

Office of the White House Press Secretary
(Detroit, Michigan)

THE WHITE HOUSE

TEXT OF AN ADDRESS
BY THE PRESIDENT
TO THE
WORLD ENERGY CONFERENCE

President Groza, Steve Bechtel, Walker Cisler, Governor Milliken, Senator Griffin, Mayor Young, distinguished guests from abroad, and all participants in this special World Energy Conference:

On behalf of the American people, on behalf of my home state of Michigan, on behalf of Detroit, it gives me great pleasure to welcome you to the city which some blame for the energy crisis. But this is also a city to which we, along with the world's other great industrial nations, look for significant solutions I know are possible.

It was here in Detroit that the internal combustion engine was transformed from a plaything of the rich into basic transportation on which people all over the world now depend. The whole structure of our society rests upon the expectation of abundant fuel at reasonable prices. I refer to cities and suburbs, farms and factories, shopping centers and office buildings, schools and churches, and the roadways that connect them all.

The expectation of an assured supply of energy has now been challenged. The repercussions are felt worldwide. There is wide-spread uncertainty, and apprehension. Today, at the opening of this conference, we are determined to provide guidance to a world in crisis.

Many people became aware that there was an energy problem for the first time last October, when the oil embargo was imposed. But those who were well informed about the energy situation had known for some time that a crisis was coming. With burgeoning demand, they knew that we could not forever expect a steady supply of low-priced fuel. The embargo merely brought to a head what experts had known for years -- that energy sources must be expanded and wasteful use eliminated to keep pace with the needs of a growing and modernizing world.

Everyone can now see the pulverizing impact of energy price increases on every aspect of the world economy. The food problem, the inflation problem, the monetary problem, and other major problems are linked to the all-pervasive energy problem.

The American response to the oil embargo and recent oil price and production decisions has taken the form of a program for action under the general title: "Project Independence." This integrated domestic energy program will seek in many different ways to reduce American consumption and to increase production of energy.

Officials of my Administration will more fully describe to this conference our determination to achieve energy independence. We will take tough steps to obtain the degree of self sufficiency necessary to avoid disruption of our

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economy. We will make sure there's heat for our homes and power for the people who work in our plants. This does not mean zero imports.

In the immediate future, we will expand our efforts to increase our energy efficiency. This will reduce the growing dependency on foreign petroleum. Project Independence will also require us to increase the output of existing domestic energy sources.

In mobilizing to achieve long-term goals, we will fully exploit one of our most powerful National resources: U.S. technology. We are moving in this direction.

Last year, U.S. Government funding for energy research and development was approximately one and a quarter billion dollars. This year, we will spend over two and a quarter billion dollars. These funds, together with those provided by private industry, will support a growing national effort. In terms of joint private and public resources, it will mean a commitment in excess of the successful one made by John F. Kennedy to put a man on the moon in the last decade.

We are also moving to improve the organization of the U.S. Government for carrying out energy programs. A key step, now awaiting final action by our Congress is the creation of an Energy Research and Development Administration to provide coordination and leadership in cooperation with private industry in developing the necessary technology to fulfill our long range energy requirements.

I mention the highly successful moon landing to dramatize the magnitude of the energy task before us, the dedication with which we must approach it, and the national mobilization of attention and talent it will require.

Even if there had been no political interference in the production and distribution of petroleum, nations would still be facing the problem of finding enough fuel at reasonable prices to continue modernizing the world. Our needs then and now for energy are increasing much faster than our ability to produce it. But, in addition, most industrialized nations experienced the direct effect of the oil embargo, which greatly intensified the problem. All nations have been affected by price increases.

When nations use their resources as political weapons against others, the result is human suffering. It then is tempting to speculate on how much better off man would be if Nature had distributed vital resources more evenly around the world, making every nation self-sufficient. But perhaps Nature had a better idea. Because vital resources are distributed unevenly, nations are forced to choose between conflict and cooperation.

Throughout history, nations have gone to war over natural advantages such as water, or food, or convenient passages on land or sea. But in the nuclear age, when any local conflict may escalate to global catastrophe, war brings unacceptable risks for all mankind.

Now, more than at any time in the history of man, nations must accept and live peacefully with the fact that they need each other. Nations must turn to international cooperation as the best means for dealing with the uneven distribution of resources.

American foreign policy rests on two obvious present-day facts:

-- First, in the nuclear age there is no rational alternative to international co-operations;

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-- Second, the more the world progresses and modernizes, the more nations need each other.

As you know, a theme of the foreign policy of this Administration is "international cooperation in an interdependent world." Stressing interdependence, you may ask why is our domestic energy program called Project Independence? As I see it, especially with regard to energy, national sufficiency and international interdependence fit together and work together.

No nation can be part of the modern world and live unto itself. No nation has, or can have, within its borders, everything necessary for a full and rich life for its people. Independence cannot mean isolation.

The aim of Project Independence is not to set the United States apart from the rest of the world. It is to enable the United States to do its part more effectively in the world's effort to provide more energy. Project Independence will seek new ways to reduce energy usage and to increase its production. To the extent that we succeed, the world will benefit. There will be that much more energy available for others.

As America expands existing sources and develops new ones, other nations will also benefit. We especially want to share our experience and technology with other countries in efforts to increase their own energy supplies. We are also aware that in some respects other countries are ahead of us. We seek to learn from them.

Sovereign nations try to avoid dependence on other nations that exploit their own resources to the detriment of others. Sovereign nations cannot allow their policies to be dictated, or their fate decided, by artificial rigging and distortion of world commodity markets. No one can foresee the extent of the damage nor the end of the disastrous consequences if nations refuse to share nature's gifts for the benefit of all mankind. I told the United Nations General Assembly last week that "the attempt by any country to use one commodity for political purposes will inevitably tempt other countries to use their commodities for their own purposes."

There are three ways this danger can be avoided. First, each nation must resolve not to misuse its resources. Second, each nation must fully utilize its own energy resources. And, third, each nation must join with others in co-operative efforts to reduce its energy vulnerability. In doing so, we emphasize that our actions are not directed against any other nations, but are taken only to maintain the conditions of international order and well-being.

The quest for energy need not promote division and discord. It can expand the horizons of the world's peoples. I envisage movement toward a unifying cooperation to ensure a decent life for all.

I welcome the development in Brussels last Friday of a new international energy program by the Energy Coordinating Group of the Washington Energy Conference. We were pleased to participate in that meeting. The 12 nations reached an ad referendum agreement on a far-reaching cooperative plan to deal with such emergencies as embargoes by sharing available oil and by cutting consumption and using stocks on an equitable basis. While seeking conservation, we and the other nations will work for expanded production of both conventional and non-conventional fuels. The cooperating countries are also creating an international energy agency to carry out this program.

The United States welcomes this demonstration of international action rather than words.

Just as Americans are challenged by Project Independence, the world faces a related challenge that requires a Project Interdependence. No single country

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can solve the energy problem by itself. As President, I offer America's partnership to every other nation willing to join in a common effort to expand the spirit flowing from the Washington Energy Conference. A start has been made in Brussels. The momentum must be continued if true interdependence is to be achieved.

The economy of the world is facing unprecedented problems. Old remedies are inadequate for new problems. New and appropriate solutions must be found without delay. I am convinced they will be found.

I firmly believe that the unselfishness of all nations is in the self-interest of each nation.

We all depend on each other in so many ways that there is no way in today's world for any nation to benefit at the expense of others -- except for the very short term and at very great risk.

Without having planned it, we find ourselves in the strange situation in which the most selfish individual can figure out that it is profitable to live by what we call the Golden Rule. We can help ourselves only as we are considerate and helpful to others.

The energy crisis is the clearest example of the world's interdependence. The industrialized nations need the oil produced by a few developing nations. And all developing nations need the technology, the services, and the products of industrialized nations.

The opportunity for a great advance for the whole world is tantalizingly apparent. But so is the danger that we will throw away this rare opportunity.

The way to realize mankind's hopes is to build and implement a global strategy for energy.

If I may, I call on this World Energy Conference, and other international organizations, to accept the challenge of formulating Project Interdependence, a comprehensive energy program for the world, to develop our resources not just for the benefit of a few, but of all mankind.

This task is surely monumental, but the United States believes that it is possible and essential. To help you in beginning to take the first steps, let me propose some principles that could guide a global approach:

First, all nations must seek to increase production, each according to its resources and level of technology. Some can develop known and available resources. Others can try to improve methods of extraction or intensify exploration. Others are capable of developing new sources of energy appropriate to their own circumstances. But all nations can and should play a part in enlarging and diversifying the sources of usable energy. Diversification can help deter nations from resorting to monopolistic practices.

Next, the rate of increase in consumption of energy must be reduced, and waste eliminated. American will do their part in this effort. But all nations can contribute to discovering new ways to reduce the energy we consume, partly through common sense, partly through self-discipline, and partly through new technological improvements. And whatever energy-saving methods are developed anywhere must be quickly communicated to all. Energy-saving possibilities are as promising, especially for the short-term, as production increases.

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Third, a co-operative spirit and conduct are essential to success in a global energy program. Nothing could be more harmful than policies directed against other nations. If we lapse into confrontation of exporters and consumers, or an unseemly scramble of consumers being played off one against another, all hopes for a global solution will be destroyed.

Fourth, we must be especially attentive to the situation of the poorest nations which will suffer drastically if the energy problem does not come under control. They are the chief victims even now of the uncontrolled inflation driving world prices up beyond their reach for all the goods and services they must import to survive.

Finally, a global strategy must seek to achieve fuel prices which provide a strong incentive to producers but which do not seriously disrupt the economies of the consumers. We recognize the desires of the producers to earn a fair price for their oil as a means of helping to develop their own economies. But exorbitant prices can only distort the world economy, run the risk of world-wide depression, and threaten the breakdown of world order and safety.

It is difficult to discuss the energy problem without lapsing into doomsday language. The danger is clear. It is severe. I am nevertheless optimistic. The advantages of co-operation are as visible as the dangers of confrontation. And that gives me hope as well as optimism.

But good intentions will not be enough. Knowledgeable people like you at this conference are needed to give understanding, analysis, technical competence, and solutions for the peoples and their leaders to consider.

I call on you to respond to the challenge and to propose to the world your recommendations for a global energy strategy. Whether you call it Project Interdependence or some other name is not the essential point. What is essential is that the challenge be accepted and the job be done, quickly and well.

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