

# Final Countdown to Economic Armageddon

*Ignorant politicians, guided by flimsy science, are about to shove the cap-and-trade tax down the national throat.*  
By Michael S. Coffman, Ph.D.

The “cap and trade” nightmare that will be imposed on American citizens and businesses if the Senate passes the Boxer/Kerry Clean Energy Jobs and American Power Act will do nothing to stop or reverse the amount of greenhouse gases emitted into the earth’s atmosphere. The effect won’t even be measurable. It will, however, destroy the economy of the United States. The good news is that we have a chance of stopping its passage in the U.S. Senate.

Cap and trade would ruin the United States by undermining our free-market foundations. The Senate bill, the Clean Energy Jobs and American Power Act (S. 1733) was introduced by John Kerry (D-MA) on September 30 and co-sponsored by Barbara Boxer (D-CA). It is the Senate’s companion bill to the American Clean Energy Security Act of 2009 (H.R. 2454), passed last June by the House of Representatives. Both depend on very expensive renewable energy replacing fossil fuel. Both give the federal government

unprecedented power over our economy by allocating carbon-emission permits to companies the government deems worthy, while denying emission permits to those deemed unworthy. (The economic and job-destroying consequences of H.R. 2454 were in *RANGE*, Fall ’09 and at [www.rangemagazine.com](http://www.rangemagazine.com).)

Political pundits had assured jittery corporations and businesses that the Senate version of cap and trade would be far more reasonable than the very onerous House version. They were wrong. The Boxer/Kerry bill is even worse than that of the House. The House bill requires the United States to reduce CO<sub>2</sub> emissions by 17 percent by 2020. The Boxer/Kerry bill requires a full 20 percent reduction by 2020—a far more difficult and expensive target to accomplish. The House bill also initially had much higher emission reductions. However, Nancy Pelosi, speaker of the House, had to water down the impact of H.R. 2454 during its initial 10 years to buy enough blue-dog

Democratic votes to pass it.

The Boxer/Kerry Senate bill may also have to be watered down to get enough votes to pass. Like the House, Senate Democrats who vote for it will want to be retired by the time the full economic apocalypse hits the pocketbooks of American citizens.

Congressional Democrats and the Obama administration have assured the American people that the Congressional Budget Office and Environmental Protection Agency have determined that cap and trade will only cost the average family \$100 to \$200 a year. That is not true. Investigations of these numbers have revealed that huge areas of cost impacts were ignored in these calculations, thereby giving a totally false estimate.

Chris Horner, senior fellow of the Competitive Enterprise Institute, filed a Freedom of Information Act request to obtain all records concerning the cost/benefits of H.R. 2454 from the Department of Treasury. After being stonewalled several times, Treasury



WIND FARM © FLIKR/KEVIN DOOLEY

*The heart of both the House and Senate versions of the cap-and-trade legislation is replacing 17 to 20 percent of fossil-fuel energy with very expensive and unpredictable renewable energy, almost all wind and solar energy by 2020.*

finally released them in mid-September. The documents show that as far back as President Obama's 2009 State of the Union address, internal Treasury memos claimed the president's plan to auction emissions allowances in "a cap-and-trade program could generate federal revenue on the order of \$100 to \$200 billion annually." While that is revenue for the feds, it is a hidden tax of \$1,761 to every American family every year!

Contrary to the public assurance of a \$100 to \$200 cost per family, White House officials were privately rubbing their hands in glee at the prospect of hundreds of billions of dollars flowing into federal coffers. Think of all the new spending programs they could fund! Even better, the president can more or less remain true to his promise of not raising taxes while passing into law the biggest tax hike in U.S. history. "The words cap and trade were chosen for a reason," says Horner, "and that is to avoid a vote on a tax." (Horner is the author of the *New York Times* best seller, "The Politically Incorrect Guide to Global Warming.")

The \$100 to \$200 billion of new costs to the American people does not represent the full cost of H.R. 2454 and S. 1733, only the direct costs of buying the emission allowances. Businesses and manufacturing will also have

to buy expensive carbon credits from other companies not utilizing all their allowances, or from foreign nations, and their increased costs will be passed on to the consumers. Energy-intensive industries like agriculture will be hit the hardest. The cost of living will skyrocket as electricity costs double and gasoline, fuel oil and natural gas increase by 50 percent or more. The Heritage Foundation calculates that when everything kicks in by 2030, the annual

**"The words cap and trade were chosen for a reason," says Horner, "and that is to avoid a vote on a tax."**

cost per family will be around \$5,000. Worse, the U.S. economy will be strained to the breaking point with a \$10 trillion price tag.

It is disingenuous at best and an outright lie at worst for President Obama and members of Congress to tell the American people that it will only cost them a couple hundred dollars a year. No amount of rebates to the poor will even begin to cover the enormous cost of the legislation. Worse, numerous studies have shown that, at best, this economy-

busting legislation might reduce global warming by 0.05 degrees Fahrenheit. That's not even measurable. Readers of *RANGE* know that there is no empirical scientific evidence that man is responsible for the warming of the 20th century. The only evidence that exists is from computer climate models, which have been proven wrong. Ironically, global temperatures have been cooling in the 21st century, even as CO<sub>2</sub> levels continue to increase.

Not surprisingly, at the time of this writing there is nothing in the Boxer/Kerry bill to identify which companies will be given carbon credits and which will be denied them when the bill is finalized. It was obvious in the House bill that certain industries and companies were favored in order to buy the votes of reluctant Democrats.

While that may be politics as usual, it clearly shows how the entire process can be manipulated even after the legislation becomes law. In other words, it is wide open to corruption. Boxer/Kerry also includes a lot of enticements for centrist Democrats and Republicans, with generous funding provisions for nuclear power, natural gas and even clean coal. However, the bill is short on specifics, allowing its ambiguous language to

*(Continued on next page)*

## Dead On Arrival?

*Copenhagen climate agreement. By Michael S. Coffman, Ph.D.*

**W**hen the Kyoto Protocol was accepted by consensus during the U.N. meeting in Japan in 1997, globalists and global-warming alarmists rejoiced that the new protocol would advance global governance and save the world from certain destruction from earth's overheating—resulting, of course, from man-caused greenhouse gases. The protocol received almost unanimous support and most nations signed and ratified it in the ensuing years. The worst holdout was that pesky spoiler, the good ol' U.S.A. President Bush withdrew the United States from the protocol process within months of becoming president. In doing so, he said that the protocol would seriously harm the economy of the United States. He was right.

The United States withstood withering attacks from Europe and even from many

Third World nations for emitting the greatest amount of greenhouse gases without taking any responsibility to curb them. However, in one of the ironies of history, it has turned out that U.S. carbon emissions have slowed down because of voluntary, low-cost solutions, while those of Europe, which has imposed draconian cap-and-trade laws demanded by Kyoto, have continued to accelerate.

Kyoto has failed, miserably. The solution for the globalists and alarmists is to implement an even harsher protocol at the Copenhagen Climate Summit in Denmark this December. These doomsayers sent up a collective cheer when newly elected President Obama assured them that the United States would sign on to the new and improved Copenhagen Protocol. In fact, the president assured the international community that he would have a new U.S. cap-and-trade law in

his pocket to bring to the Copenhagen Climate Summit.

That was when things started to go downhill. As the details were made known at the first negotiating session last winter, Third World nations started to resist. They were all for the Kyoto Protocol because they were exempt from its provisions. They hoped that industry would flee Europe, Canada, Australia and the United States and land on their shores as the cost of doing business forced industry in the developed nations overseas. Their support waned when the Copenhagen agreement made clear that Third World nations would also be forced to reduce their carbon emissions.

Third World nations howled "Unfair." They were right to protest. The emerging Copenhagen Protocol would destroy any chance these nations have of climbing out of poverty. Unlike a typical U.S. politician, leaders in these countries realize there is a one-to-one relationship between use of fossil-fuel energy and economic development. Signing on to Copenhagen would be signing their own death warrants. These Third World leaders got even angrier as they realized the devel-

entice foot-dragging senators to vote for it.

Not all companies are going to be hit by huge cost increases if cap and trade becomes law. Hundreds of companies stand to reap huge profits. General Electric, for instance, could rake in billions of dollars in profits from the production of wind generators. Al Gore, the prince of global-warming doomsayers, could be one of the first billionaires with his Generation Investment Management Fund. There are thousands of companies like these lining up to profit at the expense of the average citizen. Since science is now showing that man is not and cannot be causing global warming, absolutely nothing will be gained from the massive redistribution of wealth that

would occur with cap-and-trade legislation. Nothing, except, of course, misery for the average citizen.

There is hope, however. Not only is the new international climate treaty to replace the Kyoto Protocol likely dead on arrival (see sidebar), but the public's growing awareness of the deficiencies of proposed health-care legislation and the frustration of out-of-control spending has caused Americans to become more focused on what Congress is doing. Sovereignty International is producing a series of short YouTube videos summarizing global-warming science and the problems of cap-and-trade legislation. They can be viewed

## No amount of rebates to the poor will even begin to cover the enormous cost of the legislation.

at [www.nocapandtrade.us](http://www.nocapandtrade.us). SI plans to send out several hundred thousand e-mails containing this link when cap and trade hits the news. People will be encouraged to view them and pass the links along to their own e-mail lists. Each video encourages them to contact their senators to vote no on S. 1733.

It's time we the people take action to tell our senators ([congress.org](http://congress.org)) that unless they vote no on this very dangerous legislation, we will not vote to reelect them. Maybe that will finally get their attention. ■

*Dr. Coffman is CEO of Sovereignty International, which co-sponsored the International Conference on Climate Change with the Heartland Institute and other concerned organizations. Over 700 leading scientists and participants from all over the world attended the conference. You can find addresses for senators at [www.senate.gov](http://www.senate.gov)*

## Dead on Arrival?

*(Continued from previous page)*

oped nations were deliberately forcing them to bow to a new form of imperialism—this time, economic imperialism.

Led by China, which exceeded U.S. carbon emissions in 2007, the Third World demanded that developed nations give them \$100 to \$200 billion a year to help them pay for the cleanup costs. Not surprisingly, China wanted its cut too. It was more than willing to go along if by doing so the United States and other developed nations actually signed on to the Copenhagen Protocol. China had no intention of ever signing the Copenhagen Protocol.

Chinese delegates have personally told me that China fully knows man is not causing global warming. If the developed nations want to believe the man-caused global-warming myth and commit economic suicide, China is more than willing to help them (including the United States) over the cliff.

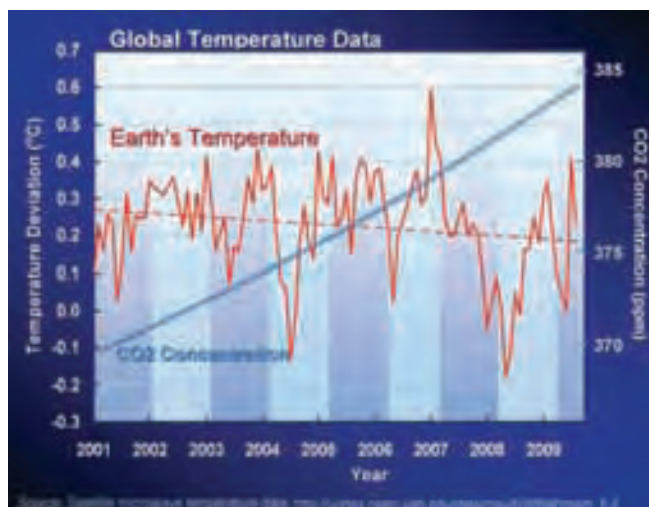
China must continue to build more coal-fired generating plants if it is to bring most of its population out of abject poverty. To accomplish this, China is bringing online a new coal-burning power plant every week or two. If this pace is continued through 2030, China's carbon emissions would exceed the entire world's combined emissions today.

When it became obvious by late summer that the developed nations would not pay anywhere near what the Third World nations and China were demanding, China switched tac-

tics. It started giving hope to the gullible of the world that it might change its mind about going green and eventually sign on to the new protocol. While China does appear to be making improvements, this, too, is a ruse to get the developed nations to commit economic suicide. Once again, China has no intention of ever signing the protocol.

Like China, India is another of the fastest-

growing economies of the world. Rather than toying with politics as China is doing, it has flatly said no to any Copenhagen agreement. Like China, India cannot bring its people out of abject poverty without increasing its use of fossil-fuel energy. Period.



growing economies of the world. Rather than toying with politics as China is doing, it has flatly said no to any Copenhagen agreement. Like China, India cannot bring its people out of abject poverty without increasing its use of fossil-fuel energy. Period.

What about all that CO<sub>2</sub> that will be emitted into the atmosphere if Copenhagen fails? While there is a problem with all the other actual pollutants emitted with the burning of fossil fuel,

CO<sub>2</sub> is not one of them. Carbon dioxide has been shown in hundreds of research studies to greatly improve plant growth and ecosystem health. In fact, scientists now tell us that global food production has already increased by 12 percent from the elevated levels of atmospheric CO<sub>2</sub> in the past 50 years. We can expect another 25- to 50-percent increase in food production if CO<sub>2</sub> concentrations double. Only radical environmentalists and population doom-sayers would say that is a bad thing. ■

*NOTE: Just as this issue went to press, Lord Monckton, former advisor to Prime Minister Margaret Thatcher, warned that a dangerous backroom deal was just hammered out. The new consensus document states three goals: a new world government, mandatory massive income redistribution, and legal authority over nations and people. The wording is deliberately ambiguous so that every nation will sign it. While it is not everything that either side wanted, it provides a framework for global governance and international control over our economy. It is certainly going to provide justification for passing and enforcing cap-and-trade legislation in the U.S. Senate. It must not be ratified by the U.S. Senate!*