



Editorial

Retreat From the Future: The Administration's Energy Policy

The Administration has spoken out on energy and the message they have delivered is sadly lacking in understanding or vision. A broad retreat has been sounded from any future that promises a significant contribution from renewable resources or, for that matter, from fossil or biomass based synthetic fuels. In its place is a promise to turn the clock back more than a decade to the days when any energy problem we might have had as a nation could be cured by an unlimited expansion of our electric power system. It is a dangerous course that is being offered because it ignores the realities of our dependence on imported oil, the built-in limitation of the free market system to deal with that problem and the fundamental shift that has occurred in the nation's demand for electricity.

Ten years ago, the U.S. government was actively supporting the development of the nuclear option through the Atomic Energy Commission. It was essentially the only energy development effort that the country had. The advocates of unlimited electricity growth held center stage trumpeting our need for more electricity as the only way to insure continued economic growth and buttressing their arguments with assertions that energy growth was in lockstep with economic growth. Study after study projected economic stagnation unless there was massive electrification.

In the mid 1970's that picture changed almost overnight. The oil embargo sensitized the nation to our critical dependence on foreign supply; the environmental movement alerted the United States to the problems of an expanded nuclear option; and attention by industry to the cost effectiveness of simple conservation measures led to uncoupling of the energy - GNP relationship. These pressures led to a national consensus that alternative technologies, both renewable and fossil, had to be developed, not to meet immediate energy demands, but as a hedge against a future in which we would be forever hostage to policies made by foreign interests over which we had no control.

It was clearly recognized then that the free market system can not solve the energy crisis any more than it can resolve international disputes. The decontrol of oil and gas will insure that the price of those commodities accurately reflects the supply, but it cannot increase supply nor redistribute its physical location. In short, as a nation we accepted the unequal distribution of the resources that we needed, we recognized the inability of the free market to deal with the problem and we set out to correct the situation through a relatively well balanced development effort in renewable, fossil and nuclear based technologies. That commitment launched the solar program in the early 1970's. It began in 1972-73 and grew rapidly at first, more slowly in the past few years, but, nonetheless, to the stage last year where we could confidently predict that in five more years virtually every solar and renewable technology could compete freely in the market place for energy investment. Now all that has changed.

The Administration has cut support for the renewable

option drastically. The ocean energy program is being terminated. The wind program has been slashed to the point where the generation of machines that would finally be commercial will not be completed. The biomass program has been reduced to a shell. The photovoltaic program has been cut by two-thirds; the solar thermal program by almost three quarters. The overall federal effort in solar has been reduced by over 60 percent.

The rationale for these draconian cuts is that the renewables are now essentially economic and that commercialization activities are not a proper role for the Federal government, only research and development is. The cynicism of such an argument is disturbing. If the renewables are essentially economic, then the modest, integrated effort that has been expended over the past six years must represent the most cost-effective, most successful technology development effort in the history of mankind. In 1975 dollars, the total amount of direct Federal research and development support for the period 1975 to 1981, which is essentially the entire history of the renewable technology development program, is less than 2,000,000,000 dollars. If we would believe the current rhetoric, the renewables have been brought from research to commercialization for little more than the cost of a single nuclear power plant today! Anyone who understands technology development knows the absurdity of such an assertion.

But, the cynicism does not end there. It goes deeper. It is said that the proper role of the Federal government is the support of research and development, not commercialization. The free enterprise system is not geared to support high-rollers. The government can and should take the big risks. Though one can argue with the premise, it is not unreasonable. Why then was the ocean energy program canceled, zeroed out in the '82 budget? Certainly it is not yet commercial, or if it is, it is even a better bargain than any other, because it has been kept level at 30,000,000 dollars/year for the past few years. Its problems are supposed to be of a research and development character. Why is it being terminated?

The answer can only be that the new administration is bent on recapturing a discredited past, while denying any possibility of an alternative future. In what can only be regarded as one of the most prodigious leaps of faith and logic in recent memory, the decontrol of oil has been declared a solution to our supply problem, as if price rise and the promise of future profit could miraculously put oil where it's not. Electricity has been declared the highest priority as an energy product and nuclear fission the most desirable way to produce it, despite the leveling off of demand for electricity and the decoupling of energy growth from economic growth. And, in order to assure that there is no competition, the renewables, and perhaps the fossil-based synthetic fuel options too, have been declared to be economical, even when they are not. It is a dangerous course. The only losers will be our children and their future. The country deserves a more enlightened vision.

Bennett Miller
Washington, D.C.