

"...blind ambition represents the last stand of abject failure."

Paraphrasing Oscar Wilde, the great nineteenth century author, blind ambition represents the last stand of abject failure. His observation was intended for individuals but can be applied to social movements, nations, scientific inquiry or just about anything where deluded thoughts are applied to physical reality. More notably, free markets, representing rational thought, a principal that the United States constitution was crafted, serves as the ultimate arbiter of economic relevance. Few sectors of the economy have been treated more harshly by free markets than the unbridled promise cap and trade. Price action of the exchange traded fund with the ticker symbol GRN is a fine example of what is playing out with extreme global alarmism. Its price has dropped about 80% in a shockingly short time span. The tactic earmarking oil companies for an Al Gore lead assault on profits has officially crashed and burned as oil prices have fallen.

The inefficiency and ultimate failure by the charade of "moral hazard" lead policy initiatives, is now revealed, even as the bellowing alarmists rant and Al Gore sweats before Congress. In an investment climate that has universally rejected any form of leverage and in fact where an estimated 30 trillion dollars of swap credits are unwinding, becoming worthless, the alarmists with socialist leanings and their enabler main stream media conglomerates simply don't understand that the climate golden goose has indeed laid an egg. They don't recognize the brilliance inherent within financial markets that discounts nonsense and allows capital in strong and intelligent hands to adjust swiftly to unmerited punitive measures by withdrawing the punch bowl from those that would have us "drink the cool aid". Ironically, it likely the very leftists themselves that attempted to use the free market system to position themselves for a policy lead windfall that has indeed vanished. Only platitudes and delusions remain for the new and true deniers of the truth the market is telling, regarding the relevancy of punitive carbon policy.

The debut of several carbon credit ETFs and their corresponding derivatives highlight the power of the marketplace and superiority of reason over insanity. Of particular note is the debut of a fund with the ticker symbol GRN. Not only did this fund debut in July at the very peak of oil prices, it occurred at the beginning of the possible capitulation phase of the overall stock market and unwinding of the massive swap credit sector accelerated and the price of oil plummeted, reducing the collateralization.

The Obama administration efforts to alter both the accounting principle of mark to market and reinstate the uptick rule for short sales, is deepening the process. The downward spiral is accelerating as the fund drops. Indeed, it is evident from the fund's price chart, with numerous days beginning the day gap down that panic selling is occurring. Indeed, the ETF has lost nearly half its value in the last month alone. With the failure of a large biofuel concern in South Dakota last summer and abandonment of various windmill projects global, it is difficult to fathom any rational investor drinking the alternative energy Kool Aid by providing capital for any ill conceived green schemes.