

OUR SELF-IMPOSED OBSTACLES TO ENERGY INDEPENDENCE

BY JAMES L. MARTIN

With unemployment hovering around a 26-year high, very few Americans have been able to isolate or immunize themselves from today's economic hardships. But for America's seniors and working families, the impact is even more severe. Savings built and strengthened over a lifetime have been erased. The cost of living continues to climb. And the "golden years" that for many should be filled with travel, relaxation, and quality time with the grandchildren are instead filled with apprehension and anxiety.

Yet despite these difficult economic times—not seen or experienced in a generation—the price that Americans are paying for energy has remained relatively stable. In fact, a recent *Washington Times*

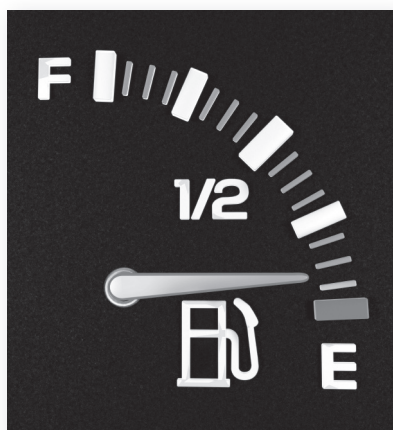
report under the headline "Falling fuel prices ease pocketbook squeeze," analyzed the relationship between energy prices, family budgets, and consumer spending.

The article, by Patrice Hill, found

that economists "note that the reduction in energy prices acts like a tax cut, leaving consumers with more disposable income and offsetting some of the pressures from the loss of jobs and income. Moreover, the drop comes just

when the economy is entering a fragile recovery that needs a boost in consumer spending."

But unfortunately, even as energy continues to be a topic of active discussion in Washington, not very much of what's being talked about in Washington will do a whole lot of good for our nation's retirees and our



long-term energy security. Cap-and-trade, renewable-energy mandates, low-carbon fuel standards, even higher taxes—all are part of a plan to hand over control of your gas tank, refrigerator, and thermostat to the federal government. And don't forget about your light bulbs.

What alternatives to a tax-and-mandate-driven energy policy exist? You don't have to be old enough to remember the days of President Carter to know there's no silver bullet to achieving long-term energy security and independence. But if we are to make America a more prosperous, more competitive, more secure place in which to live and retire, we must aggressively move forward with the responsible development of abundant energy resources along our nation's outer continental shelf (OCS).

But not only aren't policymakers doing enough to expand the playing field and give American taxpayers more and better access to the resources they own, some are actively working to take away existing areas that had been made available for the recovery of oil and natural gas.

It started in 2009 with the decision by Interior Secretary Ken Salazar to rescind already awarded leases on 130,000 acres of energy-rich land in Utah. Rebuffed by his own sub-agency after the decision, the secretary nonetheless recently announced that he will continue to block environmentally sound energy exploration on close to 75 percent of these leases.

This latest action by the Interior Department was a major misstep and a missed opportunity to drive down our dependence on foreign imports, a dependence that increasingly projects a clear and present danger to our national security.

Mr. Salazar has also shut down a pilot program in Colorado that had turned the corner on cleanly and efficiently developing oil from shale. To add insult to injury, he also announced that a new energy plan—written in the months after Congress allowed its 28-year ban on safe energy exploration offshore to expire—would have to wait an additional six months before his department would even consider putting it into practice. With that comment period having recently expired, Salazar has now told reporters that current law won't force him to act on a new plan for another three years. And he doesn't intend to lift so much as a finger until then.

Scarcely a year into the job, Mr. Salazar may not get it yet—but the American people do. They understand that more energy—especially the estimated 420 trillion cubic feet of American natural gas and 86 billion barrels of American oil that lie off the OCS—will help create good jobs and keep energy prices stable and affordable. They also understand that expanded access to homegrown American energy will help alleviate the financial troubles facing so many retirees struggling on fixed incomes.

The President has shown glimpses

of understanding the importance that energy plays in our daily lives. Speaking at an event on Earth Day in Iowa, the President insisted that “we still need more oil; we still need more gas. If we’ve got some here in the United States that we can use, we should find it.”

But the Obama Administration continues to keep in place a *de facto* ban on offshore energy exploration and production, despite the fact that the United States helped finance, through the Export-Import bank, offshore drilling programs in other nations, including Brazil.

Closer to home, energy producers in America don’t need the taxpayers’ money to bring billions of additional barrels of secure American energy online for American consumers. All they need is for someone over at the Interior Department to issue a permit. And then, just maybe, not try to take it back.

Unfortunately, at the same the Obama Administration has worked to block increased access to recoverable and reliable homegrown energy sources, it is also working to raise taxes on energy producers by \$30 billion. But history has shown that we cannot tax our way toward energy security. Adding new layers of taxation, in some cases bordering on expropriation, will only make energy more difficult and expensive to produce,

leading to higher prices that every single American consumer would be forced to pay at the pump.

The national trade organization for the group representing the last remaining wildcat drillers—the mom and pop shops, hardly Big Oil—recently testified before the Senate Finance Committee, suggesting to lawmakers that

“Congress’ choice is straightforward: reduce American oil production by 20 percent and its natural gas production by 12 percent or retain the current historic tax policies that have encouraged American production.”

The key to our long-term energy security and ability to deliver retirees and working families affordable and

reliable energy is not one form of energy over another, or a prohibitive tax policy, or a new subsidy, or a grand mandate. We achieve this goal through expanding access to our resources here at home—oil offshore, natural gas, coal in the Appalachia, oil shale in the Intermountain West. Wind, solar, hydro, and other renewable energy sources will also play an important and growing role; they must, and we all must commit to using our resources more wisely.

America’s seniors deserve an energy policy that ensures that energy remains stable, secure,

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should consider Florida's example. Repealing the federal estate tax will encourage high net-worth citizens to save and invest, leading to job creation and a quicker economic recovery.

On the other hand, keeping the death tax will ensure that wealthy taxpayers continue to spend their income now rather than investing in the future.

At this writing, Connecticut was finally realizing the error of its ways and was considering legislation to lower its death tax. We can hope that in the months ahead, Congress will take similar steps—if not approving a full repeal—of this onerous tax. ❧

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INDEPENDENCE

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and affordable. Plainer still: We've earned it. Today's retirees have weathered our share of tough times. We've lived through world wars and not-so-great depressions. We've overcome every challenge. Our energy security is one of the most important challenges we face. If our government listens to its people and allows us to embrace new, 21st Century technologies that can produce more American energy safely and use what we have more wisely, we will overcome this challenge, too. ❧

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TECHNOLOGY *(Continued from page 26)*

12 percent, bringing the total to nearly 4 million students.

Finally, technology shouldn't be merely a resource used periodically in classrooms, but the primary mechanism of transforming our education system into a 21st Century model of student-centered learning. From access to customization to superior content, technology may be the key to helping us keep the promise of a quality education for every Florida student, but the transformation

must commence now. ❧

Patricia Levesque is the Executive Director of the of the Foundation for Florida's Future and the Foundation for Excellence in Education, a non-profit public policy organizations founded by former Florida Governor Jeb Bush to improve the quality of education in Florida and across the nation. For more information on the Foundation for Florida's Future's efforts to transform Florida classrooms through technology, please visit www.floridapromise.org.