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News that matters by Mae Lee Sun

Obama's Energy Plan: Do emerging technologies and a green economy mix?

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By Mae Lee Sun

Yes he did and I was there. In that human sea of two million on a sunny, 20 degree day in D.C. to testify to the fact that indeed, a small group of thoughtful, committed citizens, neighborhood to neighborhood and email to email, can in fact change the world.

Although awe inspiring in it's historic ramifications, as tiny American flags were waived in the air and babies of all colors were held to the sky in homage to a brighter, more culturally, racially and economically diverse future, and while I cried, my friends cried and the whole darn mass around us cried, the Inauguration of the first black president went far beyond a kumbaya moment. That would trivialize the power of the people who, one by one, felt they had voted for change, hope and what is in the best interest of humanity over self-interest, fear and planetary destruction.



Photo by Carrie Abels

So now that it seems we've picked the right person for the job, who and what is responsible for translating our voted for hopes and values into action? Action that will bring forth the dream of a sustainable future and green economy? And how long is this plan going to take? After all, our new president is just one guy, albeit a truly exceptional one. But he has neither the time nor ability to clone himself into a mass of thousands to execute the task at hand- putting one million hybrid cars on the road that get 150 miles per gallon on the road

by 2015; to implement cap-and-trade to reduce greenhouse gas emissions 80 percent by 2050; to create five million new (green) jobs by investing 150 billion over the next 10 years into private business to build clean energy; and the list of initiatives he's committed to goes on.

Bill Snape, senior counsel based in D.C., for the Center for Biological Diversity, remains hopeful that the progressive environmental platform and promises that Obama ran on, will come to fruition. But he's also skeptical to what degree it will actually be green vs. green washing due to the other kind of powerful force-business- that he says has and always will be at the forefront of the Washington political scene regardless of whichever party has taken office.

"I'm going to state the obvious. The last eight years (of the Bush administration) have been a complete environmental disaster and a failure from an energy perspective. A lot of resources were funding Bush and Cheney who were oil men and locked into dinosaur-like thinking but I'm laying this out as a premise. Now we have this president who really does represent 'Hope' because he gets the big picture, he gets that we have to look at creating new jobs and new forms of energy. He picked a cabinet who understands the issues. That said, the real significant questions are how the Democrats and moderate Republicans are going to go about making these changes- but at least we aren't in the state of denial of the last eight years," says Snape, adding that his major concern is where the money for green technology and jobs is going to go and how it's going to be tracked.



Photo by Carrie Abels

For example, Snape wonders if the Obama administration's upcoming CAFE standards and endangered species/global warming rules will be governed by the best available science or by the oil and gas industry who compromise to the lowest common denominator. The same question holds true with regard to any global warming bill that Congress eventually passes.

With a stimulus package that's in the billions and a document that approximates 1600 pages, who's to know what's really in it? As a veteran of the Washington political scene, Snape says backroom deals are commonplace, promises with large price tags are made and that in itself makes it impossible to monitor and accurately manage that huge of an undertaking that won't be complete until several years from now.

"It's an incomprehensible amount of money. Some of that money will go to the very industries that caused the problems in the first place, (oil, gas, auto) and not the ones' who are committed to energy efficiency," he says, arguing that both Democrats and Republicans are involved in the collusion and that when it comes to down to business, it's just how D.C. works.

"It's (D.C.) greased with money and it's how everyone is kept happy and gets their piece of the pie...even many environmental groups will be happy with any little change because they're so fond of working with

Obama and feel he can do no wrong. We all feel a sense of hope but he's not a messiah. He's bound by political processes and he needs to be pushed."

Henning Matthaei, managing director of Wind Power Planners, a cutting edge wind technology firm, based in Hamburg, Germany, prays this isn't the case. He says that many Germans and much of Europe have faith in the Obama energy agenda and feel that significant changes can happen through the new administration that would have positive consequences across the global economy. Matthaei has hopes of bringing a successful German-based system of fixed pricing for power purchasers to the U.S., specifically to the southwest and New Mexico where wind is abundant and other resources, like water, are scarce. As a successful entrepreneur, with founder and fellow German, Lorenz Berends who has built wind farms in France, Germany and throughout Europe, Matthaei wants to help the U.S. plan, build and maintain wind power utilities. He says it would be a safe investment and one that would stimulate a sustainable, green economy with the development of a green grid; transmission lines, wind power, solar power and electric cars.



Photo courtesy of Wind Power Planners

"Even before Obama was elected the U.S. planned on developing 20 percent of its power from wind energy by 2030...it's a multi-billion dollar business all over the world. We (Germany) are a leading source for sustainable systems but just don't have a lot of open space in Germany left- but we know the technology and can assist in bringing it to the U.S. Places like central New Mexico have a lot more wind in relation to the proportion of inhabitants it could serve so there is a much bigger potential here," he says, adding that wind resources in New Mexico alone are estimated to be around 50 GW.

Even so, PNM, the state of New Mexico's public utility company, has received requests for interconnection from planners for up to 2000 MW- the equivalent of nearly four nuclear power stations. According to Matthaei, that is a "kick in the ass for anybody who has environmental concerns" because he feels wind power can be developed decentralized and be in harmony with nature and its inhabitants. "That's why we (WPP) develop much smaller wind farms and keep in contact with the concerns of people who live around them," he says.

Matthaei feels one of the biggest power struggles however, is money and politics much in the way Snape asserts. Even if you're smart, talented, care about the environmental impact of sustainable energy development and even if you've got technological expertise like WPP, breaking into the energy market, green or otherwise, is hard. The bigger, existing players in U.S. and global energy dominance, like BP (aka Beyond Petroleum and formerly British Petroleum), have been able to lease enormous tracks of land from the U.S. government, like they did with oil drilling, to keep the smaller players like WPP, out. Since BP is one of the largest energy and oil corporations in the world, operating in over 100 countries with an annual revenue close to 300 billion dollars, is there room for a so called green economy that is truly value-based, to emerge unscathed and separated from politics, big business and profit? Is that all bad?

Gary Hirsch, chairperson for Vistage International in Tucson, a private, executive think-tank of CEOs from small to medium-sized businesses locally (and much larger worldwide) says that profit doesn't have to be a four letter word when it comes to implementing energy and environmental policies. Having worked for an energy company in D.C. prior to moving to Olympia, Washington, and then settling in Tucson over four years ago, Hirsch asserts that profit in and of itself is not bad and the real question is whether it's obtained in a way that benefits society as a whole, regardless of what size the company is.

"A bumper sticker in an Olympia food coop parking lot said, "Profit is Theft." That's utterly ridiculous. Profit is reward for risk, for thinking smart and for being ahead of the curve with new ideas for products and services. We need to remember that 75 percent of the jobs created in the US each year are created by small to medium sized businesses, not by the giants that make the news daily but by the businesses founded, owned and quietly operated day-to-day by your neighbors. These businesses may employ from a handful to more than 500 people who can count on a paycheck and benefits for each day they work. For many, their loyalty and commitment are without question, but we can't compare that with the concerns of the owner who every single day must be thinking about whether there will be enough cash to make payroll, keep the lights on, pay suppliers and fund benefits. Profit, when it's there, is the reward they get for juggling this load every single day," says Hirsch.

From his experience in working within both the public and private sector, Hirsch also feels that this is an enormous responsibility and for the most part, this business population is scared that the current administration will add regulatory and tax burdens that take them past the breaking point—the point at which he says they say "It's just not worth it any longer," particularly as they are forced to lay off competent, dedicated workers just to keep the doors open. "And many of the business people I meet and work with day to day claim they are drawing nearer and nearer to that point." So how is it that entrepreneurial green guys like Matthaei realistically become part of the new green economy, one not controlled by huge, corporate profiteers who may overlook environmental and social concerns? It almost seems a double-edged sword if what Hirsch asserts is true. And what kind of position does that put Matthaei and Snape in as each try to lobby for greater governmental accountability and equitable spending on the development of green energy programs?

Hirsch asserts that lest we err by casting the small business owner as ultraconservatives, they are actually a rather diverse group- as represented by Matthaei and WPP. Many clearly share the social and environmental agenda of the current administration and share the national pride of electing an African American president. But, as Snape mentioned earlier as well, there is a great deal of concern within the business community at large about the extent and efficacy of planned government spending. The question essentially comes back to where and to whom is all this money going to go?

"Business owners believe that they will be the ones called on to pay the lion's share of the costs without necessarily deriving benefits, even as their cost of doing business mounts. They question the wisdom of omitting "buy American" clauses from the stimulus bill and like most Americans, view much of the bailouts paid to date as folly.

Do we paint a picture of the business owner as self-interested? Of course we do. Policy is a balance of represented self interests. But for the small to medium sized business owner who has been called "the engine of American business" they question whether under this administration their interests and the extent of their contribution to society and the economy will be adequately represented," says Hirsch.

And even with a commitment to transparency in government under the Obama administration, only time will tell if the green economic growth we'll be referring to is what gets passed from pocket to pocket.

Mae Lee Sun is a local freelance writer