



February 1, 2006 Energy Policy

Call to Cut Foreign Oil Is a Refrain 35 Years Old

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WASHINGTON, Jan. 31 — When President Bush vowed on Tuesday to reduce drastically American dependence on oil from the Middle East, he had plenty of company.

President <u>Richard M. Nixon</u> promised in 1971 to make the United States self-sufficient in energy by 1980. President <u>Jimmy Carter</u> promised in 1979 that the nation would "never again use more foreign oil than we did in 1977."

And Mr. Bush has called in each of his past four State of the Union addresses for a reduction in the dependence on foreign oil.

Despite those promises in the past 35 years, United States dependence on oil imports is at a record level.

For most of his presidency, Mr. Bush has placed top priority on increasing domestic oil and gas production. He has supported tax incentives for oil and gas drilling, aggressive production in the Gulf of Mexico, and opening the Arctic National Wildlife Refuge.

But in his speech Tuesday night, he said the United States should "move beyond a petroleum-based economy." The strategies he listed are under way already; in fact, he noted that since he took office the federal government had spent "nearly \$10 billion to develop cleaner, cheaper, more reliable alternative energy sources."

Among the efforts Mr. Bush listed were better batteries for hybrid and electric cars, hydrogen cars, ethanol from wood and agricultural waste, solar and wind technologies and "clean, safe nuclear energy."

The overarching goal, Mr. Bush said, would be to reduce American imports of Middle Eastern oil by 75 percent by 2025.

It was not clear exactly how Mr. Bush was defining his goal. There is a big difference between reducing such imports 75 percent below today's levels and reducing such

imports 75 percent below what they would otherwise be if American supply and demand continued on their present course.

For the first 11 months of 2005, according to the most recent data available, the United States used about 20.6 million barrels of oil a day and imported about 60 percent of that. About 17 percent of petroleum imports came from the Persian Gulf.

By contrast, the United States imported 44.5 percent of its oil in 1995, and about the same share came from the Middle East as it does today.

But some energy analysts said on Tuesday that Mr. Bush's focus on Middle Eastern oil glossed over a more basic problem: the United States' dependence on oil in general.

"It doesn't matter if we don't buy oil from the Middle East," said Gal Luft, a co-director of the Institute for the Analysis of Global Security, a research organization in Washington. If the United States does not buy oil from the Middle East, he said, "someone else will, supporting the same regimes."

Mr. Bush proposed a 22 percent increase in financing for clean energy research.

He said his budget for the fiscal year that begins in October would call for \$218 million more for coal, money that he originally intended to spend in later years; \$289 million for hydrogen fuel technology, up from \$53 million this year; \$54 million for coal plants that would capture the carbon dioxide they produce; \$148 million for solar power, up from \$65 million this year; \$44 million for wind, up \$5 million from this year; and \$150 million for ethanol from cellulose, up \$59 million from this year.

These increases are incremental adjustments to money for a variety of industries in last summer's energy bill, including \$2 billion in tax breaks for oil and gas drillers over five years. The bill also provided help for nuclear power and ethanol and other technologies that the president listed in his address.

At the moment, renewable energy is a very small part of consumption, a little more than 6 percent. Of that amount, more than one-third is hydroelectric; solar and wind account for about two-tenths of a percent. Mr. Bush did not say that renewable energy would replace oil from the Middle East; he also listed coal plants that capture their carbon dioxide, and nuclear energy, which some backers argue is renewable but many other people do not.

Two obvious energy steps were missing from the speech. Although Mr. Bush praised ethanol as a substitute for gasoline, he did not mention the idea of lowering import barriers so countries like Brazil could supply it to this country. Instead he stressed "homegrown" ethanol. And he did not talk about requiring higher fuel economy standards for consumer vehicles.

Simon Romero contributed reporting for this article.

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