

# Energy: Manhattan Institute Position Paper Advocates Three National Energy Initiatives



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The Manhattan Institute (“Institute”) issued a Position Paper advocating that the incoming Trump Administration consider three energy initiatives stating in part:

U.S. energy policy needs a rethink. More specifically, it is time to emphasize nuclear power and de-emphasize government mandates and high-cost, inefficient subsidies to other energy sources. . .

The Institute describes itself as a “leading voice of free market ideas, shaping political culture since our founding in 1977.”

The three initiatives advocated by the Institute include:

1. Expand and enhance America’s nuclear energy sector
2. Repeal the renewable fuel standard (“RFS”)
3. Repeal the tax credit for electric vehicles

As to the recommendation regarding nuclear power, the Institute states in part:

The new administration should move to preserve existing reactors and pave the way for the next generation of safer, cheaper reactors. Keeping existing reactors operating will require financial help, via taxpayers, for some of them. Those subsidies will help the U.S. maintain a diverse set of electricity-generation assets.

The Institute’s concerns about the RFS include:

Several recent studies. . .have found that corn ethanol not only raises fuel costs considerably; it is also worse for the climate than conventional gasoline. DeCicco determined that the amount of atmospheric carbon dioxide absorbed by plants offset only a fraction (37%) of the carbon dioxide emitted by the combustion of biofuels.

The Institute argues that the tax credit for electric vehicles will “have virtually no impact on America’s need for oil. . . “. Electric cars are characterized as a niche product “sold almost exclusively to the affluent” and that a 2012 analysis of the federal tax credit by the Congressional Budget Office concluded:

. . .that the subsidy will result in little or no reduction of the total gasoline use and greenhouse gas emissions of the nation’s vehicle fleet.

[A copy of the Institute’s report can be downloaded here.](#)

