

## [Even Obama gets it](#) [1]

Written by [Jan Boucek](#) [2] | Thursday 26 January 2012

Recognising a great opportunity when he sees it, US President Obama has announced a series of measures to boost the demand for natural gas whose price there has recently plunged on surging supply due to ever improving extraction technology and rapid development of shale gas reserves.

Now, Obama's proposals may not quite meet classic market strictures for policy initiatives: he wants tax breaks for trucks powered by gas and grants to communities who have ideas for encouraging the use of natural gas.

But contrast that with the hemming and hawing over here about going after our own shale gas reserves. Not for us any cheap or cheerful solutions to high energy prices or a partial solution to any climate change agenda. No, we remain intent on crucifying ourselves to uneconomic windmills, leaving us twisting in the wind - when it blows but not when it blows too much.

We're all fretting about the need for a growth agenda to get us out of the current doldrums and this is an industry with huge potential for domestic investment and export opportunities, not to mention a welcome relief in the cost of living. Growth, jobs, exports, higher disposable income ? what's not to like?

Natural gas may not be the ultimate solution to any climate change worries but it's better than the alternative ? coal, petrol or fuel oil. However, we seem intent on making the perfect the enemy of the good. There's only two ways to effectively reduce carbon emissions: shut down the economy or spur its growth to generate sufficient funds for the required investment. Natural gas is a golden opportunity to accomplish the latter.

[blog comments powered by Disqus](#) [4]

---

**Source URL:** <http://www.adamsmith.org/blog/energy-environment/even-obama-gets-it>

### Links:

[1] <http://www.adamsmith.org/blog/energy-environment/even-obama-gets-it>

[2] <http://www.adamsmith.org/taxonomy/term/5819>

[3] [http://disqus.com/?ref\\_noscript](http://disqus.com/?ref_noscript)

[4] <http://disqus.com>