

The Muddled Attack on Solyndra Loan

September 23, 2011

Mijin Cha in Solyndra and green jobs, green jobs and stimulus, loan for solyndra, solyndra

Reading through the conservative commentary attacking the failure of Solyndra, and clean energy and green jobs in general, it seems there are two main criticisms: One, government **should never intervene** in economic matters to "pick winners and losers." Two, clean energy investment and green jobs are evil and horrible and responsible for the downfall of modern society. Okay, the last one may be an exaggeration but **not by much**.

Neither critique makes much sense. For starters, conservatives are anything but consistent about government's role in the economy. Republicans in Congress support all sorts of perks and breaks for different industries. For instance, there has been little objection from the right to a **\$3.4 billion loan guarantee** from the Department of Energy to Southern Company, a massive power company.

To be sure, more Republicans are coming out against corporate welfare, a position long embraced by **the CATO Institute, which calls for an end to** any federal support to businesses, removing protective trade barriers, and ending earmarks. But if conservatives are newly serious about going after corporate welfare, why start by picking on the fledgling clean energy sector -- which receives just **eight percent** of the subsidies that fossil fuels receive? Especially when China and Germany are pulling fast ahead in this area?

The second criticism is equally without merit. Investments in clean energy aren't a boondoggle. Quite the opposite, actually. Clean energy investments **create over three times** the number of jobs per dollar invested than fossil fuels and a recent **Google report** shows that aggressive clean energy development could generate \$155 billion in GDP per year by 2030. This number could grow much larger with federal incentives and mandates. Given that our GDP grew **just 1.3 percent** in the last quarter, we would miss out on a huge opportunity by not embracing a clean economic future. And, conservative lawmakers must believe in green jobs on some level because they **continually seek out** green jobs projects for their districts.

Of course, there is an alternative to government investment in clean energy: We could increase the price of carbon to a level that reflects the true cost of using fossil fuels and let the market figure out the rest. I'm not a fortune teller, but if that happened, I predict we'd see some serious *private* investment in clean energy technology.

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