Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: President, Office of the: Presidential

Briefing Papers: Records, 1981-1989

Folder Title: 10/08/1981 (Case File: 043561)

Box: 7

To see more digitized collections visit:

https://reaganlibrary.gov/archives/digital-library

To see all Ronald Reagan Presidential Library inventories visit:

https://reaganlibrary.gov/document-collection

Contact a reference archivist at:

reagan.library@nara.gov

Citation Guidelines: https://reaganlibrary.gov/citing

Page 1

ID # 04356/

WHITE HOUSE OFFICE OF RECORDS MANAGEMENT WORKSHEET

□ X · MEDIA					
□ H · INTERNAL Name of Document:	BRIEFING PAPERS PRESIDENT'S SCHE	DULED	7110	PR	ibject Codes:
Subject:					014.02
Signing Care	Tund Com	Chine of	Federal		004.01
May Calin	et Council on	Natura	Resource	OBE	002
and Envi	roumon			A	006
Presidentia	I speech for	anni	versary		003.11
of the batt	te of york	town	(,
Water fast	ici canto in	The CA	CUN		006.02
llanningx	Group's meet	ting u	thto		010.02
presiden		/			
Mits with for	mer Preside	ento Ci	yler.	F6	001.02
gord ;	nipon and	Mrsc	arler	JL	003.01
Summery !	Schooled o DI	to Pray	ident		002.36
for notes	no with to	rmer	Mexideni	1	002.38
/]			20	004
·					
	routin	niel			
ROUTE TO:		A	CTION	DISF	POSITION
Office/Agency (Staff Nan	ne)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date Code YY/MM/DD
RMMATT		RSZ	8/10/26		08/10,2
		Referral Note:			,

X) H.INTERNAL

Page Z

ID#043561

WHITE HOUSE OFFICE OF RECORDS MANAGEMENMT WORKSHEET

A) H-INTERNAL		2CT 08 6	9) S	ubject Codes:
Name of Document: PRESIDENT'S	SCHEDULE (101000		0 0 7 . 0 1
			EC	200
Subject:	1			
1. Phyto cession with	departi	RP U.S.		
ambassadors and f	amilies			
2. Harry BARNES, U.S	. amb. T	India	<u> </u>	069.
S. John DEAN "		"Thailand		155
1 John DOLIBOIS, "		"Fusembor		092.
David FUNDERBURK,"		Romania	/	130.
Jack MATLOCK "	11 6	ZECHOSLOV	AICIA CO	040.
Frank ORTIZ	" "	Peru	_	124.
a. P. PAGANELLI "	11 4	Suria		153.
Vuainia SCHAFER "	11 13	PAPUA NEL	GUINEA	
I RONALD SPIERS "	11 11	Pakiotan	1 CO	
Jaith WHITTLESEY"	" "×	witnester		150.
* David ZWEIFEL "	" " ()e	man		175
			Approxima Audigorous	
			Material designation	
			Appendix Appendix	
			Water Section 1 - Leader Staff	
			Nov-1 month amount of the	
The state of the s				
ROUTE TO:	AC	TION	DISF	POSITION
	A atti	Tracking	Type	Completion
Office/Agency (Staff Name)	Action Code	Date YY/MM/DD	of Response	Date Code YY/MM/DD
RMMATT	ORIGINATOR	1 1		C , ,
	Referral Note:			
	Hereital (AOIG)	0.0		

WASHINGTON

THE PRESIDENT'S SCHEDULE Thursday, October 8, 1981

9:00 am (2 hrs)	Dental Appointment (Dr. Daniel Ruge)	Residence
11:00 am 0.5] (30 min)	Staff Time (Baker, Meese, Deaver)	Oval Office
11:30 am (15 min)	Senator Nancy Kassebaum (Max Friedersdorf)	Oval Office
11:45 pm (30 min)	Personal Staff Time WAIG FULLER Proment 144	Oval Office
(2) (0 12:15 pm (10 min)	Brief Meeting with Secretary Baldrige, etal re Combined Campaign Fund (Craig Fuller) (TAB A)	Oval Office
12:30 pm (60 min)	Lunch with the Vice President	Oval Office
1:30 pm (60 min)	Meeting with Cabinet Council on Natural Resources and Environment (Craig Fuller)	Cabinet Room
2:30 pm	Personal Staff Time (Craig Fuller) AMB. GORBALIN GROUP - CHUCETYSON, DICKAILD, GEGERICEMP AMB. GORBALIN (ECHPTIAN - PHOTO SPAULT) (CHAPTIAN - PHOTO SPAULT)	Oval Office
(00 mrm)	HAIG, MELSE, BAKKIN, OF AVEN. ALLEN, CARLING! Cancun Planning Group Meeting (Richard Darman/Craig Fuller) (available in a	Cabinet Room .m.)
4:00 pm (20 min)	Speech Conference re Yorktown Speech (David Gergen) (TAB C)	Oval Office
4:30 pm (45 min)	Ambassador Photos (Richard Allen) (TAB D)	Oval Office
5:40- 5:30 pm (30 min)	Staff Time / MANON, CARTER, FORD (Baker, Meese, Deaver)	Oval Office
6:00 pm	To the Residence	Residence
6:55 7:30	RECEPTION FORM PRESIDENTS HELICOPTER DEPARTS	RESIDENCE
	The state of the s	

CORD EA TO VINON SHOW.



WASHINGTON

UNCLASSIFIED UPON REMOVAL OF CLASSIFIED ENCLOSURES

October 8, 1981

NOTE FOR PARTICIPANTS IN THE CANCUN PLANNING GROUP'S MEETING WITH THE PRESIDENT

FROM:

RICHARD G. DARMAN CRAIG L. FULLER

3:40 -

Attached are two documents referred to in this morning's preparatory meeting:

Tab A: Options paper on "Global Negotiations"

(with State Department revision of

option 2)

Tab B: Secretary of State's "Cancun Strategy"

paper.

These will be discussed in this afternoon's meeting with the President.

Distributed to:

The President

The Vice Procident
Secretary Haig
Secretary Regan
Edwin Meese III
Ambassador Brock
Ambassador Kirkpatrick
James A. Baker III
Michael K. Deaver
Richard V. Allen
Martin Anderson
Richard G. Darman
Craig L. Fuller

HENRY NAW BEN ELLIOT CANOR THEON

David R. Gergen

WASHINGTON

CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT

October 8, 1981

1:30 PM

Cabinet Room

AGENDA

- 1. Nuclear Power Statement (CM#78)
- Natural Gas Decontrol (CM#53)

ATTENDING:

DICIC DARMAN EO DIERSE BAKEK JUDGERLANK

WASHINGTON

October 5, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT

JAMES G. WATT, CHAIRMAN PRO TEMPORE

ISSUE: Should the Administration support legislation to

accelerate the decontrol of production and use of

natural gas?

BACKGROUND

In 1978, Congress adopted the Natural Gas Policy Act (NGPA), which controls the price of all gas under a wide variety of categories and prices. Those prices are allowed to escalate at or slightly above the rate of inflation. Under the law some gas (about half of all production in 1985), would be deregulated on 1/1/85, while the remainder would remain under controls forever.

The current controlled prices are well below any likely market price, and are rising only very slowly, in real terms. This means that if the current law is not changed, natural gas prices will probably rise enormously at the time of decontrol in 1985, making it very likely that there will be a strong effort to prevent even that partial decontrol. The gas market has also been distorted by energy laws preventing or penalizing the use of natural gas in certain areas.

The NGPA has generally retarded gas drilling efforts. The current rapid increase in drilling rigs (a 40% annual rate of increase for the last two years; 900 new rigs added since the President ordered full oil decontrol) has primarily been for oil. Oil well completions have increased at a 40% annual rate; gas well completions at only about a 6% annual rate.

DISCUSSION

The Department of Energy estimates that any policy leading to complete decontrol of natural gas will provide substantial benefits to the economy over the next few years in greater production of gas, more conservation, reduced imports and greater economic efficiency. The more immediate and complete the decontrol, the greater the benefits, but also the greater the immediate impact on consumers, and the more rapidly the economy must adjust to the new situation.

The Cabinet Council recommends a phase-out of price controls by allowing prices to rise smoothly from 1/1/82 levels toward an oil equivalent price on 1/1/85 when complete decontrol would occur. The Council also recommends that some category of "new" gas be allowed to rise immediately to the oil equivalent price, so as to create a greater immediate incentive for increased production. Finally, the Council recommends that all demand restraints on natural gas (Fuel Use Act and incremental pricing) be repealed.

The Council also agreed that there should be an Administration announcement of general policy, followed by consultation with Congressional supporters and affected groups on the exact details of a bill for presentation.

The Council considered a wide range of other options, including immediate decontrol of all gas, decontrol of "new" gas only, and other phasing options. These were rejected as either politically infeasible, or causing greater market distortions during the decontrol period.

ADVANTAGES:

- 1. Energy Independence. Will move the United States toward greater energy independence. Decontrol will stimulate greater production and increased conservation. DOE estimates up to 500,000 bbl/day in import reduction through 1985. This will also put downward pressure on world oil prices, as happened with oil decontrol.
- 2. Cleaner Environment. Greater production and more efficient use of natural gas will reduce pollution. Gas is almost totally clean-burning, and can also be used to "average down" coal emissions, thus allowing more coal use within environmental standards.

^{† &}quot;Oil equivalent price" means a wellhead price for gas that will make it competitve with residual fuel oil in final markets. This price (excluding taxes) would be about 70% of the equivalent price of crude oil to refiners.

- 3. <u>Increase Revenues</u>. May increase government revenues. Methodological disputes remain, but full decontrol could raise revenues by up to \$3-10 billion under present tax structure.
- 4. Economic Efficiency. Will increase efficiency of the economy, as users and producers are freed from controls. This is why major industrial users of gas (chemicals, plastics, GM, etc.) virtually all support decontrol.
- 5. Stimulate Alternatives. Will stimulate production and use of alternate energy sources (coal, solar, conservation) that cannot compete with subsidized gas prices in current markets.
- 6. Stop Extension of Controls. Prevents likely extension of total control system beyond 1985.
- 7. <u>Foreign Relations</u>. Will help foreign relations, because removes our subsidized competition for foreign energy supplies, improving energy prospects for friendly countries.

DISADVANTAGES:

The major disadvantage of any decontrol proposal is political opposition to allowing consumer price increases. Under current law, residential prices have been rising 8-10% annually, above the rate of inflation, and there will be a massive, instantaneous jump in prices in 1985. Even so, if this proposal is adopted, many will blame all price increases on the new law. Recognizing the deficiencies of any forecasting process, here are some of the projected effects of the Cabinet Council recommendation.

- 1. <u>Higher Consumer Prices</u>. Residential gas prices may rise by about 15% annually above inflation, through 1985. Thereafter prices should be about the same as under current law.
- 2. <u>Higher Heating Bills</u>. National average residential heating bills for those using gas could rise by \$50-100 each year through 1985.
- 3. <u>Inflation and GNP Effects</u>. It will be argued that inflation and unemployment will increase and GNP will decrease. Our analysis indicates that this need not occur, even in the first year or two, if proper monetary and fiscal policy are followed. The long-run effect of decontrol on all these indicators is clearly positive.
- 4. Wealth Transfer. There wil be a significant transfer of wealth from current consumers of natural gas to producers, perhaps \$40-50 billion in net present value (1980\$).

A	D4 = 0 = = = = =	D:	
Approve	Disapprove	Discuss further	

PRESIDENTIAL STATEMENT ON NUCLEAR POWER

A more abundant, affordable, and secure energy future for all Americans is a critical element of this Administration's economic recovery program. While homeowners and business firms have shown remarkable ingenuity and resourcefulness in meeting their energy needs at lower cost through conservation, it is evident that sustained economic growth over the decades ahead will require additional energy supplies. This is particularly true of electricity, which will supply an increasing share of our energy.

If we are to meet this need for new energy supplies, we must move rapidly to eliminate unnecessary government barriers to efficient utilization of our abundant, economical resources of coal and uranium. It is equally vital that the utilities -- investor-owned, public, and co-ops -- be able to develop new generating capacity that will permit them to supply their customers at the lowest cost, be it coal, nuclear, hydro, or new technologies such as fuel cells.

One of the best potential sources of new electrical energy supplies in the coming decades is nuclear power. The U.S. has developed a strong technological base in the production of electricity from nuclear energy. Unfortunately, the Federal Government has created a regulatory environment that is forcing many utilities to rule out nuclear power as a source of new generating capacity, even when their consumers may face unnecessarily high electric rates as a result. Nuclear power has become entangled in a morass of regulations that do not enhance safety but that do cause extensive licensing delays and economic uncertainty. Government has also failed in meeting its responsibility to work with industry to develop an acceptable system for commercial waste disposal, which has further hampered nuclear power development.

To correct present government deficiencies and to enable nuclear power to make its essential contribution to our future energy needs, I am announcing today a series of policy initiatives:

(1) I am directing the Secretary of Energy, monitored by the Task Force on Regulatory Relief, to give immediate priority attention to recommending improvements in the nuclear regulatory and licensing process. I anticipate that the Chairman of the Nuclear Regulatory Commission will take steps to facilitate the licensing of plants under construction and those awaiting licenses. Consistent with public health and safety, we must remove unnecessary obstacles to deployment of the current generation of nuclear power reactors. The time involved to proceed from the planning stage to an operating license for new nuclear power plants has more than doubled since the mid-1970s and is presently some 10-14 years. This process must be streamlined, with the objective of shortening the time involved to 6-8 years, as is typical in some other countries.

DRAFT 10/2/81 2

(2) I am directing that government agencies proceed with the demonstration of breeder reactor technology, including completion of the Clinch River Breeder Reactor. This is essential to ensure our preparedness for longer-term nuclear power needs.

- (3) I am lifting the indefinite ban which previous Administrations placed on commercial reprocessing activities in the United States. In addition, we will pursue consistent, long-term policies concerning reprocessing of spent fuel from nuclear power reactors and eliminate regulatory impediments to commercial interest in this technology, while ensuring adequate safeguards.
- It is important that the private sector take the lead in developing commercial reprocessing services. Thus I am also requesting the Director of the Office of Science and Technology Policy, working with the Secretary of Energy, to undertake a study of the feasibility of obtaining economical plutonium supplies for the Department of Energy by means of a competitive procurement. By encouraging private firms to supply fuel for the breeder program at a cost that does not exceed that of government-produced plutonium, we may be able to provide a stable market for private sector reprocessing, and simultaneously reduce the funding needs of the U.S. breeder demonstration program.
- (4) I am instructing the Secretary of Energy, working closely with industry and state governments, to proceed swiftly toward deployment of means of storing and disposing of commercial high-level radioactive waste. We must take steps now to accomplish this objective and demonstrate to the public that problems associated with management of nuclear waste can be resolved.

Eliminating the regulatory problems that have burdened nuclear power will be of little use if the utility sector cannot raise the capital necessary to fund construction of new generating facilities. We have already taken significant steps to improve the climate for capital formation with the passage of my program for economic recovery. The tax bill contains substantial incentives designed to attract new capital into industry.

Safe, commercial nuclear power can help meet America's future energy needs. The policies and actions that I am announcing today will permit a revitalization of U.S. industry's efforts to develop nuclear power. In this way, native American genius — not arbitrary federal policy — will be free to provide for our energy future.



WASHINGTON

October 7, 1981

MEETING WITH THE PRESIDENT October 8, 1981
The Oval Office 4:00 p.m.

FROM: Tony Dolan

I. PURPOSE

To discuss the President's speech at the 200th Anniversary of the Battle of Yorktown.

II. PARTICIPANTS

Michael Deaver
David Gergen
Richard Beal
James Rentschler
Tony Dolan
Mari Maseng

D

WASHINGTON

October 7, 1981

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD V. ALLEN

SUBJECT:

Photo Session with US Ambassadors Thursday, October 8 -- 4:30 p.m.

Oval Office

5:05-5:30

Attached are 3x5 cards with pertinent information for your photo session with:

Ambassador Harry G. Barnes Ambassador John Gunther Dean Ambassador John E. Dolibois Ambassador Dayid E. Funderburk

Ambassador Jack F. Matlock, Jr. Ambassador Frank V. Ortiz Ambassador P. Paganelli Ambassador Virginia Schafer

Ambassador Ronald I. Spiers Ambassador Faith Whittlesey Ambassador David E. Zweifel IndiaThailand

- Luxembourg - Romania

- Czechoslovakia

- Peru - Syria

- Papua, New Guinea

PakistanSwitzerland

- Yemen Arab Republic

Our outgoing Ambassadors are most appreciative of your taking the time to be photographed with them prior to departure for their respective post.

AMB. HARRY G. BARNES, JR. (INDIA)

PARTICIPANTS: FAMILY - ELIZABETH (wife) ELIZABETH (daughter) PAULINE (daughter)

> ADRIENNE (daughter) DOUGLAS & SASHA (sons)

- RICHARD V. ALLEN WH NSC - GEOFFREY KEMP

STATE - STEPHEN EISENBRAUN

- -- CAREER DIPLOMAT SINCE 1950
- -- DIRECTOR GENERAL OF FOREIGN SERVICE AND DIRECTOR OF PERSONNEL, STATE DEPT. 1977-81
- -- NEGOTIATED TRADE AGREEMENT WITH ROMANIA 1975
- -- AMBASSADOR TO ROMANIA 1974

PHOTO SESSION

JOHN GUNTHER <u>DEAN</u> (THAILAND - AMBASSADOR DESIGNEE)

PARTICIPANTS: FAMILY - MARTINE (WIFE) NSC STAFF - JAMES LILLEY - RICHARD HOWLAND

- -- CAREER FOREIGN SERVICE OFFICER AGE 55
- -- SERVED AS U.S. AMBASSADOR IN 2 DANGEROUS POSTS - LEBANON (HIS MOST RECENT POST); CAMBODIA (WHERE HE WAS LAST U.S. AMBASSADOR IN 1975).
- -- HAS SURVIVED SEVERAL TERRORIST ATTACKS ON HIS LIFE

PHOTO SESSION

AMBASSADOR JOHN E. DOLIBOIS (LUXEMBOURG)

PARTICIPANTS: FAMILY - WINIFRED DOLIBOIS (W)

- ROBERT J. DOLIBOIS (S) - SUSAN L. DOLIBOIS (D)
- WH - ADM. JAMES W. NANCE
- -- BORN 12/4/18 in LUXEMBOURG (NAT. 1941) - JAMES M. RENTSCHLER
- -- THREE CHILDREN; JOHN M., ROBERT J., BRIAN C.,
- -- RECEIVED DEGREE FROM MIAMI UNIVERSITY, OHIO -- U.S. ARMY CAPTAIN, 1942-46
- -- PRESENTLY VP (DEVELOPMENT AND ALUMNI AFFAIRS) MIAMI UNIVERSITY, OXFORD, OHIO
- -- BENJAMIN HARRISON MEDAL, MIAMI UNIVERSITY

AMB-DESIGNATE DAVID B. FUNDERBURK (ROMANIA)

PARTICIPANTS: FAMILY - BETTY J. FUNDERBURK (WIFE)

- DAVID B. Jr. (son - 15)

- DEANA (daughter - 7)

WH - RICHARD V. ALLEN

NSC - PAULA DOBRIANSKY STATE - ROBERT W. BECKER

-- PROF. OF HISTORY, CAMPBELL UNIV. (BUIES CREEK, N.C.)

-- STUDIED IN ROMANIA: FULBRIGHT SCHOLAR, 1971; IREX EXCHANGE STUDENT, 1977; SPEAKS ROMANIAN; 37 YEARS OLD

-- STAFF OFFICER GUIDE, USIA 1975 FAIR IN ROMANIA

-- CAMPAIGNED FOR SENATOR HELMS, 1979-1980.

PHOTO SESSION

AMB. JACK F. MATLOCK, JR. (CZECHOSLOVAKIA)

PARTICIPANTS: FAMILY - REBECCA B. (WIFE)

- JAMES G. (son - 27)

- HUGH B. (son - 25)

- DAVID M. (son - 19)

- JOSEPH F. (son - 18)

WH - RICHARD V. ALLEN
NSC - PAULA DOBRIANSKY

-- CAREER DIPLOMAT SINCE 1956

-- DEPUTY DIRECTOR OF THE FOREIGN SERVICE INSTIT.

-- DEPUTY CHIEF OF MISSION, AMERICAN EMBASSY MOSCOW 1974-1978, AS CHARGE FOR OVER ONE YEAR

-- SERVED IN AFRICA FOR SEVEN YEARS, 1963-1970

-- SPEAKS RUSSIAN, FRENCH, GERMAN, CZECH, SWAHILI

PHOTO SESSION

AMB. FRANK V. ORTIZ (PERU)

PARTICIPANTS: FAMILY - DOLORES DUKE (WIFE)

- FRANK V. (26 YR. OLD SON)

- STEPHEN H. (24 YR. OLD SON)

- JAMES T. (21 YR. OLD SON)

WH - ADM. JAMES W. NANCE

NSC - ROGER FONTAINE STATE - RICHARD WATKINS

-- CAREER DIPLOMAT SINCE 1951

-- AMBASSADOR TO GUATEMALA 1979

-- AMBASSADOR TO BARBADOS AND GRENADA 1977

-- DIRECTOR, SOUTHERN CONE AFFAIRS 1973

-- NATIONAL WAR COLLEGE 1966-67

AMB. DAVID E. ZWEIFEL (YEMEN ARAB REPUBLIC)

PARTICIPANTS: FAMILY - DENISE (wife)

MARK (14yr. old son)

DAPHNE (13 yr. daughter)

WH - RICHARD V. ALLEN

NSC - GEOFFREY KEMP STATE - BRUCE EHRNMAN

- -- CAREER DIPLOMAT SINCE 1962
- -- CHARGE D'AFFAIRES IN AMMAN 1981
- -- DEPUTY CHIEF OF MISSION IN AMMAN 1980
- -- DEPUTY DIRECTOR FOR EGYPTIAN AFFAIRS, STATE DEPARTMENT 1977-79
- -- RECEIVED MERITORIOUS SERVICE AWARD 1974
- -- RECEIVED VALOR AWARD 1970

PHOTO SESSION

AMBASSADOR FAITH WHITTLESEY (SWITZERLAND)

PARTICIPANTS: WH - ADM. JAMES W. NANCE

STATE - WARD THOMPSON

NSC - JAMES M. RENTSCHLER

- -- 42 YEARS OS AGE; WIDOW FOR LAST EIGHT YEARS
- -- DEPUTY-CHAIRMAN OF REAGAN-BUSH CAMPAIGN
- -- ATTORNEY IN PHILADELPHIA, PENNSYLVANIA
- -- GRADUATE FROM WELLS COLLEGE AND HAS A LAW DEGREE FROM THE UNIV. OF PENNSYLVANIA

PHOTO SESSION

AMB. RONALD I. SPIERS (PAKISTAN)

PARTICIPANTS: FAMILY - PATIENCE SPIERS (WIFE)

WH - RICHARD V. ALLEN

NSC - GEOFFREY KEMP

- -- CAREER DIPLOMAT SINCE 1955
- -- DIRECTOR, BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE 1980
- -- AMBASSADOR TO TURKEY 1977-80
- -- DEPUTY CHIEF OF MISSION AND MINISTER IN LONDON 1974-77
- -- AMBASSADOR TO THE BAHAMAS 1973-74
- -- DIRECTOR, BUREAU OF POLITICO-MILITARY AFFAIRS, DEPARTMENT OF STATE 1969-73

VIRGINIA <u>SCHAFER</u> (AMBASSADOR-DESIGNATE TO PAPUA, NEW GUINEA AND THE SOLOMON ISLANDS (GUADACANAL)

PARTICIPANTS: NSC STAFF - JAMES LILLEY
STATE - STEPHEN MAY

- -- CAPEER FOREIGN SERVICE OFFICER AGE 50
- -- SERVED IN PHILIPPINES, PEKING, CHINA AND AUSTRALIA
- -- SHE IS ONE OF THE HIGHEST RANKING LADIES IN THE FOREIGN SERVICE - RISING TO THE RANK OF DEPUTY ASSISTANT SECRETARY
- -- SHE VOTED FOR YOU IN 1980

PHOTO SESSION

AMB. ROBERT P. PAGANELLI (SYRIA)

PARTICIPANTS: FAMILY - DONNA PAGANELLI (WIFE)
MARY (22yrs. daughter)

CARLA(19yrs. daughter)

WH - RICHARD V. ALLEN
NSC - GEOFFREY KEMP

STATE - W. NATHANIAL HOWELL

DAVID WELCH

- -- CAREER DIPLOMAT SINCE 1958
- -- DIRECTOR, WESTERN EUROPEAN AFFAIRS, DEPARTMENT OF STATE 1978-79
- -- AMBASSADOR TO THE STATE OF QATAR 1974-77
- -- FOLITICAL OFFICER IN ROME 1971
- -- WON MERITORIOUS HONOR AWARDS, 1966 & 1974

UNPUBLISHED
October 7, 1981
5:00 pm

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S SCHEDULE Thursday, October 8, 1981

9:00 am (2 hrs)	Dental Appointment (Dr. Daniel Ruge)	Residence
11:00 am (30 min)	Staff Time (Baker, Meese, Deaver)	Oval Office
11:30 am (15 min)	Senator Nancy Kassebaum (Max Friedersdorf)	Oval Office
11:45 pm (30 min)	Personal Staff Time	Oval Office
12:15 pm (10 min)	Brief Meeting with Secretary Baldrige, etal re Combined Campaign Fund (Craig Fuller) (TAB A)	
12:30 pm (60 min)	Lunch with the Vice President (draft remark	Oval Office
1:30 pm (60 min)	Meeting with Cabinet Council on Natural Resources and Environment (Craig Fuller) (TAB B)	Cabinet Room
2:30 pm (30 min)	Personal Staff Time	Oval Office
3:00 pm (60 min)	Cancun Planning Group Meeting (Richard Darman/Craig Fuller) (available in a	Cabinet Room
4:00 pm (20 min)	Speech Conference re Yorktown Speech (David Gergen) (TAB C)	Oval Office
4:30 pm (45 min)	Ambassador Photos (Richard Allen) (TAB D)	Oval Office
5:30 pm (30 min)	Staff Time (Baker, Meese, Deaver)	Oval Office
6:00 pm	To the Residence	Residence

WASHINGTON

October 8, 1981

SIGNING CEREMONY FOR COMBINED CAMPAIGN FUND

HEADED BY SECRETARY BALDRIGE

DATE:

October 8, 1981

LOCATION:

Oval Office

TIME:

12:15 pm (10 minutes)

FROM: Craig L. Fuller

I. PURPOSE

The meeting provides the opportunity for the President to present his personal gift to, and express his support for, the Combined Federal Campaign of the National Capital Area. The President receives the thanks of those representing the Campaign's 237 voluntary agencies for his support and leadership.

II. BACKGROUND

Created by Executive Order, the Combined Federal Campaign of the National Capital Area is the annual solicitation of Federal employees to raise money to support 237 voluntary agencies. This year's goal is \$13.6 million and represents an increase of 91/2% over last year's goal.

This meeting and the publicity derived from it sets the tone for the campaign by showing visibly the President's personal concern for a successful campaign. The meeting with the President has been a traditional event since the first campaign in the Fall of '64.

III. PARTICIPANTS

A list is attached.

IV. PRESS PLAN White House Press will be admitted just before the signing and will stay for the President's remarks.

V. SEQUENCE OF EVENTS

- The President informally greets each person and individual photos are taken by White House photographer, followed by group photo.
- The President then goes to his desk and signs his CFC pledge card (with CFC party standing behind the President) and presents his pledge to Secretary Baldrige.
- Secretary Baldrige speaks for 1/2 minute.
- The President comments on his support for the voluntary sector and the CFC (suggested talking points are attached).

PARTICIPANTS

- The President
- Secretary Malcolm Baldrige, General Chairman
- Donald J. Devine, Director, Office of Personnel Management
- Kent T. Cushenberry, Chairman, '81 United Way Campaign of the National Capital Area
- Edwin W. Pfeiffer, President, '81 United Way Campaign of the National Capital Area
- Robert L. Montague III, Chairman, Council of National Health Agencies
- William B. Walsh, M.D., Representing the International Service Agencies
- Mrs. Barbara Lett Simmons, Representing the National Service Agencies
- William A. Schaeffler, Director, Combined Federal Campaign of the National Capital Area

SIGNING CEREMONY: COMBINED CAMPAIGN FUND, OCTOBER 8, 1981

This is a special pleasure for me because the Combined Federal Campaign is exemplary of the spirit of voluntarism we seek to encourage.

Personal involvement is the essence of voluntarism. It ennobles the giver as well as the receiver because the help that is offered comes from the heart.

Furthermore, personal involvement is available to everyone. Some people have little or no money to donate, but they do have time. And some of these charitable organizations need volunteers as much as they need cash.

Others with full-time jobs have little time; yet, they still want to do their part. This is what the Combined Federal Campaign is all about. It gives our family of Federal Government employees the opportunity to help even though they've little time to contribute. Through one donation they are able to help 237 worthy causes; that's how many different voluntary health and social service agencies this campaign supports.

I was delighted to learn that individual departments and agencies set targets which exceed our overall goal by about a quarter of a million dollars. We're taking this campaign very seriously here at the White House, too. We've set goals which represent almost \$100 per employee, and we intend to reach those goals.

I'd like to thank you, Mac, for serving as our General Chairman of the Campaign in the National Capital area. I know you will keep me up to date on your progress.

Thanks also to all of you representing voluntary agencies. We appreciate your dedication to the important job of getting the American people directly involved in helping each other through your many fine agencies.

WASHINGTON

October 5, 1981

MEETING WITH THE CABINET COUNCIL ON NATURAL RESOURCES & ENVIRONMENT

DATE:

October 8, 1981

LOCATION:

Cabinet Room

TIME:

1:30 p.m. (60 minutes)

FROM:

CRAIG L. FULLER

I. PURPOSE

The Cabinet Council is meeting on a Nuclear Power Statement and on a Natural Gas Decontrol plan.

II. BACKGROUND

The Nuclear Power Statement has been developed by the Department of Energy, Jay Keyworth, your science adviser, and Joe Palladino, Chairman, Nuclear Regulatory Commission. All will be present at the meeting. The Cabinet Council has reviewed this statement in a working session and it has no known opposition.

The Natural Gas Decontrol was reviewed with you a few weeks ago. Since that meeting representatives of the Department of Energy have been reviewing the issue with Congress. The option of phased decontrol is widely supported by your advisers; however there remains a question as to when the policy should be addressed -- some favor immediately, some wish to defer until next year.

III. PARTICIPANTS

(To be determined)

IV. PRESS PLAN

(White House only)

V. SEQUENCE OF EVENTS

Secretary Watt serves as the Chairman Pro Tempore of the Cabinet Council. Once the group is assembled, Jim Watt can be called upon. Both issues are ones for which Secretary Jim Edwards has the lead.

WASHINGTON

CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT

October 8, 1981

1:30 PM

Cabinet Room

AGENDA

- Nuclear Power Statement (CM#78)
- Natural Gas Decontrol (CM#53)

WASHINGTON

October 5, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT

JAMES G. WATT, CHAIRMAN PRO TEMPORE

ISSUE: Should the Administration support legislation to

accelerate the decontrol of production \and use of

natural gas?

BACKGROUND

In 1978, Congress adopted the Natural Gas Policy Act (NGPA), which controls the price of all gas under a wide variety of categories and prices. Those prices are allowed to escalate at or slightly above the rate of inflation. Under the law some gas (about half of all production in 1985), would be deregulated on 1/1/85, while the remainder would remain under controls forever.

The current controlled prices are well below any likely market price, and are rising only very slowly, in real terms. This means that if the current law is not changed, natural gas prices will probably rise enormously at the time of decontrol in 1985, making it very likely that there will be a strong effort to prevent even that partial decontrol. The gas market has also been distorted by energy laws preventing or penalizing the use of natural gas in certain areas.

The NGPA has generally retarded gas drilling efforts. The current rapid increase in drilling rigs (a 40% annual rate of increase for the last two years; 900 new rigs added since the President ordered full oil decontrol) has primarily been for oil. Oil well completions have increased at a 40% annual rate; gas well completions at only about a 6% annual rate.

DISCUSSION

The Department of Energy estimates that any policy leading to complete decontrol of natural gas will provide substantial benefits to the economy over the next few years in greater production of gas, more conservation, reduced imports and greater economic efficiency. The more immediate and complete the decontrol, the greater the benefits, but also the greater the immediate impact on consumers, and the more rapidly the economy must adjust to the new situation.

The Cabinet Council recommends a phase-out of price controls by allowing prices to rise smoothly from 1/1/82 levels toward an oil equivalent price on 1/1/85 when complete decontrol would occur. The Council also recommends that some category of "new" gas be allowed to rise immediately to the oil equivalent price, so as to create a greater immediate incentive for increased production. Finally, the Council recommends that all demand restraints on natural gas (Fuel Use Act and incremental pricing) be repealed.

The Council also agreed that there should be an Administration announcement of general policy, followed by consultation with Congressional supporters and affected groups on the exact details of a bill for presentation.

The Council considered a wide range of other options, including immediate decontrol of all gas, decontrol of "new" gas only, and other phasing options. These were rejected as either politically infeasible, or causing greater market distortions during the decontrol period.

ADVANTAGES:

- 1. Energy Independence. Will move the United States toward greater energy independence. Decontrol will stimulate greater production and increased conservation. DOE estimates up to 500,000 bbl/day in import reduction through 1985. This will also put downward pressure on world oil prices, as happened with oil decontrol.
- 2. Cleaner Environment. Greater production and more efficient use of natural gas will reduce pollution. Gas is almost totally clean-burning, and can also be used to "average down" coal emissions, thus allowing more coal use within environmental standards.

^{† &}quot;Oil equivalent price" means a wellhead price for gas that will make it competitve with residual fuel oil in final markets. This price (excluding taxes) would be about 70% of the equivalent price of crude oil to refiners.

- 3. <u>Increase Revenues</u>. May increase government revenues. Methodological disputes remain, but full decontrol could raise revenues by up to \$3-10 billion under present tax structure.
- 4. Economic Efficiency. Will increase efficiency of the economy, as users and producers are freed from controls. This is why major industrial users of gas (chemicals, plastics, GM, etc.) virtually all support decontrol.
- 5. Stimulate Alternatives. Will stimulate production and use of alternate energy sources (coal, solar, conservation) that cannot compete with subsidized gas prices in current markets.
- 6. Stop Extension of Controls. Prevents likely extension of total control system beyond 1985.
- 7. Foreign Relations. Will help foreign relations, because removes our subsidized competition for foreign energy supplies, improving energy prospects for friendly countries.

DISADVANTAGES:

The major disadvantage of any decontrol proposal is political opposition to allowing consumer price increases. Under current law, residential prices have been rising 8-10% annually, above the rate of inflation, and there will be a massive, instantaneous jump in prices in 1985. Even so, if this proposal is adopted, many will blame all price increases on the new law. Recognizing the deficiencies of any forecasting process, here are some of the projected effects of the Cabinet Council recommendation.

- 1. <u>Higher Consumer Prices</u>. Residential gas prices may rise by about 15% annually above inflation, through 1985. Thereafter prices should be about the same as under current law.
- 2. <u>Higher Heating Bills</u>. National average residential heating bills for those using gas could rise by \$50-100 each year through 1985.
- 3. <u>Inflation and GNP Effects</u>. It will be argued that inflation and unemployment will increase and GNP will decrease. Our analysis indicates that this need not occur, even in the first year or two, if proper monetary and fiscal policy are followed. The long-run effect of decontrol on all these indicators is clearly positive.
- 4. Wealth Transfer. There wil be a significant transfer of wealth from current consumers of natural gas to producers, perhaps \$40-50 billion in net present value (1980\$).

Decision	on	Cabinet	Council	recommend	iati	Lon

Approve	Disapprove	Discuss	further	
- I				

PRESIDENTIAL STATEMENT ON NUCLEAR POWER

A more abundant, affordable, and secure energy future for all Americans is a critical element of this Administration's economic recovery program. While homeowners and business firms have shown remarkable ingenuity and resourcefulness in meeting their energy needs at lower cost through conservation, it is evident that sustained economic growth over the decades ahead will require additional energy supplies. This is particularly true of electricity, which will supply an increasing share of our energy.

If we are to meet this need for new energy supplies, we must move rapidly to eliminate unnecessary government barriers to efficient utilization of our abundant, economical resources of coal and uranium. It is equally vital that the utilities -- investor-owned, public, and co-ops -- be able to develop new generating capacity that will permit them to supply their customers at the lowest cost, be it coal, nuclear, hydro, or new technologies such as fuel cells.

One of the best potential sources of new electrical energy supplies in the coming decades is nuclear power. The U.S. has developed a strong technological base in the production of electricity from nuclear energy. Unfortunately, the Federal Government has created a regulatory environment that is forcing many utilities to rule out nuclear power as a source of new generating capacity, even when their consumers may face unnecessarily high electric rates as a result. Nuclear power has become entangled in a morass of regulations that do not enhance safety but that do cause extensive licensing delays and economic uncertainty. Government has also failed in meeting its responsibility to work with industry to develop an acceptable system for commercial waste disposal, which has further hampered nuclear power development.

To correct present government deficiencies and to enable nuclear power to make its essential contribution to our future energy needs, I am announcing today a series of policy initiatives:

(1) I am directing the Secretary of Energy, monitored by the Task Force on Regulatory Relief, to give immediate priority attention to recommending improvements in the nuclear regulatory and licensing process. I anticipate that the Chairman of the Nuclear Regulatory Commission will take steps to facilitate the licensing of plants under construction and those awaiting licenses. Consistent with public health and safety, we must remove unnecessary obstacles to deployment of the current generation of nuclear power reactors. The time involved to proceed from the planning stage to an operating license for new nuclear power plants has more than doubled since the mid-1970s and is presently some 10-14 years. This process must be streamlined, with the objective of shortening the time involved to 6-8 years, as is typical in some other countries.

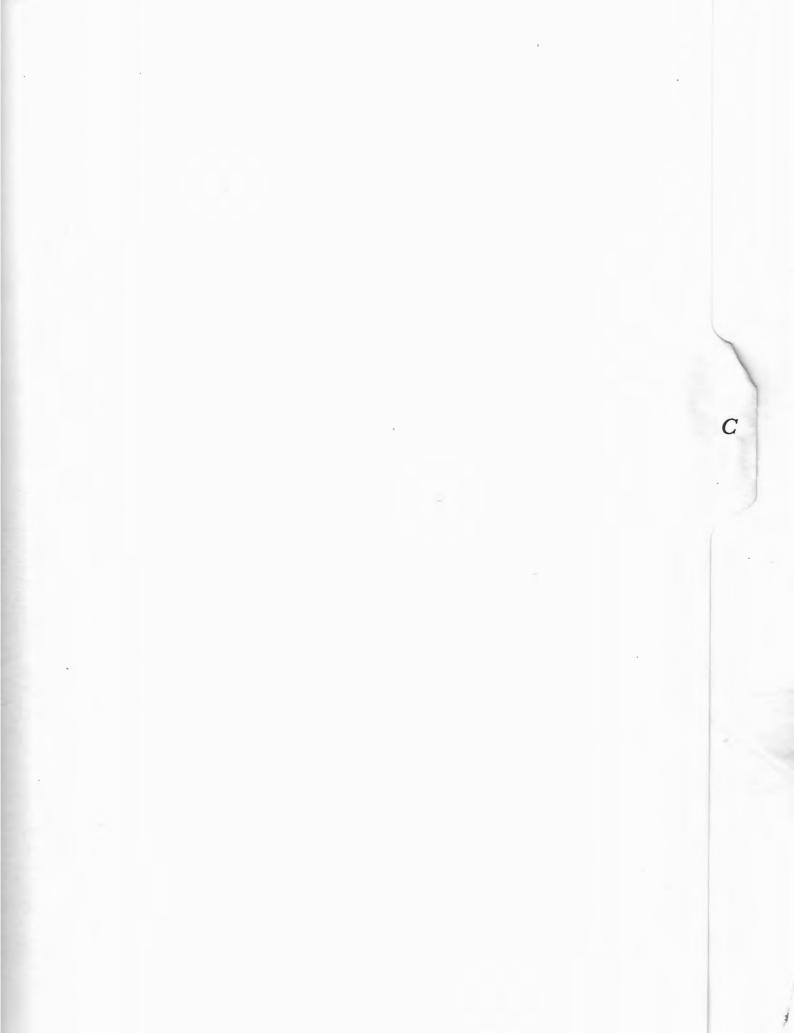
DRAFT 10/2/81

(2) I am directing that government agencies proceed with the demonstration of breeder reactor technology, including completion of the Clinch River Breeder Reactor. This is essential to ensure our preparedness for longer-term nuclear power needs.

- (3) I am lifting the indefinite ban which previous Administrations placed on commercial reprocessing activities in the United States. In addition, we will pursue consistent, long-term policies concerning reprocessing of spent fuel from nuclear power reactors and eliminate regulatory impediments to commercial interest in this technology, while ensuring adequate safeguards.
- It is important that the private sector take the lead in developing commercial reprocessing services. Thus I am also requesting the Director of the Office of Science and Technology Policy, working with the Secretary of Energy, to undertake a study of the feasibility of obtaining economical plutonium supplies for the Department of Energy by means of a competitive procurement. By encouraging private firms to supply fuel for the breeder program at a cost that does not exceed that of government-produced plutonium, we may be able to provide a stable market for private sector reprocessing, and simultaneously reduce the funding needs of the U.S. breeder demonstration program.
- (4) I am instructing the Secretary of Energy, working closely with industry and state governments, to proceed swiftly toward deployment of means of storing and disposing of commercial high-level radioactive waste. We must take steps now to accomplish this objective and demonstrate to the public that problems associated with management of nuclear waste can be resolved.

Eliminating the regulatory problems that have burdened nuclear power will be of little use if the utility sector cannot raise the capital necessary to fund construction of new generating facilities. We have already taken significant steps to improve the climate for capital formation with the passage of my program for economic recovery. The tax bill contains substantial incentives designed to attract new capital into industry.

Safe, commercial nuclear power can help meet America's future energy needs. The policies and actions that I am announcing today will permit a revitalization of U.S. industry's efforts to develop nuclear power. In this way, native American genius — not arbitrary federal policy — will be free to provide for our energy future.



WASHINGTON

October 7, 1981

MEETING WITH THE PRESIDENT October 8, 1981
The Oval Office 4:00 p.m.

FROM: Tony Dolan

I. PURPOSE

To discuss the President's speech at the 200th Anniversary of the Battle of Yorktown.

II. PARTICIPANTS

Michael Deaver David Gergen Richard Beal James Rentschler Tony Dolan Mari Maseng \boldsymbol{D}

ON BALF ... CO ... WAT ... EXPROS -HRIFLI THING "PRES. NIXON, FORD & CARTR & -MRS. CARTR ". CHORTHUG THS. SAD MISSION THR. PRSAC "CARD" EXPRSS ... EGRTIAN P. "DBTH "AMS. GRF. + SORROW ... LOSS - GRT. LDR. & ... BELOVO FRND. TODAY "AM. P. STND BSDIDE " EGP. P. - " P. - NEW NAT. WIH. . P . ANCIENT LND. - . P. W. WITH .. P. .. BE. SWE SIND TOGETIRE " MOORNING " LOSS" ANWAR SADAT & " REDEDICATUS "SLVS." CAUSE FOR WCH. "SO WILLNGLY GV." LIFE THR. THS. - THR. MOMENTS. HIST. WHIN " MARTIRDOM OF "SINGLE LF.

original in Tile

CN. SYMBOURE ALL " 15 WRONG 2 WTH "AGE & ALL ... RT. ABT. HUMM. "NOBLE REMNANT " SOCH LIVES-"SPOKN WORDS - "SPOKN WRDS ... ILC. LAWIR (CND-HOUSE) & DIARY JOUNG DUTCH SCHOOLGIRL-" FINAL MOMENTS OF " SOLDIER STSMN FRM. "MEET ABOO KOOM"-CN GAIN-FORCE & POWR THT. ENDURES & INSIPIRES & WINS ULTIMATE TRIUMPH OVR " FORCES " VIOLAKE, MADNESS & HATRED. ANW SADAT "MN. "PC. IN "TIT. " VICENCE UNDRSTOOD HS. AGE. SIN HIS FINAL MOMENTS - AS " HD. DURING ALC: DAYS - " STOOD I'N DEFLANCE " ENEMIES "

PC. ... ENEMIES .. HUMANITI. TODAY THS. "US WHO FOLLOW HM. CN. DO NOLESS TAND SO "THS. WHO REJOICE iN ... DTH . " ANW . SADAT. - " THS. WHO SEEK "SET CLS. AGUST CLS. T-NAT. AGUST NAT. - P. AGUST P. "THS "CHOOSE VIOLNCE OUR BROTHR HOW & WHO PREFER WAR OVR PC. - LET US STAD IN DEFIANCE SYLET OUR WRDS ". WARNING ... CLEAR (THEP) IN LF. U FEARO ANW. SALAT-BUT "DTH. UMUST FEAR "MORE-FOR "METORY "THS. GOOD & BRAVE MY

WILL VANGUISH U. - "MENNING "HS. LF. - "CAUSE" WCH. "STOOD WL. ENDURE & TRIUMPH. (Dolan)

October 8, 1981

DEPARTURE STATEMENT: FORMER PRESIDENTS

On behalf of our country, I want to express my heartfelt thanks to Presidents Nixon, Ford and Carter for undertaking this mission.

Their presence in Cairo will express to the Egyptian people the depth of America's grief and sorrow at the loss of a great leader and a beloved friend.

Today the American people stand beside the Egyptian people -- the people of a new Nation with the people of an ancient land -- people of the West with people of the East -- we stand together in mourning the loss of Anwar Sadat and in rededicating ourselves to the cause for which he so willingly gave his life.

There are times . . . there are moments in history when the martyrdom of a single life can symbolize all that is wrong with an age and all that is right about humanity. The noble remnants of such lives -- the spoken words of an Illinois lawyer, the dairy of a young Dutch schoolgirl, the final moments of a soldier-stateman from Mitabukom (Meet-Aboo-Koom) -- can gain a force and power that endures and inspires, and wins ultimate triumph over the forces of violence, madness and hatred.

Anwar Sadat, a man of peace in a time of violence, understood his age. In his final moments -- as he had

during all his days -- he stood in defiance of the enemies of peace, the enemies of humanity.

Today, those of us who follow him can do no less.

And so to those who rejoice in the death of Anwar
Sadat, to those who seek to set class against class, Nation
against Nation, people against people; to those who choose
violence over brotherhood, and who prefer war over peace: let
us too stand in defiance. And let our words of warning to
them be clear: in life you feared Anwar Sadat . . . but in
death you must fear him more -- for the memory of this good
and brave man will vanguish you . . . the meaning of his
life, the cause for which he stood, will endure and triumph.

WASHINGTON

OCTOBER 8, 1981

MEETING WITH FORMER PRESIDENTS CARTER, FORD, NIXON AND MRS. CARTER

DATE:

October 8, 1981

LOCATION: TIME:

FROM:

The Blue Room 6:55 p.m.

Joseph W. Canzeri

I. PURPOSE

To greet the former presidents and Mrs. Carter, members of the U.S. delegation to President Sadat's funeral, who depart for Cairo this evening immediately following your visit with them.

II. PARTICIPANTS

The President
The First Lady
The Vice President
Mrs. Bush
Former President Carter
Mrs. Carter
Former President Ford
Former President Nixon

James A. Baker, III Edwin Meese, III Michael K. Deaver

III. SEQUENCE OF EVENTS AND PRESS PLAN

- 6:55 p.m. You and the First Lady meet the former presidents and Mrs. Carter as they arrive the South Lawn and then you and the party proceed immediately to the Blue Room.

 (LIVE TV Open Press Coverage)
- 7:00 p.m. You arrive the Blue Room for cocktails where the Vice President, Mrs. Bush and Messrs. Baker, Meese and Deaver are assembled.

 (Closed Press Coverage)
- 7:18 p.m. You and the First Lady depart the Blue Room en route the Diplomatic Entrance, accompanied by the former presidents and Mrs. Carter.
- 7:22 p.m. You deliver a statement.
 (LIVE TV Open Press Coverage)
- 7:30 p.m. You and the First Lady bid the party good-bye, and they proceed to the helicopter for departure for Andrews Air Force Base.

WASHINGTON

SUMMARY SCHEDULE OF THE PRESIDENT

EVENT: DEPARTURE STATEMENT TO THE FORMER PRESIDENTS ATTENDING THE FUNERAL OF THE LATE PRESIDENT SADAT

Thursday, October 8, 1981

6:55 p.m. Former President Carter and Mrs.
Carter, and Former Presidents Ford and
Nixon, arrive South Lawn via helicopter
and proceed to Diplomatic Entrance.

OPEN PRESS COVERAGE LIVE TELEVISION

THE PRESIDENT and Mrs. Reagan greet entourage at edge of red carpet at Diplomatic Entrance.

THE PRESIDENT and Mrs. Reagan escort entourage to Blue Room.

CLOSED PRESS COVERAGE

Note: Staff accompanying Former Presidents (Jody Powell, Bob Barrett, and Nick Ruwe) will be escorted to Red Room by Joseph W. Canzeri.

7:00 p.m. THE PRESIDENT and Mrs. Reagan and entourage arrive Blue Room for refreshments.

They are met by:

The Vice President Mrs. Bush Edwin Meese III James A. Baker III Michael K. Deaver

THE PRESIDENT and Mrs. Reagan mix and mingle with quests and staff.

7:16 p.m. Note: Staff accompanying entourage will be escorted to South Lawn.

- 7:18 p.m. THE PRESIDENT and Mrs. Reagan, accompanied by Former Presidents and Mrs. Carter, proceed to driveway at Diplomatic Entrance for departure statement.
- 7:22 p.m. THE PRESIDENT makes brief remarks.

Note: Mrs. Reagan, Former Presidents and Mrs. Carter will stand beside THE PRESIDENT at toe marks.

OPEN PRESS COVERAGE LIVE TELEVISION

- 7:26 p.m. THE PRESIDENT concludes remarks and remains on driveway with Mrs. Reagan.
 - 7:26 p.m. Former President Carter and Mrs. Carter, Former Presidents Ford and Nixon proceed to helicopter for immediate boarding.
 - 7:30 p.m. Helicopter departs South Lawn en route Andrews Air Force Base.
- 7:30 p.m. THE PRESIDENT and Mrs. Reagan proceed to Residence.