

# **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

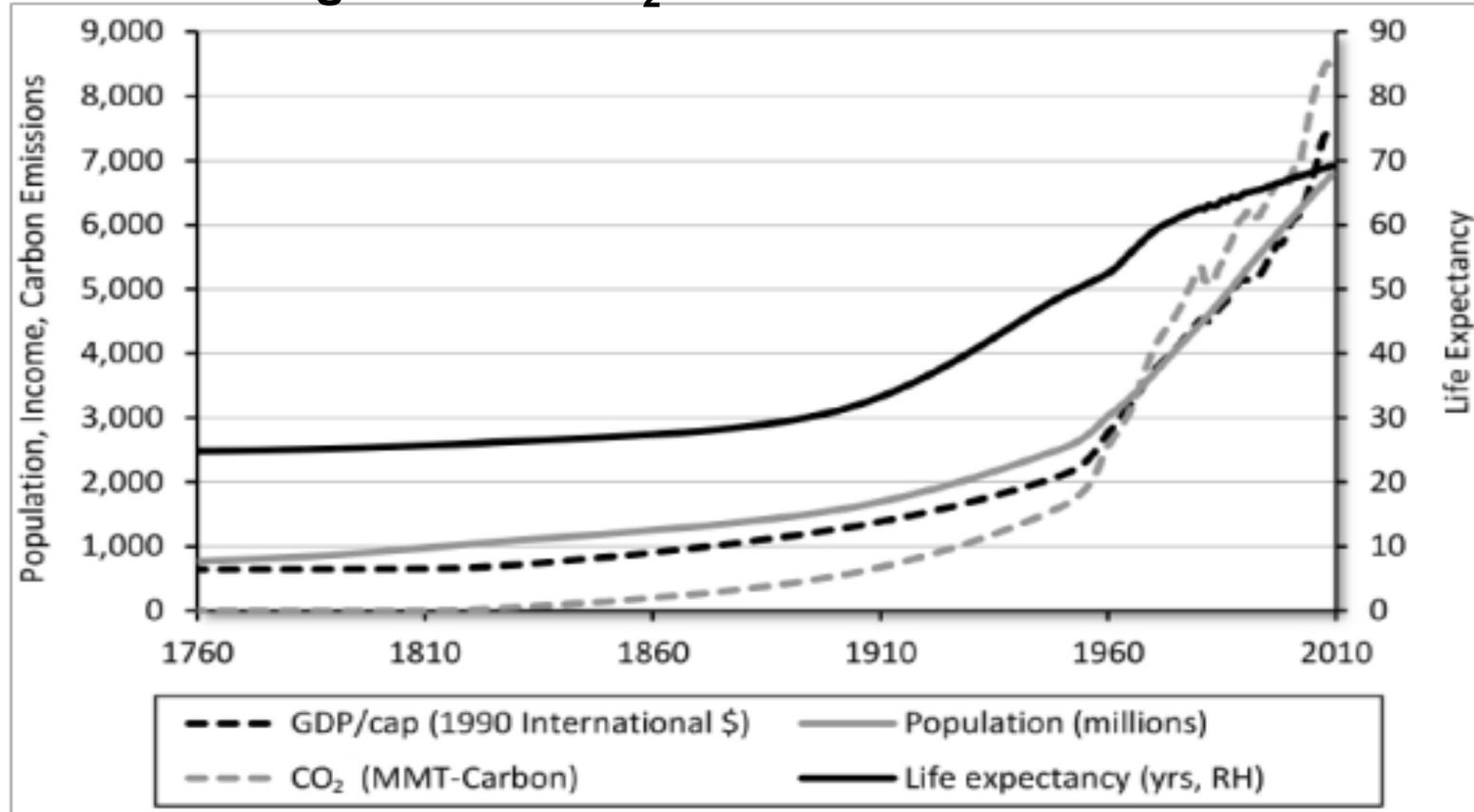
- Fossil fuels:
  - Facilitated successive industrial revolutions (including 21<sup>st</sup> century)
  - Created modern world
  - Permit current high quality of life
- Over past 250 years:
  - Global life expectancy increased > 2X
  - Population increased 8X
  - Incomes increased 11X
- CO<sub>2</sub> concentrations increased from ~ 320 ppm CO<sub>2</sub> 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 CO<sub>2</sub> Emissions From Fossil Fuels

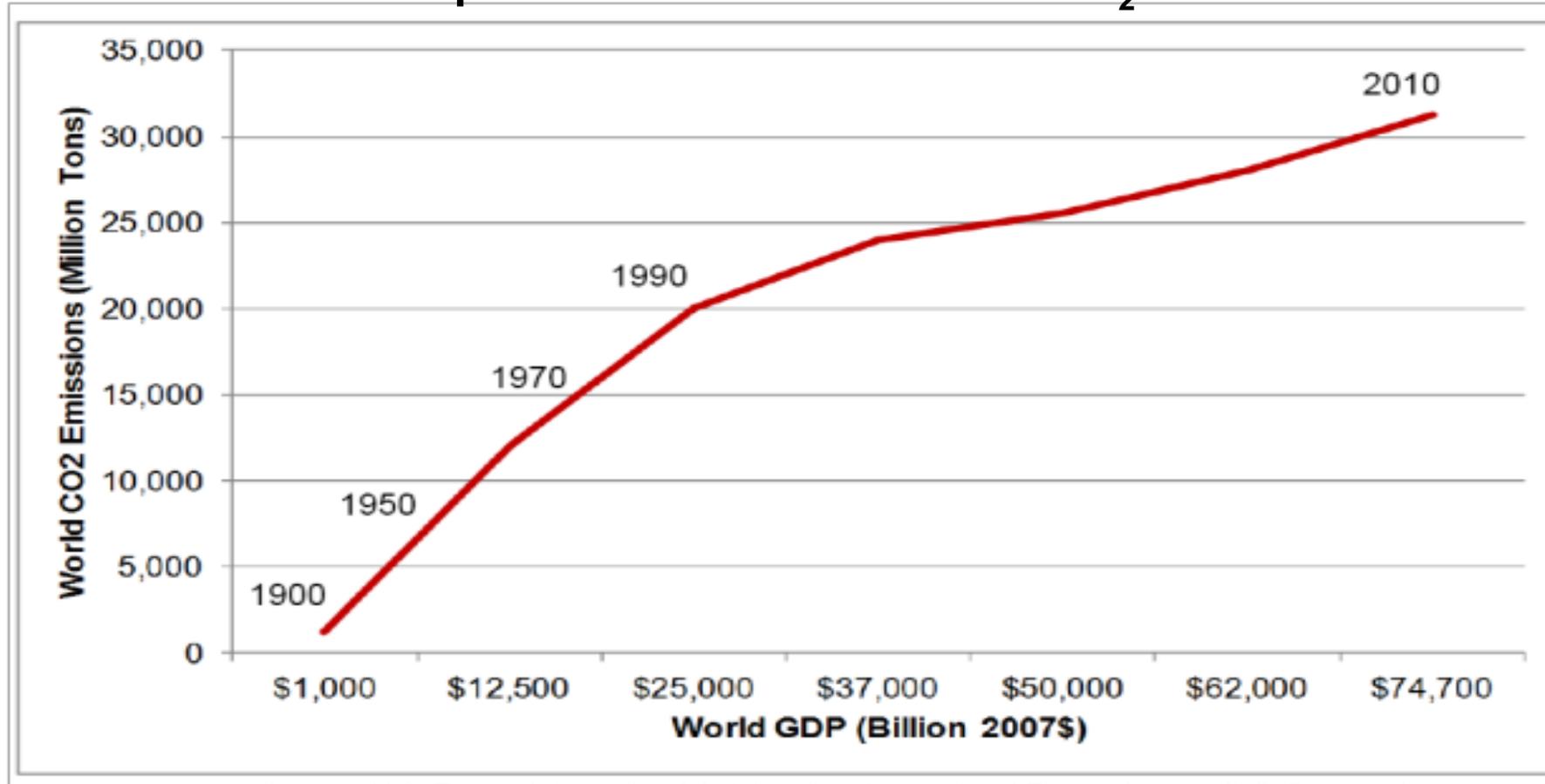


Source: Indur Goklany.

**“The economic system is essentially a system for extracting, processing, and transforming energy.” Professor Robert Ayres**

# CLOSE LINK BETWEEN CO<sub>2</sub> & GDP

## Relationship Between World GDP and CO<sub>2</sub> Emissions

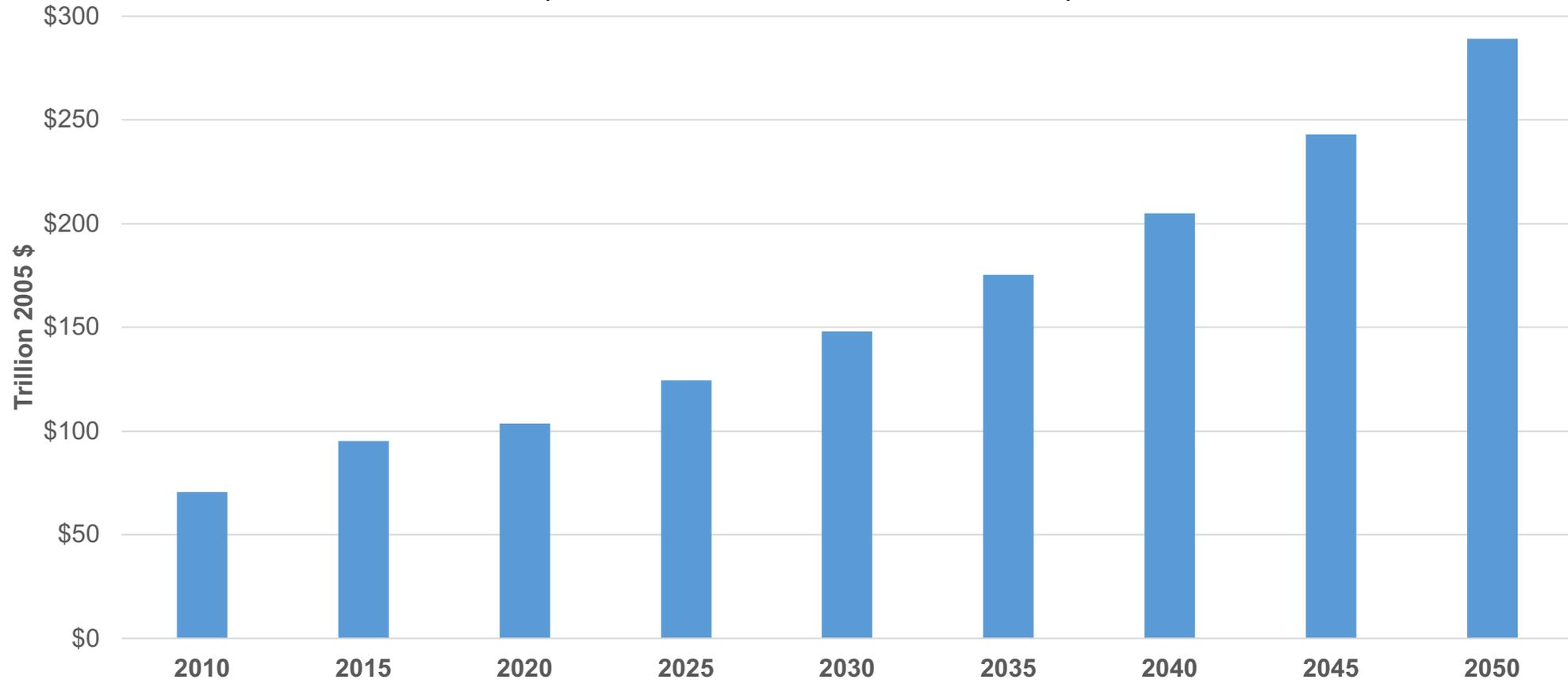


Source: U.S. Energy Information Administration, International Energy Agency, U.S. Bureau of Economic Analysis, and Management Information Services, Inc.

**“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)

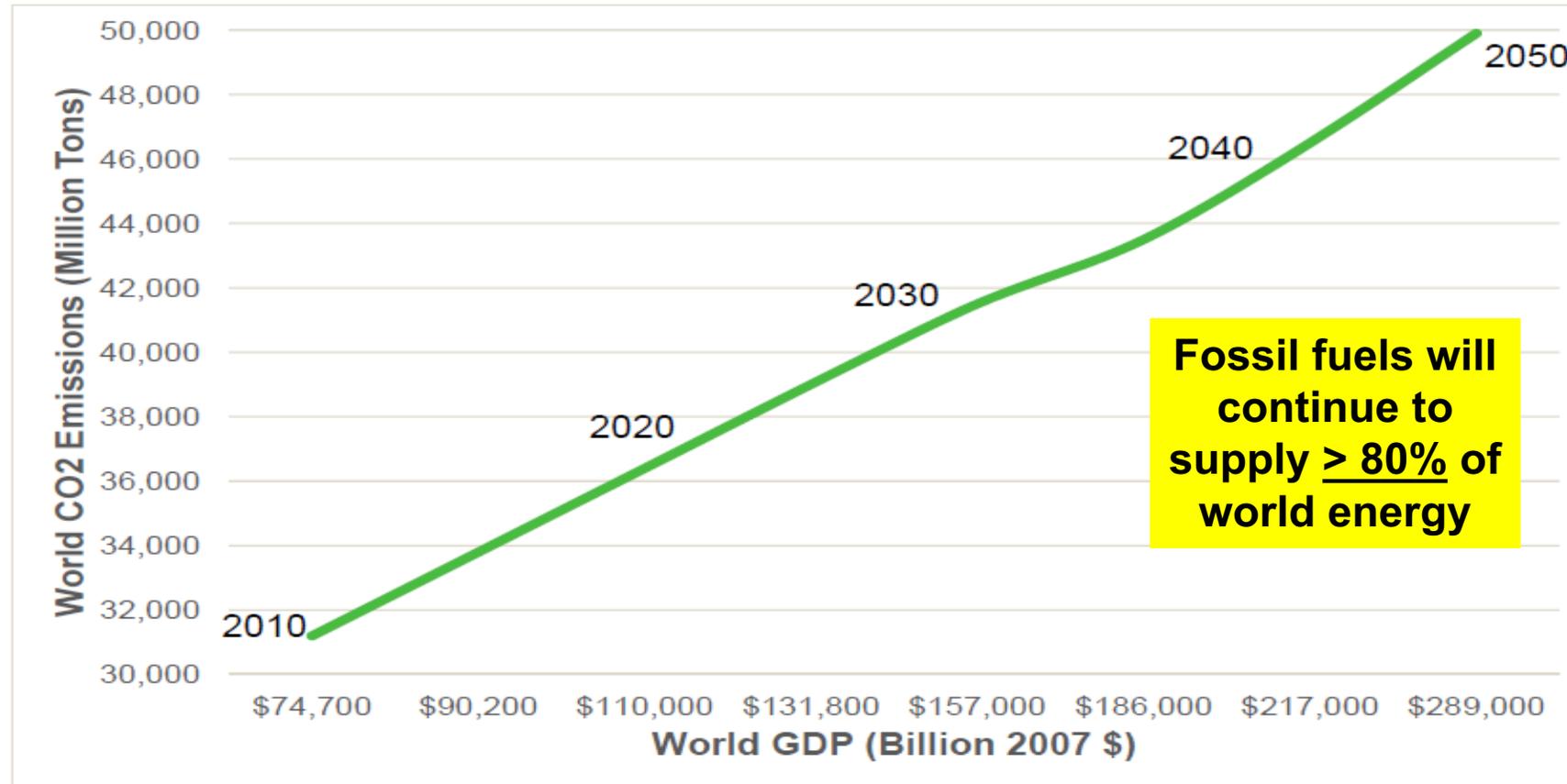


Source: U.S. Energy Information Administration and Management Information Services, Inc.

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

# CONTINUED LINK BETWEEN GDP & CO<sub>2</sub>

Forecast Relationship Between World GDP and CO<sub>2</sub> Emissions  
(EIA Reference Case)



**Renewable energy will be able to supply only small % of world energy.**

## **BOTTOM LINE: FOSSIL FUELS DRIVE ECONOMY & JOBS**

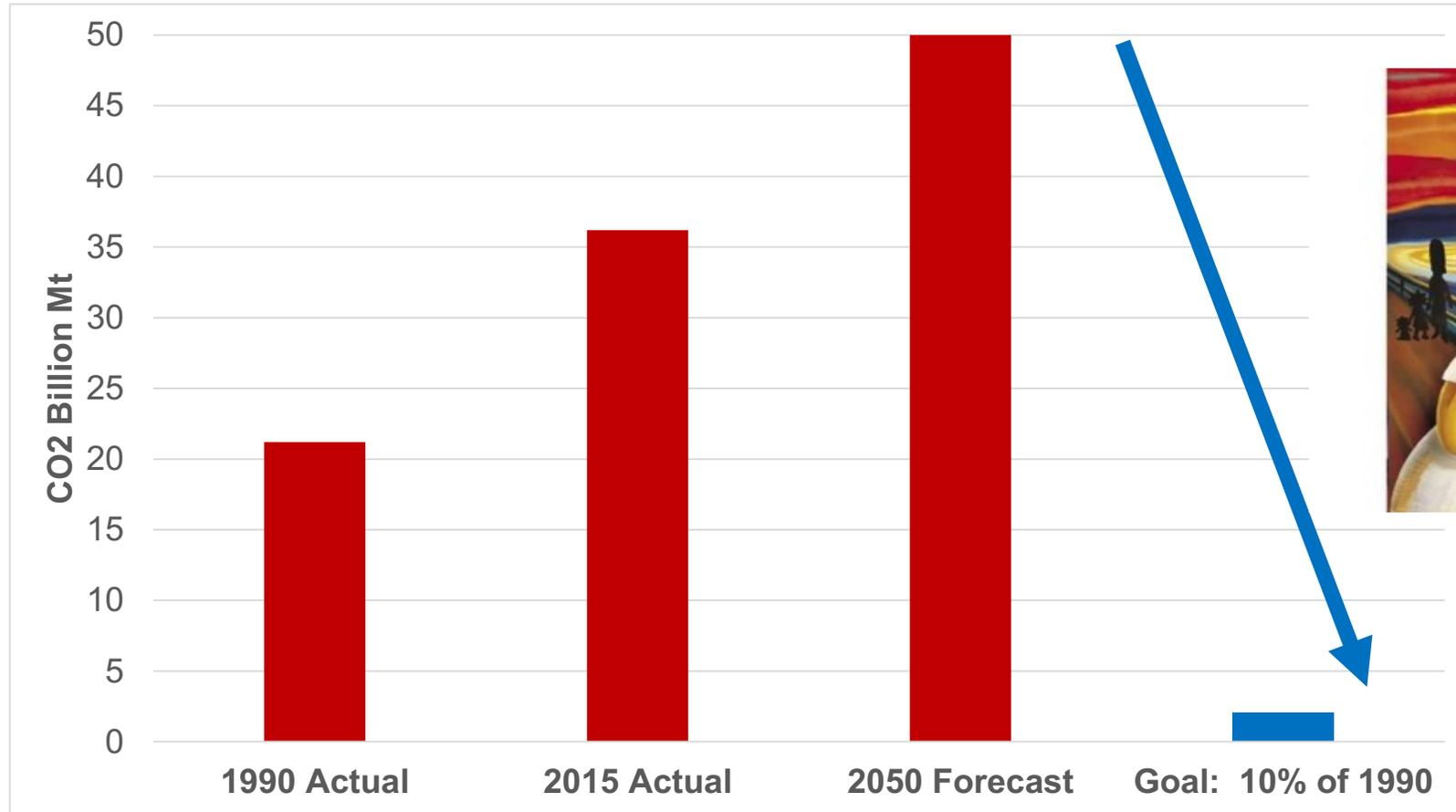
- Fossil fuels currently power > 80% of world economies
- In 2050, fossil fuels will > 80% of world economies.
- Artificially reducing fossil fuels would destroy world economies.

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

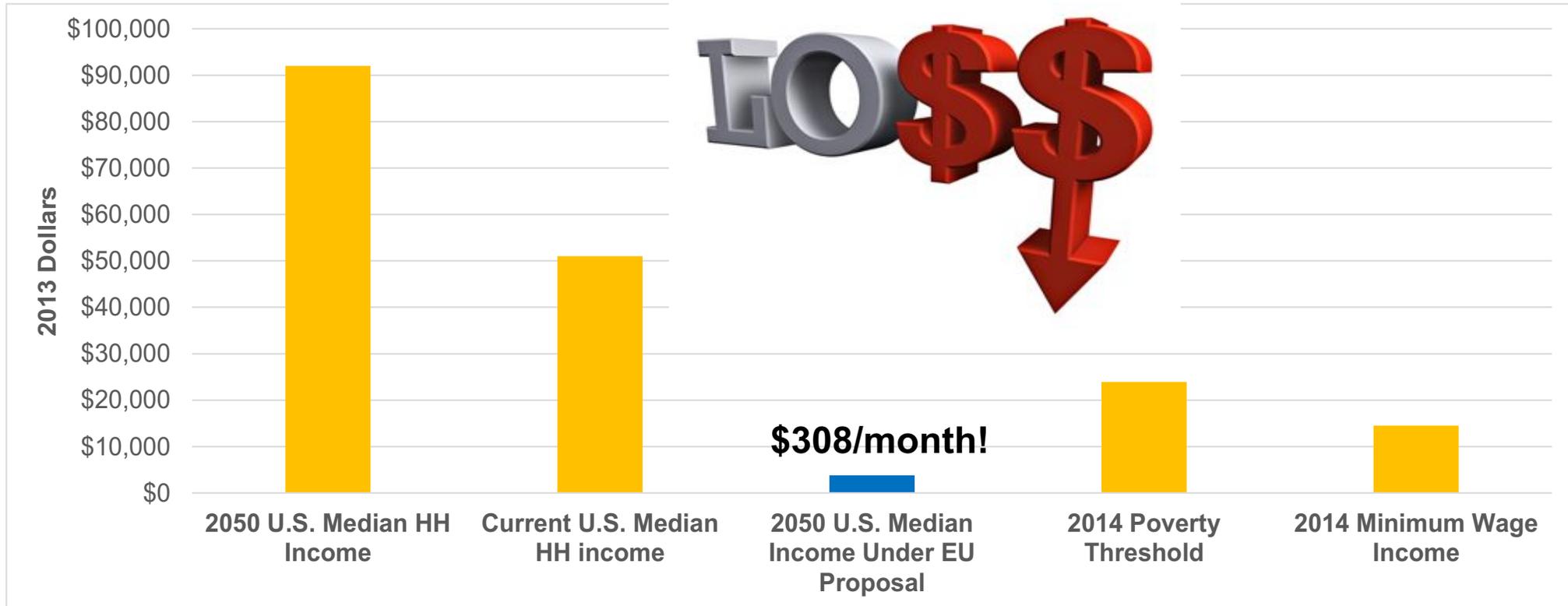


Source: Management Information Services, Inc.

**“If you could pick just one thing to reduce poverty, by far you would pick energy.” Bill Gates**

# IMPACT ON U.S. INCOMES

**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**

Management Information Services, Inc.

2015

<http://misi-net.com/publications/UNParis-0715.pdf>

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