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Improving Our Green Job Prospects
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On the one hand we have a deepening economic recession, a mortgage and debt crisis, and rising unemployment. On the other hand is the growing energy and climate crisis, shadowed by the specters of peak oil and planetary meltdown. Rising prices for energy, food and health care are hitting the poor and middle class hard. We have ourselves in guite a mess.

No one has all the answers to these problems, but there is one answer that everyone with any sense embraces as a necessary first step toward a permanent solution: we must create green jobs in the renewable energy and energy efficiency industries. But despite that clear path forward, somehow the political will is not there yet and our prospects for a green jobs program in 2008 do not look very good.

When you've got as many complex problems as we do, you have to make sure that your solutions are multi-dimensional and address as many facets of the problems as possible. That is why the economic stimulus package passed on February 8 was such a lost opportunity. For a mere \$5.5 billion on top of the \$168 billion package that passed, Congress could have extended the about-to-expire tax credits for renewable energy and added some new home energy efficiency credits. These measures would have kept the renewable energy job engine roaring along and put some contractors to work right away installing better insulation and more efficient appliances in homes.

Failure to extend these tax credits threatens the momentum of the fast-growing renewable energy industry. The head of the American Wind Energy Association, Randall Swisher, said: "With 116,000 jobs and nearly \$19 billion in investment at risk in the renewable energy industries, the minority of the Senate has again frustrated the desire of millions of Americans across the political spectrum who overwhelmingly support clean, homegrown energy."

Job creation is the only real answer to the recession, but all we got was a short-term handout that won't do much at all to stimulate the economy, and Americans know it. An AP poll found that most people think that the best way to help the economy would be to pull our military out of Iraq, freeing billions of taxpayer dollars to meet pressing needs at home.

Only 19 percent said they would go out and spend the money when those \$300 to \$1,200 rebate checks arrive in May, while 45 percent said they would use it to help pay their bills. Paying off the mortgage and the credit card means that ultimately the biggest beneficiaries will be banks and mortgage companies. Since the tax rebates will increase the federal deficit, the overall effect will be to trade personal debt for national debt. Even if this works as a short-term stimulus, far more is needed for the long term.

Far more is needed because this is not a "business as usual" recession. In an interview with financial reporters at Energy Tech Stocks, the "Dean of Wall Street energy analysts," Charles T. Maxwell, predicted that peak oil will arrive sometime in the next two to seven years. Oil will shoot up to the range of \$300 a barrel, pushing pump prices to \$15 a gallon. Maxwell said that unlike past recessions, "This will not be six months of hell and then we come out of it."

A growing chorus of oil industry insiders and even CEOs of major oil companies are beginning to publicly agree with this assessment. But most American politicians - including the presidential candidates still in the running - have so far failed to acknowledge the imminence of peak oil. Without that acknowledgment, green jobs are seen as a nice thing for people and polar bears, but not as what they truly are - the only lifeline that can save a civilization about to founder on the rocks of peak oil.

Ignoring peak oil is a huge mistake.

Charles T. Maxwell is not optimistic about our green job prospects. Energy Tech Stocks characterized his thoughts this way:

"Princeton and Oxford-educated Maxwell believes that if the Democrats are in power, their core constituencies - farmers, workers and intellectuals - will be ranged against one another, resulting in an impasse. If the Republicans are in power, he expects whatever 'solution' they come up with to be politically untenable because it will be premised on people with money continuing to consume as before, with the have-nots expected to do without."

Maxwell's assessment of the Republicans is indisputable. The Bush-Cheney record speaks for itself, as does the <u>John McCain record</u>. McCain played a linchpin role in the two most recent Republican filibusters of renewable energy programs. He failed to show up and vote for the strong version of the energy bill in December when the Democrats had 59 votes for the bill and McCain's vote for renewable energy would have ended the filibuster. On February 6, McCain did it again - went AWOL when the Democrats

had 59 votes to add green jobs to the stimulus package. Not only that, but according to the Sierra Club, his office is lying about the vote, claiming that he voted for clean energy when he did not.

Sadly, Maxwell may also be right about the Democrats, at least for now. Between auto workers and oil patch Democrats, the party has a lot of complicated agendas to balance. They also have political points to score that may help with the fall elections. But given peak oil and the ever-worsening news about climate change, we can no longer afford politics as usual.

Right now the Democrats are putting America's renewable energy industry at risk by failing to move an extension of tax credits for the wind and solar industries. On February 13, in a sign that the situation is becoming critical, more than 350 leaders and CEOs in the renewable energy industry called on Congress to extend the tax credits by March 1, 2008. The group of leaders warned that without immediate passage of the extensions, Congress will jeopardize 42,000 megawatts of planned renewable energy projects currently in development in 45 states - an amount equivalent to 75 new base load power stations.

House Democrats have told reporters that they intend to introduce a new package of renewable energy supports that would include the tax credit extensions. They would offset the cost by repealing about \$17 billion in tax breaks for big oil. While it makes a lot of sense to repeal those tax breaks (Exxon earned record profits last year of \$40.6 billion - do they really need another couple of billion in tax breaks to keep them afloat?), it won't do anything to help the renewable energy industry.

Ending tax breaks for big oil is surefire filibuster-bait and veto-bait, as Democrats learned when they had to pull the package from the December energy bill in order to get the bill passed and signed into law. Solar energy lobbyist Scott Sklar said that renewable energy industry leaders are frustrated. He questioned the priorities of Democrats and said, "It is more important to have a vital clean energy industry than to deal with some of those *sub rosa* issues [ending tax breaks for big oil] that in the end you might not be able to change at this time."

Sklar said that while renewable industry leaders are "trying to be polite and not burn any bridges," his view is "you can't crow about climate change and you can't crow about economic development and you can't crow about us losing jobs to Europe and Japan in clean energy and fail to pass the tax incentives. It is absolutely unacceptable."

If Congress can raise the national debt by \$168 billion for a short-term economic stimulus, why can't it indulge in a little deficit spending on something that might actually strengthen the economy for the long term?

Sklar wants the Democrats in Congress to move on a stand-alone bill without trying to offset the costs. What's needed, he says, is a bill that covers the entire clean energy industry, starting with tax credits for wind, biomass and solar.

"They also need to support the technologies they've left out of other bills," he says, "such as solar daylighting, combined heat and power, geo-exchange, small wind, and the water energy technologies, which are tidal, wave, free-flow hydro, ocean thermal and ocean currents. And get it done this quarter."

I asked Sklar if there was any hope of the Republicans going along with this policy. His answer was:

"I believe actually they would. That would be the test of the Republicans. They don't want it at the expense of the oil industry - fine - let's just pass it as good for the American people. I think both parties should be judged on that. Otherwise, frankly, none of them are really concerned about the aforementioned issues that they all whine about."

The lesson is that if we want to improve our green job prospects, we can't be shy. We the People need to insist that our representatives face reality and act now to create green jobs.