

EDITORIAL

Domestic embargo

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According to AAA's Daily Fuel Gauge Report, the price of a gallon of regular gasoline in Nevada has shot up 44 cents in just a month.

This not only drives up the cost of commuting to work, but adds to the cost of every item delivered by truck, from groceries to hardware to clothing.

With prices already at \$3.59 a gallon, \$4 fuel by Memorial Day is not only possible, but likely, according to Peter Krueger, an executive with the Nevada Petroleum Marketers and Convenience Store Association.

Since the OPEC embargo and those long gasoline lines of the 1970s the mantra of Congress and every president has been to break America's dependence on foreign oil, which is subject to price volatility because of Middle East crises and competition from China and India. Instead, our percent of imported oil has climbed from less than 30 percent a year to more than 50 percent. Major areas for domestic oil production have been blocked by the current administration and no new refinery has been built in 35 years.

Writing in the Washington Times, Richard Rahn, a senior fellow at the Cato Institute and chairman of the Institute for Global Economic Growth, charged the Obama administration's policies are causing American's to pay more for fuel than is necessary.

"America is awash in fossil-fuel energy sources with almost 30 percent of the world's coal and 80 percent of the world's oil shale," Mr. Rahn writes.

With a barrel of oil selling for more than \$100 a barrel, Mr. Rahn notes that vehicle fuel can be created from natural gas for the equivalent of \$30 and from coal for half that, while U.S. shale oil and offshore oil in the Gulf of Mexico can be produced for \$75 a barrel.

Instead, this country has a virtual embargo on domestic energy production unless is it subsidized "green" energy.

But the likelihood the Obama administration will shift gears is doubtful. After all, Obama's Energy Secretary, Steven Chu, once told The Wall Street Journal, "Somehow, we have to figure out how to boost the price of gasoline to the levels in Europe." That's \$8 a gallon in Great Britain. Whose side are they on, anyway?