

The Week That Was 2010-06-19 (June 19, 2010) Brought to you by SEPP (www.SEPP.org)

The FORUM by SEPP and Virginia Scientists and Engineers for Energy and Environment (VA-SEEE) IS POSTPONED UNTIL SEPTEMBER 25. Inadvertently, the Forum was scheduled for Father's Day, which created conflict for many who desired to attend.
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Quote of the Week

"I am not deaf to those who do not agree with the scientific consensus on man-made climate change.....The IPCC and the scientific community at large should welcome the development of a vigorous debate on the science of climate change." Rajendra Pachauri (June 15, 2010), Chairman of IPCC, who, in December 2009, dismissed studies by recognized experts on Himalayan glaciers challenging the IPCC reports as "voodoo science."

THIS WEEK:

By Ken Haapala, Executive Vice President, Science and Environmental Policy Project

On Tuesday, IPCC Chairman R.K. Pachauri gave a rather remarkable interview on BBC, claiming that he welcomes a vigorous debate on the science of climate change. (See quote above.) Of course, the skeptics may continue to be a bit skeptical. Pachauri has called them "flat earthers" who should apply asbestos to their faces.

Given the revelations of ClimateGate, perhaps Pachauri is concerned about his job – one from which he claims he receives no income. Or, perhaps, he has genuinely undergone a remarkable transformation. We shall have to wait and see. An early indicator may be if the IPCC actually tries to test some of the critical assumptions in the computer models, such as that water vapor amplifies (is a positive feedback to) the slight warming produced by increased atmospheric carbon dioxide. Another indicator could be attempting to establish empirical parameters on the effects of aerosols that are "hiding true global warming." The acid test will be permitting skeptics to write dissenting views in the "Summary for Policymakers." (One can always dream.)

The BP oil spill continues to have considerable political ramifications, with vengeance as a motivating factor for some. BP has been forced to set up, early, a \$20 Billion fund to provide relief for those economically impacted by the spill – including those put out of work by the government's declaration of a moratorium on all deep water drilling. As explained in last week's TWTW, the administration attempted to justify this moratorium, claiming it was recommended by highly qualified engineers. The engineers would have none of that and stated they made no such recommendation for existing permits.

Efforts to control the extent of the spill are still underway. Unfortunately, in spite of administration claims that it has been in charge since day one, there still appears to be no one in charge and conflicting statements are the order of the day.

Politicians and the environmental industry are gearing up to make the most of this spill. Numerous articles and television broadcasts are long on adjectives and lurid photographs, but short on facts. What is the actual extent of the environmental damage? Clearly, no one can predict how long the aftereffects will remain, but it appears that once the well is shut off, most of the effect will disappear rather quickly.

What about the wildlife that is so frequently shown in photographs? US Fish and Wildlife has established a control center, monitoring affected birds, sea turtles, mammals, and reptiles. These are classified by alive or dead and by visibly oiled, no visible oil, or status pending. Visible oil on a dead animal does not mean the animal died from oil exposure. As of June 17, with 58 days of records, of the 1468 alive and dead birds collected, the total number of visibly oiled, dead birds was – 196 – a far cry from the impression one receives in the news reports. The data tables can be found at the web site:

http://www.fws.gov/home/dhoilspill/pdfs/collection_06172010.pdf

The fate of the cap and tax law (Kerry-Lieberman bill – S-1733) is uncertain. The administration is using the oil spill to justify penalizing oil as well as coal – thus further penalizing American prosperity. Proponents are also bringing up the issue of American security – reliance on oil from the Mid-East. Thus, it is useful to examine the source of imported crude oil by region as reported by the Energy Information Administration for 2009.

http://tonto.eia.doe.gov/dnav/pet/pet_move_impcus_a2_nus_ep00_im0_mbb1_a.htm

Of the 4,279,908 barrels of crude oil and similar products imported by the US, only 620,938 (14.5%) came from the Persian Gulf states which is less than the 899,370 barrels (21%) that came from Canada. The five major nations from which US imports oil are, in order: Canada, Mexico (10.5%), Venezuela (9.2%), Saudi Arabia (8.6%), and Nigeria (6.9%).

It is important to distinguish the uses of various fuels. Oil is the major transportation fuel and only about 1% of US electricity is generated from it. By contrast, coal is principally an electricity generating fuel with almost 50% of US electricity generated from it. As it is now being restructured, the targets of cap and tax will not only be electricity, but also transportation.

Last week, TWTW mentioned the review in *Science of Merchants of Doubt* by Naomi Oreskes and Erik Conway. This week the George C. Marshall Institute issued its comments on this book which focused on the attack on three of the Institute's founders: Frederick Seitz, Robert Jastrow, and William Nierenberg. The comments on Seitz suffice for all. Oreskes-Conway accuse Seitz of consulting with R.J. Reynolds to discredit studies showing a link between cigarette smoking and cancer.

The Institute admits that Seitz did consult with R.J. Reynolds – to guide a multi-year, multi-million dollar investment in human health research and development at Rockefeller University, a leading bio-medical research institution. This effort funded the research by Dr. Stanley Prusiner, who received a Nobel Prize for his work on prions. Strangely, the *Science* article made no mention of this scientific research. If this scientific research is somehow “tainted”, how should one consider research at Duke University, founded with tobacco money, or Stanford University, founded with railroad money, or that at many other universities?

Comments on the rigor of the Oreskes-Conway book are reserved for a later TWTW.

SEPP SCIENCE EDITORIAL #19-2010 (June 19, 2010)

By S. Fred Singer, President, Science and Environmental Policy Project

EPA's 'analysis' of the American Power Act (Kerry-Lieberman bill S-1733) is so bad, I wonder if a response to Scientific American is worthwhile.

<http://www.scientificamerican.com/article.cfm?id=news-sources-ignore-epas-1-in-100-o-2010-06>

1. It assumes a climate sensitivity that is not justified by any evidence
 2. It ignores all forcings except CO2
 3. It assumes that China and India will go along in rationing energy use
 4. It uses the 'magic' 2 deg C threshold -- for which there is no scientific evidence
 5. It assumes that Floods, Droughts etc will all increase with temperature
 6. It ignores the benefits of global warming and increased CO2
 7. It uses made-up risk probabilities, disguised as science
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ARTICLES: [For the numbered articles below please see the attached pdf.]

1. Environmental Guilt and Original Sin

The Scientific Alliance, June 18, 2010 [H/t ICECAP.org]

<http://scientific-alliance.org/>

[SEPP Comment: Thoughtful essay on new UN efforts to make the citizens of the developed world feel guilty for their prosperity, with the goal of expanding governmental control over them.]

2. Europe's Determination to Decline

By Bjorn Lomborg, GWPF, June 11, 2010 [H/t Francois Guillaumat]

<http://www.thegwpf.org/opinion-pros-a-cons/1083-bjorn-lomborg-europes-determination-to-decline.html>

3. The Immutable Law of the Potomac

IBD Editorials, June 16, 2010

<http://www.investors.com/NewsAndAnalysis/Article/537595/201006161850/The-Immutable-Law-Of-The-Potomac.aspx>

4. BP Crew Focused on Costs: Congress

By Neil King and Russell Gold, WSJ, June 15, 2010

http://online.wsj.com/article/SB10001424052748704324304575306800201158346.html?mod=ITP_pageone_0

5. Cap-And-Trick

IBD Editorials, June 16, 2010

<http://www.investors.com/NewsAndAnalysis/Article/537594/201006161850/Cap-And-Trick.aspx>

6. Climate junk hard to dump: Why would scientists allow themselves to be recruited to essentially political objectives?

By Peter Foster, Financial Post, June 15, 2010 [H/t Francois Guillaumat]

<http://opinion.financialpost.com/2010/06/15/junk-science-week-climate-junk-hard-to-dump/>

NEWS YOU CAN USE:

Clouding the Truth: A Critique of *Merchants of Doubt*

By William O'Keefe, CEO, and Jeff Kueter, President, George C. Marshall Institute, June, 2010

<http://www.marshall.org/pdf/materials/894.pdf>

[SEPP Comment: George C. Marshall Institute's rebuttal against the attack on its founders by Naomi Oreskes and Erik M. Conway.]

Defending the Orthodoxy

Restating the IPCC's reason for being

By Dr. R.K. Pachauri, BBC, June 15, 2010 [H/t Marc Morano]

<http://news.bbc.co.uk/2/hi/science/nature/8740049.stm>

Scientists want clear message on climate

By Tom Arup, Sydney Morning Herald, June 15, 2010 [H/t Bob Kay]

<http://www.smh.com.au/environment/climate-change/scientists-want-clear-message-on-climate-20100614-yab3.html>

British Due Diligence – Royal Society Style

By Steve McIntyre, Climate Audit, June 10, 2010

<http://climateaudit.org/2010/06/10/british-due-diligence-royal-society-style/>

Challenging the Orthodoxy

Update on the Role of the Pacific Decadal Oscillation in Global Warming

Roy Spencer, June 17, 2010

<http://www.drroyspencer.com/>

Trying to Hit a Mosquito with a Sledgehammer

World Climate Report, June 8, 2010

<http://www.worldclimatereport.com/index.php/2010/06/08/trying-to-hit-a-mosquito-with-a-sledgehammer/#more-433>

[SEPP Comment: More on the false claim that global warming will increase malaria. Over the 20th Century, the total area in which malaria is endemic has fallen dramatically.]

Threat From Ocean Acidification Greatly Exaggerated

By Matt Ridley, GWPF, June 15, 2010 [H/t Francois Guillaumat]

<http://www.thegwpf.org/the-observatory/1106-matt-ridley-threat-from-ocean-acidification-greatly-exaggerated.html>

[SEPP Comment: Meta-analysis cited at end of article provides strong rebuttal to those claiming disastrous ocean acidification.]

The IPCC consensus on climate change was phoney, says IPCC insider

By Lawrence Solomon, Financial Post, June 13, 2010

<http://fullcomment.nationalpost.com/2010/06/13/the-ipcc-consensus-on-climate-change-was-phoney-says-ipcc-insider/>

The first climate sceptic?

By Christopher Booker, EUReferendum, June 13, 2010 [H/t Francois Guillaumat]

<http://eureferendum.blogspot.com/2010/06/first-climate-sceptic.html>

[SEPP Comment: A defense of Margaret Thatcher's views on global warming against those who claim otherwise.]

Global Average Sea Surface Temperatures Continue their Plunge

Roy Spencer, June 18, 2010

<http://www.drroyspencer.com/>

Cap and Tax

What The Top U.S. Companies Pay In Taxes: How can it be that you pay more to the IRS than General Electric?

By Christopher Helman, Forbes, April 1, 2010,

<http://www.forbes.com/2010/04/01/ge-exxon-walmart-business-washington-corporate-taxes.html>

[SEPP Comment: GE, a major leader in the Cap and Tax lobbying group US CAP, paid no US corporate income tax last year.]

\$7-a-gallon gas?

By Ben Lieberman, NY Post, June 18, 2010 [H/t Martin Mangino]

http://www.nypost.com/p/news/opinion/opedcolumnists/gallon_gas_9GIF3o1xIcIBelOV3k0RsK

'Balance' is crucial in global-warming prescription

By Ben Lieberman, Washington Times, June 17, 2010

<http://www.washingtontimes.com/news/2010/jun/16/balance-is-crucial-in-global-warming-policy-prescr/print/>

A cap-and-dividend way to a cleaner nation and more jobs

By Maria Cantwell and Susan Collins, Washington Post, June 18, 2010

<http://www.washingtonpost.com/wp-dyn/content/article/2010/06/17/AR2010061704564.html?referrer=emailarticle>

[SEPP Comment: The economic analysis was done by a law school? How much of the dividends will the government take from the top?]

Billions for Green Jobs – Whatever They Are

By Byron York, Townhall, June 15, 2010

http://townhall.com/columnists/ByronYork/2010/06/14/billions_for_green_jobs_-_whatever_they_are

[SEPP Comment: No one knows what the promised green jobs are?]

Carbon prices have plummeted in the US.

By JoAnne Nova, June 19, 2010

<http://joannenova.com.au/>

"But it begs the question of what kind of economic recovery it is, if it doesn't need ...power?"

BP Spill and Aftermath

Will oil drilling become a pipe dream?

By Robert Higgs, Washington Times, June 16, 2010

<http://www.washingtontimes.com/news/2010/jun/16/will-oil-drilling-become-a-pipe-dream/>

Trim the 'Experts,' Trust the Locals

By David Brooks, NYT, June 17, 2010

<http://www.nytimes.com/2010/06/18/opinion/18brooks.html?th&emc=th>

Slippery Start: U.S. Response to Spill Falters: Officials Changed Their Minds on Key Moves, and Disagreements Flared Between Agencies; Boom Taken Away From Alabama

By Jeffrey Ball and Jonathan Weisman, WSJ, June 16, 2010

<http://online.wsj.com/article/SB10001424052748703627704575298851812383216.html>

Scientists Try to Gauge Potential Long-Term Environmental Impact

By Robert Lee Hotz, WSJ, June 12, 2010

http://online.wsj.com/article/SB10001424052748704463504575300551880706526.html?mod=ITP_pageone_1

Science on drill ban questioned

By Stephen Dinan, Kara Rowland, Washington Times, June 17, 2010

<http://www.washingtontimes.com/news/2010/jun/16/science-on-drill-ban-questioned/print/>

Brazil unlikely to be deterred from deepwater riches

By Jonathan Wheatley, Financial Times, June 16, 2010

<http://blogs.ft.com/energy-source/>

Environmentalists Use Oil Spill as a Rallying Cry

By Kate Galbraith, NYT, June 13, 2010

<http://www.nytimes.com/2010/06/14/business/energy-environment/14green.html?th&emc=th>

Energy Issues

Unstoppable coal and the search for transport liquids

By Kate Mackenzie, Financial Times, June 14, 2010 [H/t Francois Guillaumat]

<http://blogs.ft.com/energy-source/2010/06/14/unstoppable-coal-and-transport-liquids/>

[SEPP Comment: Globally, the share of primary energy production from oil is falling; the share from coal is increasing.]

The Great Wind Farm Disaster (ctd.)

By James Delingpole, Telegraph, UK, June 16, 2010 [H/t Francois Guillaumat]

<http://blogs.telegraph.co.uk/news/jamesdelingpole/100043780/the-great-wind-farm-disaster-ctd/>

Bill Gates: Energy Visionary? (Energy Manhattan project, yet again)

By Robert Michaels, Master Resource, June 18, 2010

<http://www.masterresource.org/2010/06/bill-gates-energy-manhattan-project/>

Cold Yucca Mountain: Is Carbon Capture & Sequestration the Coal Industry's Gordian Knot?

By Eric Loewen, George C. Marshall Institute, June 13, 2010 [H/t Tom Sheahen]

<http://www.marshall.org/article.php?id=891>

[SEPP Comment: Will CCS be a trap for the coal industry similar to Yucca Mountain becoming a trap for the nuclear industry?]

Does money grow in wind farms?

Wind turbines are a poor way to harness energy – but very good way to generate public subsidies

By Andrew Galligan, Telegraph, UK, June 13, 2010 [H/t Francois Guillaumat]

<http://www.telegraph.co.uk/earth/7823681/Does-money-grow-in-wind-farms.html>

Europe's Green Energy Portfolio Up in Smoke?

By Stephen Leahy, IPS, June 7, 2010 [H/t Francois Guillaumat]

<http://www.ipsnews.net/news.asp?idnews=51746>

For Gulf, Biofuels Are Worse Than Oil Spill

IBD Editorials, June 17, 2010

<http://www.investors.com/NewsAndAnalysis/Article/537690/201006171858/For-Gulf-Biofuels-Are-Worse-Than-Oil-Spill.aspx>

EPA On The March

The Senate's global-warming circus: Overreaching EPA goes rogue

By Iain Murray, Washington Times, June 15, 2010

<http://www.washingtontimes.com/news/2010/jun/14/the-senates-global-warming-circus/>

News Sources Ignore EPA's 1 in 100 Odds of Livable Future Without the American Power Act

By Susan Kraemer, Scientific American, June 19, 2010

<http://www.scientificamerican.com/article.cfm?id=news-sources-ignore-epas-1-in-100-o-2010-06>

[SEPP Comment: Fantasyland!]

Comments on EPA proposed new Formaldehyde Toxicity Regulations

By Linda Wennerberg, NASA HQ, [H/t ACSH]

Downloaded from http://cfpub.epa.gov/ncea/iris_drafts/recordisplay.cfm?deid=223603

[Comments from NASA on the Formaldehyde Tox Review \(PDF\)](#) (3 pp, 72 KB, [about PDF](#))

*“EPA sets the noncancer estimate and the age-adjusted cancer slope factor that result in an equivalent air concentration of 1-3ppb. As noted in the NRC 2007 report, human breath has often been measured to contain levels in excess of 1-3 ppb, raising the question of choice of an action level that is likely at or below the level found in the environment. **EPA does not provide justification of setting of a level less or equal to normal thresholds of formaldehyde found in the human body.**” (Boldface added)*

Miscellaneous Topics of Possible Interest

What's wrong with the sun?

By Stuart Clark, New Scientist, June 14, 2010 [H/t Francois Guillaumat]

<http://www.newscientist.com/article/mg20627640.800-whats-wrong-with-the-sun.html>

War and Peace ... and Climate Change

Tol & Waner, Reviewed by NIPCC, June 18, 2010

<http://www.nipccreport.org/articles/2010/jun/18jun2010a1.html>

[SEPP Comment: In his classic work, HH Lamb noted that cold periods were often times of war.]

Effects of Atmospheric CO2 Enrichment on Cuttlefish Eggs and Embryo Development

Lacoue-Labarthe, et al., Reviewed by NIPCC, June 14, 2010

<http://www.nipccreport.org/articles/2010/jun/14jun2010a2.html>

[SEPP Comment: Unlike some studies supported by EPA which use hydrochloric acid to simulate the effects of increased dissolved CO2, these researchers actually increased the dissolved CO2. They found that increased dissolved CO2 may be beneficial to cuttlefish. Will such research be considered in NOAA and EPA “ocean acidification” claims?]

BELOW THE BOTTOM LINE:

Save Taxpayer \$\$\$: Eliminate Alternative Medicine Research

By Steven Salzberg, Forbes, June 16, 2010 [H/t ACSH]

<http://blogs.forbes.com/sciencebiz/2010/06/save-taxpayer-eliminate-alternative-medicine-research/>

San Francisco Passes Cellphone Radiation Law

By Jesse McKinley, NYT, June 15, 2010

<http://www.nytimes.com/2010/06/16/us/16cell.html?th&emc=th>

[SEPP Comment: Do cell phones emit more radiation than some government supported procedures for alternative medicine?]

Spot the difference: How today’s airbrushing PC censors decided Churchill could do without his cigar

By Beth Hale, Mail Online, June 15, 2010 [H/t ACSH]

<http://www.dailymail.co.uk/news/article-1286620/Churchill-non-smoker-How-todays-PC-censors-airbrushed-cigar.html>

Boxer Declares Climate Change as the Greatest Threat, But Opponents Slam Theory

Fox News, June 15, 2010 [H/t Howard Hayden]

<http://www.foxnews.com/politics/2010/06/15/boxer-claim-climate-change-leading-cause-conflict-questioned/%20/?test=latestnews>

Human race ‘will be extinct within 100 years’, claims leading scientist

By Niall Firth, Mail Online, June 18, 2010 [H/t Malcolm Ross]

<http://www.dailymail.co.uk/sciencetech/article-1287643/Human-race-extinct-100-years-population-explosion.html#ixzz0rDFLPUib>

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ARTICLES

1.Environmental Guilt and Original Sin

The Scientific Alliance, June 18, 2010 [H/t ICECAP,org]

<http://scientific-alliance.org/>

[SEPP Comment: Thoughtful essay on new UN efforts to make the citizens of the developed world feel guilty for their prosperity, with the goal of expanding governmental control over them.]

Many commentators have compared environmentalism to religion. As church attendance in the West has plummeted over the last few decades, so has concern for nature tended to increase. Both trends may be independent results of growing prosperity and security; we feel more in control of our own existence, but at the same time are more aware of our impact on the planet.

But an equally compelling argument is that there is a deep need in the human psyche for a spiritual dimension to our lives and that, if this need is not met via organised religion, then the awe inspired by nature can replace this. One aspect of this manifests itself as respect for the environment and a desire not to cause harm, which is to be welcomed. However, this can be taken to the extreme by ‘deep greens’ for some of whom humans are a blight on the face of the planet, which would be better off without us. That we are apparently the only species with this capacity for self-loathing is worthy of an essay in itself.

But such an attitude - which has much in common with the views of religious ascetics - is itself a manifestation of a generalised guilt, which provides the basis for the Adam and Eve story and the concept of Original Sin. Hardly surprising, then, that some in the UN and EU are suggesting that a whole host of

things which are considered bad for the environment might be taxed or even rationed to encourage 'correct' behaviour. It's our fault, and we must pay the price.

This was among the topics discussed at this year's Brussels Green Week, held earlier this month. Angela Cropper, deputy executive director of the UN development programme (UNEP) presented the new report from the International Panel for Sustainable Resource Management Assessing the Environmental Impacts of Consumption and Production - Priority Products and Materials. This analyses the environmental impact of consumption of food, materials and energy and makes recommendations for greater resource efficiency.

The conclusion is that agriculture (particularly livestock farming), fossil fuel use and metals (particularly iron, steel and aluminium) have the greatest environmental impact. This is hardly surprising: food is essential and energy hardly less so, with - for better or worse - a dependence on coal, gas and oil for the foreseeable future. Iron, steel and aluminium are also ubiquitous as construction materials.

To quote from the report's executive summary:

"Agriculture and food consumption are identified as one of the most important drivers of environmental pressures, especially habitat change, climate change, water use and toxic emissions. The use of fossil energy carriers for heating, transportation, metal refining and the production of manufactured goods is of comparable importance, causing the depletion of fossil energy resources, climate change, and a wide range of emissions-related impacts."

Of course, the extent to which any of these areas can be said to 'harm' the environment depends on your definition. No-one would argue with this including water and air pollution or localised scarring of the landscape. But anything we do will affect the environment in some way. The focus of this report is mainly on the prosperous countries of the world, which use far more resources than developing countries (although countries such as Brazil, India and China are trying their hardest to catch up). So, the resources used in Europe are much greater than in many parts of the world, but concern for the environment is also much greater.

Air and water quality have improved significantly in the lifetime of most adult Europeans. From a desire after the Second World War to produce as much food as possible, the attitude to farming is now much more one of balancing production and environmental impact. In the poor countries of sub-Saharan Africa, South Africa and other deprived areas of the world, on the other hand, farmland is often badly eroded, water polluted and indoor air dangerously polluted by smoke from cooking fires. Which type of society is having a larger impact on the environment?

But, given the current high-profile concern about the enhanced greenhouse effect warming the planet, environmental assessments like this give a heavy weighting to fossil fuel use. Hence the message from Angela Cropper at Green Week, as quoted by Euractiv: "Put down the steak knife, flip off lights, insulate homes, turn down the thermostat or air conditioner, avoid air travel and park the car as much as possible."

This message was supported by Environment Commissioner Potcnik at the Commission-organised event. He stressed the need for taxation to guide people towards the correct choices. Others think that moral persuasion is the key. Magda Stoczkiewicz, the director of Friends of the Earth Europe (which receives significant funding from the Commission) spoke of the use of the guilt card alongside taxes to force businesses to increase efficiency.

And to quote Euractiv again "Willy De Backer, head of 'Greening Europe' at Friends of Europe, a Brussels-based think-tank, said 'moral indignation' is necessary to change consumer behaviour and habits, and ultimately decrease humanity's impact on nature." His boss, Gilles Merrit, spoke of problems

being linked to democracy and free markets. Overall, the message seems to be that if taxes don't work, then guilt might. But if that isn't sufficient, then - as others have said before - perhaps governments should ignore the wishes of electorates.

One mechanism for achieving such political ends has just emerged from a meeting in Busan, South Korea, again under the auspices of the UNDP (busy people who must have large carbon footprints). This meeting agreed to set up the Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services (IPBES), to be modelled on the highly influential IPCC (Intergovernmental Panel on Climate Change). The aim is to provide authoritative reports on which governments can base policies to protect biodiversity.

Very few people around the world will have been aware that this body was being formed. But it, the IPCC and probably further ones in future will increasingly influence the environmental policies of our governments. And if that doesn't work, their pronouncements will be used to make the whole world feel guilty.

2. Europe's Determination to Decline

By Bjorn Lomborg, GWPF, June 11, 2010 [H/t Francois Guillaumat]

<http://www.thegwpf.org/opinion-pros-a-cons/1083-bjorn-lomborg-europes-determination-to-decline.html>

In a heroic case of finding a silver lining in the bleakest of all situations, the European Union climate commissioner has concluded that the global economic crisis and recession actually provided a lucky break for everyone.

Commissioner Connie Hedegaard says that the slowdown in economic activity will make it easier for the EU to achieve its 2020 goal of ensuring that greenhouse-gas emissions are 20% below their 1990 level. In fact, Hedegaard believes that cutting emissions has become so easy that European leaders should be more ambitious and unilaterally aim for a 30% reduction below the 1990 level – an idea that has won support from David Cameron's new British government.

This may seem like good news, but it is not, because there is a strong correlation between economic growth and carbon emissions. For almost all countries, higher emissions come from higher growth rates. And if you restrict carbon emissions without providing affordable alternative energy sources, GDP will falter. In other words, by advocating even deeper cuts in emissions, Hedegaard is, in effect, calling for an even deeper recession.

It's worth noting that even before its current economic difficulties, Europe was unable to keep up with the growth rates of the United States, not to mention the emerging economies of India and China. To stay in the game, the EU acknowledged a decade ago that it needed to become uniquely inventive. Hence, the European Council's Lisbon Strategy of 2000, which centered around a pledge to increase general research-and-development spending by 50% over the following decade. Unfortunately, Europe has done no such thing; if anything, R&D spending has actually declined slightly since then.

This is especially regrettable because R&D in green energy technologies is really the only viable long-term strategy for reducing fossil-fuel consumption without crippling the world economy.

European politicians instead seem to have become increasingly committed to the notion that global warming is the world's most urgent problem. Some conspiracy-minded commentators even suggest that this is related to Europe's lack of competitiveness: instead of trying to keep up, they say, Europe has decided to find a way to slow everyone else down.

One needn't accept this Machiavellian view to recognize that trying to cut back on the use of fossil fuels in the absence of practical alternatives is a recipe for economic stagnation.

This seems to be a driving factor behind China and India's refusal to go along with Europe's plans at last December's global climate summit in Copenhagen. The German magazine Der Spiegel recently got hold of a tape of the final negotiating session. It is instructive to hear the baffled reactions of European leaders like Germany's Angela Merkel, France's Nicolas Sarkozy, and Britain's Gordon Brown as their developing-country counterparts served notice of their refusal to consign their populations to continued poverty in order to solve a problem that the rich countries created.

Attempts in 2010 to rekindle commitment to a global carbon-emission deal have failed. Both the outgoing head of the UN climate-change secretariat and Commissioner Hedegaard have admitted the obvious: a deal is extremely unlikely to be reached at the next major summit in Mexico at the end of the year.

Nonetheless, Europe has continued to pursue its quixotic course, even without a global treaty on reducing carbon emissions. And make no mistake about it: the EU's unilateral emission restrictions are not only economically destructive – likely to cost Europe an estimated \$250 billion a year by 2020 – but are also astonishingly ineffective.

Climate models uniformly show that that for all the economic havoc that such carbon cuts would likely wreak, they would have a negligible impact on global temperatures. The widely used RICE climate-economic model shows a miniscule drop of 0.05 degrees Centigrade over the next 90 years. Despite the huge outlay, the difference in climate by the end of the century would be practically indiscernible.

Unfortunately, it seems as if Europe has decided that if it can't lead the world in prosperity, it should try to lead the world in decline. By stubbornly pursuing an approach that has failed spectacularly in the past, Europe seems likely to consign itself to an ever-dwindling economic position in the world, with fewer jobs and less prosperity. Even the most optimistic-minded would struggle to find a silver lining in that outlook.

3. The Immutable Law of the Potomac

IBD Editorials, June 16, 2010

<http://www.investors.com/NewsAndAnalysis/Article/537595/201006161850/The-Immutable-Law-Of-The-Potomac.aspx>

Climate Bill: Sen. Joe Lieberman believes American households are "willing to pay less than \$1" a day to stop global warming. The Connecticut independent needs a lesson in the history of government program costs.

Lieberman and Democratic Sen. John Kerry of Massachusetts introduced in May a nearly 1,000-page climate bill they say is necessary for cutting the man-made carbon dioxide emissions they believe are warming the earth. Their goal, through the legislation's cap-and-trade components, is to reduce CO2 emissions 17% below 2005 levels 10 years from now by setting prices on carbon.

A 74-page study by the Environmental Protection Agency released Tuesday said that the cap-and-trade provisions of the American Power Act would cost an average U.S. household from \$80 to \$150 a year. Lieberman was clearly pleased by the analysis.

But he nonetheless warned that "there'll be some people who will want to demagogue that politically" — before resorting himself to a bit of demagoguery by noting that the EPA's cost estimate is "less than \$1 a day."

Lieberman should be disabused of this fantasy and shamed into telling the country the truth. The cost will be higher, much higher. A Heritage Foundation analysis of a similar cap-and-trade bill found that the legislation would by 2035 cause a total GDP loss of \$9.4 trillion, reduce the average family's net worth by \$40,000 and cost 2.5 million jobs.

In making his less-than-a-dollar-a-day claim, Lieberman ignores a law of the Potomac: Government programs are never as inexpensive as those who support them say they will be. Neither are the taxpayers as unmolested as the lawmakers who pile on larger loads of mandates promise they will be. It is the nature of government programs and regulations to cost more than their advertised price.

As we have noted before, no program has exceeded its projected costs more egregiously than Medicare. When it was created in 1965, the public was told that its hospital portion would cost a mere \$9 billion by 1990. The real cost, though, was \$66 billion.

For all parts of the Medicare program, the cost was projected to be \$12 billion by 1990. Yet it actually cost \$107 billion.

When a fourth part — the prescription drug benefit — was added to Medicare in 2003, Washington was still having trouble calculating future costs. When the program was being debated, the public was told it would cost \$400 billion in its first decade. After it was passed, forecasts assumed the program would cost \$534 billion across its first 10 years.

Then, within the space of a few months, the projection jumped to \$1.2 trillion.

The cost of Medicaid, the government's health care system for the poor, has followed an upward trend similar to that of Medicare. Launched in 1965, it was supposed to cost \$9 billion by 1990. But after that quarter of a century, Medicaid's real cost was \$67 billion.

A special hospital subsidy was added to Medicaid in 1987 that Washington said would cost \$100 million in five years. Yet the government spent \$11 billion on it.

The architects of Medicare and Medicaid should have learned from Social Security, which began collecting payroll taxes 28 years earlier. The tax rate needed to keep that monster fed has grown sharply, from 1% to 12.4%, (total of the combined "contributions" from both employee and employer).

Less than a dollar a day? Not a chance. And Lieberman should know better. He's been in Washington long enough to appreciate that spending estimates in that town are worth less than a congressman's word.

Even if the EPA estimate is correct, there is also the question of effectiveness. Why should Americans be forced to spend even a single dime on a program that's not needed and would be grossly ineffective?

Not needed, because the scientists who believe in global warming are just guessing.

And grossly ineffective because, according to climatologist Paul C. Knappenberger, the American Power Act would cut global temperatures by only 0.077 of a degree Fahrenheit by 2050 and 0.2 of a degree by 2100.

At less than a dollar a day, it's still a poor investment because there simply is no return. Paying for Lieberman and Kerry's vanity legislation would be like paying for a ride on a unicorn: The promise will never materialize.

4. BP Crew Focused on Costs: Congress

By Neil King and Russell Gold, WSJ, June 15, 2010

http://online.wsj.com/article/SB10001424052748704324304575306800201158346.html?mod=ITP_pageone_0

WASHINGTON— BP PLC engineers made a series of cost-conscious decisions that ran counter to the advice of key contractors in the days leading up to the April 20 Deepwater Horizon rig explosion, according to documents released Monday by a congressional panel.

The documents, including internal company emails, accompanied a letter to BP chief executive [Tony Hayward](#), who is set to testify before Congress for the first time Thursday about events leading up to the explosion, which killed 11 and touched off the biggest offshore oil spill in U.S. history.

BP officials declined to comment in advance of the hearing.

"Time after time, it appears that BP made decisions that increased the risk of a blowout to save the company time or expense," Reps. Henry Waxman (D., Calif.) and Bart Stupak (D., Mich.) wrote to Mr. Hayward.

The two lawmakers are the top Democrats on the House Energy and Commerce Committee.

Many of the problems identified by the committee were first detailed May 27 in a page one story in The Wall Street Journal.

In one case, BP engineers decided on April 16 to use just six so-called "centralizers" to stabilize the well before cementing it, instead of 21 as recommended by contractor [Halliburton Corp.](#) according to BP internal emails made public by the panel.

In their letter, the lawmakers say that BP's well team leader, John Guide, "raised objections to the use of the additional centralizers" in an April 16 email released by the panel. "It will take 10 hrs to install them...I do not like this," Mr. Guide wrote.

The lawmakers cited another BP email as an indication that "Mr. Guide's perspective prevailed." A BP official wrote in an April 16 email: "Who cares, it's done, end of story, will probably be fine."

In a separate email, a BP drilling engineer complains to a colleague six days before the explosion that the well "has been [a] nightmare well which has everyone all over the place."

The explosion and fire aboard the Deepwater Horizon rig in the Gulf of Mexico triggered a spill now estimated at 20,000 to 40,000 barrels a day.

BP has defended its procedures in handling the well, saying it didn't cut corners. Company spokesmen have defended the well's design and said that the operators conducted all necessary tests.

Company officials have also said that a number of other issues, such as the use of six centralizers, were still under internal investigation.

Some documents released by the congressional panel highlight how contractors Halliburton and rig owner Transocean Ltd. are providing investigators with their version of events, which often focus blame on BP.

Congress and the U.S. Justice Department are pursuing parallel investigations of the accident.

The lawmakers' letter cited "five crucial decisions" BP made in designing and completing the well, which may have led to vulnerabilities in the well's design.

"The common feature of these five decisions is that they posed a trade-off between cost and well safety," the letter says.

Congressional investigators zeroed in on decisions by BP taken when drilling had ended, but work on temporarily shutting the well was still under way.

The most critical decision involved choosing the final piece of pipe for the well.

BP opted for a "long string"—a pipe that runs all the way from the floor of the sea to the bottom of the well.

In an internal BP email from March 30, a BP drilling engineer in Houston told colleagues that this option "saves a good deal of time/money."

But it also created a direct pathway for gas and oil to rise up the backside of the well, a point recognized by a BP internal review from a few days before the well blowout released by the congressional panel.

The other option—a so-called liner tieback—would have taken several days longer and cost more, but would have made the well more secure by adding new barriers to prevent gas from flowing unchecked toward the surface, according to the BP review. The fact that BP chose the cheaper option was first reported by the Journal.

Using a liner would have cost an additional \$7 million to \$10 million, according to a BP estimate.

While the liner option was costlier, internal BP documents suggest it was the safer choice. "Primary cement job has slightly higher chance" of setting correctly with a liner, notes a BP document from mid-April.

After BP chose the long string, it made other time-saving choices that made the well more dangerous, Mr. Waxman and Mr. Stupak claim in their letter.

Mr. Waxman also highlighted BP's decision not to take 12 hours to completely circulate the heavy drilling fluid in the well, a step that would have allowed them to check if gas was leaking into the well and clean it out.

BP also skipped a test to determine if the cement had properly bonded to the well and rock formations, according to documents from oilfield service firm Schlumberger Ltd., whose crew was sent back to shore hours before the explosion.

While the test would have allowed BP to check if the cement job was adequate and allowed for repairs, it would have taken nine to 12 hours just for the test.

A petroleum engineer advising the congressional committee called the decision not to run a cement bond test "horribly negligent."

5. Cap-And-Trick

IBD Editorials, June 16, 2010

<http://www.investors.com/NewsAndAnalysis/Article/537594/201006161850/Cap-And-Trick.aspx>

Energy Policy: President Obama says the oil disaster proves the need to get off fossil fuels. But before we save the planet, let's save the Gulf and stop exploiting crises to deny America the energy it needs.

Saving the planet is nice, but just how do we plug the hole again? With an abundance of hand gestures, the president didn't really say in his speech Tuesday night. He did say fossil fuels were bad and green energy is good, but the people of the Gulf states don't need wind turbines right now.

Contrary to Obama's assertions, our "addiction" to foreign oil no more caused the Deepwater Horizon oil spill than any addiction to nuclear energy caused the reactor accident at Three Mile Island.

If we're addicted to anything, it's energy in all its forms. We also are addicted to jobs and economic growth, and nothing in the speech offered either. Instead we were told we have to forgo fossil fuels because they're dangerous — the same reason given after TMI to stop expanding clean and safe nuclear energy.

Never mind the dead zones for aquatic life in the Gulf of Mexico caused by agricultural runoff from the accelerated farming of corn to feed the mandated use of ethanol. Never mind the rain forests cleared worldwide to grow biofuel crops. Or the birds that will never be soaked in oil because they've been sliced and diced by wind turbines.

The irony is that if the incident at Three Mile Island had not similarly been exploited by environmentalists, we might not be so dependent on fossil fuels today. We'd have electricity for all those electric cars as billions of tons of carbon dioxide never entered the atmosphere.

The desire to make BP pay for the direct damage of the oil spill is understandable. The desire to exploit this crisis to make us all pay is not. The president noted that "the House of Representatives acted on these principles by passing a strong and comprehensive energy and climate bill — a bill that finally makes clean energy the profitable kind of energy for America's businesses."

Horsefeathers. The imposition of renewable energy standards, as cap-and-trade is now called, would raise electricity prices, lower GDP and eliminate jobs. The only thing that wouldn't be capped is the Deepwater Horizon well.

If the president's argument is that the Gulf oil disaster is traceable to our reliance on foreign oil, let's exploit our vast domestic resources. If the argument is that BP went too far and too deep, that its reach exceeded its grasp, then it's the administration and its green allies that forced them to do so.

BP didn't lock up our resources in shallow water and on dry land, in ANWR, the Outer Continental Shelf, or the oil and natural gas present in our abundant shale deposits. The company is not responsible for the job-killing offshore drilling moratorium now affecting even shallow-water drilling. Even experts hired by the Interior Department said it was a bad idea that did nothing to improve safety.

It's simply not true, as President Obama insisted, that "oil companies are drilling a mile beneath the surface of the ocean because we're running out of places to drill on land and in shallow water." There's plenty of oil in these places. We just won't let them get it.

Alaska's Chukchi Sea holds more oil and gas than anyone thought — 1,600 trillion cubic feet of undeveloped natural gas, or 30% of the world's supply, and 83 billion barrels of undeveloped oil, 4% of the estimated global resources. If BP and others weren't barred from drilling in ANWR or the shallower water off the Outer Continental Shelf, we might not be having this conversation.

Out West, we may have what could be called a "Persia on the Plains." A Rand Corp. study says the Green River Formation, which covers parts of Colorado, Utah and Wyoming, has the largest known oil shale deposits in the world, holding from 1.5 trillion to 1.8 trillion barrels of crude. It's all on dry land, but it too is locked up by federal edict.

The Exxon Valdez disaster of 1979 was caused by a tanker running aground because environmentalists wouldn't allow a pipeline to be built all the way to the lower 48 states on dry land.

That was only the 40th-largest tanker spill on record, according to the Weekly Standard's Stephen Hayward. There hasn't been an offshore oil platform spill in U.S. waters in 40 years, and last year's Montana spill in the Timor Sea near Indonesia was the first such spill anywhere in the world in over two decades.

Meanwhile, Cuba, with Russian and Chinese help, is drilling for oil 100 miles off the south coast of Florida. Mexico, whose 1979 Ixtoc 1 spill spewed 460,000 tons of crude oil into the Gulf of Mexico, continues offshore drilling and exploration. Venezuela and Brazil are both expanding their offshore exploration and production in deep water.

Brazil will be only too happy to pick up our slack. It's embarking on a five-year, \$220-billion plan to tap oil fields even deeper than Deepwater Horizon. Many of the estimated 35 rigs now idled in the Gulf will likely soon be gobbled by Brazil's state oil company, Petrobras.

Petrobras said in its 2009 business plan that it would lease eight more deep-water rigs this year and a total of 14 in 2011 and 2012. By 2013 it will be receiving the first of 28 new rigs to be built in Brazilian shipyards, raising Brazil's fleet of deep-water rigs to 60 by 2017. Why isn't Brazil worried about its pristine beaches and tourism or saving the planet?

Maybe they're more worried about jobs.

6. Climate junk hard to dump: Why would scientists allow themselves to be recruited to essentially political objectives?

By Peter Foster, Financial Post, June 15, 2010 [H/t Francois Guillaumat]

<http://opinion.financialpost.com/2010/06/15/junk-science-week-climate-junk-hard-to-dump/>

The past six months has seen a series of unprecedented setbacks for the cause of catastrophic man-made climate change: the collapse of the Kyoto process; the release of incriminating Climategate emails; the discovery of the shoddy standards of the Intergovernmental Panel on Climate Change (IPCC); the mounting evidence that a job-creating green industrial revolution is a fantasy; and the growing suspicion by the public that it has been sold a bill of goods.

The British Royal Society recently released a statement that “Any public perception that the science is somehow fully settled is wholly incorrect,” thus contradicting its own former president, and true believer, Lord May. And if the science isn't settled, there can hardly ever have been “consensus” on the issue.

A forthcoming paper by Mike Hulme, Professor of Climate Change at the University of East Anglia, from which the Climategate emails emerged, admits that the actual group involved in the “consensus” that “human activities are having a significant influence on the climate” was in fact “only a few dozen,” rather than the thousands invoked by the IPCC.

Last week, economist Richard Tol, one of the IPCC's own lead authors, suggested that the whole IPCC process should be suspended until the selection of authors has been fixed. This week, the IPCC's head, Rajendra Pachauri, who has previously accused skeptics of flat Earthism and “voodoo science,” suddenly had a Damascene conversion as to the validity of dissent. “I am not deaf,” he wrote, “to those who do not agree with the scientific consensus on man-made climate change. Nor, indeed, to those who do not agree with the findings — or, in some cases, the existence — of the IPCC.”

But while such newfound humility (even though still embracing bogus “consensus”) is welcome, every country on Earth is still officially committed to catastrophic man-made warming as a reality that demands a draconian policy response. The erection of such a massive commitment on such shaky foundations begs for explanation, and must be put in both a larger political and psychological context.

Hubristic overestimation of human significance — in this case both for doing harm and correcting it by policy — may be the fundamental reason for broad acceptance of man-made climate change theory. The notion that man’s sinful and selfish ways will be punished goes back to the myth of the Flood. In many ways, belief in climate apocalypse reflects similar moralistic disapproval of “materialist” Western society, and the claim that its wealth has been bought at the expense of others, including now that of “future generations.”

This quasi-religious belief is particularly appealing to the political and bureaucratic classes, because it provides new justifications for intervention to correct the imperfections and ongoing inequities of perpetually demonized capitalism. In a classic example of psychological “projection,” however, alarmists claim that it is their opponents who are tainted by “greed” and “self-interest.”

One insufficiently addressed question is why scientists would allow themselves to be recruited to essentially political objectives. Another is why they seem so resolutely committed to increasingly shaky theories, and lash out at critics. Surveys have shown that natural scientists tend to be left-liberal in their leanings. Many perhaps believe that a world with more top-down economic control and greater transfers to poor nations is desirable whatever the realities of climate science, and that given the possibility (however remote) of man-made climate catastrophe, that it is appropriate to adopt the “precautionary principle.”

Such a mindset can be buttressed by the way science is done. In his classic book *The Structure of Scientific Revolutions*, Thomas Kuhn noted that scientific groups adopted, and committed to, “paradigms,” which then became fundamentally unquestionable. That stance was hardened further when moral values, such as being “socially useful,” were involved. The IPCC came with its moralistic paradigms pre-installed.

Kuhn noted that “professionalization” of any paradigm leads to “an immense restriction of the scientist’s vision and to a considerable resistance to paradigm change.” He even suggested that a scientist, as a captive to a paradigm, is “like the typical character of Orwell’s *1984*, the victim of a history rewritten by the powers that be.”

Kuhn also suggested why catastrophic man-made climate change theory — even if it is found to have been greatly exaggerated, or even falsified — will take a good deal of killing. “The transfer of allegiance from paradigm to paradigm,” he wrote, “is a conversion experience that cannot be forced.” The problem is that there is no other clear and simple climate theory to which to be “converted” at the moment.

Kuhn noted that the Earth-centred Ptolemaic system of astronomy, based on elaborately waltzing planets, “worked” for a long time, but eventually became a monster whose complications overwhelmed its usefulness. Then along came Copernicus. The resultant destruction of the Earth-centred universe led to enormous soul-searching, as did Darwin’s vaporizing of the assumption of biological “progress” towards divine ends.

For most modern liberals, including many scientists, the market sun still goes round the government Earth, and it’s a paradigm they are reluctant to change. Policy skeptics, by contrast, who are still trying to establish the revolutionary and counterintuitive insights of Adam Smith, point out that carbon rationing, green industrial strategy and aid transfers under the aegis of “clean development” are — whatever the science — economic junk.

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