



July 11, 2005 Update to friends

Carnage in London. The four explosions that ripped across central London on July 7th, killing more than 50 people and injuring 700, are another reminder that the war on terrorism is far from over. Though the exact identity of the perpetrators is still unknown it would not be far fetched to guess where they came from, who inspired them and who paid the salaries of those who inspired them. If we want to prevail in this war it is time we stop sending petrodollars to those who wish us harm.

Oil broke the \$60 record. With oil prices at or near the \$60 mark America is beginning to feel the sticker shock. Gasoline prices in at least three states have climbed to \$3 per gallon and public transportation fares are increasing throughout the country. According to the June 29 Wall Street Journal editorial the increase of oil prices from \$40 last year to \$60 today has cost the U.S. economy about \$75 billion. For comparison, the supplemental spending approved for Iraq and Afghanistan was \$87 billion. Another reminder of the precariousness of our oil situation was the decision of China National Offshore Oil Corporation (CNOOC) to launch the biggest ever takeover offer by a Chinese company for U.S. oil major Unocal. The \$18.5 billion bid surpasses that of the rival bidder, Chevron Texaco, by \$2.1 billion. Barring federal intervention America's ninth largest energy company is likely to fall into the hands of what is essentially a proxy of the government of Communist China. The Unocal affair should be a reminder that China's growing demand for energy will have profound impact on America's national security and economic security. Billionaire investor Warren Buffett said the takeover bid was an inevitable consequence of the U.S.-China trade deficit. "If we're going to consume more than we produce, we have to expect to give away a little part of the country," [he told CNBC](#).

Energy Bill news. The Senate Energy Bill was approved 85-12 by the Senate and it currently moving to a House-Senate conference that aims to combine the Senate bill with the House bill that was passed in April, creating one comprehensive legislative package. Kudos to the following senators for passing amendments that could strengthen our energy security and bring jobs to America:

Sen. Hatch introduced incentives for efficient and alternative fueled vehicles and alternative refueling stations. We encourage the widening of eligibility for these credits to [ALL non petroleum fuels approved by the Department of Energy](#), instead of picking winners.

Sen. Schumer, Cantwell and Lautenberg introduced an amendment requiring the Secretary of Energy to develop and carry out a national tire fuel efficiency program for tires designed for use on passenger cars and light trucks. The program is to include policies and procedures for testing and labeling tires for fuel economy to enable tire buyers to make informed purchasing decisions about the fuel economy of tires. Efficient tires can reduce gasoline consumption by 4%.

Sen. Harkin, Lugar, Obama, Coleman and Bayh introduced an amendment on biomass research and development intend to increase production of biofuels that can run in flexible fuel vehicles.

Sen. Bayh and Obama passed the "Joint Flexible Fuel/Hybrid Commercialization Initiative" directing the Energy Secretary to "establish an applied research program to improve technologies for the commercialization of a combination hybrid/flexible fuel vehicle; or a plug-in hybrid/flexible fuel vehicle" - a [multi-fuel car](#) that can run on any combination of alcohol, gasoline, and electricity.

Watch this. One minute video clip: [Senators say: plug in for America](#).

Getting louder. The Washington Times best reflects the change of atmosphere in Washington regarding energy policy: "The US will never be able to drill its way out of its oil problem. [...] a combination of existing technologies can be exploited today to immediately begin solving these long-term energy related problems," wrote the paper's editorial board on [June 28](#). The U.S. consumes

about 25% of world oil supply but holds (including everything) just over 3% of world oil reserves.

Set America Free joins forces with CAST to bring hybrids to the Big Apple
New York City lost 1,127 of its residents on September 11 and is still a primary target for terror attacks. [The Islamic countries that fund incitement and terrorism earn most of their income from oil exports](#). New Yorkers can pave the way to reducing America's dependence on foreign oil by taking a stand for security and introducing smart transportation solutions to their huge fleets of buses, taxis and municipal vehicles. To this end, Set America Free is delighted to join forces with the Coalition Advocating Smart Transportation in New York ([CAST](#)). The city of New York, America's largest metropolitan area, is one of the nation's worst cities in terms of air quality and has the highest asthma mortality rate in the country. The coalition aims to improve life in the city through technologies like hybrid buses and taxis.



Anne Korin and Jack Hidary and proposed taxi hybrid Toyota Highlander in front of New York city hall.

Logical as such a transition may sound, the city's Taxi and Limousine Commission has been reluctant to embrace hybrids primarily due to comfort reasons. Three missing inches in the back seat of some hybrid models are the official reason. But the Commission does not seem to reflect the view of the majority of New Yorkers. A survey conducted by CAST reveals that three fourth of New Yorkers are willing to make a small sacrifice of a few inches of legroom for taxis in order to achieve real positive impact on the city's air quality. The New York Times [agrees](#): "The average ride in a New York cab is two and a half miles and about eight minutes. And, let's face it, most passengers are not the Knicks or even

the Rockettes, and they won't be doing yoga in the back seat."

Public pressure is showing results. The City's Transportation Committee just unanimously approved landmark legislation requiring the Taxi and Limousine Commission to expand the types of vehicles approved for operation as taxi cabs to include at least one model of hybrid vehicle. "Any option which will decrease our dependence on foreign oil should be seriously considered and these taxis will do exactly this," stated City Council Member Peter Vallone. Once the legislation comes into force it could take as little as a few months before we can see yellow Ford Escapes, Toyota Highlanders or Lexus

RX400s running in the streets of Manhattan. Jack Hidary, chair of CAST and the newest member of the Set America Free Coalition, said: "When New York City converts to hybrid taxis, we will once again set an example for other cities around the world." He's right. Remember Sinatra's song? If we can make it here, we'll make it anywhere!



**We need your support.
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Spreading the word.

Congressman Jim Gerlach, (R-PA) hosted two energy policy meetings to address the country's need to become less dependent on foreign oil resources. Dr. Gal Luft, executive director of the Institute

for the Analysis of Global Security, spoke to the audience about the importance of using a wide variety of domestic energy resources rather than funding with our oil dollars Middle Eastern countries that sponsor terrorism.

Anne Korin, co-chair of the Set America Free Coalition, addressed an energy policy conference hosted in Aspen by the New Century Transportation Foundation ([NCTF](#)).

The House Armed Services Committee invited Coalition members Frank Gaffney and James Woolsey to testify on July 13 on the national security implications of the merger between Chinese oil company CNOOC and U.S. oil company Unocal.

Frank Gaffney will be participating in a panel on [The Coming Energy Wars: A 21st Century Time Bomb?](#) at the Heritage Foundation on July 14.

Gal Luft will be speaking at a briefing in the House of Representatives on [Biofuels and the Energy Bill: Opportunities for Reducing US Oil Dependence](#) on July 14.

With your help we can keep building support to take action now. If you would like to organize a Set America Free event in your community please contact events@setamericafree.org

[Press clippings](#)

THE SET AMERICA FREE COALITION brings together prominent individuals and non-profit organizations concerned about the security and economic implications of America's growing dependence on foreign oil. The coalition, organized by the Institute for the Analysis of Global Security (IAGS), promotes a blueprint which spells out practical ways in which real progress toward energy security can be made over the next several years.

Find us on the web at <http://www.setamericafree.org>