

A JOKE TOLD TOO MANY TIMES

On a 16 June 2010 episode of *The Daily Show*, host Jon Stewart played a clip of President Barack Obama proclaiming the need for America to pursue a bold new plan to reduce dependence on foreign oil. Stewart followed the clip with scenes of all of Obama's predecessors back to Richard Nixon making similar statements about the need to make big changes in America's energy economy. The joke was clear: decades of doomsday warnings about US dependence on oil from unstable parts of the world had yielded no practical outcomes. Stewart's segment came within the context of a recent event that pointed to one possible reason for this frustrating continuity in presidential rhetoric—namely, the blowout on the Deepwater Horizon oil rig in in the Gulf of Mexico. While attempting to increase domestic production of oil, this disaster eventually released nearly five million barrels of oil into the gulf. Subsequent reports indicated that faulty equipment and inadequate testing had increased the possibility that danger might occur. Public protest in the Gulf region and across the nation decried the apparent recklessness of the BP oil company, which had played a large role in the blowout and subsequent poisoning of the gulf.¹

As the Deepwater Horizon calamity indicated, the two goals of producing more energy and protecting the environment, both popular public policy goals on their own, can come into stark, and sometimes disastrous, conflict. Politicians attempting to address this tension must pay close attention. When energy supplies tighten, public concern for the environment can diminish, but when environmental catastrophe strikes, consumers often proclaim the need for increased protection. The hierarchy of these two priorities in public opinion has not always been clear; often, it has seemed that the more pressing of the two receives higher priority at any given moment.

The Deepwater Horizon explosion and oil spill was hardly the first time that the priorities of energy policy and environmental protection conflicted. This book explores a major turning point in the history of this tension. The story begins with Richard Nixon. After nascent debates about potential resource scarcity emerged in the 1960s, the 1970s brought full-blown crisis. When the United States supported Israel in the Yom Kippur War against Egypt in October 1973, OAPEC (the Organization of Arab Petroleum Exporting Countries), a subset of OPEC (the Organization of Petroleum Exporting Countries), began steady cutbacks in oil exports to the United States as punishment.² Decreasing supply, combined with domestic price controls that kept the price of domestic oil artificially low, led to shortages and lines of angry motorists waiting hours for the fuel needed to complete their daily routines. For most Americans, this was the first sign of the vulnerability of the nation's energy supply. It was also a key moment in the history of American consumption, American politics, and American culture.³

Nixon promised a bold response, yet the White House plan was diffuse. The oil crisis occurred just as Nixon was dealing with emerging revelations that eventually became the Watergate scandal. Though Nixon did announce an initiative called Project Independence to secure the nation's energy future, few of its components received serious legislative consideration. Nixon's successor Gerald Ford inherited the proposal. Ford pushed for and signed the Energy Policy and Conservation Act in December 1975, which created the Strategic Petroleum Reserve and established conservation standards for appliances and automobiles, but this initiative fell far short of the goal of achieving "energy independence."

Jimmy Carter, who believed that the United States was being both immoral and foolish by consuming too much energy and putting its security at risk, took the effort to formulate a national energy policy to a new level. Carter created the federal Energy Department to centralize the nation's energy policy. He mounted an extensive public relations campaign to convince Americans to use less energy in order to decrease the need for foreign sources. Many Americans, disillusioned by the Watergate cover-up and the controversial pardon of Nixon, embraced the Washington outsider's claims about the need for a new way forward. For a time it appeared that Carter might succeed in establishing a coherent national energy policy, thereby removing the threat of future 1973-style crises.

Yet by the end of Carter's term, his presidency was in shambles. In 1979 another oil price spike slowed commerce, and Carter seemed powerless to solve it. Though Carter proposed a few ideas to mitigate at least some of the economic suffering, it seemed that the nation had stopped listening. The Department of Energy spent the bulk of its time and money maintaining the nation's nuclear weapons stockpiles, not implementing a centralized national energy policy. For-

mer California governor Ronald Reagan, who until that point had seemed like a right-wing extremist unfit for national office, defeated Carter in a landslide in 1980 to take back the White House for the GOP.⁴ Reagan advocated much *less* government involvement in the energy sector. The private sector needed to take free rein of the nation's energy future, he declared. Furthermore, candidate Reagan expressed skepticism about the environmental regulations that had enjoyed broad bipartisan support during the environmentalist wave a few years before. Something had happened in the intervening years to transform American political thinking about the relationships among energy, the environment, government, and business. Just what that was is the focus of this book.

The Carter presidency was a time of dramatic reconfiguration of thought about the relationship between energy and the environment. Energy is a historical concept that involves numerous places, spaces, and power interests. The processes of production and consumption involve corporations, small businesses, laborers, consumers, environmentalists, and other interest groups. Policies also affect the landscapes from which energy supplies emerge and upon which they are used. Carter's energy policies affected all of these diverse components of energy systems in unexpected ways, as the policies had wide-ranging consequences beyond what he or his advisers could predict or manage. They intersected with a number of other public policy issues of the late 1970s, including the deregulation of American business, the increasing popularity of market-based thinking in economic and political discourse, the uncertain future of American organized labor, and the emergence of the American Sunbelt. The story of energy in the late 1970s both affected and was affected by these other major narratives about America in the 1970s. The result of the changes in these complex relationships was a more skeptical and ambivalent attitude toward both environmental protection and government intervention in the economy to secure energy supplies.

This book begins by revising our understanding of Jimmy Carter's political problems in the field of energy policy by broadening the scope of analysis. The current consensus about Carter and energy focuses on the 1977 bill creating the Department of Energy, zeroing in on Carter's troubles with Congress. In these accounts, an arrogant and tone-deaf Carter fights a losing battle with an assertive and independent legislature. William Chafe, in a survey of the post-World War II United States, claims, for example, that "instead of going to Congress, enlisting the expertise and ideas of relevant committee chairs, and drafting bills that reflected their views, Carter created an energy task force made up of *his* experts." Carter's energy bill "reflected the insights of wise men whom he, as steward of the country, had mobilized," Chafe writes sarcastically, and he attributes Carter's political failures to Congress's determination to be neither strong-armed nor condescended to.⁵ Somewhat more charitably, Garland A. Haas portrays Carter as a

tragic figure who faced circumstances and opponents beyond his control, but he still locates the roots of his energy policy problems in his relationship with the legislature. “[I]t is hard to imagine how any president facing the same issues and two Congresses as intractable as the Ninety-fifth and Ninety-sixth,” says Haas, “could have succeeded.”⁶

This is an unconvincing way to account for Carter’s troubles in formulating energy policy. Many historians have indeed made the opposite argument about Lyndon Johnson, attributing LBJ’s domestic political successes to his refusal to leave policy in the hands of a fractious and disagreeable Congress. Though LBJ may have simply been better at glad-handing and applying political pressure to get legislators to do what he wanted, Carter’s comparatively less savvy capabilities still do not fully explain his challenges in governing. As John Dumbrell has pointed out, Carter’s ability to get major government reorganization legislation creating the Department of Energy through Congress was a significant accomplishment in itself.⁷ The striking decline in Carter’s popularity and public image cannot be located in these congressional antagonisms alone.

Such arguments ignore broader political and economic contexts, which created challenges that were just as significant as those involved in working through the lawmaking process. Every particular source of energy involved a number of interest groups, each of which had a stake in preserving its place in the broader energy economy. Carter’s initiatives affected each of these groups, which often expressed contradictory and irreconcilable positions. Carter’s inability to align these conflicting interests provoked much opposition and protest on all sides. His problems were deeply rooted in the vast complexities of the American energy economy, especially the complicated local politics involved at myriad sites of energy production across the country.

As a close analysis of these interest groups, this book also portrays energy as a historical concept rooted in a particular time and place. Scholars have examined the history of energy from the vantage point of the highest levels of government, detailing the interactions between policymakers and businesses to secure reliable supplies of oil, formulate a workable nuclear policy, and mobilize hydroelectricity as a tool of regional planning and development.⁸ These approaches have often paid little or no attention to how the constant daily processes of producing energy affected the politics and identity of localities, or how consumer expectations of cheap and reliable energy shaped policymaking and policymakers’ rhetorical strategies. While some more recent works have more thoroughly examined how the installation of nuclear plants shaped local politics and landscapes, they have not gone far enough to investigate how energy can be broadly constitutive of local and regional identity.⁹ Regions that contained coal mines, nuclear plants, or hydroelectric dams—and particularly a combination of these—saw their local

politics and economics revolve around energy issues, especially after the OAPEC embargo.¹⁰ National policies pursuing energy security affected the daily lives of those who resided and worked in these areas of intensive energy production.

This is a study, ultimately, of national politics and local impacts. The first chapter analyzes changes in national thinking about energy issues in the 1970s. The next four chapters use events that occurred in East Tennessee and the broader Appalachian region as examples to illustrate the interrelationships among policymakers, interest groups, and local identity as national policies played out on a local level. East Tennessee is home to the quasi-public Tennessee Valley Authority, the Oak Ridge National Laboratory, and the nationally controversial Tellico Dam. It also lies adjacent to major coal-producing regions of West Virginia and Kentucky where the United Mine Workers of America union was strong, regions highlighted in national discourse as recently as Donald Trump's 2016 presidential campaign. The relationship between East Tennessee and the federal government in the 1970s was especially reciprocal: East Tennessee played a major role in Jimmy Carter's energy agenda, and congressional representatives from the area emphasized East Tennessee's energy identity to gain national attention. Two Tennessee senators, Howard Baker and Bill Brock, ascended to powerful positions—Baker to the post of senate majority leader and Brock to the head of the Republican National Committee—that allowed them to shape policy and political rhetoric surrounding energy. The multiple interests within and outside the region competed for the benefits that could be derived from harvesting and mobilizing the region's energy resources, and Carter's inability to reconcile the goals of these clashing entities helped create the perception that his energy agenda had failed. Aligning all of these conflicting interests was impossible, yet Carter's failure to do so damaged not only his public image but also the very idea that government could play a constructive role in resolving the nation's energy challenges.

These failures were key to the surprising emergence of deregulatory, anti-government politics at the end of the 1970s. At the beginning of the decade, the liberal regulatory state was at high tide in the United States. On the heels of Johnson's Great Society, Nixon presided over the creation of the Environmental Protection Agency and the Occupational Safety and Health Administration, along with the passage of the Clean Air Act, Clean Water Act, and Endangered Species Act. These laws invested power not just in centralized bureaucracies but also in citizen groups and localities that could bring their concerns before the judicial system. They therefore broadened the reach and power of government regulation of the economy. Furthermore, starting with the crippling inflation of the early 1970s and increasing with the oil embargo, Nixon instituted a schedule of price controls on wages, raw materials, and consumer goods throughout the

American economy. Adding these diverse measures to the existing regulatory structure of the Progressive Era and New Deal brought the regulation of private business in the United States to an all-time high.¹¹

The 1973 oil crisis by itself was not enough to overturn this paradigm. The crisis, as many historians have noted, did indeed represent a significant blow to many ideas taken as self-evident since the end of World War II, including the reliability and security of key resources. Yet in the wake of the embargo and oil crisis, the idea that a deregulatory, private-sector approach would emerge predominant was far from obvious. As Meg Jacobs has noted, government had addressed and in many cases solved all major issues of the twentieth century thus far, including war, depression, civil rights, and labor unrest. Many people assumed it could do the same with the energy crisis.¹² Indeed, Nixon's immediate response to energy turmoil in the early 1970s took the form of complex, mandatory rationing schemes and price controls on domestically produced crude oil.

It appeared that government was primed to step in to fix this problem, too, and for a time it did. The price controls on oil continued—despite some executive opposition—through the Ford years and most of the Carter administration. Though Ford made a few forays into government subsidies for domestic energy production and conservation incentives, Carter took these ideas to a new level. Carter created a Department of Energy to encourage, incentivize, and even compel American consumers to use less energy in their daily lives. He also gave regular speeches emphasizing sacrifice and a reduction in standards of living for the sake of preventing another energy crisis from ever happening again.¹³

Carter told the nation that shared sacrifice, combined with a significant mobilization of state action, would prevent disasters like 1973. Though living with lower standards was inconvenient, he said, it was ultimately necessary for long-term sustainability. Yet only a few years later, the Iranian revolution and hostage crisis brought back the intense consumer pain suffered during the first oil crisis. In the minds of many casual observers, it appeared that Carter's agenda had failed and that the political space was open for an alternative, which the anti-regulatory right wing of the Republican Party provided. Ronald Reagan and the GOP Right rejected the idea that energy security required either government action or consumer sacrifice, and argued that these measures were in fact impeding the nation's ability to reduce its dependence on foreign oil. They claimed that removing price controls from oil and getting the government out of the business of managing energy resources would allow the mechanisms of the market to choose the best path forward. Allowing the market to determine energy prices would incentivize producers to increase production in a way that could not happen with controlled prices, and market primacy would ensure that consumer dollars naturally flowed to the energy sources produced most cheaply and efficiently.

Americans did not need to resign themselves to a future of reduced expectations, Reagan said, because these policies would generate an era of abundance. That Carter initiated price decontrol, and that Reagan merely spoke more forcefully about its benefits and sped up the decontrol schedule, were facts rarely mentioned by Carter's political foes. Some basic deregulatory ideas indeed had widespread consensus and seemed to be commonsense measures when paired with a broader strategy involving conservation, which is the agenda Carter pursued. Under Reagan, however, deregulation became not one piece of the puzzle, but rather a blunt instrument in a broader ideological attack on big government.

Though Reagan spoke of deregulating energy and allowing the private sector to pursue the alternatives that seemed most promising, there was another dimension to the deregulatory politics of these years. It had to do with the aforementioned slew of environmental legislation passed under Nixon. As Meg Jacobs notes, "the expansion of regulation on business between 1970 and 1976, when Republicans controlled the White House, was as great, if not greater, than what had occurred during previous periods like the Progressive Era or New Deal." The conservative appeal to get "government off our backs," which had been part of GOP rhetoric for decades, gained traction only in this world of growing regulation.¹⁴ Yet left out from Jacobs's analysis is exactly *how* conservatives proved successful in depicting regulation as an insidious force prone to overreach and abuse. The search for a cure for inflation in the 1970s helped build support for deregulation in the circles of academic economics, with economists writing about the virtue of marginal-cost pricing to allow the most efficient firm to triumph in the marketplace, and some policymakers pursued this agenda in the legislature.¹⁵ However, the circulation of ideas in academia does not explain why the idea of regulation came to have such a negative connotation in everyday American discourse.

Part of the answer has to do with the conflict between environmental quality and energy production. As Patrick Allitt has pointed out, environmental protection is something that societies must choose to "buy"—in other words, choosing to forgo economic development and other possible priorities for the sake of the environment. Societies, especially the United States, generally tend to do so only when other basic needs are met and a decent standard of living has been achieved.¹⁶ The environmental legislation of the early 1970s triumphed in a generally healthy macroeconomic climate, at least in terms of unemployment. When the oil embargo created a structural economic problem that imparted fear and uncertainty to American consumers, they became less likely to support environmental laws. When environmental statutes began preventing initiatives for increased energy security, many people began to reconsider the usefulness of these laws. Republicans began speaking of environmental protection as a goal achievable not by government mandate, but by making sure that businesses pur-

sued a careful “balance” between industrial production and the quality of the surrounding environment. Though this rhetorical strategy had questionable intellectual coherence—what would be given up in order to maintain “balance” between energy and environment was often vague—the second oil crisis in 1979 guaranteed the demise of Carter’s conservationist approach.

The visceral impact of energy crises, which hit American consumers squarely in their pocketbooks by increasing the cost of driving their cars and heating and cooling their homes, *does* explain the popularity of deregulation among Americans ill equipped to understand complex economic concepts, and also among those who cared little for the financial health of large corporations and industries. The backlash against environmental regulation accelerated this anti-government trend and gave it ideological coherence. The energy crises of the 1970s helped usher in an era of bipartisan support for deregulatory, anti-government politics.

Prior to the second crisis, Carter himself backed away from unqualified support for environmental regulation. For example, he signed amendments in 1978 that limited the power of the 1973 Endangered Species Act and proposed an Energy Mobilization Board authorized to override state and local regulations. Americans in the early 1970s had voiced support for the idea of protecting the environment, yet when applied to specific cases, environmental laws could yield outcomes that seemed to defy common sense. In this context, the very idea of the virtue of government action to maintain energy supply and protect the environment came under intense scrutiny and skepticism. Reagan accelerated and amplified the deregulatory agenda started under Carter, discarding the accompanying pleas for conservation and replacing them with promises of future abundance.

Like any major political shift, the weakening of environmentalism in the late 1970s was incomplete. Building on the achievements of the late 1960s and early 1970s, environmentalism did continue to enjoy some political successes during the Carter and Reagan years. The Clean Air Act and Clean Water Act remained especially popular in public opinion. Americans across the political spectrum credited these laws with improving the quality of American air and water over the course of the 1970s, and many Americans appreciated how they helped to clean up the spaces where they lived and worked on a daily basis.¹⁷ Indeed, a Reagan White House attempt to weaken the Clean Air Act in late 1981 failed in the face of opposition from the majority Democrats in Congress, who believed that supporting the law would help them perform well in the 1982 midterm elections.¹⁸ Nevertheless, despite some sporadic victories, the examples in this book demonstrate that the energy problems of the era also led to several major policy defeats for the environmentalist cause. The conventional wisdom favored erring on the side of having too much energy in the future rather than too little, with the environmental consequences remaining a subordinate concern.