FOSSIL FUELS AND PROSPERITY

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ENERGY REALITIES

• Fossil fuels drive economic growth & jobs.
• Fossil fuels provide > 80% of world energy, & will continue to do so
• Renewable energy can provide only small % of world energy.
• Proposals to drastically reduce fossil fuels & GHG emissions would devastate U.S. & world economies.
• 2015 Paris Agreement: “Limit global temperature increase to no more than 2°C above current levels.” To achieve this: Reduce GHGs (& fossil fuels) to 80-95% below 1990 levels by 2050.
• These reductions are impossible – ludicrous: Would cause economic disaster.
FOSSIL FUELS = MODERN CIVILIZATION

• Fossil fuels:
  -- Facilitated successive industrial revolutions (including 21st century)
  -- Created modern world
  -- Permit current high quality of life

• Over past 250 years:
  -- Global life expectancy increased > 2X
  -- Population increased 8X
  -- Incomes increased 11X

• CO₂ concentrations increased from ~ 320 ppm CO₂ to ~ 400 ppm (from 0.032% of atmosphere to 0.040%)

“Ours is a high energy civilization based largely on fossil fuels.” Dr. Vaclav Smil
FOSSIL FUELS = GROWTH & PROSPERITY

Global Progress and CO₂ Emissions From Fossil Fuels

““The economic system is essentially a system for extracting, processing, and transforming energy.”” Professor Robert Ayres
CLOSE LINK BETWEEN CO₂ & GDP

Relationship Between World GDP and CO₂ Emissions


“Access to energy is absolutely fundamental in the struggle against poverty.” Rachel Kyte, vice president, World Bank
GLOBAL GDP INCREASES 3X THROUGH 2050

World GDP Forecast Through 2050
(Based on EIA Reference Case)

In 2050, fossil fuels still provide > 80% of world energy

Source: U.S. Energy Information Administration and Management Information Services, Inc.
Forecast Relationship Between World GDP and CO₂ Emissions
(EIA Reference Case)

Fossil fuels will continue to supply > 80% of world energy.

Renewable energy will be able to supply only small % of world energy.
BOTTOM LINE: FOSSIL FUELS DRIVE ECONOMY & JOBS

• Fossil fuels currently power > 80% of world economies
• In 2050, fossil fuels will > 80% of world economies.
• Artificially reducing fossil fuels would destroy world economies.

Thus: Fossil fuels will continue to be essential to U.S. & world economies & jobs.

“Energy is the ‘oxygen’ of the economy and the life-blood of growth.” World Economic Forum
EMISSIONS REDUCTIONS ARE DRACONIAN -- LUDICROUS

Emissions Reductions Required Are 96% < Forecast 2050 Levels

Source: Management Information Services, Inc.

“If you could pick just one thing to reduce poverty, by far you would pick energy.”  Bill Gates
U.S. 2050 Median Household Income Would be $3,700 Instead of the Forecast $92,000.

Sources: U.S. Energy Information Administration. U.S. Census Bureau, and Management Information Services, Inc.

U.S. 2050 incomes would be reduced to well below current poverty levels.
CONCLUSIONS

• Fossil fuels essential for economic growth & jobs.
• Close relationship between fossil fuels & world economies will continue.
• To reduce 2050 GHGs to 80-95% < 1990 levels implies world 2050 living standards would be reduced to levels of 1800s.
• All economic gains of industrial revolution & later would be nullified.
• Average world per capita GDP would be reduced to levels currently < those of the most impoverished nations, such as Bangladesh, Haiti, North Korea, & Yemen.
• These are real implications of “reducing fossil fuels & GHGs to 80-95% < 1990 levels by 2050.”
• They are draconian, infeasible, & impossible -- are truly ludicrous.
• THIS CANNOT BE ALLOWED TO HAPPEN.
REPORT AVAILABLE

ECONOMIC AND SOCIAL IMPLICATIONS OF UN PARIS 2015 GLOBAL GHG REDUCTION MANDATES

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