

in vogue, to say nothing of the telling fact that the practitioners in government find them irrelevant as guides to action. So Pakenham asks a crucial question: Why have these doctrines and theories been advanced, and why do some of them persist in the face of so much contrary evidence? He answers that they are popular because they resonate with the great liberal tradition that dominates American political thought. Following Louis Hartz's influential exposition, he says that our own history showed that gradual, nonrevolutionary change was possible and that each small success in economic, social, or political improvement aided and strengthened the entire process of development. Since it worked for us, we try to convince the world that it will work for them.

Pakenham is too sophisticated to reduce our foreign policy to a simple expression of the liberal credo, since he recognizes the influence of economic vested interests and other facts of life. But his book centers on the theme of the impact of our liberal premises on specific doctrines and theories of political development in Third World countries, and shows how we have gone wrong time after time because those countries do not share our history. Since Pakenham is a gentle debunker, he spends much of his effort with examples of failures. His prescriptions for improvement can be summed up in a phrase: take it easy. We should recognize how hard it is to come up with a comprehensive theory of political development that will cover all times and all places, and admit that it is even harder for the United States to influence such a complex matter in other nations. Since he is a hardworking gentle debunker, Pakenham covers a lot of literature, trims it all down to size, but stops short of any radical revisions.

I wish he had been a little less gentle. I like the debunking and agree that vulgar Marxism is inadequate as a response, but I am left unsatisfied. Unable myself to offer good alternatives to the discredited doctrines and theories, I must accept the advice to take it easy. But I wonder if the criticism could not have dug deeper and thus prepared us better for new roots

and new growth. I think that in addition to the liberal credo we suffer from a strong dose of the missionary spirit. The notion that we have the right and the obligation to shape the development of other societies is something more than the notion that we should enhance liberalism in the world if we could only figure out more effective ways of doing so. It is a form of evangelism, a sense that having discovered salvation, we have the duty to

force it on others. And the search for an adequate theory of development is another form of myth: the belief that "science" can spread from the physics laboratory to the social studies and come up with reliable predictions about real trends. I believe that neither liberalism nor scientism are so readily exported from their native spheres, and that attempts to do so involve great arrogance and maybe a touch of devilishness.

## The Economics of Energy by Roger Leroy Miller

(Morrow; 131 pp.; \$4.95)

### Harold J. Barnett

This is a book by a young (thirty-three year-old), well-educated (University of Chicago Ph.D.) professional economist, now associate professor at the University of Washington. It is a serious book in the importance of its subject and in much of its implicit economic content. But it is not a serious public policy or economic analysis. The arguments are assertions, economic slogans, nonarguments. The book is economic journalism, in the racy, punchy, breathless style of *The Reader's Digest* and *Time*. The chapter headings illustrate: "A Fairy Tale," "The Blackout Blues," "How to Get a Crisis," "Nixon's Greatest Coup (Maybe)." It is very readable, very short, very glib. The 35,000-40,000 words in large print on small pages will be easily swallowed in an hour or two, and probably quickly forgotten.

The book is not wholly about energy. Three chapters are devoted to ecology and conservation. In these Miller states that the Club of Rome writers are wrong to cry doomsday; that contemporary challenge to resource and energy use is simply a New Puritanism; and that the market economy suitably conserves valuable resources. He is mostly right, but the truths are not as simple and unqualified as in his presentation.

In another three or four chapters Miller offers his own catchy phrasings of a variety of major economic aphorisms. We learn that pollution externalities occur because no one owns the environment, and so we discard our wastes into it. Price controls are bad because they interfere with the allocation of goods to most important uses, namely, cost incentives to economize on consumption of scarce goods and price incentives to increase supply. National self-sufficiency is also bad because it foregoes gains from foreign trade, wherein the goods we trade away have less value to us in economic resources than the goods we receive in exchange.

On energy proper Miller simplifies and oversimplifies additional economic principles and facts. Domestic oil production has long been cartelized. Tax favors, quota restrictions on oil imports since the 1950's, and proration legislation have really been designed to maintain high prices and profits, not national security or future needs. Security and the future could have been served better by oil storage, by the development of synthetic oil technology and other resources, and by free markets. The U.S. Government powerfully contributed to making the OPEC foreign oil cartel effective. The U.S. oil crisis developed from price

controls in 1971-74, particularly as employed by Nixon, in order to cloak himself with leadership mystique and divert attention from Watergate. The natural gas shortage is also due to price regulation. Electric power crises are due to fuel shortages and the failure to price power at its full marginal cost. The wrong medicines for economic shortages of energy are rationing, taxes, bureaucracies, and truck speed limits of fifty miles an hour. The right remedies are free markets, etc.

The economics of energy are not nearly so simple as presented here. Of course, the basic economic principles that are taught in static microeconomics have important applications in energy markets. These constitute a first stage of wisdom in understanding any economic market. The further stages of wisdom in the political economy of energy, however, involve an understanding of dynamic energy market adjustments, of the economic development of nations, and of energy in international relations. They also require recognition of economic and political power as they have come to exist—in multinational companies, OPEC nations, state and federal governments in the U.S., and so forth. These are all part of the reality of contemporary energy problems. Miller sweeps them away as irrelevant, or, with glib language, and then explains and prescribes for "reality" by reciting first-stage general principles. This is neither good energy economics nor good public policy.

The "reality," which Miller should have characterized and explained, includes these facts. In 1970 Persian Gulf oil was owned by multinational companies. The Middle East governments received less than \$1 a barrel for crude pumped from their lands and waters. OPEC revenues were about \$7 billion a year. In 1974-75 ownership and control has moved to the respective governments. Revenue to the producer governments is \$9 to \$10 a barrel. OPEC revenues are about \$120 billion a year. Worldwide recession and further inflation have developed since the 1973 OPEC moves. International power relations, foreign investment, and trade patterns are all dis-

rupted. Advanced nations are moving toward autarky to escape dependence upon foreign oil: Food, fertilizer, and transport in poor nations are tragically dislocated. Nuclear programs and proliferation are greatly accelerated, and a new Middle East arms race has begun. International airlines have fallen into deep losses from increased oil costs. In the U.S. enormous energy research and development programs have been launched; exploration for ocean oil has

been prompted; and coal prices have gone up four- and sixfold. The electric utility industry is in crisis, and electricity consumers are in turmoil over rates. Environmental programs are set back.

For these and other dilemmas of world and nation Miller offers a complete, six-point *Positive Program for the Future*: 1) "Eliminate all special privileges of the oil industry." (2) "Get rid of price regulation of natural

# CROSSROADS BOOKS

## CHRISTIANITY CHALLENGED

### Richard John Neuhaus TIME TOWARD HOME The American Experience as Revelation

A call for a new partnership between religion and worldly tasks that can revitalize America. "Neuhaus is refreshing in his unflagging confidence that the American experiment is far from finished. This book is required reading for anyone concerned with the relation of religion and politics in this country."—*Peter Berger* \$9.50

### Jacques Ellul THE NEW DEMONS

A penetrating and provocative thinker contrasts today's secular, scientific world with the flight toward the "new sacrality." Central to his thought is the distinction between the true and the false "religions" of these paradoxical times. \$9.95

### Langdon Gilkey CATHOLICISM CONFRONTS MODERNITY

#### A Protestant View

"One would have to look a long time for a more sensitive and sympathetic treatment of the difficulties Catholicism faces."—*The Sign*. \$8.95

## THE SEABURY PRESS

815 Second Avenue, New York 10017

gas." (3) "Institute a peak load (marginal cost) system for the sale of electricity." (4) "Make people pay the full social costs of their energy use." (5) "Recognize the futility of price controls once and for all." (6) "Divorce foreign policy from economic policy." He appears to be serious about all this.

---

#### CONTRIBUTORS

JOSEPH KAHL is Professor of Sociology at Cornell University.

CARLES W. KEGLEY is Professor of Philosophy and Religious Studies at California State College, Bakersfield.

HAROLD J. BARNETT is Professor of Economics at Washington University, St. Louis.

## Briefly Noted

---

### Reaping the Green Revolution: Food and Jobs for All by Sudhir Sen

(Orbis; 395 pp.; \$10.95)

The technical language gets in the way from time to time, but the message is both urgent and accessible to all concerned about world hunger and poverty. This second book in a planned trilogy on international development does not shy away from the hardest questions posed by those who insist that triage-type solutions are the only answer. Sen, who has particular expertise on India's development, is prepared to argue that, contrary to popular wisdom, even Bangladesh is not "an international basket case." He offers

specific policy changes that can, he says, make Bangladesh and most of the "Fourth World" self-sufficient in food within a few years. None of the policies is utopian; all require a determined effort not to resign ourselves to the worst. *Reaping the Green Revolution* is an important book, powerfully presenting a minority viewpoint that is persuasive in its facts and convincing in its moral judgments.

### Bread for the World by Arthur Simon

(Paulist Press and Eerdmans; 172 pp.; \$1.50 [paper])

Written by the head of Bread for the World, "a Christian citizens' movement on world poverty," this is no doubt the best basic introduction available to the issues of hunger and global development. Includes numerous suggestions for local and national action.

---

# The Nation-State and Transnational Corporations in Conflict

With Special Reference to Latin America

& Including Case Histories:

**DOW CHEMICAL IN CHILE — IBM IN LATIN AMERICA — GULF OIL IN VENEZUELA**

The record of CRIA's third Corporate Consultation

edited by **Jon P. Gunnemann**

Published in cooperation with Praeger Publishers Special Studies in International Economics and Development. Paper. 244 pp. \$3.50

#### Previous Studies

- #301. **PEOPLE/PROFITS: The Ethics of Investment**  
Charles W. Powers, Ed.

Based on an intensive, three-day discussion among leading businessmen, lawyers, labor leaders, clergy, foundation executives and academics, this book probes deeply into one of the most troublesome and disturbing questions facing the business community and all of society today: What is the extent of stockholder responsibility—and its limits? And what are the special implications of this question within the context of the multinational corporation?

Paper. 225 pp.

\$2.95

- #302. **THE MULTINATIONAL CORPORATION  
AND SOCIAL POLICY** Richard A. Jackson, Ed.

General Motors in South Africa is the focus of this report which analyzes the ethical dilemmas of corporate managers. Attention is also given to the function of management in a company and in society, and the "Social Audit" as a tool for incorporating social concerns into the corporation's priorities.

Paper. 115 pp.

\$2.95

Order from: COUNCIL ON RELIGION & INTERNATIONAL AFFAIRS, 170 E. 64th Street, New York, N.Y. 10021

## Growing Up in America by Fred M. and Grace Hechinger

(McGraw-Hill; 451 pp.; \$15.00)

He is former education editor of the *New York Times*, she an author and columnist with the *Wall Street Journal*. The Hechingers offer a rather upbeat history of American public education (although they are ambivalent about the claim that it is a history) constructed around the themes of egalitarianism and education as "nation building." Enthusiastic about most reformers and confident of American common sense in "steering a course between extremes," the authors pose few choices beyond commitment to the proposition that the system is somehow working and is eminently worthwhile. Regular mention is made of ethical and value formation in the schools, but the chief sin attacked

is that of "elitism," which comes perilously close to suggesting that education's mission is simply to become more inclusive in making everyone more like us.

## The New Demons by Jacques Ellul

(Seabury; 228 pp.; \$9.95)

In a forceful restatement of his critique of modernity and of those Christians who celebrate their captivity to it Ellul is more forthright than usual in asserting that the answer is a return to the posture of Karl Barth, both in defining the theological task and in confronting the culture. Some will criticize him for still being exercised by, for example, Harvey Cox's *Secular City*, now more than ten years old. But his defenders can respond, with some justice, that the assumptions

of that book are still pervasive in contemporary Christian thought.

## The Harrowing of Eden: White Attitudes Toward Native Americans

by J.E. Chamberlin

(Seabury; 248 pp.; \$8.95)

Of course there are horror stories, for it is largely a story of horror. The strength of Chamberlin (who is at the University of Toronto), however, is that he acknowledges the apparently insoluble difficulties in coming up with policy answers to "the Indian problem." Historically informed and compassionate, this book should be read carefully by people who are all too ready to identify with one faction or another as the "authentic voice" of Native Americans.

# We Are All POWs



CHUCK NOELL and GARY WOOD

"In its own quiet, low keyed way this book makes a tremendous impact as the two young authors discuss the 'Vietnam generation's' war experience and its effect on both those who served and those who resisted..."

— Publishers Weekly

"For draft resisters and deserters and their families, for the men who went to Vietnam and can't get over it, this book — by a Vietnam veteran and by a resister — should be a great help in understanding what's happened to their feelings. I recommend it as a cathartic of the emotions. It should also be an eye opener for all people who've been troubled by this war of horrors."

— Benjamin Spock, M.D.

"This searing book shows how the peace movement helped to stop the war, but divided the hearts of many who went to war. Over 2.5 million veterans of Vietnam, plus resisters and deserters, carry mortal wounds that hurt as much as blasted stomachs or shredded arms... Gary Wood and Chuck Noell write from Johnstown and Butler, Pennsylvania, not from Berkeley or New York, and their book is like a scream of pain"

— Michael Novak

\$2.75 paper

Order directly from  
the Publisher  
or your  
local bookseller.

**FORTRESS  
PRESS**

2900 Queen Lane  
Philadelphia 19129