

All Pain, No Gain

Restricting and taxing energy use to prevent speculative climate disasters would be disastrous

Paul Driessen

“Electricity rates would necessarily skyrocket” under cap-and-trade,” President Obama has admitted. “Industry will have to retrofit its operations. That will cost money, and they will pass that cost on to consumers.” Cap-and-trade, Senator Ben Cardin (D-MD) eagerly observed, is “the most significant revenue-generating proposal of our time.”

Not one congressman even read the numbingly complex 1427-page Waxman-Markey global warming bill, before the House of Representatives voted on it. A new version of the Kerry-Boxer Senate bill provides no details about how carbon allowances would be allocated under a mandatory emissions reduction program.

The process recalls Churchill’s description of Russia: “a riddle wrapped in a mystery inside an enigma.” Here we are dealing with estimates wrapped in assumptions inside speculation – based on assertions that Earth faces a manmade climate disaster.

The only thing known with certainty is that cap-tax-and-trade will inflict intense pain for no environmental gain – on regions, states, communities, industries, companies and families. It is a complicated regulatory scheme that penalizes businesses and people who use electricity and other forms of energy derived from oil, gasoline, natural gas and coal.

Cap-tax-and-trade would place limits on how much carbon dioxide America would be allowed to generate, and the limits would decrease drastically over time. Companies and utilities would be issued permits, saying how much CO₂ they can put into the air each year. If they cannot stay within that limit, they will have to switch to wind, solar, nuclear or geothermal energy (assuming those sources can be built, in the face of regulation and litigation); capture the CO₂ and store it somewhere (via technologies that do not yet exist); or buy more permits from US or foreign companies that don’t need as much energy (through a new international financial, trading and carbon derivatives market).

Cap-and-trade restricts and taxes hydrocarbon energy use. Because 85% of America’s energy is hydrocarbons, prices will soar for everything we heat, cool, drive, make, grow, eat and do. The impacts will be especially painful in scores of states that depend on coal for 50-98% of their electricity, refine petroleum for the nation’s vehicles, and manufacture products that improve, enhance and safeguard our lives.

The complex system will be administered by profit-seeking carbon management and trading firms, regulated and policed by thousands of government bureaucrats, and paid by every family, driver, business, school district, hospital, airline, traveler and farmer.

The ostensible goal is to stabilize planetary temperatures, climates and weather patterns that have never been stable, by slashing carbon dioxide emissions 83% below 2005 levels by 2050.

The last time America emitted that amount of CO₂ was 1908! Once we account for the far lower population, manufacturing, transportation and electrification levels of a century ago, 2050 carbon dioxide emissions would have to equal what the United States emitted after the *Civil War*!

That would require monumental changes in lifestyles and living standards. It would mean politicians and unelected pressure groups, bureaucrats and judges will limit or dictate home building, heating, cooling and lighting decisions; transportation and vacation choices; how food can be grown and shipped; what kinds of products can be purchased and how they must be manufactured; and how much energy must come from subsidized, unreliable renewable sources.

Restrictions and taxes on fossil fuels will hit our manufacturing heartland especially hard, as it is heavily dependent on coal and natural gas. The American Council for Capital Formation calculated that Waxman-Markey would spike Indiana’s electricity prices nearly 60% by 2030 – increasing school and hospital

energy costs 28-42% and causing numerous jobs to be exported to Asia, where there will be few restrictions on CO2 emissions. Numerous other states would be similarly hard hit, says ACCF.

Other experts have calculated that cap-and-trade would destroy millions of American jobs ... raise energy costs for the average US family by \$1,400 to \$3,100 per year ... and send overall food and living costs upward by \$4,600 annually. Will *you* be able to afford that?

Poor families may get energy welfare. Wealthier families can absorb these costs. But cap-and-trade will severely affect middle class families. They would be forced to pay skyrocketing energy and food costs, by cutting their college, retirement and vacation budgets. Hospitals and school districts would have to raise fees and taxes, or cut services. Cities and states would have to cover rising welfare and unemployment costs, as tax revenues dwindle. Tourism-based businesses and economies would get hammered.

Switching to renewable energy does not merely increase costs and reduce reliability. It also affects the environment. Ethanol mandates would mean growing corn or switchgrass on farmland the size of Montana, and using vast amounts of water, fertilizer, diesel fuel, natural gas and insecticides.

Wind and solar power would mean covering millions of acres of scenic, habitat and farm land with huge turbines and solar panels. Hundreds of millions of tons of concrete, steel, copper, fiberglass and "rare earth" minerals would be needed to build them and thousands of miles of new transmission lines to get the expensive renewable electricity to distant cities. Because the turbines and panels only work 10-30% of the time, back up natural gas generators would also be needed, meaning still more raw materials.

Even worse, all this pain would bring no benefits. Using global warming alarmists' own computer models, climatologist Chip Knappenberger calculated that even an 83% reduction in US carbon dioxide emissions would result in global temperatures rising just *0.1 degrees F* less by 2050 than not cutting US carbon dioxide emissions at all.

That's because CO2 emissions from China, India and other countries would quickly dwarf America's job-killing reductions. These nations are building a new coal-fired power plant every week and putting millions of new cars on growing networks of highways – to modernize, reduce poverty, improve human health, and ensure that families, offices, schools and hospitals have electricity. Germany plans to build 27 new coal-fired power plants by 2020, and Italy expects to double its reliance on coal by 2015.

Moreover, the 0.1 degree temperature reduction assumes rising CO2 causes global warming – a belief that thousands of scientists vigorously challenge, because there is little actual evidence to support the thesis.

Of course, some will gain from penalizing, taxing and hyper-regulating our economy. Al Gore and others involved in emission trading stand to make billions, from trillions of dollars in cap-and-trade transactions. Coastal states and companies that don't rely on coal will benefit, as will companies that get excess or low-cost emission permits and can sell these allowances for handsome profits. Well-paid bureaucrats will have "green jobs" – as will scientists, eco-activists and renewable energy companies, who will share \$6-10 billion annually in taxpayer cash, as long as they continue to conduct biased climate research, issue dire warnings about global warming cataclysms, and build wind and solar projects.

Besides massive pain for no gain, cap-tax-and-trade will create an intrusive Green Nanny State that destroys jobs, reduces personal freedoms, and hobbles economic opportunities and civil rights.

Our Earth is cooling. Our economy is in the tank. Congress and the White House need to stop hyperventilating about global warming, and let the free market get our economy back on track.

Paul Driessen is senior policy adviser for the Committee For A Constructive Tomorrow (CFACT), which is sponsoring the [*All Pain No Gain*](#) petition against global-warming hype. He also is a senior policy adviser to the Congress of Racial Equality and author of *Eco-Imperialism: Green Power - Black Death*. This article first appeared on World Net Daily: <http://www.wnd.com/index.php?fa=PAGE.view&pageId=115253>