

Column from Sen. Matt Bartle for

Week of Oct. 3, 2005

Rising Energy Costs

Filling up with gas has become one of the more painful parts of my week. Home heating costs (oil, propane and especially natural gas) are expected to jump significantly beginning this November when temperatures drop off.

The United States learned in the 1970s that legislative measures like price ceilings do not work and only make the pain last longer. These high prices are hard to handle right now, but high prices incents innovation, development and conservation. Nearly everyone I know is trying to find ways to burn less gas. This is happening all over the country. Also, there are a number of alternative fuel technologies that are not far from reaching the tipping point, that point at which they are competitive with the internal combustion engine. Automobile manufacturers cannot keep up with the new demand for hybrid vehicles. By allowing the market to work by providing incentives for investment, we sped the arrival of the day when the United States will no longer be dependent on foreign oil. OPEC beware. American ingenuity is a fierce force that will ultimately prevail if we lawmakers stay out of its way.

I recently read a story about two famous economists that bet in the early 80s on the price of oil. One was a doomsayer who was frequently quoted in the press with fearful predictions of shortages and economic dislocation. There is no shortage of this type these days. The other, more hopeful, economist challenged him to put his money where his mouth was. The hopeful economist wagered that at the end of the decade, the real price of oil would decline not increase. The economist who bet on lower oil prices prevailed.

Betting against American ingenuity has been a losing proposition for generations. That is why I believe that this oil shock is temporary. I look forward to the day when I can say that the internal combustion engine went the way of the horse-drawn carriage. I believe it will happen in my lifetime. And these high gas prices hasten the day when the internal combustion engine passes into history.

If you have comments or questions about this week's column or any other matter involving state government, please do not hesitate to contact me. You can reach my office by e-mail at matt_bartle@senate.mo.gov or by phone at (888) 711-9278.

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