saving what we waste by inefficient consumption

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Energy Use Per Capita in the US and the World

somewhat more efficient than the most popular (least efficient, cheapest) on the market, though not as fully efficient as economies would justify. In many cases, the incremental investment would be repaid in two to three years. It's far more worthwhile to invest in such an appliance than leave the money sitting in a savings account. Another consideration is that the consumer will be more than willing to push the more expensive, more efficient approach.

If the government agency's label indicates that the purchase of such a good is in the consumer's best interests, the pressure will be enormous. Such a labeling scheme may not influence people to purchase a product fully as efficient as economics would justify, but it would certainly and the American consumer's practice of making purchasing decision based on the convenience of initial installation.

Labeling in this manner could be expected to induce a shift of consumer preferences toward radial tires, for automobiles, among other things. Although radial tires improve mileage between 5% and 10%, wear longer, and are more comfortable, they are adopted by society as a whole. If three costs of urban transportation services were applied, the "visible cost" of transportation would increase, and demand would decrease. Apparently the economic decision proposed for the urban park tax, whereby the revenues from the tax would finance the costs of transportation user usage in other modes, is not inviolate. In trying to use the tax, payments for such services should be scaled to distribute the costs equitably between automobile of varying efficiency, as the smaller, more efficient, can cause less pollution, congestion, and road wear.

In the long term, it will be desirable to reduce dependence on the automobile for urban transportation. Conventional urban transit systems (buses, subways, streetcars) do not offer the personal comfort of the automobile and require passenger choices on a discounted personal value or the passenger to pay for the long journeys. Personalized rapid transit systems utilize small vehicles which programmed stops at stops and destinations on a system of guided ways. Thus, the eventual extinction of urban transit systems is currently under development, and within five years, or more, will be more appropriate for high density urban areas. The rate setting policies of the airline industry have come under scrutiny recently and, as a result, drastic changes were ordered by the Civil Aeronautics Board on March 18, 1974. It was discovered that the airlines, in effect, used revenues derived from inefficiently longhaul flights to subsidize short haul flights. By altering the virtual monopoly in high speed, long distance travel, demand is relatively expensive, small changes in the prices. The airlines took advantage of this situation and engaged in a long haul flight and depreciating short haul fares. This was nothing short of a monopoly practice on the part of the air transportation industry. Effective July 16, 1974, fares for flights over 1,500 miles will be reduced between 4% and 5%, and fares on flights up to 500 miles will increase by 5% and 10%. Due to the shifting responsibility of demand to demand prices, overall transportation demand is expected to decline.

There have been allegations that the airlines also use passenger revenues to subsidize short haul prices. This question is under investigation, and if it happens to be true, the results can be expected to dampen the growth of air transportation. In freight transport, rates are regulated by the Interstate Commerce Commission. Presently, cost differences are governed by the "commodity principle.

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imposed rates in the name of "intermodal competition." Costs (to the railroads and automobile) of shipping by rail are roughly one fourth of those of truck shipment, but rail rates are only 20% below those of trucking. However, it is not clear that lowering the rail rates will benefit the financial situation of America's railroads. In fact, one thing is clear, that this country needs a more efficient railroad rate service, and the "energy crisis" has made efficiently operating, competitive rail transportation all the more vital.

Finally, this country is no longer in a position to subsidize or otherwise depress the price of energy. To artificially depress the price below the cost to society of an additional increment of production, society's marginal cost, is not only excessive, but is in itself conflictual, while in some cases discouraging additional development.

The price of natural gas committed to interstate pipelines. The bulk of US natural gas supply has been regulated by the Federal Power Commission (FPC) since 1938. The FPC held the price constant throughout the '60s, in spite of escalating drilling and production costs, so that a large amount of production and reserves have been declared relative to demand. Gas utilities in many parts of the country have been forced to refuse new customers. This has been one factor in the rising popularity of the use of nuclear energy. Consumers desire and need fuel, and are unable to purchase gas at any price. Although the option for expensive, electricity, which, to deliver the same amount of heat, requires consumption of additional power resources, in some cases encouraging the artificially low prices in the producing states. The regulation of the price of natural gas is responsible for ardent waste of this nation's resources, and should be ended immediately.

As a result of the present squeeze, our President and many others are willing to abandon the nation's nuclear program in the field of pollution control. They are alarmed at the exorbitant cost which the energy industry to supply the "needs" of the nation. Pollution control, which is already a major concern, is being exasperated by the situation, and should be given a prominent place in the solution. The "energy crisis" is a projection of the cost of the American economy. This cost will be paid in terms of the Energy Sources, "The Ford Foundation, 1974. All figures are reprinted from "Exploring Energy Sources," The Ford Foundation, 1974. The price of electricity, which, to deliver the same amount of heat, requires consumption of additional power resources, in some cases encouraging the artificially low prices in the producing states. The regulation of the price of natural gas is responsible for ardent waste of this nation's resources, and should be ended immediately.

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