Chapter 44. Tell the President the Whole Truth

Climate policy is not rocket science. The essential energy policies – from a scientific perspective – were clear by the time of our election-eve workshop. But Obama was no scientist. How could the needed policies be made clear and persuasive to him?

Obama would have many advisers, but also many goals. Would his advisers give him the whole climate policy story? Advisers might focus on a few easy things – in which case the great opportunity of a new Presidency could be wasted.

Obama had an urgent challenge – a global financial emergency – that increased the opportunity for effective climate action. Congress had no choice – they had to pass legislation to spur the economy. The President's party had a majority in both the Senate and the House.

Just as Franklin Roosevelt used the Great Depression crisis to enact financial and social reforms, so Obama could use the 2008 bank crisis. Actions to stimulate the economy could be chosen to achieve the reforms needed to address the slow-moving yet also urgent climate crisis.

It would take a long time to publish our paper based on the workshop. Meanwhile I could write a communication – people signed up to receive these likely included some who advised Obama.

Tell Barack Obama the Truth – The Whole Truth[1] was meant to be readable by Obama – but at minimum his advisers should know Obama's opportunity to affect the future for all people.

The Truth began with the obligatory description of the climate threat, the urgency of action, and the need to get the world off coal dependence quickly. I described our workshop topics, which were, in priority order: (1) energy efficiency, (2) renewable energies, (3) electric grid improvements, (4) nuclear power, and (5) carbon capture and sequestration.

Obtaining support for the first three items should be duck soup, but that's not enough. Global CO_2 emissions were skyrocketing because rapidly developing countries such as China and India used coal for electricity generation, industrial heat, and home heating and cooking.

Reversing growth of global CO_2 emissions requires large amounts of dispatchable, carbon-free electric power – dispatchable means power available 24/7. The best possibility is modern, passively-safe nuclear power – passively-safe means reactors that will shut down in case of an anomaly and do not require external power to cool the nuclear fuel.

However, nuclear power can supplant coal only if its cost is comparable to or lower than the cost of coal power. Low cost could be achieved only via reversal of de facto United States policy toward nuclear power, which had been in place since 1992.

That year, 1992, was a watershed moment for climate policy in more ways than one. It is famous as the year the world adopted the Framework Convention on Climate Change, which the U.S. signed during this final year of the George H.W. Bush administration. However, 1992 was also the year that Bill Clinton and Al Gore were elected President and Vice President of the U.S.

During the 1992 Presidential primary campaign Clinton found the anti-nuclear position to be a winner. He demonized an opponent with the simple phrase "you're pro-nuclear!" His belief that soft-renewables would provide sufficient energy was no doubt heart-felt, as Amory Lovins was

his energy adviser when Clinton was Governor of Arkansas. Still, Clinton's decision to end R&D on nuclear power was shocking, given the understanding of climate change in 1992.

Two major policy implications emerged from the five workshop topics. First, we need a continually rising price on carbon emissions. A carbon price drives all five workshop goals – from energy efficiency through carbon capture – and it does so by letting the market set priorities and investments, which is economically effective. Second, the government needs to provide strong RD&D (research, development and demonstration) support of modern nuclear power.

"Put a price on carbon" is an almost worthless phrase. Detail matters. It took time for me to realize that, as shown by presentations on my website.[2] I began calling for a revenue-neutral carbon tax in late 2006. However, it became clear that hordes of special interests would descend on Washington with plans to use the revenue generated by a carbon tax. In that case, the public would not allow the tax to rise to a level that phased out fossil fuels. So, by the spring of 2008 I began to advocate "carbon tax and 100% dividend," with funds distributed uniformly to legal residents.[3] I changed the name to "fee & dividend" in early 2009 to emphasize that no money goes to the government.

Resuscitation of the nuclear power industry – moribund in the United States – required action. The United States – because of the excellence of its universities – still has potential to be a leader in nuclear technology. However, the long gestation between reactor concept and a commercial power plant is too much for private capital – RD&D support for nuclear reactor development was essential for revival of nuclear technology leadership in the United States.

Readers of *The Truth* suggested that it was too long for Obama – I should write an executive summary. Then, they said, I should write a letter to the Obamas and enclose the document.

A letter to the Obamas was a good idea, but first I had a week of meetings in Europe, on vacation from NASA. George Polk and Matt Phillips had arranged several meetings in London, then a trip to the Hague to testify to a parliamentary commission, and to Sweden for an interfaith climate summit with religious leaders at the Uppsala Cathedral.

Anniek came on the trip, planning to spend a few days in the Netherlands. As we ran from one meeting to another in London, Anniek began to slow down, holding a scarf over her mouth. Something was wrong. That night, in the middle of the night, Anniek woke me, saying that she had chest pain. We were near St. Thomas Hospital, and an ambulance arrived quickly.

She seemed to be o.k., but had to be kept in the hospital for tests. As example of how things worked, we decided that I should go to the hotel and get a few hours of sleep so that I could function the next day, which included testimony to an Environmental Committee in Westminster Palace. Worse, I decided to continue the trip – one day in the Hague and one day in Uppsala – before I cut the Sweden visit short and returned to London. It turned out that Anniek had had a minor heart attack. The situation was analogous to that of Wayne Gretzky, who continued to play hockey after a glass wall collapsed on his wife and she was taken to a hospital.

My rushing around on that trip was symbolic of our lives. Even working 80-90 hours per week, I could not catch up – there was always something urgent. I kept promising that "next year" I would catch up – we would live like normal people – but next year kept receding.

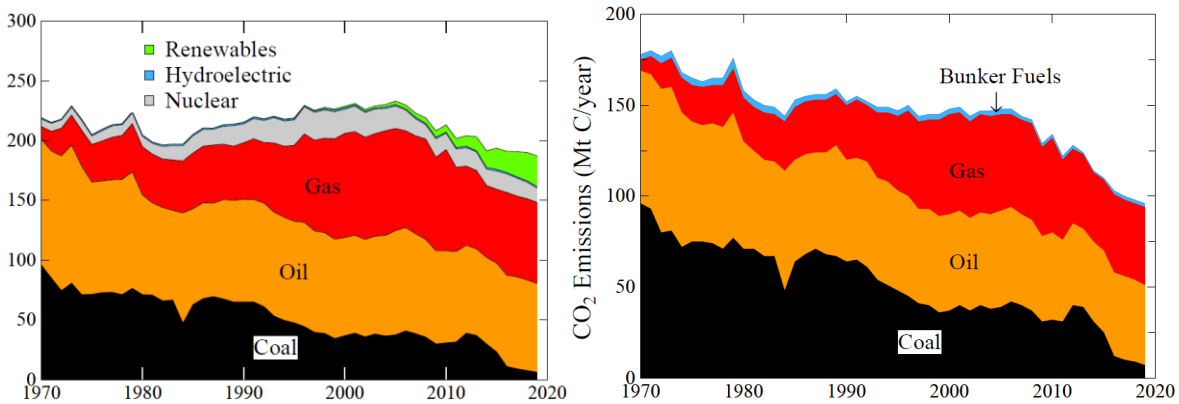

Fig. 44.1. Annual energy consumption (Mt oil equivalent) and fossil fuel CO_2 emissions (Mt C) of the United Kingdom (CO_2 emissions graph still to be completed).

Was the trip that important? Nothing I said changed CO_2 emissions from these countries. The UK reduced emissions sharply in the past decade (Fig. 44.1) via initial emphasis on coal, but the reductions were a result of dogged pressure by George Polk, Matt Phillips, Greenpeace, and many others. UK long-term plans include nuclear power as a complement to renewables.

So, did Anniek's heart attack alter my obsessive behavior? No, of course not. There's always hope of affecting one of the big players – the United States or China. The climate problem can't be solved until both of these countries get serious about it. Even a smaller country could be important, if they provided an example of the policy actions that are needed globally.

Anniek needed a stent in one artery. We had to stay in London almost a week before she could fly back to the U.S. It was an opportunity to write a letter to the Obamas.

Dear Michelle and Barack. We noted our mutual interest in the world that our children and grandchildren will inherit, and our concern about the "profound disconnect between actions that policy circles are considering and what the science demands for preservation of the planet."

The science, we asserted, shows a need for (1) a moratorium and phase-out of coal plants that do not capture and store CO_2, (2) a rising carbon tax with 100% dividend, and (3) urgent R&D on advanced generation nuclear power including international cooperation. We concluded that Barack's leadership was essential to explain to the public what was needed.

How to get Obama to read our letter, with everyone clamoring for his attention? Providentially, a pathway to the President's brain seemed to open up: Obama chose John Holdren as his Science Adviser. Holdren received my communications, and I knew that he read them because he had requested some of my science charts. Also, he agreed that glaciologists and IPCC understated the threat of sea level rise – it was a threat to today's young people and their children.

On 23 December I sent a letter to Holdren asking him to deliver our letter to the Obamas. The 2-page letter to Holdren served as an executive summary of the 4-page letter to the Obamas.

The letter to Holdren described the need for coal phaseout, carbon tax and dividend, and nuclear power. The focus was on a carbon tax: "100% of the tax should go into the dividends. However, if some countries do not apply an equivalent tax, a duty should be collected on fossil-fuel dependent products imported from that country. Such import duties might be used, in part, to finance reforestation, climate adaptation, or other climate or energy related needs."

Holdren's response was disheartening. He would deliver the letter, he said, but probably not before Obama's inauguration. Worse, he wrote that he was "proscribed from discussing matters of policy with anybody other than Obama and his immediate team prior to my confirmation."

Hmm. Holdren's confirmation would surely take time (it occurred 19 March 2009). By then the horses would be out of the barn – it would be too late to influence Obama's policy priorities for the big push in the critical first 100 days. Holdren's response seemed to be a polite "thank you very much, I will consider your ideas."

There were other possible pathways to Obama. I sent a communication[4] to reach others who might advise Obama. The communication consisted of a 1-page cover memo, the 2-page letter to Holdren, the 4-page letter to the Obamas, and the 8-page *The Truth* document.

Al Gore called before Obama took office, saying that he would soon meet with Obama to advise him on climate policy. Gore was steeped in energy efficiency and renewables – Amory Lovins was the principal energy adviser during the Clinton/Gore administration. So, my response started with the need to modernize our national electric grid, including corridors of low-loss transmission of renewable energy to population centers, as described in the workshop paper that Pusher Kharecha and I were working on.[5] The U.S. also needed to reassert leadership in modern nuclear technology – otherwise gas would be the complement to renewable energy. Underlying and driving all of these things, we needed a carbon tax and 100 percent dividend.

It's hard to think quickly when you get a call out of the blue from a former Vice President – an almost-President. Clearly, I did not alter his views. When he testified to Congress in the spring of 2009, he did not mention fee and dividend or the need for modern nuclear power.

Another opportunity arose. The Ways and Means Committee of the U.S. House of Representatives requested my testimony. The hearing was on 25 February 2009.

I made my opposition to ineffectual cap & trade clear by titling my testimony: Carbon Tax & 100% Dividend vs. Tax & Trade*, with a footnote: *"Tax and Trade" is pseudonymously and sometimes disingenuously termed "Cap & Trade." I said that it was wrong to try to hide the fact that a cap would increase the price of energy and was thus a tax.

A "cap" can't solve the climate problem. The public will realize that it is a tax and revolt before the tax is large enough to transform society. However, if 100 percent of a carbon fee, collected from fossil fuel companies is distributed uniformly to legal residents, most people will come out ahead and they will gladly allow the fee to continue to rise.

The Obama administration was already starting down the fraught cap & trade path. Obama asked Senator John Kerry to shepherd the Waxman/Markey cap & trade bill through Congress. I requested a meeting with Kerry, who generously agreed.

Senator Kerry listened patiently to my arguments for why a carbon tax (or fee) with 100 percent distribution of the funds to the public was fundamentally different than cap and trade. For one thing, it was designed to go global. Unlike the Kyoto Protocol cap & trade scheme, which required begging each of 200 nations to reduce their cap, fee & dividend could be made near-global via agreement between the United States and China. Most other countries would jump on board to avoid border taxes on their products exported to the U.S. and China.

Senator Kerry is a tall, handsome man with a long face. His face seems especially sad when he delivers bad news, which was: "I can't get one vote for that." That sentence was still ringing in my ears on the Amtrak train ride on my way home, when I read an e-mail that directed me to a story on politico.com. It said that the number of lobbyists in Washington working to influence federal policy on climate change increased in the past few years by 300 percent to 2,340 lobbyists – four lobbyists for every member of Congress.

Sack Goldman Sachs Cap-and-Trade was a communication that I sent later in 2009 to my e-mail distribution, which had grown to a few thousand people. It had become crystal clear how Washington worked. JP Morgan Chase and Goldman Sachs were just two of the uncountable number of rent-seekers hoping to soak the public under cap-and-trade, the biggest game in town.

These big banks were salivating. They each had skilled, secretive trading units – hundreds of employees – poised to make billions if Congress approved the cap-and-trade scheme. Where would all their profits come from – out of thin air? No, every dime would come out of the public's hide via the prices of anything that uses fossil fuels.

Why not fee & dividend instead? Emissions would go down faster, studies show. Big banks don't get one thin dime. The government doesn't get a dime. The entire fee is distributed to the public. Most of the public comes out ahead. Rich people lose, but it's chicken feed to them.

Obama chose to throw in with the big banks. Did he understand what he was doing? Had his advisers explained the situation well? Perhaps. Obama is an intellectual. I suppose that he did not want to get down and fight with the special interests. He was not about to try to change the way that Washington works. To do that, he would need the fire of a Harry Truman and he would need to enlist public support as Franklin Roosevelt did with fireside chats. Even then, special interests might still win. It's a lot easier to throw in with the Ivy League elite.

The problem is that cap-and-trade will never fly high enough. The public will not stand for high energy prices with the money going to special interests and government coffers.

An op-ed in the *New York Times* could help the public see the merits of fee-and-dividend. I submitted an abbreviated version of *Sack Goldman Sachs* to the Times in late 2009, long after I had changed the name of the proposed policy to "fee-and-dividend." I was buoyed when the Times accepted it for publication, but dismayed when I saw the newspaper.

The Times editors changed the title from *Sack Goldman Sachs Cap and Trade* to *Cap and Fade*. What the devil did that mean? It seemed to be the opposite of what I was trying to convey.

Worse, my op-ed was surrounded and denigrated by three articles by Paul Krugman. Had the editors tipped him off about my article? That would seem to be a bit unethical.

Krugman's op-ed, alongside mine, began "Action on climate, if it happens, will take the form of "cap and trade." A news article by Krugman, titled "Climate of Change," praised Obama's proposed budget that "will set America on fundamentally new course." Obama "allocates $634 billion over the next decade for health reform" and "the budget projects $645 billion in revenues from the sale of emission allowances." A third article by Krugman, published simultaneously on his blog, was titled "Unhelpful Hansen." In it he asserts that fee-and-dividend and cap-and-trade are "essentially equivalent," as he scolds me to leave the matter to economists.

Fig. 44.2. Sophie writing her letter to Obama.

Hundreds of responses on Krugman's blog, some from prominent economists, mostly agreed with me. I wrote a discussion[6] of the issues, which I sent to my email distribution, but it reaches only a few thousand people. The Times reaches several million.

Laurie Williams and Allan Zabel, a couple living in Oakland, California, contacted me. They had 20 years of experience working with the U.S. EPA, much of that time working on cap-and-trade programs. They were convinced that cap-and-trade was inherently ineffectual compared with a simple, honest, rising carbon fee or tax, with 100 percent dividend to the public.

Their opinion came from experience and theory. Entrepreneurs need to know the rising carbon fee to guide their investments. The public needs the dividend to deal with the energy transition.

Obama's decision to go with cap-and-trade – to continue the Clinton/Gore Kyoto Protocol approach – was made early, perhaps before his inauguration. That's no reason to give up. We will never get caps on each of the 200 nations that add up to a solution of the climate problem.

Presently there is slow progress on emission reductions in many countries. That helps, but we must get one country to demonstrate fee-and-dividend, as a step toward the near-global rising carbon fee or tax that is required for rapid emission phasedown.

Laurie Williams and Daphne Wysham – Daphne of the Institute for Policy Studies – suggested a grassroot education effort, with an eventual goal of a million letters to President Obama. That would require getting large organizations to educate their members and support a letter writing campaign. We made a little video[7] to describe the idea of a million-letter-march.

The video starts with Sophie writing a letter. We had asked her to pose for the video. In fact, she wrote her letter to Obama on the spot. I still have photocopies of her letter and the letter of her brother, Connor. I am not sure whether Obama ever read them.

The video includes Bill McKibben, Lester Brown, Marshall Saunders and many others. The video serves as a nice remembrance of Marshall Saunders, who took control of the situation. All of us had weekday jobs, so the million letter march, per se, didn't go far, but the concept did, thanks to Marshall, who threw his own resources and energy into Citizens Climate Lobby.

Fig. 44.3. Citizens Climate Lobby members on a day of meetings with Congresspeople.

Marshall Saunders sent a letter after his piece on the video was recorded. The letter, in its entirety, read: "Dear Jim, Thank you. We have just begun to fight. Count on us. Marshall."

Saunder's Citizens Climate Lobby now has about 200,000 members in the United States and is growing. There are almost 500 chapters in the U.S. and more than 100 internationally. Mark Reynolds, Lynate Pettengill, Joe Robertson and others provide leadership. CCL members demonstrate democracy in action, writing and speaking with the public and with politicians, supporting carbon fee & dividend. They are beginning to be noticed.

CCL is nonpartisan. Marshall and I spoke about the difficulty in achieving effective governance, given the rise of political extremes. We had some ideas, which we thought of pursuing after this book was finished. We didn't quite make it, as discussed in the last chapter.

Meanwhile, back on the science ranch…

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[1] Hansen, J., Tell Barack Obama the Truth – The Whole Truth, http://www.columbia.edu/~jeh1/mailings/2008/20081121_Obama.pdf, 21 November 2008.
[2] I began making available presentations at http://www.columbia.edu/~jeh1/presentations.shtml a few years before I began sending and preserving communications on my website.
[3] Hansen, J., Climate threat to the planet: Implications for energy policy, PACON Presentation, 3 June, 2008.
[4] Hansen, J. Dear Michelle and Barack and Tell Barack Obama the Truth — the Whole Truth.
[5] Kharecha, P.A., C.F. Kutscher, J.E. Hansen, and E. Mazria: Options for near-term phaseout of CO_2 emissions from coal use in the United States. *Environ. Sci. Technol.*, **44**, 4050-4062, 2010.
[6] Hansen, J. The People vs. Cap-and-Tax, 12 January 2010 Communication, www.columbia.edu/~jeh1.
[7] Million letter march video: https://www.youtube.com/watch?v=a5XQBUvcez0