

BY ROBERT J. BARRO

GORE'S 'RECKLESS AND OFFENSIVE' PASSION FOR THE ENVIRONMENT



ZEALOT:
The energy policies advocated by Gore would be disastrous. So why are voters seriously considering him for the Presidency?

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The recent rises in oil prices highlight energy policy as an area of contrast between the two Presidential candidates. George W. Bush favors expansion of U.S. supply, including oil exploration in Alaska. Al Gore emphasizes reductions in energy demand, and he opposes Alaskan exploration on environmental grounds. He also argues that any expanded capacity would be delayed for five years and would therefore not help the current situation.

The last point is odd, because policymakers ought to value energy solutions even if they take five years to work. Moreover, investments that expand future oil supply would motivate producers, such as Saudi Arabia, to sell more oil earlier, while prices were still high. This reaction causes supply to rise and prices to fall well before the new capacity arrives.

Gore's opposition to oil exploration in Alaska is important because it demonstrates his unwillingness to adopt a cost-benefit approach to the environment. Although such calculations can be difficult, we have to make these assessments to make policy choices, and we will not make reasonable decisions if we always pretend that any environmental damage costs an infinite amount.

The benefits of the exploration include a gross valuation of roughly \$9 billion per year (assuming 1 million barrels per day at a per-barrel price of \$25), starting perhaps in five years. Although much of the revenue would accrue initially to oil companies, the benefits extend ultimately to all users of energy. The cost involves hypothetical damage to a vast wilderness that is not especially attractive and that most of us will never see. I am waiting for the plausible calculation that makes this cost comparable to the billions on the revenue side.

POLITICAL PLOY. Since Gore is reputed to be an environmental expert, it's curious this area has received little attention in the campaign. However, we can predict his policies by consulting his 1992 book, *Earth in the Balance: Ecology and the Human Spirit*. The book is striking for the extreme positions taken on all of the favorite environmental causes, including global warming, ozone-layer depletion, and preservation of endangered species and rain forests. The thesis is that we humans are unrestrained guzzlers of energy and dangerous enemies of the environment. Hence, enlightened policymakers ought to spare no effort in combating these tendencies.

This attitude led Gore to advocate abolition of the internal combustion engine by 2017. His view of automobile transportation was summarized as

"it makes little sense for each of us to burn up all the energy necessary to travel with several thousand pounds of metal wherever we go." Thus, he believes that Americans' love affairs with their cars stem not from the efficiency and convenience of the mode of transport but rather from some sort of mass craziness.

Gore regards the threat to the environment as so serious and imminent that he likens it to the Nazi Holocaust: "In the 1930s, when Kristallnacht revealed the nature of Hitler's intentions toward the Jews...the U.S. and the rest of the world [were] slow to act.... Now, warnings of a different sort signal an environmental holocaust without precedent.... Once again, world leaders waffle.... Yet today the evidence of an ecological Kristallnacht is as clear as the sound of glass shattering in Berlin."

Gore goes on to compare the environmental danger to the injustice of American slavery: "Most...of the generation that wrote the Constitution were partially blind when it came to the inalienable rights of the African-Americans as slaves.... Today, most...are partially blind when it comes to our connection with the natural world." Some people regard this passion as admirable, but I regard it as reckless and offensive.

In any event, the hyperbole is hard to reconcile with Gore's recent support of the release of oil from the Strategic Petroleum Reserve. Apparently, during a Presidential campaign, moderating the rise in oil prices is more important than saving the world from holocaust and slavery.

From my perspective, the use of the reserve is a political ploy that will have little impact on oil prices. I always disliked the idea of the government's amassing large supplies of oil. The main rationale is for use during wartime, when the government will keep prices from rising to market levels. The danger, as recently verified, is that the reserve will be used for political purposes and to interfere with market forces.

It seems undeniable that Gore's views on energy and the environment are extreme relative to the opinions of average Americans. One therefore has to wonder why voters are seriously considering him for the Presidency. I think people either doubt Gore's belief in his own extreme statements or expect the U.S. Congress to impose restraint. Unfortunately, the President has a lot of power to enact energy and environmental policies on his own. Therefore, it seems prudent to take Gore at his word and regard him as a serious threat to carry out the mission described in his book *Earth in the Balance*.