

THE WHITE HOUSE

WASHINGTON

November 2, 1979

Because of your expressed interest in the important national issues facing our country today and in specific administration programs and policies, I thought the enclosed document might be of interest to you. This is the third in a series of annual reports which summarize for the public the objectives, programs and accomplishments of the Carter Administration.

I hope you will find this material informative and useful.



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Assistant to the President

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**THE RECORD OF
PRESIDENT CARTER'S ADMINISTRATION**

**A
SUMMARY**

October 1979

THE RECORD OF PRESIDENT CARTER'S ADMINISTRATION

During his Administration, President Carter has worked toward the basic goals of:

- ✓ Ensuring our Economic Strength and Independence
- ✓ Adapting Government to Meet the Changing Needs of our Society
- ✓ Restoring Basic American Values
- ✓ Preserving Peace Through A Strong Defense

The progress and the achievements made toward each of these goals are described briefly in this summary.

SUMMARY

(1) ENSURING AMERICA'S ECONOMIC STRENGTH AND INDEPENDENCE

The President has worked to achieve this goal by reducing taxes, reducing unemployment, and reducing the Federal budget deficit, and by fighting inflation through a program of government restraint and voluntary private sector cooperation. He has moved to ensure economic independence by developing a comprehensive national energy program which will reduce America's future dependence on foreign oil.

ECONOMY

Tax Cuts

- \$28 billion in tax cuts in 1977-1978.
- These tax cuts will save Americans \$35 billion in 1979 and \$40 billion in 1980.

Employment

- \$21 billion economic stimulus package in 1977 (directed toward low income and unemployed).
- Nationwide unemployment rate reduction of 25% (for blacks a 14% unemployment reduction; for youth a 26% increase in employment; and for women 4.3 million additional jobs over 1976).
- 8.3 million jobs created (greatest 27-month employment growth in America's history).
- Employment of over 97.5 million Americans (highest level in history; highest percentage of the workforce in history).

Federal Budget

- Federal deficit spending reduction of \$36 billion (over 50% reduction in 3 years).
- Federal spending reduced from 22.6% to 21.5% of GNP.

Economic Growth

- 27-month consecutive real GNP growth.
- Personal savings increase of 35.5%.
- Real GNP increase of 10.4%.
- Corporate profits up 49.5%.
- Dividends up 30.8% to stockholders.
- Housing starts up 50% in first 2 years.
- Real business investment increased 19.1%.

Inflation

- The Council on Wage and Price Stability has been monitoring more than 1,000 businesses using the price guidelines and publicly identifying violators.
- More than one million union employees reached agreements which complied with the President's voluntary wage guidelines.
- The rate of price increases in the sectors of the economy covered by the wage price standards have been one-half of the overall inflation rate, and the rate of increase in hourly wages (during the first nine months of 1979) was actually lower than during the comparable period of 1978.
- The Consumer Price Index, excluding energy cost, was at about the same 8% growth level during July-September 1979 as it was for the same periods of 1977 and 1978. Thus the basic nonenergy inflation rate has been kept at an even level over the past several years.

- An accord with labor to participate fully in the Administration's voluntary anti-inflation program (representing the first time that the government and labor have reached a common understanding on economic principles to combat inflation), will assist the anti-inflation program and ensure greater labor and business participation.
- A Pay Advisory Committee and a Price Advisory Committee were established to provide anti-inflation participation for Labor, Business and Government cooperation.

ENERGY

National Energy Policy

- First comprehensive National energy package proposed by a President; 65% of program enacted in 1978.
- Creation of the Department of Energy (consolidating energy programs of seven different agencies).
- Proposed energy program in July of 1979 which, when combined with program enacted in 1978, will reduce U.S. imports of oil by 67% by 1990.

Conservation

- Energy conservation programs and incentives (those enacted which will save 1.0 million barrels of oil per day by 1980; additional proposed measures will save another 1.5 million barrels per day by 1990).
- Enacted first residential energy conservation tax credits.
- Proposed \$6 billion residential conservation program.
- Mandated 5% reduction in annual energy use in Federal buildings.
- Mandatory automobile fuel efficiency standards for each model year through 1985.

- Proposed \$900 million grant program to provide 50% of cost for insulation and conservation measures in schools and hospitals.
- Mandatory nonresidential building temperature restrictions.

Increased Energy Development

- Proposed Energy Security Corporation (to develop 2.5 million barrels of oil from alternate fuel sources).
- Proposed Energy Mobilization Board (to eliminate red tape in construction of energy facilities).
- Phased decontrol of domestic crude oil (producing more than 800,000 barrels per day by 1985).
- Gradual decontrol of natural gas (assuring interstate gas supplies ending 30 years of congressional stalemate).
- Committed to a doubling of coal production by 1985 (will be aided by coal conversion initiatives enacted in 1978, and proposed conversion program to require utilities to reduce their oil use by 50% by 1990).

Solar and Renewable Resources

- Tripled funding for solar and renewable resource development.
- Committed to 20% of the nation's energy from solar and other renewable resources by the year 2000.
- Established the Solar Energy Research Institute; increased solar research and development funding by 40%.
- Proposed creation of Solar Bank to provide \$2 billion over next ten years to aid in the financing of solar homes.
- Enacted first solar tax credits.
- Enacted first gasohol tax credits; tripled Federal funding for gasohol.

Tax on Windfall Profits

- Proposed tax to recover windfall profits (to be used for energy-related purposes not otherwise being met) such as:
 - o Extensive commitment to alternative energy development (goal of producing equivalent of 2.5 million barrels of oil from alternate energy sources).
 - o Additional \$16 billion for mass transit and auto fuel efficiency improvements over 10-year period.
 - o \$24 billion over 10-year period to assist low-income households with increased energy cost.

International Energy Cooperation

- Tokyo Summit agreement (7 industrialized nations agreed to limit imports as a way of restraining world-wide consumption).
- Alaska natural gas pipeline agreement (Canada/U.S. agree on pipeline construction; pipeline to carry 5% of our total natural gas supplies).
- Mexican natural gas agreement (assures U.S. of additional natural gas at reasonable price).

(2) ADAPTING THE GOVERNMENT TO MEET THE CHANGING NEEDS OF OUR SOCIETY

The President has worked to reshape the government and make it more efficient.

MORE EFFECTIVE GOVERNMENT

Reorganization

- Civil Service Reform (first overhaul since 1880's).
- Seven reorganization plans (proposed, approved and implemented).

- Creation of Department of Energy.
- Creation of Department of Education (giving education a cabinet level voice in the Federal government).

Eliminating and Reducing Regulations

- Airline deregulation (annual consumer savings of \$2.5 billion; opens more routes and increases competition).
- Elimination of 1,000 OSHA regulations; exempted 40,000 small businesses from OSHA reporting requirements.
- Proposed trucking deregulation (will save consumers billions of dollars and increase competition).
- Proposed railroad deregulation (will rebuild a competitive, viable rail system nationwide).

Limit Government Bureaucracy

- Reduction of 20,000 permanent Federal government employees by end of 1979.
- Reduction of paperwork by nearly 15% throughout the government; 25% reduction at HEW.

MEETING SOCIAL AND HUMAN NEEDS

Health Care

- Proposed National Health Care Plan (will provide catastrophic coverage to all Americans and comprehensive care to 15 million low-income persons).
- Proposed Hospital Cost Containment (will save consumers \$50 billion over a 5-year period).

Protection for Older Americans

- Saved Social Security System (averted certain bankruptcy to protect the 34.7 million Social Security beneficiaries).

- Age Discrimination Act (eliminated forced retirements for Federal workers; raised mandatory retirement age from 65 to 70 for private sector).
- Older Americans Act amendments (simplified and strengthened economic protection for older Americans).

Protection for the Poor

- Proposed Welfare Reform (will create 660,000 jobs; provide nearly \$1 billion in fiscal relief).
- Food Stamp Reform (allows 2.2 million additional eligible low-income Americans to receive benefits).
- Humphrey-Hawkins Full Employment Act (expresses first commitment of Federal government to full employment).
- Minimum Wage increases each year from 1977 through 1980.

Education

- 60% funding increase for education programs.
- Created a Cabinet-level Department of Education.
- Middle Income Student Assistance Act (1.2 million additional students eligible for college aid).

Urban Policy

- Developed Nation's first comprehensive urban policy (13 of 19 proposals enacted in 1978).
- More than 100 administrative changes to improve urban focus and targeting of existing Federal programs.
- Creation of the Urban Development Action Grant Program (providing \$1.5 billion in grants to leverage private sector investment and create jobs in urban areas).

- Additional 1 million units of Federally-Assisted Housing for low and moderate income renters and homeowners.
- New York City assistance (providing loan guarantees to ensure fiscal recovery of New York).
- Proposed Countercyclical Fiscal Assistance Program (to provide up to \$1 billion for urban areas).
- \$2 billion expansion for elderly and handicapped housing.
- 1500% increase in Economic Development Grants.

Agricultural and Rural Policy

- Nation's first farmer controlled grain reserve established (ensures stable grain markets).
- Farm prices up 35% overall since 1977.
- Net income for farmers approaching highest level in history.
- Agricultural exports -- set records in 1977 and 1978; with another record year expected in 1979.
- Enacted Rural Health Clinics Act (providing 1.5 million Americans unique access to primary health care).
- Streamlined \$2.5 billion in water and sewer funds for rural areas.

NATURAL RESOURCES AND ENVIRONMENT

Protection

- Removed 115 million acres of Alaska from development by executive action.
- Strip Mining Act (first Federal standards).
- Clean Air Act and Clean Water Act amendments (strengthening the vital protections provided by those Acts).
- Omnibus National Parks Act (created 15 new national parks).
- Outer Continental Shelf Leasing Act (first reform in 25 years).
- Major initiatives to improve urban environments, including a new \$725 million program to upgrade urban parks.

- Proposed \$1.6 billion superfund to clean up oil and chemical and hazardous waste sites.

(3) RESTORING BASIC AMERICAN VALUES

President Carter has worked to restore to the Federal government the basic values which Americans have a right to expect from their leaders.

Human Rights

- Reassertion of America's traditional commitment to human rights.
- Negotiation of prisoner exchange with Soviet Union.
- Expanded protection and assistance to refugees (such as the Vietnamese boat people).
- \$60 million commitment to assist Cambodian refugees.

Integrity and Openness

- Enacted Ethics Act (required for the first time full financial disclosure by all high-ranking government officials).
- Inspectors General (placed in each Federal agency to oversee honesty and integrity of Federal spending and to root out fraud and abuse).

Equality and Equal Opportunity

- Equal Rights Amendment (worked to secure ratification deadline extension).
- D.C. Voting Rights Amendment (helped to pass effort to secure full voting representation for D.C.).
- Senior Management Appointments (more blacks, Hispanics, and women appointed to senior positions in the administration than by any previous President).
- Doubling of Federal purchases from minority businesses.

- Judges (appointed more blacks, Hispanics, and women to Federal courts than all previous Presidents combined).

Anti-Discrimination

- Increased funding and staffing for enforcement of civil rights laws to highest levels in history.
- Anti-foreign boycott law (led effort to enact).
- Affirmative Action (filed amicus briefs in Bakke and Weber cases on behalf of affirmative action).
- Handicapped Regulations issued (Section 504 Regulations issued to prohibit discrimination against the handicapped).
- Supported the EEOC in its efforts to provide current dispensation and reduce the backlog of discrimination complaints.

Civil Liberties

- Proposed FBI Charter (charter for the Bureau for the first time in its 50-year history).
- Foreign Intelligence Surveillance Act (first legislative controls on foreign intelligence surveillance).
- Individual privacy protection (developed Federal government's first comprehensive program; reduced Federal files on individuals by almost 10%).

(4) PRESERVING PEACE THROUGH A STRONG DEFENSE

The President has succeeded in preserving peace. At the same time, he has taken steps to strengthen our nation's defense capabilities.

National Security

- No American soldiers killed in combat (first time in over 40 years).
- SALT II negotiations completed after 7 years of negotiation (most comprehensive nuclear arms limitation ever negotiated).

- Continued development of the TRIDENT submarine and missile system, and the cruise missile program.
- Adoption of MX missile system to ensure strategic response capability.
- 3% real growth in defense spending (reversing declining defense commitments during the decade).

Resolving Regional Conflicts

- Middle East Peace Treaty.
- Panama Canal Treaty negotiation (completed negotiation and obtained Senate ratification).
- Southern Africa (maintained commitment to majority rule; nonrecognition of Muzorewa Government in Zimbabwe-Rhodesia).

East-West

- Recognition of the People's Republic of China.

Cooperation with Allies

- Strengthening of NATO.
- Multi-national Trade Negotiations (completed negotiations and obtained Congressional approval).
- Improved relationship with Japan.

Global Issues

- Nuclear Non-Proliferation Act (first statutory controls in the transfer and sale of nuclear materials).
- Establishment of Nation's first comprehensive conventional arms transfer policy (reduction of U.S. arms sales).

International Economy

- International intervention to protect value of dollar.
- Exports have hit record levels on most products.
- Development of country's first comprehensive trade policy.