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Turning ourselves green

By J Dwight , Populist Economics

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There has been much press and advertising lately about "green jobs" being, or about to be, created by construction of wind farms and other renewable energy sources. President Barack Obama, in fact, has used Spain as a model for pursuing sustainable energy projects.

But for every four green jobs created in Spain, less than one was made permanent, according to a study released by Spain's Universidad Rey Juan Carlos in March 2009. Spain's experience also shows for every permanent green job created, nine permanent jobs were destroyed. Creating green jobs, then, is touted as a "Bridge to the Future," but it looks like a "Bridge to Nowhere."

Maine faces a similar, if not more tenuous, situation than Spain.

A report released last week by the American Center for Capital Formation noted that Maine could face an additional 6,000 to 9,000 job losses if federal "cap and trade" legislation is passed, the mechanism by which many of these green jobs will be created. Cap and trade, essentially, would tax emitters of carbon dioxide, and use the revenue — about $15 billion — to fund renewable, sustainable energy development.

Maine's most recent unemployment figures say there are about 59,000 now, up from 37,000 a year earlier. There are approximately 700,000 people total in Maine's workforce, for an unemployment rate of around 8.4 percent. Passing cap and trade could drive Maine's unemployment rate above 10 percent, adding about 7,500 to the ranks of the unemployed.

To do this in a deliberately destructive government policy would be simply unacceptable.

Cap and trade legislation that uses Spain as a model for the United States will be considered this fall by the Senate. Reps. Chellie Pingree and Mike Michaud have already voted yes on such legislation, earlier this summer.

Heavy electricity users like L.L. Bean, National Semiconductor, Fairchild, IDEXX, and others could face steep increases in energy costs in the near future, if this legislation is passed. Their

employees would face further downsizing, or cuts in benefits, as new rules are implemented.

These companies already are dealing with higher than average electricity costs, because of legislation like the Regional Greenhouse Gas Initiative passed a few years ago. The United States could also face a situation where much of our steel, aluminum and metallurgy — which takes a great deal of electricity — would be outsourced to countries like Brazil, China and Australia, which are opting-out of such economically destructive policies.

The report on Spain's experience noted that tax credits, government debt, and electricity rate increases were used to spur development of renewable or sustainable energy sources. This is just like the Obama administration and organizations like the Natural Resources Council of Maine are pushing in Maine.

The intentional misallocation of societal resources in the form of tax credits for construction, higher utility costs, and government debt, have put Spain behind in the race for new and innovative ways to solve the energy demand, and in the ability to recover from the current recession.

For every megawatt of wind-power constructed, permanent back-up power sources are needed. Wind and solar power are not reliable electricity producers. They are kind of like alcoholics in the workforce — always calling in sick just when you need them, forcing more reliable workers to pick up the slack.

Spain's experience also showed that spending societal resources on wind power actually increased its carbon-footprint. Ironically, Spain's annual emissions of carbon dioxide have increased by nearly 50 percent since the launch of the subsidized "green jobs" program, as noted recently by the Institute for Energy Research, the U.S. Energy Information Administration (EIA). Conventional fossil fuel energy sources were needed to keep electricity flowing when the wind abated.

Groups like the NRCM claim, "Wind power emits no mercury, no air pollution, no carbon dioxide, no need to mine coal, and alleviate the demand for natural gas!" But the experiences of countries that have actually invested heavily in wind power like Spain, Germany, and Denmark prove the opposite.

The National Post has reported, "Denmark, the most wind intensive country with 6000 turbines generating 19% of electricity from wind power, they have not been able to close one fossil fuel plant and to their dismay, 50% more electricity was needed to cover wind's unpredictability, and CO2 emissions rose 36%."

"Niels Gram of the Danish Federation of Industries says, "windmills are a mistake and economically make no sense." Aase Madsen, the Chair of Energy Policy in the Danish

Parliament, calls it "a terribly expensive disaster."

"The German experience is no different," reported the National Post. Der Spiegel reported that "Germany's CO_2 emissions haven't been reduced by even a single gram," and additional coal and gas-fired plants have been constructed to ensure reliable delivery."

So, if wind power does not decrease the use of coal or gas, does not decrease CO_2 emissions, does not produce permanent job gains, and in fact destroys jobs, increases electricity costs, and increases CO_2 production, what does it do?

One begins to wonder if cap and trade is the equivalent of economic self-mutilation.

J. Dwight is a SEC registered investment adviser and an advisory board member of the Maine Heritage Policy Center. He lives in Wilton. E-mail jdwight@gwi.net.