

Greenhouse Development Rights: Radical Plan to Curb Carbon Emissions Worldwide

By Eric Heidenreich

Summary: *The Stockholm Environment Institute promotes what it calls a Greenhouse Development Rights (GDR) framework, which makes the radical, economy-killing Kyoto Protocol look moderate by comparison. The Institute calls for enormous cuts in greenhouse gas emissions and mandates a massive transfer of wealth from developed to developing nations. The idea is pie-in-the-sky—except that important people are starting to pay attention to it.*

Last October George Soros revealed his plans for the world to PBS commentator Bill Moyers. As one pundit to another, Soros told Moyers we faced “the end of an era” and proclaimed the need for “a whole new paradigm for the economic model of the country, of the world.” Soros had the answer. The key to fixing the global financial meltdown was fixing the climate meltdown: “Global warming. It requires big investment. And that could be the motor of the world economy in the years to come.”

Fix the world economy by fixing global warming. How very convenient. The billionaire hedge fund manager-turned-world philosopher and the LBJ press secretary-turned-America’s conscience were in agreement: A global environmental crisis requires a government reorganization of the global economy.

A year earlier, six Greenpeace activists were arrested for defacing the smokestacks of a British power plant, inflicting \$50,000 in damage to the facility. During their trial, the vandals argued that they had to wake the world up to the dangers of global warm-



Green vandalism: A jury condoned the acts of Greenpeace vandals who in 2007 painted a protest message on this smokestack in Medway, England. The message to Prime Minister Gordon Brown read, “Gordon bin [trash] it,” in protest of plans for Britain’s first coal power plant in two decades.

ing. But they made an unusual argument in claiming that their acts of defacing private property actually served to *protect* property in the long run. Low-lying parts of Britain could be covered by rising sea levels un-

less they acted. According to the Guardian, “It was the first case in which preventing property damage caused by climate change had been used as part of a ‘lawful excuse’ defense in court.”

Dr. James Hansen, head of the NASA Goddard Institute for Space Studies, was called to testify in the activists’ defense. The advisor to Al Gore said the carbon dioxide emitted by the coal-fired power plant was putting humanity in “grave peril.” Said Hansen, “Somebody needs to step forward and say there has to be a moratorium, draw a line in the sand and say no more coal-fired power stations.”

The Greenpeace tactics were vindicated last September when a jury acquitted the activists.

What does it mean when eminent scientists applaud attacks on utilities and juries composed of ordinary citizens approve of vandalism? What conclusion can be drawn when buccaneer capitalists like George Soros attack “market fundamentalism” as an “ideological excess”? Clearly, both elite opinion and public attitudes are undergoing massive changes.

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Only a decade ago, conservatives were claiming victory in the “war of ideas.” But new ideological skirmishes are breaking out around the world as environmental activists link the cause of global warming to the widening financial crisis. Already, their arguments are having a profound influence on American politics and public policy.

A New Proposal to Stop Global Warming

Politicians and newspaper editorials usually identify “carbon taxes” and “cap-and-trade” as the two alternative public policy ways to control the emission of carbon dioxide and other greenhouse gases that are said to cause global warming. Some (Senator Chris Dodd and columnist Thomas Friedman) want to tax carbon emissions. Others (Senators John Warner and Joseph Lieberman) want to create an artificial market to put a cost on emissions.

But there is a third policy fix that’s received far less attention. It’s something called the Greenhouse Development Rights (GDR) framework. A description of GDR sounds like something only a Swedish socialist could dream up. In fact, it is a proposal of the Stockholm Environment Institute (SEI). But SEI is attracting serious interest—and serious money—from governments and foundations around the world that are eager to promote the GDR concept in policymaking circles.

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GDR is a massive international wealth redistribution scheme to transfer money from wealthy developed nations to developing nations. Advocates say all nations must respect the “right” of people to live in a world not threatened by global warming. This requires “developmental equity,” which is “the right of all people everywhere to reach a dignified level of sustainable human development.” And dignified development requires limiting global warming to less than 2 degrees Celsius.

Supporters of the GDR framework propose that it take effect in 2015, six years from now. Their plan would reduce emissions worldwide by 6% per year for 35 years until 2050. At that point greenhouse gas emissions would be 80% below 1990 levels.

The burden would not fall equally on all nations. Developed, wealthy nations (e.g., the United States) would have to cut their emissions by at least 90% by 2050. (The Kyoto Protocol, which the U.S. did not ratify, was modest by comparison. It proposed that in 2012 global emissions be cut by only 5% below 1990 levels.)

Last year SEI published a paper entitled “The Right to Development in a Climate Constrained World.” The authors (Sivan Kartha, Eric Kamp-Benedict, Paul Baer, and Tom Athanasiou) argue that the GDR framework is the only way to reduce man-made global warming while at the same time guaranteeing poorer countries a “right of development” that enables them to use their resources to develop their economies.

The authors recognize that developing countries cannot mandate radical cuts in emissions without devastating their economies and preventing improvements in living standards for their people.

The GDR framework proposes that developed countries pay to help developing countries cover the higher costs of using more expensive “clean” energy. The authors propose that a central fund be created to pay for lowering global emissions in developing countries *and* helping these countries develop. The fund would get its money from a tax on “luxury consumption.”

According to the framework, “It is they [wealthy countries] who must bear the costs of not only curbing the emissions associated with their own consumption, but also of ensuring that, as those below the [development] threshold rise toward and then above it, they are able to do so along sustainable, low-emission paths.”

The SEI study claims that \$9,000 per year per person, adjusted for purchasing power, is the acceptable development threshold. SEI author Tom Athanasiou told a CNN interviewer that this amount will ensure that people have “a bicycle, perhaps a house you can lock, enough grain and a little meat now and then.”

The SEI paper suggests that the United Nations Framework Convention on Climate Change (UNFCCC) control the fund. The UNFCCC is a U.N. organization created by a 1992 international treaty of the same name that “sets an overall framework for intergovernmental efforts to tackle the challenge posed by climate change.” The treaty was ratified by 192 nations, including the U.S., and took effect on March 21, 1994. Athanasiou told CNN that he thought the UNFCCC would be a better steward of the fund than the World Bank because the Bank was “controlled by donor countries and the money spent based on choices of donor countries is seen as aid. This is not aid. It is [poorer nations’] right.”

Paying the Bill

Karl Marx had one idea about cost-sharing: “From each according to his ability, to each according to his need.” The authors of the SEI proposal use less elegant language: “The GDRs’ burden-sharing system is progressive with respect to both responsibility and capacity.”

They reason that 15.6% of the world’s population are in countries in the “high income” bracket and should be responsible for 78.5% of GDR costs of emissions control. Countries in the “low income” bracket contain 36.7% of the world’s population and should be responsible for only 0.5% of the costs.

The United States, they calculate, should pay 34.3% of the global bill, more than four times the burden of any other country. Here

are top seven burden-sharers:

1. United States 34.3%
2. Japan 8.1%
3. China 7.0%
4. Germany 5.5%
5. United Kingdom 4.3%
6. France 3.6%
7. Italy 3.3%

SEI estimates that American taxpayers would need to pay \$2,697 in annual per capita costs to achieve GDR's global goals. This amount is in addition to what taxpayers would pay for a carbon tax or cap-and-trade costs to cut emissions. The SEI study does not hazard a guess as to how much it would cost developed countries like the U.S. to cut their own emissions. Nor does it compare the cost and effectiveness of various policy alternatives.

Even with respect to only the high-income nations, the average U.S. taxpayer is very heavily punished. The average burden among high-income nations is only \$1,845 per taxpayer. Taxpayers in 47 nations have to pay, on average, less than \$5 each. People in 17 nations wouldn't owe a penny.

Why You Should Care About SEI

Liberal academics churn out statistical analyses justifying utopian schemes all the time. Is there any reason why you should care? Actually, there is.

- First, SEI gets its funding from some very prominent and powerful funders, including foreign governments, U.S. foundations, and grants from the federal government (i.e. U.S. taxpayers).
- Second, researchers at SEI's U.S. offices in Boston, Seattle, and Davis, California, work closely with U.S. environmental groups, including the Center for Climate Strategies, which is successfully pushing states to adopt their own global warming regulatory programs and policies.
- Third, the federal agencies that are paying for SEI research are also starting to implement its findings.

Like any forward-moving public policy organization, SEI needs money and contacts

to grease its wheels. SEI's headquarters is in faraway Stockholm, Sweden. But a U.S. headquarters office opened at the Tufts University campus in Somerville, Massachusetts, a Boston suburb, in April 2006. According to IRS records, the U.S. Center of the Stockholm Environment Institute reported revenue of \$1,483,391, with U.S. government agency support of \$929,786. The total amount of revenue available to SEI is unavailable because many SEI-US projects, such as the GDR framework proposal, are developed in conjunction with SEI in Sweden, which has disclosed its revenue sources but not their amounts.

According to its 2007 annual report, SEI support comes from universities, foundations, corporations, the Swedish, U.S. and other foreign governments, and various non-governmental organizations, including:

- 48% Bilateral Agencies (Danish International Development Agency, Swedish International Development Cooperation Agency, U.K. Department for International Development)
- 17% Government (Germany, Sweden, U.S., France, Estonia, South Korea, United Arab Emirates)
- 14% Multilateral Agencies (European Commission, UN Framework Convention on Climate Change, UN Development Programme, UN Environment Programme)
- 10% Research institutes and NGOs (Ecotrust, Enterprising Environmental Solutions, Environmental Defense, Natural Resources Defense Council, Tellus Institute, World Wildlife Fund)
- 5% Private Sector (California Environmental Associates, Rolls Royce, Shell China)
- 3% Universities (University of California Berkeley, University of California Davis, University of Washington)
- 2% Banks and Financial Institutions (Asian Development Bank, Carnegie Investment Bank AB, World Bank Group)

- 1% Foundations (Heinrich Böll Foundation, Rockefeller Brothers Foundation)

Our research has revealed that U.S. government agency grants to SEI include the Commerce Department (\$95,482 in 2008 and \$95,577 in 2007) and the State Department (\$50,000 in 2007). SEI also has acknowledged receiving money from the city governments of Seattle, Washington and Sharon, Massachusetts, as well as the East Bay Municipal Water District and the El Dorado Irrigation District (EID), both located in California.

According to the EID website, SEI scientist David Purkey worked with EID to secure a \$200,000 grant from the National Oceanic and Atmospheric Administration, a division of the U.S. Commerce Department. The grant is for "refinement of the WEAP drought analysis work completed up to now [November 6, 2007]." WEAP stands for Water Evaluation and Planning system. The reports that EID produces, such as a 161 page "Drought Preparedness Plan," rely heavily on alarmist global warming assumptions and suspect data about climate change.

SEI's research work with the three municipal water districts, like its work with EID, consists of developing model programs and predictions concerning climate and the environment. The goal is to create the graphs and spreadsheets and presentations full of data that will allow a city agency or water district board to make the case that policymakers must tax and spend to fix unavoidable problems caused by global warming. SEI receives grant money, often from the federal government, to do this work.

It's not surprising that SEI does research work with and receives funding from major U.S. environmental groups such as Environmental Defense (ED), the Natural Resources Defense Council (NRDC), and the World Wildlife Fund (WWF) that have raised alarms over global warming. However, SEI also works closely with the Earth Island Institute, one of America's most radical environmental groups. Earth Island's "EcoEquity" project was co-founded by Tom Athanasiou, one of the authors of the GDR framework.

The Earth Island Institute, which has been

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featured in numerous Capital Research Center reports, was founded in 1982 by David Brower, an anti-technology extremist so radical he was once kicked out of the Sierra Club. Earth Island regards itself as an “incubator” and “fiscal sponsor” for grassroots activist groups like Athanasiou’s EcoEquity project. One of the announced purposes of EcoEquity is to “prepare the American people” for the demands that GDR will make of them.

Earth Island receives funding from the Surdna Foundation (\$150,000 in 2006), George Soros’s Open Society Institute (\$300,000 in 2006), Marisla Foundation (\$40,000 in 2006), Tides Foundation (more than \$420,000 since 1999), and the Rockefeller Brothers Foundation (more than \$150,000 since 1999). (Read more about the Earth Island Institute in “Ted Turner: Down, But Not Out,” *Foundation Watch*, November 2004; “‘Energy Independence’: A Formula For Attacking Energy Production,” *Organization Trends*, January 2007; and “Eco-Terrorism,” *Organization Trends*, February 2007.

SEI’s GDR framework project has received targeted funding from the Heinrich Böll Foundation, a think tank and grantmaker affiliated with Germany’s Green Party, probably the most successful green political party in the world. The party, which grew out of a movement of environmental and anti-war activists in the 1970s, holds 50 seats in Germany’s 612-member Bundestag. The foundation, which has 25 international satellite offices, including one in Washington D.C., plays an important role making political contacts and promoting policy ideas worldwide. For example, Center for American Progress president John Podesta, a former White House chief of staff under President Bill Clinton and now the co-chairman of Barack Obama’s transition team, delivered the keynote speech at the 10th anniversary of the Heinrich Böll Foundation in Washington, D.C. on Oct. 30, 2008.

Center for Climate Strategies

The influence of the Stockholm Environment Institute spans the globe while at the same time it penetrates the operations of a rural California irrigation district. SEI also does policy work at the state level, through its ties to the Center for Climate Strategies (CCS).

CCS has taken the lead in showing liberal state government agencies how to circumvent federal government policies by drafting and implementing their own global warming laws and regulations. By offering “technical assistance” CCS has helped green-minded governors create “mini-Kyoto” regulatory regimes in many states and cities. (See “The Center for Climate Strategies: How Governors Keep State Legislators Out of the Loop,” *Organization Trends*, April 2008. The Regional Greenhouse Gas Initiative (RGGI), which has similar goals, was profiled in “State Global Warming Laws,” *Foundation Watch*, June 2006.)

The partnership of SEI and CCS is a natural one because the groups share at least five staff researchers (Bill Dougherty, Brian Joyce, Sivan Kartha, Michael Lazarus, and David Von Hippel). Paul Chesser, director of Climate Strategies Watch, an organization formed to keep tabs on CCS, explains how CCS and SEI use each other: “CCS consultants, not surprisingly, share the same goals and ideology with the Stockholm Environment Institute, and they operate in similar fashion. They are funded by environmental extremist foundations and use that money to provide technical analysis—using the guise of objective, dispassionate scientific researchers—but always substantiate the goals they are trying to reach. With regard to global warming, that goal is to dramatically curtail the use of fossil fuels for energy generation.”

Chesser singles out researcher Sivan Kartha, who coordinates SEI’s climate program. One of the SEI/CCS shared consultants, he is a co-author of the GDR framework. Chesser says, “Sivan Kartha’s expertise is in the area of sustainable development, which fits nicely with the anti-capitalist global warming hysteria agenda. Their proposals are always anti-freedom, anti-property rights, and anti-economic growth.”

According to the CCS website, “Members of the Center for Climate Strategies team of more than 30 policy specialists have played a principal role in almost all state and regional climate policy planning processes since 2000, as well as in key studies and departmental initiatives. They have collaborated with over 20 states and 1,000 stakeholders.”

Green Solutions to the Economic Crisis: Guaranteed to Make Things Worse

The stated missions of SEI and CCS are primarily environmental in focus. But they seek to put into practice policies that George Soros likes to pontificate about: Transform the U.S. and global economy by using environmentalism as the motor of change.

Enter the economic crisis.

Opponents of free markets say the implosion of real estate and banking is caused by unregulated capitalism. More government regulation is needed—now. Environmental groups have begun to capitalize on the economy’s woes by suggesting that policymakers can save the economy by saving the environment in ways that create green jobs and promote energy independence.

Testifying at a House Ways and Means Committee hearing (Sept. 18, 2008), SEI researcher Frank Ackerman declared that, “The world has essentially decided about the science [of global warming] at this point. As the science debate is reaching closure, the economics debate is still wide open.” Ackerman’s point was that government will combat climate change. The only question is who will pay the cost, which will be enormous.

Liberal activists and advocacy groups want to shut down debate over the existence of man-made global warming for political reasons, argues Christopher Horner, author of two books, *The Politically Incorrect Guide to Global Warming* (2007) and *Red Hot Lies* (2008), and a senior fellow at the Competitive Enterprise Institute. In a November 11, 2008 op-ed, Horner took note of recent scientific data showing that the earth was cooling. Horner observed, “On this symbolic date, it seems worthwhile to reflect that the planet has not only cooled since George W. Bush took office – pause and let the significance of that one sink in – but began to chill significantly at almost precisely the moment that we signed the Kyoto Protocol, exactly ten years ago today.”

Yet global warming alarmists are undeterred. In a recent joint SEI and NRDC study, “The

Cost of Climate Change: What We'll Pay if Global Warming Continues Unchecked," Ackerman and co-author Elizabeth Stanton made arguments similar to the ones made by those Greenpeace activists who claimed that they defaced the British coal plant to protect private property. The SEI/NRDC study argued that the dangers to U.S. business, agriculture and real estate from global warming were so severe (e.g. intense hurricanes, storm surges) that only the federal government could make the huge financial investments necessary to avert catastrophe.

CCS made a related though more upbeat argument in a November 2008 paper, "Climate Change Policy as Economic Stimulus: Evidence and Opportunities from the States." To advise a "Florida Action Team" assembled by Governor Charlie Crist, CCS summarized its work of some 30 state climate action plans it had helped develop. It concluded: "Now is the time for strategic investment in Florida's low carbon energy infrastructure if we are to be successful in diversifying the state's economy, creating new job opportunities, and positioning Florida's "green tech" sector as an economic engine for growth."

What CCS and NRDC fail to note is that "strategic investment" means taxpayers will foot the bill.

Green "solutions" to the economic crisis are likely to become more extreme. NASA's James Hansen, for example, has become one of America's foremost global warming alarmists. If Al Gore is the "face" of global warming alarmism, Hansen is the "science" behind it. But while he trades on his scientific reputation, Hansen appears more interested in using environmental alarmism to overhaul the U.S. economic system.

The Washington Post has reported (Aug. 15, 2007) that Hansen was forced to concede that some NASA scientific data used to support his alarmist conclusions were incorrect and actual temperatures were lower. Hansen admitted that the actual recorded temperatures in the United States since 2000 were 0.15 degrees Celsius lower than originally reported.

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Renegade scientist James Hansen distorts scientific data to support his global warming alarmism. He has called for the CEOs of fossil fuel companies to be tried "for high crimes against humanity and nature."

According to a Sept. 25, 2007 op-ed in *Investors Business Daily*, Hansen received almost \$720,000 from the George Soros-funded Open Society Institute (OSI) to assist in publicizing his alarmist views on global warming. IBD speculated that Hansen was funded under OSI's "politicization of science" grant program which funds government whistleblowers.

In a June 2008 speech at the National Press Club in Washington, D.C., Hansen reached new histrionic heights. He said the CEOs of fossil fuel companies "should be tried for high crimes against humanity and nature."

Conclusion

The Stockholm Environment Institute is on the front lines in the latest stage of the climate wars. Just as the Greenpeace vandals argued that they were acting to save private property in Britain, groups like SEI claim we must bankrupt the economy to save it—and the planet.

With its ties to foreign governments and NGOs, its government and foundation

grants, and its contracts to produce global warming plans for states, cities, and county water boards and irrigation agencies, SEI is well-placed to influence environmental and economic policymakers. Even if its framework for Greenhouse Development Rights is never enacted, the notion that the rich should pay to help the poor develop with costly clean energy will become accepted more and more into the mainstream of political discourse.

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Terrence Scanlon
President

Briefly Noted

After temporarily suspending its fundraising efforts for **ACORN**, the **U.S. Conference of Catholic Bishops'** charitable arm, the **Catholic Campaign for Human Development (CCHD)** has decided to cut off the radical community group permanently. CCHD, which had given the group grants derived from its annual collection taken up each November at all Roman Catholic churches, decided "to end CCHD funding of ACORN organizations because of serious concerns about financial accountability, organizational performance and political partisanship."

Jemar Barksdale, who falsified 18 voter registration cards while he worked for **ACORN** in Pennsylvania, has been sentenced to 23 months of house arrest for his crime. As ACORN always does, the group claims Barksdale was a rogue employee.

The EPA now publishes a Most Wanted List of fugitives accused of environmental crimes online at <http://www.epa.gov/fugitives/>. Conspicuously absent from the list are **Greenpeace**, and eco-terrorist groups **Animal Liberation Front**, **Earth First!**, and the arsonists of **Earth Liberation Front**.

Speaking of eco-criminals, **Paul Watson** of the boat-ramming **Sea Shepherd Conservation Society** recently compared a Canadian government-ordered cull of trapped, starving narwhals to the My Lai massacre during the Vietnam War. Canadian fisheries minister **Gail Shea** and health minister **Leona Aglukkaq** condemned Watson's remarks. Watson is the former co-founder of Greenpeace who abandoned the group after denouncing it for being insufficiently radical.

Incoming President **Barack Obama** has named **Ellen Moran**, executive director of **EMILY's List**, to be his White House communications director. EMILY's List is a political action committee that raises funds for pro-abortion rights female political candidates. **George Soros's Democracy Alliance** funds the group.

PETA must be happy. A wounded male deer in Missouri attacked the hunter who shot it, the Rocky Mountain News reports. After the attack it ran away and was then finished off by the hunter with two shots. The buck stops here.

The **Peter G. Peterson Foundation** says the U.S. is bankrupt, dcexaminer.com reports. The foundation calculates that Americans' total household net worth, hurt by falling stock prices and home equity, is \$56.5 trillion. Meanwhile, unfunded government liabilities were \$56.4 trillion – prior to the stock market crash, \$700 billion Wall Street bailout, and federal deficits from October and November. "It's clear that America now owes more than its citizens are worth," said foundation president **David M. Walker**, former U.S. Comptroller General and head of the Government Accountability Office (GAO).

Not content to rest on its laurels after helping to elect Obama president, the leftist **MoveOn.org** is mobilizing to impose socialism on America. A post-election fundraising email it sent to members warned that lobbyists funded by energy, pharmaceutical, insurance, and telecommunications companies are "all gearing up right now to stop any bold health care bill or energy plan dead in its tracks." MoveOn wants new contributions for "a huge campaign to flood Washington with the voices of real Americans who are crying out for change...to amplify the voices of MoveOn members and make Barack Obama's progressive mandate impossible to ignore."

Leaders of the Texas-based **Holy Land Foundation for Relief**, an Islamic charity linked to the **Council on American-Islamic Relations (CAIR)** have been convicted of funding Islamic terrorism. **Ghassan Elashi**, **Shukri Abu-Baker**, **Mufid Abdulqader**, **Abdulrahman Odeh** and **Mohammad El-Mezain** were convicted on all 108 criminal counts, including supporting terrorism, money laundering, and tax fraud, the New York Times reports. The government said the group, which was shut down in 2001, directed millions of dollars to the Palestinian militant group **Hamas**, which the government declared to be a terrorist group 13 years ago. CAIR was profiled by **Daniel Pipes** and **Sharon Chadha** in the August 2005 edition of *Organization Trends*.

Former Sen. **Fred Thompson** (R-Tenn.) has decided to return to acting. The outspoken conservative who starred in *Die Hard 2* and the TV series "Law and Order," and who briefly ran for U.S. president was a visiting fellow in Washington, D.C., at the **American Enterprise Institute**.