## The Week That Was (Aug 15, 2009) brought to you by SEPP

If you are planning to attend the meetings of the American Chemical Society in Washington DC Aug 16-19, be sure to visit the booth of the **Heartland Institute** and sign up to protest the ACS statement on climate change. If you cannot attend and are a current or former ACS member, contact Dr **Peter Bonk** at <a href="mailto:peterjbonk@gmail.com">peterjbonk@gmail.com</a>

## **Quote of the Week:**

#### THIS WEEK

FLASH: Australia Rejects Climate Cap-and-Trade Bill! Senators voted 42 to 30 against. Will U.S. follow suit? http://www.bloomberg.com/apps/news?pid=20601081&sid=aHo TW08Y3to

Last week, 10 Democratic senators wrote to President Barack Obama, indicating they would find it "extremely difficult" to support the C&T Bill (S-1462) unless it contained measures that would "maintain a level playing field for American manufacturers." Interpretations of what the letter means vary between the *New York Times*, whose headline judged the senators as "threatening" the bill's passage, and the Natural Resources Defense Council (NRDC), a prominent US campaign group, which found it "constructive".

Whichever of those is correct in the context of US legislation, it's hard to see how the senators' move is constructive in any way at all for an international deal in Copenhagen. So how sure do they need to be before supporting the bill? Will they need to see some wording agreed in the international talks before deciding? Yet if there is no US legislation in place by Copenhagen, the prospects for an international deal recede. [As we approach the Dec 2009 Copenhagen confab designed to extend and amplify the expiring 1997 Kyoto Protocol, we note that global emissions are 40 percent above those in 1990, the basis year for the Kyoto treaty.]

As predicted, Cap&Trade is being crowded out by Healthcare and may be dead for 2009 -- and maybe forever. In addition to regional opposition, it's hard to impose energy taxes in an election year. In 2010, expect Democrat losses because of fierce opposition to Obamacare. [Big political error; they should have learned from Hillary's experience.] The IPCC crowd is getting very frustrated that their 'science' is not leading to policy results. Expect some desperate moves.

SEPP Science Editorial #25-2009 (8/15/09)

## "Some Unsettled Problems in Climate Science"

This presentation is directed primarily towards scientists who have some familiarity with climate problems. Our aim is to show

- (1) that the "science is NOT settled"
- (2) that NIPCC is in every sense as competent as IPCC
- (3) that we need help in solving some sticky problems
- (4) that continued but targeted research support is essential

My most recent seminar talk was at the NOAA Research Center in Boulder, CO, on July 31, a Friday afternoon. More than 200 crowded into the lecture room and discussions continued long after my lecture – some still ongoing by e-mail.

• How goes the dispute about Climate Sensitivity?

*Is it 3 degC for a doubling of CO2 (IPCC) or 0.3 (NIPCC)* 

- Is WV and cloud feedback positive or negative? and how can the right data give the answer
- How much of 20th century warming is anthropogenic? nearly all (IPCC) or an insignificant percentage (NIPCC)
- Can solar activity explain decadal-scale climate changes? Or internal atmosphere-ocean oscillations – or both?
- How much energy does GH radiation impart to SeaSfcTemp? since downwelling IR cannot penetrate beyond a thin skin of water
- Why the debate about CO2 residence time *Is it 5 years, 50-100 years, or millennia?*
- Is there really a temperature increase "in the pipeline"? Will warming continue after GH gases are stabilized?
- Why such disagreement about Sea Level Rise? Year 2100 estimates vary greatly: 600cm (Hansen), 1200cm (Weaver), 14-53cm (IPCC-2007), or only 18 cm (Singer)?

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- 5. Australia climate bill poses test for Premier -- WSJ
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- 7. Eyes fall on Virginia in November 2009 Salena Zito
- 8. Carbon futures aren't the future Alan Oxley
- 9. Resisting climate hysteria Richard Lindzen

#### **NEWS YOU CAN USE**

Climate data spat intensifies: Since 2002, Steve McIntyre, the editor of *Climate Audit*, a blog that investigates the statistical methods used in climate science, has repeatedly asked Phil Jones, director of the Climatic Research Unit (CRU) at the University of East Anglia, UK, for access to monthly global surface temperature data held by the institute [12 Aug 2009 | *Nature* 460, 787 (2009) | doi:10.1038/460787a].

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Another example of counterproductive environmental zeal: misguided PCB 'cleanup' of the Hudson River http://greenhellblog.com/2009/08/11/non-suprise-of-the-day-ges-pcb-clean-up-makes-hudson-rive

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#### BELOW THE BOTTOM LINE

Climate change is very real. Global warming creates volatility. I feel it when I'm flying. The storms are more volatile. We are paying the price in more hurricanes and tornadoes. --Senator Debbie Stabenow (D., Mich.), Detroit News, 10 August 2009

Yes, and there are sea monsters in Lake Michigan. I can feel them when I'm boating, mocks Henry Payne in http://community.detnews.com/apps/blogs/henrypayneblog/index.php?blogid=2041



## 1. THE WAXMAN-PELOSI FOLLIES

By KIMBERLEY A. STRASSEL, WSJ

If anyone might have the right to revel in a bit of health-care schadenfreude, it's John Dingell. Nancy Pelosi and Henry Waxman ought to feel lucky he's foregone the pleasure. The Michigan Democrat, at least until last year, presided over the powerful Energy and Commerce Committee. As such, Mr. Dingell, the House's longest-serving dealmaker, was positioned to be point man for President Barack Obama's health-care and climate priorities.

Was. Weary of Mr. Dingell's slow pace, and impatient with his attempts to unite diverse committee Democrats around legislation, within weeks of November's election Speaker Pelosi made her move, enlisting some home-town muscle. Fellow California liberal Henry Waxman challenged Mr. Dingell to his chairmanship, and with Mrs. Pelosi's support, dethroned him. The speaker has been reaping her whirlwind ever since.

The measure of Mrs. Pelosi's leadership was always going to be her ability to manage an unruly caucus. She was an architect of that diversity, rounding up an unprecedented crew of conservative Democrats to pick off vulnerable GOP seats in 2006 and 2008. These "majority makers" sat uneasily with her liberal wing and her own ideological inclinations, but Mrs. Pelosi initially proved herself savvy. The House Democrats' debut "Six in '06" agenda—minimum wage hikes, cheaper student loans and the like—was carefully crafted to present a united Democratic front.

That restraint has gradually given way to Mrs. Pelosi's more radical ambitions, and Mr. Waxman enlisted to see that agenda through. He has certainly fulfilled Mrs. Pelosi's hope that he be the anti-Dingell. And the result of his purist, knuckle-cracking style is that House Democrats flood to recess today on a wave of division, confusion and dismal headlines. "Henry Waxman has been our greatest gift," chortles one House GOP aide. If Mr. Obama ultimately fails in his top ambitions, he should know early whom to thank.

On the conservative side of the equation, Mr. Waxman has unrelentingly antagonized the rural Democratic members who make up the majority of his committee. He wrote a climate bill without their input, loaded it with provisions that hurt their districts, and left them to vote on Republican amendments designed to inflict maximum political damage. He ignored requests to wait to see if the Senate could produce, instead forcing a painful floor vote on legislation prior to the July Fourth recess. Members went home to be brutalized by constituents and local employers.

This high-handed treatment already had Blue Dogs loaded for bear, not that Mr. Waxman heeded warnings. When he again ducked into secret meetings to craft health-care legislation, a group of 45 members sent a letter complaining. "We don't want a briefing on the bill after it's written. We want to help write it," declared Arkansas's Mike Ross, chair of the Blue Dog health-care task force. Rebuffed, conservative Democrats delineated for Mr. Waxman what they saw as an acceptable bill. Rebuffed again, they asked Mr. Waxman to let the Senate go first. Rebuffed yet again, Mr. Ross took his case to the nation, with a revolt that has beat down the House bill for weeks.

Mr. Waxman's subsequent negotiations with these members—in which he reportedly showed little concern for the political challenges of anyone outside of Los Angeles—made matters worse. Blue Dogs stormed out of one session, with Louisiana's Charlie Melancon bellowing: "I've been lied to. We have not had legitimate negotiations." Mr. Waxman, for his part, declared he was "not going to let [Blue Dogs] empower Republicans to control the committee."

By this week, Hill newspapers were reporting on an increasingly prominent presence in the Waxman negotiations: John Dingell. "These guys gotta fight to stay," explained Mr. Dingell of the Blue Dogs, after one such peacemaking session. "They can warn us about pitfalls that we, in our arrogance, may not see. Their concerns are legitimate." He refrained from adding: "Duh."

On the liberal side of the equation, Mr. Waxman's committee ownership has meanwhile potentially set expectations too high to be reconciled with Blue Dog demands. The Californian's "breakthrough" with Mr. Ross this week (achieved with Mr. Dingell's help) contained only minuscule concessions, yet set off a riot on the left.

Within a few hours of his Blue Dog deal, Mr. Waxman had to postpone markup again as his furious fellow "progressives" accused Blue Dogs of hijacking their bill. His "deal," in fact, leaves just enough scary stuff in the legislation to allow Blue Dogs to get smacked around all August, while taking just enough out to ensure the base reaches fever pitch by September.

The Waxman-Pelosi strategy has also reverberated beyond the House. The hammering that House Democrats received on cap-and-trade has only further discouraged senators from tackling that legislation. Mr. Obama has felt compelled to say nice things about this early House product, tying the White House to reckless legislation, and further raising the left's hopes.

Mr. Waxman and Mrs. Pelosi head into recess with one comatose climate bill and one wounded health-care project. Now comes the long hot summer month where the nation gets to think about this some more. If the speaker wants to make use of her vacation, she could always get on the phone to Michigan. Mr. Dingell might have some advice.

## 2. QUESTIONS TO ASK AT TOWN HALL MEETINGS

Demand answers from your senators and congressman during their August recess By Paul Driessen

Americans are justifiably wary about Congress rushing to overhaul our healthcare system, 17% of our economy, with little debate, analysis or bipartisan input. They worry that the legislation could affect their costs, free choice, doctor-patient relationships and access to quality care.

They should be even more concerned about complex, thousand-page legislation that would overhaul 100% of our economy -- the energy system that powers and enables everything we eat, heat, cool, grow, make, transport, drive and do -- to prevent **hypothetical** manmade catastrophic climate change.

Energy is the Master Resource that makes life possible. Without abundant, reliable, affordable energy, opportunity, progress, job creation, health and civil rights are hobbled and rolled back. And yet, global warming bills are being rushed into law at warp speed, not just without debate, but also with debate vilified as climate holocaust denial, criminal acts and treason against the planet.

Proponents insist a planetary crisis demands instant action. The truth is that President Obama wants to present a US commitment to draconian reductions in plant-fertilizing carbon dioxide at the December Copenhagen climate conference. He wants to pressure China, India and other nations to sacrifice their economic growth to the specter of alleged climate disasters. Copenhagen is the last chance for eco-activists to implement a UN-centered system of global governance, global taxes, and global control of energy, economies and living standards.

Open, robust, unfettered debate is absolutely essential. It is our inalienable right, the foundation of democracy and a free and prosperous America. A good place to start that debate is the town hall meetings that our elected representatives will be holding during their August recess. Here are a few questions that concerned citizens might want to ask.

- 1) Congressman John Conyers said he didn't bother reading the bill, before he voted on it, because he would need two lawyers to explain the passages to him. Did you read and understand it? All of it? Then how can we be expected to do so? Why should we be expected to obey it? Why should we let congressmen who can't understand their own bills control 100% of our economy?
- 2) Global temperatures are not increasing. Thousands of scientists say humans and carbon dioxide are not causing a climate disaster. Hurricanes, tornadoes, floods, droughts and heat waves are not increasing. Emissions from China and India will quickly replace any CO2 reductions the United States might achieve by taxing and restricting fossil fuel use, crippling our economy, and hurting seniors and poor families most. Why does Congress refuse to allow real debate? Why does it simply assume and decree that we have a global warming crisis and must enact legislation immediately?
- 3) House Speaker Pelosi recently said every aspect of our lives must be subjected to an inventory, so that America can slash energy use and emissions, and prevent dangerous climate change. This can only lead to a massive, intrusive Green Nanny State; the end of affordable, reliable energy; a coerced switch to expensive, unreliable wind and solar power; and skyrocketing energy costs that will hammer families and businesses and cost millions of jobs. Why would you support such legislation?
- 4) Cap-and-trade is a huge tax on the energy we use for everything we make and do. It's a massive wealth transfer, from consumers to the government, to pay for unprecedented spending increases and more pork for favored businesses and voting blocs. It violates President Obama's pledge not to tax anyone with incomes below \$250,000. It will cost families \$1000 to \$4,600 per year in extra energy and living expenses. How can you justify voting for such punitive legislation?
- 5) The average annual temperature in Antarctica is minus 50. Temperatures would have to increase 85 degrees 24/7/365 for a century or more, to melt South Pole ice caps and raise sea levels 20-50 feet. Can you explain how a 0.02% increase in atmospheric carbon dioxide (from 285 ppm in 1850 to projected 485 ppm) can overturn basic laws of thermodynamics, replace the powerful natural forces that caused Ice Ages and other climate changes in the past, and produce ice-cap meltdowns?
- 6) Replacing hydrocarbons with green energy will require millions of acres of land for turbines, solar panels, geothermal facilities and transmission lines. Do you support relaxing environmental, endangered species and other laws, to fast-track approval of these projects, despite their impacts on habitats? Or do you want them subjected to the same rules that have stymied thousands of other energy projects, so that renewable energy projects can't be built either, and we have a huge energy gap? Do you support protecting the rights of landowners? Or do you favor eminent domain, so that government can seize people's property and expedite construction of these projects?
- 7) Replacing hydrocarbons with green power will also require hundreds of millions of tons of steel, copper, concrete, fiberglass and rare-earth minerals for turbines, solar panels and transmission lines. Do you support opening our lands for renewed exploration and development, so that we can produce these raw materials and create American jobs? Or do you intend to keep US lands off limits, allow eco-activists to file lawsuits to prevent development, and force us to depend on imports for renewable energy, too?
- 8) The United States spent \$79 billion on global warming programs between 1989 and 2008. The vast majority went to scientists, bureaucrats, alarmist groups and propaganda campaigns that say we face a climate disaster. Do you support a law requiring that future spending be split 50:50 between researchers who think humans are causing a climate disaster, and those who believe climate change is mostly natural and cyclical so that we can have honest, unbiased science and sound public policy decisions?
- 9) Claims that we face a climate disaster are based on selected use of questionable temperature data, short-term temperature trends, and scary computer scenarios that even modelers don't call predictions but merely

"scenarios," if numerous assumptions about climate systems, energy generation, carbon dioxide and global economic growth 25-100 years from now turn out to be true. How can you justify transforming (and risking) America's energy and economic future, based on computer models?

- 10) The White House and EPA suppressed a government report (that said scientific evidence does not support claims that we face a global warming disaster) until after passage of a House bill that would send US carbon dioxide emissions back to 1868 levels. Why did you ignore this dictatorial and fraudulent action? Will you now demand a new debate and new vote? Demand that this report be reviewed and debated fully, before the Senate acts on similar legislation? Penalize EPA for suppressing free speech?
- 11) The economic pain, job losses and government intrusion into our lives under the House-passed global warming bill would reduce projected global average temperatures in 2050 by an imperceptible 0.1 degrees. That's largely because 97% of the projected increase in CO2 emissions between now and 2030 will come from developing countries that are building new coal-fired power plants every week, according to the International Energy Agency. Why would you support legislation that is all pain, and no gain?
- 12) Over 1.5 billion people in China, India and Africa still do not have electricity, for even a light bulb or tiny refrigerator. Almost 2.5 billion people around the world live on less than \$2 a day. Millions die every year from diseases that would be largely eradicated with electricity for refrigeration, sanitation, clinics, and industries that generate greater health and prosperity. How can you justify telling them that global warming is the biggest threat they face, and that they need to get by on wind and solar power, and give up their dreams of better lives, because you are worried about global warming? Doesn't that violate their most basic human rights, including their right to improved living standards and to life itself?

Exercise your constitutional rights. Write to your legislators. Attend town hall meetings. Ask questions. Demand answers. Demand debate. And safeguard your future, and your children's future.

## 3. CAN CAP&TRADE SAVE PLANET FOR JUST 'POSTAGE STAMP A DAY'?

By GARRETT A. VAUGHN, Investors Business Daily, August 06, 2009 <a href="http://www.ibdeditorials.com/IBDArticles.aspx?id=334448160383703">http://www.ibdeditorials.com/IBDArticles.aspx?id=334448160383703</a>

How much will an American family pay to avoid catastrophic global warming via the House-passed Waxman-Markey cap-and-trade bill? Rep. Ed Markey, D-Mass., likens the cost to "about a postage stamp a day," based on estimates made by the Congressional Budget Office (CBO) and the U.S. Environmental Agency (EPA). Usually, however, goals that strain credulity also strain finances.

Carbon dioxide (CO2) is the most important greenhouse gas emitted by humans. Relative to 2005, Waxman-Markey seeks a 17% cut in CO2 emissions by 2020 and an astounding 83% by 2050, driving U.S. per capita CO2 emission levels below those of George Washington's first term as president. Fossil fuels account for most CO2 emissions while meeting about 85% of U.S. energy needs. Hence, the ambitious emission targets would require cap-and-trade to nearly extinguish use of those fuels via higher prices. Those prices, hopefully, can rustle up enough replacements from conservation and alternative energy without going ballistic.

## **Costs Not Counted by CBO**

The CBO relies on creativity to protect family budgets against those risks. More expensive energy would inevitably slow growth in production and income, as measured by the gross domestic product. **Lost income growth** would be families' major cost under Waxman-Markey. The CBO study looks past the proverbial elephant-in-the-room with a discreet footnote stating that its cost estimate "does not indicate the potential decrease in GDP that could result."

Next, the CBO uses a "back to the future" statistical time machine to leap over eight years of **adjustment costs**. Waxman-Markey would begin raising energy costs in 2012. The CBO study, however, begins as if

2012 would already be 2020 when "the cap would have been in effect for eight years" and it can "measure the costs that would occur once the economy had adjusted to the change in the relative prices of goods and services."

Hence, as with GDP losses, the CBO study looks past the considerable investments in equipment and processes during 2012-2019 needed to "adjust" CO2 emissions downward 17% by 2020. But adjustment costs would continue 30 years beyond 2020, as American families face up to the even more challenging goal of achieving the full 83% reduction by 2050. The CBO's statistical time machine managed a single eight-year leap, but the study makes no mention of a subsequent 30-year leap to 2050.

#### EPA's statistical time machine

The **EPA's statistical time machine,** however, has often leaped forward 30 years in the agency's benefit-cost studies on regulating Clean Air Act pollutants other than CO2. By looking so far ahead, the studies can leap over the vast expenditures made by manufacturers preparing to meet Clean Air Act regulations. That acrobatic maneuver prevents all of the "upfront" dollars from affecting the benefit-cost ratio estimated for the distant year. For instance, in 2000 the EPA dialed forward to 2030 to estimate annual benefits of \$16 for every \$1 of cost from regulating the particulate matter and nitrous oxides emitted by heavy-duty diesel trucks and buses.

None of the costs counted in 2030, however, included any of the dollars manufacturers would spend during 2000-2010 in preparing to meet the regulatory deadlines of 2008-2010 for new vehicles. The study excluded all of the upfront expenditures from the benefit-cost ratio by assuming manufacturers would "recover" them via higher prices long before 2030.

Costs aside, a 30-year leap finds more clean air benefits for an annual benefit-cost ratio. Benefits ramp up slowly with the gradual replacement of existing, dirtier vehicles with the new regulated models. From the perspective of 2000, fleet "turnover" would be appreciable by 2030 but negligible by 2008, a year that would also contribute considerable upfront costs to a sure-to-be dreadful benefit-cost ratio. Leaping 30 years, in contrast, offered a ratio worthy of much publicity.

The EPA's more powerful time machine may be needed should cap-and-trade bog down in the U.S. Senate. In that event, both President Obama and EPA Administrator Lisa Jackson have suggested imposing an allegedly more expensive "Plan B": limiting CO2 emissions through a blizzard of regulations written under the Clean Air Act.

## Impossible Profit

Yet, the EPA's own **benefit-cost analyses** show up to \$30 in benefits for every \$1 of cost from regulating other harmful emissions under the act. Such ratios suggest that regulating CO2 emissions could cost less than cap-and-trade. Cap-and-trade, after all, would manipulate prices to motivate private profit-making firms. Yet, not even Exxon-Mobil at its most profitable could refine every \$1 of crude oil into gasoline worth \$30 to motorists, leaving it with \$29 of pure profit. In the entire United States, only the EPA may be capable of such profit — profit that automatically flows (albeit slowly) straight to Americans as "income in kind" in the form of cleaner air.

Still, at the end of the day, would either cap-and-trade or the Plan B of Clean Air Act regulations really save the planet for pennies a day? Or are such claims too good to be true for both strategies? With Washington, D.C., determined "to do something," American families will find out whether leaping over GDP losses and upfront costs works as well in practice as it does in theory.

Vaughn is an economist for the Manufacturers Alliance/MAPI, a 76-year-old public policy, economics research and executive education organization in Arlington, Va.

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#### 4. GREEN CAMPAIGNERS BURY GERMAN CCS PLANS

The Guardian, 29 July 2009, <a href="http://www.guardian.co.uk/environment/2009/jul/29/germany-carbon-capture">http://www.guardian.co.uk/environment/2009/jul/29/germany-carbon-capture</a>>

It was meant to be the world's first demonstration of a technology that could help save the planet from global warming - a project intended to capture emissions from a coal-fired power station and bury them safely underground.

But the German carbon capture plan has ended with CO2 being pumped directly into the atmosphere, following local opposition at it being stored underground. The scheme appears a victim of "numbyism" - not under my backyard.

## 5. AUSTRALIA CLIMATE BILL POSES TEST FOR PREMIER

By RACHEL PANNETT, WSJ, August 12, 2009 http://online.wsj.com/article/SB125003456583024187.html

CANBERRA, Australia -- Lawmakers are expected to reject legislation aimed at capping greenhouse-gas emissions in Australia this week in a move that could imperil one of the country's most important economic initiatives in recent years.

The debate is shaping up as the biggest test yet of Prime Minister Kevin Rudd's nearly two years in office, and could result in a call for early elections if he can't get key conservative lawmakers on his side. It could also provide a case study for similar debates in the U.S., where lawmakers are wrangling over a similar plan to set mandatory caps on greenhouse-gas emissions. That policy is set to be debated by the U.S. Senate next month after it passed the House of Representatives by a slim 219-212 margin in June.

Like the U.S. plan, Australia's climate bill has been criticized by green groups for its relatively weak carbon-emission reduction targets and generous industry allowances, which many argue could make it ineffective. At the same time, representatives from industry have argued Australia's plan goes too far, threatening jobs and adding new costs for consumers and businesses at a time when the economy is just recovering from a global recession.

Analysts are watching Australia's effort closely. Although Australia accounts for only around 1.5% of global greenhouse emissions, it is the biggest per-capita carbon polluter in the developed world due to its reliance on fossil fuels, mainly coal, for around 80% of its electricity generation. Clean-air advocates say they believe countries such as Australia and the U.S. need to set a better example before other parts of the world agree to curb their worsening pollution problems.

Australia's planned carbon-trading program is similar to a European Union one in place since 2005. It would cap Australia's carbon-dioxide emissions, forcing heavy polluters like power generators and aluminum and cement makers to buy so-called carbon permits to account for their emissions.

To ease criticism from industry, it would allocate 27% of the carbon permits free in the first year to heavy-polluting companies that are highly exposed to international trade. It also sets a relatively low target for overall emission reductions, with a goal of cutting emissions in the country by 5% from 2000 levels by 2020, though it could go higher under certain circumstances.

By comparison, the U.S. plan calls for cuts to U.S. emissions of 17% from 2005 levels by 2020, and 83% by 2050. Japan, a global manufacturing hub for automobiles and electronics, aims to cut greenhouse-gas emissions to 15% below 2005 levels by 2020. The EU has agreed to reductions of at least 20% on 1990 levels by 2020, and will cut by as much as 30% if other developed countries make comparable efforts.

Conservative senators in Australia have nevertheless vowed to kill the program during a vote in the Senate on Thursday if further changes aren't made. Among their concerns: Because the country has so much cheap coal, any switch to cleaner-burning fuels will likely drive up the cost of electricity and threaten energy-dependent industries, including the country's powerful natural-resources sector.

Opposition leader Malcolm Turnbull has offered to deliver enough conservative votes to pass the legislation, but only if the government agrees to certain conditions. Among other things, he and others want emissions from coal mining and agriculture to be excluded from the proposal. They also have called on the government to delay the design of the Australian carbon program until February or March, after the U.S. Senate has debated its climate bill.

Because Australia's center-left Labor government lacks a majority in the Senate, where laws are passed, it needs the support of conservatives -- or other smaller parties that also have concerns about the program -- to pass its plan.

If the vote fails, the government would still be able to revive some form of climate program in future months. But it would likely to have agree to further concessions to win enough support from conservatives.

# 6. GOVERNMENT'S GREEN ENERGY PLAN MAY COST 17 TIMES MORE THAN ITS BENEFITS

By Edmund Conway, Daily Telegraph - 10 August 2009 http://www.telegraph.co.uk/finance/newsbysector/energy/6001259/Governments-green-energy-plan-may-cost-17-times-more-than-its-benefits.html

The Government's plans to increase the proportion of Britain's energy generated by "green" sources is set to cost between 11 and 17 times what the change brings in economic benefits. The figures are buried deep in the Government's Renewable Energy Strategy paper produced last month.

According to the document, while the expected cost will total around £4bn [=\$6.6 billion] a year over the next 20 years, amounting to £57bn to £70bn, the eventual benefit in terms of the reduced carbon dioxide emissions will be only £4bn to £5bn over that entire period. The figures make up part of the Government's impact assessment of the policies, which include plans to raise the proportion of British electricity produced by renewable sources from 5.5pc today to 30pc.

It is the Government's assessment that the non-monetary benefits of the policies will compensate for the possible £65bn shortfall, but economists are sceptical as to how much of this sum such factors can make up.

## 7. EYES FALL ON VIRGINIA IN NOV 2009

Salena Zito, August 02, 2009

http://townhall.com/columnists/SalenaZito/2009/08/02/fall\_eyes\_on\_virginia

WINCHESTER, Va. – Virginia will be the center of political attention this fall, thanks to the first statewide election in a battleground state since the 2008 presidential election. November's gubernatorial race matches former state attorney general Bob McDonnell, a Republican, versus state senator Creigh Deeds, a Democrat.

A SurveyUSA poll last week gave McDonnell a 15-point lead. RealClearPolitics shows McDonnell as 6.3 percentage points in the lead, based on aggregate polling data.

"If McDonnell were to win this, the message it sends back to Washington is to slow down," said John Morrison, a Deeds supporter.

Both Virginia and New Jersey will hand a report card of sorts to President Obama and the Democrats controlling Congress with their governor's races this fall. Both are leaning toward Republican wins, but in politics, anything can change.

For about 40 years, since Richard Nixon's 1968 run, Northern Virginia favored Republicans until it began shifting to Democrats in 2004, 2006 and 2008. Located near Washington, D.C., it is home to lots of tech companies and their employees, along with a healthy proportion of people who work in government (and government has been expanding since Obama became president) and who lean left.

The Virginia Beach and Richmond areas also have favored Republicans since Nixon. Unlike their northern cousins, people in those areas have become redder. Obama's victory in Virginia was hugely related to high black voter turnout, especially in the Virginia Beach area. If that voting bloc does not show up for Deeds, he is in trouble.

It does not help him that the nation's first elected black governor, Virginia's Douglas Wilder, is cool to him – so much so that Wilder told the *Washington Times* last week that Deeds risked becoming a "me too" candidate. Wilder then complimented McDonnell for reaching out to Virginians who don't traditionally vote Republican.

McDonnell is well positioned as a state official. He beat Deeds for the attorney general's job by about 300 votes in 2005, in what was a more favorable year for Democrats. (Hurricane Katrina had hit and wiped out Bush's approval ratings, just as the Iraq War's unpopularity heated up and Social Security reform fell apart).

Obama's 2008 victory in Virginia, while impressive, was many years in the making, built on demographic changes and the election of three Democrats – U.S. senators Mark Warner (also a former governor) and Jim Webb and Gov. Tim Kaine. They were successful because they built a new brand for Democrats, one that was fiscally responsible and focused on improving people's lives rather than on divisive social issues.

That begs a question: With a healthy party brand and three popular Democrats in statewide leadership, why is Deeds languishing in the polls? "Washington's policies, plain and simple," said Philip Charles, a retired D.C. firefighter from Front Royal, Va. "Obama's charisma won this state last fall. His policies may cost his party a seat in the governor's mansion this fall." With its counter-cyclical election, Virginia is poised to serve as a check on government's role in everyday life, its expansion and its spending.

Part of Deeds' problem is that voters are exhausted after 2008's "change" hype and discouraged because they don't feel that things are getting better – changing – fast enough.

The 2010 mid-term elections will hinge on the economy and on spending. Either the economy roars back and Democrats can claim they made the difference or 2010 could be another 1982, when Ronald Reagan took a mid-term hit because the economy had not yet pulled out of its recession.

One thing is certain: No way will the economy be better this November, when Virginia and New Jersey vote – and when it comes to the relationship between politics and the economy, jobs matter more than all other measures.

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## 8. CARBON FUTURES AREN'T THE FUTURE

By Alan Oxley, Forbes.com, August 12, 2009

This week climate change negotiators are meeting in Germany to review a 260-page document, which U.N. officials hope will be crafted into a new treaty to reduce carbon emissions and adopted by world leaders at Copenhagen in December. At the center of this proposal is a strategy for governments to raise money by creating a large global market for carbon credits.

The Chicago Futures Exchange already operates a small market for carbon credits. Prices are low, around \$1 a ton. Though the market now operates mainly for companies eager to boast a low carbon footprint, boosters eagerly talk about greater interest and future prices as high as \$40 a ton.

But be wary. Experts predict that no new treaty will be inked at Copenhagen. Policy makers have little inclination to hike energy costs to reduce greenhouse gas emissions in the midst of an economic crisis. Moreover, the idea is seriously impractical.

Environmental NGOs like Greenpeace and the WWF are campaigning for a \$160 billion market in carbon credits, the proceeds of which are to be directed to developing countries to entice or bribe them to reduce their own emissions.

Poor countries already receive about \$105 billion in aid every year. Given widespread doubt about the effectiveness of this existing aid, no government, least of all the U.S. Congress, would agree to more than double that amount--especially since China would significantly benefit from such a transaction and, last time we looked, it is loaded to the gills with finance.

As for the aid at hand, a quarter of the \$160 billion raised annually from this emissions trading would be earmarked for poor countries with forestry. But there's a catch. Nations would only receive these funds if they agree to use forestlands to farm carbon instead of timber or other crops. The World Bank is telling the developing world that emissions farming would generate better returns. That's just not true.

According to a new study by World Growth International, the returns from developing forestlands are at least four to eight times greater than farming carbon. And since forestry directly and indirectly contributes up to about 7% of the national economy of forest-rich, tropical, developing countries, these anti-forestry initiatives threaten to significantly impede their chances to create new jobs and wealth.

The World Bank's stated mission is to reduce poverty. Yet, by encouraging poor nations to select the lowest-yielding option, its anti-forestry campaign directly conflicts with that core principle.

The organization's environmental economists argue that if governments create a large global market for carbon credits, the carbon stored in the trees would become more valuable and, therefore, entice poor communities to farm the carbon instead of the tree. The World Bank has garnered several hundred million dollars to encourage and equip developing countries to get into this game, despite the improbability of agreement on a global emissions trading market.

The touting of "easy money" has already had unhappy results. Last week, for example, the government of Papua New Guinea (PNG) closed its official office for climate change. That's because the country's climate change director had been circulating certificates for rights to allocate carbon, even though there's no law in the country that creates such rights. There had been reports of multimillion-dollar sales to companies set up in Australia to make these trades. And hustlers had been selling permits (along with large paper bags) for \$500 a pop to locals to collect carbon dioxide from the air and deliver it to the climate change office.

These kinds of policies come at the expense of both the planet and the poor. As such, the World Bank, Greenpeace, WWF and other groups presently pushing for a global carbon market should pause and reassess their plan.

If our true intent is to protect global forest biodiversity and enable poor countries to become economically self-sufficient, then we need to encourage a more serious and nuanced approach: allowing sustainably managed forestry.

Some sort of global compact on climate change will be agreed upon sometime in the next decade. But don't waste any money on global carbon futures--they are unlikely to be a part of it.

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organization, and the author of <u>a new report</u> on how forestry can reduce poverty. He formerly served as chairman of the General Agreement on Tariffs and Trade, the predecessor to the World Trade Organization.

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## 9. DOOMED PLANET: RESISTING CLIMATE HYSTERIA:

A Case Against Precipitous Climate Action

by Richard S. Lindzen, July 26, 2009

http://www.quadrant.org.au/blogs/doomed-planet/2009/07/resisting-climate-hysteria

"Today's debate about global warming is essentially a debate about freedom. Environmentalists would like to mastermind each and every possible (and impossible) aspect of our lives." -- Vaclav Klaus "Blue Planet in Green Shackles"

The notion of a static, unchanging climate is foreign to the history of the earth or any other planet with a fluid envelope. The fact that the developed world went into hysterics over changes in global mean temperature anomaly of a few tenths of a degree will astound future generations. Such hysteria simply represents the scientific illiteracy of much of the public, the susceptibility of the public to the substitution of repetition for truth, and the exploitation of these weaknesses by politicians, environmental promoters, and, after 20 years of media drum beating, many others as well.

Climate is always changing. We have had ice ages and warmer periods when alligators were found in Spitzbergen. Ice ages have occurred in a 100-thousand-year cycle for the last 700 thousand years, and there have been previous periods that appear to have been warmer than the present despite CO2 levels being lower than they are now.

More recently, we have had the medieval warm period and the little ice age. During the latter, alpine glaciers advanced to the chagrin of overrun villages. Since the beginning of the 19th Century these glaciers have been retreating. Frankly, we don't fully understand either the advance or the retreat.

For small changes in climate associated with tenths of a degree, there is no need for any external cause. The earth is never exactly in equilibrium. The motions of the massive oceans where heat is moved between deep layers and the surface provides variability on time scales from years to centuries. Recent work (Tsonis et al, 2007), suggests that this variability is enough to account for all climate change since the 19th Century.

Supporting the notion that man has not been the cause of this unexceptional change in temperature is the fact that there is a distinct signature to greenhouse warming: surface warming should be accompanied by warming in the tropics around an altitude of about 9km that is about 2.5 times greater than at the surface. Measurements show that warming at these levels is only about 3/4 of what is seen at the surface, implying that only about a third of the surface warming is associated with the greenhouse effect, and, quite possibly, not all of even this really small warming is due to man (Lindzen, 2007, Douglass et al, 2007).

This further implies that all models predicting significant warming are greatly overestimating warming. This should not be surprising -- though inevitably in climate science, when data conflicts with models, a small coterie of scientists can be counted upon to modify the data. Thus, Santer, et al (2008), argue that stretching uncertainties in observations and models might marginally eliminate the inconsistency. That the data should always need correcting to agree with models is totally implausible and indicative of a certain corruption within the climate science community.

It turns out that there is a much more fundamental and unambiguous check of the role of feedbacks in enhancing greenhouse warming that also shows that all models are greatly exaggerating climate sensitivity. Here, it must be noted that the greenhouse effect operates by inhibiting the cooling of the climate by reducing net outgoing radiation.

However, the contribution of increasing CO2 alone does not, in fact, lead to much warming (approximately 1 deg. C for each doubling of CO2). The larger predictions from climate models are due to the fact that, within these models, the more important greenhouse substances, water vapor and clouds, act to greatly amplify whatever CO2 does. This is referred to as a positive feedback. It means that increases in surface temperature are accompanied by reductions in the net outgoing radiation - thus enhancing the greenhouse warming. All climate models show such changes when forced by observed surface temperatures.

Satellite observations of the earth's radiation budget allow us to determine whether such a reduction does, in fact, accompany increases in surface temperature in nature. As it turns out, the satellite data from the ERBE instrument (Barkstrom, 1984, Wong et al, 2006) shows that the feedback in nature is strongly negative -- strongly reducing the direct effect of CO2 (Lindzen and Choi, 2009) in profound contrast to the model behavior. This analysis makes clear that even when all models agree, they can all be wrong, and that this is the situation for the all-important question of climate sensitivity.

According to the UN's Intergovernmental Panel on Climate Change, the greenhouse forcing from manmade greenhouse gases is already about 86% of what one expects from a doubling of CO2 (with about half coming from methane, nitrous oxide, freons and ozone), and alarming predictions depend on models for which the sensitivity to a doubling for CO2 is greater than 2C, which implies that we should already have seen much more warming than we have seen thus far, even if all the warming we have seen so far were due to man.

This contradiction is rendered more acute by the fact that there has been no statistically significant net global warming for the last fourteen years. Modelers defend this situation by arguing that aerosols have cancelled much of the warming, and that models adequately account for natural unforced internal variability. However, a recent paper (Ramanathan, 2007) points out that aerosols can warm as well as cool, while scientists at the UK's Hadley Centre for Climate Research recently noted that their model did not appropriately deal with natural internal variability thus demolishing the basis for the IPCC's iconic attribution (Smith et al, 2007).

Interestingly (though not unexpectedly), the British paper did not stress this. Rather, they speculated that natural internal variability might step aside in 2009, allowing warming to resume. Resume? Thus, the fact that warming has ceased for the past fourteen years is acknowledged. It should be noted that, more recently, German modelers have moved the date for 'resumption' up to 2015 (Keenlyside et al, 2008). Climate alarmists respond that some of the hottest years on record have occurred during the past decade. Given that we are in a relatively warm period, this is not surprising, but it says nothing about trends.

Given that the evidence (and I have noted only a few of many pieces of evidence) strongly implies that anthropogenic warming has been greatly exaggerated, the basis for alarm due to such warming is similarly diminished. However, a really important point is that the case for alarm would still be weak even if anthropogenic global warming were significant. Polar bears, arctic summer sea ice, regional droughts and floods, coral bleaching, hurricanes, alpine glaciers, malaria, etc. etc. all depend not on some global average of surface temperature anomaly, but on a huge number of regional variables including temperature, humidity, cloud cover, precipitation, and direction and magnitude of wind. The state of the ocean is also often crucial. Our ability to forecast any of these over periods beyond a few days is minimal (a leading modeler refers to it as essentially guesswork).

Yet, each catastrophic forecast depends on each of these being in a specific range. The odds of any specific catastrophe actually occurring are almost zero. This was equally true for earlier forecasts

of famine for the 1980's, global cooling in the 1970's, Y2K and many others. Regionally, year to year fluctuations in temperature are over four times larger than fluctuations in the global mean. Much of this variation has to be independent of the global mean; otherwise the global mean would vary much more.

This is simply to note that factors other than global warming are more important to any specific situation. This is not to say that disasters will not occur; they always have occurred and this will not change in the future. Fighting global warming with symbolic gestures will certainly not change this. However, history tells us that greater wealth and development can profoundly increase our resilience.

In view of the above, one may reasonably ask why there is the current alarm, and, in particular, why the astounding upsurge in alarmism of the past 4 years. When an issue like global warming is around for over twenty years, numerous agendas are developed to exploit the issue. The interests of the environmental movement in acquiring more power, influence, and donations are reasonably clear. So too are the interests of bureaucrats for whom control of CO2 is a dream-come-true. After all, CO2 is a product of breathing itself. Politicians can see the possibility of taxation that will be cheerfully accepted because it is necessary for 'saving' the earth.

Nations have seen how to exploit this issue in order to gain competitive advantages. But, by now, things have gone much further. The case of ENRON (a now bankrupt Texas energy firm) is illustrative in this respect. Before disintegrating in a pyrotechnic display of unscrupulous manipulation, ENRON had been one of the most intense lobbyists for the 1997 Kyoto [Protocol]. It had hoped to become a trading firm dealing in carbon emission rights. This was no small hope. These rights are likely to amount to over a trillion dollars, and the commissions will run into many billions. Hedge funds are actively examining the possibilities; so was the late Lehman Brothers.

Goldman Sachs has lobbied extensively for the 'cap and trade' bill, and is well positioned to make billions. It is probably no accident that Gore, himself, is associated with such activities. The sale of indulgences is already in full swing with organizations selling offsets to one's carbon footprint while sometimes acknowledging that the offsets are irrelevant. The possibilities for corruption are immense. Archer Daniels Midland (America's largest agribusiness) has successfully lobbied for ethanol requirements for gasoline, and the resulting demand for ethanol may already be contributing to large increases in corn prices and associated hardship in the developing world (not to mention poorer car performance).

And finally, there are the numerous well-meaning individuals who have allowed propagandists to convince them that in accepting the alarmist view of anthropogenic climate change, they are displaying intelligence and virtue For them, their psychic welfare is at stake. With all this at stake, one can readily suspect that there might be a sense of urgency provoked by the possibility that warming may have ceased and that the case for such warming as was seen being due in significant measure to man, disintegrating.

For those committed to the more venal agendas, the need to act soon, before the public appreciates the situation, is real indeed. However, for more serious leaders, the need to courageously resist hysteria is clear. Wasting resources on symbolically fighting ever-present climate change is no substitute for prudence. Nor is the assumption that the earth's climate reached a point of perfection in the middle of the twentieth century a sign of intelligence.

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