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The Left's Civil War on Cap-and-Trade: Who Likes Political Capitalism?

by Robert Bradley
July 22, 2009

Some environmental leaders have said that I am naïve to think that there is an alternative to cap-and-trade, and they suggest that I should stick to climate modeling. Their contention is that it is better to pass any bill now and improve it later. Their belief that they, as opposed to the fossil interests, have more effect on the bill's eventual shape seems to be the pinnacle of naïveté.

- James Hansen, "[Strategies to Address Global Warming](#)," July 2009.

Welcome to the science of politics, Dr. Hansen—and welcome to a tradition in political economy that is more than a century old. “I see no force in modern society which can cope with the power of capital handled by talent,” stated William Graham Sumner in 1905, “and I cannot doubt that the greatest force will control the other forces.” And said George Will in our time: “The world is divided between those who do and do not understand that activist, interventionist, regulating, subsidizing government is generally a servant of the strong and entrenched against the weak and aspiring.”

The political hijacking of climate legislation is why the Left is now embarrassingly split on the issue. And just maybe this is the opening wedge to get the Left to reconsider climate alarmism in its wider dimensions. After all, higher energy costs disproportionately affect the poor and slow the drive to mass-electrify the developing world. And the climate crusade is resurrecting (uneconomic) nuclear power—a Left no-no. And geoengineering—that too is an [unwanted stepchild](#) of climate exaggeration.

And there is even the spectre of Big Brotherism in this [energy road to serfdom](#). Remember Jimmy Carter's winter/summer thermostat regulations? Perhaps civil libertarian [Nat Hentoff](#), now with the Cato Institute, will start to worry about the carbon police in a no-holds-barred carbon-constrained world.

There are good reasons for the Left to oppose the Waxman-Markey climate bill that is now in debate in the U.S. Senate.

1. HR 2454 does [virtually nothing](#) to reverse out the human influence on climate.
2. The political attempt to deal with the issue has been hijacked by, in Hansen's [words](#), “people in alligator shoes.”
3. Climate progressivism, led by cap-and-trade, is a throwback to [Ken Lay's Enron](#).
4. Carbon-code regulation for its own sake is dumb, vindictive, and elitist—an affront to the “little guy” rhetoric of the party in power.

Running Out of Time?

A realistic look at climate science, economics, and politics points towards a coming tipping point in favor of climate-change *adaptation* rather climate-change *mitigation*. This explains the current panic among climate regulationists about not passing cap-and-trade legislation in 2009—regulation that is supposed to magically lead to hard, short-term global targets in Copenhagen later this year.

Political failure this year portends failure next year—and beyond, which is to say that there are more losers than winners in cap-and-trade because carbon-based fuels are winners and politically correct energies are losers—as judged by consumer/voters.

Time *is* running out, given:

- 1) The long-lived nature of fossil-fuel infrastructure in light of the consumers' strong preference of affordable, reliable energy;
- 2) The inability of renewable energies to compete on cost and reliability grounds despite decades of special government favor; and
- 3) The less-than-linear (logarithmic) forcing by greenhouse gas emissions on climate. (CO2 emissions have less and less of an effect on climate because of the atmosphere's saturation effect.

In [The Guardian](#) earlier this year, James Hansen gave President Obama "four years to save the earth." This was an update to Hansen's [2006](#) pronouncement in the *New York Review of Books*: "We have at most ten years—not ten years to decide upon action, but ten years to alter fundamentally the trajectory of global greenhouse emissions."

And as if to make it possible, Al Gore's [Repower America Project](#) (Alliance for Climate Protection) has had a ten-year decarbonization plan. In their words:

It will be possible to achieve a 100% clean power mix over the next ten years if appropriate policies are put in place to unleash the [zero carbon source] technologies' vast potential.

But then came Waxman-Markey, and Al Gore (like Joe Romm, under intense pressure at Obama's think tank Center for American Progress) buckled to the politics of incrementalism—make that incremental incrementalism. And James Hansen, Al Gore's mentor, has responded in no uncertain terms.

Here is what Hansen recently [said](#) to the party in power—and Al Gore, President Obama, and John Holdren in particular:

But we have to level with ... President Obama [who] recently came out with a full-throated endorsement of Waxman-Markey. Was he properly advised about its contents? Perhaps so, but he chose to overrule the advice? His Science Adviser, John Holdren, has said that he cannot discuss what he has said to the President.

Al Gore probably has the strongest voice that the President would listen to, so assessment on that front is useful. Last year Al called for rewiring America within 10 years – a national electric grid with renewable energies and energy efficiency replacing 100 percent of coal use. Now he supports Waxman-Markey, which locks in negligible movement in that direction—indeed, the progress in that direction might be greater without Waxman-Markey, and surely would be greater with a rising carbon price. Perhaps "100% carbon-free in 10 years" was only meant as an idealistic goal to be abandoned.

So now that it has been revealed that the climate "problem" is far beyond what voters and politicians can or will stomach, what will Dr. Hansen do? One can only hope that he will bow to reality by:

1. Revisiting his alarmist science (he has shown signs of [open-mindedness](#) before) or
2. Instruct the political sector to cease-and-desist and not to squander wealth on the pretext of addressing climate change, wealth that is needed for societal adaptation under his gloomy scenarios.

Joe Romm vs. The Left

And then there is Joe Romm of [Climate Progress](#), who is hopping mad at the Left, not only the Right, when it comes to climate alarmism and policy activism.

[James Hansen](#) ... [RealClimate](#) ... [Energy Action Coalition](#) ... [Breakthrough Institute](#) ... [Washington Post](#) ... [New York Times](#) ... to Dr. Romm, all scientific news must be bad news about the climate, and no climate legislation is bad enough to veto given the alternative of no legislation. His is a scorched earth policy for a non-scorched earth. Romm even [abandoned](#) his earlier views about what was good climate legislation! I think it had to do with organizational pressure, and thus I [challenged](#) Romm to stand up to his boss John Podesta on Waxman-Markey just like I [challenged](#) my old boss Ken Lay on Enron's knee-jerk climate alarmism. There are limits to being a "company man."

And Dr. Romm does have a fight on his hands. Regressive energy taxation and a special-interest takeover of the 1,428-page H.R. 2454 is no small matter. It is not surprising that a growing number of prominent individuals and organizations on his side of the debate do not like corporate welfare (aka political capitalism) and special-interest regulation that is form over substance. Welcome to the real world.

Contra Romm, *climate policy needs a fundamental mid-course correction*. Cap-and-trade should politically die just like the House-passed [BTU tax](#) died in 1993. Free-market economic policies that create individual and organizational wealth is the best that politics can do when it comes to the real or imagined challenges of global and regional climate change.

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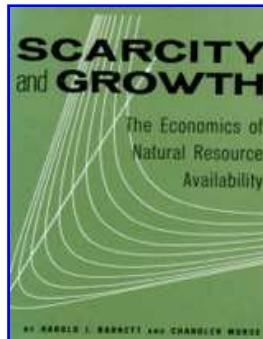
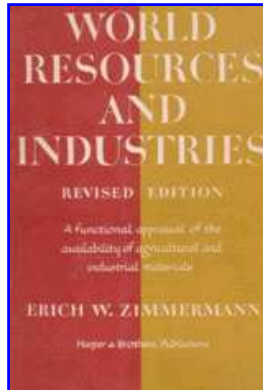
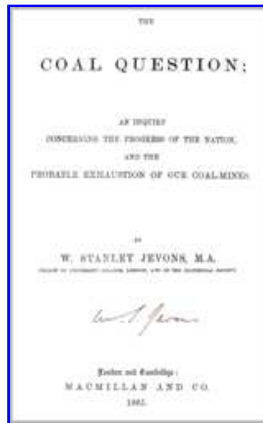
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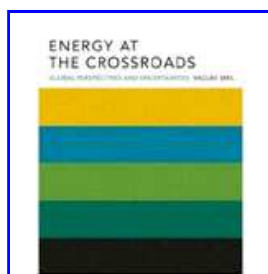
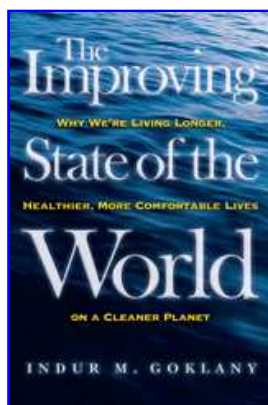
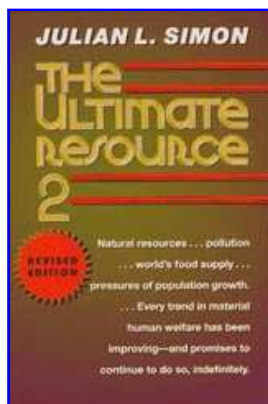
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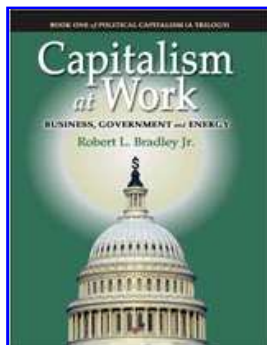
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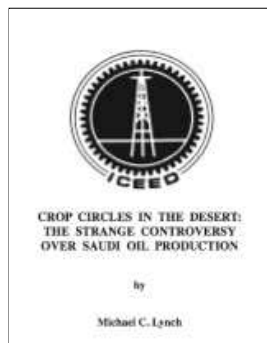
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