



Catching Up With Hans Landsberg

RFF will soon mark its 50th anniversary, and so it is an appropriate time to acknowledge the contributions of some of our distinguished scholars and listen to their perspectives on current policy issues. This year marks the 40th anniversary of Hans Landsberg's association with RFF. Now a senior fellow emeritus in RFF's Energy and Natural Resources Division, Landsberg's work has focused on the economics of energy, minerals, and agriculture. The co-author of over 20 books and the author of dozens of articles, he is noted for his entertaining, accessible writing style.

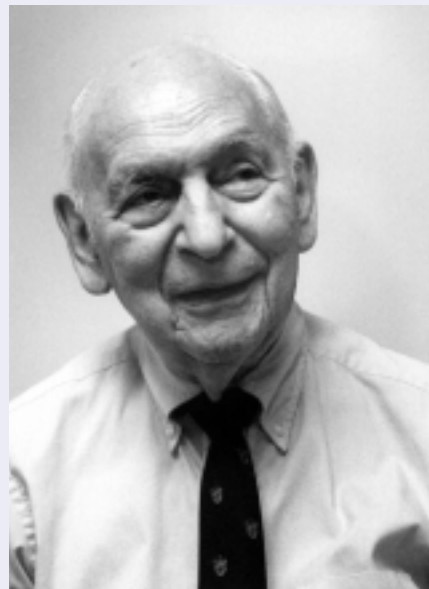
Landsberg built his career during turbulent times. Born in 1913 in East Prussia, he spent much of his childhood in Berlin. Following Hitler's rise to power, Landsberg was forced to leave Germany in 1933. He moved to London and received a bachelor's degree in economics from the London School of Economics in 1936. After emigrating to the United States, he served on a research team at the National Bureau of Economic Research and received a master's degree in economics from Columbia University. During World War II, he was a U.S. Army officer assigned to the Office of Strategic Services. In the 1950s, he worked as a consulting economist and served on the staff of the Office of the Economic Adviser to the Israeli Government.

Landsberg joined RFF in 1960, as the director of the Resource Appraisals Program, at a time when the organization was focusing much of its attention on the availability of key natural resources, notably energy and minerals. One of the major products of those early years was the 1963 publication of *Resources in America's Future*, written with Leonard Fischman and Joseph Fischer, a 1,000-page reconnaissance and long-term projection of requirements and availability of energy, nonfuel minerals, water, land, crops, and numerous industrial materials. Over the next several

decades, Landsberg, like many of his RFF colleagues, focused on rising concerns with economic growth in its link to natural resource requirements and environmental quality.

In a recent interview with *Resources*, Landsberg covered a broad range of energy

SYLVIA JOHNSON PHOTOGRAPHY



issues. Perhaps the most common mistake that politicians make is to consider energy policy as something distinct from other aspects of the economy, he said. When Republican presidential candidate George W. Bush said, perhaps unwittingly, that the current administration has no energy pol-

icy, he was stating a necessary truth, Landsberg said. No such thing as a narrowly defined "energy policy" is possible, since a whole welter of energy issues interconnects with a range of other public policy objectives, from environmental goals to protection of low-income households against high heating oil prices.

Landsberg didn't spare the Democratic candidate, saying Gore seems not always to appreciate that environmental progress must sometimes be judged against other things that must be given up.

Both candidates deserve some credit for not falling for easy solutions, Landsberg said. (See the article on p. 5 for a more detailed look at their perspectives on various environmental and energy-related issues.) Politicians in years past have tended to look for "boutique," backstop technologies—such as shale oil, coal gasification, and tar sands—to help the country solve its energy problems, Landsberg said. In spite of high expectations, few of these approaches have proven to be cost-effective, he said.

These days, other energy technologies are headed for backstop status, Landsberg said. While its appeal to consumers could in time prove to be an advantage, solar power remains expensive because solar cells are costly to produce. Wind power

seems to be doing much better than solar power, perhaps because there is more competition among equipment manufacturers and the technology itself is that much more efficient, he said.

Nuclear power has probably reached its peak or will soon fall into this category, Landsberg said. More and more nuclear plants will be decommissioned in the years ahead and they will not be replaced, the result of public antipathy and the high cost of building new facilities, he said. New hydropower capacity seems to be out of the question as public sentiment grows for breaching even the existing major dams out West, he said.

Conservation as a Resource

As the country's need for energy continues to grow, coupled with growing concern over supply, "we need to consider the notion of conservation as a resource," Landsberg said. The automobile is the key variable in this equation, but achieving any kind of significant change in people's driving habits will be difficult, Landsberg said. "It's very hard to see what the federal government can do; one only has to remember how long it took to legislate a 4-cent per gallon federal tax increase on gasoline."

There have been some small signs of movement, Landsberg said. Two major manufacturers have introduced hybrid electric/gasoline-powered cars, and the federal government is co-sponsoring a research initiative with the automotive industry into new electric battery technologies.

What's missing in the growing debate about urban sprawl, air quality, and our reliance on imported oil is a bipartisan meeting ground, where these ideas could be freely explored, Landsberg said, speaking from personal experience. He was a member of the National Academy of Sci-

ences panel that recommended the establishment of the congressional Office of Technology Assessment (OTA) and continued to advise the agency for a number of years.

From 1981 through 1995, OTA played an important role in informing policy-making regarding technological directions in energy and other fields, Landsberg said. The agency conducted independent research that often relied heavily on the work of experts in the social sciences and technology. Although industry was sometimes critical of its work, OTA's termination still dismays Landsberg.

The Market's Prevailing Role

The federal government's ability to effectively influence innovative technology and "greener" energy choices seems limited, Landsberg said. Ideally, the government should play a larger role in spurring research and development in these areas, "but there are no good examples of successful large-scale R&D projects funded by the government," he said. Past experience shows us that government funding for such projects tends to become clouded by ideology or political favoritism, such as in the case of subsidization of ethanol fuels, he said.

Nonetheless, consumers continue to look to the federal government to fix problems caused by the marketplace, Landsberg said. Press coverage of this summer's high gasoline prices offers a clear example of how quickly people look for easy answers to problems caused by changing marketplace conditions, he said. "I failed to see any clear explanation of the factors driving up the price of gasoline," he said. Consequently, the public was ready to believe, as it has historically, that there must be a simple and single reason: that the oil

companies were engaged in a conspiracy.

But the federal government can do little to directly influence gasoline prices beyond lobbying the OPEC countries, Landsberg said. "In the short run, we're stuck until OPEC loosens up. I wouldn't be surprised if before long we began seeing some divisiveness and cheating on the part of individual OPEC member countries," he said. "In the long run, market forces will prevail and new petroleum sources will come on line."

In reflecting on his 40-year association with RFF, Landsberg pointed to some of the things that have given him particular satisfaction. "I had many opportunities to work with institutions and individuals from a variety of disciplines and this was particularly important to me," he said.

He specifically mentioned his work on a number of National Academy of Science committees, his role as an advisor to Maurice Strong, Secretary General of the UN Environmental Conference in 1972, and, perhaps not least, his chairmanship of a multi-disciplinary panel of social and natural scientists that produced the Ford Foundation-sponsored study, *Energy: The Next 20 Years*. The panel representing political science, law, economics, and the physical sciences illustrated the broad context within which Landsberg believed energy needed to be studied.

It is not surprising that McGeorge Bundy, then-president of the foundation, wrote, in the book's foreword: "Mr. Landsberg's patience, persistence, and fairness, combined with his extraordinary knowledge of the subject, are what have enabled the group to offer powerfully argued conclusions at a time when they can make a difference."