

### **Sophie Sez #3: “\$1000 for You – A Better World for Your Children”**

**Summary.** Science, economics and common sense reveal a simple path to clean carbon-free energy and a bright future for young people. “Carbon Fee & Dividend” is simple and honest, moves us to clean energy, benefitting the public and the planet. Sure, fossil fuel moguls bribe our government, but they can be overcome in our democracy – with a little help from all of us.

**Key words:** Climate Change, Carbon Fee & Dividend, Fossil Fuels, Clean Energy, Lawsuit

#### **Transcript**

**Hi, I’m Sophie Kivlehan** and this is my grandfather, James Hansen. We are both plaintiffs in the lawsuit filed by Our Children’s Trust against the United States government for violating Constitutional rights of young people to life, liberty and property.

Our government is facilitating pollution, carbon dioxide from fossil fuels that threatens to leave young people climate chaos running out of our control. The government argues that it would be economically harmful to solve the problem. This is a blatant falsehood.

We will explain a simple honest way to move our country and the world to clean energy. People will make money and help their children to a bright future. Please listen for six minutes.

**Jim:** Economists agree that the public is best off when energy prices are honest, so products are made at the least true cost and the economy is most efficient. For example, the price of fossil fuels needs to include the cost to the public of resulting air pollution and water pollution.

**Sophie:** The price of fossil fuels can be made more honest in a simple way that allows most people to come out ahead: carbon fee and dividend, which my grandfather proposed to President-elect Obama in 2008.

**Sophie:** A carbon fee is collected from fossil fuel companies at the first sale, at domestic mines & ports of entry, and the money is distributed equally to all legal residents.

Fossil fuels burned in the U.S. produced 5 billion tons of CO<sub>2</sub> last year. Let’s say the carbon fee is \$55 per ton. That will produce \$275 billion of revenue.

U.S. population is 325 million, so that’s \$850 per person per year.

However, we should probably only allow half a share for each child, up to a maximum of two children per family, which means there are about 275 million shares.

So the result is a \$1000 dividend for each adult, \$3000 for each family with two or more children

**Jim:** Of course fossil fuel companies will increase their prices, passing on the fee to customers. However, the dividend will allow most people to come out ahead. Rich people who have large houses and fly around the world will lose money, but they can afford it.

**Sophie:** For example, the price of gasoline will increase.

A carbon fee of \$55 per ton of CO<sub>2</sub> will increase the price of gasoline by 50 cents per gallon.

Let's say you drive 10,000 miles per year and get 25 miles per gallon. That's 400 gallons or \$200 in increased cost. Or, if you drive 20,000 miles\*(see footnote) per year and get only 15 miles per gallon, your increased cost is \$667.

**Jim:** And prices of all things that use fossil fuels in their production will rise. However, with the present distribution of energy use, the dividend will allow 70% of the public to come out ahead. Products that use less fossil fuels will be favored. People don't even need to think about it -- just pay attention to prices of products on the shelf -- that's how the market works.

**Sophie:** Economic studies show that a carbon fee that gradually increases over 10 years to \$100 per ton will decrease carbon emissions by 30% while increasing the dividend almost 30 percent.

The economy will be stimulated, increasing the GNP and creating more than **3 million** new jobs.

**Jim:** This sensible approach would modernize our energy infrastructure, restore U.S. leadership, and provide a bright future for young people. It has only two problems: Democrats and Republicans.

Bernie Sanders introduced a bill for carbon fee and dividend, but he would grab 40% of the money. When the government takes the money, it's a tax. It depresses the economy. The public loses.

On the other side, most Republicans say climate change is a hoax. They do not support carbon fee and dividend, even though it would spur the economy, increase jobs and revenue, modernize our infrastructure, and is based on conservative principles.

**Sophie:** But there is an organization, Citizens Climate Lobby, which is trying very hard to get bipartisan support for fee & dividend. They use the democratic process. They visit Senators and Representatives. They are polite. They write letters-to-the-editor. There are now more than 300 chapters and 50,000 members, growing rapidly. Please consider joining this volunteer organization.

If CCL cannot get the two parties to agree on a carbon fee with 100 percent of the money going to the public, it may be time for a third party that is based on principles of our nation's founders. This party would take no money from special interests and could address other long-standing issues that the public is waiting on, such as tax reform.

Then, perhaps, we could again have a government of the people, by the people, for the people.

We can talk about that in a future video.

\*In the video Sophie wrote 25,000 miles on the whiteboard, but she said 20,000 miles. The calculated cost (\$667) is for 20,000 miles, which is the intended example.