

intervention (such as price and allocation controls and mandatory demand-restraint measures) contribute to and exacerbate the adverse effects of fuel shortages. Furthermore, experience has shown that freely functioning energy markets not only are the most efficient allocators of supplies during emergencies but also reduce the likelihood of such emergencies."⁹⁴

Secretary Edwards left the Department to become president of the Medical University of South Carolina on November 5, 1982. Although he had not succeeded in the administration's planned dismantling of the Department, Edwards departed with a feeling of accomplishment. He noted several areas in which the Reagan Administration had made progress during his tenure as secretary. Among the more important activities were filling the Strategic Petroleum Reserve, reducing the Department's budget and personnel, continuing a strong energy research and development program, strengthening America's position relative to OPEC, breaking ground for the Clinch River breeder reactor, reaffirming the nuclear power option, eliminating or modifying more than 350 federal regulations, and stimulating the private development of synthetic fuels.⁹⁵ In his farewell to the National Press Club, Edwards observed that when he became secretary of energy in January 1981 "energy was one of our most serious national problems. That era is behind us. We are not yet out of the woods; neither can the U.S. nor its allies afford to become complacent. But the American people know that our energy problems are being controlled. We're less vulnerable today than at any time since we started importing large volumes of oil."⁹⁶ In effect, Edwards declared the era of national energy crisis over.⁹⁷

HODEL NAMED SECRETARY OF ENERGY

On November 5, 1982, President Reagan named Donald P. Hodel as the fourth secretary of energy. A native of Portland, Oregon, and a graduate of Harvard University and the University of Oregon law school, Hodel came

to the Department with extensive experience in energy administration. After serving three years as deputy administrator, Hodel served as the administrator of the Bonneville Power Administration from 1972 to 1977. Thereafter, he formed his own energy consulting firm, Hodel Associates, Inc., and became president of the National Electric Reliability Council.⁹⁸ Hodel served as under secretary of interior before his nomination by President Reagan as secretary of energy.

Hodel did not believe it was productive for society to tear itself apart on energy issues. He nonetheless felt strongly that energy policy was crucial to the future of the Nation. Long-term impacts on the American and world economy would be determined by how the administration handled energy policy and development. Hodel also stressed that an energy policy took precedence over specific energy organization. Although he did not advocate dismantling the Department, Hodel believed that the Department's functions could be transferred to or merged with another agency, most suitably the Department of Commerce or Interior.

What proved relatively easy to put together during the energy crisis of the previous decade proved politically impossible to undo in the 1980s. The Reagan Administration found little support in Congress for its plans to dismantle the Department of Energy. The question of what to do with the Department's nuclear weapons program became a major obstacle to all plans. Suggestions to place the nuclear weapons program in the Department of Defense met with strong congressional opposition. The nuclear weapons program had been under civilian control since the Atomic Energy Act of 1946, first in the Atomic Energy Commission, then in the Energy Research and Development Administration, and finally in the Department of Energy. Moreover, placing the nuclear weapons program in the Department of Commerce or Interior did not receive widespread support in Congress. Nor was there support for creating an independent nuclear weapons agency.⁹⁹

Hodel remained confident, however, that the Reagan Administration had achieved most of