MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: 
President Ford
William Simon, Secretary of the Treasury
Alan Greenspan, Chairman, Council of Economic Advisers
Eric Zausner, Federal Energy Administration
Rogers Morton, Secretary of Commerce
Frank Zarb, Federal Energy Administration
Donald Rumsfeld, Assistant to the President
Major General Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME: Saturday, December 7, 1974
10:30 a.m.

PLACE: Cabinet Room

SUBJECT: Energy Briefing Group

Morton: I want to give an overview of the methodology for developing the issues so that decisions can be made. I want to open the window on the method of procedure and the options we are developing. This is not a decision meeting.

The crisis is one of price, not supply, except for natural gas.

[He introduced Mr. Zarb, who introduced the briefing.]

Zausner: Briefing --

1. Historical energy supply.
2. Projections at $7 and $11 oil.

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Simon: The world will be awash with oil in a few years.

Greenspan: So the critical issue is the national security one.

With a more fragmented supply, the chance of an oil cut-off is less. Are we willing to pay the insurance costs at the lessened risk?
In. Overview of methodology for dealing w/ issues...to make hard decisions can be made.

Ours would be an input of procedures...e options we dispose into decision making.

The leader would find it easy to make an in...creation was that.

First...would be an...John Hill

Task Introduction

Overview of Briefing:

1. Historical energy supply
2. Projections at 1980 level.

Summary:

War will be over by 1980, in a few years. Germany will be divided into a West German and West Berlin block. West Berlin is a threat.

My energy is very. Are we willing to pay the economic cost at a national risk?

Alternate Possibility

Summed and went on next Saturday.

Said Embrey

Herman.