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# The Energy Illusions

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By Stewart L. Udall

BETHESDA, Md.—A nation that bases a vital national policy on illusions is inviting trouble. The energy crisis—which is worsening each week—is a classic example of policymaking by myth. For the past two years we have seen monumental miscalculations both by energy executives and the Nixon Administration—and the President's latest special message (his fourth on energy since April) essentially applies a band-aid to hemorrhage.

In my opinion, the President and the energy industries have been floundering because they have been unwilling to push aside their 1950-vintage illusions and face the grim facts. Most of the script for the nineteen-seventies has already been written—by gluttonous increases in U.S. consumption—and not by the new uncertainties about Arab oil supplies. Consequently, we cannot come to grips with the real issues until we first face the urgent need to make drastic changes in our energy economy.

The illusions that are paralyzing bold action are these:

**ILLUSION ONE** is the misconception that the crisis is a "temporary emergency." The crunch is, in fact, a deepening long-term impasse that is certain to escalate and send shock waves through our economy for at least a decade.

**ILLUSION TWO** is the misconception that we have "reserve" resources which can bail us out in the near term. The hard truth is that for the last five years U.S. consumption has increased much faster than production. All of the energy industries need six- to ten-year "lead times" to produce big results—and these lead times have already been irretrievably lost. The President grossly misled the American people on this point: there is no way we can become energy-sufficient by 1980.

**ILLUSION THREE** is the presupposition that the U.S. is so rich and powerful (and so capable of pulling off quickie "technological miracles") that any serious long-term "energy gap" is unthinkable. Yet the unthinkable has already happened, as a cocksure nation has allowed gargantuan shortages to develop. The hard reality is that the era of abundant, cheap oil has ended—and there have never been any short-cut substitutes in sight for this versatile commodity.

**ILLUSION FOUR** is the misconception that radical, mandatory conservation measures are not necessary. Despite the ominous indicators, until this

month the Nixon winter conservation program has been largely hortatory. The sooner mandatory across-the-board rationing and waste elimination programs are imposed the better. Our energy economy is bloated and profligate. At least one-third of the energy we use is wasted.

**ILLUSION FIVE** is the assumption that the U.S. oil depletion policy is still sound. Depletion was probably wise several decades ago when oil was an infant industry. Now that U.S. oil production has peaked and begun its long decline, rigorous conservation must become our new oil policy.

**ILLUSION SIX** is the wishful thinking that the Arabs would not dare to use their "oil weapon" against us. Events have rudely shattered this mirage. The oil weapon has a sharp edge, and the Arab oilmen are wielding it with relentless skill. From now on they will call the tune for the global oil game.

In a moment of exasperation a few weeks ago, Treasury Secretary George Shultz asserted that we would have to crank up a "crash plan" to develop our own resources (Illusion Two) to "cool the swagger of the Arab nations." Yet it is we who are the swaggers—and the energy pigs as well. We are consuming nearly one-third of the world's petroleum even though we have only a dwindling 9 per cent of the world's oil reserves. This is the situation that sets the stage for a painful, overdue comeuppance.

We have ridden our illusions of omnipotence into a long-term impasse. The crunch this winter is but a preview of things to come. The President must stop pretending there are easy, painless solutions. Billions and bold changes in our policies are needed to build excellent public transportation, to legislate a 25-miles-per-gallon compact car, to squeeze out the scandalous waste in industrial energy uses and to force individuals to make permanent changes in their lifestyles.

The oil companies (with the President acting as their echo) have led us into a cul de sac that is bound to cripple our economy. Their fatuous slogan, "A nation that runs on oil can't afford to run short," reveals their disastrous philosophy. The energy conservation imperative now dictates a new credo: "A nation that is running out of oil must stretch its supplies as far as it can." From here on, the making of national energy policy is too important to be left to the oilmen.

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