

A Sustainable Environment: Our Obligation to Protect God's Gift

by
George P. Nassos

How Will the Current Economy Impact the Environment?

We all know that we are currently experiencing one of the worst economic downturns since, perhaps, the 1930's. This will certainly have an impact on many aspects of an individual's lifestyle. Housing prices are down and probably won't start to increase until next year or 2010. There are too many houses for sale and now there are even less buyers. People will probably put off buying a car, taking a nice vacation, driving less and even may be eating out less often. Will all this affect the environment in any way?

With a decrease in car sales along with people driving less, consumption of gasoline will go down – meaning less oil. This should drive down the price of oil. When the price of gas goes down, people have a tendency to drive more and perhaps think about keeping their SUV, or hopefully not, think about buying an SUV.

We shouldn't get too lax about lower energy usage at lower prices. Do you remember what happened after the 1972 oil embargo when there were lines of cars a block long waiting to buy gas? Some gas stations even limited how much you could buy. That was when EPA introduced the CAFÉ (Corporate Average Fuel Economy) standards for automobiles, which required average fuel consumption to increase from about 13.5 miles per gallon to 27.5 mpg by 1984. The price of gas went down, Americans started driving more, and they soon started purchasing cars and SUVs with large engines.

We have seen a similar decrease in the price of gas as a barrel of oil has gone from a high of \$147 in mid-summer to the current price (at the time of this writing) of \$71. We should not become lackadaisical with these somewhat low prices because they will not remain at this level. There are numerous factors that govern the price of oil with demand being one of the most important. Despite a current global economic crisis, the demand for energy (oil) will continue to increase rapidly with the growth of the BRIC (Brazil, Russia, India, China) economies. Even if these economies slow down, the demand for energy will continue to grow.

In January of this year, Congress finally increased the CAFÉ standards to 35 mile per gallon. However, they don't go into effect until 2020. That means the current standards will have been into effect for 36 years. We can't afford to fall into the same trap as we did after the 80's. We should focus on more fuel efficient automobiles sooner than 2020, and strive for electric cars as quickly as possible as long as the batteries are charged with renewable energy.

Two countries that are doing exactly that are Israel and Denmark. They have committed to have only electric cars within ten years. They are currently building their infrastructure to handle this change, and they are working with Nissan Renault to provide at least some of the cars. Instead of driving into a service station to buy regular, mid-grade or premium gasoline

when the car is running low on fuel, these cars will drive into the service station and change out a regular, mid-grade or premium battery. The one removed from the car will be charged using renewable energy and be available for the next customer. Portugal has recently made that same commitment.

A similar situation may happen with the poor economy affecting housing. With the tightening of mortgage loans, there will be fewer homes purchased and this could very well lead to extended families living together. One consequence will be the reduction of the housing energy cost person. Rates may go down temporarily but I expect them to increase for a number of reasons. Utilities will be obligated to increase their portfolio of renewable energy which is currently more expensive than coal or natural gas. The new U.S. administration will establish carbon dioxide emission regulations and this will increase the cost of energy. Also, expect construction of nuclear energy plants but we won't see these operable for at least ten years.

During these weak economic times, we should be careful with our consumption of energy. As the economy improves, we should continue to conserve energy. The best thing that could then happen would be to tax fuel at an arbitrarily high price to continue conservation until we switch to renewables.