

BP's Fall From Grace

Disgraced Oil Giant Was Once Favored by Green Groups

By Kevin Mooney

***Summary:** Once simply called British Petroleum, BP transformed its corporate identity into an international 'green energy' company with a sunburst logo and the tag line "Beyond Petroleum." Environmental groups applauded when BP's CEO gave credence to alarmist global warming assertions. Little did they know that the company's rhetorical overtures to green causes deflected attention away from its reckless and irresponsible practices that jeopardized worker health and safety and ultimately resulted in death and devastation in the Gulf of Mexico.*

On April 20 a BP oil well exploded, killing 11 workers and causing an estimated five million barrels of crude oil to spill into the Gulf of Mexico. Last month government investigators for a presidential commission of inquiry concluded that the cement mixture used to secure the steel well casing that encapsulates the drill pipe was inadequate, and this may have contributed to the well blowout. Halliburton, the company that pumped the cement in place, said BP ordered it to change the recipe for producing the cement mixture. It said subsequent tests showed the mixture was unstable. But the commission's chief investigator said Halliburton did not send all its findings to BP. BP and Halliburton have publicly blamed each other for actions contributing to the explosion.



The Deepwater Horizon oil rig in flames, April 2010

Lawyers for workers injured or killed by the explosion seized on the government findings and the corporate recriminations. "The report makes clear for all to see that, by rushing the cement job, BP and Halliburton put their corporate profits ahead of worker safety," said a plaintiffs' attorney.

Said former EPA administrator William Reilly, co-chair of the presidential commission: "There was not a culture of safety on that rig. BP, Halliburton and Transocean [the well operator] are in need of top to bottom reform."

Earlier in the year the Sierra Club organized dozens of rallies at BP gas stations to protest the company's negligence. Greenpeace activists shut down BP gas stations in London and disrupted a speech by BP chief executive Tony Hayward. In a joint letter to

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President Obama, the Audubon Society, the Environmental Defense Fund, the National Wildlife Federation, the Natural Resources Defense Council and EarthJustice, among others, declared, “We cannot count on BP to protect the health and safety of people and the environment.”

What a rapid fall from grace for the company that once declared itself “Beyond Petroleum.”

BP: Trendsetter and Media Darling

John Browne, BP’s CEO from 1995 to 2007, was once celebrated in the press as a forward looking, environmentally aware “maverick” who had created a “green energy” company. BP was lauded for standing in stark contrast to oil industry Neanderthals like ExxonMobil that were skeptical of global warming theories.

Both the Clinton and Bush administrations declined to ratify the Kyoto Protocol, which the UN and European Union adopted in 1997 to show their commitment to reduce greenhouse gas emissions. But under Browne’s leadership, BP took up the cause of “precautionary action” and made itself a media darling. Brown pushed hard for emission restrictions. His break-out moment came in May 1997

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Green Watch is published by Capital Research Center, a non-partisan education and research organization classified by the IRS as a 501(c)(3) public charity. Reprints are available for \$2.50 prepaid to Capital Research Center.

when the BP chief mouthed all the right environmental platitudes and outlined new green initiatives in an address to Stanford University. Browne called on private industry to join forces with government agencies on a “long and complex journey” away from fossil fuels and toward a future of alternative clean energy:

“We in BP have reached that point...We must now focus on what can and what should be done, not because we can be certain climate change is happening, but because the possibility can’t be ignored. If we are all to take responsibility for the future of our planet, then it falls to us to begin to take precautionary action now.”

Media praise was immediate and widespread.

“CEO John Browne, his reputation as a maverick in the oil business already established by his readiness to acknowledge that Earth’s climate may indeed be growing warmer, said his company will try out an emissions-limiting process that has potential for global use,” the *LA Times* gushed. “Within the environmental community, Browne’s comments were seen as a break as stunning as that which shook the tobacco industry two months ago when the Liggett Group acknowledged that smoking causes cancer and heart disease.”

Indeed, green groups endorsed Browne’s pronouncements. Activists in the Sierra Club, Greenpeace, the Environmental Defense Fund were eager to speak up on BP’s behalf.

Dan Becker, who would become director of the Sierra Club “Safe Climate” campaign, credited BP for nudging the oil industry in the right direction. “The oil industry is now split over global warming, and that’s significant,” he observed. “They’re a powerful player. That’s pretty dramatic. They’re doing something, and they’re

doing something in the right direction. One cheer for BP.”

The Environmental Defense Fund described Browne’s address as a “historic acceptance of responsibility for the overriding environmental problem of our time.” Fred Krupp, the group’s executive director, said Browne’s proposals put “real pressure on the other oil companies to act like responsible adults, and I think it puts substantial pressure on the Clinton White House to advance a meaningful reduction target.”

The *Financial Times* called Browne “The Sun King” in recognition of his support for solar energy. The Independent of London noted that Browne was so close to Prime Minister Tony Blair that some were saying the company he headed should be called “Blair’s Petroleum.”

This history is worth recalling because it shows the gullibility of the modern news media, academia and environmental activists. Their willingness to believe in Browne’s sweet nothings (“The cultures of politics and of science and of enterprise must work together if we are to match and master the challenges we all face”) masked the reality of BP’s checkered safety record that long pre-dated the April 2010 Deepwater Horizon explosion in the Gulf.

The Tactics of Deception

Browne’s use of the term “precautionary action” in his Stanford University address was carefully calculated. It refers directly to the reigning green ideology of government regulation that is antithetical to the free-market system. The so-called “precautionary principle” is typically invoked by environmentalists as a way to delay, if not scuttle, economic initiatives on the basis of unproven and often unfounded allegations. Bonner Cohen, a senior fellow

at the National Center for Public Policy Research (NCPFR), explores the concept's origins in his Capital Research Center book *The Green Wave: Environmentalism and Its Consequences* (2006).

Cohen notes that the precautionary principle is variously defined. But the Wingspread Declaration (named for the conference center where environmental activists gathered in 1998) presented the definition that has gained favor among the green groups, NGOs and UN groups that comprise the international environmental establishment:

“When an activity raises threats of harm to the environment or human health, precautionary measures should be taken even if some cause and effect relationships are not fully established.”

Browne's contribution was to put the credibility of a major corporation behind the make-believe philosophy of the precautionary principle. In this way he successfully insulated his company from the media criticism and green pressure that hammered away at ExxonMobil, Chevron and others industry leaders.

“There was almost a conspiracy of silence on the part of environmentalists to look the other way and go to extraordinary means to avoid publicizing BP's environmental misdeeds because BP was openly on their side in helping them do their bidding,” Cohen said.

Browne followed-up with a major \$200 million advertising campaign to rebrand the name BP. In 2000 he announced that the initials now stood for “Beyond Petroleum.” BP changed its logo. Instead of a shield symbol, the company adopted an environmentally friendly green and yellow sun.

“The new helios logo and the line beyond petroleum expressed the new identity of the company,” Browne wrote in his 2010 memoir *Beyond Business*. But, as investigative journalist Tom Bower reports in his book *Oil: Money, Power and Politics in the 21st Century* (2010), the BP campaign was a public relations gimmick that deflected the company's own attention and resources away from its increasingly unsafe corporate practices.

“Diverted management attention has an opportunity cost,” observes Robert Bradley, CEO and founder of the Institute for Energy Research. In his blog www.MasterResource.org, Bradley writes, “Just imagine if John Browne had used the time and resources BP spent on climate alarmism and “Beyond Petroleum” on real safety and environmental issues.”

Environmentalists largely bought into BP's slick marketing and praised the company for elevating “form over substance,” Bradley continued. “What an irony: fake environmentalism driving out real environmentalism.”

Immediate and Underlying Causes of the Deepwater Explosion

Under Browne's tenure BP's safety protocols were breached, its engineering standards were relaxed, and its transgressions went largely unreported. Government and media inquiries demonstrate that the company's failures multiplied under his successor even as BP continued to cultivate an image of corporate responsibility and environmental sensitivity.

After merging with Amoco in 1998 and acquiring Arco (Atlantic Richfield) in 2000 BP began to position itself as an American corporation. Almost 50 percent of its capital and 44 percent of its profits were based in the U.S. by the end of 2002, reports the

Times of London. But as is now evident from government investigations into last April's explosion, BP was also cutting corners.

The Minerals Management Service (now renamed the Bureau of Ocean Energy Management, Regulation and Enforcement) is the federal agency responsible for oversight of offshore drilling. It has come under fire for what critics consider its “cavalier” assessments of BP safety measures. MMS, for instance, claimed the chances of blowout were less than one percent, and that any oil spillage would be limited were one to occur.

However, a *Wall Street Journal* investigation (published May 27, 2010) found that BP ignored warning signs and skipped or cut short safety procedures at the Deepwater Horizon oil rig prior to the April 20 explosion. These findings were later confirmed by a presidential commission and in subsequent congressional hearings.

The following excerpt from the *WSJ* report describes the safety and engineering failures:

“BP made choices over the course of the project that rendered this well more vulnerable to the blowout, which unleashed a spew of crude oil that engineers are struggling to stanch. BP, for instance, cut short a procedure involving drilling fluid that is designed to detect gas in the well and remove it before it becomes a problem, according to documents belonging to BP and to the drilling rig's owner and operator, Transocean Ltd. BP also skipped a quality test of the cement around the pipe—another buffer against gas—despite what BP now says were signs of problems with the cement job and despite a warning from cement contractor Halliburton

Co. Once gas was rising, the design and procedures BP had chosen for the well likely gave this perilous gas an easier path up and out, say well-control experts. There was little keeping the gas from rushing up to the surface after workers, pushing to finish the job, removed a critical safeguard, the heavy drilling fluid known as 'mud.' BP has admitted a possible 'fundamental mistake' in concluding that it was safe to proceed with mud removal, according to a memo from two Congressmen released Tuesday night. Finally, a BP manager overseeing final well tests apparently had scant experience in deep-water drilling. He told investigators he was on the rig to 'learn about deep water,' according to notes of an interview with him as seen by the Journal."

When the \$560 million Deepwater Horizon oil drilling rig exploded, killing 11 workers, it unleashed the worst accidental oil spill in human history. Oil poured into the Gulf of Mexico until a temporary cap was installed on July 15. Relief wells were then used to permanently seal the breach, which was declared dead on Sept. 20. BP's Macondo well had been spewing oil into the Gulf equivalent to an Exxon Valdez every four days, according to industry experts.

The Deepwater Project was bedeviled by engineering miscues from the beginning. In March, the drill pipe became lodged in the borehole. A tool sent to retrieve it was similarly trapped. BP emails obtained by Congress show workers' concern over the festering dangers. "This has been a nightmare well," a BP engineer wrote just a few days before the explosion.

BP's problems were not exceptional or unprecedented. There is a history here...

In 2005, BP suffered a major explosion at its Texas City refinery that killed 15 people and injured 170 more. An independent panel chaired by former Secretary of

State James Baker issued a 347 page report in January 2007 that did not affix blame but said the company had failed to make the safe operation of its industrial equipment a "core value." The panel said BP management did not emphasize "process safety" in training, assessing risks, and holding managers accountable; it underestimated the safety risks at its five American refineries; and it created among its workers a false sense of confidence. Panel members concluded that BP had not learned from previous accidents to make the necessary reforms. In a teleconference with reporters, Browne acknowledged the need for improvement and promised to implement the panel's recommendations.

In the aftermath of the Texas explosion, BP entered into a settlement agreement to address potential safety issues at the refinery over a four year period. The company was fined \$50 million and placed on probation as part of an agreement with U.S. prosecutors that was reached in 2007.

A joint investigative report between ProPublica and FRONTLINE PBS shows that the company declined to address safety concerns in a forceful and timely manner.

"The Texas City disaster has taken on new relevance today, because the investigations that were done in its aftermath reveal so much about the company that is responsible for what's happening now in the Gulf. Government probes, court filings and BP's own confidential investigations paint a picture of a company that ignored repeated warnings about the plant's deteriorating condition and instead remained focused on minimizing costs and maximizing profits," the report says.

In the meantime, however, BP's reputation was further tainted. In March 2006, a corroded BP pipeline spilled 200,000 gallons of crude into the Alaskan

wilderness. While the accident was much more limited in scope than the Deepwater Horizon explosion, its ramifications linger. In fall 2007, the company plead guilty to violating the Clean Water Act and agreed to be placed on three years probation; it was also fined \$20 million. The Justice Department and the Environmental Protection Agency (EPA) later sued BP for violations connected to the Alaska spill. The Justice Department's complaint filed in Anchorage's federal court shows an EPA investigation identified multiple problems with BP's practices at Prudhoe Bay where the spill occurred. The company also neglected to pursue a spill prevention plan and failed to follow a federal order to repair pipelines, court filings shows.

If all the federal allegations pass muster at trial, BP could be on the hook for \$30 million in fines.

And in October 2007 BP paid over \$300 million to the Justice Department to settle civil charges that it cornered the market on propane gas and fixed prices, inflating cooking and heating costs for millions of Americans in many rural areas. The Commodity Futures Trading Commission (CFTC) charged that the company "purchased enormous quantities of propane to establish a dominant and controlling" position in the market and then spiked prices up 50 percent by keeping fueling prices off the market. This practice inflated cooking and heating prices for American households in rural areas, according to a Washington Post report. As part of its settlement with CFTC and the Justice Department, BP agreed to more oversight and said it would revamp its trading system.

BP was further embarrassed by news reports of John Browne's high pay and ostentatious lifestyle, and after Browne lied about compromising details of his personal life the CEO was forced out in

July 2007. BP's new CEO Tony Hayward promised to make amends. He lasted little more than three years and resigned amid a public outcry when he was photographed at a yacht race during the Gulf oil spill. Hayward's complaint that he "wanted his life back" did not help matters.

While the tabloid press focused on the personal peccadillos of BP's CEOs, researchers and reporters looked into BP's management failings. For instance, a review of Occupational Safety and Health Administration (OSHA) records conducted by the Center for Public Integrity found that 97 percent of the "egregious, willful" violations of health and safety regulations at American oil refineries during a three-year period occurred at BP refineries in Ohio and Texas. BP received 829 citations for egregious and willful violations, defined as "intentional disregard for employee health and safety." By comparison, ExxonMobil had just one violation.

Lee Raymond's Skepticism, BP's Hype

Lee Raymond, now retired as CEO of ExxonMobil, often cautioned against government environmental regulations that lowered the living standards of the less developed world by depriving it of energy resources. Raymond's address to the World Petroleum Congress meeting in Beijing in October 1997 sharply departed from John Browne's emphasis on "precautionary action" contained in his Stanford address the previous March. Unlike Browne, Raymond suggested that more research on global warming was needed before governments imposed restrictions on energy production and use:

"We in the petroleum industry are not dismissing the global climate change issue. But I don't believe anyone should have the moral authority to deny people

the opportunity to improve their way in life by arbitrarily depriving them of the means...I hope that the governments of this region will work with us to resist policies that could strangle economic growth."

The Clinton White House was not pleased. Clinton press secretary Mike McCurry said American oil company executives "have a right to freely express" themselves, but "we would obviously consider the remarks of that petroleum executive to be shortsighted when it comes to a good faith discussion of this issue."

In fact, Raymond's address has held up quite well. In the years since Browne and Raymond's dueling CEO speeches, the appeal to global warming alarmism as a rationale for government energy controls has suffered serious setbacks:

* In November 2009 thousands of leaked emails from the University of East Anglia's Climate Research Unit (CRU) in Great Britain disclosed that global warming advocates appeared willing to manipulate and manufacture scientific data.

* The UN Intergovernmental Panel on Climate Change (IPCC) has come under severe criticism over its methodologies and procedures. The U.N. tasked The InterAcademy Council (IAC), based in Amsterdam, to investigate the IPCC. Its findings, published on August 30 concluded that the IPCC was predisposed toward conflicts of interest, made multiple assertions about climate change that lack scientific support, and inappropriately interjected itself into the policy making process.

* Efforts by President Obama and members of Congress to use the BP oil spill to promote global warming "cap and trade" legislation have failed. Although the House of Representatives passed the Waxman-

Markey bill in June 2009, a companion Senate bill introduced by Senators Kerry (D-MA), Lieberman (I-CT) and Graham (R-SC) lost momentum and was withdrawn from consideration last April to avoid defeat. (For more on "The Decline and Fall of Cap-and-Trade" see *Green Watch*, October 2010.)

BP had a special talent for positioning itself on the wrong side of history and for latching onto some of the most damaging and costly public policy measures advanced in recent memory. The company, for instance, helped devise the "cap and trade" concept. The company joined forces with Enron to cook up this new model of regulation aimed at restricting carbon dioxide emissions. Christopher Horner, who briefly served as Enron's director of federal government relations, recalls the birth of "cap and trade."

"It wasn't until a few far-sighted CEOs, Ken Lay and John Browne, saw the opportunity for massive, guaranteed revenue streams guaranteed not on the basis of performance, but politics, did the greens' agenda find political legs." Horner said.

"Together they helped create a classic Baptists and Bootlegger coalition: the Business Council for a Sustainable Development with less-measured activist groups like the Union of Concerned Scientists. Together, as I learned, they worked closely on a plan to get a global warming treaty, with the U.S. involved, crafted to their liking and with a domestic 'cap-and-trade' scheme and other pots of money spinning gold from their uneconomic 'investments', made on the cheap for obvious reason."

"Naturally, this campaign, which would meet in fancy Washington offices of a prestigious New York law firm, was underwritten by member companies hoping

to get rich off the schemes that would flow the reform,” Horner continued. “Adherents like Enron and BP built business lines hoping to make a killing on the taxpayer’s and rate-payer’s back.”

BP was no less than a founding member of the U.S. Climate Action Partnership (USCAP), a coalition of business and environment groups that has lobbied for regulations modeled after the Kyoto Protocol of 1997. It pushed hard for the Waxman-Markey “cap and trade” bill that narrowly passed the House and later supported Sen. Kerry’s repackaged legislation. Lobbying records show that BP was eager to secure government favors hidden away in both the House and Senate versions of “cap and trade.” BP backed a higher gas tax, according to Congressional Quarterly. It has also pushed for subsidies to support biofuels and solar energy.

BP also offered generous financial backing to various environmental pressure groups from within and without USCAP.

The Nature Conservancy has received about \$10 million from BP in grants, published reports show, while the World Wildlife Fund has received just under \$1 million in grants, research shows, according to the National Center for Public Policy Research (NCPFR). The World Resources Institute has also received about \$200,000 from BP, the NCPFR says.

BP also figures prominently into a now highly suspect, U.N. induced campaign of global warming/climate change alarmism that green activists and transnationalists have used to advanced their statist agenda. The complete history has come full circle in light of new evidence that substantiates the arguments of scientific skeptics who have persistently questioned the premise of anthropogenic global warming theories. BP was a founding sponsor and major funding

source for the Climate Research Unit (CRU) at the University of East Anglia in Great Britain that remains at the focal point of the “climategate” scandal. Thousands of emails leaked to the Internet from CRU beginning in late 2009 are replete with highly compromising exchanges that show how researchers were willing to manipulate and distort scientific data in an effort to bolster claims made about the correlation between human activity and warming trends.

CRU was established in 1971 with funding from BP, Shell and others, according to author Michael Sanderson in his book “The History of East Anglia, Norwich.” This is important because CRU research served as the basis for IPCC findings that were invoked in the mainstream press as proof of catastrophic human induced climate change.

Recall how Browne promoted the IPCC in the opening of his Stanford address:

“A year ago, the Second Report of the Intergovernmental Panel on Climate Change (IPCC) was published. That report and the discussion that has continued since its publication shows that there is mounting concern about two stark facts: the concentration of CO₂ in the atmosphere is rising, and the temperature of the earth’s surface is increasing...”

“The prediction of the IPCC is that over the next century, temperatures might rise by a further 1-3.5 deg. C. and that sea levels might rise by 15-95 cm. Some of that impact is probably unavoidable because it results from current emissions. Those are wide margins of error, and there remain large elements of uncertainty about cause and effect and even more importantly about the consequences. But it would be unwise and potentially dangerous to ignore the mounting concern.”

U.N. officials reciprocated by crediting BP for its progressive outlook.

“Most projections suggest that greenhouse gas concentrations will increase significantly during the next century in the absence of policies specifically designed to address the issue of climate change,” Robert Watson, the 1997 IPCC chair declared in his congressional testimony. “For example, carbon dioxide emissions from the combustion of fossil fuels are projected to range from 6 to 36 GtC per year in the year 2100: compared to current emissions of 6 GtC per year. However, in the last few months, two major oil companies, Shell and British Petroleum, have suggested that the mix of energy sources is likely to change radically during the next 50 years, with renewable energy sources (solar, wind and modern biomass) possibly accounting for as much as half of all energy produced by the middle of the next century. Such a future would clearly eliminate the highest projections of greenhouse gases being realized.”

Although it postures as an independent publicly funded research facility, it would appear CRU was actually set up as business susceptible to a variety of influences. It continued to receive funding from BP at least through 2008, according to the *Follow the Money* blog.

CRU has its acknowledged a long list of funders, which includes BP. They are as follows:

British Council, British Petroleum, Broom’s Barn Sugar Beet Research Centre, Central Electricity Generating Board, Centre for Environment, Fisheries and Aquaculture Science (CEFAS), Commercial Union, Commission of European Communities (CEC, often referred to now as EU), Council for the Central Laboratory of the Research Councils (CCLRC), Department

of Energy, Department of the Environment (DETR, now DEFRA), Department of Health, Department of Trade and Industry (DTI), Eastern Electricity, Engineering and Physical Sciences Research Council (EPSRC), Environment Agency, Forestry Commission, Greenpeace International, International Institute of Environmental Development (IIED), Irish Electricity Supply Board, KFA Germany, Leverhulme Trust, Ministry of Agriculture, Fisheries and Food (MAFF), National Power, National Rivers Authority, Natural Environmental Research Council (NERC), Norwich Union, Nuclear Installations Inspectorate, Overseas Development Administration (ODA), Reinsurance Underwriters and Syndicates, Royal Society, Scientific Consultants, Science and Engineering Research Council (SERC), Scottish and Northern Ireland Forum for Environmental Research, Shell, Stockholm Environment Agency, Sultanate of Oman, Tate and Lyle, UK Met. Office, UK Nirex Ltd., United Nations Environment Plan (UNEP), United States Department of Energy, United States Environmental Protection Agency, Wolfson Foundation and the World Wildlife Fund for Nature (WWF).

The Science and Public Policy Institute (SPPI) has a clear view what the motivating interests were for BP and other companies that gave life to the now discredited CRU facility.

“The only logical reason for doing this was to provide a scientific justification for shutting down the coal industry. Shutting down coal means far more natural gas is sold.

“In creating the CRU it is obvious that Shell and BP deliberately chose the worst university in Britain. The University of East Anglia was newly created, cash-strapped and haven for left wing activists. BP and Shell also made sure that CRU was

stacked with mediocre activist scientists. Why would they do this? A highly reputable university such as Oxford or Harvard would have demanded far more rigorous checks and balances and a far higher degree of independence from the cash source. Mediocre scientists are far more malleable because they don't have a choice of alternative jobs. The outcome was predictable. If you get a bunch of third rate researchers and ply them with enough money will get the results you want.”

Enron's history of support for environmental policies that work against the interests of consumers is well documented (see Rob Bradley, “Who Was Ken Lay?” in www.masterresource.org (July 7, 2009). However, BP's role is less well known thanks in no small part to the constant green posturing that insulates it from criticism. The company's television advertising budget insures that Americans are well-informed about its spill response plan for the Gulf. The plan that BP submitted to MMS agency claims there will be minimal harm done to sea creatures including walruses, sea otters and sea lions. (That's true in way since none of those animals inhabit the Gulf.) The company raised its costs estimates of the clean up to \$8 billion in early November.

“In terms of corporate responsibility there's considerable irony here,” observes Bonner Cohen, author of CRC's *The Green Wave*. “Exxon's safety record is vastly superior to that of BP and its CEO Raymond was ultimately vindicated for his skepticism about man-made global warming. But that's not something you typically read about even now after the spill.”

In January of 2007, the Union of Concerned Scientists (UCS) released a report that accused ExxonMobile of funding a disinformation campaign on behalf of skeptics who questioned the idea of man-

made global warming. The report even went so far as to suggest that journalists should not interview scientific skeptics. The left's antipathy toward the First Amendment and the free and open exchange of ideas is matched only by its duplicity. As CRC has documented in the past, UCS has a long-history of political activism detached from sound science.

Back in 1984, UCS actively campaigned on behalf of Walter Mondale against Ronald Reagan and the Strategic Defense Initiative (SDI). Today, America has a working missile defense system thanks in no small part to researchers and scientists who were willing to challenge the consensus of their time.

Somewhere, Lee Raymond is smiling.

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GW

Please consider contributing now to the Capital Research Center.

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Many thanks,

**Terrence Scanlon
President**

GreenNotes

Voters in California, a state with a crushing 12.5 percent unemployment rate (well above the national average), on November 2nd rejected...yes, rejected, **Proposition 23**, which would have relaxed the state's job killing environmental regulations until the unemployment rate reached a manageable 5 percent. California voters decided 61 percent to 39 percent to choose environmental feel-goodism over jobs, or, to put it bluntly, nature over humans. Good luck with that.

In 2010 voters turned with a vengeance on politicians who had voted for the economically ruinous cap and trade legislation. Over two dozen legislators who supported the energy taxing scheme were ousted on November 2nd, including Rep. **Rick Boucher**, a 14-term Virginia Democrat. The POLITICO explained the significance of Boucher's loss: "Boucher's defeat is perhaps the most stinging given the central role he played in brokering key pieces of the [cap and trade] legislation to make it more friendly to his home state's coal industry. Over the last 18 months, Boucher has defended his work on the climate bill." Mistake number 1 – promoting cap and trade. Mistake number 2 – defending it in an election year. As former Boucher chief of staff Andy Wright confessed: "I don't think there's any question about it, cap and trade was the issue in the campaign...If Rick had voted no, he wouldn't have had a serious contest."

Nonetheless undeterred by the derailment of the cap-and-trade legislative train in Congress, the Obama administration after the mid-term elections immediately moved on Plan B - cap-and-trade by bureaucratic fiat. On November 10, the **Environmental Protection Agency** (EPA) issued guidelines allowing states wide latitude in regulating carbon emissions from industrial facilities within their borders. As the *LA Times* reports: "On Jan. 2, the country's largest emitters of greenhouse gases will have to show state regulators how they plan to curb such emissions when they build new facilities." Some 300 companies could be effected the new EPA guidelines, which may amount to an de facto moratorium on new building and the expansion of existing facilities. **Jeffrey R. Holmstead**, former administrator for air and radiation under President George Bush, notes: "As a practical matter, no one is going to be able to get through EPA's new permitting process for a long time... Even EPA staff admits that there will be a moratorium on construction for a couple of years."

The **House Energy Independence and Global Warming Select Committee**, a Nancy Pelosi-created shop dedicated to helping usher climate change legislation through Congress, may be among the first casualties of the November 2nd GOP tidal wave. THE HILL's **Energy and Environment** blog quoted an unnamed House GOP leadership aid, who said "...it is unlikely the select committee will be in place when Republicans take over the House because they are looking to reduce the number of panels overall...It's going to be very difficult for that committee to remain, and I think it probably won't," the leadership aide said, especially 'if we're going to really put our money where our mouth is and run things differently.'"

Climate-gate and other recent travails of the enviro movement seem to have at last prompted soul searching from at least some of the Green Left. The *Daily Telegraph's* **Charles Moore** highlighted a recent hour-long documentary aired by Channel 4 in Britain, in which environmentalists take a long, hard look at themselves and their movement, and – astonishingly – admit to some errors. Moore writes: "The most powerful part of the programme was that arguing that the Green obsession with banning and preventing things has done actual harm. The refusal to contemplate nuclear power has encouraged more use of fossil fuels and therefore – if you believe the warmist theories – more adverse climate change. The banning of pesticides has led to the deaths of millions of Africans from malaria." In addition, as Moore notes, the nature-good/humans-bad argument used for so long by environmentalists has ultimately proven unpersuasive "since it is human beings you are trying to persuade." Moore is right in finding that the most astounding aspect of the Channel 4 documentary, which featured "former hippy Greens, directors of **Greenpeace**, the chairmen of the **Copenhagen Climate Council** and the like" was that it was produced and aired at all.