

Al Gore's Role in the Goldman Sachs Carbon Con

by Richard Pollock via baz - Pajamas Media Sunday, Jan 2 2011, 7:42pm

international / environment / other press

'Polluter Pays' Starts with Corporations NOT the Public

Major Corporate Polluters must be penalised in order to stem the flow of poisons into the environment and as we are aware Corporations PATHOLOGICALLY avoid additional costs. WE must therefore exercise constant VIGILANCE in order to prevent polluters avoiding or shifting responsibility to the public.

The Corporate sector makes astronomical PROFITS that are easily able to absorb the additional cost of cleaner energy production. The Corporations have for far too long avoided safety and low pollution protocols, which decrease their profits. It is time that their ill gotten gains were utilised for compensation, reparation and clean energy. Whether or not those additional costs result in low profits is not an issue, as it is the planet and life on earth at stake.

The Corporations must not be allowed to AVOID RESPONSIBILITY and SHIFT the BLAME and COSTS of THEIR polluting onto others. Goldman Sachs (and friends) would have the public pay for their mistakes while continuing to extract profits. The following article reveals the sordid machinations behind the plan to create enormous profits from Carbon Trading.



Al 'corporatist' Gore and David 'sachs' Blood -- circus!

Whether Wall Street colossus Goldman Sachs has committed a crime remains to be seen, but the investigation may well uncover the environmental lobby and its public figurehead. For nearly a decade, Goldman Sachs has been a quiet but major investor in cap and trade. And Goldman's main investment partner has been Al Gore.

About a decade ago, Goldman executives recognized that personal fortunes could be made with the invention of a carbon trading system through the passage of a U.S. cap-and-trade bill. This area was well suited to Goldman Sachs, the architects behind the complex world of futures trading and exotic derivatives.

Goldman joined Al Gore in 2004 and capitalized his investment company, Generation Investment Management. Strangely for a man who was a heartbeat away from the presidency, Gore decided to register his company in London — not the United States.

In November 2004, Gore unveiled GIM. Standing at his side was David Blood, the CEO of Goldman

Asset Management. Blood was to become his co-founder (the new company was quickly nicknamed "Blood & Gore"). It was established with the initial capital of \$206 million, much of it from Blood clients at Goldman Sachs.

Gore also turned to Goldman Sachs guru (and later Bush Treasury Secretary) Henry Paulson to help him establish GIM. At the time, Paulson himself was an eco-warrior of sorts, serving as chairman of the board of the Nature Conservancy.

Today, seven of Gore's GIM chief partners are from Goldman Sachs. The company [is now valued](#) at \$2.2 billion.

It doesn't stop there. The Goldman Sachs/Gore team then established the Chicago Climate Exchange (CCX), a new cap-and-trade carbon trading platform, and partnered with the UK-based Climate Exchange, Plc (CLE), a [holding company](#) listed on the [London Stock Exchange](#). CLE does carbon trading in Europe. In late 2004, they also created the [Chicago Climate Futures Exchange](#) (CCFX).

In September of 2006, Climate Exchange Plc [acquired](#) the remainder of CCX it didn't [own](#) and placed £12.2 million of new shares with [Goldman Sachs](#).

Goldman is reported to have made an investment of \$23 million in the venture. Between Gore and Goldman, they are the largest investors in the Chicago Climate Exchange, owning 20% of it.

Last year, in an expose from *Rolling Stone* writer Matt Taibbi ("[Inside the Great American Bubble Machine](#)") Taibbi identified Goldman Sachs as the father of some of our most notable modern day economic crises. He profiled a firm that handsomely profited over both the tech bubble and the metastasizing housing bubble.

Taibbi predicted Goldman's next big play in cap and trade. This would become our next bubble. Taibbi tagged Goldman Sachs a "gangster state, running on gangster economics."

Marc Morano, publisher of [Climatedepot.com](#), agrees:

Goldman Sachs is helping to engineer the next great bubble. And we are talking about subprime science, subprime politics, and subprime economics. Goldman Sachs is at the forefront of the subprime economics of carbon trading.

Although cap and trade has temporarily faded in Washington, D.C., carbon trading still lives in the nation's capital. Next week, Senators John Kerry (D-MA), Lindsey Graham (R-SC), and Joe Lieberman (I-CT) are expected to unveil a new cap-and-trade bill.

The idea of turning a free, colorless, and odorless gas into a product still attracts the money people. Myron Ebell, director of Freedom Action, says:

These Gore investments could potentially make him a billionaire. For a guy who started with just a small fortune he could end up with a very large one.

In describing its own mission, CCFE's website is reminiscent of last Friday's SEC fraud charge on mortgage derivatives:

Chicago Climate Futures Exchange® operates the leading U.S. marketplace for environmental derivatives, financial instruments whose underlying values are tradeable environmental assets.

CCFE was launched in 2004 and is part of the Climate Exchange Plc (LSE: CLE.L) group of companies, which comprise the world's leading exchanges specializing in environmental derivatives. Also owned by Climate Exchange Plc are the European Climate Exchange® (ECX®) and the Chicago Climate Exchange® (CCX®), of which CCFE is a subsidiary. ECX is the dominant exchange by trading volume for carbon derivatives in the European Union Emissions Trading Scheme.

Morano thinks the tarnished Goldman Sachs brand can taint Al Gore and cap-and-trade advocates:

You add to that the underpinnings of the people who backed [cap and trade] and helped create it are tied to Al Gore and Goldman Sachs, and then you have a real crisis in confidence. And then you have more woes for the global warming establishment.

Goldman Sachs is one of the most politically connected investment firms in all of America. In the 2008 political cycle alone, the Goldman Sachs PAC lavished \$5.9 million upon candidates for Congress.

Three out of four Goldman Sachs dollars went to Democrats. Nearly \$1 million more went to Barack Obama. Goldman Sachs was the second-highest contributor to the Democratic presidential candidate. And in the last three years Goldman Sachs spent a cool \$12.3 million to lobby the halls of Congress.

Even Barack Obama, who seems to be needling Goldman in his war against Wall Street, has himself turned to the storied Wall Street firm. Neel Kashkari, who led Goldman's security investment banking practice, was tapped to run Obama's TARP government bailout program.

As the presidential attack on Goldman intensifies, will Obama wound some of his closest political allies?

© 2011 Pajamas Media

This very simple to follow [video](#) demystifies the CARBON CON known as 'Cap and Trade' or 'ETS.'

Gore, LIAR!

<http://pajamasmedia.com/blog/will-obamas-goldman-sachs-attack-expose-al-gore-or-other-dems/>

Cleaves Alternative News. <http://cleaves.lingama.net/news/story-2272.html>