional adds in excess of President's request (including projects not funded in FY 1978)

THE WHITE HOUSE
WASHINGTON

October 5, 1978

*done
J*

Butler Derrick ✓

Phil Burton ✓

Bob Edgar ✓

Silvio Conte. ✓ He was our first Republic supporter, along with
Martin.

Bob Michel ✓

Jim Martin-(R-N.C.) He was our first Republic supporter,
along with Conte.

Abner Mikva *Called earlier to thank*

*" Says Pres is an Ostrich
Demo ≠ Pres →
He's an eagle, soaring in the
sky - swooping down on a
sermon "*

THE WHITE HOUSE
WASHINGTON

October 6, 1978

Stu Eizenstat
Frank Moore

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

MR. PRESIDENT:

Attached is a proposal for a negotiating position which both of us approve.

We want to meet with the Senate and House people this morning and would like your approval.

Frank Moore
Stu Eizenstat

6 Oct 78

*Stu
Frank
J*

THE WHITE HOUSE
WASHINGTON

October 6, 1978

MEMORANDUM TO: STU EIZENSTAT
FRANK MOORE

FROM: KATHY FLETCHER *KF*
ELIOT CUTLER

SUBJECT: Public Works Appropriations Bill:
Friday Meeting

We have developed this memorandum in cooperation with Bob Thomson and Jim Free who agree that our opening position ought to be very tough. This position is nearly identical to our "opening" negotiating position over the weekend.

Non-negotiable points

- yes* 1. No funding for six reinstated projects, study or construction. (List attached)
- yes* 2. Water Resources Council continues.
- yes* 3. No mandated employment levels.

Negotiable points

- no* 1. New starts can exceed \$640 million on full-funded basis by approximately \$100 million. We have certain projects which we consider "musts" and there are others which are "must nots" (lists attached). Opening position would be that all 26 of our proposal are "musts" but the real "musts" are indicated on the attached. Also, we could fall back to a total cap of \$800 million.
- yes* 2. Full funding for all new starts. Fallback would be full funding for projects with total costs under \$100 million and funding in increments of \$100 million for larger projects. The computation, for purposes of the "cap", must be on a full-funding basis.

ok We would recommend not providing anything in writing at the meeting but offering to supply a paper if negotiations appear promising.

ok Our goal ought to be to appear forthcoming, given at least Bevill's preliminary decision to forget a bill for this year, but to play from strength. We need to determine whether they plan to pass a "clean" continuing resolution or to add new starts and possibly some of the six projects.

ok NOTE: We have said that we support all ongoing construction projects and do not object to any planning money except the "hit list" projects, but the attached "must" list includes political commitments made to further our efforts to sustain the veto.

MUSTS

1. All 26 of the new starts in President's Budget (annotated list attached)
2. Cape May (NJ) and Barnegat Inlet (NJ) (Hughes) (planning)
3. Santa Ana Flood Control (Cal) (Patterson) (planning)
4. Grand Lake-St. Mary's (Ohio) (Guyer) (planning)
5. Hempstead Harbor (NY) (Wolff) (planning)
6. Presque Isle Peninsula (Pa) (Marks) (ongoing const)
7. Truman Dam (Mo) (Skelton) (ongoing const)
8. San Felipe (Cal) (Panetta) (ongoing const)
9. Four-Mile Run (Va) (Harris) (ongoing const)
10. Norfolk Lake Bridge (Ark) (Tucker) (one of the 27 new starts)
11. Mississippi River, Ag. Area #8 (Mo) (one of the 27 new starts, but reimbursement only)

Annotated List - "Musts"

26 NEW WATER PROJECTS
SUPPORTED BY THE ADMINISTRATION

PROJECT (AGENCY/STATE)	DESCRIPTION	FULL FUNDING ESTIMATE (\$ in thousands)
<u>A. Corps of Engineers</u>		
1. Barbers Point Harbor, Oahu, HI	construction of the second deep draft commercial harbor for Oahu	46,600
**2. Big South Fork National River & Recreation Area, KY & TN	non-structural conservation of unique recreational, historic, wildlife, scenic, and archeologic values of the Appalachian Region	140,000
**3. Blue River Channel, Kansas City, MO	structural flood control for Blue River Basin	114,000
**4. Hartwell Lake, GA & SC	provision of peaking power at hydro site by addition of fifth and final power unit	18,400
5. Honolulu Harbor, Oahu, HI	commercial navigation improve- ments to accommodate large passenger ships & petroleum tankers	7,700
6. Hoonah Harbor, AK	navigation improvements mainly for commercial fishing	5,485
**7. Los Angeles & Long Beach Harbors, CA	harbor dredging to improve commercial shipping	19,100
**8. Lower Snake River Fish & Wildlife Compensation, ID, OR, WA	non-structural fish & wild- life habitat protection and fish hatchery construction	78,156
9. Metlakatla Harbor, AK	navigation improvements mainly for commercial fishing	6,971
*10. Milan, IL	structural flood control for Milan & Big Island	11,200
*11. North Nashua River, MA	structural flood control for industrial & commercial hub of central MA	2,300

* = must

PROJECT (AGENCY/STATE)	DESCRIPTION	FULL FUNDING ESTIMATE (\$ in thousands)
*12. Point Place, Toledo, OH	urban structural flood control and recreational facility construction	6,320
? 13. Port Everglades Harbor, FL	harbor dredging to accommodate commercial vessels and cruiseships	28,600
*14. Prairie Du Chien, WI	combines flood proofing with state and local land use measures for flood control and redevelopment	3,933
15. St. Lucie Inlet, FL	beach erosion control and navigation improvements	5,020
16. Two Harbors, MN	commercial dredging to accommodate large cargo vessels	260
17. Winona, MN	structural flood control & floodplain management program in area of residential, commercial, and publicly owned properties	25,920
SUBTOTAL		519,965

B. Bureau of Reclamation

1. Oroville Tonasket, WA	rehabilitation and expansion of irrigation project in North-central Washington State	55,300
2. Glenn-Colusa, CA	irrigation loan	16,985
3. Hildago #1, TX	irrigation loan	10,982
4. Hildago #2, TX	irrigation loan	16,100
5. Overland Ditch, CO	irrigation loan	1,677
6. Pleasant Valley, CA	irrigation loan	4,685
7. Rainbow, CA	irrigation loan	9,899

* = must

PROJECT
(AGENCY/STATE)

DESCRIPTION

FULL FUNDING
ESTIMATE
(\$ in thousands)

8. South Weber, UT

irrigation loan

1,720

9. West Bench, MT

irrigation loan

3,147

SUBTOTAL

120,495

GRAND TOTAL

\$ 640,460

MUST-NOTS

A. SIX PROJECTS FROM FY 78 LIST

		<u>Balance to Complete</u>
1.	Narrows (Colo) construction	\$ 217.5 M
2.	Fruitland Mesa (Colo) planning	127.9 M
3.	Savery-Pothook (Colo,Wyo.) planning	107.9 M
4.	Yatesville Lake (Ky) construction	66.6 M
5.	Bayou Bodeau (La) construction	18.0 M
6.	Lukfata (Okla) planning	48.1 M

B. OTHER OBJECTIONABLE PROJECTS

7.	Animas La Plata (BuRec, Colo) construction--not ready	412.0 M
8.	Upalco (BuRec, Utah) construction--not ready	57.0 M
9.	Uintah (BuRec, Utah) construction--not ready	119.0 M
10.	McGee Creek (BuRec, Okla) construction--not ready (first to give up)	105.0 M
11.	Closed Basin (BuRec, Colo) construction--not ready	42.0 M
12.	Burlington Dam (Corps, ND) construction--not ready env. problems	117.5 M
13.	Arcadia Lake (Corps, Okla) construction--not ready env. problems	75.0 M
14.	Big Pine Lake (Corps, Tex) construction--ready but marginal--expensive	56.7 M
15.	Ellicott Creek (Corps, NY) construction--not ready Kemp and LaFalce (?)	15.0 M
16.	Cattaraugus Hbr. (Corps, NY) construction--low priority Kemp and Lundine	4.2 M
17.	Three Rivers (Corps, Tex) construction--not ready De la garza and Jordan	5.2 M
18.	Elizabeth River (Corps, Va) construction--not ready Whitehurst and Daniel	5.5 M
19.	Missouri R. Levee System (Corps, Ia) construction--low priority	11.2 M

THE WHITE HOUSE
WASHINGTON

October 6, 1978

Stu Eizenstat

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

Rick Hutcheson

cc: Frank Moore
Jim McIntyre

←

THE WHITE HOUSE
WASHINGTON

Mr. President:

OMB and Congressional
Liaison concur with DPS.

Rick/Bill

THE WHITE HOUSE
WASHINGTON

October 6, 1978

Stu -
ok
J

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Compromise on Lock and Dam 26/Waterway User Charge

As the attached Adams memo indicates we have reached agreement with Long, Eastland, Domenici and the waterway industry on an acceptable bill. It would contain:

- 1) A user fee rising from 4¢ per gallon in 1980 to 10¢ per gallon in 1986.
- 2) A Trust Fund supported by these revenues that would be used to fund new construction on the waterway system.
- 3) Authorization of Lock and Dam 26, but of no other projects.

Adams points out that the Trust Fund has been slightly modified so that it does not terminate in 1982 but continues indefinitely. From our point of view this may be a positive step, since it is possible that over time the Trust Fund could become a cap on waterway spending, or at least hold it down somewhat. While termination of authority to appropriate from the trust fund in 1982 could have forced the Congress to readdress the user charge issue in that year, there is no guarantee that this would have led to progress for user charges because the amount collected in the trust fund by then would not be significant.

Accordingly I recommend that you agree to accept this compromise. Our victory on the water projects appropriations bill has strengthened our hand against the upcoming authorization bill to which user charges are now attached. We now have some chance of separating those elements that we can accept from the omnibus authorization bill, which is sure to contain many projects unacceptable to us. We will still face an uphill fight to convince the House Public Works Committee to go along, however, and your support for the compromise bill could be very helpful.



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

ok
J

October 5, 1978

MEMORANDUM FOR THE PRESIDENT

ATTENTION: Rick Hutcheson

FROM: Brock Adams

SUBJECT: Waterway User Fee Compromise

Handwritten signatures of Brock Adams and Rick Hutcheson in black ink.

I believe we can obtain agreement from the barge industry to the waterway user fee compromise I discussed with you previously and that I have been working with Senator Long on, provided one change is made.

As you will recall, the compromise we have been discussing would break down as follows:

- Size of tax and date of implementation: 4¢ fuel tax commencing in October 1980, rising in 2¢ increments until a 10¢ tax is reached in October 1985. When fully implemented, given continuing industry growth, this tax would raise in the area of \$90 to \$100 million annually. The tax would begin at a date certain (1980) whether or not Lock and Dam 26 was still tied up in court.
- Study: fair study language has been worked out to enable DOT to fully study and propose a future cost recovery system and level.
- Cost recovery: trust fund to be established to receive income from fuel tax and would be applied to Corps new construction costs.

As I discussed earlier with Senator Long, the authority to spend out of the trust fund would sunset in 1982 and require reauthorization. Although Senator Long has not backed away from this earlier position, we stand to obtain waterway industry support by keeping the trust fund but dropping this sunset provision. Since we are now heading toward a veto confrontation on two bills that contain authorizations for Lock and Dam 26 (the Export-Import Bank Bill, S. 3077, and the Water Project Authorization Bill, H.R. 8309), a timely compromise backed by the waterway industry and Senator Long would ease some of that pressure. I therefore

Memorandum to the President

October 5, 1978

Page 2

recommend that we accept the change. Without the change I do not believe we can obtain support from reluctant House Chairmen Johnson and Ullman, despite Senator Long's support.

While dropping the provision that would require the trust fund to sunset in 1982 means that we will not have that provision to force a confrontation over a higher recovery level, there are several major project authorizations the Congress will be seeking over the next five years, so that there will be other opportunities to renew the fight for a higher recovery level. Furthermore, the way that the trust fund is structured in the compromise proposal will likely force the Public Works Committee to more carefully review their spending levels and to shift to using the fuel tax to recover a percentage of construction cost - a basic aim for fiscal control. Senator Domenici, our major Senate supporter, is willing to accept this change.

DEMOCRATIC
NATIONAL COMMITTEE

1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

John C. White
Chairman

MEETING WITH BOB KRUEGER

Friday, October 6, 1978

11:30 am -- 30 minutes

FROM: JOHN C. WHITE and FRANK MOORE

I. PURPOSE

To discuss Congressman Bob Krueger's campaign for
Senator Towers seat

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

a. Background

Currently the race is a dead heat. The Krueger camp has just finished a 1200 sample survey which reflects almost identically the Caddell poll of 6 weeks ago. The results are 41% for Tower and 41% for Krueger. Krueger's name identification is 15 to 17 points less than Tower's. Voter turn-out could be a factor but the Mexican American vote in South Texas is critical.

Starting next week Tower is going to begin his big push. At this point in time during past elections, Tower has always been 5 to 6 points ahead.

BIG ISSUES: Government spending and inflation.

Krueger strategy is to attack Tower on his lack of effectiveness. Tower is running his campaign on conservative emotional issues i.e. the Labor Reform Act and Panama Canal.

Krueger has just completed a 4 day tour of East Texas, with as many as 15 stops a day and was greeted by large crowds. East Texas is a trouble spot at this time. Krueger has 90 counties out of 254 fully organized. The polls show that Krueger is 2 points down in Dallas and Fort Worth and ahead 4 points in Houston.

Krueger has so far in the general election spent \$700,000.

Tower has spent \$1.6 million and intends to spend another \$1.5 million. One of the points Krueger is making is that a 17 year incumbent spent \$3 million and still has only 41%.

The RNC is picking up \$200,000 in Tower's bills. The Krueger people know they can raise \$450,000 more. They need \$200,000 in addition. They need national money, since all but \$50,000 was raised in Texas. The National PACs are not coming through for Krueger.

b. Participants

Congressman Bob Krueger (D. Texas)
Gary Mauro, Campaign Manager for Krueger
Lloyd Brinkman, Treasurer Krueger Campaign
Robert Strauss
Frank Moore
John White

DEMOCRATIC
NATIONAL COMMITTEE

1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

John C. White
Chairman

MEETING WITH BOB KRUEGER -----Page Two.

c. Press Plan

White House Photographer

FRANK MOORE COMMENT:

Cong. Krueger has sponsored H.J. Res. 130 which calls for a balanced budget in 5 years and for the Federal debt to be paid off in 5 years. The Resolution also calls for a Constitutionally balanced budget thereafter except in times of emergency.

The Congressman will bring a letter with him to present to the President asking the President's support for this Resolution.

SCAN

THE WHITE HOUSE
WASHINGTON

October 6, 1978

Secretary Blumenthal

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

Rick Hutcheson

cc: Stu Eizenstat

ACTION
Last Day - Monday, October 9

THE WHITE HOUSE
WASHINGTON

October 5, 1978

cc Mike
J

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Enrolled Bill H.R. 1920 - Refund of
Excise Taxes on Alcoholic Beverages
(Sponsored by Rep. Waggoner, D-Louisiana)

THE BILL

Under current law, excise taxes and customs duties on alcoholic beverages are paid before the products are marketed. If the products are subsequently destroyed or damaged, the Treasury can refund the excise tax or duties to wholesalers or retailers if the cause is a "major disaster" declared by the President under the Disaster Relief Act.

The enrolled bill would authorize the Secretary of the Treasury to refund without interest the taxes or duties paid on alcoholic beverages if the product is damaged due to (1) fire, flood, casualty or other disaster, whether or not declared to be a major disaster by the President, or (2) breakage, destruction or other damage, other than theft, resulting from vandalism or malicious mischief. A claim would have to be for at least \$250, unless the disaster was a Presidentially-declared "major disaster," in which case no minimum figure would be required.

VOTES IN CONGRESS

The bill passed both houses by voice vote.

REASONS FOR SIGNATURE

- o Prepaid excise taxes constitute a greater proportion of the cost of alcoholic products than other products. Thus, the loss of prepaid taxes through breakage or vandalism represents a greater expense for that business.
- o The Treasury Department withdrew its original objection to the bill because it considered other tax disagreements with Congress more pressing. With the tax bill pending, this is still true.
- o Senator Long announced on the Senate floor prior to the vote that the Treasury Department had withdrawn its objection.

REASONS FOR VETO

o In Treasury's view, this amounts to free casualty insurance to the liquor industry at government expense.

AGENCY AND STAFF RECOMMENDATIONS

OMB and Treasury recommend that the bill be signed. Treasury did withdraw its objection during consideration of the bill. OMB, considering Treasury's position and that the bill will only cost the government \$500,000, favors signature. Anne, Frank and I recommend signature.

DECISION

Sign H.R. 1920 (recommended)

Veto H.R. 1920

*It's a mistake
to agree to something
like this in advance
J*

THE WHITE HOUSE
WASHINGTON

10/6/78

Frank Moore

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

Rick Hutcheson

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

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE
WASHINGTON

1pm
10/6/78

Mr. President:

The House is now passing the
final Civil Service Reform conference
report. You will have it by monday.

Bill Cable

great!
J

THE WHITE HOUSE
WASHINGTON

*done
J*

CONGRESSIONAL TELEPHONE CALL

TO: Senator Howard Cannon (D-NEV)

FROM: October 6, 1978

RECOMMENDED BY: Frank Moore *F.M./BR*

PURPOSE: The airline deregulation conference was completed this morning at 11:00. The conference report will be an excellent one. This is due almost exclusively to the tenacity and perseverance of Senator Cannon. He was great in both carrying the the Administration's position and keeping the conference together (the House conferees tried to walk out this morning).

I recommend that you call the Senator to congratulate and thank him for an excellent job.

DATE OF
SUBMISSION:

October 6, 1978

THE WHITE HOUSE
WASHINGTON

10/6/78

The Vice President

Tim Kraft

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

Rick Hutcheson

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

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAF SHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE



THE WHITE HOUSE
WASHINGTON

MR. PRESIDENT:

The Vice President has no
comment on this appointment.

TK

THE WHITE HOUSE
WASHINGTON

C
/

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT/JIM GAMMILL

SUBJECT: Presidential Representative to the Vatican

Upon the resignation of Dave Walters, we have conducted a search for a suitable replacement. Three names have surfaced: Jane Engelhard (Mrs. Charles W.), former Senator John Pastore, and former Mayor Robert Wagner. Of the three, Mrs. Engelhard has received the strongest support from the Hill, the Catholic community, the White House staff, and our supporters in the New York/New Jersey area (Governor Carey, Governor Byrne, Senator Williams, Arthur Krim).

The only questions that have been raised regarding Engelhard have come from the State Department. The Vatican desk officer has no problems with Engelhard providing she is "politically strong." Other Department officials are worried that she might not be well received in the Vatican's "man's world." Women have represented their countries at the Vatican (two are serving at this time) with no problems.

The appointment of Engelhard would be the first time that a woman from the United States has served as the Presidential representative.

Recommendation:

That Mrs. Charles Engelhard be appointed the President's representative to the Vatican.

_____ Approved _____ Disapproved

Alternates:

John Pastore: _____ Approved _____ Disapproved

Robert Wagner: Approved _____ Disapproved

Let Fritz talk to
him - J

J

ROBERT F. WAGNER

New York, NY

age: 68

Experience

- 1938-41 Member, N.Y State Assembly.
- 1946 City Tax Commissioner, NYC.
- 1947 Commissioner, Housing and Buildings, NYC
- 1948 Chairman, City Planning Commission, NYC
- 1949-53 President, Borough of Manhattan, NYC
- 1954-65 Mayor, New York City.
- 1968-69 U.S. Ambassador to Spain.
- 1969-Present Partner, Wagner, Quillinan, and Tennant, Attorneys.

Education

- 1933 Yale, A.B.
- 1937 Yale, LL.B

Address: Empire State Building
350 Fifth Avenue
New York, NY

JANE REIS-BRIAN ENGELHARD
(Mrs. Charles W. Engelhard)

BIRTH: Born in Tsingtao, China, daughter of the late Mme Guy L. A. Brian (new Marie Murphy of San Francisco), and the late Hugo Pinto Reis, Brazilian Minister to China.

EARLY LIFE: Left China in early childhood. Later resided in Europe and South America. Educated at Convent of Sacred Heart (Les Oiseaux) Paris, France. Married 1938 to Dr. Fritz Manheimer, a Dutch banker and Grand Officer of the French Legion of Honor. Resided in Amsterdam until his death.

HOME: "Cragwood", Far Hills, New Jersey

FAMILY:

Husband The late Charles W. Engelhard, Chairman of Engelhard Minerals and Chemicals Corporation of Newark, New Jersey. Chairman, Director and Officer of other firms in the United States, Canada, Europe, South America, South Africa, Australia and Japan. (Married August 18th, 1947 in New York.)

Children Mrs. Samuel Pryor Reed (formerly Anne France Engelhard), Mrs. Roy O'Connor (formerly Susan Engelhard), Sophie, Sally Alexandra, Charlene Barry.

BUSINESS EXPERIENCE: Chairman of the Board of Engelhard Hanovia, Inc. Director of Engelhard Minerals and Chemicals Corp. Executive Vice President of Holbrook Microfilming Company, New York (a firm which microfilmed war records and records of the Library of Congress, etc.) 1942-47. Officer of the Empire State Building Corp. 1942-47.

LANGUAGES: Fluent English, French and Spanish.

ACTIVITIES: Active interest in National and Local politics. Member of the Somerset County (N.J.) Women's Democratic Association, the President's Club of New York and the National Democratic Club of Washington.

INTERNATIONAL

ACTIVITIES: Independence ceremony of Gabon (1962) West Africa. Attended with Mr. Engelhard who was representative of President John F. Kennedy with the rank of Ambassador.

Coronation of Pope Paul VI (1963) at the Vatican. Attended with Mr. Engelhard who was representative of President John F. Kennedy.

First Anniversary of the Independence of Algeria (1963). Attended with Mr. Engelhard who was representative of President John F. Kennedy.

Independence ceremony of Zambia (1965). Attended with Mr. Engelhard who was head of the delegation with rank of Ambassador representing President Lyndon B. Johnson.

With Mr. Engelhard accompanied President Lyndon B. Johnson on world tour (1967).

CIVIC ACTIVITIES:

Member of the Library of Congress Trust Fund Board (1965 to present date).

Member of the Committee for the Preservation of the White House and Member of the Fine Arts Committee of the White House (1961-1976).

Member of the Committee on Catholic Education for the Archdioces of New York.

Member of the Board of Trustees of the Metropolitan Museum of Art, and Member of Executive Committee.

Member of the Board of Trustees of the Pierpont Morgan Library and the Executive Committee.

President of the Charles Engelhard Foundation.

Member of the Arts Committee of the Port Authority of New York and New Jersey.

**CIVIC
ACTIVITIES:
(cont.)**

Honorary Trustee of the Institute of International Education (New York).

Member of the National Citizens Committee of United Community Campaigns of America.
Somerset Hills Community Chest (New Jersey),
Co-President 1960 and 1961. Chairman Special Gifts Committee 1963 to present.

Member of the Board of Trustees of the Newark Museum (New Jersey).

Member of the Women's Lighthouse Committee (New York).

Member of Catholic Charities of New Jersey.

Member of the Women's Committee of the New York Zoological Society.

Appointment by President Nixon, 1972, to the Commission on the Organization of the Government for the Conduct of Foreign Policy.

Member of the Board of Trustees of the Educational Broadcasting Corporation.

Member of the Board of Directors of the Lyndon Baines Johnson Foundation.

Director of the International Atlantic Salmon Foundation.

Commissioner of the Port Authority of New York and New Jersey. Appointed by Governor Brendan T. Byrne (1977).

2000

312
744
3330

JOHN O. PASTORE

Providence, Rhode Island

age: 71

Experience

1935-37 R.I. House of Representatives

1937-38 Assistant Attorney-General, R.I.

1940-44

1944-45 Lt. Governor, R.I.

1945-50 Governor, R.I.

1950-76 U.S. Senator, R.I.

*Vice-Chairman, Joint Committee on Atomic Energy.

*Member, U.S. Delegation, 10th General Assembly, UN.

*Keynote Speaker, Democratic National Convention

1964.

1976-Present Private Law practice, R.I.

Education

1931 Northeastern University, LL.B

Address: 301 P.O. Annex

Providence, R.I.

Phone: 401/ 351-1635



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

October 6, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Jim McIntyre *Jim*
SUBJECT: Agency "Sunset" Reviews

Recently, you asked for a list of substantive "sunset" reviews being undertaken by the agencies. Most agencies took the E.O. 12044 requirement seriously and responded with good target regulations for review. For example:

- DOT proposed to review motor carrier safety regulations governing hours of service for truck drivers and the transportation of hazardous materials. They also will reexamine regulations requiring seat belts or other restraints in cars and air brakes on large trucks.
- HUD will review the Section 8 housing program regulations which provide for unnecessarily detailed eligibility conditions.
- EPA already has under review many of their most important regulations in response to court or congressional mandates. These include the best available technology regulations in the water program, ambient air quality standards, and new source performance standards to minimize additional air pollution.
- Agriculture selected regulations governing post-mortem poultry inspection, meat inspection requirements, and regulations governing the canning of food. These are often criticized as overly expensive.

The Executive Order did not emphasize inflation as a principle concern in selecting candidates for review. Cost was only one of a number of criteria, including the need to simplify and clarify regulations, the amount of public concern and controversy, the length of time since the last review, and others. Accordingly, I called several agency heads to emphasize the concern for inflation and asked them to submit additional targets which could be cited as part of an anti-inflation program.

Several new targets were identified. For example, the Forest Service (USDA) will review timber sale regulations which drive up the cost of lumber and construction. The Farmers Home Administration will review requirements which unnecessarily raise the cost of rural housing. Coast Guard will examine ways to lower the cost of vessel inspection to reduce paperwork and rely on private rather than government inspection of certain vessels. HEW will do a two-year study of the cost of regulations affecting hospitals and health care institutions. The National Highway Traffic Safety Administration will study the costs and benefits of safety bumpers, head rests and other costly standards and review the extent to which accident severity or frequency has been reduced by these standards.

I believe these examples, among others, represent positive steps which deserve mention in any broad announcement of the Administration's anti-inflation program. I would also suggest that their importance be reinforced at a Cabinet meeting. This could be accompanied by a call for the continuous identification of new candidates and the need for publicizing announcements of results once the reviews are completed.

We are pursuing these matters vigorously and will keep you apprised of our progress.

THE WHITE HOUSE
WASHINGTON

10/6/78

Tim Kraft
Frank Moore
Jerry Rafshoon

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

Rick Hutcheson

cc: Phil Wise
Fran Voorde

THE WHITE HOUSE
WASHINGTON

October 5, 1978

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM:

John White *TK for John White*
Frank Moore *F.M./BR*
Tim Kraft *TK*
Jerry Rafshoon *JR*

SUBJECT:

Get-Out-the Vote (GOTV) Program

As we have mentioned to you previously, there are predictions that this fall's voter turnout may be the lowest ever. (Attached are recent off-year voting statistics and selected '78 primary turnout figures). This could become a factor that could result in more serious Democratic losses than we have been projecting. We have had several meetings over the last couple of weeks to discuss plans for a national GOTV effort.

We recommend the following program:

I. National Media Campaign

A. Development of a GOTV theme

-- Jerry Rafshoon's office is working on a good one-sentence slogan

B. Standard Speech Insert

-- Jerry is also working on a paragraph to be used by every Administration official as the beginning of every political speech during the last four weeks of the campaign. It would express your concern about voter turnout and encourage an extensive GOTV effort.

C. Media

1. Radio Spots

- We would produce a black radio spot using someone like Muhammad Ali and Hispanic ads using a prominent national figure (possibly Jose Feliciano).
- We would produce a general spot for use in about ten targeted cities.

2. Posters and other visuals

- For distribution to State Party and campaign headquarters.

II. Promotion

A. Press Conference

- We have submitted a scheduling proposal recommending that you appear at the DNC headquarters to announce the National GOTV program. After you depart, there would be a joint press conference with Chairman White, Senator Ford and Congressman Corman. We recommend you do this early in the day on Tuesday, October 10, which would be exactly four weeks before the election.
- B. The DNC press office would initiate a series of stories and editorials about GOTV.
- C. You should discuss this effort at the next Cabinet meeting and at the next leadership breakfast.
- D. We recommend that you send a letter to DNC members, State chairs and County chairs again stating your concern about voter turnout and asking them to help by working with candidates and local party organizations to encourage voter turnout. Jerry Rafshoon's office is preparing a letter for your signature.
- E. We recommend that you send a similar letter to Senator Ford and Congressman Corman asking that the Campaign Committees assist in this effort.

F. We recommend a letter to Governor Hunt asking that he enlist the help of the governors.

III. Field Program

We will be sending 20-25 available people into about 20 targeted states for the last week of the campaign. This will consist of White House staff with campaign experience, DNC staff and a few political consultants who will donate their time. These people will organize meetings between party and campaign officials to develop coordinated GOTV efforts. They will assist in the delivery and use of the National GOTV ads and materials. They will help coordinate the visits of various Administration officials during the last week of the campaign. Roundtrip travel and per diem should cost less than \$10,000.

cc: Vice President
Hamilton Jordan
Jody Powell

Voter Turnout - Off-Year Elections

1974	38.2%
1970	43.8%
1966	45.6%
1962	46.3%

Voter Turnout Presidential Election Years

1976	54.0%
1972	55.4%
1968	60.6%
1964	61.7%
1960	64.0%

1978 Democratic Primary Turnout

Arizona	27.3%
Connecticut	32.5%
Florida	36.9%
Maryland	41.5%
Minnesota	28.8%
New Hampshire	27.0%
New York	22.1%
Wisconsin	37.1%