



China's Focus on Wind & Solar Could Make It Energy Independent by 2060

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China's investments in green energy — solar, wind, EV batteries, and clean hydrogen — could result in its energy independence by 2060, a Goldman Sachs report says.

“Our analysts believe a 50% cut in energy imports (by China) is possible by the early 2040s if renewable installations accelerate like they (are) forecast,” the report states.

“(Goldman Sachs) Research expects that renewable cost innovations will ultimately lead to lower energy costs for (Chinese) consumers. But it's also going to take a lot more spending — the projected increase in renewables and grid storage will require (an) investment of \$2.26 trillion by 2040. ... ”

Analysts expect manufacturing costs to drop as the scale ramps up in China. It is also believed that lower solar and wind costs will eventually make round-the-clock solar projects pencil out.

Roadblocks to China's Energy Independence

Two caveats accompany the 2060 prediction of Chinese energy self-sufficiency.

One, much as California must make huge investments in upgrading its electrical grid to realize its green energy goals, so does China. Two, write the authors, “China's domestic production accounts for less than 30% of its (copper ore) demand, and its reliance on imports leaves its green electrification efforts vulnerable to geopolitical disruptions.”

Is America Energy Independent?

Many politicians, including then-President Donald Trump, have trumpeted U.S. energy independence in recent years.

The truth is, we've never relied solely on our own energy production. This Cato Institute analysis explains why the U.S. engages in energy trading and also why that's a good thing.