Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



### **Biden Wages Energy War**

Here's a simple, but potentially very effective, way to improve the nation's power difficulties: Stop discouraging our energy production.

Yet, to cite just a few of the Biden administration's counterproductive moves, this is what it has been doing, starting with the president's first day in office: revoking the Keystone XL pipeline permit; halting new leases in Alaska's Arctic National Wildlife Refuge; forbidding new oil and gas leases on federal lands and waters; adding red tape to boost the regulatory burden for building pipelines and other energy infrastructure; canceling multiple oil and gas lease sales: and then — because of the resultant, predictable declining production in this country — blasting domestic producers for supposed price-gouging while imploring for more output from Middle Eastern and other authoritarian governments.



AP Images

These irrational moves are being done, in large part, in the name of mitigating "climate change" on the planet, which progressive zealots seem to value above all else. Such shortsighted progressives have a disproportionate effect on the Democratic Party and the Biden White House.

So how about a bit of cost-benefit analysis? After all, it would behoove us to see what we might gain for all our pain.

As it happens, a senior fellow at the American Enterprise Institute has done just that. Benjamin Zycher focuses on energy and environmental policy at AEI; after applying the climate model used by the Environmental Protection Agency, he finds (approximating roughly) that ending

oil and gas production on all federal leases — not merely the Alaska and Gulf lease sales just canceled [in May 2022] — would reduce global temperatures in 2100 by 0.0023 degrees Celsius. The standard deviation of the surface temperature record is nearly 50 times greater than that, at 0.11 degrees Celsius.

Suppose that the Alaska and Gulf lease sales just canceled would have increased oil and gas production from all federal leases by 10 percent, a wildly optimistic assumption. The Alaska and Gulf cancellation will reduce global temperatures in 2100, again roughly, by 23 one-hundred thousandths of a degree Celsius.

Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



Using the same assumptions, if all the signatories of the 2015 Paris Climate Agreement followed its mandates (they wouldn't), the global change would be merely 0.178 degrees Celsius. (Donald Trump, as he promised to do, withdrew the United States from the Paris Agreement. Hours after being inaugurated, President Joe Biden reentered the United States into the agreement.)

Pointedly, Zycher comments, "In a world in which conventional energy has served to lift billions out of grinding poverty, how plausible are the policies that would yield such outcomes? The more central question that the proponents of climate policies should be asked every day: How much economic suffering would justify them?"

Is the country's energy situation better off because of Biden's "progress"? Hardly. In fact, the United States achieved "energy independence" in 2019, under Trump — so defined (as noted by the American Energy Alliance, or AEA) as a nation that produced more energy than it consumed. That year, "the United States produced more oil and more natural gas than either Russia or Saudi Arabia. In fact, in June 2020, the U.S. actually exported oil to Saudi Arabia!," as was pointed out by AEA.

Now, however, we are dependent once more — including on regimes that despise the United States. We are reminded of the observation by C.S. Lewis (in *Mere Christianity*, Book I, chapter 5):

We all want progress. But progress means getting nearer to the place where you want to be. And if you have taken a wrong turning, then to go forward does not get you any nearer. If you are on the wrong road, progress means doing an about-turn and walking back to the right road; and in that case the man who turns back soonest is the most progressive man.

It is not, in other words, too late to return to sane policies.

But we are not headed there yet. We're not even close. Sadly, the president is getting just what he said he desired. As recounted by David Harsanyi not long ago at the Daily Wire:

Virtually every left-wing energy proposal in the past two decades, if not longer, has been designed to create false scarcity, either through fabricated marketplaces and stringent regulations or by putting caps on production. This is what they wanted.

"No more drilling on federal lands," Biden promised during the 2020 presidential campaign. "No more drilling, including offshore. No ability for the oil industry to continue to drill, period."

#### Happy yet?

#### **President Hypes "Incredible Transition" on the Way**

This imprudent viewpoint may well explain why Biden doesn't appear to be particularly dismayed about the huge gasoline prices afflicting U.S. consumers, apparently seeing this as a means to his desired end - namely, the devastation of fossil fuels.

As he said at a press conference following a meeting with Japan's prime minister, when "it comes to the gas prices, we're going through an incredible transition that is taking place that, God willing, when it's over, we'll be stronger and the world will be stronger and less reliant on fossil fuels when this is over."

Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



Our nation will not look the same if things go as planned. According to the Net-Zero America Project, a study produced by Princeton University, the Biden plan "will require sweeping changes in the power generation, transportation and manufacturing sectors. It will also require a lot of land." *The Washington Times* this spring summarized some of the dimensions in play:

Fossil fuels that currently power the nation — coal, oil and natural gas — are crammed with concentrated energy. Even still, the U.S. energy sector presently occupies 81 million acres, according to the study, about the combined area of Missouri and Iowa.

By contrast, renewable power from wind and solar is as variable as the ever-changing weather. Capturing sufficient quantities of naturally diffuse energy requires a much broader expanse of land.

To harvest enough renewable energy to meet the president's "green" goal for 2030 would mean expanding the energy sector's dimensions by the equivalent of South Dakota. And by 2050, the nation's energy production footprint would need to quadruple in acreage.

Wind farms alone would occupy land equivalent to the combined area of Arkansas, Iowa, Kansas, Missouri, Nebraska, and Oklahoma. Solar panels would cover an area nearly the size of South Carolina. Of course, wind and solar farms and the transmission lines to transport the electricity could be widely disbursed from coast to coast.

It certainly isn't easy to be green. One might call this goal incredible — as in, unbelievable.

#### Europe's Role

The president needs a scapegoat for the rising gas prices due to his repeated and blatant policy efforts to restrict oil and gas production in the United States. As he put it during a press conference in Europe in late June, automobile drivers will have to pay more for gasoline "as long as it takes" to stop Vladimir Putin in Ukraine. Seemingly struck with a repeating monitor script, the president insisted that the "reason why gas prices are up is because of Russia. Russia, Russia, Russia."

Notwithstanding claims about "Putin's price hike," prices went up steadily after Biden took office and well before Putin's invasion. As *Forbes* noted, gas prices had already increased by 55 percent, rising from a U.S. average of \$2.11 when Biden took office to \$3.51 the day before Putin decided to invade Ukraine.

The Daily Caller summarized:

Biden waged an "all-fronts war on oil and gas," and "virtually every step" his administration took "was the opposite of what needed to be done," Institute for Energy Research senior economist David Kreutzer told the Caller.

"At least early on in the price run-up, drilling activity was comparatively muted. Cancelled leases, cancelled pipelines, proposed regulations to penalize lenders that financed fossilenergy businesses all dampened production responses that would be putting oil and gas on the market today," Kreutzer said.

Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



Some of the Biden administration's energy activities were depicted in a graphic this spring, plus related details, as compiled by the American Action Forum (AAF).

European actions have been all over the place, including a move that virtually no one even thinks will work — a G-7 plan to impose a price cap on Russian oil, involving the regulation of petroleum shipping, banking, and insurance. Michael Shellenberger, an iconoclastic environmentalist, describes the G-7's actions as follows. After noting that the intergovernmental organization comprised of the United States, the U.K., France, Germany, Italy, Canada, and Japan was in "chaos," Shellenberger writes:

Last fall, G-7 leaders claimed climate change was the most important issue in the world, demanded that government subsidies to fossil fuels be phased out, and tried to deny African nations fossil fuels. Now, G-7 nations are subsidizing energy, waiving energy taxes, and burning more coal than they have in years. In the three decades since the Cold War, G-7 leaders have heralded a new global order based on free markets and neoliberal ideology. Now, they are proposing price-fixing and the creation of a Western energy cartel.

As their natural-gas supplies are dwindling, Germany and Italy (as well as Austria and the Netherlands) have just announced plans to resurrect old coal plants. On that front, Italy is also rationing the use of air conditioning in its public buildings.

In addition, the rich have vowed to stiff the poor so the latter can enjoy solar and wind power that will do little to improve their lives. Bjørn Lomborg, president of the Copenhagen Consensus and a visiting fellow at Stanford's Hoover Institution, has explained how the Group of Seven announced they will end fossil-fuel development abroad. Fossil fuels still provide more than three-fourths of wealthy countries' energy, writes Lomborg,

while solar and wind deliver less than 3%. An average person in the developed world uses more fossil-fuel-generated energy every day than all the energy used by 23 poor Africans.

Yet the world's rich are trying to choke off funding for new fossil fuels in developing countries. An estimated 3.5 billion of the world's poorest people have no reliable access to electricity. Rather than give them access to the tools that have helped rich nations develop, wealthy countries blithely instruct developing nations to skip coal, gas and oil, and go straight to a green nirvana of solar panels and wind turbines.

Meanwhile, Biden and EU Commission President Ursula von der Leyen have pledged to cut methane emissions and reduce natural-gas demand.

Dan Kish, a senior vice president for policy at the American Energy Alliance, told the Daily Caller News Foundation that this move with the EU is part of an attempt by the Biden administration to force the American economy to adapt to European environmental standards. "President Biden is trying his best to put us in the same position as Europe," Kish said. "Consumers are going to feel it at the pump, in their electric bills and across the board. They are shooting holes in the bottom of the boat."



Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



### **Startling Supreme Court Decision**

For decades, bureaucrats sitting in Washington have been treated as the guardians of U.S. energy and the entire American environment. Such unelected administrators have their own pat answers about how the nation should be run. (Windmills, for example, are favorites. After all, Washington has an abundance of wind and hot air.)

Here is what is not a joke: Millions of Americans have been suffering at the gas pump. Some of the thanks should go to the unelected folks who have been doing their utmost to hinder free markets. Their methods are driven, in part, by their worship of the environmental, social, and corporate governance (ESG) movement that is in turn allied with climate-change alarmists.

However, in late June, led by conservatives in the Supreme Court, there was a ground-shaking change — with the justices delivering a heavy blow against the Biden administration's wide-ranging climate goals. The court, in a 6-3 decision (*West Virginia v. EPA*), slapped down the Environmental Protection Agency's all-embracing authority to regulate greenhouse-gas emissions from power plants. For years, elected representatives in Congress have been party to such unconstitutional actions, in essence handing over their legislative power to the administrative state, using vague language that allowed the regulators to stretch actions as they would.

The Court's move shocked the left-wing media and their linked legislators — who would now actually have to *legislate*. Justice Neil Gorsuch, in a concurring opinion, wrote, "When Congress seems slow to solve problems, it may be only natural that those in the Executive Branch might seek to take matters into their own hands. But the Constitution does not authorize agencies to use pen-and-phone regulations as substitutes for laws passed by the people's representatives."

The Left, of course, will not quit its ill-advised efforts. The administrative officials and the bureaus will remain. Although the ruling determined that the EPA couldn't impose emissions regulations over the entire energy industry, that agency may still regulate individual power plants. Following the court's EPA ruling, as noted by *The Washington Times*, the agency announced that it would

release a new proposed carbon rule for power plants by early next year.

The agency still has many tools to fight climate change, said Eric Schaeffer, of the Environmental Integrity Project and a former director of civil enforcement at the agency. The agency could speed up a new rule limiting carbon pollution from power plants, make long-overdue updates to standards on toxic discharges from the plants and move faster to crack down on leaks of methane in natural gas as the Biden administration has promised.

Mr. Biden has pledged to cut the nation's greenhouse gas emissions in half by the end of the decade and to have an emissions-free power sector by 2035.

Occasional differing rhetoric notwithstanding, usually over minor matters, Biden has become a clear and present enemy of American energy. One administration threat on the table is for a "windfall profits tax," which would make matters worse. (Not that facts or logic has anything to do with it, but last year's net profit margin for oil and gas production was 4.7 percent; that compares with, say, Facebook's 33 percent.)

Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



In another attack on producers, the president delivered his "simple" message to the firms "running gas stations and setting those prices at the pump." As he insisted, reflecting zero understanding of economics, "Bring down the price you are charging at the pump to reflect the cost you are paying for the product. Do it now. Do it *today*." (Emphasis in original.) As *The Wall Street Journal's* James Freeman remarked, dripping with sarcasm, "Nothing encourages people you intend to eventually put out of business like demanding they should also forgo profits today."

The American Petroleum Institute, a trade association, also shot back at such tirades:

While members of your administration have recently discussed the need for additional supplies to solve the energy crisis, your administration has restricted oil and natural gas development, canceled energy infrastructure projects, imposed regulatory uncertainty, and proposed new tax increases on American oil and gas producers competing globally.

Some folks are noticing: At virtually every turn, Team Biden has sought to reduce and/or restrict the production of domestic oil and gas products.

#### **The Bigger Picture**

In the meantime, we are repeatedly battered from multiple directions about some inescapable, seemingly predestined, and fast-tracking "energy transition" from hydrocarbons. Making global energy transitions, however, takes a long time, as has been emphasized by Mark Mills, a senior fellow at the Manhattan Institute. As Mills observed in *Offshore* magazine:

During the past two decades, global governments have spent over \$5 trillion to avoid using fossil fuels. But oil, natural gas, and coal still supply 84% of global energy, just two percentage points lower than 20 years ago. Meanwhile, burning wood supplies more global energy than solar power. Oil still fuels nearly 97% of global transportation. Crop-derived liquids supply most of the rest with batteries powering under 1%.

Nonetheless, as Mills writes, "from Washington to Brussels, policymakers propose doubling down on an energy transition."

Regardless of the Supreme Court's recent clearer vision of the Constitution, big government fans will continue to push for big government solutions (to problems they have often created or exacerbated in the first place).

Consider some remarkable facts, as noted recently by economic commentator Stephen Moore, in a piece called "Biden's Green New Deal Is Increasing Greenhouse Gases." He points out, "After more than a decade of declining carbon emissions here in the United States, in 2021, President Joe Biden's first year in office, emissions rose."

Bountiful natural gas became the top source of power generation in the United States — which, as it happens, was a boon to the climate that activists say is all-important. In fact, writes Moore, "over the six years covering 2014 through 2020, we led the world in our reductions in carbon dioxide emissions."

Yes, as the pandemic wound down, there was more economic activity — but, more to the point, it was the increased campaigns of radical activists and the highlighting of ESG that teamed up to hurt natural-

Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



gas investments. The upshot of this, as Moore has noted, is that major coal producer "China has been one of the biggest winners from the Biden war on energy. The second winner is Russian dictator Vladimir Putin, who is waltzing to the bank" selling oil and gas at inflated prices.

While some European governments are going back to "dirty" coal for power (a boon to China), other Europeans are now promoting "artificially truncated" (i.e., government-supported) fossil-fuel projects (as London's *Economist* recently editorially echoed) — though they still intend to be aligned "with the goal of dramatically cutting emissions by 2050."

Biden will undoubtedly continue to blame others — such as Russia's Putin — for his own blunders (which are, more likely, purposeful "errors").

For a while, Biden offered "solutions" for rising gas prices that were so minor or misguided that even his political allies looked askance at them.

More recently, however, it looks as though we are being conditioned for long-term pain. When the president was asked how long American drivers, and drivers around the world, will have to pay high prices at the gas pump, he answered (per the White House transcript): "As long as it takes so Russia cannot, in fact, defeat Ukraine and move beyond Ukraine."

Later that day, a top Biden advisor was thrown a similar question. The reply of National Economic Council Director Brian Deese was telling: "What you heard from the President today was a clear articulation of the stakes. This is about the future of the Liberal World Order and we have to stand firm."

There is a plan, you see. It is being bandied out loud and in public. Sometimes the phrase used has been the "New World Order," and other times the reference is for a "Great Reset"

But this is not inevitable. It is not too late to go in the other direction. Cancel the cancelers. That would be true progress.

*William P. Hoar is a longtime writer for* The New American *and its predecessor magazines, and has served as editor-in-chief and contributor for other publications.* 



Written by <u>William P. Hoar</u> on July 22, 2022 Published in the August 15, 2022 issue of <u>the New American</u> magazine. Vol. 38, No. 15



### Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



**Subscribe** 

#### What's Included?

24 Issues Per Year Optional Print Edition Digital Edition Access Exclusive Subscriber Content Audio provided for all articles Unlimited access to past issues Coming Soon! Ad FREE 60-Day money back guarantee! Cancel anytime.