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Energy Choices and Challenges

Congress is making noises once again about comprehensive energy legislation—and claiming that the process will be more bipartisan this time around to avoid the stalemates that doomed efforts in the previous two Congresses. We should all hope this is the case.

For a variety of reasons, it is in this country's interest for the House and Senate agree on measures that would both increase America's energy production and slow the rate of growth of our energy demand. First, recent and steep increases in energy prices, especially for oil and natural gas, have acted as a drag on the economy as a whole and have hit certain sectors of the economy especially hard—transportation and chemical production to name but two. Second, our country's energy choices have important implications for the quality of the environment here in the United States. It's impossible to understand why air quality has improved so dramatically across the country over the past 30 years, for example, without acknowledging changes in the types and amounts of energy we use and the efforts we have made to burn fuels more cleanly. Energy exploration, production, and use also affect water quality, as well as the management of public lands, principally in the West.

There are also sound foreign policy reasons for altering the way we use energy. The most obvious of these is our country's increasing dependence on foreign oil. Nearly 60 percent of our oil supply is now imported—including a growing share from a socially and militarily turbulent Middle East. All signs indicate that our dependence on this part of the world for oil will only increase with time. However, in the international arena, this is not the only reason to act on our energy use. The decisions the United States makes today will affect energy choices made by China, India, Brazil, and dozens of other rapidly developing countries. Not only do other countries often look to the United States for technological leadership (or have in the past, at least), but the choices we make here will also affect the cost and availability of the technologies others will choose

from in the years ahead. Since these countries will account for an increasingly larger share of energy use and global economic growth in the future, the energy forms they use to power their growth are of critical importance to the future of all of our economies and environments.

For all these reasons, we dedicate most of this issue of *Resources* to energy matters. We've chosen to do so by focusing on the United States and its varying sources of *primary* energy. Although electricity is vital to this country's energy future, it is generated using several primary energy forms we discuss and so is not treated separately. To be sure, we might have written separate articles on the environment, energy security, technology, and public policy issues, and then talked about each primary energy form along those dimensions. But that would have raised the same kinds of difficulties that attend a fuel-by-fuel organizing arrangement. Instead, we settled on a schematic and narrative presentation of the U.S. energy situation that we believe captures the major alternatives available to policymakers.

It is our hope that you find these brief articles a useful primer on America's energy options, and that they spur you to learn more and perhaps even encourage your elected representatives to become seriously engaged in this critical area of policymaking. As always, thanks for your interest in and support for RFF's work!

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