

PRIME MINISTER

UNITED STATES' ENERGY PROGRAMME:  
MESSAGE FROM PRESIDENT CARTER

The expected personal message from President Carter about the energy programme which he is to announce on American television at 10 p.m. local time tonight has arrived, and a copy is attached. It sets out the oil import goals which he is pressing the United States to adopt for both the short-term (1980) and the longer-term (1990). They are ambitious and, in the case of 1980, tougher than the targets set at Tokyo. The message then describes in some detail the measures which the President plans to introduce in order to achieve his goals. It also contains a welcome for the French idea that there should be a meeting of Energy Ministers at the end of August or beginning of September to discuss the follow-up to Tokyo. The President concludes by seeking, as we expected, your public support for his proposals.

I have discussed the message briefly with Sir Jack Rampton (Department of Energy) and Michael Butler (Foreign and Commonwealth Office). Their initial reaction is that the President's programme is a serious attempt to tackle the United States oil problem. But so much depends on Congress: this is particularly true of his long-term goals, the achievement of which will need very substantial expenditure for which he will require Congressional approval. Unless the President can secure the co-operation of Congress, many of his proposals will remain, like some of his earlier ones, no more than good intentions.

The President's message is a long one and will obviously need to be studied carefully before you decide what your public reaction should be. I have therefore agreed with Sir Jack Rampton and Michael Butler that they should meet tomorrow morning to consider the American proposals, with the aim of getting advice to you in the course of tomorrow afternoon. This will give us time to concert our views with the French and Germans, if you decide that that is desirable, on Monday evening or

/Tuesday



Tuesday morning. You would then be in a position, if you wish, to make known your reaction to President Carter's announcement on Tuesday, perhaps in answering Questions.

You said when I told you of M. Wahl's telephone call letting you know of the conversation between President Giscard and President Carter that we must not be rushed in taking a public line on the American programme. I think that if we can follow the timetable outlined above, we shall avoid unnecessary haste and give ourselves time to reach a properly considered view. On the other hand, if you delay a public expression of support much beyond Tuesday, there may be a risk that your statement will lose some of its impact.

I rang Dr. Ruhfus in Chancellor Schmidt's office on Friday evening to see how the Germans were proposing to proceed on President Carter's message, and it is clear that they too are thinking of a timetable very much on the same lines as us.

We may have a problem over the idea that Energy Ministers should meet in 6 - 8 weeks' time. This is a French proposal which they have been pushing hard recently. We have not hitherto been very enthusiastic about it: nor have many other countries, especially the smaller nations. But President Giscard now seems to have sold the idea to President Carter. We do not wish to find ourselves isolated unnecessarily in continuing to oppose a meeting, and it is likely that the FCO will suggest tomorrow morning that I should speak to Dr. Ruhfus early in the day to see what Chancellor Schmidt thinks of the proposal. We could then take account of German views in deciding what our own reaction should be on this point.

Do you agree that we should proceed on the lines above?

C.W.

15 July 1979