



INDEPENDENT WOMEN'S FORUM

Get the Facts: Ethanol

With rising oil prices and environmental concerns on the minds of many Americans, finding viable, alternative sources of energy has become more important than ever before. In recent years, ethanol has become one of the leading forms of alternative energy, largely because of government subsidies to encourage its production. Unfortunately, ethanol has many problems associated with its production and use.

What is Ethanol?

- Ethanol is a colorless, clear alcohol fuel created from the sugars found in several different types of grains. In the United States, the most common grain used is corn.
- Ethanol is renewable, can be domestically produced, and it burns cleaner than gas.
- In recent years, ethanol and other biofuels have been heavily subsidized beginning with the Energy Tax Act of 1978 and continuing through the 2006 Energy Policy Act.

Problems with Ethanol

- While the concept of an alternative form of energy is appealing, the use of ethanol has proven to produce a number of problems:
 - o **Increases food prices:** The use of corn-based ethanol is one of the major factors in the current global food crisis. As said in *The Economist* article "Cheap no more": "ethanol is the dominant reason for this year's increase in grain prices...because the federal government has in practice waded into the market to mop up about one-third of America's corn harvest."
 - o **An inefficient source of energy:** The process of making a gallon of ethanol requires significant energy and resources, making it an inefficient source of fuel. According to a 2006 paper in the Proceedings of the National Academy of Sciences, "ethanol contains about 25 percent more energy than is consumed by the process of making it."
 - o **Insufficient supply:** Even if the U.S. increases our commitment to using ethanol fuel, it will not change our need for oil. Writing for *Townhall* magazine, Mac Johnson points out that "the United States alone consumes around 4.4×10^{16} BTUs of crude oil per year. In absolute energy value, the entire corn crop in the U.S. could provide only 10 percent of that."
 - o **Environmentally questionable:** While ethanol may decrease some emissions, it also creates others. In *The Washington Post* article "Corn can't solve our Problems," Hill and Tillman state that "all of the fossil fuels used to grow corn and change it into ethanol release new carbon dioxide and other greenhouse gases."
 - o **Water Usage:** The ethanol making process requires more water than it can produce. According to the Renewable Fuels Association, it would take about 300 million gallons of water for processing the product and cooling equipment to make 100 million gallons of ethanol each year.

Solutions

The government should not pick winners and losers in the search for alternative energy. A free market economy will provide the most efficient and profitable results for Americans, as well as the rest of the global community. Government subsidies for ethanol production stunt the creative potential that could provide more effective and sustainable forms of alternative energy sources.