



Incoherent at Best: The Energy Policies of Barack Obama and John McCain

By Kenneth P. Green and Abigail Haddad

Energy policy is a subject at the very center of this year's presidential election. But if the candidates and their brain trusts are spending significant amounts of time thinking about energy policy, you would not know it from their rhetoric or their websites. While both candidates showed signs of having coherent energy policies at the beginning of their campaigns, the pandering as Election Day nears has produced incoherent platforms that signify a deep lack of seriousness.

An examination of John McCain's and Barack Obama's energy policies begins with the big idea of "energy independence." Although it is economically undesirable, both candidates have embraced it. Examining what they propose, one could invoke Inigo Montoya, the great swordsman in *The Princess Bride* who says, "You keep using that word. I do not think it means what you think it means."

McCain on Energy Independence. John McCain has made energy independence the focal point of his energy policy, calling his energy plan "The Lexington Project," after the site of the first battle of the Revolutionary War, and titling it "A Comprehensive Plan to Break Our Dependence on Foreign Oil."¹ In June, he proposed increasing domestic drilling and building more power plants in the United States as ways to defund state sponsors of terrorism and bring down energy prices.² He combines these proposals with classic protectionist rhetoric: his campaign materials state that we should expand domestic drilling because we "should keep more of our dollars here in the U.S. [and] lessen our foreign dependency."³ In August,

Kenneth P. Green (kgreen@aei.org) is a resident scholar at AEI. Abigail Haddad (abigail.haddad@aei.org) is a research assistant at AEI.

McCain changed the subtitle of his plan to "An All of the Above Energy Solution," further blurring the meaning of the entire idea and tossing economic prioritization completely out the window.

McCain has portrayed American reliance on foreign oil as an economic, foreign policy, and environmental evil. His plan emphasizes how foreign oil imports significantly increase the trade deficit, calling U.S. energy imports "the largest transfer of wealth in the history of mankind."⁴ In a speech, the senator said that dependence on oil imports weakens the United States and declared that by expanding domestic energy production, "we will break the power of OPEC over the United States. And never again will we leave our vital interests at the mercy of any foreign power."⁵ In the same speech, he described energy security as a solution to global warming because it would reduce greenhouse gas (GHG) emissions from fossil fuels.

McCain intends to bring about energy independence through increased domestic drilling and investment in various other forms of energy. He advocates spending \$2 billion yearly on investments in clean coal research, development, and deployment; he also calls for building forty-five new nuclear power plants by 2030. In his speeches and campaign materials, McCain has

not directly said that increased domestic energy production will bring down prices, but he has implied that his policies are solutions to rising prices:

Opponents of domestic production cling to their position even as the price of foreign oil has doubled and doubled again. . . . And we're left to wonder what it will take to shake their faith in this dogma of dependence on foreign oil. As for me, my convictions place a priority on the well-being of people who cannot afford these ever-rising prices.⁶

"Energy independence" and "energy security" are not meaningful concepts as McCain uses them: energy prices are set on the world market, so even if the United States severely curtailed its import of foreign oil, it would not guarantee lower prices, and even if America increased its domestic production, the oil produced would sell at the world price to any who choose to pay it. A trade "deficit" in a good that you can buy elsewhere for less than you can manufacture it is generally not considered problematic economically. Without the nationalistic spin, it would be praised as free trade and specialization of labor and natural resource production.

Obama on Energy Independence. Barack Obama holds similar opinions about the need for energy independence. In a recent speech, he hit the same notes as his opponent, condemning America's addiction to foreign oil:

Without a doubt, this addiction is one of the most dangerous and urgent threats this nation has ever faced—from the gas prices that are wiping out your paychecks and straining businesses to the jobs that are disappearing from this state; from the instability and terror bred in the Middle East to the rising oceans and record drought and spreading famine that could engulf our planet.⁷

Like McCain, Obama implies that if we produce a higher percentage of oil domestically, or buy it from friendly and democratic countries, we would be more insulated from the effects of chaos in the Middle East and less responsible for funding terror. He also frames energy security as a solution to global warming, noting that warming caused by fossil fuels is "melting our glaciers and setting off dangerous weather patterns as we speak."⁸ But in the very same speech, he called for expanding domestic operations to extract fossil fuels,

including mandating that oil companies drill on lands they currently own but do not use, leasing more of the National Petroleum Reserve in Alaska for oil and gas production, and recovering more from oil shale formations—some of the most GHG-intensive fossil fuels—across the country.

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Obama's case for and plan to achieve energy independence, however, differs in two key ways from McCain's. First, Obama relies less on protectionist rhetoric and fear-mongering. He does not say that importing oil makes America weak, nor does he say that foreigners manipulate oil markets to the detriment of Americans. Second, Obama proposes a laundry list of government programs as solutions to energy dependence, emphasizing expansion of clean energy investment, particularly by the government, as a jobs creation program. Through costly investment (\$150 billion over the next ten years) in cleaner energy, Obama promises to create 5 million new "green" jobs—an economic fallacy debunked well over one hundred years ago by Claude Frédéric Bastiat, who explained that government projects do not "create" jobs on net; they simply kill some jobs while substituting others, invariably to the detriment of social welfare.⁹ Obama also promised to provide job counseling and placement in the green energy field for war veterans and set up an "energy-focused youth jobs program for disconnected and disadvantaged youth."¹⁰ In Obama's energy plan, even more than McCain's, the need for energy security provides an opportunity for various new and expensive government programs.

Renewable Energy

Prior to the presidential primaries, there was a fairly crisp distinction between McCain and Obama on renewable energy forms such as wind, solar, geothermal, and biofuels. McCain was dubious about biofuels, particularly ethanol, and was primarily focused on the

expansion of nuclear power (which actually is a renewable but is not generally presented as one). Obama, while dancing nimbly around the issue of expanding conventional power generation such as nuclear, coal, and natural gas, is gung-ho on biofuels, wind and solar power, and the like. But as the primary season and then the electoral campaign wore on, the candidates converged in a mushy and somewhat incoherent middle.

McCain on Renewables. During the past few months, McCain has been lukewarm on renewable energy. He gave a speech in May at a wind power production site in which he endorsed cap-and-trade and spoke about the need to replace fossil fuels with cleaner sources of energy, but he was short on specifics. He spoke against “special favors, subsidies, and tax breaks”; for “send[ing] the special interests on their way”; and in praise of free markets. Later, though, he said that “[f]or the market to do more, government must do more by opening new paths of invention and ingenuity. And we must do this in a way that gives American businesses new incentives and new rewards to seek.” He went on to describe his proposal for cap-and-trade, touting its profit potential for various groups and praising its ability to provide incentives for and reward investments in renewable energy through the free market, distinguishing between “market-based payments” and “government subsidies.”¹¹

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McCain’s opposition to subsidies is hard to square with his support for subsidies dressed up as “tax credits.” While McCain has not said how much of America’s energy should come from renewables, his platform includes a system of tax credits for wind, solar, and hydroelectric power. The form of renewable energy that the senator has been the most specific about is ethanol, which he disdained until he got to Iowa. Historically, McCain was strongly opposed to ethanol subsidies. He relapses now and then, as he did when he recently expressed disapproval of energy subsidies at the Iowa state fair. Yet he notes that alcohol-based fuels “hold great promise” and “should play a greater role in our transportation sector.”¹²

McCain also made a strange statement recently regarding energy that did not appear to fit in his platform. In July, he was asked about the feasibility of transitioning to 100 percent renewable energy to meet U.S. electricity needs, as former vice president Al Gore has advocated. In response, McCain told reporters that “if the vice president says it’s doable, I believe it’s doable.”

Obama on Renewables. Obama is enthusiastic about renewables, and his platform includes several policies to support them. His plan, dubbed “New Energy for America,” would mandate that 10 percent of electricity come from renewable sources (apparently not including hydroelectric power) by 2012 and 25 percent by 2025.¹³ (In 2006, about 2.4 percent of electricity was generated from these types of sources,¹⁴ and even that may be a high estimate because the figure includes burning wood, which would presumably not be included in an Obama administration’s arithmetic.) In order to reach this, the senator proposes subsidizing research and development and extending the production tax credit to renewable energy producers.

Obama’s energy plan also includes goals for biofuel production and promises of government money to achieve them. By 2030, he would mandate production of 60 billion gallons of advanced biofuels, like cellulosic ethanol, in the energy supply;¹⁵ currently, we use about 10 percent of that amount of ethanol, but it is made from corn and consumes 30 percent of the U.S. corn crop.¹⁶ Like McCain, Obama endorses hybrid cars: he wants to see 1 million of them on the road by 2015 and would have the federal government lead the way by transitioning to plug-in and hybrid cars. In addition, Obama’s plan would mandate that all new cars be flex-fuel.

In order to meet these goals, Obama promises tax incentives and government contracts for biofuel research, development, and deployment in the form of a “Clean Technologies Deployment Venture Capital Fund.” He would also subsidize American automakers in creating more efficient flex-fuel automobiles, with \$4 billion in tax credits and loans to “strengthen the U.S. manufacturing sector.” Like his green-jobs agenda, this is employment support through energy policy. Obama’s cap-and-trade program would also encourage renewable energy, and the revenue collected would support his various programs.

Obama’s position on renewable energy is consistent: he calls on the government to use subsidies, tax credits, and mandates to increase drastically the percentage of electricity that comes from wind and solar and the

amount of fuel that comes from ethanol. Obama's renewables plan reflects a big-government perspective: when he discusses policy goals and benchmarks—and there are many—he uses phrases like “mandate” and “subsidy” instead of “encourage” and “market forces.”

Nuclear Power

There are two things to be said about McCain and Obama when it comes to nuclear power. First, both men can pronounce the word “nuclear”—a capability that escaped nuclear engineer Jimmy Carter, Bill Clinton, and George W. Bush. Second, nuclear energy is one of the few areas in which there is a clear distinction between the candidates: McCain is for it, and Obama makes favorable noises about it but focuses most of his attention on raising concerns about its expansion.

McCain on Nuclear Power. McCain supports building forty-five new nuclear power plants by 2030, with the eventual goal of one hundred new plants—almost doubling the current number.¹⁷ Despite McCain's opposition to energy subsidies, a top McCain policy adviser made the case for nuclear subsidies:

[I]f there's a genuine national interest in using nuclear power as an available, feasible, zero-emissions technology, I don't think he would argue that that's a special-interest thing. It's something the nation needs to do as a priority, and if that means a subsidy, then we need to make the agreement we're going to do that for those reasons.¹⁸

The Lieberman-McCain Climate Stewardship and Innovation Act of 2007 (S 280), which never made it to a vote, would have authorized more than \$3.7 billion in federal subsidies for new nuclear power plants, the bulk of which would have guaranteed loans to build three new plants.¹⁹ The Congressional Budget Office estimates construction costs for one nuclear power plant to be \$2.5 billion.²⁰ Subsidizing forty-five new ones at S 280 levels of support would be extremely expensive, which is presumably why McCain has been short on details about exactly how much he would subsidize nuclear power.

Obama on Nuclear Power. Obama has come out in favor of nuclear energy but has strong reservations about expanding its use without solving issues related to security

and waste storage. Unlike McCain, he has not set any goals for increasing the number of nuclear power plants, but he has emphasized that he does not think his GHG reduction goals can be met without nuclear power.

Most of Obama's discussion of nuclear power has focused on safety. His policy calls for “federal efforts to look for a safe, long-term disposal solution.”²¹ He is opposed to storing nuclear material in Yucca Mountain, and his campaign recently ran an ad in Nevada attacking McCain for saying he would not be comfortable with nuclear waste traveling through Phoenix but would support storing nuclear waste in Yucca.²² Last December, in response to a question regarding the safety of nuclear energy, Obama responded:

I start off with the premise that nuclear energy is not optimal. And so I am not a nuclear energy proponent. . . . [I am] concerned about safety issues. . . . Until we can make certain that nuclear power plants are safe, that they have solved the storage problem . . . until we solve those problems and the nuclear industry can show that they can produce clean, safe energy without enormous subsidies from the U.S. government, I don't think that's the best option. . . . [W]hat I have said is this: there is no perfect energy source. . . . I have not ruled out nuclear as part of that package, but only as far as it is clean and safe.²³

An Obama administration would certainly be less likely than a McCain administration to subsidize the expansion of nuclear power. Because nuclear energy is carbon neutral, Obama's cap-and-trade plan or any plan like it would actually promote nuclear power by making fossil fuels comparatively more expensive. But given the major start-up costs required for nuclear power plants, it is highly unlikely that anything close to the scale of new nuclear power that McCain proposes would be built without the type of large government subsidies that Obama has explicitly not endorsed.

Expanding Fossil Fuel Supply

Another policy area in which policy incoherence has taken hold is expanding domestic oil and gas production. Both McCain and Obama have pounded the pulpit about reducing GHG emissions by increasing the price of energy through cap-and-trade legislation. Both oppose drilling in the Arctic National Wildlife Refuge

(ANWR). Yet recently, McCain has adopted a strong policy of expanding domestic oil and gas production—even potentially in ANWR—and Obama seems to be finding the idea of drilling a bit more acceptable now that gas prices have forced many Americans to substitute “staycations” for summer vacations. Over the long term, expanding drilling contradicts the goal of reducing GHG emissions, which requires replacing fossil fuels with fuels lower in carbon intensity.

McCain on Supply Expansion. McCain has enthusiastically endorsed expanding domestic fossil fuel production as a solution to dependence on foreign oil and high energy prices. His campaign literature notes:

We have trillions of dollars worth of oil and gas reserves in the U.S. at a time we are exporting hundreds of billions of dollars a year overseas to buy energy. . . . John McCain proposes to cooperate with the states and the Department of Defense in the decisions to develop these resources. . . . When people are hurting, and struggling to afford gasoline, food, and other necessities, common sense requires that we draw upon America’s own vast reserves of oil and natural gas.²⁴

Expanding domestic production is a major part of McCain’s energy plan and one of the points on which he has distinguished himself from his opponent: a recent commercial took Obama to task for not supporting domestic drilling, and campaign staff have included McCain’s position in their talking points to reporters on ways he will help Americans. McCain’s campaign materials do not directly state that domestic drilling will bring down short-term energy prices, but he has said in speeches that we must “assure affordable fuel for America by producing more of it ourselves”²⁵ and that providing states with incentives to permit coastal drilling would be “very helpful in the short term in resolving our energy crisis.”²⁶

McCain has not always been on the side of domestic drilling: for years, he opposed drilling in ANWR. Last year, he called ANWR “pristine,” comparing it to the Everglades and the Grand Canyon, and noted that its energy resources are limited. He did declare, though, that decisions about domestic drilling should ultimately be left to the states.²⁷ In June, however, he said that he would look again at his ANWR policy in light of the “changed economic environment.”²⁸ Since then, his

campaign has been silent about whether McCain’s proposal for expanded fossil fuel exploration and drilling would include ANWR.

McCain’s position on coastal drilling has also been evolving in recent months. As recently as May, he stated that expanding coastal drilling would have limited impact: “with those resources, which would take years to develop, you would only postpone or temporarily relieve our dependency on fossil fuels.”²⁹ A month later, he came out in favor of lifting offshore drilling moratoriums. He is still sticking to his premise that decisions on domestic drilling should be made by the states.³⁰

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A new element has been added to the McCain side of the energy policy dynamic: his selection of Alaska governor Sarah Palin as his running mate. In contrast to McCain, Palin is an ardent supporter of expanding domestic oil production, including drilling in ANWR. She is intimately acquainted with Alaska’s environmental resources and the strong environmental values of Alaska’s citizens but is convinced that such development can be done without harming the environment and in line with the desires of Alaskans. While people tend to vote for the presidential candidate rather than the vice president, recent presidential cycles featuring strong vice presidents with powerful portfolios suggest that Palin’s “energy hawkishness” could factor into the popularity of the Republican ticket come November. With the Republican Party forging a strong energy plank calling for expanded domestic production, one can expect Palin to take the lead on the issue in coming weeks.

Obama on Supply Expansion. Obama has consistently opposed the expansion of domestic fossil fuel production, but he recently stated that he would reluctantly support expanding drilling as part of a larger energy policy, prompting accusations of flip-flopping. To support increased domestic production, he would require oil companies to develop the land that they have already leased but are not drilling on and streamline the process of drilling in shale formations in the lower

forty-eight states and the National Petroleum Reserve in Alaska.

Obama's support for a "use it or lose it" strategy—requiring oil companies to drill on land they have leased or give it up—is premised on the idea that existing oil and gas leases cover 68 million acres of undrilled land and that significant oil reserves lie unused there. Congressional Democrats claim that drilling on already-leased land would nearly double total U.S. oil production, increase gas production by 75 percent, and cut U.S. oil imports by more than one-third.³¹ This also fits well in the narrative of holding oil companies responsible and punishing them for high prices that both campaigns, but especially Obama's, are using. In a recent speech, Obama stated:

[W]e should start by telling the oil companies to drill on the 68 million acres they currently have access to but haven't touched. And if they don't, we should require them to give up their leases to someone who will. We should invest in the technology that can help us recover more from existing oil fields, and speed up the process of recovering oil and gas resources in shale formations in Montana and North Dakota; Texas and Arkansas and in parts of the West and Central Gulf of Mexico.³²

What a "use it or lose it" policy does not take into account is that leased but undrilled land is, by nature, not as productive as land that oil companies have chosen to drill on. Exploring and drilling are expensive, and not every acre of leased land contains enough oil to make drilling productive or economically feasible. Environmental restrictions and lawsuits also make exploration and development even more difficult. And there is already a law in place requiring companies not only to pay their leasing fees, but to invest in exploring and developing the resource or forfeit their leases.³³

In early August, Obama said that it was time to compromise and voiced support for Senate legislation that included provisions for the expansion of offshore domestic drilling, as well as money for investment in renewables and other policies that he has consistently supported. The senator said that he still does not support expanded coastal production—that he does not "believe that's a particularly meaningful short-term or long-term solution"—but that he is "willing to consider it if it's necessary to actually pass a comprehensive plan."³⁴

Obama has criticized McCain's position that domestic oil drilling would benefit American consumers in the short term, saying that McCain's "plan won't lower prices today. It won't lower prices during the next Administration. . . . [W]e wouldn't see a drop of oil from this drilling for at least seven years."³⁵

Fossil Fuel Demand Reduction

The other side of the fuel supply coin is reduced demand, an idea that is more heavily favored by Obama than McCain. While both candidates' cap-and-trade proposals would likely reduce demand for carbon-intensive fossil fuels, McCain is light on demand-side reduction measures compared to Obama.

McCain on Demand Reduction. Reducing demand for fossil fuels is not a major component of McCain's energy policy, but his platform does include several measures that would have that effect. He has given his support to expanding renewable, biofuel, and nuclear energy sources through various forms of government assistance, which, inasmuch as cleaner energy is a substitute for fossil fuel energy, would decrease demand for the latter. He also supports higher Corporate Average Fuel Economy (CAFE) standards and steeper penalties for noncompliance, energy efficiency standards for federal government buildings, electricity grid updates, and greater employment of electric metering to help consumers see how they can reduce energy use.³⁶

McCain has also proposed a major prize for electric-car technology: \$300 million to the inventor of an inexpensive, commercially viable electric automobile battery. He has also proposed \$5,000 tax credits for buyers of cars that emit no carbon dioxide.³⁷ Currently, technology for zero-emissions cars is nonexistent, and it is questionable whether it is even possible. Even a fully electric car would not necessarily be emissions-free, depending on how the electricity is produced, and auto executives have recently expressed doubts that hydrogen-run cars will be commercially available in the near term.³⁸ McCain's proposal would also give smaller tax credits to vehicles that have lower-than-conventional carbon emissions.

In terms of reducing demand, the effects of McCain's CAFE changes would also likely be minor. The number of manufacturers that do not comply with CAFE is small, and increased fuel efficiency may encourage people to drive more since it lowers the cost of driving. McCain

also supports reducing trade barriers to importing ethanol, such as Brazil's sugarcane-based ethanol, which he has cited as a success story because it is allowing Brazil to transition more quickly to flex-fuel cars.

He made an issue of Obama's claim that if Americans keep their tires inflated properly, the nation could conserve as much oil as we could get from offshore drilling.³⁹ The McCain campaign immediately created tire gauges labeled "Obama's Energy Plan." Clearly, McCain is not trying to be the candidate of energy conservation. He made disparaging comments about Obama's tire inflation remark and attempted to brand advocating small ways of saving energy as unserious "public service announcements" instead of energy policies.⁴⁰ He later partially backed down, saying that he agreed that drivers should keep their tires inflated properly but that he did not consider it a way to become energy independent.⁴¹

Obama on Demand Reduction. Reducing energy use is a major piece of Obama's energy policy, and his campaign has put out a laundry list of goals: reducing electricity demand 15 percent from projected levels by 2020, making all new buildings carbon neutral by 2030 and significantly improving their energy efficiency, mandating increased efficiency for appliances, and retrofitting federal government buildings to make them more efficient.⁴²

Obama recommends incentivizing utilities to promote energy efficiency, investing in the electrical grid to allow consumers to better monitor their energy use, subsidizing the weatherization of millions of low-income homes, and investing in infrastructure that would promote walking and biking. He also supports creating a low carbon fuel standard, which would require fuel suppliers to reduce the carbon their fuel emits by 10 percent by 2010 and would mandate that 25 percent of electricity come from renewable sources by 2025.

Obama also endorses some of the same types of policies McCain does. He supports raising CAFE standards every year. He has also said that we should "commit ourselves to getting one million 150 mile-per-gallon plug-in hybrid cars on our roads within six years"⁴³ and advocated government investment in wind, solar, and second-generation (noncorn) biofuels. Like McCain, Obama advocates increasing building efficiency, especially for federal government properties. Obama's campaign has been more specific about their proposals, supporting creating and expanding federal grant programs to reward energy efficiency in public and privately owned buildings.

Obama has called McCain's \$300 billion car-battery prize a "gimmick,"⁴⁴ but his policies also include cash prizes for innovation: "tax incentives, cash prizes and government contracts [for] developing the most promising technologies with the goal of getting the first two billion gallons of cellulosic ethanol into the system by 2013."⁴⁵

Obama has not been reluctant to be the candidate of conservationists. He has set ambitious, probably unreachable goals for fuel efficiency and the percentage of renewables in the energy supply. His campaign has put forth proposals for government spending to decrease energy demand: grants, subsidies, and even green-jobs programs to train youths to improve energy conservation and efficiency of homes in their communities. He also supports incentives to promote more fuel-efficient cars, and, as McCain criticized, he recently noted that going in for tune-ups and keeping tires properly pressurized can save energy.

Carbon Control

Though most areas of Obama's and McCain's energy policies overlap somewhat, in one area—their desire to reduce carbon dioxide emissions—they are nearly identical. Both campaigns support the same mechanism—cap-and-trade—and both have set impossibly steep reduction targets to be achieved in a laughably short period of time.

McCain on Carbon Control. McCain has long been an ardent supporter of cap-and-trade laws to limit GHG emissions. The senator frames the policy in terms of combating global warming and using market-based incentives; supports transitioning to auctioning off most GHG emissions credits; and touts the positive effects for farmers, who would be able to sell offsets for the carbon they store in their soil.

McCain's proposed emissions limits would mandate decreasing emissions to 2005 levels by 2012, to 1990 levels by 2020, and 60 percent below 1990 levels by 2050. The senator's campaign has been specific about various elements of his cap-and-trade program. It includes the creation of a "Climate Change Credit Corporation," which would provide organizations credit for reductions before 2012, help transition to more efficient technology, and form a commission to recommend what percentage of allowances should be given away versus auctioned.⁴⁶

McCain has been less specific about international carbon emissions treaties. He has said that he will

engage with the United Nations (UN) on the subject, stressed the importance of involving India and China in negotiations, and declared that he “will not shirk the mantle of leadership that the United States bears.”⁴⁷ In his major speech on the topic, however, he was short on specifics regarding what U.S. leadership would mean but did say that if efforts to negotiate with India and China failed, we would still have an obligation to restrict our own GHG emissions.

Each candidate now has a fistful of mutually contradictory goals: reducing GHG emissions while expanding fossil fuel production, opposing subsidies except when they are supporting subsidies, embracing energy sources they caveat to death, and wanting to reduce energy use while lowering prices.

McCain is moving further toward mainstream Republican environmental positions like embracing coastal drilling, so it will be interesting to see whether he continues to support cap-and-trade, which he has for years. His campaign recently released a fifteen-page document summarizing the senator’s economic policy with several pages on energy, including sections on clean coal, nuclear energy, renewables, building efficiency, CAFE standards, and various other topics—with no mention of cap-and-trade.⁴⁸ Other signs that McCain is devising an exit strategy for himself on cap-and-trade include his emphasis on making cap-and-trade contingent on conditions that Democrats will never accept, such as tremendous increases in nuclear power and expanded oil and coal use. But these links have not been made explicit in the way that Obama has made increased oil drilling contingent on additional policies that constitute a comprehensive energy plan.

Obama on Carbon Control. Obama, like McCain, supports instituting a cap-and-trade program, but Obama’s standards are stricter: he would mandate that GHG emissions be 80 percent below 1990 levels by 2050, as opposed to McCain’s 60 percent. There are a few more meaningful differences between his plan and McCain’s.

Instead of transitioning toward auctioning off emissions credits on the advice of a commission, Obama

would immediately auction off 100 percent of credits. Like McCain, Obama would “reward forest owners, farmers, and ranchers when they plant trees, restore grasslands, or undertake farming practices that capture carbon dioxide from the atmosphere.”⁴⁹ He has offered ideas about where revenue from auctioned allowances would go: to investments in renewable energy, increasing energy efficiency, and helping “American workers affected by this economic transition.”⁵⁰ In a speech last year, he phrased his cap-and-trade program in the language of populism and market incentives:

The market will set the price, but unlike the other cap-and-trade proposals that have been offered in this race, no business will be allowed to emit any greenhouse gases for free. Businesses don’t own the sky, the public does, and if we want them to stop polluting it, we have to put a price on all pollution. It’s time to make the cleaner way of doing business the more profitable way of doing business.⁵¹

The senator, like his opponent, talks about “U.S. leadership” on climate change and advocates active involvement within the UN Framework Convention on Climate Change and engagement with China and India. He also advocates the creation of a Global Energy Forum made up of the nations that use the most energy. In a policy brief, his campaign describes the forum this way:

[It] will give the U.S. and its allies regular opportunities to exert maximum pressure on China and India to do their part and make real commitments of their own. . . . This Global Energy Forum will complement—and ultimately merge with—the much larger negotiation process underway at the UN to develop a post-Kyoto framework. On a technical level, it will also . . . facilitate technology transfer, joint international research, and, importantly, the numerous large scale international demonstration projects that must be embarked upon immediately in order to make these technologies economically appealing alternatives.⁵²

Conclusion

If there is a dominant pattern in the energy platforms of the Obama and McCain campaigns, it is one of profound lack of serious thought, rampant confusion, and

transparent pandering. Each candidate now has a fistful of mutually contradictory goals: reducing GHG emissions while expanding fossil fuel production, opposing subsidies except when they are supporting subsidies, embracing energy sources they caveat to death, and wanting to reduce energy use while lowering prices.

Still, there are vague suggestions of a difference in general approach. McCain is clearly more of a technorealist, favoring currently available and proven technologies (nuclear and fossil fuels) over speculative, unproven technologies such as cellulosic ethanol, wind, and solar power. Obama is more inclined to use heavy-handed regulatory approaches, while McCain leans, at least in his rhetoric, more toward free-market approaches that lead the private sector to meet energy and environmental goals. Finally, McCain more strongly supports domestic energy production, whereas Obama has grudgingly accepted that angry American motorists want such expansion but has relegated it to an afterthought if he is granted his wish list of energy policies first.

Energy policy is a critical issue in this year's presidential campaign, but voters looking for clarity and rationality on the subject will have trouble finding it in either candidate's campaign platforms. And with pandering and incoherence increasing as the campaign wears on, it is entirely possible that they will be indistinguishably muddled by November.

Notes

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