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TALKING POINTS PREPARED FOR DELIVERY BY U.S. SECRETARY OF TRANSPORTATION
NEIL GOLDSCHMIDT, NATIONAL TOWN MEETING, SEPTEMBER 4, 1980



This administration's view of the auto and auto industry is based on several premises:

* One, we will not solve our problems by arguing over who's to blame. We should try to learn from the mistakes of the past rather than fighting over who made them.

* Two, in an international economy and a single world-wide market for cars, this country cannot afford the old adversarial relationship between government, labor and business. We need not adopt the model of any other country to recognize that our ability to compete requires more cooperation and less confrontation.

* Three, our old view that the only market of importance for American-made cars was the American market is now obsolete. The competition for employment and balance of trade is global and the auto industry is at the cutting edge.

* Four, as far as this administration is concerned our national interest in autos includes issues of technology and safety--but also goes beyond them to the issues of energy, capital and jobs.

With those givens, we have adopted an auto strategy with three phases:

- * Immediate
- * Mid-term
- * Long-term

In the immediate phase we have sought to do what can be accomplished right now to aid the industry, the workers and the affected communities through this period of transition:

* Make administrative changes to regulations that we deemed cost-ineffective, such as the high-altitude emission standars;

- * Provide worker and community assistance;
- * Clear the decks of issues which need to be resolved so we can go forward--airbags, bumpers;
- * Make it clear to the Japanese that we believe it in their self-interest not to over-produce or over-export autos.

Mid-Term:

- * New tax legislation
- * Additional regulatory reviews
- * Analysis of world currency fluctuations as an element of export policy
- * Federal assistance for new plant construction or to cushion plant closings or conversions.

Long-term:

- * Forging a U.S. competitive partnership to deal with the issues of fuel-efficiency, product quality, productivity and international trade.

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