



Five Years Later, Granholm's Green Economic Vision has Failed to Materialize

Former governor said Michigan would be the capital of green energy

By Tom Gantert

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According to the press releases issued by the administration of then-Gov. Jennifer Granholm five years ago, Michigan's economy was undergoing a transformation.

In a June 2010 [press release](#), Granholm declared that the company LG Chem in Holland was making Michigan “a world capital for advanced batteries.”

In October of 2010, she said [in a press release](#) about a proposed biogas facility in Reed City that the state was being transformed into “the clean energy capital of North America.”

Five years later, plans for a biogas facility [in Reed City died](#) and LG Chem [was made to repay \\$842,000](#) from a federal stimulus grant after employees from the Holland battery plant were paid to watch movies, play games or volunteer at local non-profits.

The vision Granholm had for transforming Michigan’s economy has not materialized in this state from biogas to advanced batteries to solar and wind power.

In 2012, the Heritage Foundation [put together a list](#) of 19 federally supported green energy companies that filed for bankruptcy. Four of the nation’s top eight came from Michigan.

A Sept. 2013 report from another Granholm program called the "Centers of Energy Excellence" found that in 2008 six companies received \$188 million in federal money and another \$43 million from the state to create a projected 995 jobs by 2012. The subsidies supported activities ranging from an ethanol "biorefinery" to a "green" chemical manufacturer and production of "advanced" batteries for electrical cars. By 2013, the six companies [combined to produce just 44 full-time jobs](#). By comparison, Michigan’s economy created nearly 200,000 jobs in the first quarter of 2014.

“The failure of Michigan’s green energy programs is just one more illustration of a hard and fast economic rule: if people aren’t willing to pay for something out of user fees, it isn’t worth doing,” said Randal O’Toole, a senior fellow at Cato Institute.

