

Ethanol for fuel

[Business](#)



The idea of replacing fossil fuel with ethanol fuel has generated more heat than light.

The proponents of the idea often mention the advantages that such a move pose to the countries that have often depended on others for crude oil while the opponents have blamed the switch to ethanol oil as the main reason for the declined food production in the world among other effects. Generally this switch has had environmental, economical and even political impact. This essay is aimed at examining the consequences of switching from fossil fuel to ethanol fuel use. Proponents of ethanol use have claimed that it is much sustainable economically because it is produced by the use of organic materials which have a renewable nature. Brazil which has been rated as the largest producer of ethanol, does so by the use of sugarcane while the United States of America, which is also a major producer mostly utilizes corn (Pollick, par. 2-3).

Another major advantage raised by the proponents is that it burns cleaner when compared to gasoline. This means that a car using ethanol would release lesser toxic emissions, such as benzene and lead. The greatest benefit of ethanol use is in the fact that it reduces dependency on oil from those countries that produce it. There has been a great demand for oil over the past few decades as a result of continued industrialization and increase in population (Pollick, par. 3-4). However, the greatest concern has been the continued hike in the oil prices as well potential energy insecurity.

Fossil fuels keeps on been depleted and there has been great concern over the rise in terrorism and insecurity in Arabic nations that are the major

producers of fossil oil in the world. With this in mind, there arose a need to have an alternative source of energy and this is what led to the rise in demand of the bio-fuels such as ethanol (Al Riffai, Dimaranan & Laborde 13). There are, however, some issues that have been raised against the use of ethanol as a bio fuel. The development of bio fuel has been associated with the rise in the global prices of food and reduction of the cereal products especially from Europe and the United States of America (Al Riffai, Dimaranan & Laborde 17). In fact, some have attributed the 2008 food price crises to the impact of bio fuel. This is because farmers are utilizing their land in the growing of products that make ethanol since they can get more money in doing this.

In addition food products such as corn that in the past had been exported to the developing nations have been diverted to the production of ethanol. This has resulted to the increased prices of products such as wheat, corn and cooking fat. Since corn is utilized in the US greatly for feeding the livestock, its decrease has meant higher prices for animal products. The phrase Fuel vs food has been generated to show that the production of ethanol is done at the expense of that of food (Al Riffai, Dimaranan & Laborde 17). The use of ethanol will have an impact on globalization as many countries will reach to a point whereby they will be able to produce their own fuel. This is contrary to the use of fossil oil which is produced by only some particular countries in the world whose production may be affected by various reasons.

Before reaching this point however, countries that can not satisfy their internal markets will continue depending on international trade. This will force governments to set “ conditions both at global and national levels for <https://assignbuster.com/ethanol-for-fuel/>

increased production and trade” (Dufey, 1). In order to reduce competition, countries may be forced to impose ethanol tariffs on imports. Currently, the US has placed a “ 54 cent per gallon tariff on ethanol imports” and this is the reason why Brazil does not sell much of it’s ethanol to the US (Rohter). Such tariffs may be a disadvantage to a US company doing business abroad as the host countries may also decide to impose tariffs on its products. Ethanol producing countries have claimed that products made from fossil oil have had their prices reduced at a significant rate.

It is predicted that the continued use of ethanol for fossil oil will lead to the reduction of the global prices in fossil oil as the latter continues to face competition as a source of energy. Though this may be good news to manufacturers and other energy users, the expansion of ethanol use will still pose a great challenge to food production unless proper measures are taken to avert this. Work cited

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