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FREE UP THE ENERGY SYSTEM

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The oil import fee that President Carter is trying to impose on already overburdened consumers is just the latest example of the administration's disastrous energy policies. While Mr. Carter rails against high gasoline prices, he is adding 10¢ a gallon to the price that all of us must pay. Every American must hope that legal challenges and the Congressional veto effort will succeed in blocking this latest government-imposed price increase.

Indeed, the government's entire energy policy is so full of contradictions, it reminds one of Alice in Wonderland.

The government says we need to expand domestic production, but it continues to hold the price of crude oil below market levels and has recently imposed a new tax on domestic production.

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The government says Americans must conserve oil, yet it holds the price artificially low, stimulating consumption.

The government says we must cut oil imports to maintain our "independence," yet it impedes domestic production with taxes and regulations, and subsidizes imports with its entitlements program.

The policies followed under both Republican and Democratic administrations have given us our current energy problems. President Nixon stopped redeeming dollars for gold, causing the first OPEC price increase, and imposed price controls on oil. President Ford gave us the entitlements program, which subsidizes imported oil. President Carter has continued these mistaken policies and given us the Department of Energy boondoggle, a hefty new tax on domestic production, and a 10¢-a-gallon fee on imported oil.

What can we expect from a Carter, Reagan, or Anderson presidency? From four more years of President Carter, more of the same - more taxes, more regulations, more boondoggles.

Ronald Reagan says he wants to abolish the Department of Energy and free the energy industry. Yet as Governor of California he created the California Energy Commission, a prototype for the federal Energy Department. Reagan favors continued taxpayer subsidies to nuclear power, despite his rhetoric about the free market. The real problem is that we can't count on Establishment politicians to carry out their promises of deregulation.

As for John Anderson, the "Anderson difference" is that he wants more of our disastrous current policies. Instead of a 10¢-a-gallon fee, he wants a 50¢-a-gallon tax on gasoline. Anderson says the American people must sacrifice. I reject that approach.

Is there a practical Libertarian solution to our energy problems, one that will give us adequate supplies of energy, at a fair market price, with no gas lines, and point us in the right direction for future energy sources? Yes - the Libertarian answer is simple and radical, and it is the only one equal to the task.

If Ed Clark is elected President he will let the free market work. He will remove the obstacles that raise energy costs and in some cases prevent energy suppliers from serving consumers in an orderly, efficient, and just manner. He will eliminate all subsidies to energy producers. Oil companies and other energy firms should have to make it on their own without shifting their risks to the taxpayers.

Specifically, a Clark administration will abolish the Department of Energy, whose only functions are to interfere with energy production and distribution and hand out subsidies. We will repeal all price and import controls, allowing supply and demand to set energy prices. We will abolish allocation controls, which - in the words of a DOE official - "Put the gas where the people aren't." We will repeal the entitlements program and the misnamed "windfall profits" tax, both of which discourage domestic production.

A Clark administration would seek to repeal the Price-Anderson Act, which limits the liability of nuclear power companies in case of an accident and forces the taxpayers to bear the financial risks of the power companies. We would remove all other subsidies and protection from the nuclear industry. As Libertarians we can't oppose nuclear energy per se, but every form of energy must meet the test of the free market.

Is there a place for solar, wind, and other alternative energy sources in America's future? Only a free market can tell us. Allowing the price of oil and gas to rise to market levels will make alternative energy sources more attractive. If these forms of energy are economically viable, they will be developed in a free market. The one mistake we must avoid is centralizing and distorting the development of these energy sources through government subsidies. The last thing we need is a Solar Regulatory Commission.

In short, the Libertarian solution to the energy crisis is to allow prices to reflect the realities of supply and demand. This is the only way to safeguard the liberty, prosperity, and security of the American people. Energy is critical to our standard of living. It is far too important to be left subject to political control. The Libertarian solution instead relies on the decentralized management of the free market, in which firms compete to satisfy consumers.

Let's get the politicians' hands off our energy supply.