

SENATOR ROBERT MORGAN  
DEDICATION OF AGRIHOL INCORPORATED  
CREEDMORE, NORTH CAROLINA  
SEPTEMBER 29, 1980

FUEL FOR FREEDOM

This is a momentous day for Creedmore, for Granville County, for North Carolina, and for the Nation. I don't need to tell you that gasohol represents one of the most important approaches to achieve energy independence. And for the feedstock for this plant, we don't need to go beyond the county border--it runs off of good old North Carolina corn, or milo, or any number of other products.

I want to set a mood today, a mood of optimism. I have heard cries of doom, of failure, of hopelessness. I have had all the failures of our country, as some people visualize it, repeated to me. But let me tell you frankly; I have never given up hope that we will overcome this energy crisis. Today, I feel more positive than ever that our fate lies not in the Middle East oil fields, but with the initiative of our people and these fields right here where we grow our own corn.

What could be more natural for a North Carolinian than to grow corn and make alcohol from it? I have often joked that many of my clients, when I was practicing law, were men who experimented with the production of alcohol. It is an old and nearly honorable

profession in the state; now it has become legal as well.

Last winter as Congress labored to produce an Energy Bill and a Windfall Profits bill, I often heard complaints that we were getting nowhere with our energy program. The Department of Energy was lethargic, the red tape strangled good ideas and the doomsayers predicted that we would be ground under by the OPEC countries.

Well, here we are today, in rural Granville County. We are witnessing a plant that was the dream of four farmers who invested their money, initiative, and genius in a plan to help achieve energy independence. This still will begin to produce alcohol at a rate of 350,000 gallons a year. By the end of the year, I am told, it will be running at the rate of 1.2 million gallons a year. Agrihol, Incorporated, has arrived.

And it has arrived just in time to sell its product to drivers of the new K cars from Chrysler. I'll admit that I had my doubts about bailing out this large automobile firm, and I ultimately voted against the loan guarantee. I did this not because I thought that the company would fail, but because I thought that the workers were not willing to make the necessary sacrifices. Despite all my misgivings, I am proud of the way that Lee Iacocca has taken the company by the neck and shook it. He believes as I do that the best way to compete with foreign automobiles is to build a product that is competitive. He has done that, and it is another success story for our business system.

But our progress goes beyond Agrihol Incorporated and Chrysler Motor Company. In the past year the American people have shown that they know how to save energy. Faced with gas lines and increasing prices for gasoline, people began to drive less. Recent reports show that oil imports into the United States this summer have been running one-fourth below last summer's level. For the month of August this year, imports were 37 percent lower than in August 1979. Now, that's significant. People are insulating their homes, cutting down their thermostats, buying wood stoves, car pooling, and buying gasohol.

Any one of these steps by an individual would not have made a dent in the consumption of fuel, but added together we have begun to turn this crisis around.

I don't think that I could talk in rural Granville County without mentioning farming.

Gasohol plants such as this will greatly help the farmer, of course, and this is especially gratifying to me because I spend a great deal of my time in Washington defending our farmers.

Tobacco has been under increasing attack during the past few years, and it has taken the best efforts of those of us from tobacco states to fight them off.

During every session of Congress, somebody gets the idea that the tobacco support program ought to be stopped. But by hard work and some persuasion, we have been able to keep it.

I have also fought to keep the Oxford Research Station funded.

During this past session, a Senator from Ohio wanted to put on an extra ten cents per package tax on cigarettes, and because it would have been a federal tax, it would have applied everywhere.

We managed to stop that before it got started.

And over at the Department of Health, Education and Welfare they got to be self anointed missionaries and started telling everybody to quit smoking.

That was when Joe Califano was the Secretary at HEW. You remember him. Let me tell you about Joe Califano.

When he started talking loudest about how everybody should stop smoking, we got concerned that he was going to hurt our tobacco farmers and our tobacco industry--both of which mean a lot to North Carolina's economy.

So Governor Hunt and I went to see the President about what he was doing and what he was saying.

The President listened to us and he must have listened real well, because not long after Jim Hunt and I talked to President Carter, Joe Califano was fired.

And his successor, Mrs. Harris, hasn't said anything about people not smoking that I have heard of.

You can count on me to fight the good fight for tobacco every day if need be. I grew up on a tobacco farm, and I know what it's like to put in the long hours of work. I don't want to see our support program, born under Franklin D. Roosevelt and nurtured through nearly a half century, ruined because people confuse the issue of health with the issue of growing tobacco. We've been growing tobacco in this country for 375 years, and we've learned how to grow the best weed in the world. We have the best commodity program in the country, and I will work to keep it that way.

But let me now return to the subject of energy. People who expect that we can immediately reverse the trends of a century are naive. It was only in the early 1970s that we realized that fuel would become scarce and expensive. I remember when I sat on the committee that

mandated the first mileage requirements for automobiles. It was a first step. I remember when the first bills were introduced encouraging wind power, solar power, alcohol power, and wood power. This was a second step.

We now have an Energy Act; we have a Windfall Profits Act; and both of these laws encourage conservation and innovation. We are seeing the fruits of our labor.

And that is why this plant is so symbolic, for it is the first in the state and one of the first in the nation that produces ethanol.

There are other positive signs. American automobile manufacturers now make quality cars that burn less gasoline.

We see windmills experimenting with the mysteries of harnessing wind power.

There are more solar homes.

Nearly every where we look today we see people caught up in a new mood.

I think we all know why this is true. I can think of several reasons. Primarily I know that Americans don't like to be dependent

on anyone for anything. The old line is, "I don't want to be beholden to anyone." And we won't be either.

We realize also that we have wasted fuel in the past, and that if we had kept on we would have deprived our children. We all believe that we should provide a better life for our children, and we are now making the sacrifices that will ensure that our children and their children will have enough energy.

And I also think that more than any people on the globe Americans like a challenge. We might have grown a bit soft of late with all the luxuries that we have at our disposal. There is a gadget for everything. But this new challenge has got our backs up. We will show them!

I could go on all day talking about our pride, our genius, our heritage, and our toughness. But let me congratulate the people here who have made a giant step toward energy independence. I am proud of you. And so are the people throughout the state and the nation. The eyes of the country are now focused on Creedmore, for you have given us something that portends our future, our mutual future as a great self-sufficient nation.