

# Clinton rejects Brits on greenhouse cuts

by William Jones

The Clinton administration has been under heavy fire from the European countries, led by Her Majesty's own Tony Blair, to drastically reduce U.S. energy consumption under the pretext of reducing alleged "greenhouse gases" that supposedly cause global warming. The British want the United States to agree to a commitment by the industrial countries at the upcoming Environmental Summit in December in Kyoto, Japan, to a 15% cut—a measure that would cause a serious economic disruption if it were ever attempted by any nation.

On Oct. 6, under pressure from the environmentalist, Al Gore wing of the Democratic Party, the White House organized a one-day conference on "climate change," chaired initially by the President, and then, in the afternoon, by the vice president. While no one at the conference dared question the validity of the fraudulent data presented by the perpetrators of the greenhouse hoax, the message was clearly sent that what the Europeans were demanding, is unacceptable to the United States. Although President Clinton hasn't made public the U.S. proposal for Kyoto, it is clear that it will be far less drastic than the European demands, which are considered, according to one Clinton adviser, "too radical."

"We must embrace solutions that will allow us to continue to grow our economy as we honor our global responsibilities and our responsibilities to our children," President Clinton told conference participants. Later in the discussion, the President returned to the subject. "If you choose an ambitious target, where the requirement to reach the target is almost exclusively on the front end—that is, if you have to raise the price to the consumer or the business involved—if it happens too quickly, you're going to do economic damage on the one hand, and, on the other hand, there is no way in the world this Senate will ratify our participation in Kyoto. . . . It will be a grand gesture . . . but it won't happen."

This was reiterated later in the afternoon by Secretary of State Madeleine Albright, who chaired one of the panels. Any reductions "must allow us to adjust without losing our competitive edge," Albright said. "It does no good to pay lip-service to unreachable targets."

U.S. industry has also taken the lead in an ad campaign warning consumers of the disastrous effects of massive cutbacks in energy consumption, the costs of which would ultimately be paid by the consumer. The American Farm Bureau also issued a statement on Oct. 8, warning that the Climate Change Treaty had the potential to cause "an economic down-

turn in the agricultural sector that would parallel . . . the mid-1980s."

The pressure of the environmentalist lobby and the Office of the Vice President succeeded, however, in getting the President to hold a meeting with weather forecasters, to get them to mobilize public interest in the "greenhouse" issue. But, as President Clinton humorously admitted at the conference, the debate has divided even his closest advisers. The White House has indicated that it will make a somewhat more moderate proposal at Kyoto for bringing down U.S. levels of carbon dioxide emissions to below those which existed in 1990, some time in the near future. The 1990 levels had been set as a target at the 1992 Rio Earth Summit and follow-up climate conferences. It seems, however, that the "economists" have won the battle over the "ecologists" in the vice president's office and in the Environmental Protection Agency. A recent *Wall Street Journal* report identified the center of opposition to the radical cuts, in the economics team around Treasury Secretary Robert Rubin.

While lauding the President for holding the White House conference, the environmentalist lobby is clearly not happy with the way things are shaping up. At a press conference at Georgetown University, Carl Pope, executive director of the Sierra Club, commented, "If the President acts, the country and the world will listen. But that's not the message the President is getting from his advisers."

## 'Perverse incentives'

Even the moderate proposals being mooted by the White House have been meeting tough opposition—and not only from industry. AFL-CIO President John Sweeney, speaking at the afternoon panel of the White House conference, warned against creating "perverse incentives" that would encourage industries to flee to other countries to avoid being saddled with added costs in the United States imposed for environmentalist reasons. Sweeney also stressed that there was "nothing magic about the 1990 levels" of CO<sub>2</sub> emissions, and that the United States should not be "locked into" any commitments that might cause economic damage.

The U.S. decision was not the only blow dealt the environmentalist lobby. On the same day as the White House conference, the Japanese government announced that it will seek a 5% reduction in greenhouse gas emissions by industrial countries, and that it will not try to include developing nations in a treaty aimed at making the cutbacks compulsory. This could send the entire Kyoto conference into political limbo, because the U.S. Senate last summer had already passed a resolution in which it indicated that it would not ratify a Global Warming Treaty in its present form, and that such a treaty must include cuts by developing sector countries with their heavy reliance on coal and similar technologies. Under present economic conditions, few developing countries are prepared to triage their own economic growth potential for the sake of some bogus "greenhouse effect."