

CARL POPE

President, Sierra Club

Take Back America Conference **Campaign for America's Future / Institute for America's Future**

Plenary Session: An Apollo Project for Energy Independence

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Thank you very much, Bob. It is really a pleasure to be here. I want to express that the very fact that you all are here and that you have this kind of energy and this kind of vision is giving me something very exciting to take back to California. Thank you all for making my week before I've even started to speak.

I was glad to hear Bob mention Environmentalists for Full Employment because he and I worked together in that coalition twenty years ago. Here's a brutal fact. None of the ideas that you are going to hear on this panel are new. None of the ideas that you're going to hear on this panel are revolutionary. None of the ideas that you're going to hear on this panel couldn't have been implemented decades ago. We have let this country down. We have failed, after repeated warnings beginning in 1973, to recognize that new technology, new investment, new capital stock and new jobs were the single key to freeing our foreign policy, balancing our trade deficit, strengthening jobs and communities, and cleaning up America's and the world's environment. And I believe today we should join the ten unions in making a pledge that we will not let America down again.

But if none of these ideas are new, all of these ideas are at least 20th century. The people who run this country right now don't like the 20th century. Karl Rove speaks fondly of the era of William McKinley. We have an energy policy right now, and we have an industrial policy right now, that are a desperate last ditch effort to take us back—in terms of jobs, in terms of working conditions, in terms of civil rights, in terms of civil liberties, in terms of basic democracy, and in terms of environmental protection—to the McKinley era.

I don't think America wants to go there.

We in California had some very interesting glimpses into the future that the Bush energy policy will bring us. On a hot May evening in 2001, if you had a 100 watt light bulb turned on in Southern California for an hour, the energy company that produced the electricity for that single hour earned, I suppose "earned" is the right word, \$500. That happened, the President told us, because Californians, including people like me, environmentalists, blocked all the new power plants that the energy industry wanted to build. It's a nice line. Like most of his nice lines. It's

not true. The fact is, environmentalists and labor unions in California for the previous decade had been urging the energy companies to build new power plants. The only people who opposed new power plants in California over that decade were public utilities and the energy industry, which wanted to create, and succeeded in manipulating, an artificial shortage of electricity supply.

During the months of April, May, and June of 2001, the people of California shipped those energy companies \$6 billion in unearned price gauging. And let me be clear, the \$6 billion that we sent wasn't stock, it wasn't options, it wasn't paper profits; these were real people's checks. We all know who got that money, but no one seems to know where it went. It just vaporized. That is the kind of energy policy that this administration is trying to bring to the other 49 states.

Let me tell you a story about some of the people who did get to talk to Vice President Cheney and his energy task force. EPRI, the research institute of the public utilities went to the Vice President in the Spring of 2001 and they said, "Look, America's electrical grid is in serious trouble because it still runs on mechanical switches. Nothing's been digitized in our electrical grid." The telephone system, of course, has long since been completely digitized in all but the very smallest communities. EPRI said, sensibly, to the Vice President, "Here's a good opportunity, it's not controversial, everybody will love it. We can spend some money, we can get new electronic switches built. We can install those electronic switches. Our electrical grid will be able to handle 30 percent more power." A week later, the Enron Corporation was in the Vice President's office. The Enron Corporation told the Vice President not to make those investments and instead to propose that the federal government, in a state's rights administration, take away from the states the right to control the construction of transmission lines. And the Vice President followed Enron's advice. Although EPRI begged him not to and told him, in fact, that that was the one thing, the one policy initiative, that could make modernizing America's utilities grid controversial and prevent it from happening. Well, we now know why Enron gave the Vice President that advice, because bottlenecks in the electrical grid were the key to Enron's market manipulation, which separated the people of California from that \$6 billion.

I want to ask you a question. Can anybody here think of a reason why the Vice President might have listened to Enron instead of following the common sense advice from EPRI?

I think it is quite clear that we do have an industrial policy. We do have an energy policy, we do have an environmental policy. They consist of seizing every opportunity this administration can to slow down the modernizing of the American economy, to hollow out America's industrial base, to prevent the deployment of modern job-creating and environmentally sensitive technologies and to prepare the way for as much of America's industrial base as possible to be shifted overseas. That is the heart of their policy. And I have a simple question. Are we

going to let them get away with it? [audience shouts, "no!"] That's not loud enough, he can't hear you. Let's hear you! ["NO!"] Much better, much better.

Finally, I think it's important to understand that America's manufacturers are part of this vision. In the Spring of 2001 when the auto industry unleashed a blitz to prevent Congress from adopting any measures to increase fuel economy, I called up a sympathetic Vice President at one one of the Big Three, and I said to her, "I want to talk to you about these ads." She said to me, "They're disgusting, aren't they?" and I said, "yes, they are". She said, "They're not true, are they?" "No, they're not," I said, "and your boss paid for them, didn't he?" She said, "Yes, he did."

And I said, "and this means that the American auto industry has decided not to compete with the Japanese to maintain auto manufacturing capacity here in the United States, doesn't it?" and she said, "Yes."

There's a better vision before you today, let's make it happen.