

Energy as a Policy:
a perspective analysis for a future alternative

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Independent Study

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May 5, 1981

I.

Introduction:

During the last 36 years, energy and energy policy have greatly changed the country's goals and priorities. During Truman's eight years in office, energy policy was of subordinate concern to cold war politics and recovery after World War II. But now, in 1981, energy policy, alternatives, security, and strategy have become predominant political factors. As one of the major points of debate during the Carter-Reagan election, energy has become a national concern. Although the scarcity of oil was projected and understood during the Eisenhower terms through the Paley Report, the American government and public did not take alarm until the infamous oil embargo of 1973.

Energy problems had grown in importance during the Kennedy and Johnson administrations, but it was not until the nation was directly affected by the embargo that the populace was made to understand that the era of free and cheap energy was coming to an end. The Nixon administration attempted to handle the situation with Project Independence, which Ford carried over, and then Carter tried to institute this NEP (National Energy Plan) by claiming energy as the moral equivalent of war. Energy policy is now headed toward a new direction as the Reagan administration has changed tactics from Carter's plan. Assuming Reagan's budget is passed or frozen this summer, energy policy direction and goals will have to be redefined.

American energy policy is a relatively new political field; a vast field that, in theory, has no bounds. In its 36 year evolution, it has developed from a "minor" concern to a national and cabinet level dilemma. It has become a far reaching debate going beyond the

levels of what to do and where to do it, to a call for social change and ratification in both personal ideology and nationalistic capital structure. It is no longer a debate of simple solutions and easy transitions or competitive motivation, for both the political and economic structures have altered the marketplace and the political process. The full subject matter is also no longer justifiably debatable in a study of this nature. The subject matter has become so vast that it is now impossible to make a clear synthesis of our national energy problems in such a short study. The main objective of this study, therefore, is to advise and define a structure for proper decision making.

The various energy alternatives, projected fossil resources, electricity demands, safety and social concerns, and other highly integrated policy problems will be avoided and left for another report. Rather, I believe there are major structural and philosophical problems within the American energy sector that must be cleared before any real solution to our present problem is viable. We, on a national level, a state level, and an individual level, must intelligently formulate a policy integrating the inherent precepts of the market economy and a rational energy solution. By briefly studying energy policy in prospective and comprehending alternative strategies, we must develop a politically feasible policy and organization. Although there were major conflicts and problems during his administration, I feel President Carter made the strongest movements toward a long range coherent energy policy. By understanding present energy policy as a political problem that can be overcome through political means paralleling technological development, we should be able to establish a proper channel or avenue through which policy can be made. This po-

litical understanding or structure will be needed to formulate a diverse and strong energy policy in the future. The appendix briefly comments on and compares the Reagan administration and its energy outlook with the conclusions of this study and a long range energy future.