



EPA Ruling and Where We are Headed

Posted by [Gail the Actuary](#) on April 18, 2009 - 10:43am

Topic: [Environment/Sustainability](#)

Tags: [epa](#), [investment](#) [[list all tags](#)]

Today's newspaper is full of stories about the yesterday's EPA ruling:

[EPA paves way for broad emission limits](#)

The Environmental Protection Agency on Friday declared that industrial greenhouse gases are a danger to human health and well-being, opening the way to broad new regulations to reduce carbon dioxide and other planet-heating gases.

The finding could lead to far-reaching rules that are likely to heavily affect cars and trucks, which account for nearly a quarter of the nation's greenhouse gas emissions, and utilities, which are responsible for more than a third.

With this ruling, it seems likely that either through legislation or through EPA action, steps will be taken to require vast investment in technologies to try to limit the various greenhouse gases. Let us think about where the world is headed--does this vast investment make sense or not?

Long term, where are we headed?

In a world of limited resources, I would argue that we are headed for a world in which everything is reused and recycled over long periods. Investment is likely to be small scale and local. In fact, as the amount of resources (oil, natural gas, minerals) available declines, the amount of resources available for investment is likely to decline as well. What resources we have are likely to be devoted to local pottery or clothing manufacturing, or some other necessities that can be made with local materials. Local water availability and soil quality will be major issues, as will be availability of open pollinated seed. We may need to use animals to supplement human labor.

Where will all of the new laws or EPA rulings send us?

We don't know for sure yet, but the impression one has is that the intent is to try to maintain business as usual, through more investment in technologies which will allow automobiles to have higher mileage and utilities to emit more CO₂. We want to build the platform out a little farther, in a different direction, to jump off from. In doing this, we will use up more of our scarce resources, and I would argue, still not look at where we need to be headed for true sustainability.

How does one get from where we are, to where we need to be?

It seems to me that one has to have a true roadmap, with an idea as to where one is headed, not

just build the platform out farther, and hope that some new technology will somehow fix the problem in 2025 or 2050, when we hit the new larger bump in the road. I will argue that long term, wind turbines are not sustainable, nor are plug-in electric vehicles. These are attempts at temporary fixes, that will require quite a large amount of resources.

Over the next fifty years, the amount of resources we will have available for investment is going to be headed down rather than up. Printing money won't help this situation, because ultimately the resources are physical goods, and these have finite limits. Whatever we spend on investments in this new direction will be less to spend on investments in the direction which we ultimately want to be headed, assuming there is a different direction that makes more sense.

How does one deal with this situation? Does anyone else see how the EPA roadmap ultimately leads to sustainability? Do we assume Steve Chu's fourth generation biofuels will bail us out, somewhere down the line? Is there a better way of dealing with our current problems? How do we spend our limited resources that are available for investment most wisely?



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/).