Energy and National Security

It is characteristic of a democratic form of government that major legislation is usually not enacted unless public opinion has crystallized in support of it. When an issue has dramatic appeal, far-reaching legislation is often enacted quickly. When issues are complex and non-emotional, the government moves slowly, if at all. An example of the latter attitude has been the government's treatment of the energy problem. Our national security, financial stability, and standard of living are at stake, but the federal response has not been commensurate with the need. Until recently, most of the talk about energy has been about the problems that will arise in 1985 or 2000. This has the effect of pigeon-holing the matter. Who can sustain a high level of excitement about the year 1985?

The latest figures show that we cannot afford the luxury of sleeping for another 12 years. Despite all the publicity about the need to conserve energy, its use continues to expand. The impact of environmental regulations has accelerated the demand for petroleum and its products. Consumption of these resources this year has been exceeding that of last year by about 9 percent, requiring increased dependence on foreign sources at heavy cost in foreign exchange. This winter, about 30 percent of our petroleum will be imported, a sharp rise from the percentage a year ago. Pessimists have been talking of a 50 percent dependence in 1985, but the current rate of change indicates that that figure could be reached in 4 or 5 years unless drastic action is taken.

Along the East Coast of the United States, virtually all fuel for electric power plants is imported. Oil has completely replaced coal. Reserve storage facilities for oil are inadequate. If supplies were stopped for some weeks, we would be in major difficulties. If we were prudent, we would see to it that a 180-day supply was held in reserve. We would also see to it that power plants could be quickly converted to burn coal. In principle, we have enormous reserves of coal. In practice, we are rapidly making these reserves unavailable for use. Coal-firing equipment in power plants is being scrapped; new oil-fired plants have been built that cannot quickly be converted to coal. If our oil supply were cut off, we would be sitting helplessly on much of the world's best coal deposits, unable to use them effectively.

In principle, we can obtain liquid hydrocarbons and methane from coal, and we can treat coal or stack gases to remove sulfur. In practice, the commitment to solving our immediate fuel problems is relatively trivial. What is needed are demonstration plants on the billion-dollar scale. We also need a national program that provides incentives for the individual citizen to be sparing in his use of energy. This probably can be achieved best by making energy more expensive. However, we should not give windfall profits to the oil companies. They have tremendous resources, both financial and technological, but they have not devoted a reasonable fraction of these resources to safeguarding this country from petroleum blackmail.

Indeed, it is questionable whether the rules under which these large companies operate now serve the national interest. This question and others have been addressed lucidly in a recent policy paper prepared for Senator Henry Jackson (D-Wash.).* The Administration is preparing a belated response to the energy problem. It is to be hoped that the recommendations will be more dynamic and comprehensive than indicated by the 1974 budget message.—PHILIP H. ABELSON