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SPEECH DELIVERED BY SECRETARY OF TRANSPORTATION NEIL GOLDSCHMIDT TO THE WOMEN'S NATIONAL DEMOCRATIC CLUB, OCTOBER 9, 1979, WASHINGTON, D.C.

Coming to Washington, D.C. from Portland, Oregon does not give one an overwhelming sense of confidence. Or, I guess I could say that a surplus of confidence is not what you get in coming to Washington. Nevertheless, I am glad to be here and proud to be in President Carter's Cabinet.

I had the occasion as Mayor of the city of Portland, to call a United States Senator on a Monday. The Senator was not in, but was expected, and the person who took the call said the Senator would call back. And when we didn't get a call on Tuesday, or Wednesday, or on Thursday, in fact we just didn't get a call. So I called back and the person in the Senator's office said there was no record of that call. So I called the Executive Assistant and they traced through all those little slips that are racked up on phone calls in the office and, sure enough, being the Mayor of Portland really impressed them. They had a little note that said; "Marigold Schmidt called." Your chance to hear from Marigold Schmidt is one I know you don't want to pass up.

I want to talk today about things that I think Democrats ought to be concerned about. Because despite everything else, close calls or no, we are Democrats. There is more that binds us than divides us; more that we hold in common than holds us apart. I guess it can be said that we don't always agree on the little things, but we do and we can and we will agree on the big things.

Over the years I served as Mayor of the city of Portland, I was the beneficiary of the programs and the efforts of the Democratic party itself. Neither this President, nor the Democratic party has sought to avoid dealing with the difficult issues that confront us, regardless of the political consequences. We never have and I think we never will. But one of the most difficult problems we must face, and face down, is energy. It is a pervasive force robbing us of jobs, diminishing the value of the dollar, and ruining our economic stability both at home and abroad.

It is not just a question of where our next gallon of gasoline is coming from, and it is not just a question of how much it will cost. It is not simply a matter of 78 degree thermostats and 55 mile an hour speed limits, both of which occupy our headlines and our attention throughout this country. To quote the President, the issue is freedom. No more and no less. Because, and let's make no mistake about it, the energy crisis is gnawing at our economy and chewing at our personal pocketbooks. It is a personal assault on our freedom to set and to seek our own economic destinies, both as individuals and as a nation.

Clearly, the energy situation has touched every aspect of our lives. It is remarkable if for nothing else than that. From the grocery store and the department store where higher energy prices account for one-third of the inflation rate, to our own homes, where the cost of heating oil is rising at an annual rate of 100%, the energy ogre is everywhere. Because of the energy situation, 42 billion dollars has been lost to our economy so far this year, and an additional 800,000 Americans face unemployment. That is perhaps the most tragic and most disturbing fact of all, because these people are the casualties - the true measure of the cost of the energy battle in human terms.

Our party is based on a short unemployment line. Our belief is that every American who wants to work and can work and is able to work should have a job. The people in our party are not unused to the prospect of workers who are out of work, and talking to them about how we can get them back to work and the programs that will do it. And I have been down to the unemployment line and I have stood and visited with those people, and I do not find people who don't want to work. I do not find Americans who are happy to be there, and I don't think we ought to be looking toward an energy policy that allows jobs to dry up.

Imports are now costing \$300 a year for every man, woman and child in our country and they're going to cost us something like 70 billion dollars next year. It is remarkable. Think of that, \$300 apiece. That's like sitting down at the dinner table with your spouse and saying: "let's write a \$300 check to OPEC." Nobody would do it.

The grim irony in all of this is that we're better equipped in the United States than probably any nation on earth to rely on our own energy resources. We've been told that we're sitting on top of enormous reserves of coal and enormous reserves of oil shale, far exceeding the petroleum resources of Saudi Arabia. We have tremendous reserves of natural gas and the equivalent of another North Slope in the heavy tar-like crude oil found in California and equally large resources of oil-bearing tar sands in our neighboring country of Canada. And we have the potential of synthetic fuels, of alcohol fuels and solar energy.

The windfall profits tax, now before the Congress, is the cornerstone of our national energy policy. In spite of what some may say, that is simply the case. It is the foundation we must have if we are to build for ourselves and for those who will come after us a future secure in our own hands, not in the hands of a few oil rich foreign shieks.

And I do not think it is inappropriate to observe that the future of the Democratic party may well be at stake here also. If there is a single issue on which Democrats will be judged in 1980, it is the ability of this party to respond decisively to the energy situation. This does not mean just the President. It has become fashionable, almost interesting for somebody as new as I am in Washington to watch people talk about it as "the President's program." It means everybody, those in this room, and certainly Congress, the members of the House and the Senate in whose laps the comprehensive energy strategy rests, are obviously the big players now. It is up to us as Democrats to encourage our fellow Democrats in Congress to bite this bullet -to put the National interest above our short run political interests and follow the President's leadership and pass the windfall profits tax legislation without further delay.

Let's give the President the authority he needs to move priority energy projects through the Energy Mobilization Board, invest in synthetic fuels and the potential promise of a broad range of alternative energy sources available in this country.

I might add that our plans include energy conservation, for it is the most cost-effective of all. In my region, the Bonneville Power Administration, which is federally owned, finished studies concluding that energy conservation was six times less expensive than new plant production.

It's important that we pursue conservation all over the country. We need it to provide 16.5 billion dollars in the area that I happen to have to worry about, improving public transportation in our cities, improving the fuel efficiency of our automobiles and the use of ride-

sharing and the use of bus lanes, and any other creative strategy that local communities may develop.

This proposed expenditure will increase the national investment in public transportation from the 15 billion dollar level of the 1970's to a 50 billion dollar program in the 80's. It means for once and for all a commitment to public transit, not just for those who need transit because they don't drive, but for communities that need transit to stay healthy and to function both economically and socially. It will extend the life of the automobile as well, by financing research into more fuel efficient engines, new materials and into alternative fuel resources for our cars.

We believe there are significant economic gains to be realized from this program as well, and this is important to Democrats. When people say to you, "why do you care about the President's program?" - we come back to jobs. The President's energy program will not only save jobs, and that's important because it lowers U.S. outlays for foreign oil, but it will create up to 340,000 new jobs by the late 1980's. That does not even include the estimates of 50 thousand or so jobs that we would create between now and 1990 for mass transit or additional jobs for weatherizing millions of homes and the major industries that will be revitalized by energy development and the promise of energy security.

Obviously, I support the President's energy program and I didn't have to come to Washington to reach that conclusion. But I support it as Secretary of Transportation because it directs itself to the mobility of Americans and the sufficiency of fuels for transportation purposes.

But I support the President's energy program all the more because I think it offers us, all of us, a real opportunity to safeguard for future generations the security and the self-sufficiency that have always characterized the United States of America - to build the kind of future we want for ourselves, for our children and for their children.

I believe the President's energy program is going to be enacted by the Congress, and its adoption will then 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.

So much of our time, every day, is spent talking about inflation and energy, but I think there are other things worth visiting about as well. If the energy/inflation issue is the hinge on the door of our future, it is not the door itself. We will overcome our energy problem, but still might not speak to the hopes and the aspirations of the American people in the process. We may end the spiral of inflation and still not have lived up to the promise of America.

Beyond today's issues is the total country that we seek to build, and it is this road to America that 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 in their recreation.

An America that respects its past by honoring its senior citizens, their health and housing needs and their 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 of 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 communities are stable and well served, with employment opportunities, good health care and good schools and a recognition that isolation is not their future.

An America that knows what we stand for, calmly but passionately.

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

An America of basic industries, like steel. How many of you can feel comfortable looking toward 20 years of growing steel imports with jobs at stake and the question of our national security. I don't. The President didn't. That's why there is a Carter Administration loan guarantee program and a "trigger program" that this year alone may represent as much as 30 million tons of additional product and the jobs that go with it.

It is an America of jobs for Americans. More than 8.3 million jobs have been created since the end of 1976. It's easy to forget that, but folks were standing in long lines. We now have more than 97 million people employed, more than ever before in our history.

There were 1.3 million fewer unemployed in July of 1979 than on election day in 1976, and the Democrats have a lot to be proud of in that regard. Black teenage employment has been increased by 23%. It's still bad and more work needs to be done, but the effort is underway.

Adult female employment has been increased by over 14 percent, adding somewhere in the range of 4.5 million women to the economy.

Equal Opportunity laws have been given teeth and broader enforcement and our judicial system has been opened up to more women and minorities than any time in our history.

And the equal rights amendment has been given a new lease on life under this Administration's leadership.

Of education for Americans: since President Carter took office he has increased funding for education programs by 60 percent. When I saw that number I was shocked. I come from a state where Senator Wayne Morse and Congresswoman Edith Green spent their entire Congressional careers on education. They made their reputation, their trust and essentially their mandate with the Oregon voters on education. And this President, I think, has done more than even they could have expected: achieved the greatest increase of any comparable period in our nation's history.

An America of housing for Americans. We talk about it. We set standards and goals in 1946, but they haven't yet been achieved for all Americans. In the first 24 months in this Administration housing starts increased by 50 percent. Maybe more importantly, in old cities, where the housing is rotting and deserves to be saved, the President increased the major federal rehabilitation program by 500 percent.

An America for cities and neighborhoods for Americans. President Carter's urban policy put an end to the era of throwaway cities and brought together a coherent package of transportation, economic development, housing and environmental quality programs that is stimulating an urban renaissance in American cities. Just travel and see it before your eyes.

An America of better government for Americans. Civil Service Reform. People don't vote for people because of Civil Service Reform but we needed it. The first time in 100 years. People don't vote for candidates today just because of regulatory reform that will allow private enterprise to enter the 1980's with less government red tape and less waste in the economy. But air deregulation, truck reform, rail reform are important if we're going to compete in an international economy. Trucking reform alone could put five billion dollars a year back in the pockets of the American consumer. The federal deficit has been reduced by more than 50 percent in three years. Better government is a promise that should be kept.

But America is more than its individual accomplishments and our party is more than a list of political accomplishments. It is more than its disparate achievements and it needs and it deserves an integrated strategy to guide it through this period of transition with a sure hand. For this period of America's story is largely about change and how we manage it. We may be about to pass over the threshold of a new decade, but we've already entered into a new era. Now the question before us is not whether there's going to be change, we know there will be, but how we're going to manage it..the change that's surely coming.

We read in the international press that those who do not know us believe that we will proceed fearfully, unsure of our own strength, maybe because of Vietnam, maybe for other reasons, fearing to act because we're afraid we will fail. But I believe our bloodlines are true. We are bred in courage and a love of freedom and from that comes confidence in our ability to meet and master change, to choose our own future, to direct our own destiny. It is what President Carter has called getting out ahead of the curve of change and the success of that effort is to be found in the opportunity we have to solve our problems rather than to simply respond to crisis.

Today there are no American troops dying, no cities in flame, and no American citizens set angrily one against the other. Carl Sandberg wrote that "rest is not a word of free peoples." For this country, for this generation, for this administration 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 love to work and from this common purpose has come common faith and American common sense.

In the 1940's, Henry Steele Commager wrote about America a phrase that I would like to close with today: "For, in large measure, the destinies of mankind are, for the moment, committed to this people. Not ambitious for power, they have achieved power. Not eager for responsibility they have been unable to escape responsibility. Inclined to parochialism, they have been thrust into world leadership. Fundamentally peaceable, they have been led by circumstances to become the arsenal of the western world. Only the future will reveal whether they will find in their heritage, their history and their character, the resources to quicken their minds, embolden their spirits, fire their imagination, lift up their hearts and fit them for their duties and their destiny.

Thank you.