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STATEMENT OF SECRETARY OF TRANSPORTATION NEIL GOLDSCHMIDT
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I came to Detroit to learn.

My objective was to listen to the industry and the community here and to see first-hand what they had to show me and the other department officials who accompanied me.

We came to this city at a troubling time in this country's transportation and economic history. A time when the link between the automobile and our nation's economy is as strong as ever. But a time when both need new examination to assure future health.

It is still the case that the auto and auto related concerns provide jobs for some 22 percent of the American work force.

And each adult American now spends roughly \$1600 per year for automobile transportation.

Yet there is something wrong -- with the auto industry and with our economy -- and it is this sense of a plaguing problem that demands this trip to Detroit and requires of us the work that lies ahead.

Last month, American purchases of foreign automobiles reached an all-time high -- 18.7 percent of all new car purchases. Forecasts earlier this fall predicted a 12 percent decline in domestic-make sales and a 15 percent increase in import sales for 1979.

At the same time, we are paying billions of dollars to import foreign oil at a rate of 7.4 million barrels per day just to fuel our fleet of private automobiles. We seem locked in a sinister spiral of oil and auto imports that serves only to devalue the dollar abroad, worsen inflation at home and take jobs away from skilled American workers.

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And while this spiral has been building in intensity, the American auto industry and the American government have been locked in their own spiral -- a political theater of move and counter-move, accusation and counter-accusation, two actors in search of a villain.

This is a tragedy which must be interrupted; we simply cannot afford to let the show go on.

It is time we declared an end to the era of stereotypes and placed a moratorium on political posturing.

It is time we went to work to cut both spirals, the economic and the political, for the benefit of our economy and our mobility.

It is time we began a new era of public-private cooperation, to assure Americans both high quality transportation and jobs in the future.

It is time we lowered our voices, but not our goals.

The stakes are too high for any other course. President Carter has made it clear that we are not only fighting for energy security today; we are working toward an economic strategy for the 80's. Make no mistake: This nation's economy is now in the process of internalizing a new economic order, just as Americans are in the process of learning some new habits and new ways. As a nation we are shedding much of the waste and inefficiency we built into our system along the way. And for industry -- as for individuals -- that means major adjustments and investments.

It is an adjustment which is achievable and for which President Carter has articulated the necessary elements --from the Carter Round of international trade negotiations to the steel loan program to the recently announced program to stimulate innovation. What is emerging is a larger vision of the United States economy in the 80's: tougher, less wasteful, more export-conscious, more productive.

That larger vision is what brought us to Detroit this week, to our nation's industrial heartland. In the weeks ahead our talks with the auto industry will continue in Washington, D.C. And I intend to return to Detroit on Jan. 15 to visit further and to speak at the Detroit Economic Club about the new relationship between the auto industry and Washington. For all the reasons outlined above, it is a subject that deserves and will receive my full attention.

Now, I'd be pleased to answer any questions you may have.

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