



How Illegal Immigrants Can Help Solve the U.S. Oil Addiction

In this critical 2008 election year, two of the most contentious issues have been immigration and energy prices. Lawmakers on both sides of the aisle in the Congress have set forth a wide range of proposals for tackling immigration, ranging from amnesty for illegal aliens to guest worker programmes to a massive fence along the U.S. border with Mexico. With respect to energy, proposals have been included drilling in the Arctic National Wildlife Refuge to tax credits/rebates for consumers to ease the financial strain of higher gas prices to promoting alternative energy sources. Could it be, however, that these two issues are linked and that crafting a comprehensive solution to these problems involves utilizing many of the proposals already suggested?

We know several things:

- There are in excess of ten million illegal immigrants currently in the United States.
- It would be logistically impossible to round up all of the illegal immigrants for a massive deportation scheme.
- America's addiction to oil is unsustainable for the long-term.
- With oil supplies depleting at a rapid rate, world consumption increasing exponentially, and prices set to remain at high levels or rise even further, adverse economic consequences will likely follow.
- Alternative energy sources based on renewable supplies are likely the future of the energy industry and provide the best hope for stable supplies that satisfy our insatiable appetite for energy in a clean and environmentally responsible manner.

Ethanol is one alternative source of energy that would reduce our dependence on foreign sources of oil. Whilst ethanol production has increased to 4 billion gallons in 2005, this is still far shy of the 140 billion gallons needed to replace America's annual consumption of gasoline used for transportation purposes. With roughly 100 ethanol refineries currently producing 4 billion gallons of ethanol (an average of 40 million gallons each) and over thirty



under construction, roughly 3,500 more would be needed to handle the refining needs for the U.S. to become energy self sufficient with ethanol. Each refinery would take approximately twelve to eighteen months to build.

In addition, American farmers currently produce over eleven billion bushels of corn annually of which roughly 14% is used to produce ethanol. As one bushel of corn yields roughly 2.8 gallons of ethanol, an additional forty billion bushels would be needed for ethanol production necessary to replace our annual gasoline consumption. As American farmers are capable of producing enough to feed the world, this level of production should not be a problem.

How do we solve all of these problems? Several things must happen. First, the oil companies should reposition and rebrand themselves as global "energy" companies. With ample excess funds generated by their strong profits of late, these companies should consider acquiring companies such as Archer Daniels Midland or Cargill as well as massive farms throughout the world. This puts production of the raw sources of energy in their hands. With the technology to genetically modify produce, massive amounts of "super-sized" corn or sugarcane could be produce, ensuring adequate supplies for energy (as opposed to general human consumption). After all, if Miracle Grow can produce an 800 lb. pumpkin, genetically modified technology could surely help produce mammoth sources for ethanol production in order to avoid the supply shortfalls that may occasionally occur due to drought or other unexpected conditions beyond control. With control of production, the energy companies' shareholders would stand to continue benefiting from strong earnings trends well into the future.

Second, with respect to the refineries needed to process the ethanol, immigrant labourers could be utilized, working around the clock until the refineries are completed. This should enable the refineries to be completed in about half the time as currently projected. For this, those illegal immigrants would be given guest worker status, put into the system so that they are taxed appropriately on their wages, and be given the opportunity to have their applications for citizenship expedited as long as all criteria are met. For those who do not participate in this program, deportation, fines, and confiscation of property here in the U.S. would be punishment. This should provide both an incentive for



illegal workers to get into the system and punishment for those who continue to break the law.

Whilst these refineries are being built, the U.S. auto manufacturers would need to increase production of ethanol vehicles significantly so as to have adequate supplies for the increased demand. This demand for ethanol vehicles could also help to alleviate some of General Motors' and Ford's financial difficulties.

To be sure, there is a solution to the immigration and energy issues that is fair, balance, and economically sensible. Capitalizing on these opportunities could provide benefits to the U.S. for the long-term and lessen our addiction to foreign sources of oil.