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CAP AND TRADE? GLOBAL WARMING? CLIMATE CHANGE? Here is something from the other side.

Submitted by George Abramson on June 10, 2009

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CAP AND TRADE - ALL ECONOMIC PAIN, NO ENVIRONMENTAL GAIN

The climate bill passed last week by the House Energy and Commerce Committee places a cap on the greenhouse-gas emissions, chiefly carbon dioxide, said to be leading to catastrophic global warming. But carbon dioxide is the unavoidable by-product of fossil fuel combustion -- the coal, oil and natural gas that provides Americans with 85 percent of their energy.

The only way to lower these emissions is to reduce energy consumption by boosting the price high enough so that individuals and businesses are forced to use less. The bill starts with a 3 percent reduction in 2012 and gets more stringent each year until it requires an 83 percent reduction in 2050.

Make no mistake -- these targets can be met only by inflicting economic pain via continually rising energy prices. That means higher pump prices forcing us to drive less and bigger electric bills forcing us to cut back on things like heating and cooling and lighting and appliance usage. After all, if gasoline and electric prices stayed the same, the public would continue using just as much as before and the targets wouldn't be met.

Higher energy costs is not an unintended consequence -- it's the whole point of the bill. That's why it's an energy tax in everything but name.

The Heritage Foundation conducted an economic analysis of this bill, and the costs are indeed staggering. In its first year, it would raise the average household's energy bills by \$436 and that figure would eventually exceed \$1,200. Gasoline prices would rise by 58 percent, electricity rates by 90 percent, and natural gas rates by 55 percent.

But higher energy prices are only the beginning. Because energy is involved in virtually all of the goods we use, the cost of nearly everything goes up. The Heritage Foundation estimates the overall costs of the bill works out to \$4,600 annually for a household of four by 2035.

The impact goes well beyond household budgets. The committee bill also kills jobs, an average of 1 million of them at any given time over the bill's multi-decadal life. Particularly hard hit are manufacturing and energy production jobs. Note that these are net job losses after the much over-hyped green jobs created by the bill are taken into account.

Some of these jobs will be destroyed entirely. Others will be outsourced to nations like China and India that have repeatedly stated that they will never hamper their own economic growth with energy-price boosting global warming measures like the committee-passed measure.

The overall lost gross domestic product is estimated to be \$9.4 trillion by 2035. Think of it as a permanent economic slowdown.

The burden of capping emissions will not be shared equally. The Congressional Budget Office has noted that the "price increases would disproportionately affect people at the bottom of the income scale." And the manufacturing job losses would be greatest in those regions, especially the industrial Midwest, that still have a number of such jobs to lose.

The unilateral nature of this bill is the reason it would accomplish next to nothing environmentally. China alone now out-emits America, and according to the Department of Energy its emissions have been growing six times as fast. Add to that other fast developing nations and even assuming passage of the bill, the upward trajectory of atmospheric concentrations of carbon dioxide would be little changed.

Putting aside questions about the extent of future warming -- and ongoing scientific research strongly suggests the problem has been overstated -- the bill would make almost no difference. Chip Knappenberger, a climate scientist with New Hope Environmental Services, says that "the bill will have virtually no impact on the future course of the earth's climate," and predicts an impact of only nine-hundredths of 1 degree Fahrenheit by 2050.

Trillions of dollars for, at most, a change in the earth's future temperature is too small to even notice. It's doubtful the American people have ever had their elected representatives consider a deal this terrible.

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