National Paralysis on Energy

Three years after a third and highly successful oil embargo the United States continues to behave as if future supplies of oil were assured for decades. Almost every relevant segment of society has reached high levels of effectiveness in stalling or stopping development of new energy sources. Public interest groups, environmentalists, the courts, Congress, some of the Administration, and even the oil companies are diligent in finding and expounding reasons for inaction.

The public shuns the small automobiles, and its consumption of both gasoline and electricity is at record levels. Domestic production of oil is down 12 percent from 1973 and now meets less than 60 percent of consumption. Production and reserves of natural gas have decreased steadily. During the past 3 years the United States has become much more dependent on the abundant reserves of the Arabian peninsula. This dependence will increase greatly during the next decade; reserves elsewhere are limited and production from them will be leveling or declining.

Part of the difficulty in gearing up to meet future energy needs is that few people seem to grasp the magnitude of the problem. The domestic oil and gas that we are now enjoying were discovered and developed relatively inexpensively and they have been produced with only localized environmental impact. Unless our people are prepared to pay a much higher price for energy in monetary terms and to some extent in environmental factors, they must be prepared to face a drastic change in their standards of living.

Those who campaign for strong negative positions toward various energy sources rarely seem to consider the total problem. They seldom devote comparable positive effort to conservation or to the development of alternative energy sources. The net result of their activity is almost totally negative.

The situation is exemplified by a recent incident related to me by a friend. He was approached at his home by a young man seeking signatures to a petition aimed at nuclear power plants. My friend queried the petitioner about the use of other fuels. Both agreed as to the necessity of reducing imports of oil. The young man, when questioned about coal, denounced pollution arising from burning it. My friend then asked, ”If we stop nuclear power, where will we get our electricity?” The reply was, “Oh, they’ll take care of that.” Thereupon the young man took his petition elsewhere.

Presumably the “they” is that the young man was referring to was the federal government. But the power of the government, while great in some directions, is limited in others. It can smother the country in red tape. It can levy taxes. It can have at its disposal as much money as it wants merely by running the printing presses. But Congress itself cannot produce one gallon of gasoline. While Congress could in principle provide the funds or guarantees necessary to get a program on synthetic fuel rolling, it has refused to do so. Instead, we face an absurd situation in which 35 committees and subcommittees maneuver for a piece of the energy action, often making conflicting decisions. The Administration is not much better. Half a dozen agencies impinge, usually negatively, on the Energy Research and Development Administration.

The oil companies are beset with threats of divestiture. This, added to environmental problems and the near certainty of financial loss, has virtually killed the shale oil program. Liquids from coal are far distant, will be very costly, and are not readily compatible with existing refineries and distribution systems. On the other hand, the oil companies can make a profit without enormous capital investments merely by using existing facilities to process domestic and imported oil. Under the present circumstances they have little incentive to take initiative.

During the past 3 years we have experienced the paralyzing power of negative thinking. Sooner or later, the dominant national mood must shift to a more positive attitude if the nation is once again to function effectively.

—Philip H. Abelson