

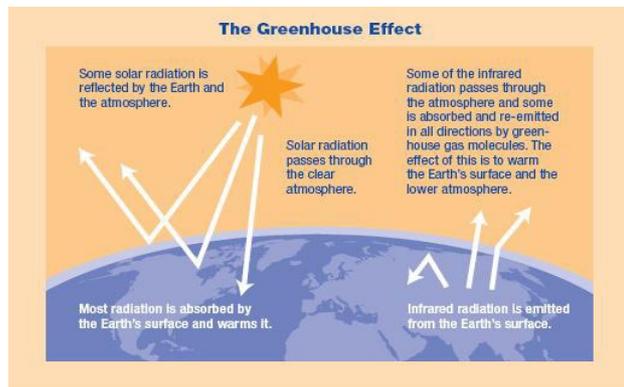
# Climate Change and Occupy – What's the connection?

**Q: What do the money system and the earth's atmosphere have in common?**

**A: Both are commons resources that are being privatised.**

We all use the money system for payments in our everyday life – but the banks have privatised this collective arrangement on which we all depend. They have taken over the right to create (electronic deposit) money when they lend, and then charge us interest for the money that they create out of thin air. This right is widely abused and there is widespread fraud and false accounting by the banks.

The right to use the Earth's atmosphere to dump carbon dioxide from burning fossil fuels is also being privatised, using 'carbon markets'. And just as the banks have taken over the political processes supposed to hold them in check, the large fossil fuel companies have taken over the design of climate policy. In Europe it was a BP idea that became the European Union's 'Emissions Trading System'. Is it any wonder, then, that it doesn't work to stop emissions, that it has been a source of profit for the energy companies at the public's expense, and that this scheme is so riddled with fraud and crime that it has had to be suspended for long periods of time?



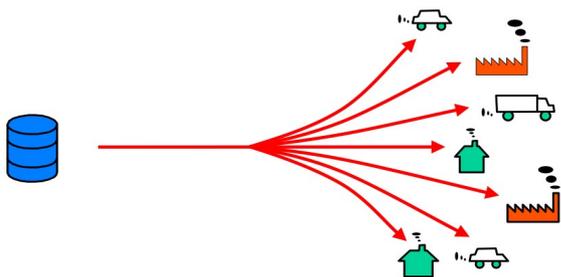
**Here's how carbon trading is supposed to work:**

Coal or gas fired power stations, refineries, steel and cement works and other large industrial emitters, are required to have permits for all the CO<sub>2</sub> which they emit. The idea is that by limiting and reducing the number of permits available, the companies will be forced to reduce the CO<sub>2</sub> that they produce. An increasing number of permits are auctioned by the state, but up to now most of the permits have been given to the companies for free.

**How carbon trading really works:**

When companies don't have enough permits for all the emissions that they make, they are supposed to buy the permits that they lack and the costs are passed on to the public. However, even when they get given permits for free they still charge the public when they use them – the excuse for this rip off is that the companies have been given permits which they could sell for a profit if they did not use them. So when they do use them they lose that money – and they pass that 'loss' onto the public in higher charges.

And, surprise surprise, the big companies game the system and claim they need more permits than they really do. Thus the system has been ineffectual in preventing carbon emissions, especially as there is a further loophole called the 'Clean Development Mechanism'. Here permits can be purchased cheaply as 'offsets' for clean energy projects (e.g. dams or projects reducing HCFC gases) in developing countries - but most of these projects would have happened anyway..

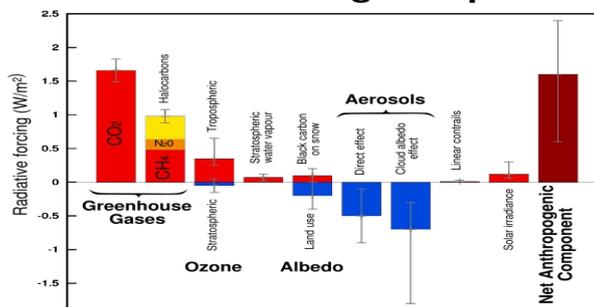


## Cap and Share

Here's how it could be done effectively and in a way that is fair to everyone:

1. Since all coal, oil and gas are dangerous to the climate, we need to limit or 'cap' their use. Set a ceiling on the number of permits and reduce this ceiling year by year to drive oil, gas and coal out of the economy over a transition period.
2. The best way to do this is not to look at factories, cars etc individually (the right hand side of the picture), but upstream where they enter the economy (the left hand side of the picture). Make suppliers of oil, gas and coal buy permits for all the fuels that they sell.
3. Because the permits will be limited in number they will be worth a lot of money. Make sure that the public get most of this money: simply share it out to the population. (Use some of the money to help people whose jobs are threatened by these changes and to ease the transition).

## Radiative Forcing Components

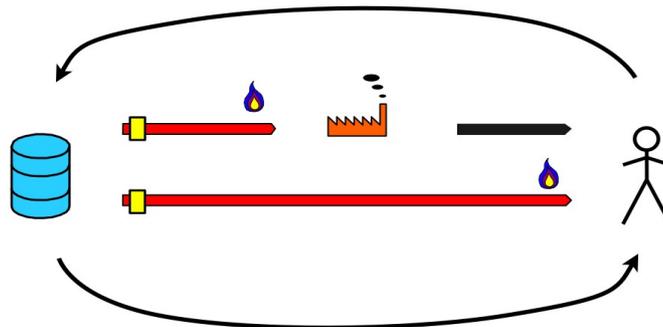


## Climate Change is for real

*The worst thing about corporate greed is that it is so destructive. In the financial sector, the 1% are wrecking our pensions, social services and social fabric. With the climate, they are risking the very basis of our civilisation. If the world's agriculture fails, billions will starve.*

*Climate change is for real. But some money junkies are covertly funding a dirty tricks spin campaign to undermine climate science, sowing doubt by pointing to tiny errors in a handful of the 30,000 studies going back over a century of peer-reviewed science, and helping to prevent adequate action to deal with a life-threatening problem.*

*The gases caused by industrial and agricultural development trap more and more heat. Our planet is like a hospital patient with a fever, and we are heaping on more duvets. On current trends the world at the end of the century could be at least 4 degrees C warmer. This could set up some vicious circles too – with the Arctic melting, less snow and ice would reflect less solar energy back into space, methane in sea water and Siberian bogs could be released, and forests die and burn, each of which makes things even worse. The more we delay, the worse things will be - but of course the 1% think they'll be immune.*



## Cap and share (continued)

The permits are indicated by the yellow bars in the diagram. Permits apply to all fossil fuels, whether sold to industry or directly to individuals.

The suppliers of fossil fuels will put up the prices of the fuels to recoup the cost of the permits; this will make some things more expensive, and is in effect a flow of money from us to the fossil fuel suppliers (the top arrow in the diagram). But everyone will have money from the sale of the permits to cover this (the bottom arrow). It balances out overall, and most poor people will *gain*: they will make more from their share of the permit sales revenue, than they pay in increased prices.

The right to use the earth's atmosphere belongs to us all – and we all have a collective responsibility to reduce carbon energy use as quickly as possible. By the 'carbon revenue' going to the public they will be helped with transforming their homes and gardens (through insulation, energy efficiency and so on). This will transform society, rather than destroy it in austerity drives.

Additional policies are needed to help people cope with a world using less energy, in agriculture and forestry, and to help the Earth's plant life and soils take up more carbon from the atmosphere.