



THE SELECT COMMITTEE ON
ENERGY INDEPENDENCE AND GLOBAL WARMING

**Opening Statement for Chairman Edward J. Markey (D-MA)
Select Committee on Energy Independence and Global Warming**

**“The Global Clean Energy Race”
September 22, 2010**

For generations now, America’s universities, National Labs, and innovative companies have fueled the technology breakthroughs that have put America in the lead and kept Japan, Europe, and other economic competitors in the rearview mirror. America’s ability to combine innovative brains with can-do brawn has meant higher standards of living, a huge middle class, and increased economic opportunity for millions of our citizens. This is our competitive advantage. This is what makes our country a Mecca for entrepreneurs and ambitious workers the world over.

Our technology incubators are still pumping out the innovations. But our entrepreneurs and workers are increasingly being blown off the road.

Governments around the world recognize the opportunity of the clean energy economy and are seizing it. The world will need to invest \$26 trillion—that’s Trillion with a T—over the next 2 decades in order to meet our in the energy needs. Developing the clean technologies to serve that market is the scientific challenge of the generation. Harnessing the industrial might to manufacture those technologies and market them to the world is the economic opportunity of the generation.

Last year, I went to China and viewed the wind turbines spilling out of factories. I returned home warning of these economic missiles pointing at the heart of the U.S. economy.

Today, the clean energy investment auditors are here to share the dismal score card. Twice as much money was invested in clean energy in China as was invested in the United States last year.

A decade ago China made 1 percent of the world’s solar panels. Today it makes nearly half of them. The \$15 billion worth of solar panels China exported last year was more valuable than America’s corn, beef, and chicken exports combined. China is no longer coming. They are here. They ate our lunch, and they are moving on to our dinner.

And China is not alone. Germany, Japan, South Korea, and other countries recognize that dominating the trillion dollar market of tomorrow requires foresight and public investment today. They are throwing the kitchen sink of policies at clean energy: renewable energy requirements, financing assistance, tax incentives, government procurement, carbon pollution limits.

Here in the U.S., the longest-term federal incentive for clean energy expires in 2 years. Senate Republicans have steadfastly stood in the way of any and all long-term policies to support the manufacture and deployment of clean energy in this country. It is notable that we have entrepreneurs willing to invest in U.S. clean manufacturing at all in such an unpredictable environment.

Some of China's clean energy incentives may be illegal violations of international trade agreements. Feeling that the future of America's clean energy sector is under threat, the United Steelworkers union recently submitted a petition to the US Trade Representative. The case alleges China has used hundreds of billions of dollars in subsidies and other illegal trade practices to undermine foreign competitors and dominate the sector. I am very concerned about China's use of unfair trade practices to bolster the competitiveness of its industries, and I urge prompt action to address violations found through the US Trade Representative's investigation.

But we must not move forward recklessly on this trade dispute with China. In the end, competition is good. Competition is one of the chief reasons that the price of a solar panel has fallen by half in the last two years. Competition will ultimately make solar energy competitive with grid electricity in this decade. But this competition must be fair. It must allow American workers to play on the field.

But let's be real. If we do not act decisively to provide the long-term and short-term incentives to make America the best place to invest clean energy dollars, someone else will. We will trade our addiction to Middle Eastern oil for an addiction to Asian or European clean energy technologies.

From the Manhattan Project to the Apollo Program to medical research to the Internet, government investments have—and will continue—to make America the place where the next great technological breakthrough happens. The only question remains is whether American industry and workers will ride this technological wave. The stakes could not be higher.