Latin America Should Bet on Energy

by Ricardo Lagos

One wonders whether President Barack Obama’s meeting with the heads of state of the Americas is the beginning of a new stage or if it is just business as usual.

This new stage calls for different agendas, visions of the future, political proposals in step with an unavoidable global reality and able to meet today’s challenges. The danger of starting in once again with empty rhetoric is reminiscent of another era and fails to take advantage of opportunities for our present and our future, such as the invitation to work together on energy and the environment.

Has Latin America responded with the interest and gravity this issue demands? President Obama broke the ice. He proved that he has a new way of approaching international concerns. He indicated with solid conviction that the most powerful nation in the world cannot solve today’s problems alone, just as the rest of the world knows that without the United States, these problems will have no solution.

So we must listen closely to the emphasis that this North American head of state places on the issue of energy. On the eve of the Summit of the Americas in April 2009, he explicitly stated this intent: “I look forward to pursuing a new Energy and Climate Partnership of the Americas that will help us learn from one another, share technologies, leverage investment and maximize our comparative advantage.”

What do these words mean for us? How are we going to respond in order to demonstrate political maturity in addressing the issue? We are not starting from scratch. Some time ago, when we proposed the creation of an “energy ring” among South American countries, we did so in an earnest desire for integration, with each country contributing a variety of resources for efficient use by all. Oil, natural gas, hydroelectric power, biofuels, plants to harness the energy of wind and sun, all in a map of possibilities for the present and the future.

The UN’s Economic Commission for Latin America and the Caribbean took up the idea and developed
preliminary studies that we should take up again and discuss with our neighbor to the north. Just the existence of the gas pipelines proves that by adding a little more than a thousand kilometers — and a dose of political will — a wide-reaching South American network could be established, able to unite the Atlantic and the Pacific.

But we must also understand that in the progress towards the improvement of today’s energy resources and the creation of new sources, the key lies in having access to new technologies. We need these technologies, and the invitation of the North American leader makes this ever-increasing access possible, especially if we consider the United States’ power to create new technologies in this hemisphere and in the world.

I saw proof of this reality a short time ago, when I was visiting Detroit, once a city of 1.8 million and now home to only 900,000 as a result of the ever-shrinking auto industry. But in that same Detroit, we visited places that gave us a glimpse of the world of the future, thanks to solar energy and new trends in auto making: they may be hybrids now, but soon they will be electric or hydrogen-powered.

Ironically, in Detroit, the giant automobile companies failed to see the new technologies being developed right under their noses. Ironic because Japan was paying attention to these new developments, and now Japanese hybrids are already on the market, packed with technology developed in Detroit years ago.

Next year, we’ll also see North American hybrids, but where will they get their batteries? From Japan. And behind this story is a name that Latin Americans should get to know very well: Stan Ovshinsky. A self-taught man, Ovshinsky is an amazing inventor, with over 350 patents to his name (or in the name of his company). In the early 1960s, following his democratic ideals and his dream of a world with a better quality of life, Ovshinsky began to work on the creation of alternative energy. With impressive long-range vision, he founded Energy Conversion Devices on the outskirts of Detroit, decades before anyone had begun to talk about oil shortages and when the issue of global climate change was nowhere near the top of our daily agenda.

Ovshinsky’s boundless creativity came up with semiconductor materials of hydrogenated amorphous silicon, which spurred on new branches of materials engineering, encouraging the development of semiconductors, solar energy and electric-hybrid vehicles. The plants that today produce his flexible, thin-film solar panels are an inspiration.

But beyond all this, Ovshinsky’s vision tells us that if we combine hydrogen and solar energy, we are working with the most abundant elements of the universe. We are beginning a stage in which we are slowly leaving behind our problematic dependence on fossil fuels, especially oil. In addition, the production and installation of what some are already calling “the hydrogen circuit” could create millions of jobs, many of them on this continent.

We certainly must include this reality in the intelligent design of Latin America’s future. This means working with a perspective on our energy resources, with the intention of not being left behind and with the understanding that we will emerge from the current economic crisis forging new paths towards development.

Changing energy sources is one of the keys to the 21st-century economy. It is a reality that Latin America cannot ignore but which demands our efficient action and an openness to new possibilities on the international scene. In the long term, perhaps this will be the deepest meaning of the Summit in Trinidad and Tobago.

Ricardo Lagos, president of Chile from 2000 to 2006, accompanied Harley Shaiken to Detroit, where they met with Stan Ovshinsky as part of the “Alternative Energy and the Americas” program. This article originally appeared in Spanish as an opinion piece in Clarín, a leading Argentine daily.

Stan Ovshinsky working in his lab in the 1960s.