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Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

Before we go into the questions, I would like to take a moment to briefly review with you several critical energy issues.

The energy decisions I announced as a part of my State of the Union Address resulted from the most comprehensive review this Nation has ever made of its energy problems.

This study demonstrated that there are only three basic alternatives. The first is to do essentially what we have been doing. I have rejected this because, if we follow that policy, we will be importing 25 percent more oil by 1977. By 1958, we will be dependent on foreign sources for more than half of our oil. This would subject the economy of the United States to very serious disruption if these supplies were once again curtailed. The embargo of 1973 occurred during a period when a little more than one-third of our oil came from foreign sources. The disruptions we suffered then were just a small taste of what would likely happen in the event of another embargo when we would be far more vulnerable.

Some have suggested rationing as the second alternative. I can understand why many in Congress, and elsewhere, are attempting to find a solution which does not entail sacrifice and hardship. But there is no easy solution. I never promised one.

I believe that those who propose rationing do not have a clear understanding of what their plan would entail for the American people.

Many of us, of course, remember rationing during World War II, and I have no doubt that this Nation is capable of sustaining a rationing program during a short emergency. However, to really curb demand, we would have to embark on a long-range rationing program of more than five years. Those favoring rationing must be thinking of a short-term program, not a serious long-term effort to end energy dependency.

Further, there is simply no way to reach our goals by rationing. Rationing provides no stimulus to increase domestic petroleum supply or accelerate alternative energy sources. By concentrating exclusively on gasoline rationing many other areas for energy conservation are overlooked.

In addition to being ineffective, gas rationing is inequitable. Even a rationing system that is designed with the best motives in mind and implemented by the most conscientious administrators would not be fair. If you were to go around the country and ask individuals what they should get under a "fair" rationing system, you would find that there would simply not be enough gasoline to go around. In fact, to reach our 1975 goal of reducing oil imports by one million barrels per day, a gas rationing system would limit each driver to an average of less than 9 gallons a week.

Inequities would be everywhere -- how would people in remote areas of the country get enough gas to drive into town? How would farmers get enough gas to harvest their crops? What would happen to people who must drive a long way to work? And who would make those decisions?

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It is essential that we recognize the size of the problem which we are attempting to solve. As a consequence, we must evaluate each energy program to see whether, in fact, it confronts -- and solves -- the problem. It does us little good to impose rationing or a gasoline tax or simply shutdown gas stations on Sunday. These will not give us energy independence. The alternative I have chosen relies on freedom of individual choice, giving people and businesses an incentive to save energy. That is the only way to achieve our energy goals. The need for action now is clear.

Therefore, later this week I will sign a Presidential Proclamation which will set in motion the most important and far reaching energy conservation program in our Nation's history. It is the first step toward regaining our energy freedom.

We must reverse our increasing dependency on imported oil. It seriously threatens our national security and the very existence of our freedom and leadership in the free world.

The Proclamation is designed to impose higher fees on imported oil which are equitable and fair. For example, it will contain special provisions to avoid undue hardships on certain regions of the country, -- such as the Northeast -- which are heavily dependent upon high-cost foreign oil. On Thursday, I will meet with the governors of the northeast states on their special problems.

However, it is absolutely critical that Congress act quickly if we are to achieve energy independence. The increased revenues which the government will collect from energy taxes must be returned to consumers and businesses through my proposed tax cut. To insure speedy enactment of the program, I will work with Congress.

I will not sit by and watch this Nation continue to talk about an energy crisis and do nothing or take half-way measures which will not change the direction that has put our Nation in this position. We have the resources in this country, the technological capability and the spirit to regain our energy independence.

I will use all of my powers as President to make certain that we succeed.

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