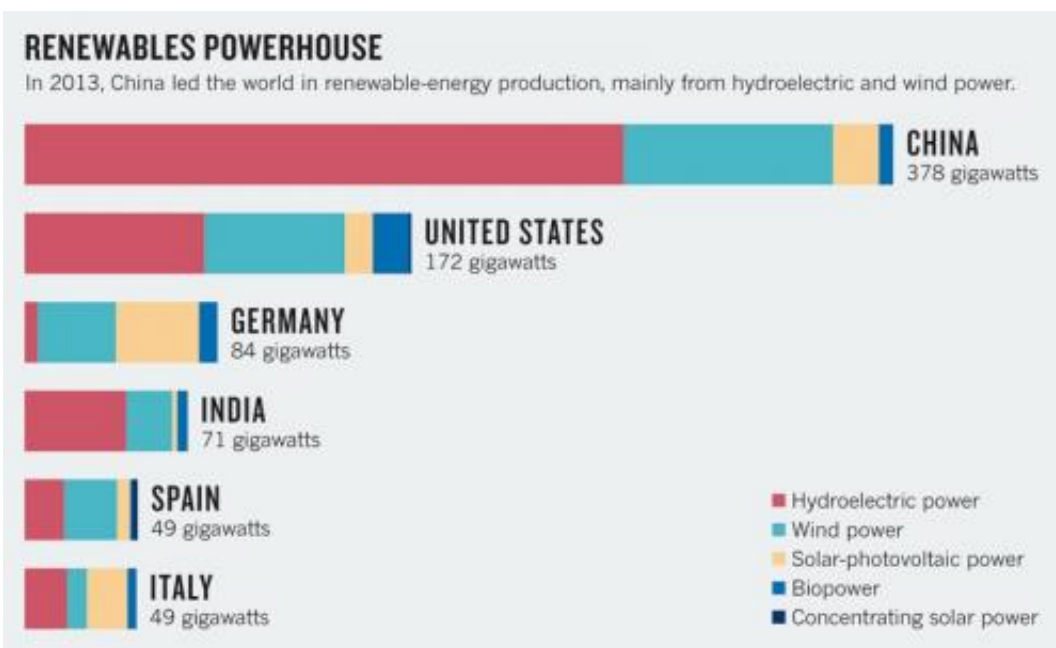


Business academics suggest world follow China's lead to boost markets for renewable resource technology

September 11 2014, by Bob Yirka



Source: Renewables 2014 Global Status Report, via *Nature*

John Mathews a professor of strategic management at Macquarie University and Hao Tan a senior lecturer with Newcastle Business School, both in Australia, have published a Comment piece in the journal *Nature*, suggesting that the rest of the world follow China's lead in boosting markets for renewable energy resource technology.

The two acknowledge that China is the world's largest emitter of [greenhouse gasses](#), mainly due to emissions from coal fired [power plants](#). But they note that China is also the world's largest producer of electricity from [renewable energy sources](#)—producing 378 gigawatts compared to the U.S. which is in second place and produces 172 gigawatts. Put another way, they note that China produces more power from wind, hydro and solar than Germany and France combined. It's also no accident, the pair add, China has been aggressively pursuing both production scale and market growth in renewable resource technology. They look at renewable energy as a means of providing the country with a secure future.

China's model for promoting renewable resource technology is in stark contrast to current policies in much of the rest of the world, the two note. In the U.S. and Britain, for example, the emphasis is on promoting non-renewable resources, such as coal, gas and petroleum—fracking has been hailed as a way to ensure energy independence over the next century. But, they point out, that ignores one basic problem of that approach—it's still relying on a resource that is eventually going to run out. Instead of promoting investment in renewable resource technology that might help meet the needs of the entire planet going forth into the future, governments and private enterprises in most developed countries are focusing on securing energy now and in the money that can be made in doing so.

Mathews and Tan note that the model built by the Chinese is clearly working—prices for solar panels in that country have been falling steadily highlighting just one example. Sadly, instead of taking advantage of the gains made by the Chinese, other countries have moved to levying tariffs on imports of those very same panels to prevent domestic competition. But in so doing, they are also reducing innovation, which is of course, supposed to be one of the foundations of the capitalist system. The pair suggests the rest of the world take notice of

the progress China has made in moving to [renewable energy](#) sources, and follow its lead.

More information: Economics: Manufacture renewables to build energy security, *Nature*, www.nature.com/news/economics-...rgy-security-1.15847

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