

# INVESTOR'S BUSINESS DAILY

## ***Dream Of Green, Wake To Failure***

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Industrial Policy: The Obama administration promised a future with a clean, green economy. Instead, it's left us with failed government "investments" in projects driven by politics rather than prudence.

While campaigning for the presidency in 2008, Barack Obama swore he'd create millions of green jobs.

"We'll invest \$15 billion a year over the next decade in renewable energy, creating 5 million new green jobs that pay well, can't be outsourced and help end our dependence on foreign oil," he said that fall.

Three years into the Obama presidency, the country has yet to see a wave of green-collar jobs. What it has seen is government pouring taxpayers' money into pet projects that wasted the cash. A particularly sore example is Solyndra, which not only went bankrupt after taking in more than \$500 million in taxpayers' dollars, but also became the target of an FBI probe.

According to one analysis, at least 12 clean energy companies "are having trouble after collectively being approved for more than \$6.5 billion in federal assistance."

"Five have filed for bankruptcy: The junk bond-rated Beacon, Evergreen Solar, SpectraWatt, AES' subsidiary Eastern Energy and Solyndra," CBS News' Sharyl Attkisson reported last week.

Also in trouble, says CBS, are:

• Nevada Geothermal, which "was already having trouble paying the bills when it received \$98.5 million in Energy Department loan guarantees."

• SunPower, which "landed a deal linked to a \$1.2 billion loan guarantee last fall," yet now owes more than it is worth.

• First Solar, "the biggest S&P 500 loser in 2011," which has \$3 billion in taxpayer-backed loans.

Not listed by CBS is Willard & Kelsey Solar Group. The Toledo Blade reports that the Ohio company, which has raked in more than \$15 million in local government aid, said this week it was laying off 40 employees -- about half of its workforce.

This is a company whose CEO and chairman said would be employing 250 employees by the end of last year.

Nor did CBS list Green Vehicles, the Salinas, Calif., business that shut down after spending more than \$500,000 in city money; the flawed federal green weatherization program paid for by \$5 billion in stimulus funds; or the Johnson Controls plant in Michigan, toured by Obama, where \$300 million in conservation grants produced a mere 150 jobs.

Failed green energy programs aren't uniquely American. Der Spiegel reported this week, "For weeks now, the 1.1 million solar power systems in Germany have generated almost no electricity."

Why? "The days are short, the weather is bad and the sky is overcast." One would think the Germans would have considered their climate before sinking \$129 billion into a program some on Chancellor Angela Merkel's staff refer to as "a massive money pit."

Spain has had a similarly painful experience. For every green job that country created, it destroyed 2.2 jobs in the real economy.

Same in Scotland, where each alternative energy job has displaced four in the rest of the economy.

While the future of green jobs is still vague and dreamy, real jobs in the conventional energy sector are being killed by this administration.

Had the president approved the Keystone XL pipeline rather than scrap it, as many as 20,000 real jobs would have been created almost immediately.

That's just the short term. The Canadian Energy Research Institute estimates that by 2019, employment directly related to Keystone XL would reach 179,000.

Then there's the Perryman Group's review. Robert Bradley of the **Cato Institute** wrote in Forbes last fall that Perryman found that "across the entire economy, an increase in stable oil supplies," a benefit Keystone would provide, "would create 250,348 permanent jobs from gains in U.S. economic activity."

And none would have to be bought by taxpayers.

Unfortunately, the jobs will have to wait until the current White House occupant is replaced by someone who won't make a political decision on Keystone.

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