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**Contact:** David Almasi at (202) 543-4110 x11 or e-mail [dalmasi@nationalcenter.org](mailto:dalmasi@nationalcenter.org)

**Banking Bailout Money in Lobbyists' Pockets: TARP Money Used to Push for a New "Green Bubble"**

*Washington, D.C.* - Wall Street firms bailed out by the American taxpayer are now financing an extensive lobbying campaign to promote the costly federal regulation of greenhouse gases and putting the American public at risk of facing yet another costly economic "bubble," charges the National Center for Public Policy Research.

"Using TARP money to inflate another bubble is beyond outrageous," said Tom Borelli, Ph.D, director of the Free Enterprise Project of the National Center. "Not only are taxpayers being looted to subsidize Wall Street's latest risky scheme, but taxpayers will also bear the brunt of cap-and-trade through higher energy prices. Only in today's upside-down political world do two wrongs make a right."

A new report by the Center for Public Integrity (CPI) finds that the over 2,000 lobbyists, including representatives of the financial industry, pressing for a "cap-and-trade" scheme. Such a scheme would place federal caps on carbon emissions, thereby leading to the creation of an artificial carbon emissions trading market that could reach an estimated \$2 trillion in paper value.

Critics of cap-and-trade counter that these regulations would also unnaturally raise energy prices and reduce supply, which would counteract efforts to revive the economy. Chillingly, because the new carbon "market" would be wholly artificial, the legislation could create another economic bubble.

According to the CPI study, lobbyists for Goldman Sachs and JPMorgan Chase are involved, and, in total, "the finance industry has as large a lobbying force on climate as the alternative energy industry, with about 130 reps working the issue last year..."

JPMorgan Chase got \$25 billion in TARP money last fall while Goldman Sachs obtained \$10 billion. The stated purpose of the cash infusion was to recapitalize the banks so they could resume consumer lending.

"Our economy is already reeling from the banks' involvement in debacles such as mortgage

securitization. Now Wall Street wants to gamble on carbon dioxide credit IOUs," added Borelli. "If the financial industry could not manage the risks associated with mortgages - which are based on tangible assets - how can it possibly manage the risks associated with trading ubiquitous and invisible gases like carbon dioxide?"

It can be assumed that this lobbying bonanza will only increase in scope since President Obama, in his recent address to Congress, asked lawmakers "to send [him] legislation that places a market-based cap on carbon pollution and drives the production of more renewable energy in America."

The National Center for Public Policy Research's Borelli says the current lobbying orgy over cap-and-trade epitomizes everything that is wrong with our political system: Corporations try to exploit the latest left-wing cause and partner with sympathetic lawmakers to inflate a market. When markets explode, taxpayers are left to pay for the cleanup. Meanwhile, CEOs and elected officials are not held accountable. They often then go on to repeat their mistakes.

"Liberal activism and Wall Street greed gave us Fannie Mae and the housing crisis. We are simply repeating the same mistake with global warming and cap-and-trade," warns Borelli. "Under the guise of social responsibility, CEOs are partnering with the liberal majority in Congress and their special interest group allies to pass legislation that will lead to a massive growth in government and a slower growth of our already-weak economy."

The National Center for Public Policy Research is a non-partisan educational foundation based in Washington, DC established in 1982. It is a truly independent foundation, with approximately 99 percent of its funding coming from some 72,000 active donors.

For more information, contact David Almasi at (202) 543-4110 x11 or [dalmasi@nationalcenter.org](mailto:dalmasi@nationalcenter.org), or visit [www.nationalcenter.org](http://www.nationalcenter.org).