

Behind 'Carbon Trade' Hoax: George Shultz, Felix Rohatyn

by Marcia Merry Baker

George P. Shultz, the political heavy who put the Cheney-Bush Administration in place, and Shultz's counterpart on the Democratic Party side, Felix Rohatyn, are working overtime to orchestrate U.S. and world programs for "carbon control" that will sink the U.S. economy, and impose genocide internationally. The jargon is to "cap" the amount of greenhouse gas emissions (especially carbon dioxide) allowable by nation or economic sector or state; then to trade emission "allowances" on the market. The pretext is global warming, and the political nexus involves the very same U.S.-Anglo-Dutch circles pushing Cheney's perpetual war policy in the Persian Gulf region and elsewhere.

First, to reiterate the essential point on global warming itself: The assertion of global warming is a scientific fraud. To promote this fraud—wittingly or witlessly—is furthering mass delusion and serves the purpose of stampeding governments to take measures that will destroy their own national economic functions (see Rob Ainsworth, "The New Environmental Eugenics: Al Gore's Green Genocide," *EIR*, March 30, 2007).

Moreover, with the Ethanol Bubble right now in the process of blowing up, anyone persisting to support biofuels, greenhouse gas control programs, and related frauds, is especially lunatic (see following article). Yet so far, the Democrats are vying with Bush for who can be drum-major of the lunacy parade.

Lyndon LaRouche is warning of the strategic threat involved in allowing any and all schemes of carbon trading, bio-energy, and other bio-foolery to continue any longer. His evaluation comes in the context of who is behind potential war strikes on Iran, and even potential terror attacks during the countdown to the UN Climate Change Conference, Dec. 3-

14, in Bali, Indonesia, for new protocols on Climate Change. Democratic Senators John F. Kerry (Mass.) and Barbara Boxer (Calif.) are to lead the U.S. delegation there.

"The biofuels hoax is a strategic threat to the United States," said LaRouche over the Oct. 1 weekend. He warned that the same British-U.S. interests that are behind the perpetual war policy in the Persian Gulf region, may use a series of terrorist incidents, or block the Strait of Hormuz in a war with Iran, to push the New Dark Age biofuels hoax to a new level. "There is every reason to expect that the Bali conference will be a major target of terrorism," said LaRouche. "There is already a precedent; it happened there already. And bringing every world leader into that location will make it a major target."

LaRouche also warned that, if the United States attacks Iran on behalf of the Anglo-Dutch oligarchic interests, this will be another step in the destruction of the United States as a republic. But, these same Anglo-Dutch forces are behind the push for further wars in Southwest Asia—knowing full well that every competent military study of such a war forecasts that there will be retaliations that will block the Strait of Hormuz, and block off shipments of oil supplies.

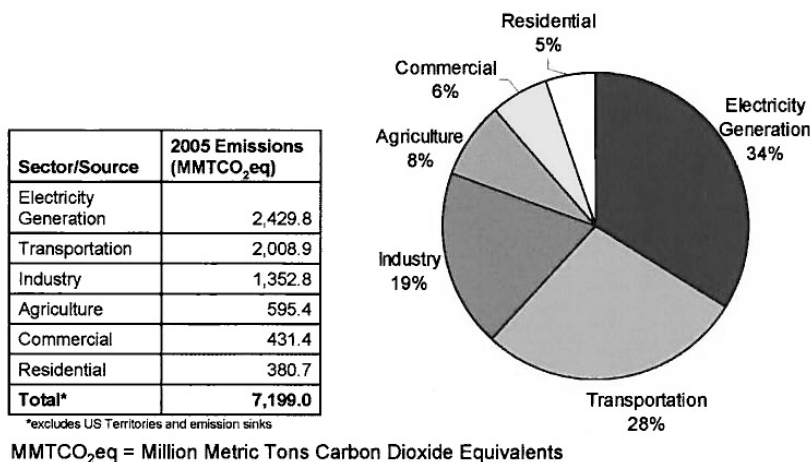
"Perhaps the blocking of oil shipments is *anticipated*, to give the biofuels hoax new life," said LaRouche. "The biofuels market is in trouble; ethanol has lost 30% of its price value. Who are the bio-fools, who push this policy? Are you one of the bio-fools? Is your Congressmen a bio-fool?"

"This is fascism. It's a fascist policy," said LaRouche, "pushed by George Shultz and Felix Rohatyn, through their front men Schwarzenegger and Al Gore. This fascist policy must be stopped."

EIR has published extensive dossiers on the careers of

FIGURE 1

Direct U.S. Greenhouse Gas Emissions by Economic Sector (2005)



Source: US Environmental Protection Agency, *The US Inventory of Greenhouse Gas Emissions and Sinks (2005)*, April 2007

From "Climate Change Legislation Design White Paper; Scope of a Cap-and-Trade Program," by the Staff of the House of Representatives Committee on Energy and Commerce, October 2007. The idea of such graphics is to lay the groundwork for setting a price for emissions from each sector; then allowing these to be bought and sold.

Shultz and Rohatyn. Suffice it for purposes here to point out that the two collaborated in putting the fascist Pinochet regime in power in Chile in 1973. They have collaborated in imposing deregulation, and economic de-structuring in the United States for decades, as in Rohatyn's 1975 Big MAC wrecking of New York City. Their hallmark collaboration is for "The Privatization of National Security,"—à la Blackwater and Halliburton—as in the title of a 2004 conference co-hosted by Shultz's Princeton Project on National Security, and the Rohatyn Center for International Affairs at Middlebury College.

The Venues, the Script

In late September, the Shultz/Rohatyn global warming script was put on the world stage at three major venues: the Sept. 24 UN Climate Change meeting of 81 nations, addressed by California Gov. Arnold Schwarzenegger, who was put in office by Shultz; the Sept. 27-28 White House event of 18 nations, addressed by President Bush; and the Clinton Global Initiatives event on Sept. 28.

On Sept. 24 in Washington, D.C., Sir Nicholas Stern, the British government advisor on the "business" of carbon control, spoke at the Brookings Institution, previewing the UN and White House global warming propaganda sessions.

The unison theme of all this activity appeared in advance in writings directly associated with Shultz and Rohatyn: Carbon control must be imposed.

On Sept. 5, Shultz, now at the Hoover Institution, wrote

an opinion column in the *Washington Post*, headlined, "How To Gain a Climate Consensus." In it, Shultz cites "lessons" of recent history to say that carbon trading can work. Praising the Reagan Administration, in which he served, Shultz states that "a cap-and-trade system has been highly successful in reducing sulfur dioxide emissions by electricity utilities in the United States." Therefore, similar mechanisms can be set up today, for capping and trading carbon emissions within sectors (electric, aluminum, etc.) and among nations.

Shultz cites the World Resources Institute (WRI) as the agency with the know-how to design cap-and-trade systems. Among the WRI Board Members is Al Gore. A top WRI staff member, Dr. Jonathan Pershing, is Schwarzenegger's carbon-trade consultant. In 2006, Schwarzenegger enacted AB32, the first U.S. law to cut emissions of carbon dioxide and other so-called greenhouse gases, to make way for trading carbon

emissions "allowances." Schwarzenegger spoke to the UN about going global with his—really Shultz's—initiative.

On the Rohatyn side, a 90-page report was released on Sept. 20 by Lehman Brothers, "The Business of Climate Change II; Policy Is Accelerating, with Major Implications for Companies and Investors" (by John Llewellyn and Camille Chaix). Since early 2006, Rohatyn has been senior advisor to the CEO of Lehman Brothers, Richard Fuld, who is the company's frequent spokesman on the demand for governments to respond to climate change. Lehman released its first such report in February 2007, as part of the mind-control operation on the newly elected Democratic Congress.

Timed with the convening of the 110th Congress in January 2007, Lehman was among the ten corporations that formed the U.S. Climate Action Partnership (US-CAP); others include BP America, GE, PNM Resources, Duke Energy, and DuPont. Lehman/US-CAP members have lobbied intensively as witnesses and behind the scenes, to set the terms of debate in government. A "Call to Action" by US-CAP "lays out a blueprint for a mandatory economy-wide, market-driven approach to climate protection." Namely, cap-and-trade.

Prototype mechanisms for conducting the trade are in place. A major element is the Chicago Climate Exchange, hooked into the London Petroleum Exchange, the European Carbon Exchange, and other platforms for control and speculation, under the aegis of City of London powers, including Royal Dutch Shell and Eagle Star Insurance.

Congress Tags Along

Over the ensuing months, Congress has followed along with all the climate change hokum. In March and April, both the House of Representatives and the Senate dutifully held hearings on climate change, including testimony from Al Gore. Speaker of the House Nancy Pelosi created an ad hoc Climate Change Committee.

At the same time, Schwarzenegger has been promoted internationally as the “hard cop” for setting up carbon trading. He appeared on March 13 by satellite, to a London press conference with Prime Minister Gordon Brown at No. 10 Downing St., to announce the extension of carbon markets in Britain. Two days later, Schwarzenegger’s state Environmental Protection official, Linda S. Adams, a Democrat, briefed Congress on how California is forming regional pacts with western states, preparatory to region-based, then global, carbon cap-and-trade operations.

Now the bum’s rush is under way on Capitol Hill, to pass climate change legislation before Congress recesses. The latest and most extreme kowtowing to the Shultz/Rohatyn line comes in a new staff report prepared by the Committee on Energy and Commerce. This committee is chaired by Rep. John Dingell (D-Mich.), who, along with Ranking Minority Member Rick Boucher (R-Va.), is committed to enact carbon control law this session.

The committee staff’s 22-page report is titled, “Climate Change Legislation Design White Paper; Scope of a Cap-and-Trade System,” dated October 2007. The Executive Summary reads like a newly discovered fifth chapter to Jonathan Swift’s *Gulliver’s Travels*. Perhaps from the Land of Ethanolia:

“The cap-and-trade program will have increasingly stringent caps on greenhouse gas emissions, eventually reaching a level that reduces emissions by 60 to 80 percent in 2050. The Government will distribute allowances equal to the level of allowed greenhouse gas emissions. Allowances can then be bought and sold. Compliance is demonstrated by having regulated entities turn in a sufficient number of allowances to cover emissions. At its core, a cap-and-trade program is a method of tracking and accounting for greenhouse gas emissions and having the cost of those emissions factored into economic decisions.”

Figure 1 is one of the graphics from the report, purporting to show the relative size of the total greenhouse gas emissions (carbon dioxide, nitrous oxide, methane, and others) by sector of economic activity, from electricity (34% of all U.S. gas emissions in 2005), through agriculture (8%), through residential (5%), and so on.

The intended purpose of quantifying these imputedly dangerous emissions, is that then a price can be set on units of the emissions for each sector, and only those units can be auctioned, bought, and sold. Any outlaw emitting that takes place, without an allowance, will be stopped, and the perpetrator punished.

What should be stopped cold, is the perpetration of this madness.