

Capitalism seeks not merely to reduce waste but to eliminate the concept altogether. Closed-loop production systems, modeled on nature's designs, return every output harmlessly to the ecosystem or create valuable inputs for other manufacturing processes. Industrial processes that emulate nature's benign chemistry reduce dependence on nonrenewable inputs, eliminate waste and toxicity, and often allow more efficient production.

- **Shift economy from production of goods to creation of flow of services.** The business model of traditional manufacturing rests on the sporadic sale of goods. The Natural Capitalism model delivers value as a continuous flow of services – leasing an illumination service, for example, rather than selling light bulbs. This shift rewards both provider and consumer for delivering the desired service in ever cheaper, more efficient, and more durable ways. It also reduces inventory and revenue fluctuations, disposal liabilities, and other risks.
- **Reinvestment in natural capital.** Any good capitalist reinvests in productive capital. Businesses are finding an exciting range of new cost-effective ways to restore and expand the natural capital directly required for operations and indirectly required to sustain the supply system and customer base.

The U.S. energy policy has been remarkably consistent, elements include:

- cheap energy (low cost, low quality)
- mass flow model of wealth (i.e., bigger = wealthier)
- government-assisted credibility
- security of supply is a major driver.

Energy Security entails:

- freedom from fear of privation or want
- positioning two sets of values:
  - privatisation vs. socialisation
  - isolationism vs. engagement
- increasingly concentrated, and therefore brittle systems reveal new supply integrity risks

Rabago also examined the proposed U.S. energy policy:

- ANWR – brittle, worthless
- Oil, coal, gas subsidies
- nuclear subsidies
- rejection of transportation efficiency opportunities
- bill-pay support programmes for the poor
- modest support for clean energy.

Emerging markets:

- distributed energy resources (generation, management, efficiency, storage)
- green power markets
- markets in intangibles

Other indicators of new directions in the energy sector include:

- The rejection of the Kyoto Protocol restricts the opportunity to participate in global