

NYT, October 1, 2005

Instead of the Soft Path, Try Hard Cash

By [JOHN TIERNEY](#)

President Bush has been getting grief for telling people to cut back on driving while he gas-guzzles his way across the country. But he's merely expressing Washington's bipartisan consensus: energy conservation is a wonderful idea - for other people.

In the past, Republicans weren't quite as devoted to conservation as Democrats were, especially ones like John Kerry. During last year's campaign he called for massive cutbacks in energy use as he traveled among his five houses on a Gulfstream that was less fuel-efficient per passenger than Air Force One.

But Republicans shuttling between just two homes have generally at least paid lip service to energy conservation, because they know most voters like it in principle. The problem is that these voters, for some odd reason, cling to the notion that their personal travels are just as essential as politicians'.

So both parties refuse to consider the best way to save energy: charging more for gasoline. It's taboo to raise the gas tax, or even to raise prices during a shortage.

The gas stations that increased prices after Hurricane Katrina were having precisely the effect that Bush wanted when he tried to discourage driving. But he lumped them with street criminals, saying there should be "zero tolerance of people breaking the law during an emergency such as this, whether it be looting, or price-gouging at the gasoline pump."

To assuage voters, politicians hide the price tag when they try to impose conservation. They've forced cars and appliances to become more energy-efficient, which makes them more expensive, but no one blames Congress for the higher sticker prices.

The rationale for these policies is that consumers will save money in the long run by using less energy - they're just not savvy enough to realize it when they're shopping for a new car or refrigerator. But even if you doubt consumers' judgment, it doesn't follow that regulators are any more savvy when they dictate what should be sold.

The efficiency standards for appliances, far from paying for themselves, will cost consumers roughly \$50 billion through 2050, according to Ronald Sutherland, an economist at George Mason University. And those costs are borne disproportionately by low-income and middle-income households.

Besides being costly, conservation rules produce unintended consequences. The fuel-efficiency standards for cars led to that environmentalist nightmare, the S.U.V., which became popular because of a loophole in the rules.

Consumers who wanted a big car had to buy one pretending to be a truck because carmakers were forced to downsize their fleets. As cars became lighter, they also became more dangerous, resulting in an additional 2,000 deaths per year, according to the National Research Council.

During the last three decades, regulators in California and other states forced utilities to subsidize alternative energy sources and technologies that reduced electricity consumption. That was the energy "soft path," as its advocates described it in rhapsodies like the ones I heard at Robert Redford's place at Sundance in 1989.

At Redford's conference, devoted to "healing the planet," utility and coal-company executives listened to lectures from the soft-path advocates explaining why the energy soft path would more than pay for itself. The executives listened politely, but one of them summed up their reaction with the punch line from the old story about a failed dog-food marketing campaign. "The dogs ain't eatin' it," he said.

The utility executives didn't think these conservation measures made economic sense - and they turned out to be right, as evidenced by later research and the soaring electricity prices in California to cover the soft-path boondoggles forced on the utilities. Those mistakes haven't deterred today's energy conservationists from coming up with more money-saving schemes for society, but there's usually a good reason the dogs ain't eatin' it already.

Individuals don't always make the best choices about energy use - you can make a case that we drive too much because the price of gasoline doesn't reflect all the social costs. But if a new gas tax covered those costs, then we'd have all the incentive we need to conserve energy. While a gas tax may sound politically hopeless, it's worth considering (in another column) ways to induce both parties to go for it.

A tax would make people figure out on their own how to burn less gasoline. Washington wouldn't need to lecture them on conservation or dictate what kind of cars they can buy. Freed from supervisory duties, some politicians might even think about conserving energy themselves.

- [Copyright 2005 The New York Times Company](#)