

Module 10: How Will Historians Treat Richard Nixon?

Evidence 7: Energy: Annual Message on the State of Union, January 30, 1974

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Question to Consider

- How does the evidence below refute or support the views of the three historians outlined in the Conclusion of this module?

Document

Meeting Our Energy Needs

At the start of this Congressional session, the number one legislative concern must be the energy crisis. The cooperative efforts of the American people, together with measures already taken by the Administration, have significantly reduced the immediate impact of the energy crisis. There has been some economic dislocation and some individual hardships, but these have been minimized by our policy of encouraging broad conservation measures and allocating scarce energy resources so as to do the least possible harm to jobs and the economy. The object has been to keep our farms and factories producing, to keep our workers on the job, and to keep our goods and services flowing, even if this means that we must live and work in somewhat less comfortable surroundings and drive fewer miles at slower speeds. Even with the full cooperation of most Americans, however, we will still face real challenges--and genuine shortages--in the months and years immediately ahead. To meet these challenges, we must change our patterns of energy consumption and production, we must press forward with the development of reliable new energy sources, and we must adjust to the fact that the age of unlimited supplies of cheap energy is ended.

The immediate energy crisis began with the oil embargo imposed in the Middle East last fall. But the embargo only hastened a shortage that was already anticipated. For a number of years our fuel consumption had been climbing while our production of domestic energy supplies declined. We became more and more heavily dependent on oil imports and, consequently, more vulnerable to any interruption or reduction in those

imports, as well as to sudden increases in foreign prices. Today, we have an interruption in supplies and we face sharply increased prices for those supplies when they are restored. Irrespective of the possibility of restoring the flow of Middle East oil, we must act now to ensure that we are never again dependent on foreign sources of supply for our energy needs. We must continue to slow the rise in our rate of consumption, and we must sharply increase our domestic production. The effects of energy conservation can be felt at once. Already the responsiveness of the American people to the recent crisis has proved to be the major factor in helping to avoid the serious consequences that the winter might have brought. That conservation must continue.

The required increase in domestic supplies cannot be achieved so rapidly. It will involve the development of entirely new sources of energy as well as the expanded development of oil and coal resources; it will require a significant expansion of our research and development efforts; it will require a shift from the use of scarce fuels to those which are more plentiful but also more expensive than the cheap energy to which we have been accustomed; it will require that we encourage both exploration and production; it will mean that as we act to prevent the energy industry from making unconscionable windfall profits, we must also avoid crippling that industry with punitive legislation; and finally, it will require that we make some difficult decisions as we sort out our economic and environmental priorities. As we seek to act domestically to increase fuel supplies, we will act internationally in an effort to obtain oil at reasonable prices.

Unreasonable increases in the cost of so vital a commodity as oil poses a threat to the entire structure of international economic relations. Not only U.S. jobs, prices and incomes are at stake, but the general pattern of international cooperation is at stake as well. It is our hope that we can work out cooperative efforts with our friends abroad so that we can all meet our energy needs without disrupting our economies and without disrupting our economic relationships...Those measures which I request be given the highest priority are the following: A special energy act which would permit additional restrictions on energy consumption and would postpone temporarily certain Clean Air Act requirements for power plants and automotive emissions; A windfall profits tax which would prevent private profiteering at the expense of public sacrifice; Unemployment insurance for people in areas impacted by serious economic dislocation; and Mandatory reporting by major energy companies on their inventories, their production

and their reserves...I hope that our joint efforts now to resolve the energy crisis and to move toward a capacity for self-sufficiency in energy will enable the President who addresses the 98th Congress a decade from now to look back and say we made it possible for America to enjoy continued peace and prosperity in the 1980s.

Source:

Obtained courtesy of John Woolley and Gerhard Peters at The American Presidency Project, University of California at Santa Barbara,
<http://www.presidency.ucsb.edu>.