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THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

February 20, 1975

CABINET MEETING

Friday, February 21, 1975
11:00 a. m. (90 minutes)
The Cabinet Room

From: James E. Connor 

I. BACKGROUND, PARTICIPANTS & PRESS PLAN

1. Background:

- You last met with the Cabinet on January 29th when the agenda focused on the FY 1976 budget and budgetary rescissions and deferrals for FY 75 and FY 76.

2. Participants: Attached at Tab A

3. Press Plan: Press Photo at Beginning of Meeting

II. TALKING POINTS

1. Our agenda this morning has three major subjects on it, but before we start I want to cover a few other items.
2. This is Ed Levi's first Cabinet meeting, and I know you all join me in welcoming him.
3. Jim Lynn, of course, is an old hand at this table, but he is now occupying the OMB chair.
4. I'd like to make a few comments about the 1975 Interdepartmental Savings Bond Campaign. We are fortunate that Secretary Butz is again Chairman of the Campaign.

I am a regular Bond-buyer and the Federal Payroll Savings Bond Campaign has my complete support.



The program is an important one. Current holdings of Series E and H bonds amount to approximately \$64 billion, which represents nearly 24 percent of the publicly held portion of the national debt. We are faced with a high amount of deficit spending in 1975, and the Treasury Department needs all the help it can get in financing part of it through the relatively low-cost, long-term Savings Bond Program.

Unfortunately, participation of Federal employees has been declining since 1968. This is disturbing. The Federal Government should set the example for all Americans. Accordingly, I want to urge each member of the Cabinet to become personally involved in the Savings Bond Campaign. I suggest that each of you conduct a Savings Bond meeting as soon as practicable with the key officials of your immediate staff to make them aware of your personal interest in the success of this year's campaign.

If each Department could increase its participation by 10% and persuade 50% of those presently participating to increase their allotment, Federal sales will far exceed \$1 billion in 1975.

I will appreciate your immediate attention to this important program and have asked Secretary Butz to send me a report on the progress made by each Department in reaching this goal.

Earl, is there anything you would like to add?

5. Let's go now to the substantive portion of our agenda.
6. First I want to briefly review the overall operations of the White House -- Chart I. (Tab B)
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 - .. Economic Policy Board
 - .. Domestic Council
 - .. National Security Council
 - .. Energy Resources Council



All of the Cabinet members are involved in one or more of these bodies.

8. I am sure that most of you dealing in the domestic area have received my memorandum on the new organization of the Domestic Council.

I have asked Vice President Rockefeller to be Vice Chairman of the Domestic Council, and I have named Jim Cannon to be the Executive Director of the Domestic Council as well as the Assistant to the President for Domestic Affairs. Dick Dunham will be the Deputy Director of the Domestic Council.

Jim Cannon - Deputy

9. I have asked the Vice President along with Jim and Dick to take a hard look at the present operation and make recommendations to me on:
 - a) Continuing the Domestic Council committees that now exist and creating others that they think should exist.
 - b) The organization and operation of the present Domestic Council staff.

Out of this review the Vice President and I expect that a greater emphasis than in the recent past will be placed on long-range problems, although the Domestic Council staff has important day-to-day duties in the domestic area and provides support for me in my day-to-day work. This operational support, of course, will have to continue.

Obviously, I expect the Vice President will be deeply involved in all of the work of the Council. Jim Cannon will be working very closely with him, particularly on the major policy issues in the domestic area which will be addressed. Jim also wears a second hat as Assistant to the President for Domestic Affairs. In this role he will be an integral part of the White House staff system and will report to me. This reporting relationship is much like the one we have in the economic policy area. There Bill Simon is my chief spokesman on economic matters and is Chairman of the Economic Policy Board. Bill Seidman is the Executive Director of the EPB and works in this capacity for Bill in formulating and coordinating economic policy. He is also an Assistant to the President for Economic Affairs and as such provides day-to-day support to me in the economic area (he recommends and sets up meetings, provides briefing papers, provides numerous position papers on various subjects which I need as I work through decisions in the economic area).

This organization relationship in the economic area has worked well. I am sure that this same type of arrangement will also work well in the domestic area. I am absolutely determined that the Vice President



have a major substantive role in this Administration. All too often we have wasted the talents and energies of a Vice President, and I am not going to have that in my Administration.

I expect all of you in the Cabinet to do all you can to support the Vice President and Jim Cannon in this undertaking. For my part, I am going to do all I can in support of the Vice President and Jim to ensure that it works, and I have no question but that it will.

I am sure the Vice President and Jim will be talking with all of you who have domestic responsibilities in the near future about your views on the Domestic Council, what should be added or what should be done away with. I want you to cooperate with them in every way and we must get underway quickly.

As decisions are made for new directions in the Domestic Policy Area, you will be notified. Also as operations procedures here in the White House are changed, we will describe them to you fully. In the meantime, let's continue with our present working arrangement.

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10. There has been an awful lot of talk recently about the supposed economic impact of our energy program. I know that each of you in your role as Administration spokesmen will be encountering questions on this subject, and for that reason I've asked Bill Seidman to brief us on the facts.
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We must speak with one voice. Be sure you have a correct signal before discussing any modification of this program. Make no promises on which you cannot deliver.



The fact that I have said we will "try to work something out" does not mean a sell out and be careful in discussions of compromise.

Pass on any information you learn on a Member's position and give us your ideas as to how we can be helpful to Members.

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The factors that influence the timing are:

- a) The new Democratic program, the inadequacies of which must be pointed out.
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In the next two weeks I'll be considering possible modifications to our plan quietly with Hill leaders.

Many of you will be given special tasks involving both House and Senate Members. Cooperation in undertaking this is expected.

Finally, keep the economy in focus and don't let it be overshadowed by the energy program. Point out they are interrelated.

Jack Marsh, Max Friedersdorf, are there other legislative matter we ought to hear about today.

12. Henry Kissinger returned on Wednesday from his trip to the Middle East. I've asked him to brief you today on the situation. Henry...





Attendess
CABINET MEETING
February 21, 1975

The President
The Vice President

CABINET MEMBERS:

Secretary of State Kissinger
Secretary of the Treasury Simon
Secretary of Defense Schlesinger
Attorney General Levi
Secretary of the Interior Morton
Secretary of Agriculture Butz
Secretary of Commerce Dent
Secretary of Labor Brennan
Secretary of Health, Education and Welfare Weinberger
Acting Secretary of Housing and Urban Development, James Mitchell
Acting Secretary of Transportation, John Barnum

CABINET RANK INDIVIDUALS:

Counsellor Robert Hartmann
Counsellor John Marsh
Assistant Donald Rumsfeld
Director of OMB James Lynn
Ambassador to the UN John Scali

White House/Executive Office:

Phillip Areeda
William Seidman
Richard Cheney
Alan Greenspan
Ronald Nessen
William Baroody
Max Friedersdorf
General Brent Scowcroft
James Cavanaugh
James Cannon
James Connor

Agencies:

Russell Train, Administrator, EPA
Frank Zarb, Administrator, FEA

Other:

Mary Louise Smith, Chairman, Republican National Committee

B

THE PRESIDENT

THE VICE PRESIDENT

CABINET RANK ADVISERS
 PHILIP W. BUCHEN
 ROBERT T. HARTMANN
 JOHN D. MARSH JR.
 DONALD H. RUMSFELD

STATUTORY OFFICES IN THE
 EXECUTIVE OFFICE OF THE PRESIDENT

COORDINATION
 DONALD H. RUMSFELD

OFFICE OF
 MANAGEMENT AND BUDGET
 James T. Lynn
 ASSISTANT TO THE PRESIDENT FOR
 MANAGEMENT AND BUDGET AND DIRECTOR
 PAUL H. O'NEILL
 DEPUTY DIRECTOR

ECONOMIC POLICY BOARD
 L. WILLIAM SEIDMAN
 ASSISTANT TO THE PRESIDENT FOR
 ECONOMIC AFFAIRS AND EXECUTIVE DIRECTOR
 M. KOSTERS (VACANT)
 DEPUTY DIRECTOR FOR
 DOMESTIC ECONOMIC AFFAIRS
 DEPUTY DIRECTOR FOR
 INTERNATIONAL ECONOMIC
 AFFAIRS

DOMESTIC COUNCIL
 James M. Cannon
 ASSISTANT TO THE PRESIDENT FOR
 DOMESTIC AFFAIRS AND EXECUTIVE DIRECTOR
 JAMES H. CAVANAGH
 DEPUTY DIRECTOR
 Richard Dunham
 Deputy Director

NATIONAL SECURITY COUNCIL
 HENRY A. KISSINGER
 ASSISTANT TO THE PRESIDENT
 LTJEN BRENT SCOWROTH, USAF
 DEPUTY ASSISTANT TO
 THE PRESIDENT FOR
 NATIONAL SECURITY
 AFFAIRS

WHITE HOUSE OPERATIONS
 DONALD H. RUMSFELD
 ASSISTANT TO THE PRESIDENT
 RICHARD B. CHENEY
 DEPUTY ASSISTANT
 TO THE PRESIDENT

COUNSELLOR TO THE PRESIDENT
 JOHN D. MARSH JR.
 COUNSELLOR TO THE PRESIDENT
 OFFICE OF
 CONGRESSIONAL
 RELATIONS
 OFFICE OF
 PUBLIC LIAISON
 MAX I. FRIEDERSDOHN
 ASSISTANT TO THE
 PRESIDENT
 FOR LEGISLATIVE AFFAIRS
 WILLIAM J. BAROODY JR.
 ASSISTANT TO THE
 PRESIDENT
 FOR PUBLIC LIAISON

OFFICE OF THE
 PRESS SECRETARY
 RONALD H. HESSEN
 PRESS SECRETARY
 TO THE PRESIDENT
 JOHN W. MUSHEN
 DEPUTY PRESS SECRETARY
 TO THE PRESIDENT

COUNSELLOR TO THE PRESIDENT
 ROBERT T. HARTMANN
 COUNSELLOR TO THE PRESIDENT
 EDITORIAL
 OFFICE
 PAUL A. THEIS
 EXECUTIVE EDITOR
 JACK CALKINS
 EXECUTIVE ASSISTANT
 TO THE COUNSELLOR

OFFICE OF THE COUNSEL
 PHILIP W. BUCHEN
 COUNSEL TO THE PRESIDENT

C

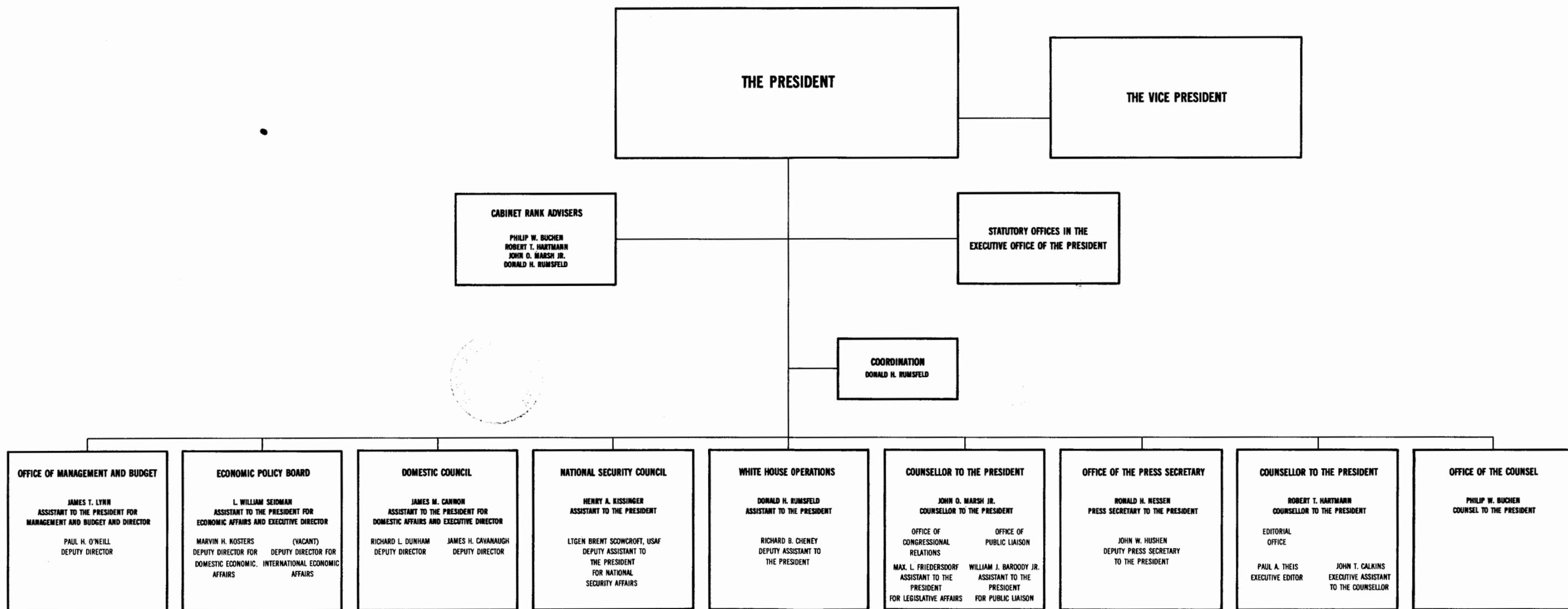
UNIVERSITY OF
TORONTO

POLICY AND COORDINATION OFFICES

<p>OFFICE OF MANAGEMENT AND BUDGET</p> <p>James T. Lynn Director and Assistant to the President for Management and Budget</p>	<p>ECONOMIC POLICY BOARD</p> <p>L. William Seidman Executive Director and Assistant to the President for Economic Affairs</p>	<p>DOMESTIC COUNCIL</p> <p>James M. Cannon Executive Director and Assistant to the President for Domestic Affairs</p>	<p>NATIONAL SECURITY COUNCIL</p> <p>Henry A. Kissinger Assistant to the President</p>	<p>ENERGY RESOURCES COUNCIL</p> <p>Frank G. Zarb Executive Director</p>
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Legislative Matters before the Congress in the near Future:

1. Veto of the Oil Tariff Deferral Bill
2. Economic Tax bill on House floor probably Thursday, Feb. 27.
3. Foreign Aid Appropriations
4. Strip mining mark up in House and Senate next week; floor consideration likely in mid March.
5. Hearings on Carla Hills as Secretary of HUD scheduled for February 24 and 27.
6. Hearings on Bill Coleman for Secretary of Transportation started yesterday and continue today.
7. Hearings on John Dunlop for Secretary of Labor scheduled for next Tuesday, February 25.
8. House Ways and Means Committee will hold two weeks of panel hearings on the total energy situation starting either March 3rd or 4th.



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**Henry A. Kissinger
Assistant to the President**

ENERGY RESOURCES COUNCIL

**Frank G. Zarb
Executive Director**



DOMESTIC COUNCIL

THE PRESIDENT, CHAIRMAN
THE VICE PRESIDENT, VICE CHAIRMAN
THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
THE CHAIRMAN, COUNCIL ON ENVIRONMENTAL QUALITY
THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY
THE ADMINISTRATOR OF VETERANS AFFAIRS
THE DIRECTOR OF THE ACTION AGENCY
THE EXECUTIVE DIRECTOR, PRESIDENT'S ECONOMIC POLICY BOARD
THE EXECUTIVE DIRECTOR, ENERGY RESOURCES COUNCIL

**EXECUTIVE DIRECTOR, DOMESTIC COUNCIL
AND ASSISTANT TO THE PRESIDENT FOR DOMESTIC AFFAIRS**

DEPUTY DIRECTOR

DEPUTY DIRECTOR

**ASSOCIATE DIRECTOR FOR
HUMAN RESOURCES**

**ASSOCIATE DIRECTOR FOR
NATURAL RESOURCES**

**ASSOCIATE DIRECTOR FOR
COMMUNITY DEVELOPMENT**

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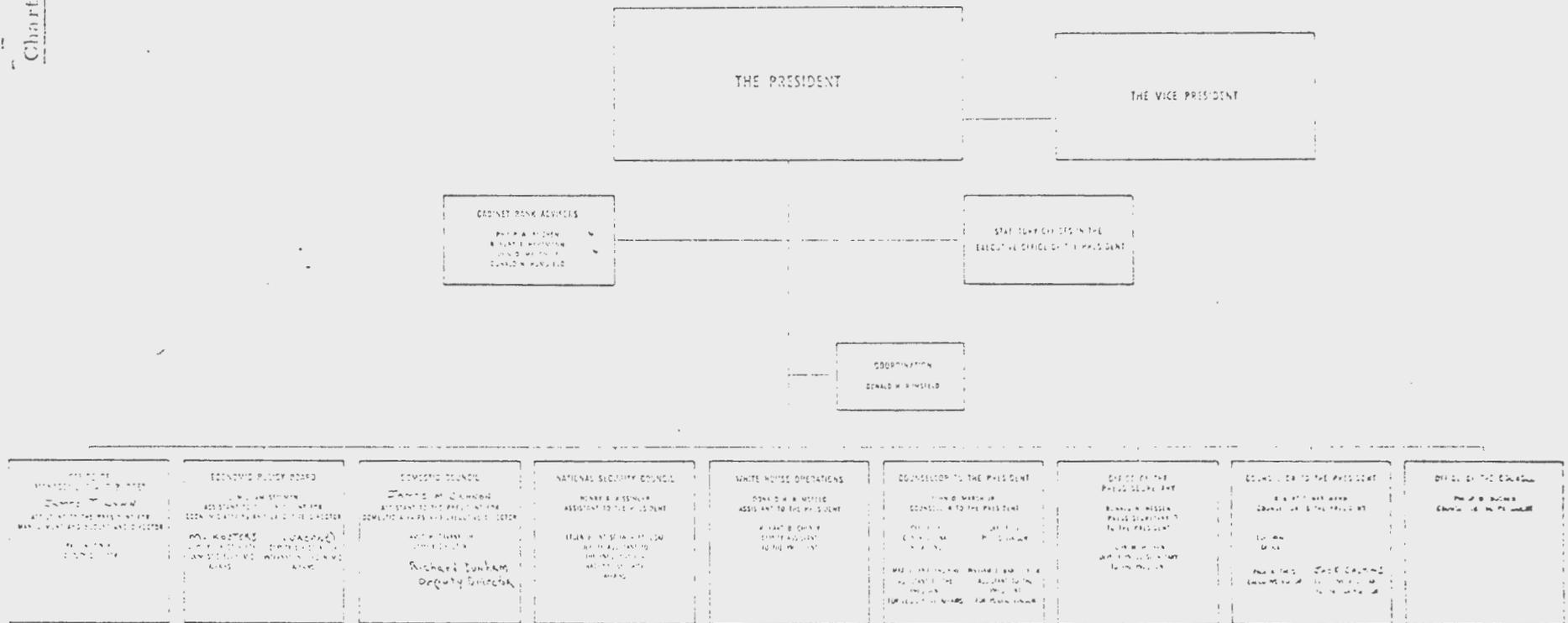
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Executive
Director

THE WHITE HOUSE
WASHINGTON

February 12, 1975

MEMORANDUM FOR: DR. JAMES CONNOR
FROM: WARREN RUSTAND *WR*
SUBJECT: Approved Presidential Activity

Please take the necessary steps to implement the following and confirm with Mrs. Nell Yates, ext. 2699. The appropriate briefing paper should be submitted to Dr. David Hoopes by 4:00 p. m. of the preceding day.

Meeting: Cabinet Meeting

Date: Wed. Feb. 19, 1975 Time: 11:00 a. m. Duration: 60 minutes

Location: The Cabinet Room

Press Coverage: White House Photographer

Purpose: President has indicated he wants a Cabinet Meeting every three weeks.

cc: Mr. Hartmann
Mr. Marsh
Mr. Cheney
Dr. Hoopes
Mr. Jones
Mr. Nessen
Mr. O'Donnell
Mrs. Yates