

The Lure Of Going Green

Undeniably, the trend in the auto industry is to go green. This is why automakers are rushing to make their lineup as green as they can be. But should cars take the food that we eat? Is it the most viable solution?

Going green is a lure that is hard to defy these days. In a territory which boasts of food surplus, the auto trend is a nice thing. The process of combining agricultural products with diesel or petrol will definitely cut foreign oil imports.

Brazil has proved that mixing oil with sugar cane, corn and soybeans can run most of a country's transportation, according to a Bangkok Post release. In Thailand, some leading industries and increasing numbers of farmers are jumping on the biofuel bandwagon, the report continued.

The said programme, nonetheless, is affecting supplies and food prices. "It is not sinful to fuel autos with the help of renewable crops," said Cuban Dictator Fidel Castro. But watchers in the industry warn people of the potential scarcity of food or the possibility of food inflation. This is expected to be resorted to by businessmen who want to make more profitable gains.

Economist Jeffrey Sachs, who studies poverty issues on a macro level, embraced the spotlight by criticizing the International Monetary Fund's actions in Thailand in 1997. Recently, he was the subject of massive publicity by condemning the territory's threats to break international drug patents. Sachs wrote that poor people worldwide face a triple threat where global warming raises food prices because crops are turned into fuel.

Sachs has pointed out the knock-on effects. World wheat prices have recently hit record levels, at least in part because wheat acreage has dropped as North American farmers have switched to corn to make ethanol, the release added.

According to some reports, similar events are already occurring in Thailand. The new demand for cassava and palm oil is actually altering the agricultural patterns.

The Internal Trade Department held an emergency meeting last week with traders to tackle the hoarding and shortage of palm oil. This government agency mandated Commerce Ministry to allow urgent import of 60,000 tonnes of palm oil from Malaysia. It means an increase in palm oil prices of 15 baht a liter. Such is a not-so-popular move but will be rubber-stamped by a ministry with no alternatives.

Energy Minister Piyasvasti Amranand confirmed earlier the national fuel fund would spend about 500 million baht in January alone to back biodiesel demand. A Khon Kaen sugar merchant said that he expected his company's profits to rise ten percent this year due to the ethanol programme.

Like the scrutiny observed by the maker of [Acura control arm](#) before launching or upgrading a product, the Thai government should weigh things out. Careful evaluation of the aftermath is needed to find the balance between the need to go green and to increase prices. Putting food in the tanks may be the solution. Or maybe not.

About the Author

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