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THE WHITE HOUSE

WASHINGTON

January 19, 1976

MEETING WITH BIPARTISAN CONGRESSIONAL LEADERS

Tuesday, January 20, 1976 5:00-6:00 p.m. (60 minutes) The Blue Room

From: Max L. Friedersdorf M.,

I. PURPOSE

To brief the Congressional leaders on the President's 1977 budget recommendations.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. <u>Background</u>: The President's 1977 Budget message will be released on Wednesday, January 21, 1976.
- B. Participants: See TAB A
- C. Press Plan: Press Office to announce the meeting White House photographer only.

III. TALKING POINTS

See TAB B

PARTICIPANTS

The President
The Vice President

SENATE

Jim Eastland
Mike Mansfield
Bob Byrd
Bob Griffin
John McClellan
Milt Young
Ed Muskie
Henry Bellmon
Russell Long
Carl Curtis
Frank Moss
Bob Stafford
John Tower

HOUSE

Carl Albert
Tip O'Neill
John McFall
John Rhodes
Bob Michel
George Mahon
Al Cederberg
Brock Adams
Del Latta
Al Ullman
Herm Schneebeli
John Anderson
Phil Burton
Barber Conable

STAFF

Bob Hartmann
Jack Marsh
Rog Morton
Dick Cheney
Jim Lynn
Jim Cannon
Max Friedersdorf
Ron Nessen
Alan Greenspan
Brent Scowcroft
Bill Baroody
Paul O'Neill
Vern Loen
Bill Kendall

Pat O'Donnell Alan Kranowitz Charles Leppert Tom Loeffler Russ Rourke Bob Wolthuis

REGRETS

Senator Hugh Scott Secretary Simon Bill Seidman

TALKING POINTS

I am pleased that you could be here. The 1977 budget has unusual importance. In a procedural sense, it is a landmark budget.

- . It is the first budget under the October to September Fiscal Year, and
- . It is the first budget for which rules of the Congressional Budget Act of 1974 are mandatory.

Every one of us here is completely dedicated to helping make that Act a resounding success. I pledge to you again the full cooperation of my Administration in your work toward that objective.

The substance of the 1977 Budget is also unusally important. The Budget Message states the philosophy and goals of the budget as clearly and as succinctly as I know how.

The budget for 1977 and the direction it proposes meet the test of responsible fiscal policy. Its combination of tax and spending changes sets a course that not only leads to a balanced budget within three years, but also improves the prospects for the economy to stay on a growth path that can be sustained.

This prudent, balanced approach has already begun to prove itself, and it will continue to prove itself-if we stick with it.

- Over the years, the trend toward bigger and bigger government has been unmistakable. While the predominant growth has been at the State and local level, the Federal Government has contributed its share. Continued drift in the direction will sap the initiative and vitality of our private sector.
- The budget for 1977 proposes to reverse this trend by cutting the rate of growth in Federal spending to 5-1/2% between 1976 and 1977 -- less than half the average growth rate of the last 10 years. At the same time, the budget proposes further, permanent income tax reductions so that individuals and businesses can spend and invest these dollars.
- The 1977 budget achieves fairness and balance among the allocation of resources between the private sector and the public sector, the allocation of resources within the public sector, and the manner and timing of the choices it proposes.

Over the past two decades, there have been diverging, largely offsetting trends within the budget totals, with

- --nondefense spending increasing rapidly in both absolute and relative terms, and
- --defense spending declining in both real terms and as a share of the total.

Continuation along this path for several more years would erode our military strength and our foreign policy.

The 1977 budget would not allow this erosion to continue and, in fact, provides for a necessary increase in real resources provided for defense. There is no realistic alternative.

The budget also meets our urgent domestic needs. In the domestic area, my objective has been to achieve a balance between all the things we would like to do and those things we can realistically afford to do.

My budget is a tough one, but it is a compassionate one, too. Let me illustrate this point.

- It proposes that, to help slow down the runaway increases in federally funded medical expenses, Medicare beneficiaries contribute more for the care they receive
 - and it proposes that we take steps to dispel the haunting fear of our elderly that a prolonged illness would cost them and their children everything they have.
- It proposes grant consolidation and spending in the fields of health, education, child nutrition, and social services-
 - but, in every case, it makes certain that the disadvantaged, the handicapped, and the needy are cared for.

I do not expect you to agree with every detail in my budget. But I do hope that you can accept its direction and the basic priorities that it reflects. It is a tough budget, a compassionate one, and -- above all -- a responsible one.

I look forward to working closely with you on it and to persuading you that it is the proper budget for our Nation at this time.

THE WHITE HOUSE

1/16/76

Vera --

All the calls were made on this --and then Jane called to say that there
might be a change. I did not call the
people back to tell them this but wanted
to wait until I got word of the final time.
You may get a call on Saturday of a
change in time or day so you will have
to call the people back and let them
know of the change.

Neta



TUESDAY - JAN, 20 - 6.R.M.

Congressional Participants CABINET Room

Senate Leadership and Jurisdictional Committees

James Eastland
Mike Mansfield
Robert Byrd
Hugh Scott
Robert Griffin
John McClellan
Milton Young
Edmund Muskie
Henry Bellmon
Russell Long
Carl Curtis

(Briefing For Mcs on Fy 177 Budget). 12-2 HRS.

Expanded Senate Leadership

Do Not

Frank Moss - Secretary, Democratic Conference

Carl Curtis - Chairman, Republican Conference (included above)

Robert Stafford - Secretary, Republican Conference

John Tower - Chairman, Republican Policy Committee

House Leadership and Jurisdiction Committees

Thomas P. O'Neill Mary-Chyce 8040

Yohn McFall - Rito 5604

John Rhodes- 0600 Clara

MBob Michel 6201 Cond/Sharo

YGeorge Mahon 4005 Mancy Hunt

VAI Cederberg 3561 Hetter Bona

W Brock Adams 3106 Linda

Delbert Latta 6405 Joyce

NAI Ullman 5711 Many Katherine Kern

Herman Schneebeli 4315 Mary

Sw gate Blue Room Diplometric Reception

Expanded House Leadership

Do Not Phil Burton - Chairman, Democratic Caucus, 4965. Tuna
Barber Conable Chairman, Republican Policy Committee 3615 Linda

2/19/16



Wednesday, January 28 - 8:00 to 9:30 a.m.
Cabinet Room - N.W. Gate
AGENDA: politics
REPUBLICAN LEADERSHIP MEETING

y	RHODES, John	(Clara Posey)	0 6 00	
4	MICHEL, Bob	(Sharon Yard)	6201	
y	ANDERSON, John	(June Foster)	5676	
4	DEVINE, Sam	(Susan)	5355	
4	EDWARDS, Jack	(Charlotte)	4931	
V.	CONABLE, Barber	(Linda)	3615	1
4	FREY, Lou	(Ann Pickett)	3671 Par Nancy K -1	7
y	VANDER JAGT, Guy	(Margaret) Renie Gubock	, 35112 P. will call on fin wed am.	
y	CUILLEN, James	(Gandy) Jane wooten		
()				



MEETING WITH REPUBLICAN CONGRESSIONAL LEADERS

Wednesday, January 28, 1976 8:00-9:30 a.m. (90 minutes) The Cabinet Room

From: Max L. Friedersdorf # ...

I. PURPOSE

To accommodate a request by the leaders to have a meeting to solely discuss politics and the campaign.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: Bob Michel requested the President schedule a leadership meeting strictly on politics and the campaign. This was scheduled once shortly before adjournment, but the press of critical legislative matters forced a revised agenda.
- B. Participants: See TAB A
- C. Press Plan: Announce to the Press as a regular Republican leadership meeting; Press photos (if requested), and White House photos.

III. AGENDA

See TAB B

IV. TALKING POINTS

- 1. This is our first Republican leadership meeting of the year, and we look forward to working and consulting with the leaders during the Second Session.
- 2. Bob Michel and others have suggested that we have a Republican leadership meeting to discuss politics and the campaign.
- 3. This was an excellent suggestion and we did schedule such a meeting in the closing weeks of the First Session. However, due to the press of critical legislation, our last several meetings necessarily focused on such issues as energy, common situs, the tax bill and other crucial issues.
- 4. Today, it would be helpful if Ted (Stevens) and Guy (Vander Jagt) could first give us a report on the Senate and House campaigns. We also have "Bo" (Callaway) and "Stu" (Spencer) here to fill you in on my campaign.
 - Ted, if you would please lead off and give us a report on the outlook in the Senate where I understand there are 21 Democratic seats, 11 Republican and 1 Independent up for election (See TAB C).
- 6. Please proceed, Ted.....



PARTICIPANTS

The President
The Vice President

HOUSE

John Rhodes
Bob Michel
John Anderson
Sam Devine
Jack Edwards
Barber Conable
Lou Frey
Guy Vander Jagt
Jim Quillen

SENATE

Hugh Scott
Bob Griffin
John Tower
Carl Curtis
Bob Stafford
Ted Stevens

STAFF

Bob Hartmann Jack Marsh Dick Cheney Bo Callaway Stu Spencer Phil Buchen Ron Nessen Brent Scowcroft Max Friedersdorf Bill Seidman Alan Greenspan Jim Cannon Jim Lynn Bill Baroody Vern Loen Bill Kendall Pat O'Donnell Charles Leppert Tom Loeffler Russ Rourke Bob Wolthuis Roy Hughes

REGRETS

Rog Morton - out of town



AGENDA

	8:00-8:05 a.m. (5 minutes)	The President opens the meeting and makes brief introductory remarks.
	8:05-8:15 a.m. (10 minutes)	The President calls on Senator Ted Stevens (R-Alaska) for a status report and assessment of the Republican Senatorial Campaign Committee effort.
,	8:15-8:25 a.m. (10 minutes)	The President calls on Republican Congressional Campaign Committee Chairman, Guy Vander Jagt (R-MICH) for a status report on his Committee's effort.
	8:25-8:35 a.m. (10 minutes)	The President calls on "Bo" Callaway for comments on the President Ford Committee activities.
	8:35-8:45 a.m. (10 minutes)	The President calls on "Stu" Spencer for supplemental remarks on the President Ford Committee effort.
	8:45-9:30 a.m. (45 minutes)	The President invites the leaders to ask questions and engage in general discussion of the campaign.
	9:30 a.m.	The President concludes the meeting.

SENATE SEATS UP FOR ELECTION IN 1976

DEMOCRATIC

STATE

California Florida Indiana Maine Massachusetts Michigan Minnesota Mississippi Missouri Montana Nevada New Jersey New Mexico North Dakota Rhode Island Texas Utah Washington West Virginia Wisconsin Wyoming

Arizona
Connecticut
Delaware
Hawaii
Maryland
Nebraska
New York
Ohio
Pennsylvania
Tennessee
Vermont

INCUMBENT

John V. Tunney Lawton Chiles Vance Hartke Edmund S. Muskie Edward M. Kennedy * Philip A. Hart Hubert H. Humphrey John C. Stennis * Stuart Symington Mike Mansfield Howard Cannon Harrison A. Williams, Jr. Joseph M. Montoya Quentin N. Burdick * John O. Pastore Lloyd M. Bentsen Frank E. Moss Henry M. Jackson Robert C. Byrd William Proxmire

REPUBLICAN

- * Paul J. Fannin Lowell P. Weicker, Jr. William V. Roth, Jr.
- * Hiram L. Fong
 J. Glenn Beall, Jr.
- * Roman L. Hruska James L. Buckley Robert Taft

Gale W. McGee

* Hugh Scott
William E. Brock III
Robert T. Stafford

INDEPENDENT

Virginia

Harry F. Byrd, Jr.

* Announced intention not to run for re-election.

THE WHITE HOUSE

WASHINGTON

February 2, 1976

MEETING WITH REPUBLICAN CONGRESSIONAL LEADERS

Monday, February 2, 1976 6:00-7:00 p.m. (60 minutes) The Cabinet Room

From: Max L. Friedersdorf

M. 6.

I. PURPOSE

To discuss strategy on H.R. 9464, the Natural Gas Emergency Bill.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

- 1. The House will open debate Tuesday on H.R. 9464, and although the Administration supports short-term emergency gas purchasing authorities, it is imperative that this bill be amended to include long-term deregulation of new natural gas. Such authority is contained in the Krueger amendment. The bill should also be amended to delete a requirement for statutory interference with local utility pricing, delete a troublesome citizen suit provision, and add a provision for emergency gas purchases by high priority end users.
- 2. The Rule permits a vote on the Krueger amendment and an effort will be made to defeat the Rule by opponents of long-term deregulation (Dingell, Eckhardt, et.al.).
- 3. The Republican whip check on the Rule looks encouraging with prospects of losing only about 20 Republicans.
- B. Participants: See TAB A

C. Press Plan:

Meeting has been announced; Press and White House photos; Zarb and leaders available for briefing afterwards.

III. AGENDA

See TAB B

IV. TALKING POINTS

See TAB C

PARTICIPANTS

The President Administrator Zarb Assistant Administrator Hill

SENATE

Hugh Scott
Bob Griffin
Carl Curtis
Bob Stafford
John Tower
Ted Stevens
Paul Fannin

HOUSE

Bob Michel
Sam Devine
Barber Conable
Jack Edwards
Jim Quillen
Guy Vander Jagt
Bud Brown
Carlos Moorhead
Jim Broyhill
Jim Collins

STAFF

Bob Hartmann Jack Marsh Dick Cheney Phil Buchen Max Friedersdorf Jim Lynn Brent Scowcroft Jim Cannon Alan Greenspan Bill Seidman Ron Nessen Doug Bennett Vern Loen Bill Kendall Charles Leppert Tom Loeffler Russ Rourke Bob Wolthuis Eric Zausner

REGRETS

The Vice President John Rhodes John Anderson Lou Frey John Heinz

AGENDA

6:00-6:10 p.m. (10 minutes)	The President opens the meeting and discusses the need for passage of long-term natural gas deregulation.
6:10-6:20 p.m. (10 minutes)	The President calls upon Frank Zarb for supplementary remarks.
6:20-6:45 p.m. (25 minutes)	The President calls upon the leaders for comments. (Bob Michel for whip check update; Bud Brown, Jim Broyhill, Jim Collins and Carlos Moorhead as Committee and Subcommittee Members handling the bill.)
6:45-7:00 p.m. (15 minutes)	The President opens the meeting to general discussion and questions.
7:00 p.m.	The President adjourns the meeting.

TALKING POINTS FOR CONGRESSIONAL LEADERSHIP MEETING

NATURAL GAS DEREGULATION

- I understand that natural gas legislation may be brought up on the House floor tomorrow and that we have a good chance of passing the Krueger amendment to the Dingell emergency bill if the opponents of deregulation fail in their attempts to frustrate the legislative process.
- . This House vote could well be one of the most important votes the Nation ever takes regarding its energy future -- its ability to become independent. Failure to deregulate new gas could result in an additional 2 million barrels per day of oil imports by 1985.
- There is absolutely no reason not to deregulate new gas. The issue has been studied to death; trends of current regulation and the reasons for those trends (declining domestic production) are perfectly clear; it is time to act.
- We have been fortunate this winter in that our earlier estimates of shortages have not come completely to pass. But we cannot let the lessening dangers of this winter lessen the need or motivation for action. We have been lucky mother nature did for us with its warmer temperatures what the Congress has been unable to do but our luck will not last forever. The situation is deteriorating so rapidly that even mother nature will not be able to help in the months ahead.
- There are, of course, costs to deregulating new gas -- gas will cost more in the future. But the benefits are greater: not only will we be able to use our remaining supplies of our cleanest fuel, but our vulnerability to embargoes will be reduced dramatically. Besides, the costs will be no different to the Nation from deregulation than from continued regulation. If regulation continues, the gas will not be produced, and consumers will have to switch to higher priced oil. The issue of protecting the consumer is thus a false issue -- it is simply a question of our gas versus someone elses oil.
- As you know, the Administration supports the basic thrusts of the Krueger amendment. Frank is here to discuss the Krueger bill and the advantages we see in it over and above the Pearson-Bentsen bill passed by the Senate.
- . Frank, why don't you spend a few minutes going through the bill.

REPUBLICAN LEADERSHIP MEETING

Monday, February 2 6:00 - 7:00 p.m. - Cabinet Room (NW gate) Subject: Natural Gas Deregulation

mary

7	RHODES, John (cf	ara (Posey)	0800
yes	MICHEL, Bob (S	haron Yard)	6201
N	ANDERSON, John (John (In England) not back w	une Foster)	5676
yes	DEVINE, Sam	usan) Brenda	5355
yes (2)	EDWARDS, Jack	Sha lotto)mr. Pruitt	4931
Pio (C)	CONABLE, Barber (I	Linda)	3615
no	FREY, Lou	(Ann Pickett)	3671
yes 1	VANDER JAGT, Guy	(Margaret)	3511
yes!	QUILLEN, James	(Jane Wooten)	6356
		0 00000	
	Add-ons		
	Add-ons Gederberg	(Shelley)	3561
			3561
yes	Gederberg	(Shelley) (Helen)	
yes 1	Schneebeli .	(Shelley) (Helen)	4315
0	Schneebeli Clarence "Bud" Brown	(Shelley) (Helen)	4315
yes !	Schneebeli Clarence "Bud" Brown Carlos Moorhead Jim Broyhill John Heinz	(Shelley) (Holon) (Sou) Sue mergaret Lynn	4315 4324 4/76
yes wish	Schneebeli Clarence "Bud" Brown Carlos Moorhead Jim Broyhill John Heinz	(Shelley) (Helen) (Sou) Sue margaret	4315 4324 4176 2576
yes !	Schneebeli Clarence "Bud" Brown Carlos Moorhead Jim Broyhill John Heinz	(Shelley) (Holon) (Sou) Sue mergaret Lynn	4315 4324 4176 2576 2135
yes !	Schneebeli Clarence "Bud" Brown Carlos Moorhead Jim Broyhill	(Shelley) (Holon) (Sou) Sue mergaret Lynn	4315 4324 4176 2576 2135



. Today, February 5 5:30 p.m. CABINET ROOM / N.W. GATE

AGENDA: Federal Election Commission and, Supreme Court Decision

BIPARTISIAN	LEADERSHIP
GOP	

GOP		
RHODES Dickinson	0600 2901	Clara Posey
MICHEL Wiggins	6201 4111	Sharon Yard
ANDERSON YES Frenzel	5676 2871	June Foster
DEMOCRATIC		
No- ALBERT	5414	Imogene Holmes
No-O'NEILL	8040	Mary Alyce
yes MCFALL	5604	Rita Herod
BURTON, Phil	4965	anne Haralson - (Susan)
No-Hays	6265	anne Haralson + (Susan)
Dent-NO	5631	Linda Black (Rhoda) ~



TUESDAY, FEBRUARY 17 - 8:00 to 9:00 a.m. Cabinet Room, N.W. Gate REPUBLICAN LEADERSHIP MEETING

Started Calls at 6:15 p.m.

AGENDA: Defense Budget and Public Works bill veto strategy

	RHODES, John		Spokewis)- Lee Prout d)- Rathy Powe	9 0800-	Rhodes arrives 4:40 pm. 2/17 at National
yes	ANDERSON, John	(June Foster) mike Maste	15on 5676	
yES.	DEVINE, Sam		Branda Otter		
	EDWARDS, Jack	(Charlotte)	Doug Dunn	4931-	call back on monday
Notice	CONABLE, Barber	M(Linda)	Brank Benn	dt 3615-	Called backmeist
	FREY, Lou (0)		ckett) M		can't get intouch
· yes.	VANDER JAGT, Guy	(Margan	et) fin Sparli	3511	will them
·Y	QUILLEN, James	Jane Woot	en) Rache	l 6356	Jane w/e monday
	Add-ons				
south 19	Cederberg No Come	(Shelle	y) - Bonna	3561	
.00	Schneebeli	(Helen)	4315	
	Clarence "Bud" Brown	(Eou)	10	4324	
Yes Yes Yes	Gary Brown Harsha Cleveland Latta Al Johnson Bill Stanton Bob Wilson	u (Barba	Yane (5705 Out 5206 ms 5405 will 5121 will 5306 long	Jacks die ufc Call Fock Call Back who back pat on mon, - for no bleetion that day

THE WHITE HOUSE

WASHINGTON February 16, 1976

MEETING WITH REPUBLICAN CONGRESSIONAL LEADERS

Tuesday, February 17, 1976 8:00-9:00 a.m. (60 minutes) The Cabinet Room

Max L. Friedersdorf W. h.

I. **PURPOSE**

To discuss the jobs bill public works veto and the defense budget with the Republican leaders.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: Α.

- The House will vote Thursday on an attempt to override the President's veto of H.R. 5247, "The Public Works Employment Act of 1975."
- A veto will be difficult to sustain in the House where there were only 80 votes against the Conference Report on January 29.
- 3. There is a better opportunity to sustain in the Senate where there were 28 votes against the bill last July 29.
- Secretary of Defense Rumsfeld has requested the opportunity to brief the leaders on the President's request for the Fiscal Year 1977 Defense Budget.
- Participants: See TAB A В.
- C. Press Plan: Announce to the Press as a regular Republican leadership meeting - White House photographer only.

III. TALKING POINTS

- 1. Jobs Bill veto See TAB B
- 2. Defense budget See TAB C

IV. **AGENDA**

See TAB D

PARTICIPANTS

The President
The Secretary of Defense
The Secretary of Housing and Urban Development

SENATE

Hugh Scott
Bob Griffin
John Tower
Bob Stafford
Ted Stevens
Howard Baker
Bill Brock
Henry Bellmon
Strom Thurmond

HOUSE

John Anderson
Sam Devine
Jack Edwards
Guy Vander Jagt
Garry Brown
Jim Cleveland
Del Latta
Al Johnson
Bill Stanton
Jim Quillen
Lou Frey

STAFF

Bob Hartmann Jack Marsh Dick Cheney Brent Scowcroft Max Friedersdorf Bill Baroody Ron Nessen Phil Buchen Jim Cannon Jim Lynn Bill Seidman Alan Greenspan Doug Bennett Vern Loen Bill Kendall Charles Leppert Tom Loeffler Joe Jenckes Russ Rourke Bob Wolthuis Roy Hughes Paul O'Neill .

REGRETS (all out of town)

The Vice President Senator Curtis Senator McClure Rep. John Rhodes Rep. Bob Michel Rep. Barber Conable Rep. Al Cederberg Rep. Bill Harsha Rep. Bob Wilson Rogers Morton



TALKING POINTS ON H.R. 5247, THE PUBLIC WORKS EMPLOYMENT ACT OF 1975

- -- Supporters of this bill claim that it represents a solution to the problem of unemployment. This is simply untrue.
- -- The truth is that this bill would do little to create jobs for the unemployed. Moreover, the bill has so many deficiencies and undesirable provisions that it would do more harm than good. While it is represented as the solution to our unemployment problems, in fact it is little more than an election year pork barrel.

MAIN DEFICIENCIES:

- -- The cost of producing jobs under this bill would be intolerably high, probably in excess of \$25,000 per job.
- -- Relatively few new jobs would be created. The bill's sponsors estimate that H.R. 5247 would create 600,000 to 800,000 new jobs. Those claims are badly exaggerated. Our estimates within the Administration indicate that at most some 250,000 jobs would be created -- and that would be over a period of several years. The peak impact would come in late 1977 or 1978, and would come to no more than 100,000 to 120,000 new jobs. This would represent barely a one tenth of one percent improvement in the unemployment rate.
- This will create almost no new jobs in the immediate future, when those jobs are needed. With peak impact on jobs in late 1977 or early 1978, this legislation will be adding stimulus to the economy at precisely the wrong time: when the recovery will already be far advanced.
- -- Title II of the bill provides preferential treatment to those units of government with the highest taxes without any distinction between those jurisdictions which have been efficient in holding down costs and those that have not.
- -- Under this legislation it would be almost impossible to assure taxpayers that these dollars are being responsibly and effectively spent.

Effective allocation of over \$3 billion for public works on a project-by-project basis would take many months or years. The provision that project requests be approved automatically unless the Commerce Department acts within 60 days will preclude any useful review of the requests, and prevent a rational allocation of funds.

-- This bill would create a new urban renewal program less than two years after the Congress replaced a nearly identical program -- as well as other categorical grant programs -- with a broader, more flexible Community Development block grant program.

ALTERNATIVES TO H.R. 5247:

- -- There is merit in the argument that some areas of the country are suffering from exceptionally high rates of unemployment and that the Federal Government should provide assistance. My budgets for fiscal years 1976 and 1977 do, in fact, seek to provide such assistance.
- -- My proposed economic policies are expected to foster the creation of 2 to 2.5 million new private sector jobs in 1976 and more than 2 million additional jobs in 1977. These will be lasting, productive jobs, not temporary jobs payrolled by the American taxpayer.
- -- Beyond my own budget recommendations, I believe that in addressing the immediate needs of some of our cities hardest hit by the recession, another measure already introduced in the Congress, H.R. 11860, provides a far more reasonable and constructive approach.
- H.R. 11860 targets funds on those areas with the highest unemployment so that they may undertake high priority activities at a fraction of the cost of H.R. 5247. The funds would be distributed exclusively under an impartial formula as opposed to the pork barrel approach. H.R. 11860 builds upon the successful Community Development Block Grant program. That program is in place and working well, thus permitting H.R. 11860 to be administered without the creation of a new bureaucracy. I would be glad to consider this legislation more favorably should the Congress formally act upon it as an alternative to H.R. 5247.

TALKING POINTS ON DEFENSE BUDGET FOR FY 77

Secretary Rumsfeld will discuss the rationale which has been used in testimony before both Armed Services Committees, both Appropriations Committees, and the House Budget Committee.

Main points:

- 1. Sufficiency of U.S. military capability today
- 2. Assessment of the balance now

Strategic Nuclear Forces Naval Forces Central European Forces

- 3. Trends in U.S. Defense Spending (1964-1977)
- 4. Trends in Soviet Defense Spending

Military Manpower Ship Construction Ground Forces Equipment

5. U.S. and USSR Trends in Military Capability (1965-1975)

Strategic Nuclear Forces Naval Forces Ground Force Equipment

6. How the FY 77 Budget relates to the trends

By Appropriation Cutbacks and restraints

- 7. Myth of flexibility in Defense Budget
- 8. Importance of upcoming decisions by Congress (15 March resolution; 15 May resolution).



AGENDA

8:00-8:05 a.m. (5 minutes)	The President opens the meeting and introduces the subject of the Public Works bill veto.
8:05-8:15 a.m. (10 minutes)	The President requests Jim Lynn and Paul O'Neill to review Administration objections to the Public Works bill.
8:15-8:25 a.m. (10 minutes)	The President requests the leaders (Rhodes, Michel, Scott and Griffin) to report on efforts to sustain the veto.
8:25-8:30 a.m. (5 minutes)	The President calls on Representative Garry Brown to explain alternative legislation to the Public Works bill. (Bob Griffin is the Senate sponsor and HUD Secretary Hills also will be present.)
8:30-8:45 a.m. (15 minutes)	Defense Secretary Rumsfeld briefs on the President's Fiscal Year 1977 Defense Budget request.
8:45-9:00 a.m. (15 minutes)	The President invites questions on the Defense budget.

The President concludes the meeting.

9:00 a.m.

		BIPARTISAN LE	ADER	SHIP MEETING	. 0	called	monda	4 2/16
		Tuesday, Februa	ary 17,	1976 5.00 p.m.	BILL	Room)	S.W. gate	•
VERE		Agenda: Intellig	pm	2/17	Rocop			
8	ES Alo-	RHODES Clara		Clara Pose	y Jae	Me Ca	uley_	
	yes	-MICHEL Carol	6201	Sharon Yar	a gud	Ly Coul	son-	
	45.	-ANDERSON June	5676	June Foste	- Mike	e Vaugh	en-(Jun	e-roaffin
	yes.	ALBERT Amogen	5414	Imogene Ho	lmes			
	485	O'NEILL Mary My	8040	Mary Alyce	4-4-4	MER D	elores.	ne Snow
	425-	MCFALL Rita	5604	Rita Herod	Pat 3,	leming		
		BURTON, Phil		Nancy Nancy	- Amer	rancy o	Leong	
	yes	PIKE adie	3826		Betty P		U	
	yes.	MCCLORY- Marka	221	JEREMY FO		HORTON	4916-A	00
		NEDZI Cheryl		Mary Flan	nigen	ULLMAN	5711-	to no
	No-	In District Caly. WILSON, Bob May	3201	Yolanda Do	Rminy	SCHNEER	BELI 431	5-yes
	YES	PRICE. Jan.	5661	get home Pet	er Scriv	ner a.a		
	No-	CEDERBERG 60	3561	Karen Vagley	-outo	Country		
	yes-	MAHON	4005					
2	yes	EDWARDS, Jack	4931					
Nancy	yes	ADAMS	3106					
	yes	BROOKS	6565				FORD	
	yes-	HUTCHINSON	3761				RALO	CIBRI
	No-	RODINO-Rother	_3436-	- home in M.) with	3lu	130	3
	ryes	BROOMFIELD	6135		W			
	yes	MORGAN	4665					
	44.	LATTA	6405					

WEDNESDAY, MARCH 3 - 8:00 - 9:00 a.m. Cabinet Roon - N.W. Gate

Agenda: FFC and Security Assistance

REPUBLICAN LEADERSHIP MEETING

Ulla	
RHODES, John (Clara Posey)	0800
yes - MICHEL, Bob (Sharon Yard)	6201
June Foster)	5676
UPS- DEVINE, Sam (Susan) Il The 994	5355
Ues- EDWARDS, Jack (Charlotte)	4931
G - CONABLE, Barber (Linda)	3615
Willy FREY, Lou (Ann Pickett)	3671
VANDER JAGT, Guy (Margaret)	3511
Us Cuillen, James (Jane Wooten)	6356

Add-ons

Wiggins Wiggins	4111	
Marky Dickinson yo	2901	
Henson Moore	3901	E00
Frenzel	2871	Ball of or other
Broomfield	6135	
0		

THE WHITE HOUSE WASHINGTON

Vera

GOP Leadership on Wednesday March 3, 1976 8 - 9 a.m. - Cabinet Room - NW gate

Federal Election Commission and Security Assistance

The regular 9 plus Wiggins, Dickinson, Henson Moore, Frenzel, Broomfield

Neta 2/27/76 8:20 a.m.



THE WHITE HOUSE

WASHINGTON

March 22, 1976

MEETING WITH REPUBLICAN CONGRESSIONAL LEADERS

Tuesday, March 23, 1976 8:00-9:00 a.m. (60 minutes) The Cabinet Room

From: Max L. Friedersdorf W./

I. PURPOSE

To discuss with Republican leaders the issues of the Federal Election Commission, and surface mining legislation.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background

- 1. The extension to the Federal Election Commission decision by the Supreme Court expired at midnight on Monday.

 March 22.
- 2. The Senate has started its second week of debate on the unacceptable Hays bill, and the House is scheduled to consider the bill this week.
- 3. The House Rules Committee has scheduled a hearing today (March 23) on H.R. 9725, Surface Mining Control and Reclamation. Similar legislation was vetoed and sustained in 1975.
- 4. An effort to stop the bill in Rules Committee looks very close with the five Republicans and three Democrats (Sisk, Delaney and John Young) expected to oppose a Rule.
- 5. If a Rule is granted, surface mining is expected on the House Floor immediately after consideration of the FEC legislation.
- 6. The President has sent a clear veto signal to the Hill on surface mining, citing its damaging impact on energy independence goals.
- B. Participants: See TAB A

C. Press Plan:

Announce meeting; Press and White House photographers

III. TALKING POINTS - See TAB B

PARTICIPANTS

The President Under Secretary of the Interior Frizzell Assistant Administrator of FEA Hill Assistant Administrator of EPA Ouarles

HOUSE

John Rhodes
John Anderson
Bob Michel
Sam Devine
Jack Edwards
Barber Conable
Lou Frey
Guy Vander Jagt
Jim Quillen
Joe Skubitz
Sam Steiger
Phil Ruppe
Chuck Wiggins
Henson Moore
Bill Frenzel

SENATE

Hugh Scott
Sob Griffin
Carl Curtis
Ted Stevens
Mark Hatfield
Bob Packwood
Paul Fannin
Cliff Hansen

Dick Cheney

STAFF

Jack Marsh
Rog Morton
Brent Scowcroft
Max Friedersdorf
Bill Baroody
Ron Nessen
Jim Cannon
Jim Lynn
Bill Seidman
Alan Greenspan
Doug Bennett
Bill Kendall
Charles Leppert

Tom Loeffler

Joe Jenckes

Ed Schmults
Bob Wolthuis

Russ Rourke

Glenn Schleede Barry Roth Jim Connor John Charson

REGRETS

The Vice President
Secretary Kleppe
Administrator Zarb . Administrator Train
Rep. Bill Dickinson
Sen. John Tower
Sen. Bob Stafford
Sen. Bill Brock
Bob Hartmann
Phil Buchen

RECONSTITUTION OF THE FEDERAL ELECTION COMMISSION

Status: S. 3065 is still on the floor of the Senate. Although a Griffin substitute for simple reconstitution initially lost last week 47 to 46, subsequent votes on similar substitution bills have lost by wider margins. In each instance, we have shown sufficient strength to sustain a veto. The most significant of the amendments agreed to on the floor is one by Packwood to require disclosure of the amounts of expenditures by unions and corporations for communications to their members or employees with respect to clearly identifiable candidates. A Mathias amendment to expand Commission membership by the addition of two independent members was also adopted.

The Democrats have tentatively proposed a compromise bill that would combine simple reconstitution with changes in the SUNPAC decision to permit both unions and management to communicate once per election to non-union employees who do not have supervisory responsibilities. This approach continues to raise Constitutional and practical problems and Bob Griffin has not yet taken a position.

H.R. 12406 (Hays' Bill) will go to Rules tomorrow and is scheduled for the House floor on Thursday. Hays is seeking a modified close rule in order to limit the amendments that may be offered. The Minority members led by Devine, Wiggins and Frenzel have prepared several amendments, including a substitute bill that provides for simple reconstitution.

Talking Points

- 1. Let me congratulate all of you in the Senate for the fine job you did on the floor last week on the FEC. Particularly with the passage of Bob Packwood's amendment for disclosure of corporate and union expenditures for communications with members or employees.
- 2. Tip O'Neill was quoted this week as saying that, if the current legislation is vetoed, there will be no federal funds for this campaign. That is a chance we may have to take, but I think that the pressure on the Democratic leadership from the candidates and the DNC for the convention will be tremendous if that result appears imminent.

- 3. We have made a good record to date on the many problems that are raised in the House and Senate bills with respect to limiting the independence of the Commission and eliminating its ability to effectively enforce the election laws. We must keep up this support for independent enforcement while maintaining Republican unanimity if we are to be successful.
- 4. I understand that some Democrats in the Senate are suggesting a tentative compromise to allow simple reconstitution along with some changes in the SUNPAC decision. Perhaps Hugh Scott and Bob Griffin can explain this offer and then I would like to hear everyone's thoughts on where we are.

STRIP MINING - TALKING POINTS

- I understand that John Melcher will seek a rule today for his strip mining bill (H.R. 9725). My people tell me that:
 - His bill represents no significant improvement over the bill I have vetoed twice.
 - John (Melcher) may propose some floor amendments but, thus far, the amendments are largely cosmetic.
 - EPA, Interior and FEA are reviewing the production loss estimates and there is, thus far, no major change from the 40-162 million tons estimated for the vetoed bill. (Melcher is considering amendments to grandfather certain existing mines which, if passed, could reduce the high end of the range by about 30 million tons, but with no impact on the low end.)
 - There has been no improvement in the administrative workability of the bill. The bill still has ambiguous, vague, and complex provisions that would lead to litigation, regulatory delays and major uncertainties about the bill's impact -- including production losses in addition to the 40-162 million ton estimate above.
- If the bill were enacted, we would be faced with the same problems as before:
 - Near-term coal production losses.
 - Related job losses, particularly in Appalachia.
 - More pressure to increase oil imports.
 - Higher consumer prices -- not just for higher production and reclamation costs, but also where it is necessary to switch to imported oil.
 - A new Federal regulatory bureaucracy.
- Also, when considering this bill, we should keep in mind that several changes have occurred since strip mining legislation was first proposed in 1971:
 - All 26 of the states with surface mining now have their own laws and regulations. (24 are either new or tighter since 1971).
 - Interior Department will soon issue its regulations covering strip mining and reclamation on Federal lands.
 - We now know the risk of dependence on foreign oil.
 - We recognize that further expansion of the Federal regulatory bureaucracy is undesirable -- particularly where it displaces state efforts.

AGENDA

8:00-8:05 a.m. (5 minutes)	The President opens the meeting and introduces subjects of Federal Election Commission and surface mining.
8:05-8:25 a.m. (20 minutes)	The President calls upon leaders and jurisdictional Committee Members (House: Devine, Wiggins (Floor Manager), Frenzel, Henson Moore; Senate: Hugh Scott, Griffin, Hatfield. Packwood also very active on bill.), for comments on FEC.
8:25-8:45 a.m. (20 minutes)	The President calls upon leaders and jurisdictional Members (House: Skubitz, Sam Steiger, Ruppe; Senate: Fannin and Hansen), for comments on strip mining. (John Anderson will have Rules Committee status.)
8:45-8:55 a.m. (10 minutes)	The President invites the leaders to comment on other issues of current interest.
8:55-9:00 a.m. (5 minutes)	The President summarizes meeting and concludes discussion by closing the meeting.

Vera 3/19

TUESDAY - MARCH 23 - 8:00 to 9:00 a.m. CABINET ROOM - N.E. Gate REPUBLICAN LEADERSHIP MEETING

AGENDE - FEC and STRIP MINING

yes - RHODES, John (Glass Possy) Lee Prouty	0800
WED - MICHEL, Bob (Sharon Yard)	6201
Ugo - ANDERSON, John (June Foster)	5676
OF DEVINE, Sam (Susan)	5355
Ues_EDWARDS, Jack (Charlotte)	4931
CONABLE, Barber (Linda)	3615
FREY, Lou (Ann Pickett) Barbaral	3671
Us-VANDER JAGT, Guy (Margaret)	3511
QUILLEN, James (Jane Wooten)- Plenell Shake	6356

Add-ons

yes-Skubitz — 3911- Garnet Jones.

Sam Steiger-4576 - Beverly Lower.

Ruppe — 4735 - Cally Miller - House.



Vera 3/19

TUESDAY - MARCH 23 - 8:00 to 9:00 a.m. CABINET ROOM - N.E. Gate REPUBLICAN LEADERSHIP MEETING

AGENDE - FEC and STRIP MINING

yes - RHODES, John (Glara Door) Lee Prouty	0600
VPO - MICHEL, Bob (Sharon Yard)	6201 .
Jos - ANDERSON, John (June Foster)	5676
DEVINE, Sam (Susan)	5355
Us EDWARDS, Jack (Charlotte)	4931
Go-CONABLE, Barber (Linda)	-3615
Jes-FREY, Lou (Ann Pickett) Barbarat	3671
Us-VANDER JAGT, Guy (Margaret)	3511
(Jane Wooten) Tener Charles	6356

Add-ons

Use-Skubitz — 3911- Garnet Joses —

Open Sam Steiger — 4576 - Beverly Long Long Called again

Open Sam Steiger — 4735 - Cally Miller — 4735 - Cally Miller — 4735 - Cally Miller — 4735 — 3/22 11:00

De Ruppe — 4735 - Cally Miller — 4/22 11:00

De Wiggins — 4/1/1 - Leslie

Open Henson Moore-3901 - Sue Kornick

Frenzel — 2811- Pat Eveland



File

THE WHITE HOUSE

WASHINGTON

April 6, 1976

MEETING WITH BIPARTISAN CONGRESSIONAL LEADERSHIP

Wednesday, April 7, 1976 8:00-9:30 a.m. (90 minutes) The Cabinet Room

From: Max L. Friedersdorf W. .

I. PURPOSE

To discuss with the bipartisan leaders the subjects of the swine flu immunization program, the Turkish Base Agreement, Lebanon strife, and the objectionable transition quarterly funding in the Security Assistance bill.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

- 1. The President has requested a nationwide swine flu immunization program. A supplemental appropriation of \$135 million is required to finance the program.
- 2. The House passed an authorization and appropriations bill on Monday, April 5, and the Senate is expected to act soon.
- 3. The United States and Turkey have signed an important new Defense Cooperation Agreement, replacing and updating an agreement in effect since 1969. The new agreement will take effect following an exchange of letters of acceptance between the two governments, however, the U.S. acceptance will be transmitted only after Congressional approval. The Administration plans in the near future to submit the new Agreement to both Houses for their endorsement by joint resolution.
- 4. When the Agreement takes effect, the U.S. will be able to resume activities at monitoring facilities and navigational and communications sites in Turkey, suspended by the Turks since last July.
 - Congressmen Sarbanes, Brademas and Rosenthal have already indicated that they will strongly oppose additional military aid for Turkey under terms of the agreement (approximately \$250 million in grants, loans and guarantees each year for the four year term of the Agreement)---unless progress on Cyprus and the provision of

aid are clearly linked in the Agreement. This is unacceptable to Turkey.

- 6. After nearly a year of bloodshed and disruption,
 Lebanon's civil war now hovers between a shaky cease
 fire and further violence. The President has dispatched
 L. Dean Brown as a special emissary to help find a peace
 formula. A total of 1,450 Americans are still there, and
 a task force from the U.S. Sixth Fleet has been standing
 by ready to evacuate the Americans if necessary.
- 7. The House conferees for the FY '76 Foreign Assistance Appropriation bill have reported back to the House in disagreement over additional funding by the Senate for foreign security assistance in the Transition Quarter.
- 8. \$629 million in extra security assistance funding for the Middle East during the Transition Quarter includes \$550 million for Israel resulting primarily from the considerable pressure brought to bear by the Israel lobby.
- 9. Both Chairman Mahon and Chairman Passman support the President's opposition to the Transition Quarter add-on. Scheduling of a House vote on the Transition Quarter funding is uncertain.
- B. Participants: See TAB A
- C. Press Plan: Press Office to announce meeting. Press and White House photographers.

III. AGENDA

See TAB B

IV. TALKING POINTS

See TAB C



AGENDA

8:00-8:10 a.m. (10 minutes)	The President opens the meeting and announces the agenda of swine flu, the Turkish Base Agreement, Lebanon and the Transition Quarter.
8:10-8:20 a.m. (10 minutes)	The President calls upon Dr. Theodore Cooper of HEW for comments on swine flu.
8:20-8:35 a.m. (15 minutes)	The President calls upon leaders for any comments on swine flu (House jurisdictional Members include Rogers, Carter, Flood and Michel, in the Senate, Schweiker and Magnuson).
8:35-8:45 a.m. (10 minutes)	The President introduces Secretary Kissinger who briefs the leaders on the Turkish Base Agreement.
8:45-8:55 a.m. (10 minutes)	The President invites the leaders to comment on the Turkish Base Agreement.
8:55-9:00 a.m. (5 minutes)	The President requests Secretary Kissinger to brief on the Lebanon situation.
9:00-9:05 a.m. (5 minutes)	The President invites the leaders to offer their comments on Lebanon.
9:05-9:15 a.m. (10 minutes)	The President and Secretary Kissinger comment on the objectionable Transition Quarter funding add-on.
9:15-9:25 a.m. (10 minutes)	The President invites the leaders to comment on the Transition Quarter (jurisdictional Members in attendance include Mahon, Cederberg and Passman from the House, and Young from the Senate.)
9:25-9:30 a.m. (5 minutes)	The President summarizes the meeting and adjourns.



PARTICIPANTS

The President

The Vice President

The Secretary of State

The Secretary of Defense

The Secretary of Health, Education and Welfare

The Assistant Secretary for Health

HOUSE

- Carl Albert Tip O'Neill

Jack McFall

Phil Burton

John Rhodes Bob Michel

John Anderson

Doc Morgan

Bill Broomfield

Mel Price

-Bob Wilson

-Paul Rogers

__Tim Lee Carter

Dan Flood

__George Mahon

_ Al Cederberg

-Otto Passman

STAFF

Bob Hartmann

Jack Marsh

Dick Cheney

Brent Scowcroft

Max Friedersdorf

Bill Baroody

Phil Buchen

Ron Nessen

Jim Cannon

Jim Lynn

Bill Seidman

Alan Greenspan

Bill Kendall

Charlie Leppert

Tom Loeffler

Joe Jenckes

Pat Rowland

Bob Wolthuis

Russ Rourke

SENATE

Mike Mansfield

Hugh Scott

Bob Griffin

Carl Curtis

John Sparkman

Cliff Case

Dick Schweiker

Milt Young

Frank Moss

John Stennis

Warren Magnuson

Bob Byrd

Jim Fastland

REGRETS

Sen. Thurmond

Sen. Kennedy

Sen. Brooke

Sen. McClellan

Sen. Inouye

Fastland



TALKING POINTS ON INFLUENZA IMMUNIZATION PROGRAM

- 1. On March 24 I announced plans for a national immunization program to inoculate every American against a swine-type influenza virus. This flu strain, discovered during a recent outbreak among Army recruits at Fort Dix, New Jersey, was the cause of a pendemic in 1918-19 that killed an estimated 548,000 Americans--200 million people around the world.
- 2. I have asked the Congress for a supplemental appropriation of \$135 million for the program. This effort can be carried out under current health authorities, and I do not favor separate authorizing legislation which would impede the swift initiatives that are required for an endeavor of this magnitude.
- 3. The Secretary of Health, Education, and Welfare, David Mathews, is taking the lead in this effort, with the Public Health Service, under the direction of HEW Assistant Secretary for Health, Dr. Theodore Cooper, proceeding with the planning and implementation efforts to make the vaccine available to the public at the critical time. State and local health agencies will be utilized to conduct immunization programs and as distribution centers for the vaccine. But it will be essential to have the full cooperation and participation of private sector health professionals and facilities, as well as government, to ensure the immunization of the total population in the brief time available.
- 4. Since there are no precedents for such a massive undertaking, I intend to give this matter my direct and continuous attention. I have asked for weekly reports from the Secretary of HEW, so that I can gauge our progress toward our goal of ensuring that the flu vaccine is widely available and that a maximum of Americans avail themselves of it.

Note for the President: We have asked Dr. Theodore Cooper, Assistant Secretary for Health at HEW, to be in attendance at the meeting to take any questions.

US-TURKISH DEFENSE COOPERATION AGREEMENT

Background

On March 26, Secretary of State Kissinger and Turkish Foreign Minister Caglayangil signed the new US-Turkish Defense Cooperation Agreement (DCA), replacing and updating a similar agreement that had been in force since 1969. The new agreement will take effect following an exchange of letters of acceptance between the two governments. The US acceptance will be transmitted only after Congressional approval. We plan in the near future to submit the new DCA to both Houses for their endorsement by joint resolution. When the agreement takes effect, the US will be able to resume activities at monitoring facilities and navigational and communications sites in Turkey, suspended by the Turks since last July.

Since the signing of the US-Turkish defense agreement, last week, the Greek government, through Prime Minister Caramanlis, has expressed concern that the new DCA favors Turkey over Greece and may serve to destabilize the delicate balance of power in the Eastern Mediterranean. In this connection, the Greek government "suspended" talks with the United States on the future of US bases in Greece and asked for assurances of US support for Greece in the event of a Greek-Turkish confrontation, together with a level of US aid for Greece equal to that assured Turkey in the new DCA. Secretary Kissinger has given the Greek request careful study and has been in close and continuing touch with the Greek Foreign Minister on this matter, with a view to reaching agreement on an exchange of letters for public release stating US-Greek understanding and agreement to resume the base negotiations.

Congressmen Sarbanes, Brademas and Rosenthal have already indicated that they will strongly oppose additional military aid for Turkey under the terms of the agreement (approximately \$250 million in grants, loans and guarantees each year for thefour year term of the DCA) -- unless progress on Cyprus and provision of aid are clearly linked in the agreement. Secretary Kissinger, in his testimony before the House International Relations Committee, indicated that such a linkage would be unacceptable to the Turks. The Turkish Foreign Minister, on returning to Ankara from Washington last week, said that any amendment to the DCA by the Congress would amount to rejection of the accord and that US operations at the joint defense bases in Turkey would not be resumed.

Talking Points

1. The United States and Turkey signed an important new Defense Cooperation Agreement last week.

- 2. I will in the near future be sending the agreement to both the House and Senate for approval by joint resolution.
- 3. I believe the terms of the new DCA are reasonable.
- 4. Our promised assistance is related to Turkey's needs in meeting NATO commitments. Turkey is an important NATO partner.
- 5. The assistance levels we have promised to provide Turkey during the life of the DCA are consistent both with past US assistance levels to that country and on earlier projections of what we could offer over the next four years.
- 6. Some members have expressed concern that the new DCA favors Turkey over Greece and may destabilize the delicate balance of power in the Eastern Mediterranean.
- 7. This is not the case. We have always kept and will continue to keep the interests of Greece very much in mind. The security assistance package I submitted to Congress last October -- on which the House-Senate Conference has recently acted favorably -- together with the current US-Greek bases negotiations reflect the interests our two nations share.
- 8. Our security interests with Greece, bilaterally and in NATO have and will continue to have full attention and support from me.
- 9. I count on your leadership in obtaining early and favorable consideration of the US-Turkish DCA by both Houses.
- 10. Vital US and NATO security interests are at stake and early acceptance of the DCA by the Congress will preserve and safeguard these interests.
- 11. I would emphasize we should act on this agreement on its merits.

 Attempts at linkage with Cyprus or any other Greek-Turkish issue would most certainly be severely counter-productive with the Turks.



LEBANON

Background

In early March, Syria, acting at the request of Lebanese President Frangie, sent into Lebanon units of the Palestine Liberation Army (which included some Syrian officers and non-commissioned officers) in an effort to stop the fighting by left-wing forces who refused to accept the ceasefire and political agreement reached with Syrian help on January 22d and who were demanding the immediate resignation of President Frangie. The leftist forces consisted of some rebellious Moslem units of the Lebanese Army; Kamal Jumblatt and other lesser Lebanese leftist leaders, including the Lebanese Communist party; the rejectionist Palestinians and Arafat's PLO -- with strong outside support from Libya and Iraq and apparently some tacit encouragement from the USSR. By mid-March, it was only the resistance of the PLA and Saiqa -- a Palestinian organization loyal to Syria -- which prevented the Presidential Palace from being occupied and Frangie overthrown by force.

At this point, Syria asked our advice on using regular Syrian army units to separate the combattants and bring about an orderly, legal transfer of power from President Frangie to a new government, and to implement the 17-point agreement reached on January 22. We strongly advised Syria against any direct intervention and urged other governments, including Jordan and Saudi Arabia, to warn the Syrians against such a move. We immediately asked Israel what its response would be to a Syrian intervention and urged them to remain calm while the situation was being clarified. In the face of our negative reactions, Syria turned to a renewed effort to bring about a ceasefire and legal governmental succession by political means. This included closing the Syrian border to further arms deliveries to Arafat as well as the Lebanese leftists. To reinforce our serious concern at the continued fighting and our support for an orderly political solution, we sent Dean Brown to take charge of our Embassy in Beirut. Units of the Sixth Fleet were moved closer to Lebanon should the evacuation of American citizens appear necessary. We are also consulting closely with the UK, France, West Germany and the United Nations -- as well as Israel and key Arab Governments -- to see what more can usefully be done.

Lebanon's critical location and the presence of some 400,000 Palestinians makes what happens there of considerable importance to its neighbors and the entire Middle East. It has long been a

moderate, pro-Western country with a position of neutrality in the Arab-Israeli conflict. Any change in this orientation is obviously of great concern to Israel as well as the Arab world. The fighting which has gone on over the past year began as an essentially internal Lebanese struggle for political change and power. However, in recent weeks, it has been transformed by the increasing involvement of the Palestinians and other Arab countries into a struggle between Arab moderates and radicals.

It is almost as great a challenge to President Asad's politicies of relative moderation and participation in the peace process as it is to the traditionally moderate orientation and leadership of Lebanon and to the Lebanese Christian community. Thus, the outcome will be of great importance to the Middle East as a whole and to the United States interests there, as well as to Israel's long-term security. Seen in this context, Syrian behaviour during the past weeks -- particularly its close consultation with us and its decision not to send in regular army units -- has been reasonable and responsible. We are doing what we can -- short of direct involvement -- to assist the parties concerned in maintaining the ceasefire and arriving at an orderly political solution which preserves as much as possible of Lebanon's traditional orientation and values. This includes constant contact with Israel.

Talking Points

- 1. Henry and I have been following developments in Lebanon very closely and have also been in close touch with all other governments in the area -- particularly Israel and Syria -- and other interested powers to try to prevent outside intervention, stop the fighting and see what can be done to produce a favorable political outcome.
- 2. We have sent Dean Brown to survey the situation first hand and be available to the various parties. He has already met with a wide spectrum of key Lebanese leaders. We have also moved some units of the Sixth Fleet to where they would be in position to evacuate American citizens should that become necessary. We are in constant communication with Israel on this problem.



- 3. We intend to make every effort to help the parties directly concerned find a peaceful, moderate solution and to resist the increasing pressures from Arab radicals. They would like to use the situation in Lebanon to deal a serious blow to the forces of Arab moderation which we have fostered over the past two and a half years.
- 4. We consider President Asad's behaviour in the Lebanese situation to be moderate and responsible and we believe he is almost as much the object of leftist attacks as the traditional Lebanese leadership.
- 5. Henry, will you discuss in more detail just what is involved in the Lebanese situation?



TRANSITION QUARTER FUNDING FOR SECURITY ASSISTANCE

Background

On Thursday, April 1, House and Senate conferees completed their deliberations on the FY 76 foreign assistance appropriations bill but were unable to come to agreement on the Transition Quarter Funding issue. This provision of the legislation will be reported in disagreement and considered separately from the balance of the Conference Report. Under this procedure, following approval of the overall Conference Report, the TQ issue will be considered first by the full House where they must vote whether to accept or reject the Senate's Transition Quarter funding. If they do vote to accept the additional TQ funding, the legislation will be automatically cleared for the White House votes against the provision, the Senate will then be given the opportunity to vote on the House approved provision for TQ funding as a separate issue. If the Senate continues to insist upon its version, that section of the legislation will be returned to conference.

Given the privileged nature of conference reports, it is expected that the issue will be brought to a vote in the House this week with Senate consideration following soon thereafter if necessary.

To ensure a strong and coordinated Administration position, and in response to a request from Congressman Passman, a letter from you has been sent to the congressional leadership that you will veto the legislation if the Transition Quarter funding remains in the bill.

This meeting affords you the opportunity to impress personally upon the congressional leaders that you believe the security assistance levels you requested for FY 76 are fully adequate to meet the needs of the Transition Quarter and that there should be no doubt that you will veto the legislation if the Senate-approved additional funding is adopted. While you were successful in convincing a majority of the House conferees to stand their ground, we will be facing a totally different situation on the floor of the House and Senate. Considerable pressure is being placed on Members to accept the additional funding. There have even been threats of reprisal against other areas of Administration interest (e.g., Turkish and Spanish base agreements) in the event of a veto. There may also be suggestions made for a compromise on something less than full funding for the TQ.

Talking Points

- 1. One of the most important issues I would like to discuss with you today is the foreign assistance appropriations bill--particularly the issue of Transition Quarter funding, upon which the conferees could not reach agreement.
- 2. I want to impress upon you in the strongest terms that I found Senate action to add \$629 million for the Middle East in FMS credits and supporting assistance during the Transition Quarter totally unacceptable.
- 3. Soon the full House will have the opportunity to vote to accept the Senate approved amounts or sustain their conferees position. If, as I sincerely hope, the House acts responsibly and refuses to accept this unwarranted additional funding, the Senate will also have the chance to reconsider this issue.
- 4. If legislation containing the additional Transition Quarter funding comes to me for signature, there is no question that I will veto it, and I am confident such action can be sustained.
- 5. The security assistance levels I requested for FY 76 were subject to the most rigorous study and analysis before their submission. The assistance requirements of Israel, in light of our longstanding policy of support and friendship towards that country, received the most careful scrutiny.
- Quarter for recipient countries and I took these considerations into account in deciding upon FY 77 levels. For Israel, I increased the amount of supporting assistance originally proposed by 25%. I also requested \$1 billion in FMS when the weight of evidence concluded that half that amount would have sufficed.
- 7. Certainly, I would like to do more for all our friends and allies and respond positively to all legitimate requests for U.S. assistance. However, I must consider pressing and unmet needs in other areas of my budget, as well as adhere to a spending ceiling. There are just too many bills to which Congress wishes to add money.
- 8. Moreover, the distribution of the proposed additional funding in the Senate bill is not equitably spread among all the recipients of U.S. security assistance. It is concentrated almost exclusively in the Middle East in respect to supporting assistance and is not even distributed proportionately there.

9. While I fully understand the pressure you are under to accept the Senate-approved amounts, I sincerely hope I can count on you to act prudently and responsibly on this issue and to stand firmly by the House provisions which contain no unwarranted funding for the Transition Quarter.



BIPARTISAN LEADERSHIP - TUESDAY, APRIL - 8:00 (90 min) Cabinet Room - NE Gate - AGENDA: Turkish Base agreement/Portansition Quarter/Lebanon/Swine Flu

HOUSE

ALBERT

O'Neill

McFall
Burton, P.

Rhodes

Michel

Anderson

Morgan

Broomfield

Price

Wilson, B.

SWINE FLU TQ

Rogers

Mahon

STAFF

Carter

Flood

Cederberg

Passman

Kissinger Rumsfeld Mathews Hartmann Marsh Cheney Scowcroft Friedersdorf Baroody Buchen Nessen Cannon Lynn Seidman Greenspan Kendall. Leppert Loeffler Jenckes Rowland Wolthuis Rourke

SENATE

Eastland
Mansfield
R. Byrd
Moss
Scott, H.
Griffin
Curtis
Sparkman
Case
Stennis
Thurmond
SWINE FLU
Kennedy

Kennedy McClellan
Schweiker Young
Magnuson Inouye
Brooke Brooke



Room - NE Gate - AGENDA: Turkish Base agreement/D f Transition Quarter/Lebanon/Swine Flu

HOUSE

McFall Burton, P. Rhodes Michel

Anderson (out of town)
Morgan

Broomfield

Price Wilson, B.

SWINE FLUIA TO

VRogers Rett Wahon Van Y'
VCarter Kallen Cederberg

Flood lilein Passman yay

SENATE

Eastland
Mansfield
R. Byrd
Moss
Scott, H.
Griffin
Curtis
Sparkman
Case
Stennis
Thurmond
SWINE FLU

Kennedy Schweiker Magnuson Brooke TO McClellan Young Inouye Brooke

STAFF

Kissinger Rumsfeld Mathews Hartmann Marsh Cheney Scowcroft Friedersdorf Baroody Buchen Nessen Cannon Lynn Seidman Greenspan kendall. Leppert Loeffler Jenckes Rowland Wolthuis Rourke



Room - NE Gate - AGENDA: Turkish Base agreement/Description Quarter/Lebanon/Swine Flu Weds. April 7

HOUSE

ALBERT YO'Neill McFall Burton, P. Rhodes

Michel Sharon 620/ Anderson 5676 Morgan 4665 Broomfield Manage 6/35

Wilson, B. maggio 3001 SWINE FLU TO

Rogers Carter Flood

Mahon Cederberg Passman

SENATE

Eastland
Mansfield
R. Byrd
Moss
Scott, H.
Griffin
Curtis
Sparkman
Case
Stennis
Thurmond
SWINE FLU

Kennedy Schweiker Magnuson Brooke TQ McClellan Young Inouye Brooke

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Rourke



Room - NE Gate - AGENDA: Turkish Base agreement/Base Transition Quarter/Lebanon/Swine Flu

HOUSE

yes ALBERT Imogene yes # 0' Neill- mary alyce (Eleanor) McFall (Pathlening) Rita Burton, P. - Mancy Tuesa Mardi Moss Scot y Michel y Anderson - Morgan y Broomfield Price y Wilson, B. SWINE FLU TQ y Rogers W Mahon y Carter d Cederberg yFlood y Passman

SENATE

Eastland
Mansfield
R. Byrd
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THE WHITE HOUSE WASHINGTON

4/5/76

Charlie Tom Pat

Per Nancy Kennedy, the Leadership Meeting has been changed to Wednesday at 8:00 at the request of the Speaker.

kathy

