

Green Jobs

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[Economic impacts from the promotion of renewable energies: The German experience](#) by Dr. Manuel Frondel, Nolan Ritter, and Prof. Colin Vance, Ph.D. According to the study, “Germany’s experience with renewable energy promotion is often cited as a model to be replicated elsewhere, being based on a combination of far-reaching energy and environmental laws that stretch back nearly two decades.” Researchers add this: “German renewable energy policy ... has failed to harness the market incentives needed to ensure a viable and cost-effective introduction of renewable energies into the country’s energy portfolio.” **Key findings:**

- Financial aid to Germany’s solar industry has now reached a level that far exceeds average wages, with **per worker subsidies as high as \$240,000 US**.
- In 2008, the price mark-up attributable to the government’s support for “green” electricity was about **2.2 cents US per kWh**. For perspective, a 2.2 cent per kWh increase here in the US would amount to an average **19.4% increase in consumer’s electricity bills**.
- Government support for solar energy between 2000 and 2010 is estimated to have a total net cost of **\$73.2 billion US**, and **\$28.1 billion US for wind**. **A similar expenditure in the US would amount to about half a trillion dollars US**.
- Green jobs created by government actions **disappear as soon as government support is terminated**, a lesson the German government and the green companies it supports [are beginning to learn](#).
- Government aid for wind power is now three times the cost of conventional electricity.

[Wind Energy: The Case of Denmark](#) by Hugh Sharman and Henrik Meyer President Obama has frequently cited Denmark as an example to be followed in the field of wind power generation, stating on several occasions that the Danes satisfy “20 percent of their electricity through wind power.” The findings of [this study](#) cast serious doubt on the accuracy of that statement. The report finds that in 2006 scarcely five percent of the nation’s electricity demand was met by wind. And over the past five years, the average is less than 10 percent — despite Denmark having ‘carpeted’ its land with the machines.

- **Subsidies.** Government subsidy of wind producers over the past decade amounts to roughly \$376 million per year. As the decade has advanced, the rate of new building in Denmark has declined sharply — and to maintain their sales, just as in Spain, manufacturers have been forced to concentrate on exporting their technology to foreign markets (USA) where the subsidy potential is higher.
- **Employment.** The public subsidy in Denmark per wind-related job created is 60,000-90,000 DKK per year (\$9,000-\$14,000 USD). This subsidy constitutes 175-250 percent of the average pay per worker in the Danish manufacturing industry.
- **Electricity rates.** Thanks to a combination of expensive base power, taxes and additional charges, Danes pay more for their electricity than anyone in the European Union.
- **Emissions.** The wind power exported from Denmark saves neither fossil fuel consumption nor CO2 emissions in Denmark, where it is all paid for. By necessity, wind power exported to Norway and Sweden supplants largely carbon neutral electricity in the Nordic countries. No coal is used, nor will you find power-related CO2 emissions in Sweden and Norway.
- **Exports.** Over the last eight years West Denmark has exported (couldn't use), on average, 57 percent of the wind power it generated and East Denmark an average of 45 percent. Denmark sells this power to its neighbors at almost no cost, asking only that its neighbors sell some of their baseload power back to Denmark on the frequent occasions in which the wind does not blow there

[Study of the Effects on Employment of Public Aid to Renewable Energy Sources](#) by Gabriel Calzada Álvarez, Raquel Merino Jara, Juan Ramón Rallo Julián, and José Ignacio García Bielsa
 In [this paper](#), the authors examine Spain's efforts to create "green jobs" through subsidies for renewable energy. They find that these subsidies have harmed Spain's economy, destroying 2.2 jobs for every 1 job created. This study demonstrates how "green jobs" policy clearly hinders Spain's way out of the current economic crisis, even while U.S. politicians insist that rushing into such a scheme will ease their own emergence from the turmoil. The paper marks the very first time a critical analysis of the actual performance and impact of "green job" policies have been made. The following represent some of the [study's key findings](#):

- For every 1 green job financed by Spanish taxpayers, **2.2 jobs were lost** as an opportunity cost
- Only 1 out of 10 green job contracts were in maintenance and operation of already installed plants, being the rest working positions only sustainable in an expansive environment related to high subsidies
- Since 2000, Spain has committed **€571,138 (\$753,778) per each "green job"**
- Those programs resulted in the **destruction of nearly 110,500 jobs.**
- Each "green" megawatt installed **destroyed 5.39 jobs elsewhere** in the economy.

Adding insult to injury, according to the U.S. Energy Information Administration (EIA), Spain's annual emissions of carbon dioxide have [increased by nearly 50 percent](#) since the nation began its aggressive push to subsidize and support "green jobs."

[Green Jobs Myths](#) by **Andrew P. Morriss, William T. Bogart, Andrew Dorchak, and Roger Meiners** [This paper](#) examines the promises that a massive program of government mandates, subsidies, and forced technological interventions will reward the nation with an economy brimming with "green jobs." These scholars survey the green jobs literature, analyze its assumptions, and show how the special interest groups promoting the idea of green jobs have embedded dubious assumptions and techniques within their analyses. The authors explain that before undertaking efforts to restructure and possibly impoverish our society, careful analysis and informed public debate about these assumptions and prescriptions are necessary. **[Green Jobs: Fact or Fiction?](#)** by **Robert Michaels and Robert Murphy** [This paper](#) analyzes four other studies that promote the economic benefits of green jobs. Robert Michaels and Robert Murphy assess the economic integrity and net benefits claimed by these studies, and identified these general problems in their analysis:

- Mistaking a labor-intensive energy sector as the goal, rather than efficient energy provision.
- Counting job creation but ignoring job destruction.
- Double counting of jobs and overly simplistic treatment of the labor market.
- Ignoring the role of the private sector.
- How much government support of "green" markets is enough?
- Government picking winners and losers.
- Assuming that potential benefits from new technologies will only occur through government programs.

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