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Breaking Ground on the New Green Deal

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Guest post by Prof. Erin Ryan, Associate Professor of Law at William & Mary

Reluctant members of Congress, listen up. You’ve tried bailing out the past. It’s time to bail in the future.

Now that we’ve pumped trillions into failing industries that drove economic growth on little more than a ponzi scheme, it’s time to invest in an economic engine that will propel us toward real progress—creating real jobs and alleviating real problems. Recognizing the stakes for our economy, security, and leadership in the world, President Obama campaigned (and won) on a promise to invest $150 billion in a clean-energy economy. Now that his stimulus proposal follows through with billions for electricity industry remodeling and private investment in renewables, it’s time to fall in. The stimulus package you are holding hostage is the down-payment on a new deal with the American public that finally takes on the Gordian knot of climate, energy, and environment. Don’t blow this for us.

Like the old New Deal, this new Green Deal will rescue the free-falling economy by investing in infrastructure that creates jobs and repositions American industry toward new kinds of growth. In the 1930s, FDR built a national network of roads, bridges, and parks, connecting producers and consumers, enhancing national security, and protecting natural resources. Today’s mission is exactly the same, but this time the infrastructure that can accomplish it will enable alternative energy generation, storage, and transmission. Sure, you could pass tax cuts instead, but if they don’t work, we’re left with a fistful of nothing. Investing in infrastructure gets people hired to build it, and the worst case scenario at the end of the day is a tangible bedrock for future economic growth.

The change we’ve come to believe in will require federal investment in R&D, mass production that employs workers without PhDs, and regulatory interventions to price carbon emission, reward efficiency, and decouple utility profits from the volume of energy customers use. Still, we can start by simply building more generators to harvest energy from sun, wind, tidal, geothermal, and other clean renewable resources. Wind and solar may never shoulder the full burden of our demand, but their underappreciated synergy can surely facilitate the transition. Sun is most prevalent during summer and daylight hours, while winds are stronger in winter and at night. Instead of fixating on their limitations alone, let’s create 21st century infrastructure that partners them for more continuous supply (while also insulating 20th century homes).

Utilities may balk at such capital-intensive projects, but that’s where the stimulus comes in. After throwing $750 strings-free billion at failing banks, surely we can channel a few toward the development of an industry that could reseat America at the forefront of the global economy, by creating a product the world really needs. (Compare the credit default swap.) If nothing else, get the auto industry on it. Let the Big Three sing for some
supper.

We can learn from nations that already use metropolitan-level alternative power stations, but as the President recognizes, we must lead in the creation of a smarter grid to move this energy from remote regions where it is most abundant to the urban centers that most need it. Part of the answer lies in more efficient lines to relay power for use elsewhere, and part involves better means of storing excess energy for use later, in batteries or by conversion into hydrogen fuels. New storage technology is the rate-determining step, but the grid should also enable non-peak pricing (like the phone bill), to reduce demand on generators during business hours.

Renewable-sourced electricity can also replace transportation fossil fuels—but for that, we'll need to retrofit the highway system with new fueling infrastructure, constructing battery-charging and alternative-fuels filling stations at regular intervals. Regulators long ago identified the chicken-and-egg want of infrastructure as the bottleneck impediment for air quality progress: Without means to refuel, customers won't buy alternative cars. Without an established fleet of alternative vehicles, private industry won't invest in infrastructure to refuel them. Enter the green WPA, now in public-private partnership. Let it also lay more tracks for high speed and light rail, further reducing airline and auto emissions. The crisis that has focused Americans’ hopes on agile government intervention provides opportunities for exactly these massive undertakings.

As Obama’s turnaround on the CA waiver acknowledged, the federal government must harness the initiative shown by states and cities, which have exemplified the federalism ideal as laboratories for green innovation. Some mandate portfolio standards requiring utilities to draw a percentage of output from renewables, while others mandate efficient government buildings and alternative-fuel fleets. Some have even created regional carbon markets to fill the federal void. Energy solutions are regionally specific, so it makes sense to work with local initiatives before supplanting them with a one-size-fits-all solution that really doesn’t. The states will help us tap the potential of wave energy in coastal areas, wind where it blows best, switch grass where it grows, and sun where it always shines.

But national change requires regulatory and technical standardization that only you can effect, and states lack the resources you control (for example, in the proposed stimulus package). Don't forsake this singular opportunity to turn crisis into creativity when it is most needed. Make energy infrastructure the engine for economic recovery, and we'll end up in a place far better than we started.

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