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THE PRESIDENT HAS SEEN...*W.F.*

ADDRESS TO THE NATION ON ENERGY

MAY 27, 1975

LAST JANUARY 15, I WENT BEFORE YOUR SENATORS AND
REPRESENTATIVES IN CONGRESS WITH A COMPREHENSIVE PLAN TO MAKE
OUR COUNTRY INDEPENDENT OF FOREIGN SOURCES OF ENERGY BY 1985.
SUCH A PROGRAM WAS LONG OVERDUE. WE HAVE BECOME INCREASINGLY
AT THE MERCY OF OTHERS FOR THE FUEL ON WHICH OUR ENTIRE ECONOMY
RUNS.

HERE ARE FACTS AND FIGURES THAT WILL NOT GO AWAY:

THE UNITED STATES IS DEPENDENT ON FOREIGN SOURCES

37%

FOR ABOUT THIRTY-SEVEN PERCENT OF ITS PRESENT PETROLEUM NEEDS.

IN TEN YEARS, IF WE DO NOTHING, WE WILL BE IMPORTING MORE THAN

HALF OUR OIL, AT PRICES FIXED BY OTHERS -- IF THEY CHOOSE

TO SELL TO US AT ALL.

IN TWO AND A HALF YEARS WE WILL BE TWICE AS VULNERABLE

TO A FOREIGN OIL EMBARGO AS WE WERE TWO WINTERS AGO.

#25

WE ARE NOW PAYING OUT TWENTY-FIVE BILLION DOLLARS

A YEAR FOR FOREIGN OIL. FIVE YEARS AGO, WE PAID OUT ONLY

#3 *annually.*

THREE BILLION DOLLARS. FIVE YEARS FROM NOW, IF WE DO NOTHING,

WHO KNOWS HOW MANY MORE BILLIONS WILL BE FLOWING OUT OF THE

UNITED STATES? THESE ARE NOT JUST AMERICAN DOLLARS,

THESE ARE AMERICAN JOBS.

FOUR MONTHS AGO, I SENT THE CONGRESS THIS ONE-HUNDRED-
AND-SIXTY-SEVEN PAGE DRAFT OF DETAILED LEGISLATION, PLUS SOME
ADDITIONAL TAX PROPOSALS. MY PROGRAM WAS DESIGNED TO
CONSERVE THE ENERGY WE NOW HAVE, WHILE AT THE SAME TIME SPEEDING
UP DEVELOPMENT AND PRODUCTION OF NEW DOMESTIC ENERGY.
ALTHOUGH THIS WOULD INCREASE THE COST OF ENERGY UNTIL NEW
SUPPLIES WERE FULLY TAPPED, THOSE DOLLARS WOULD REMAIN IN THIS
COUNTRY AND WOULD BE RETURNED TO OUR OWN ECONOMY THROUGH TAX
CUTS AND REBATES.

I ASKED THE CONGRESS IN JANUARY TO ENACT THIS URGENT
TEN-YEAR PROGRAM FOR ENERGY INDEPENDENCE WITHIN NINETY DAYS --
THAT IS, BY MID-APRIL.

IN THE MEANTIME, TO GET THINGS GOING, I SAID I WOULD
USE THE STANDBY PRESIDENTIAL AUTHORITY GRANTED BY THE CONGRESS
TO REDUCE OUR USE OF FOREIGN PETROLEUM BY RAISING IMPORT FEES ON
EACH BARREL OF CRUDE OIL BY ONE DOLLAR ON FEBRUARY FIRST, \ ANOTHER
DOLLAR ON MARCH FIRST \ AND A THIRD ON APRIL FIRST.

AS SOON AS CONGRESS ACTED ON MY COMPREHENSIVE ENERGY
PROGRAM, I PROMISED TO TAKE OFF THESE IMPORT FEES.

I IMPOSED THE FIRST DOLLAR ON OIL IMPORTS FEBRUARY FIRST,
MAKING APPROPRIATE EXEMPTIONS FOR HARDSHIP SITUATIONS.

NOW, \ WHAT DID THE CONGRESS DO IN FEBRUARY ABOUT ENERGY?

CONGRESS DID NOTHING.

NOTHING, THAT IS, EXCEPT RUSH THROUGH LEGISLATION
SUSPENDING FOR NINETY DAYS MY AUTHORITY TO IMPOSE ANY IMPORT
FEES ON FOREIGN OIL. CONGRESS NEEDED TIME, THEY SAID.

AT THE END OF FEBRUARY, THE DEMOCRATIC LEADERS OF THE
HOUSE AND SENATE AND MAJORITY MEMBERS CONCERNED WITH ENERGY
CAME TO THE WHITE HOUSE.

THEY GAVE ME THIS PAMPHLET OUTLINING ENERGY GOALS SIMILAR TO

MINE AND PROMISED TO COME UP WITH A CONGRESSIONAL ENERGY

PROGRAM BETTER THAN MINE BY THE END OF APRIL. I REMEMBER ONE

OF THEM SAYING HE DIDN'T SEE HOW THEY COULD ASK THE PRESIDENT TO

DO MORE THAN POSTPONE THE SECOND DOLLAR FOR SIXTY DAYS. IF

THE CONGRESS COULDN'T COME UP WITH AN ENERGY PROGRAM BY THEN,

HE SAID GO AHEAD AND PUT IT ON.

THEIR REQUEST STRETCHED MY ORIGINAL DEADLINE BY A COUPLE
OF WEEKS, BUT I WANTED TO BE REASONABLE AND COOPERATIVE.
SO, IN VETOING THEIR BILL TO RESTRICT THE PRESIDENT'S AUTHORITY,
I AGREED TO THEIR REQUEST FOR A SIXTY-DAY DELAY BEFORE TAKING
THE NEXT STEP UNDER MY ENERGY PLAN.

WHAT DID THE CONGRESS DO IN MARCH AND APRIL
ABOUT ENERGY?

CONGRESS DID NOTHING.

IN FAIRNESS, I MUST SAY THERE WERE DILIGENT
EFFORTS BY SOME MEMBERS, DEMOCRATS AS WELL AS REPUBLICANS,
TO FASHION MEANINGFUL ENERGY LEGISLATION IN THEIR SUBCOMMITTEES
AND COMMITTEES. MY ADMINISTRATION WORKED VERY HARD
WITH THEM TO BRING A REAL ENERGY INDEPENDENCE BILL TO A VOTE.

AT THE END OF APRIL, THE DEADLINE SET BY THE CONGRESSIONAL LEADERS
THEMSELVES, I DEFERRED FOR STILL ANOTHER THIRTY DAYS THE SECOND
ONE DOLLAR FEE ON IMPORTED OIL. EVEN THEN I STILL HOPED FOR
POSITIVE CONGRESSIONAL ACTION.

SO WHAT HAS THE CONGRESS DONE IN MAY ABOUT ENERGY?

CONGRESS DID NOTHING AND WENT HOME FOR A TEN-DAY RECESS.

FEBRUARY, MARCH, APRIL, MAY -- AS OF NOW,

THE CONGRESS HAS DONE NOTHING POSITIVE TO END OUR ENERGY

DEPENDENCE.

ON THE CONTRARY, IT HAS TAKEN TWO NEGATIVE ACTIONS, THE FIRST
AN ATTEMPT TO PREVENT THE PRESIDENT FROM DOING ANYTHING ON HIS
OWN, THE SECOND TO PASS A STRIP MINING BILL WHICH WOULD REDUCE
DOMESTIC COAL PRODUCTION INSTEAD OF INCREASING IT; PUT THOUSANDS
OF PEOPLE OUT OF WORK; NEEDLESSLY RAISE ELECTRIC BILLS FOR MANY
CONSUMERS; AND COMPEL US TO IMPORT MORE FOREIGN OIL, NOT LESS.

I WAS FORCED TO VETO THIS ANTI-ENERGY BILL LAST WEEK

BECAUSE I WILL NOT BE RESPONSIBLE FOR TAKING ONE STEP BACKWARD

ON ENERGY WHEN THE CONGRESS WILL NOT TAKE ONE STEP FORWARD

ON ENERGY.

THERE ARE UNTOLD MILLIONS OF BARRELS MORE IN OUR ALASKAN

PETROLEUM RESERVES, AND UNDER THE CONTINENTAL SHELF.

300,000

WE COULD SAVE THREE HUNDRED THOUSAND BARRELS A DAY IF ONLY

THE CONGRESS WOULD ALLOW MORE ELECTRIC POWER PLANTS TO

SUBSTITUTE AMERICAN COAL FOR FOREIGN OIL. PEACEFUL ATOMIC

POWER, WHICH WE PIONEERED, IS ADVANCING FASTER ABROAD THAN

AT HOME.

STILL THE CONGRESS DOES NOTHING ABOUT ENERGY.

WE ARE TODAY WORSE OFF THAN WE WERE IN JANUARY.

DOMESTIC OIL PRODUCTION IS GOING DOWN, DOWN, DOWN.

NATURAL GAS PRODUCTION IS STARTING TO DWINDLE AND MANY AREAS

FACE SEVERE SHORTAGES NEXT WINTER. COAL PRODUCTION IS

STILL AT THE LEVELS OF THE 1940'S. FOREIGN OIL SUPPLIERS

ARE CONSIDERING ANOTHER PRICE INCREASE. I COULD GO ON

AND ON, BUT YOU KNOW THE FACTS. THIS COUNTRY MUST REGAIN THIS COUNTRY MUST REGAIN

INDEPENDENCE FROM FOREIGN SOURCES OF ENERGY -- AND THE

SOONER THE BETTER.

THERE IS NO VISIBLE ENERGY SHORTAGE NOW BUT WE COULD
HAVE ONE OVERNIGHT. WE DO NOT HAVE AN ENERGY CRISIS --
BUT WE MAY HAVE NEXT WINTER. WE DO HAVE AN ENERGY PROBLEM --
A VERY GRAVE PROBLEM BUT ONE WE CAN STILL MANAGE AND SOLVE --
IF WE ARE SUCCESSFUL INTERNATIONALLY AND CAN ACT DECISIVELY
DOMESTICALLY. FOUR MONTHS ARE ALREADY LOST.

THE CONGRESS HAS ACTED ONLY NEGATIVELY. I MUST

NOW DO WHAT I CAN AS PRESIDENT.

-- FIRST, I WILL IMPOSE AN ADDITIONAL ONE DOLLAR

IMPORT FEE ON FOREIGN CRUDE OIL, EFFECTIVE JUNE FIRST.

60

30

I GAVE THE CONGRESS ITS SIXTY DAYS AND AN EXTRA THIRTY DAYS

TO DO SOMETHING -- BUT NOTHING HAS BEEN DONE SINCE JANUARY.

HIGHER FEES WILL FURTHER DISCOURAGE THE CONSUMPTION OF

IMPORTED FUEL AND MAY GENERATE SOME CONSTRUCTIVE ACTION

WHEN THE CONGRESS COMES BACK.

-- SECOND, AS I DIRECTED ON APRIL THIRTIETH,

THE FEDERAL ENERGY ADMINISTRATION HAS COMPLETED PUBLIC HEARINGS

ON DECONTROL OF OLD DOMESTIC OIL. I WILL SUBMIT A DECONTROL

PLAN TO CONGRESS SHORTLY AFTER IT RETURNS. ALONG WITH IT,

I WILL URGE THE CONGRESS TO PASS A WINDFALL PROFITS TAX

WITH A PLOWBACK PROVISION.

THESE TWO MEASURES WOULD PREVENT UNFAIR GAINS BY OIL COMPANIES

FROM DECONTROLLED PRICES, ~~AND~~ FURNISH A SUBSTANTIAL INCENTIVE

TO INCREASE DOMESTIC ENERGY PRODUCTION.

and encourage conservation,

WHEN I TALK ABOUT ENERGY I AM TALKING ABOUT JOBS.

OUR AMERICAN ECONOMY RUNS ON ENERGY.

NO ENERGY, NO JOBS.

IN THE LONG RUN IT IS JUST THAT SIMPLE.

THE SUDDEN FOURFOLD INCREASE IN FOREIGN OIL PRICES

AND THE 1973 EMBARGO HELPED THROW US INTO THIS RECESSION.

WE ARE ON OUR WAY OUT. ANOTHER OIL EMBARGO COULD THROW

US BACK. WE CANNOT CONTINUE TO DEPEND ON THE PRICE AND

SUPPLY WHIMS OF OTHERS. THE CONGRESS CANNOT DRIFT,

DAWDLE AND DEBATE FOREVER WITH AMERICA'S FUTURE.

I NEED YOUR HELP TO ENERGIZE THIS CONGRESS INTO
COMPREHENSIVE ACTION. I WILL CONTINUE TO PRESS FOR MY
JANUARY PROGRAM -- WHICH IS STILL THE ONLY TOTAL ENERGY
PROGRAM THERE IS.

I WILL NOT STAND HERE, IDLY, WHILE THE UNITED STATES
OF AMERICA RUNS OUT OF GAS.

END OF TEXT