Sent: Wed, 19 Jan 2011 09:32:59 -0500
From: [redacted]
To:
Subject: Oil and Glory blast: How can I get rich in the clean energy race?

P6/b(6)

http://oilandglory.foreignpolicy.com/posts/2011/01/19/how_can_i_get_rich_in_the_clean_energy_race

How can I get rich in the clean energy race?

With Hu Jintao in Washington, and China's clean energy manufacturing juggernaut among the thorniest subjects between the U.S. and China, Steve Chu is doing his part to bring down the temperature. In a decade or two, the U.S. energy secretary asserted at a joint dinner last night, the symptoms of climate change will become so apparent that they will wash away the divisive politics we currently see in the United States on the issue. Most everyone will agree there is a serious problem, and the discussion will turn elsewhere, specifically to How Can I Get Rich in Global Warming. And somewhere in the race for wealth, said Chu, the two countries can find collaborative common ground.

It was hard to discern how many people in the packed ballroom at the Mandarin Oriental Hotel bought all that. Friendship? Hard to say. There is much acrimony over China's green subsidies, and Beijing's assertion that the U.S. does the same thing. But if there is agreement between the sides, it's on Chu's point that there is the potential for incredible economic growth for the country that best manages the green-energy manufacturing space, huge sums of cash. As we have discussed previously, the advanced battery and electric car industries alone may become large enough to drive economies.

It seems to me that, given the stakes, it will be hard to collaborate seriously, as Chu suggests. Yet the show of comradeship was there. Earlier yesterday, Wan Gang, China's celebrity minister for science and technology, called clean energy cooperation a potential "bright spot" in the two countries' relations, Reuters' Timothy Gardner and Ayesha Rascoe write. One possible area of cooperative business is the development of nuclear power - Bill Gates is talking up the deployment of a new U.S.-designed reactor in China that would not make it past U.S. regulators given years and years of trying, as Matthew Wald writes at the *New York Times*. If it's tried and works in China, it can be rolled out internationally.

The two sides orchestrated the signature of business deals. Yet one got the impression that at least some of this was of the Potemkin type - much nice talk without many of the details worked out. For example, Alcoa announced a $7.5 billion agreement to work with the China Power Investment Corp., but the sides actually have not agreed on any specific projects, nor any specific dollar amounts, Natalie Doss, Xiao Yu and Feifei Shen report at Bloomberg.

Chu, a Nobel laureate, said that some of his greatest scientific rivals have become his best friends. But he also noted a stark fact, which is that it's easy to be gracious once one wins the race: "The second person to say that E=MC2 doesn't get much credit." Which is why some of the rough edges can be shaved off, but the highly emotional atmosphere is likely to continue.

--
Steve LeVine
Contributing Editor, Foreign Policy magazine

Blog: http://oilandglory.foreignpolicy.com
Personal site/O&G Archive: http://stevelevine.info
Twitter: stevelevine