

applied to all fossil fuels and proceeds used exclusively to encourage the development of income energy technology.

Chapter 10: "A Question of Values" (Written by Gerald Barney and Amory Lovins) "As must be clear by now, this book is about a world transition from abundance to scarcity, a transition that is already well underway," the section begins. "The transition from abundance to scarcity ... requires a profound change of values. In abundance, personal interests and individualism are the keys to survival and growth. In scarcity, the values necessary for survival are a paradox: It is in the best interest of

each and every individual to put the interests of the whole society above his own; survival and stability are possible in no other way.... One of the first items on the agenda will be a rethinking of the concept of growth."

The report poses a host of specific questions for examination: "In the population area, for example, why do we as individuals want to have children? Is it selfish not to have children or to be parents?... Do we have an obligation, responsibility, or opportunity to feed starving peoples in other nations with our food?... Will feeding the undernourished temporarily reduce death rates and lead to inevitable disaster caused by high birth rates?"

Worldwatch Institute: Tax Oil, Gas— Pour Proceeds Into Solar Energy

The following is an interview with World Watch Energy Spokesman Dennis Hayes:

Q: The report *The Unfinished Agenda* recommends applying a tax on natural gas and oil to make them equal in price to solar energy. Do you support this and how do you think it will be implemented?

A: Yes, I certainly support it. It's the only way to force conservation. Controls and rationing just won't work. We at Worldwatch have proposed a similar tax to President Carter's through a group called the Georgia Conservancy. Cecil Phillips, a friend of Carter's, is our liaison. We called them "royalties" just like the Arabs, since taxes aren't too popular — they're to be applied at the well head.

Q: How much will that tax amount to? I've seen varying estimates of how much solar energy will cost.

A: So have I, but I think the best estimate is the equivalent of \$20 a barrel oil and \$3.50 a thousand cubic feet for gas, although it might be a bit more like \$4 or \$5. What we actually proposed to Carter was lower than that. We proposed a general energy tax of \$.50 a million btu. That's about \$.50 per thousand cubic feet of gas or \$3 a barrel of oil. We estimated that it would bring in around \$28 billion a year.

Q: But your \$20 a barrel figure would be quite a bit higher, more like \$100 billion or so.

A: Yes, but you have to move there one step at a time.

Q: Even the lower tax is a large increase in price. How do you expect to get such an unpopular measure through Congress?

A: Well, for one thing you can link it to tax reform and cut income taxes simultaneously. After all, this money will go to the government, not to oil and gas companies.

Q: What exactly should the government do with it?

A: We would hope they would invest it in solar energy, that's the best thing. Of course, they could use it to retire the National Debt, but I don't think they would, not a Democratic President.

Q: Who actually supports such a tax at the moment?

A: Well, in the Senate, Percy does, and in the House Ottinger and Fisher. The Administration is definitely favorable. Schlesinger is definitely persuadable — he's a hard-headed guy and knows we need conservation. I don't believe at all this stuff about him being pro-nuclear.

Q: Do you really think the public will go along with this?

A: After two to three years of worsening crises, of natural gas, of electrical energy crisis — that's coming — maybe another oil thing, they'll catch on. Anyway, if this isn't politically feasible, we'll go with a series of conservation taxes. If your car doesn't get 40 mpg, then there'll be a \$2,000 tax on it, same with your appliances. For industry, this will be more difficult, it will involve massive regulations, but it might work.... Anyway, people will get sick of this stuff and then be ready for a general tax. That is really the way to go.

Q: Since you favor higher energy prices, do you favor deregulation?

A: Not directly, no, because that ends up putting the money in the gas company not with the government like the energy tax. But it does open the door for further increases and opens up the debate so that it is positive.