



## **ITSSD: Hope Springs Eternal Following UN Montreal Conference – But Is It Enough to Reassure Northeastern Governors Worried About RGGI’s Economic Impact?**

*White Paper Explores How the True Believers of the Kyoto Protocol and the U.S. RGGI May Lead Us All Into the Economic Abyss*

### **For Immediate Release:**

**Princeton NJ** – December 14, 2005 – “Energized with hope and inspired by the spiritual performance rendered by the former U.S. president from Hope, at last week’s United Nations Climate Change Conference, the Kyoto Protocol’s true believers are eager to claim that the dawn of a new era of international regulation centered in the UN is now upon us.”

A prime example of this, at the U.S. level, is the Regional Greenhouse Gas Initiative (RGGI). “The RGGI is essentially a smaller version of the Kyoto Protocol’s cap-and-trade regulatory mandates that is currently being promoted from Maine to Delaware by nine northeastern governors as a solution to global warming”, notes Lawrence Kogan. Two prior ITSSD studies described in detail how these governors are using the RGGI as a ‘back-door’ means of helping Europe to drag the Bush administration back to the Kyoto Protocol negotiating table. The papers also discuss how the RGGI will serve as a new paradigm of precautionary-principle-based (‘better-safe-than-sorry’) regulation in America, one that is shaped and determined mostly by UN bureaucrats and risk-averse Europeans. “However, like the Kyoto Protocol”, says Kogan, “RGGI will engender significant economic costs that will be borne by American businesses and consumers, without providing any environmental benefits, Hope notwithstanding.”

According to Slavi Pachovski, “The governors, especially the two from New York and Massachusetts, have thus far refused to permit the public to debate RGGI publicly, and intend to adopt the RGGI outside of their states’ legislative processes. They are pursuing this path, presumably, because they are sincerely worried that RGGI’s actual costs will far exceed the economic estimates, and that RGGI will be unable to deliver the energy reliability, energy security and environmental benefits promised.” “In other words”, says Pachovski, “they are hoping and praying to keep the RGGI under the radar scope of the taxpaying American public for fear that its exposure will likely jeopardize their planned 2008 presidential candidacies.”

In an accompanying white paper, the ITSSD explores how the true believers of the Kyoto Protocol and the U.S. RGGI, who have faithfully embraced the fear-based orthodoxy of the precautionary principle, may well lead us off the cliff of rationality and into the macro-economic abyss. Copies of the white paper can be found at: <http://www.itssd.org/library.htm> .

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