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REMARKS DELIVERED BY U.S. SECRETARY OF TRANSPORTATION
NEIL GOLDSCHMIDT TO UNITED PRESS INTERNATIONAL'S 20TH ANNUAL
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The story of our country's daily life is told in the headlines
of our newspapers.

Today, across the country, the energy-inflation axis dominates
those headlines. It is our national lead story, and rightfully so.
We face no other challenge that is as pervasive, no enemy that is as
destructive. Like a chronic affliction it lingers on and on and we
have seemed up to now unwilling or unable to shake it.

It infects our conduct of foreign affairs and international policy.
The fact remains that we are paying billions and billions of dollars
of oil tribute to OPEC, money that gives them more and more leverage
over our foreign policy at the same time that it destroys our balance
of payments and devalues our currency.

And this same disease infects our domestic economy, fuels inflation
and pushes hard-working Americans into the unemployment line. It picks
our pocket and robs us of our future.

This isn't news and the people of this country don't have to read
the papers to find out about it. They live it. They've been living
it since the early 1970s.

From personal experience they know that more than one-third of
the rate of consumer inflation is a direct result of higher oil prices.
In the first seven months of this year, energy prices rose 46 percent
-- equivalent to a \$42 billion tax levy, and with no useful return
to the economy.

They know that oil imports are costing this nation \$50 billion
a year, and are likely to cost us \$70 billion next year -- equivalent
to each man, woman and child in this country sending OPEC a \$300 check.

And when American consumers go to the grocery store or the department store they feel all too painfully the 30 percent decline in the value of their dollar that has occurred since 1973.

They know that an additional 800,000 of their fellow Americans will suffer the indignity of the unemployment line because of the most recent round of OPEC price increases.

Americans know all this and they don't like it.

They want their President and Congress to do something about it.

They are right. And President Carter is doing something about it!

Because of steps already taken by President Carter, our nation will need 4 million barrels of imported oil a day less in 1990. We have reduced the industrial use of energy by 6 percent; increased the energy efficiency in our homes by 5 percent; improved the fuel efficiency of our cars and reduced consumption there by 3 percent; and we have already converted 100 utility plants to coal.

Moreover, the President's determination to set an absolute limit on the amount of foreign oil which we will import in the future has sent an unmistakable message to OPEC, to the nations of the world and to the American people: we have the domestic resources in conservation, coal, natural gas and oil shale to meet our energy needs. And we have the national will and the national resolve to achieve energy security.

That is what the President's energy program currently before the Congress will do.

It offers incentives for energy conservation -- the most cost-effective investment we can make.

It unleashes this nation's vast productive capacity to create alternative forms of energy -- synfuels, geothermal and solar.

And it does all this using the windfall profits tax as the engine to drive the program forward, thereby assuring the oil companies that they will have the resources they need to increase domestic production but also assuring the American people that the higher energy costs they are paying will be an investment in our national energy security.

Moreover, there is in President Carter's energy program the promise of work -- fundamental to this country's well-being. Not only the jobs saved as we reclaim our economy from OPEC, but jobs created as we develop our domestic energy resources: 340,000 jobs a year by the end of the next decade, plus 50,000 jobs from now through 1990 in the development of mass transit, plus the thousands of jobs generated by our commitment to energy efficiency and conservation.

Overall, the President's program will reduce our imports on foreign oil by roughly two-thirds and give us back our economic and political birthright.

This program is our sure swift stroke to cut the Gordian knot of energy and inflation. It is a program from which every American can benefit and to which every American can contribute.

It will end foreign oil dictates to our domestic and foreign interests -- and it does not propose to trade excess OPEC influence for domestic oil company management of our national interests.

Now our basic values are put to the test -- our love of freedom, our self-reliance, our creativity and our regard for this land. There is no doubt that we can maintain our standard of living and still be less wasteful, still conserve energy. Today, almost half the energy we use is wasted. American industry is already proving the point: since 1973 industry has cut its use of energy by 6 percent and increased productivity by 12 percent.

I refuse to believe that this country with our reservoirs of natural and human resources, our history of technological inventiveness and our tradition of hard work cannot overcome this problem.

I believe that this program will be enacted by the Congress and that its adoption will act as a signal, both at home and abroad, that this country has gone on the offensive in the battle against oil dependence and inflation and that we have both the self-discipline and the decisiveness to win that fight.

If the energy-inflation issue is the hinge on the door to our future, it is not the door itself. It is one measure of this administration's efforts and only one source of headline news.

We will overcome our energy problem but still might not speak to the hopes and aspirations of the American people. We will end the spiral of inflation and could still not have lived up to the promise of America.

Beyond today's headlines is the country we seek to build. And it is this road to America we must follow:

-- An America at peace at home and at peace in the world -- this is always our first and greatest wish.

-- An America tempered by the energy test and emerging from it more productive in work, more conserving in habit, more caring in heart.

-- An America that reaffirms old and lasting values of hard work and community, of equal rights and equal opportunity.

-- An America that invests in its future by investing in its children, in their education and their recreation.

-- An America that respects its past, by honoring its senior citizens, their health and housing and transportation needs.

-- An America that promotes competition, innovation and efficiency in the operation of its economy, that makes the investments today that will guarantee full participation in an international economy tomorrow.

-- An America whose cities are livable, clean, safe; whose neighborhoods boast sound and affordable housing, reliable public transit and a feeling of community, neighbor to neighbor.

-- An America whose small towns, villages and farming communities are stable and well-served, with employment opportunities, good health care and good schools.

-- An America that knows what we stand for, calmly and passionately, and why.

This is the America President Carter campaigned for and was elected to lead us toward. And it is the America his programs will help create.

-- An America of basic industries -- like steel -- where the Carter administration loan guarantee and trigger programs have steel production near full capacity.

-- An America of jobs for Americans: more than 8.3 million jobs have been created since the end of 1976; today more than 97 million Americans are working, more people employed than ever before in our nation's history.

1.3 million fewer people were unemployed in July of 1979 than on election day in 1976 despite an increase of 6.9 million in the number of persons seeking jobs.

Black teenage employment was increased by 23 percent.

Adult female employment was increased 14.1 percent -- 4.5 million women.

-- Of education for Americans: since President Carter took office he has increased funding for education programs by 60 percent, the greatest increase in any comparable period in our nation's history.

-- Of housing for Americans: in the first 24 months of the Carter administration, housing starts increased by 50 percent over the previous 24 month period. In the area of housing rehabilitation -- a key to preserving our cities' existing housing stock -- President Carter increased the major federal rehabilitation program by 500 percent.

-- Of cities and neighborhoods for Americans: President Carter's urban policy put an end to the era of the throw-away cities and brought together a coherent package of transportation, economic development, housing and environmental quality programs that is stimulating an urban renaissance in America.

Of better government for Americans: civil service reform, the first in 100 years, regulatory reform which will allow private enterprise to enter the 1980s with less government red tape and less waste in the economy (-- trucking reform, for example, could put \$5 billion a year back in American consumers' pockets) and the federal deficit has been reduced by more than 50 percent in less than 3 years.

America is more than its individual accomplishments or disparate achievements and it needs and deserves an integrated strategy to guide America through this period of transition with a sure hand.

For this period of America's story is largely about change and our management of change. We may be about to pass over the threshold of a new decade, but we have already entered into a new era. Now the question before us is not whether there will be change, but rather how we will manage the change that is surely coming.

Those who do not know us believe that we will do so fearfully, unsure of our own strength, fearing to act because we fear to fail.

But our bloodlines are true: from our love of freedom and the courage it instills comes confidence in our ability to meet and master change, to choose our own future and to direct our own destiny.

It is what President Carter has been calling "getting ahead of the curve of change." And the success of that effort is to be found in the headlines we do not see -- no headlines of American troops dying, or of cities in flame or of American citizens angrily set one against the other.

Carl Sandberg wrote, "Rest is not a word of free peoples." For this country, for this generation, that is our watchword. Hard work -- and lots of it -- is at hand. But we are a people that warms to a task; our nation was built by people who loved to work. And from this common purpose has come common faith -- and American common sense.

Thank you.

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