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## Economic Crisis: The Job of Government

Mike Mansfield 1903-2001

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U.S. Government's statistics indicate that 29.7 percent of the oil we import comes from Venezuela and 17.7 percent comes from Canada. More than half of the Canadian oil originates in Venezuela, the result being that 40 percent of our imports, directly or indirectly, come from that country. Nine percent of our imports come from Nigeria, plus 3 or 4 percent more due to the fact that additional Nigerian oil is refined in the Caribbean and then shipped to the United States.

The next important supplier is Iran, which exports approximately 10 percent of its oil a year. Following that country comes Saudi Arabia, which exports about 9.5 percent a year. If all the other Arab countries are included, the figures come to somewhat between 24 and 25 percent a year.

The remainder of the 100 percent comes from various countries scattered throughout the globe. The United States now imports approximately 40 percent of its oil and petroleum products, compared to 35 percent last year.

OPEC, the Organization of Petroleum Exporting Countries, was founded in 1959 by Venezuela, which country was the first to raise prices and then to freeze production. So far as the free world's known oil reserves are concerned, Venezuela has approximately 2.7 percent of the total.

These figures aside, there is only one way for the United States to face up to and control—at least to a considerable degree—the import of oil. It is not through threats or waging war, economic or otherwise; it is not by placing the major share of the blame on the Arab countries, as the figures already cited would indicate, but it is through the use of less oil and gasoline by all Americans.

To do that, we could cut down, we could enforce the speed limits which are now on the books, and we could reduce the considerable wastage of energy which is now estimated to be somewhere between 40 percent and 50 percent. We also could impose rationing on an equitable basis. In these simple ways—perhaps they are too simple to understand—we ought to be able to face up to the petroleum shortage which may confront this Nation in the not too distant future, conserve what we have in various ways, reduce wastage, and in this fashion mitigate the difficulties which have confronted us in the past and will confront us in the future if we do not wake up and use commonsense.

The answers will not come from the economists of this Nation, who are always at odds and ends with one another, with their various theories, but will come from the people who can understand simple propositions and who, on the basis of equity, should be considered fairly.

War is not a cure for the economic and social difficulties which confront this Nation and the Western World today. No other way could be more self-defeating, more destructive, and more counterproductive.

I make this statement at this time because I am concerned about the interpretations which have been given to certain speeches made by the President and the

Secretary of State during the past several weeks. Any interpretation that they are advocating a war to bring about a settlement of the oil issue is about as far from the realities they speak of as are the interpretations placed upon them. It is true that wars usually halt or decrease inflation and counteract recessions. That is, it used to be true in the past. No longer will wars provide the means of curing inflation or recession. No longer will wars determine who is the victor and the vanquished, because in this day and age, everybody loses.

A way must be found to establish a correct degree of interdependence and greater understanding between all the nations of the world.

To do this will take more than speeches, threats, or implied retaliation. My purpose in making these remarks at this time is to cite the facts as they apply to oil and petroleum imports, and to state my own personal view against the use of force to achieve an economic renaissance. May I say, incidentally, that it is my firm belief that this is also the administration's point of view. My purpose also is to urge that greater cooperative efforts be made, not by the oil-producing nations on the one side and the oil-consuming nations on the other, but by both together, keeping in mind the needs of the poverty-ridden countries of the world, to work out solutions which will insure equity in distribution, equity in prices, and due consideration for all mankind.

#### THE WORLDWIDE OIL PROBLEM

Mr. MANSFIELD. Mr. President, the main source of oil imported into the United States is not the Middle East, which together with Africa supplies 92 percent of Western Europe's needs and 83 percent of Japan's.

Incidentally, the Japanese and the People's Republic of China have entered into an agreement under which oil in considerable quantities—I believe 5 million tons a year—is being exported from the People's Republic into Japan.

Just lately the Republic of the Philippines and the People's Republic of China entered into an agreement under which 1 million tons of oil will be exported from the People's Republic to the Philippines.

The principal suppliers of crude oil and petroleum products to the United States are Venezuela and Canada. The