

A New Energy Economy

Despite economic headlines to the contrary, the future is looking bright. A recent report from the Earth Policy Institute could be described as positively sunny. Lester Brown, the Institute's guru, is generally known for alerting the world to the serious situation of resource depletion, food scarcity, and climate change. But for a refreshing change, read what he had to say on October 15th:

"...a new energy economy is emerging in the United States. The old energy economy, fueled by oil, coal, and natural gas, is being replaced by one powered by wind, solar, and geothermal energy. The transition is moving at a pace and on a scale that we could not have imagined even a year ago."

Thanks to a provision in the bailout package, that transition is getting stronger: homeowners, industry and businesses can now receive tax credits for a full 30% of the cost of their alternative energy installations. This opportunity is available for the next eight years, and is sparking a cascade of investment in renewable energy at both large and small scales. Our government is finally beginning to shift incentives from fossil fuels to solar, wind, and geothermal. This is good news. It is this sort of reworking of our energy system which should give us hope despite the current economic turmoil - hope for green jobs and industry in the coming years, as well as a more bearable level of climate change.

As recently noted by Nicholas Stern, former British Treasury economist, "The risk consequences of ignoring climate change will be very much bigger than the consequences of ignoring risks in the financial system." In fact, what we do today has repercussions for the climate which will last centuries and more. But the rapidly emerging energy transition is hopeful; we are beginning to develop a system which will not harm the climate, and will use resources that cannot run dry or be controlled by another country. A more stable economy can be built based on a model that works progressively with the planet's systems, rather than against them. We are finally learning to be smart about energy.

At a conference at Baldwin-Wallace last week, business leaders from Sherwin-Williams, the Great Lakes Brewing Company, Forest City (development and real estate), and LubeStop, were asked if the economic downturn would affect their sustainability plans. Their answer was unanimous: "Why would we go back?" Why turn back from a business plan that is more profitable, better for the community, and better for the earth? The keynote speaker, Stuart Hart, recently published a book emphasizing the new direction: "Capitalism at the Crossroads: Aligning Business, Earth, and Humanity." As he points out, this is a time of great responsibility and great opportunity. The businesses which will succeed are those who are out in front, seeing the change coming, and finding the opportunities to better the world and its people, as well as their bottom line.

NE Ohio is waking up to the possibilities, and shedding its rust - Cleveland was recently ranked as the 16th "greenest" city in the U.S., in part due to the companies mentioned above. What about Alliance? The Farmers' Market was a success - what other business and industry opportunities are emerging that could improve profits, our community, and the Earth? Alliance

has manufacturing facilities, and great rail access – there are significant opportunities to be a part of the emerging renewable energy effort.

However, the success of this new effort will depend on leaders in industry and government who understand the emergent renewable energy economy, and will not rely primarily on old technologies and polluting, high-risk fuels whose time is passing (a hint - more oil is not the answer). In industry, Google and GE have teamed together to offer a plan for a new “smart electric grid.” Now we need the political will to help facilitate such an effort. Lester Brown, of the Earth Policy Institute, stresses the point: *“To ensure that this shift to renewables continues at a rapid rate, national leadership is needed in one key area—building a strong national grid. Although private investors are investing in long-distance high-voltage transmission lines, these need to be incorporated into a carefully planned national grid, the electrical equivalent of President Eisenhower’s interstate highway system, in order to unleash the full potential of renewable energy wealth.”*

The future is looking brighter. It may not be easy, but it is hopeful. In a few days we have the opportunity to vote for a national leader who will make energy the first priority - who has the vision for rapid deployment of renewable energy and the smart grid that will be required for this new energy economy. Our economic health depends on it. Our jobs and national security depends on it. And ultimately, the climate of our planet depends on it.

Check it Out:

The Earth Policy Institute: <http://www.earth-policy.org/>

Capitalism at the Crossroads, Second Edition: Aligning Business, Earth, and Humanity, by Stuart L. Hart, see at

Earth, the Sequel, by Fred Krupp and Miriam Horn, see at <http://earththesequel.edf.org/>

Google’s proposed energy plan: <http://knol.google.com/k/-/-/15x31uzlqeo5n/1#>

Entrepreneurs for Sustainability (E4S): <http://e4s.org/content/index.asp>