

001439

Ray Dudley

Bres Hoffman

REMARKS BY SENATOR HUBERT H. HUMPHREY

*Recycling*

ANNUAL MEETING OF NATIONAL PETROLEUM  
REFINERS ASSOCIATION

SAN ANTONIO, TEXAS

APRIL 2, 1973

My 1926 - Model T  
1928 - Model A  
1930 . . .

Note: This speech has been retyped for  
Record Record. So there is an MTSY corrected tapes.  
4/24

President Hoffman

I WAS SURPRISED TO HEAR YOUR PRESIDENT REFER TO  
 THE FAIR TRADE HEARINGS BACK IN THE FIFTIES. I THOUGHT  
 EVERYONE HAD FORGOTTEN ABOUT THEM.

YOU PROBABLY KNOW THAT AS A FORMER DRUGGIST I  
 HAVE ALWAYS HAD A PARTICULAR INTEREST IN THE ~~SMALL~~  
INDEPENDENT BUSINESSMAN.

THOSE PRICE WARS OF THE FIFTIES, IN GASOLINE MARKET-  
 ING WERE RUINING MANY OF THE DEALERS. I ALWAYS  
 FELT THAT ENDING THOSE PRICE WARS BENEFITED ~~THE~~ THE  
DEALERS AND THE REFINERS--AND THE CONSUMER AS WELL,  
~~BECAUSE~~ PRICE WARS THAT DESTROY THE INDEPENDENT DEALER

DO NOT PROMOTE REAL COMPETITION FOR A LONG PERIOD, and  
when competition is eliminated  
the consumer is the one who  
 Pays.

WELL, CONDITIONS HAVE CHANGED. AT THAT TIME,  
 THE DEALERS AND THE REFINERS WERE FACED WITH TROUBLE  
 BECAUSE OF SURPLUSES. EVERYONE WAS TRYING TO DISPOSE  
 OF HIS SURPLUS BY 'DUMPING' IT SOMEWHERE ELSE. TODAY,  
 YOU SHOULD ONLY HAVE SUCH PROBLEMS.

agree  
 tho!  
 lumber  
 too,

INDEPENDENT MARKETERS ARE IN TROUBLE BECAUSE  
 THERE IS A SHORTAGE OF PRODUCT.

THOUGH THE PROBLEM IS DIFFERENT, THE PRINCIPLE  
 IS THE SAME--WE MUST KEEP INDEPENDENT MARKETERS AND  
REFINERS IN BUSINESS.

ONE OF THE GREAT STRENGTHS OF THE OIL INDUSTRY

IS THAT IT IS TRULY DIVERSIFIED WITH REAL COMPETITION

IN BOTH MANUFACTURING AND MARKETING *Land it*

IS JUST AS IMPORTANT ~~TO YOU~~ TO MAINTAIN THE INDEPENDENT

SECTOR IN TIMES OF SHORTAGE AS IT WAS IN THE TIMES OF

SURPLUS.

*#*  
HOW DID WE ALL GET INTO THIS FIX--THIS SHORTAGE

WHICH IS GOING TO GET WORSE BEFORE IT GETS BETTER--THIS

ENERGY CRISIS?

*~*  
LAST WINTER, WE GOT OUR FIRST REAL TASTE OF IT:

--SCHOOLS, FACTORIES CLOSED IN THE MIDWEST DUE TO  
LACK OF HEATING OIL;

--GRAIN SHIPMENTS STRANDED ON BARGES ON THE OHIO  
RIVER;

--JET FUEL SO SCARCE THAT PLANES COULDN'T MAKE  
NONSTOP FLIGHTS TO THE WEST COAST.

↳ NOW THIS SUMMER WE'RE ABOUT TO FACE A GASOLINE  
SHORTAGE.

↳ WHY IS THIS? YOU KNOW THE BASIC REASON, AS  
DAVID FREEMAN OF THE FORD FOUNDATION SAYS, "THE JOY  
RIDE IS OVER."

L THE HAPPY ERA OF LOW COSTS, LOW RISKS, AND HIGH  
BENEFITS IS OVER.

IN TERMS OF PROVEN RECOVERABLE RESERVES,  
--WE HAVE 10 YEARS ~~WORTH~~ OF OIL LEFT AND 4 YEARS  
OF NATURAL GAS, ~~WORTH~~.

ON THE OTHER HAND,  
--WE HAVE ANYWHERE FROM 35 TO 120 YEARS OF SHALE  
OIL RESERVES, ~~WORTH~~

--AND 500 YEARS ~~WORTH~~ OF COAL.

L THE PROBLEM, OF COURSE, IS THAT THIS NATION HAS  
NOT BOTHERED TO DEVELOP THE TECHNOLOGY AND KNOW-HOW TO  
USE THOSE RESOURCES WITH THE GREATEST POTENTIAL.

↳ WE ARE IN THE POSITION OF A MAN WHO IS ABOUT TO  
FACE STARVATION--WHO HAS A MILLION DOLLARS--BUT IS IN  
SOME FOREIGN COUNTRY THAT IS UNWILLING TO EXCHANGE HIS  
MONEY FOR LOCAL CURRENCY. ↳ BY THE TIME HE GETS TO  
ANOTHER COUNTRY THAT WILL COOPERATE, IT MAY BE TOO LATE.

↳ HOW DID HE GET IN THAT SITUATION?

HE GOT THERE BECAUSE HE WAS OFF ON A JOYRIDE, NOT  
PAYING ATTENTION TO WHERE HE WAS GOING.

↳ THERE ARE TWO REASONS WHY THERE HAS BEEN INADEQUATE  
PLANNING IN THIS AREA:

↳ THE FIRST IS THAT ENERGY POLICY IS A MORE COMPLI-  
CATED BUSINESS THAN ALMOST ANY OTHER AREA OF ~~GOVERNMENT~~

or government.

IT IS AN INCREDIBLE MIX OF TECHNOLOGY, ECONOMICS, TRADE, *Political*

*policy,* FOREIGN RELATIONS AND CONSUMER ECONOMICS.

THE SECOND REASON IS THAT ~~THE ADMINISTRATION DOES~~ *we government and people*

*have* NOT SEEM TO BELIEVE IN LONG-RANGE PLANNING IN THE

DOMESTIC AREA, THE IDEOLOGY OF THE FREE-MARKET-PLACE

IS SO PERVASIVE THAT THE IDEA OF TRYING TO PLAN FOR A

BALANCE OF SUPPLY V. DEMAND IN ENERGY RESOURCES CANNOT

REALLY GET OFF THE GROUND. *No Planning of use of Resources.*

WE DIRELY NEED A NATIONAL ENERGY POLICY. BUT I

AM FRANKLY SKEPTICAL THAT THIS ADMINISTRATION WILL GIVE

US ONE.

WHAT SHOULD BE THE ELEMENTS OF SUCH A POLICY? FIRST, *lets take*

A HARD LOOK AT THE FACTORS WHICH HAVE CONSPIRED TO  
CHANGE OUR NATION'S ENERGY PICTURE.

WE ARE USING UP A FINITE RESOURCE AT A GEOMETRIC  
RATE.

--BETWEEN 1940 AND 1965 THE CONSUMPTION OF ENERGY  
IN THE U. S. DOUBLED.

-- IF THE PRESENT TRENDS CONTINUE, CONSUMPTION COULD  
DOUBLE AGAIN BY 1980. THE RATE OF ENERGY CONSUMPTION  
INCREASED TWICE AS FAST IN 1972 AS IT DID IN 1971.

THE RESULT OF ALL THIS IS:

↳ --IN 1962 WE HAD 3 MILLION OIL BARRELS A DAY - *Straw*

SPARE PRODUCING CAPACITY. IN 1972 WE HAD NONE.

↳ --IN 1972 WE IMPORTED SOME 30 PERCENT OF OUR OIL.

BY 1980 IT WILL BE IN THE NEIGHBORHOOD OF 60 PERCENT.

↳ --WE HAVE BEEN USING TWICE AS MUCH NATURAL GAS AS WE CAN FIND. AT THAT RATE, WE COULD BE SHORT TEN TRILLION CUBIC FEET OF GAS IN 1980.

↳ IN THE FACE OF SUCH GALLOPING CONSUMPTION, WE ARE, INCREASINGLY, FAILING TO DEVELOP NEW RESOURCES.

--FOR THE FIRST TIME IN MANY YEARS, THERE IS NOT  
ONE SINGLE NEW REFINERY UNDER CONSTRUCTION IN THE  
UNITED STATES. *L* YET THEY ARE SPROUTING LIKE MUSHROOMS  
IN CANADA AND THE CARIBBEAN.

*L*--THE NUMBER OF NATURAL GAS WELLS DRILLED PER YEAR HAS  
DECLINED FROM ALMOST 5500 TO LESS THAN 3300.

*L*--LESS THAN TWO PERCENT OF THE NEAR-SHORE PART OF  
THE OUTER CONTINENTAL SHELF HAS BEEN LEASED FOR  
DEVELOPMENT.

*L* ALL THIS ADDS UP TO <sup>*agrowing*</sup> A GAP BETWEEN SUPPLY AND DEMAND--  
A GAP THAT IS BEING MET BY IMPORTS.

CURRENT PROJECTIONS INDICATE THAT BY 1980 OIL IMPORTS WILL ACCOUNT FOR AS MUCH AS ONE-HALF OF U. S. CONSUMPTION OF OIL, AND ONE-FOURTH OF TOTAL ENERGY SUPPLIES.

*and what?*

↳ NO MATTER HOW MANY NEW ENERGY RESOURCES WE DEVELOP IN THE NEXT FEW YEARS, AND NO MATTER HOW MUCH WE CONSERVE ENERGY, WE ARE GOING TO HAVE TO IMPORT INCREASING AMOUNTS OF OIL AND GAS.

*Balfanz & Partners  
Dollar Crisis*

↳ IF THERE WERE EVER A SET OF STATISTICS THAT WAS CALCULATED TO SCARE US INTO ACTION, THIS IS IT. ↳ I AM FIRMLY CONVINCED THAT WE MUST DO SOME OF THE HARDEST THINKING WE HAVE DONE SINCE THE MANHATTAN PROJECT, ABOUT OUR ENERGY SITUATION.

*which made possible Atomic Energy*

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SUCH THINKING SHOULD BE PREDICATED ON THE FOLLOWING  
CONCLUSIONS OF A SENATE STUDY ON ENERGY POLICY BY THE  
INTERIOR COMMITTEE.

↳ FIRST, A HEAVY AND GROWING DEPENDENCY ON IMPORTED  
FUELS IS INEVITABLE UNTIL AT LEAST 1985 OR 1990.

↳ THE GROWTH OF THESE IMPORTS PRESENTS  
REAL SECURITY ISSUES ↳ IT IS NO LONGER TO BE REGARDED  
AS A SCARE TACTIC INVENTED BY THE OIL INDUSTRY AND  
THE STATE DEPARTMENT.

↳ WHERE WAS THE NIXON ADMINISTRATION IN LOOKING  
AHEAD TO THIS DANGER? I'LL QUOTE YOU FROM THE CABINET  
TASK FORCE OF 1969: "THE RISKS TO SECURITY FROM INTER-  
RUPTIONS OF OIL SUPPLY DO NOT, IN THE MAIN CONCERN

ANY DANGER TO THE FUNCTIONING OF THE NATION'S ARMED  
FORCES."

↳ YET, TODAY, THE U. S. HAS NO RESERVE SUPPLY OF  
PRODUCING CAPACITY AS IT DID DURING EARLIER MID-EAST  
of the 1950's  
CRISES - NOR SIGNIFICANT OIL STORAGE CAPACITY.

ISN'T THAT RELEVANT TO THE FUNCTIONING OF OUR ARMED FORCES?

↳ THE RECENT EFFECTIVENESS OF THE CARTEL OF PETROLEUM  
EXPORTING COUNTRIES, AND EXPLICIT THREATS BY MANY OF  
THEM, HAVE RAISED THE DISTINCT POSSIBILITY OF A GENERAL  
OR SELECTIVE EMBARGO BY THE ORGANIZATION OF PETROLEUM  
EXPORTING COUNTRIES (OPEC) — *and a sharp*  
*rise in crude oil prices!*

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CONCLUSION OF THIS STUDY IS THAT  
 A SECOND THE BALANCE OF PAYMENTS BURDEN OF ENERGY

IMPORTS WILL BE ~~BEEN~~ <sup>Staggering.</sup> RESPECTED ECONOMISTS PROJECT

THE NET FOREIGN EXCHANGE BURDEN TO THE U. S. OF ENERGY

IMPORTS AS HIGH AS \$10 BILLION PER YEAR IN 1980

↳ THE IMPACT WOULD BE EVEN GREATER IF WE WERE FORCED  
 TO IMPORT

TO IMPORT MORE COSTLY ENERGY THAN CRUDE OIL--SUCH

AS REFINED PRODUCTS AND LIQUIFIED NATURAL GAS (LNG).

↳ THE TENDENCY TO IMPORT REFINED <sup>Products - as</sup> ~~PRODUCTS~~--AS

OPPOSED TO CRUDE OIL--FROM FOREIGN REFINERIES--IS

THEREFORE TO BE DEPLORED, NOT ONLY, FOR THE HIGHER COST,

BUT ALSO BECAUSE OF THE GREATER NATIONAL VULNERABILITY

IT CREATES.

L THE BILLIONS IN <sup>Dollar</sup> CASH ASSETS THAT WOULD ACCRUE TO  
 THE SHEIKS OF ~~Saudi~~ ARABIA AND OTHER NATIONS ARE MORE  
 LIKELY TO BE USED FOR INTERNATIONAL POLITICAL LEVERAGE  
 THAN FOR MEETING THEIR NATION'S URGENT DOMESTIC NEEDS.

L THE FACT IS THAT THE RELATIVELY LOW COST AND VAST  
 SUPPLY OF OIL IMPORTS MAKES THEM INCREASINGLY APPEAL-  
 THOUGH THE PRICE OF FOREIGN CRUDE HAS RISEN SHARPLY,  
 IT IS STILL CHEAPER THAN PRODUCING NEW DOMESTIC CRUDE  
 -- EXCEPTING THE ALASKA PIPELINE, WHICH WOULD BE CHEAPER,  
 ING. IF OUR ONLY CONCERNS WERE CONSUMER PRICE AND

ENVIRONMENTAL IMPACT, THE COMPLETE DECONTROL OF OIL  
 IMPORTS MIGHT BE DICTATED.

L HOWEVER, THE PRICE OF CRUDE IS NOT OUR ONLY CONCERN.

WE ARE ALSO CONCERNED ABOUT THE PRICE OF OUR  
 NATIONAL SECURITY.

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L NOW THE THREAT OF AN EMBARGO IS A RELATIVELY REMOTE  
 ONE. L THE ECONOMIES OF MIDEAST COUNTRIES ARE TREMEN-  
 DOUSLY DEPENDENT ON THE WESTERN COUNTRIES, <sup>+ Japan</sup> MORE  
 THAN HALF THE GNP OF SAUDI ARABIA AND OTHER COUNTRIES  
DEPEND ON SELLING OIL TO US.

L NEVERTHELESS, WE MUST INTEGRATE OUR ENERGY NEEDS  
 L ~~GIVEN THE SHARPLY INCREASING PRICE OF FOREIGN OIL~~  
 INTO OUR FOREIGN POLICY CONSIDERATIONS. ^ SOME WOULD

ADVOCATE JOINING WITH OTHER CONSUMING NATIONS, TO PRESENT

A CONSUMER BLOC THAT CAN STAND UP TO OPEC.

*Lets face it,  
 when it comes to oil, its a seller's  
 market - we pay - or we go without!*

Clearly there are real complications in developing any such strategy to counter the power of the exporting

Nations' Cartel Oil companies are limited in what they can do. The benefits to an individual company

from resisting OPEC demands are limited and uncertain,

whereas the risks are large.

*Therefore*  
 But we must examine alternatives and forge new strategies *- a National Strategy!*

One thing is sure--the absence of clear legislative  
authority for the oil import program, the general

practice of deciding import matters on an ad hoc basis,

and the drift in administration of the existing

program, all add up to uncertainties that deter in-

vestment in the energy economy *- particularly in Refineries*

L A CONSISTENT AND EQUITABLE IMPORT POLICY FOR ALL SECTORS OF THE ENERGY INDUSTRY AND THE CONSUMER IS BADLY NEEDED.

L THE INCREASING DIFFICULTY WITH THE IMPORT SYSTEM IS NOT ONLY DUE TO ~~SAD~~ enforced ADMINISTRATION.

L IT IS DUE TO A LACK OF COMPREHENSIVE PLANNING FOR DEVELOPMENT OF NEW ENERGY RESOURCES.

L IT IS THIS LACK OF ALTERNATIVE ENERGY SOURCES WHICH IS MAKING THE IMPORT-QUOTA SYSTEM CRACK UNDER THE PRESSURE OF DEMAND.

L IF WE HAD LOOKED AHEAD 10 YEARS AGO, WE WOULD HAVE SEEN THIS COMING.

L WE STILL HAVEN'T LEARNED OUR LESSON.

Energy Policy now under way of  
Sen. Schultz, Kissinger, & John Erlichman

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I SEE NO EVIDENCE FROM THE PRESIDENT'S PROPOSED  
1974 BUDGET OF AN ADEQUATE EXPENDITURE ~~LEAN ON CREATION~~ *for research and development*

OF NEW ENERGY SOURCES.

*(We are relying on AEC -  
con. ed. predicted 20% of  
to this energy -*

*L. The* I THINK THIS EMPHASIS ON PINNING MOST OF OUR HOPES

ON A FAST-BREEDER <sup>nuclear</sup> REACTOR IS DANGEROUS. I HOPE IT WILL

TURN OUT SUCCESSFULLY. Time BUT PENNY-PINCHING ON OTHER

ALTERNATIVES IS DISASTROUS.

*h* WE NEED MORE EXPLORATION AND DISCOVERY OF NATURAL

GAS.

*h* THERE IS A REAL SHORTAGE OF NATURAL GAS ON THE MARKET

DESPITE RAPIDLY INCREASING GAS PRICES. WHY? IN PART

BECAUSE OF THE REGULATION OF THE PRICE OF GAS AT THE

WELLHEAD.

7. Paul Connors estimates that under present policies, the supply shortfall would increase from 1971's 4% of demand to a whopping 34% in 1985.

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↳ BUT ALSO BECAUSE OF THE UNCERTAINTY OF OUR POLICIES.

WILL THE FPC DEREGULATE OR WON'T IT?

↳ THE ADMINISTRATION HAS BEEN MAKING US BREATHLESS WITH ANTICIPATION, WAITING FOR AN ENERGY MESSAGE WHICH WOULD LAY OUT SOME CONSISTENT, EQUITABLE POLICIES. ↳ ITS CONTINUAL DELAY HAS ONLY ADDED TO THE PROBLEM.

↳ WHAT ABOUT OIL SHALE? FEDERAL LANDS CONTAIN ABOUT 600 BILLION BARRELS OF RECOVERABLE OIL IN THIS FORM.

↳ YET WE HAVE SPENT ALMOST NOTHING TO DEVELOP THE TECHNOLOGY NEEDED TO MAKE THIS OIL ECONOMICALLY AVAIL-  
ABLE AND ENVIRONMENTALLY ACCEPTABLE. ↳ AS A MATTER OF

FACT, LAST YEAR THE ADMINISTRATION SPEND ONLY \$2.5 MILLION ON OIL SHALE RESEARCH.

coal accounts for less than 20% U.S. Energy  
 consumption - but enough known reserves  
 to supply nations energy needs for 300 yrs  
 yet serious problems - <sup>-215</sup> environmental strip mining -  
gasification etc

WE ARE FORTUNATE IN HAVING ENORMOUS COAL RESOURCES.

BUT WE SPEND A TINY FRACTION OF THE FEDERAL BUDGET

DEVELOPING COAL GASIFICATION TECHNIQUES.

AND, ONLY \$2.5 MILLION WAS SPENT LAST YEAR FOR

GEOTHERMAL DEVELOPMENT. COMPARE THIS FIGURE TO THE \$25

BILLION THE FEDERAL GOVERNMENT HAS SPENT TO DEVELOP

NUCLEAR REACTORS SINCE WORLD WAR II, WHICH HAS PRODUCED

LESS THAN 2 DOZEN WORKING POWERPLANTS.

SOLAR ENERGY IS ANOTHER GREAT POTENTIAL ENERGY

SOURCE THAT HAS BEEN IGNORED IN THE FEDERAL R&D BUDGET.

EVEN THE NATIONAL PETROLEUM COUNCIL STATED, "HAD IT NOT

BEEN FOR AN ABUNDANCE OF FOSSIL FUELS--COAL, OIL AND

NATURAL GAS--WE MIGHT TODAY HAVE A 'SOLAR ENERGY

ECONOMY' JUST AS EFFECTIVE AND EFFICIENT AS OUR 'FOSSIL

FUEL ECONOMY.'" YET, ONLY \$4 MILLION WAS DEVOTED TO

SOLAR ENERGY IN LAST YEAR'S BUDGET.

THIS *Government* ADMINISTRATION HAS DONE LITTLE TO DEVELOP  
A WIDE RANGE OF NEW ENERGY SOURCES.

*Secret - Industry  
Partnership.*

IT HAS DONE EVEN LESS TO PROMOTE ENERGY CONSERVATION.

THIS NATION MUST START THINKING ABOUT A COMPRE-  
HENSIVE ENERGY-CONSERVATION PROGRAM. ABOUT--

--MASS TRANSIT--BUSES AS WELL AS RAIL. AN

AVERAGE OF FOUR OUT OF FIVE SEATS ON BUSES ARE EMPTY,

↳ --CREATING INCENTIVES TO INDUSTRY AND INDIVIDUALS

TO CONSERVE AND SHARE ENERGY--SUCH AS HIGHER TOLLS FOR

SINGLE-PASSENGER CARS, SPECIAL LANES FOR BUSES AND

CAR POOLS, COMPUTERIZED CAR-POOL INFORMATION EXCHANGES. } IF WE

COULD PUT TWO PEOPLE INSTEAD OF ONE IN EACH CAR, WE COULD

CUT GASOLINE CONSUMPTION, TRAVEL TIME AND POLLUTION

IN HALF.

↳ --TAXING GIANT GAS-GUZZLING CARS *- or better yet,*

*cutting back on horsepower*

↳ --MARGINAL<sup>cost</sup> PRICING BY UTILITIES, SO THAT LARGER

USERS PAY REAL COST TO REFLECT REAL COST; AND

SO THAT PEAK-HOUR DEMAND IS PRICED HIGHER.

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↳ --LABELING OF APPLIANCES TO SHOW THEIR ENERGY

EFFICIENCY AND CONSUMPTION.

↳ THE URGENCY OF FORMULATING A NATIONAL ENERGY POLICY,

AND THE MANY DIMENSIONS OF SUCH A POLICY--CUTTING ACROSS

ECONOMIC, INTERNATIONAL AND SOCIAL SPHERES--CALLS FOR

THE CREATION OF A NEW ENTITY TO FORMULATE POLICY IN

THIS AREA and to assure action -

↳ ENERGY POLICY IS PRESENTLY IN A NO MAN'S LAND AS

FAR AS THE PRESENT BUREAUCRACY OF THE FEDERAL GOVERN-

MENT GOES.

*We must immediately establish a National Energy Resources Agency - empowered to plan, to authorize research, to direct all energy development & consumption policies*

I WILL, IN THE NEAR FUTURE, BE PROPOSING A BALANCED

NATIONAL GROWTH AND DEVELOPMENT ACT, WHICH WOULD CREATE

AN OFFICE OF BALANCED NATIONAL GROWTH AND DEVELOPMENT

IN THE OFFICE OF THE PRESIDENT.

IT WOULD CREATE A SIMILAR MECHANISM IN THE CONGRESS. SUCH AN OFFICE WOULD RESTRUCTURE THE DOMESTIC POLICY ACTIVITIES OF THE EXECUTIVE AND LEGISLATIVE BRANCHES AROUND THE KEY ISSUES OF NATIONAL GROWTH.

AT PRESENT, THERE IS NO MORE PRESSING ISSUE THAN THAT OF BALANCING OUR GROWTH IN ENERGY CONSUMPTION WITH A QUEST FOR NEW ENERGY RESOURCES.

↳ YET, THE VARIOUS PROPOSALS I HEAR, FOR MODIFICATIONS OF PRESENT REGULATIONS AND LAWS ARE, FRANKLY, INADEQUATE TO THE MONUMENTAL CHALLENGE WE FACE.

I BELIEVE THAT ONLY SUCH AN OVER-ALL

FOCAL-POINT FOR NATIONAL GROWTH POLICY CAN BE

*IN THE WHITE HOUSE AND THE CONGRESS*

COMPREHENSIVE ENOUGH TO FORMULATE POLICIES IN THIS AREA.

*long term*

A BALANCED GROWTH POLICY FOR THE NATION WOULD DO

MORE THAN BALANCE OFF ENERGY CONSUMPTION AGAINST DEMAND,

ALTHOUGH IT WOULD HAVE THAT AS A MAJOR GOAL.

SUCH A POLICY WOULD ALSO DEVELOP ECONOMIC AND SOCIAL

BALANCE IN OTHER ASPECTS OF OUR LIVES. IT WOULD

*help us*

*define goals, set priorities, direct our resources to*

--DEVELOP RURAL AREAS, *today* SO THAT 70 PERCENT OF THE

PEOPLE ~~WERE NO LONGER~~ *are* CRAMMED ONTO 2 PERCENT OF THE LAND; *this*

*cannot & must not continue*

--REBUILD OUR CITIES, *make them comfortable,* ~~SO THAT SUBURBAN TRAFFIC~~

*is safe, livable. Urban sprawl is ugly, wasteful &*

~~JAMS AND UNPLANNED COMMUNITIES NEEDN'T BE THE LOT OF EVERYONE.~~

*costly, and Urban decay is at the very center of our social problems of crime, blight, disease, welfare, & congestion.*

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I'M SPECULATING HERE, BUT I DO BELIEVE THAT SUCH BALANCED ECONOMIC GROWTH WOULD ALSO HAVE THE SIDE-EFFECT OF HELPING BALANCE SUPPLY AND DEMAND OF ENERGY.

I SAY THAT BECAUSE A TREMENDOUS AMOUNT OF TIME AND ENERGY--HUMAN AND FOSSIL-FUEL--IS SPENT IN TRANSIT

AUTO  
^

BETWEEN SUBURB AND DOWNTOWN, AND BETWEEN THE COUNTRYSIDE (FOR A REFRESHING OUTING) AND METROPOLITAN AREAS.

THE INCREASE IN AUTO TRAVEL HAS BEEN A MAJOR FACTOR BEHIND THE ENERGY CRISIS.

WE SPEND INCREASING PARTS OF OUR LIVES LURCHING BACK AND FORTH--FROM DOWNTOWN OFFICE TO SUBURBAN HOME DURING THE DAY.

~~FROM SUBURBAN HOME TO THE NEAREST STATE PARK 30~~

~~MILES AWAY ON A WEEKEND,~~

~~--FROM HOME TO THE SHOPPING MALL TWO MILES AWAY.~~

~~WE SPEND SO MUCH TIME TRAVELING, AND OFTEN GET  
SO TIRED DOING IT, AS WE SIT STALLED IN TRAFFIC, THAT  
WE BARELY ENJOY IT WHEN WE GET THERE.~~

IF WE HAD A BALANCED GROWTH POLICY, WHICH AIMED  
AT CREATING LIVABLE COMMUNITIES WHERE WORKING AND SHOPPING  
AND LIVING AND RECREATION WERE ALL REASONABLY NEARBY--WE  
WOULD CONSERVE A LOT OF ENERGY, ~~AND NOT HAVE TO TAKE~~  
~~ALL THESE TRIPS~~ *and* WE MIGHT ALL LEAD LESS FRAZZLED,  
FRAGMENTED LIVES.

Planning is no longer a dirty word - or an academic subject.

It is survival. It is essential

~~I SAY THERE ARE MORE USEFUL THINGS WE CAN DO WITH OUR OWN ENERGY AND OUR FOSSIL FUELS THAN SIT IN TRAFFIC~~  
for an urbanized, industrialized, mechanized society - We can

~~no longer ignore the facts of our international economy~~

We do face <sup>or</sup> immediate and long term crisis in Energy, in Transportation, in Environmental protection - in Resource conservation and development -

--BUILD NEW HOUSING

--BUILD NEW SCHOOLS

--HEAT THE HOMES OF THE POOR

--REPLACE OLD EQUIPMENT IN HOSPITALS AND SCHOOLS

We can't wait it away. It will get worse unless we act now. And no one industry, company,

~~WELL, I'VE BEEN THINKING BIG HERE TODAY - BUT~~

bank, or conglomerate can save us. What better place to do it in than San Antonio, Texas?

It will demand the best of Government & the private sector - working in Partnership

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