

## Thomas Mitchell



# 'Green-collar jobs' choking every other livelihood

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With 177,000 Nevadans out of work and many thousands more underemployed or not looking for work, any job holds a certain appeal -- be it white-, blue- or green-collar.

But those green jobs may be pipe dreams.

Senate Majority Leader Harry Reid claims various stimulus bills and renewable energy subsidies already have created 340 permanent clean energy jobs in Nevada and that dozens of heavily subsidized or loan-guaranteed projects on the drawing board will create 3,000 more -- hardly a Band-Aid on the hemorrhaging unemployment rate in this state. (Reid's re-election campaign received generous donations from green power lobbyists.)

Rep. Shelley Berkley, D-Nev., says, "Tapping Nevada's solar, wind and geothermal energy resources will not only create more jobs, it will also boost America's energy security and help to diversify our state's economy. Unfortunately for Nevada, if the Republican House leadership is not stopped, their plan will cost the Silver State an additional 6,000 jobs at a time when we already have double-digit unemployment in Las Vegas and other communities across our state."

President Barack Obama has harped on this subject repeatedly. "As we recover from this recession, the transition to clean energy has the potential to grow our economy and create millions of jobs -- but only if we accelerate that transition. Only if we seize the moment," he has said, by which he means prop up the green energy companies with tax subsidies because no private businessman or banker in his right mind would risk their own money on projects to generate electricity at triple or more the cost of fossil fuel power.

Stephen Brown, a UNLV professor and director of the Center for Business and Economic Research, noted, "In general, green energy is driven more by policy than by markets."

As such, Brown observed that Nevada is in fact well-positioned to take advantage of green energy, not because of the market, but because of the policies of Nevada and California that require more than a quarter of all electricity consumed in each state to soon come from renewable resources.

But whether such a taxpayer and ratepayer investment in green energy generation will produce jobs is not so easily determined. "As an economist, I find it difficult to count jobs," Brown says. "The economy tends toward full employment."

Others are outright negative about the promises of green employment and calculate more harm than good will come of it.

The Cato Institute recently published a book by four experts in economics and law titled "The False Promise of Green Energy," which analyzes the underlying assumptions about green-collar jobs.

To begin with, the book notes any future jobs speculation is built on questionable data about the number of current green jobs. They say the figures are "problematic because they are based on opaquely calculated estimates by parties with an interest in the results," such as the American Solar Energy Society and the environmental activists at the United Nations Environment Programme and the Worldwatch Institute.

UNEP claims that globally, some 300,000 workers are employed in wind power, "perhaps" (their word) 170,000 in solar photovoltaics and more than 600,000 people are employed in the solar thermal sector. The U.N. group wildly speculates by 2030 the world will have 2.1 million jobs in wind energy, 6.3 million jobs in solar photovoltaics and 12 million jobs in biofuels-related agriculture and industry.

The authors of "False Promise" see no end in sight for the tax subsidies that make renewables pencil out. They point out current subsidies per megawatt-hour:

-- Natural gas and petroleum: \$0.25.

-- Coal: \$0.44.

-- Geothermal: \$0.92.

-- Nuclear: \$1.59.

-- Wind: \$23.37.

-- Solar: \$24.34.

"Thus, if energy costs were to increase because of forced use of more expensive renewable energy," the Cato book says, "not only would the price of electricity rise, but so would the price of food, medicines, and consumer goods, such as cotton T-shirts. Those price increases would disproportionately affect the poor."

Others have calculated subsidized green energy actually destroyed jobs when the net effect of transferring capital from private hands into public handouts for selected power sources is taken into account.

Verso Economics of Britain found that for every job created by a huge wind project in Scotland, there were 3.7 jobs lost.

Spanish economist and professor Gabriel Calzada of King Juan Carlos University in Madrid estimated for every green job created other industries lost 2.2 jobs.

So how did we get to this point of environmentalist saviors, elected public servants and green entrepreneurs

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colluding to channel tax money into green ventures? The Cato writers have a theory. It is one borrowed from a Bruce Yandle article in 1983 in Regulation Magazine.

It is the Bootleggers and Baptists Theory, in which moral opposites combine forces to achieve an objective that serves both well. For example, Baptists demanded alcohol prohibition to protect the poor drunkards from themselves, while the bootlegger wanted prohibition so they could stay in business and not face competition from legal sales.

One group wants clean air to save the planet and the other doesn't want to compete in the free market for capital and with competitive electrical rates.

Are our politicians Baptists or bootleggers?

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