

Unlikely Allies Fight U.S. Oil Dependence

Bipartisan Network to Press For Reduced Consumption, Quicker Development of Fuels By JOHN J. FIALKA and JEFFREY BALL Staff Reporters of THE WALL STREET JOURNAL March 28, 2005; Page A4

High oil prices are uniting unlikely allies in a campaign to change American energy policy. A bipartisan coalition -- including an increasing number of defense hawks -- is backing policies to curb petroleum use, a cause generally associated with environmental activists.

Today, 26 former national-security officials from Republican and Democratic administrations will send a letter to President Bush calling for "a major new initiative to curtail U.S. consumption" by improving the fuel economy of U.S. autos and developing alternatives to fossil fuels. The group asks the federal government to spend as much as \$1 billion on the effort over the next five years -- "a level proportionate with other priorities for our nation's defense."

"The price at the pump is not all we're paying right now. We are also paying \$400 billion for a defense budget," says Robert C. McFarlane, President Reagan's national-security adviser and a signer of the letter.

Frank Gaffney, another signer and former Reagan official who heads the Center for Security Policy, a national-security think tank in Washington, adds: "I don't often find myself in agreement with those at the Natural Resources Defense Council, but I'm delighted to have them joining us in this initiative because I do think there is common ground. There is now a critical mass of national-security-minded people coming together to make the argument that this is no longer something we should do at some point." Reducing U.S. oil consumption, he says, is "no longer a nice thing to do. It's imperative."

The letter was organized by the Energy Future Coalition, one of several bipartisan groups launched in Washington after the Sept. 11, 2001, terrorist attacks to argue that the level of U.S. oil consumption represents a pressing danger -- and that it can be curbed in a way that doesn't decimate the economy. Many of the groups have tried to find common ground among environmentalists, auto makers and evangelical activists.

While diverse groups are joining the cause, it is unclear whether Washington will be able to curb Americans' appetite for oil, even as think tanks for years have sought reductions. To make the goals more politically palatable, today's letter steers away from the painful prescriptions many experts believe necessary to make a serious dent in oil use, such as a gas tax or tougher fuel-economy and emissions standards.

The coalition is trying to win backers by instead touting bigger federal subsidies for conservation and oil alternatives -- but that approach may find little traction in an era of budget deficits. And while Congress recently moved toward expanding oil drilling in the Arctic National Wildlife Refuge, the energy bill has been stalled for four years, with prospects this year still uncertain.

Yet participants in the new lobbying efforts say the emerging common ground across the ideological spectrum could make a difference. "I think the political heft is beginning to fall into place," says C. Boyden Gray, former White House counsel to the first President Bush and a leader of conservative activists in Washington. "The intellectual work has been rounded out," adds Mr. Gray, who has been working with R. James Woolsey, director of the Central Intelligence Agency during the Clinton administration.

The oil-reduction groups are trying to tap more into the clout of American farmers. Today's letter calls for tax incentives for more energy-efficient cars including hybrids, lighter-weight vehicles and cars capable of burning fuels that are 85% ethanol.

Having succeeded in establishing ethanol -- gasoline from corn -- as a staple of American energy policy, farmers now see the prospect of \$3-a-gallon gasoline as an opportunity to build support for a new process that would broaden the use of ethanol by making it from farm waste such as corn stalks, rice hulls and wheat and barley straw. Farm group coordinator Ernie Shea has been working with the Energy Future Coalition to build support among farm groups. He says 140 farm leaders met in Austin, Texas, last month and came up with a "vision statement" calling for 25% of the nation's total energy supply to come from "the farm and ranch sector" by 2025.

Auto makers, the United Auto Workers and environmentalists also are focusing on energy policy. They have been meeting in recent months to hash out a proposal for government incentives to help auto makers retool and make more fuel-efficient cars.

Some environmentalists are concluding that, after years of losing fights to get Congress to significantly toughen the nation's fuel-economy requirements, they will get more fuel-efficient vehicles on the road by working with auto makers rather than fighting them. "We needed to be much more creative," said Ashok Gupta, director of the Natural Resources Defense Council's air and energy program.

American auto makers now battling foreign rivals may be more receptive to new efficiency measures. Charles Teritto, a spokesman for the Alliance of Automobile Manufacturers, a trade association in Washington, said he supports incentives for "all types of vehicle technologies" that reduce oil use. He noted that of the 220 million vehicles on American highways, only 130,000 are hybrids and only about five million can burn fuels made mostly from ethanol.

Bush administration officials say the new proposals are consistent with their energy policies. James Connaughton, who heads the White House Council on Environmental Quality, said many of the goals the groups are pushing have "common ground" with President Bush's energy plan. He said President Bush has budgeted \$6.9 billion for energy incentives over the next 10 years and wants Congress to spend the bulk of it on alternatives to gasoline, on solar and wind-generated electricity and on incentives to get drivers to buy more-efficient cars. "Our philosophy on this is that we need and will work to achieve a greater diversity of energy sources," he said.

Several advocates involved with the new discussions say Mr. Bush isn't working aggressively enough to cut oil use now. They say they support the administration's long-term goal of a "hydrogen economy" -- in which cars would be powered by nonpolluting fuel cells instead of internal-combustion engines. But they say that goal is insufficient because it won't begin to seriously cut U.S. oil consumption for many years.

"The president outlined a moonshot," says Anne Korin, director of policy and strategic planning for the Institute for the Analysis of Global Security, a think tank in Washington. "But to get to that moonshot there are a lot of things we need to do along the way." Ms. Korin, an organizer of the Set America Free Coalition, another group that has been pursuing a consensus policy in Washington to reduce oil consumption, added: "You have a lot of people out there that would rather wait for a perfect solution. We don't have the time to wait for perfect solutions."

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