

BACKGROUND BOOKS

ENERGY: 1945-1980

There are many under-investigated subjects in academe. Economic history—as opposed to economic theory or policymaking—is one of them. The gap is apparent to anyone looking for comprehensive accounts of U.S. and foreign development of oil, gas, coal, and nuclear energy. Historical treatment of these topics tends to be superficial, heavily biased, or unreadable. We offer a few exceptions here.

Study in Power (Scribner's, 1953), historian Allan Nevins's sympathetic, two-volume biography of John D. Rockefeller, treats energy issues *per se* only intermittently, but the 19th-century expansion of the petroleum industry is explored thoroughly. "John D.," founder of Standard Oil (1873) and prime target of federal trustbusters, loved what he called "the big game." Nevins supplies vivid details on Rockefeller's organizing skills, his financial ups and downs, and the evolution of Big Oil.

Rockefeller was caricatured and vilified as a monopolist (which he was), but Standard Oil brought order out of the chaotic early conditions described in **The American Petroleum Industry** by Harold F. Williamson et al. (Northwestern, 1959, vol. 1; 1963, vol. 2). The authors of this dry but useful chronicle trace the erratic path of the oil business from the sinking of Drake's well in Pennsylvania in 1859 to President Eisenhower's imposition of controls on imports 100 years later. No comparable survey covers the industry since 1959.

British journalist Anthony Sampson focuses on the rise and decline of **The Seven Sisters** (Viking, 1975,

cloth; Bantam, 1976, paper), the five American, one British, and one Dutch/British multinational oil giants. Beset by dissension and by official suspicions in Washington, they confronted, then succumbed to, OPEC on higher oil prices in 1970-74. The Seven Sisters, Sampson believes, are now simply "middlemen" between OPEC and Western consumers.

Even so, during the 1973-74 Arab oil embargo, as Western governments failed to coordinate their responses, the multinationals quietly re-allocated available world supplies and averted a more serious economic shock. This becomes clear in a detailed country-by-country postmortem, **The Oil Crisis** (Norton, 1976, paper only), edited by Harvard's Raymond Vernon.

David E. Lilienthal considers the past and future of nuclear power in his brightly written **Atomic Energy: A New Start** (Harper, 1980). Lilienthal, chairman of the Tennessee Valley Authority under Franklin Roosevelt and first head of the Atomic Energy Commission under Harry Truman, was an early proponent of America's nuclear power program. He concedes that the "technical method chosen for producing electricity from fission [the "light water" reactor] has proven to be far from an unmixed blessing," with its plutonium by-products and safety problems. But nothing can take the place of nuclear energy: "We need to turn our backs on the past—but not to quit."

Journalist James A. Wechsler looks at the troubled, pre-World War II coal industry and the United Mine Workers' powerful president John L.

Lewis in **Labor Baron** (Morrow, 1944; Greenwood, 1972). Denounced by 70 percent of respondents in a wartime survey as one of the nation's most "harmful individuals" and lauded by *Time* as "the greatest labor tactician in U.S. history," Lewis assumed the presidency of the UMW in 1920 and did not relinquish the post for 41 years. Four times, he shut down the mines during World War II.

Coal's future may be brighter than its past, believe the authors of **Coal—Bridges to the Future** (Ballinger, 1980), the report of the World Coal Study headed by MIT professor Carroll L. Wilson. The team of 80 specialists from 16 countries calls for "a tripling of coal use" and a massive shift from oil and gas to coal.

A medium-sized utility could probably operate for several years by using as fuel the special task force studies published since 1973 on America's overall energy future. Of varying quality, they range from Denis Hayes's utopian **Rays of Hope** (Norton, 1977, cloth & paper), which makes the case for an "efficient, solar-powered" world, to the Ford Foundation's somber **A Time to Choose** (Ballinger, 1974, cloth & paper), recommending a "conservation strategy" similar in many respects to President Carter's ill-fated 1977 National Energy Plan.

The best of these "future" volumes—and by far the most readable—is **Energy Future: Report of the Energy Project at the Harvard Business School** (Random, 1979, cloth; Ballantine, rev. ed., 1981, paper), edited

by Harvard professors Robert Stobaugh and Daniel Yergin. The authors make a persuasive case for price deregulation (now accepted) of oil and natural gas and for further tax breaks to promote conservation and solar energy.

An engaging and philosophical summary of America's energy dilemmas may be found in Jeremy Bernstein's **Hans Bethe: Prophet of Energy** (Basic, 1980), a profile that originally appeared in *The New Yorker*. Bethe, the émigré physicist who became one of the principal architects of the atomic bomb, draws on a half century of thinking about energy—and on memories of his boyhood in coal-short Germany after World War I.

"First of all," says Bethe, "the country has to realize that the energy problem is terribly serious and is likely to be permanent. Next, it must recognize that there are really two problems: One is to provide enough total energy, and the other is to provide fluid fuels of all types—mainly oil and gas. But for the next 20 years, at least, I believe the mainstays will have to be coal and nuclear power—that we will need more of them. Much more. . . . We need a vigorous program to make synthetic fuels. . . . Research and development of solar energy should be encouraged, although I do not believe it will make a substantial impact in the next twenty years or so. No one of these programs by itself will solve our energy problems, but all of them together have a good chance of succeeding."

EDITOR'S NOTE: *Many of the titles mentioned in this essay were suggested by former Wilson Center Fellow Chester Cooper of the Institute for Energy Analysis.*