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WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

- X - MEDIA
- H - INTERNAL

Name of Document: BRIEFING PAPERS FOR PRESIDENT'S SCHEDULED APPOINTMENTS FOR DEC 04 81

Subject Codes: PR 007.01

1 Subject: Meeting with Senator Mark Hatfield and Congressmen Tom Bewill and John Myers to sign the Energy and Water Appropriations Act of 1982

LE
FG 030.
AT
NR 007.

2 Meeting with representatives of the Professional Builder Magazine

PR 016.

3 Meeting with Steel Industry Leaders

PR 003
TA
TA 004.08
FG 020.
BE 004.
BE 003.10

4 Briefing memo regarding overview of Economic Policy Issues

FI 004.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
RMMATT	RSZ	81.12.21		81.12.21

Referral Note:

Def

December 3, 1981
5:00 pm

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S SCHEDULE

Friday, December 4, 1981

8:54 - OVAL
8:55 - MEO (Hicken 8:55-9:00) 8:58-9:33 EM 8:59 - 9:33 JB

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver) <i>9:22 B. NANCE' - 9:32</i>	Oval Office
9:30 am (15 min)	<u>Senior Staff Time</u> <i>9:38 - CAB RM. - EM, JB, STOCKMAN, DARMAN, SPENCER, FRIEDERSDORF, GREGG</i> <i>9:38 - 10:02</i>	Oval Office
9:50 am (10 min)	Signing of HR-4144-Energy and Water Appropriations Bill <i>10:06</i> (Max Friedersdorf)	Oval Office
10:00 am (90 min)	<u>Budget Meeting</u> <i>10:10 - 11:26</i> (Richard Darman/Craig Fuller) <i>11:26 - 11:30 D. REGAN, Def</i>	Cabinet Room
✓ 11:30 am (2 hrs)	<u>Lunch and Personal Staff Time</u> <i>11:53 - 11:56 HUD + 3 LADIES (SECRETARIES FROM SACRAMENTO DAMS)</i>	Oval Office
1:30 pm (5 min)	Photo with David Link, et al from Professional Builder Magazine (Michael Baroody) <i>1:35 - 1:41</i>	Oval Office
1:35 pm (55 min)	<u>Personal Staff Time</u> <i>1:41 -</i>	Oval Office
2:30 pm (30 min)	Meeting with Representatives of the Steel Industry <i>2:35 -</i> (Craig Fuller)	Cabinet Room
3:30 pm (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver) <i>4:15 - 4:18 JOHN SIMPSON & FAMILY (SWORN IN TODAY USSS)</i>	Oval Office
4:30 pm	<u>To the Residence</u> <i>AS DIRECTOR OF</i> Residence	Residence

↓
 Mrs. Gerry Simpson, wife
 Jane Simpson - daughter
 Jack Simpson - son
 Bill Simpson - brother
 Sam Simpson - brother

(per Kevin O'Rourke,
USSS)

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH SENATOR MARK HATFIELD (R-OREGON),
REPRESENTATIVE TOM BEVILL (D-ALABAMA), AND
REPRESENTATIVE JOHN MYERS (R-INDIANA)

DATE: December 4, 1981

LOCATION: Oval Office

TIME: 9:50 a.m. (10 minutes)

FROM: Max L. Friedersdorf *MLF*

I. PURPOSE

To sign the Energy and Water Appropriations Act of 1982 (H.R. 4144) in the presence of the key Committee chairmen and ranking minority members who had responsibility for the bill.

II. BACKGROUND

The Energy and Water Appropriations Act of 1982 is the first regular executive branch appropriations bill to reach the President's desk. The Conference report is below both the House and Senate bills and achieves three fourths of the additional savings requested by the President in the September budget request. This bill is therefore consistent with the President's pledge to sign those appropriations bills which meet the President more than half way.

III. PARTICIPANTS

The President
The Vice President
Senator Mark Hatfield
Representative Tom Bevill
Representative John Myers

Staff

Ed Meese
Jim Baker
David Stockman
Max Friedersdorf

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

The Senators and Representatives enter through the Northwest Gate into the West Lobby and are escorted into the Oval Office.

Attachment

Talking Points

B

THE WHITE HOUSE

WASHINGTON

BRIEFING MEMORANDUM FOR THE PRESIDENT

SUBJECT: OVERVIEW OF ECONOMIC POLICY ISSUES

Friday, December 4, 1981
10:00 a.m. (60 minutes)
The Cabinet Room

FROM: RICHARD G. DARMAN
CRAIG L. FULLER *CF*

I. PURPOSE

This is the first of two introductory meetings -- to be held before the commencement of specific budget appeal meetings. This meeting is intended to give you a broad overview of the economic environment in relationship to the budget decisions that must be made.

II. PARTICIPANTS

The President
The Vice President
Secretary Regan
Secretary Baldrige
Edwin Meese III
David A. Stockman
James A. Baker III
Michael K. Deaver
Martin Anderson
Richard G. Darman
Craig L. Fuller
Edwin Harper
Murray L. Weidenbaum

III. AGENDA

--	The Recession: causes, likely depth, and duration	Weidenbaum
--	General Economic Policy Recommendations	Regan
--	Economic Forecasts, and analysis/explanation of alternatives	Weidenbaum
--	Budgets and Deficits Associated with Forecasts	Stockman

C

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH REPRESENTATIVES OF
PROFESSIONAL BUILDER MAGAZINE

DATE: Friday, December 4, 1981

LOCATION: Oval Office

TIME: 1:30-1:35 pm

FROM: Mike Baroody

I. PURPOSE

To provide Professional Builder Magazine with photos to accompany interview with the President for January National Convention issue. (Written response for interview already provided.)

II. BACKGROUND

Professional Builder is the largest circulation magazine in the home building industry. The January issue will be distributed at the Las Vegas Convention of the National Association of Home Builders.

Note: Interest has been expressed in Presidential participation at the Las Vegas Convention. Since it will be held January 22-25, State of the Union speech and related events would seem to preclude it.

Written interview responses covered issues of specific concern to housing industry, especially prospects for lowered interest and inflation rates, and plans for changes in regulations affecting the industry.

Professional Builder is a Cahners Publication. A similar interview was granted to another of its magazines, Construction Equipment, for its September issue which resulted in an attractive and informative spread featuring the President's views on that industry's needs.

III. PARTICIPANTS

David E. Link, Editorial Director
Roy Diez, Editor-In-Chief
Marsh Trimble, Publisher

IV. PRESS PLAN

None, except to provide exclusive photo opportunity

V. SEQUENCE OF EVENTS

Participants to be brought to Oval Office by Baroody for 1:30 appointment. They will enter, greet President, be seated for informal photos to accompany interview. Group will depart Oval office at 1:35 pm.

Attachment: Talking Points

SUGGESTED TALKING POINTS FOR MEETING WITH
PROFESSIONAL BUILDERS MAGAZINE

- Was pleased to do interview for another Cahners Publication, Construction Equipment. Hope this is turning out as well as that one.
- Best wishes for successful convention in Las Vegas in January.
- We look forward to continuing improvement in interest rates; prime already down 5 percentage points since September. Recovery in 1982 should help housing industry to rebound.
- Took action yesterday to revise ERISA regulations to permit construction oriented pension funds to invest in housing and mortgage market. These pension plans have about \$20 billion in assets. Exploring ways to allow other pension plans (not construction oriented) to also invest in housing.

D

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH STEEL INDUSTRY LEADERS

DATE: December 4, 1981
LOCATION: Oval Office
TIME: 2:30 p.m.
FROM: CRAIG L. FULLER *CF*

I. PURPOSE

The steel company executives wish to discuss some of the difficulties confronting their industry -- in particular, the problem with steel imports.

It is recommended that you use the meeting to accomplish the following:

1. Express your appreciation for the support the industry has shown for the Economic Recovery Program;
2. Express awareness and support of the Commerce Department's efforts to slow steel imports through the instigation of 7 suits following an investigation which found possible violations of the Trigger Price Mechanism (TPM) by foreign steel companies importing to the U.S.;
3. Express the view that Commerce ought to have an opportunity to pursue their suits through February without the massive filing of cases now being contemplated by the steel industry; and,
4. Indicate that we are committed to keeping up the pressure on the importers -- Baldrige, Haig and Brock going to Brussels next week for discussions of this very subject.

II. BACKGROUND

A background memorandum, prepared by the Department of Commerce (DOC) is attached. You may wish to review it for a more detailed discussion.

Briefly, you are facing steel industry leaders who have been among your strongest supporters. However, a series of factors has created a particularly difficult situation for the steel industry. Dramatic increases in steel imports (from the European Community and Japan) are the principal cause of the problem. When imports reached record levels in August, Commerce initiated investigations and then filed anti-dumping and countervailing duty suits to enforce the Trigger Price Mechanism -- this was done for the first time in history.

The steel industry would like to launch an assault on the importing countries through a series of dumping and subsidy cases which the industry is threatening to file.

Commerce, the U.S. Trade Representative and State all favor an approach which discourages the industry from filing the proposed suits while the Commerce Department is given a chance to negotiate reduced levels of imports.

The steel industry leaders believe that the Commerce Department's response to the import problem is inadequate. They will describe their plan to bring a large number of suits against steel importers as desirable because such an action would bring greater pressure to bear on the importers.

The critical problem and main reason for the Administration's opposition to the industry's plan is that by pressuring steel importers, we are pressuring the countries that subsidize their steel companies (this is the case with most EC and Japanese steel companies now importing to the U.S.). It is the view of your trade and foreign policy advisors that increasing the pressure on the countries importing steel to the U.S. would not be timely since these countries are plagued by their own serious economic problems.

While the U.S. industry is suffering (lay offs in the steel industry are up to about 70,000 people), the best option at present is to hope that Commerce Department's efforts will continue to be successful at reducing imports. It is also hoped that the industry will wait for about three months before taking any action. Commerce believes that matters will have improved within three months -- if imports have not been reduced by then, the Commerce Department would drop its opposition to industry suits.

You may also wish to note that Secretary Baldrige will be joined by Ambassador Brock and Secretary Haig at meetings in Brussels next week at which the subject of steel imports will be discussed.

A second issue may surface concerning the Clean Air Act. David Roderick chairs the Business Roundtable Committee working on this matter. He may indicate that more help is needed with the Senate. You can report we view this as a top priority item and have had a series of discussions with Senate leaders on the matter.

III. PARTICIPANTS

William (Bill) DeLancey, Chairman
Republic Steel Corporation
(he also serves as the Chairman of the American Iron and Steel Institute)

David Roderick, Chairman
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Donald Trautlein, Chairman
Bethlehem Steel Corporation

Robert (Bob) Peabody, President
American Iron and Steel Institute

Secretary Baldrige
Ed Meese
Jim Baker
Mike Deaver
Craig Fuller

IV. PRESS PLAN

White House Photographer Only.

V. SEQUENCE

You may wish to thank the steel representatives for their support, indicate you understand that the industry is facing some serious challenges and let Bill DeLancey lead off. You can return to your key points of expressing faith in Mac Baldrige's approach and expressing a hope for enough time (3 months) to see if Mac's approach will work.

November 19, 1981

<

Background Memorandum

SUBJECT: Trigger Price Mechanism Update

ACTION FORCING EVENT: High steel imports, DOC initiation of antidumping (AD) and countervailing duty (CVD) investigations, and continuing threat of massive AD/CVD complaints by US steel producers.

STATEMENT OF ISSUE: High steel imports (particularly the monthly record set in August), much of it substantially below trigger prices, have angered domestic producers. Several companies have publicly threatened to bring massive antidumping and countervailing duty complaints against the European Community and other countries, and have asked Congress for statutory relief.

In response to indications of injury to US producers and evidence of possible unfair trade practices, and pursuant to DOC's responsibility to effectively administer the trigger price mechanism (TPM), seven antidumping or countervailing duty investigations have been recently initiated. It is not known whether these selective cases will convince US steel firms that TPM's continuation is in their interest; they have been told that TPM will be terminated if major complaints are filed.

ANALYSIS:

The Trigger Price Mechanism

The steel trigger price mechanism ("TPM") is a guideline for enforcement of the U.S. antidumping and countervailing duty laws. In effect, imports may be sold in the U.S. at a price equal to the full cost (including profit) of the most efficient producer (the Japanese). As such, the TPM represents a balance among the competing interests of consumers, the U.S. steel industry, and the several major foreign steel industries which export to the U.S. During the history of the TPM (December 1977-March 1980; September 1980-present), any one (or more) of those interests has been likely to feel that the system was skewed against it.

TPM as reinstated in September, 1980, contains an anti-surge provision. If foreign steel imports into the U.S. exceed certain levels, the DOC will examine the surge to determine whether the imports are apparently being dumped or unfairly subsidized. After completion of this review, if the DOC does not self-initiate cases, the U.S. steel industry can bring cases against those specific products subject to the surge without causing the termination of TPM. Apart from the surge situation, the TPM would probably be terminated if the industry files cases against any product subject to TPM.

Steel Imports

Steel imports have been very high for the last six months, reaching a record 2.2 million tons (\$1.1 billion) in August. In September 1.75 million tons were imported, and we expect steel imports to remain high for the coming months. Most of the increase in imports has been semi-finished products (used by the industry itself) and pipe and and tube (where demand for many varieties has been extraordinarily strong due to the oil and gas drilling boom). Excluding those two products, imports of steel for the first nine months of 1981 are up only 2% from the same period of 1980 (which was a year of low imports), while total imports are up 25%.

In August, however, there were sharp increases in some products other than pipe and tube. The jump was particularly apparent in sheet products, where the month-to-month increase was over 50%. This indicates that, by May, Europeans had ceased to complain that trigger prices on sheet were too high, and instead simply sold below trigger for August delivery.

The Domestic Steel Industry

The US steel industry was shocked by August's record level of imports. The reaction to the imports was heightened because it coincided with falling capacity utilization and increasing layoffs. Capacity utilization fell to 65% the week of October 31 (down from 85% earlier in the year), while layoffs grew from near 20,000 in May to over 50,000 in late October. The profits most companies reported in the third quarter were due largely to high profit margins in oil country tubular goods, a market now showing signs of weakening. Most projections show a poor fourth quarter.

US producers believe, with good reason, that most European steel producers are heavily subsidized; that EC imports are injuring them; and that EC producers are therefore vulnerable to countervailing duty complaints. There is widespread feeling that the EC reneged on its commitment to sell at trigger prices made in October 1980 in return for US Steel's withdrawal of antidumping petitions. Many US firms have publicly stated that they intend to file, as soon as possible, sweeping antidumping and countervailing duty complaints against EC producers to enforce their rights under US law and the GATT.

DOC Response

DOC has endeavored to strictly administer the TPM. We have closely monitored imports and consulted with the industry to determine which imports, if any, might be causing injury. The problem with TPM enforcement has been twofold. First, the European producers in early 1981 simply decided to sell below trigger prices to retain market share. Second, under the AD/CVD laws, neither the Department nor the industry could bring cases until there was a fair degree of certainty of winning the initial injury decision at the International Trade Commission (ITC), which occurs 45 days after a case is begun (indeed, the industry in July asked us to be cautious about bringing cases).

Because imports of most products were moderate most of this year and profits fairly strong, it was not until very recently that there were potentially "winnable" cases. The following investigations have been initiated:

<u>Country</u>	<u>Product</u>	<u>Type of Investigation</u>
Romania	Carbon Steel Plate	Antidumping*
Belgium	Carbon Steel Plate	Countervailing Duty
Brazil	Carbon Steel Plate	Countervailing Duty
S. Africa	Carbon Steel Plate	Countervailing Duty
France	Hot Rolled Carbon Steel Sheet	Countervailing Duty
Canada	Sheet Piling	Antidumping
Spain	Structural Shapes	Countervailing Duty

*Non-market economy cases are not handled under the CVD law.

Self-initiated investigations always create a certain amount of tension between USG and the countries involved, although most countries now realize that they will be involved in either selective USG-initiated investigations or massive US industry-initiated investigations.

Conclusion

DOC will maintain TPM as long as steel producing countries (notably the EC and Japan) and the US industry continue to respect our administration of the program. It is possible that the Department's announced and prospective enforcement of TPM will be insufficient for one or more domestic companies. If so, "shotgun" complaints may be filed out of frustration with the effect of imports on declining demand, even on products where it is difficult to demonstrate injury caused by imports. In that case, the TPM would probably be dropped and the complaints handled by the Department according to the applicable statute and regulations.

C

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH REPRESENTATIVES OF
PROFESSIONAL BUILDER MAGAZINE

DATE: Friday, December 4, 1981
LOCATION: Oval Office
TIME: 1:30-1:35 pm
FROM: Mike Baroody

I. PURPOSE

To provide Professional Builder Magazine with photos to accompany interview with the President for January National Convention issue. (Written response for interview already provided.)

II. BACKGROUND

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III. PARTICIPANTS

David E. Link, Editorial Director
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IV. PRESS PLAN

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V. SEQUENCE OF EVENTS

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Attachment: Talking Points

D

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH STEEL INDUSTRY LEADERS

DATE: December 4, 1981
LOCATION: Oval Office
TIME: 2:30 p.m.
FROM: CRAIG L. FULLER *CF*

I. PURPOSE

The steel company executives wish to discuss some of the difficulties confronting their industry -- in particular, the problem with steel imports.

It is recommended that you use the meeting to accomplish the following:

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SUBJECT: OVERVIEW OF ECONOMIC POLICY ISSUES

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FROM: RICHARD G. DARMAN
CRAIG L. FULLER *CF*

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- Economic Forecasts, and analysis/explanation of alternatives Weidenbaum
- Budgets and Deficits Associated with Forecasts Stockman

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH SENATOR MARK HATFIELD (R-OREGON),
REPRESENTATIVE TOM BEVILL (D-ALABAMA), AND
REPRESENTATIVE JOHN MYERS (R-INDIANA)

DATE: December 4, 1981

LOCATION: Oval Office

TIME: 9:50 a.m. (10 minutes)

FROM: Max L. Friedersdorf *M. L. F.*

I. PURPOSE

To sign the Energy and Water Appropriations Act of 1982 (H.R. 4144) in the presence of the key Committee chairmen and ranking minority members who had responsibility for the bill.

II. BACKGROUND

The Energy and Water Appropriations Act of 1982 is the first regular executive branch appropriations bill to reach the President's desk. The Conference report is below both the House and Senate bills and achieves three fourths of the additional savings requested by the President in the September budget request. This bill is therefore consistent with the President's pledge to sign those appropriations bills which meet the President more than half way.

III. PARTICIPANTS

The President
The Vice President
Senator Mark Hatfield
Representative Tom Bevill
Representative John Myers

Staff

Ed Meese
Jim Baker
David Stockman
Max Friedersdorf

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

The Senators and Representatives enter through the Northwest Gate into the West Lobby and are escorted into the Oval Office.

Attachment

Talking Points

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH REPRESENTATIVES OF
PROFESSIONAL BUILDER MAGAZINE

DATE: Friday, December 4, 1981
LOCATION: Oval Office
TIME: 1:30-1:35 pm
FROM: Mike Baroody

I. PURPOSE

To provide Professional Builder Magazine with photos to accompany interview with the President for January National Convention issue. (Written response for interview already provided.)

II. BACKGROUND

Professional Builder is the largest circulation magazine in the home building industry. The January issue will be distributed at the Las Vegas Convention of the National Association of Home Builders.

Note: Interest has been expressed in Presidential participation at the Las Vegas Convention. Since it will be held January 22-25, State of the Union speech and related events would seem to preclude it.

Written interview responses covered issues of specific concern to housing industry, especially prospects for lowered interest and inflation rates, and plans for changes in regulations affecting the industry.

Professional Builder is a Cahners Publication. A similar interview was granted to another of its magazines, Construction Equipment, for its September issue which resulted in an attractive and informative spread featuring the President's views on that industry's needs.

III. PARTICIPANTS

David E. Link, Editorial Director
Roy Diez, Editor-In-Chief
Marsh Trimble, Publisher

D FISCHER

IV. PRESS PLAN

None, except to provide exclusive photo opportunity

V. SEQUENCE OF EVENTS

Participants to be brought to Oval Office by Baroody for 1:30 appointment. They will enter, greet President, be seated for informal photos to accompany interview. Group will depart Oval office at 1:35 pm.

Attachment: Talking Points

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH STEEL INDUSTRY LEADERS

DATE: December 4, 1981

LOCATION: Oval Office

TIME: 2:30 p.m.

FROM: CRAIG L. FULLER *CF*

I. PURPOSE

The steel company executives wish to discuss some of the difficulties confronting their industry -- in particular, the problem with steel imports.

It is recommended that you use the meeting to accomplish the following:

1. Express your appreciation for the support the industry has shown for the Economic Recovery Program;
2. Express awareness and support of the Commerce Department's efforts to slow steel imports through the instigation of 7 suits following an investigation which found possible violations of the Trigger Price Mechanism (TPM) by foreign steel companies importing to the U.S.;
3. Express the view that Commerce ought to have an opportunity to pursue their suits through February without the massive filing of cases now being contemplated by the steel industry; and,
4. Indicate that we are committed to keeping up the pressure on the importers -- Baldrige, Haig and Brock going to Brussels next week for discussions of this very subject.

II. BACKGROUND

A background memorandum, prepared by the Department of Commerce (DOC) is attached. You may wish to review it for a more detailed discussion.

Briefly, you are facing steel industry leaders who have been among your strongest supporters. However, a series of factors has created a particularly difficult situation for the steel industry. Dramatic increases in steel imports (from the European Community and Japan) are the principal cause of the problem. When imports reached record levels in August, Commerce initiated investigations and then filed anti-dumping and countervailing duty suits to enforce the Trigger Price Mechanism -- this was done for the first time in history.

The steel industry would like to launch an assault on the importing countries through a series of dumping and subsidy cases which the industry is threatening to file.

Commerce, the U.S. Trade Representative and State all favor an approach which discourages the industry from filing the proposed suits while the Commerce Department is given a chance to negotiate reduced levels of imports.

The steel industry leaders believe that the Commerce Department's response to the import problem is inadequate. They will describe their plan to bring a large number of suits against steel importers as desirable because such an action would bring greater pressure to bear on the importers.

The critical problem and main reason for the Administration's opposition to the industry's plan is that by pressuring steel importers, we are pressuring the countries that subsidize their steel companies (this is the case with most EC and Japanese steel companies now importing to the U.S.). It is the view of your trade and foreign policy advisors that increasing the pressure on the countries importing steel to the U.S. would not be timely since these countries are plagued by their own serious economic problems.

While the U.S. industry is suffering (lay offs in the steel industry are up to about 70,000 people), the best option at present is to hope that Commerce Department's efforts will continue to be successful at reducing imports. It is also hoped that the industry will wait for about three months before taking any action. Commerce believes that matters will have improved within three months -- if imports have not been reduced by then, the Commerce Department would drop its opposition to industry suits.

You may also wish to note that Secretary Baldrige will be joined by Ambassador Brock and Secretary Haig at meetings in Brussels next week at which the subject of steel imports will be discussed.

A second issue may surface concerning the Clean Air Act. David Roderick chairs the Business Roundtable Committee working on this matter. He may indicate that more help is needed with the Senate. You can report we view this as a top priority item and have had a series of discussions with Senate leaders on the matter.

III. PARTICIPANTS

William (Bill) DeLancey, Chairman
Republic Steel Corporation
(he also serves as the Chairman of the American Iron and Steel Institute)

David Roderick, Chairman
United States Steel

Donald Trautlein, Chairman
Bethlehem Steel Corporation

Robert (Bob) Peabody, President
American Iron and Steel Institute

✓ Secretary Baldrige
~~Ed Meese~~
~~Jim Baker~~
~~Mike Deaver~~
Craig Fuller

IV. PRESS PLAN

White House Photographer Only.

THE WHITE HOUSE

WASHINGTON

December 3, 1981

MEETING WITH SENATOR MARK HATFIELD (R-OREGON),
REPRESENTATIVE TOM BEVILL (D-ALABAMA), AND
REPRESENTATIVE JOHN MYERS (R-INDIANA)

DATE: December 4, 1981

LOCATION: Oval Office

TIME: 9:50 a.m. (10 minutes)

FROM: Max L. Friedersdorf *M. L. F.*

I. PURPOSE

To sign the Energy and Water Appropriations Act of 1982 (H.R. 4144) in the presence of the key Committee chairmen and ranking minority members who had responsibility for the bill.

II. BACKGROUND

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III. PARTICIPANTS

The President
The Vice President
Senator Mark Hatfield
Representative Tom Bevill
Representative John Myers

Staff

Ed Meese
Jim Baker
David Stockman
Max Friedersdorf

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

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Attachment

Talking Points

SIGNING CEREMONY: ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL

If anyone had told me last week I would be sitting here today signing an appropriations bill for 1982 -- instead of another veto message -- I might have had trouble believing it could happen. Well, better late than never.

Today, nearly 9 weeks after the start of the fiscal year, I am signing the first regular appropriations bill for 1982 -- the Energy and Water Development Appropriations Act.

This bill should be a model for a responsible approach to reducing budget deficits. It proves the Congress can do what many in the Congress complain it cannot do -- pass spending bills incorporating savings substantially on target with my September request. This bill provides nearly three-fourths of the additional savings for 1982 that I requested, so on behalf of the taxpayers, please accept my gratitude.

There are good reasons why these savings were achieved and they're standing right here. The two Appropriations Subcommittee Chairmen, Mark Hatfield and Tom Bevill, and one of the ranking minority members, John Myers, all worked hard, well and together. Under their leadership, along with the other ranking minority member, Senator Johnston, the Conference Committee agreed to a bill that actually provided less spending than either the House or Senate versions.

I think it's particularly important that spending for the non-defense programs in this bill is lower than in 1981. For example, water resources construction and maintenance is

5 percent below 1981, but funding for all essential needs has been maintained.

The bill provides funds for a number of important initiatives of my Administration. It will permit the start of construction on the Clinch River Breeder Reactor, and it will strengthen the atomic energy defense programs of the Department of Energy.

The American people understand that every dollar we save of unnecessary spending means not only a lower deficit, but also a chance to expand the pool of capital needed by industry to modernize and keep abreast of new production methods -- so we can create more jobs and more economic opportunity for the people we serve.

That's our goal, and thanks to your skill and dedication, this bill is a small but significant step in the right direction. If we keep working together, I know we can make bigger and better progress in the days ahead.

B