War in Iran, high energy prices underscore urgency of renewables

Climate Matters



(Black Press Media)

The war in Iran has not only resulted in tragic deaths to many who are innocent of any wrongdoing but has also laid bare our deep reliance on fossil fuels.

The war has blocked tanker passage through the Straight of Hormuz, stifling approximately 20 per cent of global shipments of oil and gas. This has resulted in an international increase in the price of fossil fuel products, igniting an inflationary period that is affecting everything from transportation to food prices.

The fossil fuel economy has historically been “boom and bust” as many from Alberta may attest. Nevertheless, the industry has been the backbone of global economies for over 150 years. Its dominance accelerated from the mid-19th century and peaked with oil replacing coal in the mid-20th century. Fossil energy has been a fundamental driver of the technological, social, economic, and development progress that has followed.

However, we pay the price for that dominance in many ways. It is clear we are at the mercy of markets supplying fossil fuels because they power everything from local transportation, aviation, shipping, coal and gas-powered electricity, and industrial manufacturing, to the

food we put on the table. Despite the recent surge of growth in renewables, fossil fuels still provide roughly 80 per cent of global energy consumption.

While fossil fuels drive the economy, we also know that its combustion is the main cause of greenhouse gas emissions and global warming. As a result, we not only pay at the pumps, but we also absorb huge societal costs resulting from the climate-related impacts of burning fossil fuels.

Since 2022, over $7 trillion has been spent annually world-wide on fossil fuel subsidies. These include both direct subsidies, like government tax breaks to industry, and indirect subsidies related to climate-driven health and environmental effects, infrastructure repair and property damages. Of the over $7 trillion spent globally in 2024, direct subsidies amounted to $725 billion, but the vast majority, $6.7 trillion, were spent on indirect subsidies (higher food prices, air pollution health costs, climate-driven extreme weather damages, and losses due to wildfire). Ultimately, taxpayers such as you and I foot the bill for these costs while the fossil fuel industry and its shareholders continue to make billions.

The International Monetary Fund estimates that removing these subsidies would significantly reduce global emissions, potentially by 46 per cent if fully removed, while producing major environmental and health benefits.

View Point written by Julia Beatty

Julia Beatty is a retired professional biologist with over 30 years of experience at the BC Ministry of Environment, where she specialized in conducting environmental impact assessments. Her work focused on evaluating the effects of diverse pollution sources, ranging from large-scale municipal and industrial emissions to agricultural and urban runoff.

Driven by a lifelong commitment to the environment, Julia co-founded the Shuswap Climate Action Society in late 2019. Despite the immediate challenges of the COVID-19 pandemic, she and her team adapted quickly, successfully building a strong advocacy presence and a dedicated following throughout the Shuswap region.