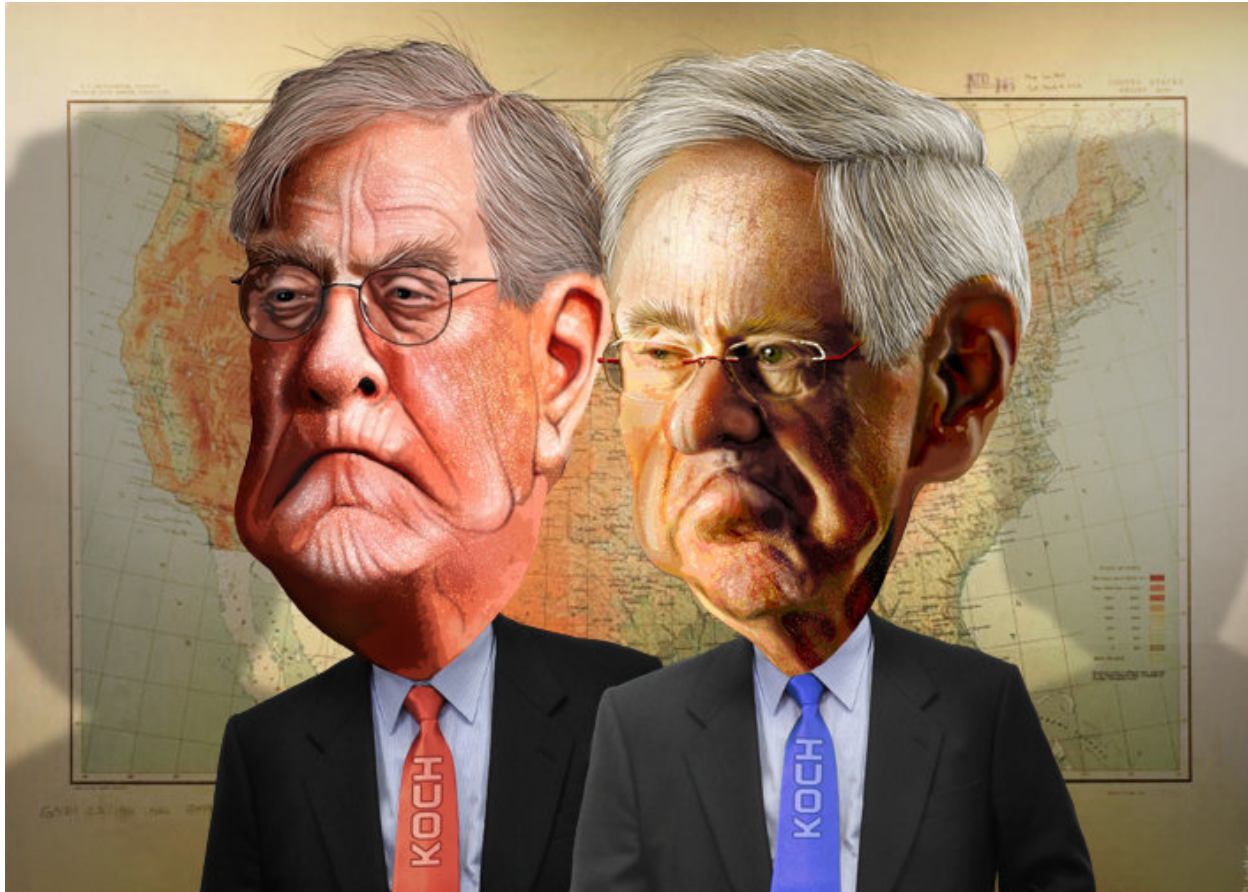


## Koch-funded groups mount PR and media campaign to fight carbon pricing

*Worried about momentum for carbon taxes, climate deniers go on attack via right-wing media.*

[Evlondo Cooper](#) / [Media Matters for America](#) / News Report - August 3, 2018



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A coalition of right-wing organizations is waging a multilayered attack to erode growing support for carbon pricing. Most of the groups involved have been funded by the Koch network or other fossil fuel interests.

Several different carbon-pricing mechanisms – variously backed by groups of progressives, Democrats, establishment Republicans, or business interests – are being proposed at the state and national level. To counter these initiatives, the right-wing coalition is running a

public relations campaign featuring industry-friendly arguments and climate denial. Their advocacy includes exerting direct pressure on lawmakers to oppose carbon-pricing initiatives and placing op-eds in right-wing and mainstream media publications.

### **The basics of carbon pricing**

A carbon price is a cost attached to emissions of greenhouse gases like carbon dioxide, intended to reduce those emissions. According to the

World Bank, there are [two main ways](#) to price carbon:

*An ETS [emissions trading system] – sometimes referred to as a cap-and-trade system – caps the total level of greenhouse gas emissions and allows those industries with low emissions to sell their extra allowances to larger emitters. By creating supply and demand for emissions allowances, an ETS establishes a market price for greenhouse gas emissions. The cap helps ensure that the required emission reductions will take place to keep the emitters (in aggregate) within their pre-allocated carbon budget.*

*A carbon tax directly sets a price on carbon by defining a tax rate on greenhouse gas emissions or – more commonly – on the carbon content of fossil fuels. It is different from an ETS in that the emission reduction outcome of a carbon tax is not predefined but the carbon price is.*

Some [45 countries and 25 states, provinces, and other subnational regions](#) have implemented some variation of carbon pricing, including California and the nine Northeastern states that are part of the [Regional Greenhouse Gas Initiative](#).

## Momentum is building for carbon-pricing policies

Carbon pricing has almost no chance of being implemented on the national level anytime soon. The last serious push came early during the Obama administration when the U.S. House [passed](#) a cap-and-trade bill in 2009, but it [died](#) in the Senate in 2010.

President Donald Trump [opposes](#) carbon pricing, as do the [vast majority](#) of Republican members of Congress. Nevertheless, the approach is gaining traction at the state level, and a growing number of business interests and establishment Republicans are promoting carbon-pricing proposals at the national level.

- The [Climate Leadership Council](#) – which is composed of a number of influential

[conservatives](#), including former Secretaries of State James Baker and George Schulz, and [major oil companies](#) and other corporations – is one of the most prominent organizations advocating for carbon pricing. It launched in 2017 with the release of a [report](#), “The Conservative Case for Carbon Dividends.” Its [proposal](#) is known as the Baker-Shultz Carbon Dividends Plan.

- In June, a new political action committee, [Americans for Carbon Dividends](#), was launched to build support for the Baker-Shultz plan. It is co-chaired by former Sens. Trent Lott (R-MS) and John Breaux (D-LA), who both represented oil states.
- The libertarian [Niskanen Center](#) is another notable organization that strongly [supports](#) carbon pricing. It was founded in 2015 by former climate change denier [Jerry Taylor](#), who previously held high-level positions at the Cato Institute and the American Legislative Exchange Council (ALEC). Taylor published “[The Conservative Case for a Carbon Tax](#)” in 2015.
- Other conservative groups that support carbon pricing include [republicEn](#) and [R Street](#).
- Conservative thinkers who have endorsed carbon pricing or called for it to be given serious consideration include *Weekly Standard* editor at large [Bill Kristol](#), *New York Times* columnist [David Brooks](#), the Cato Institute’s [Peter Van Doren](#), and American Enterprise Institute resident scholar [Aparna Mathur](#), among [many](#) others.
- The nonpartisan Citizens’ Climate Lobby, which advocates for a [carbon fee and dividend proposal](#), has a [conservative caucus](#) and counts Shultz and former Rep. Bob Inglis (R-SC) as [members](#) of its advisory board.
- Six House Republicans recently exhibited openness to carbon taxes by [voting against](#) an anti-carbon-tax resolution. Two years ago, no

Republicans voted against a similar resolution.

- Two House Republicans are pushing a carbon-tax bill. Rep. Carlos Curbelo (R-FL), a member of the bipartisan [Climate Solutions Caucus](#), introduced the [Market Choice Act](#) on July 23. Rep. Brian Fitzpatrick (R-PA) is the bill's co-sponsor.
- A few congressional Democrats are also pushing carbon-pricing bills: Sens. Sheldon Whitehouse (D-RI) and Brian Schatz (D-HI) and Reps. Earl Blumenauer (D-OR) and David Cicilline (D-RI) have introduced the [American Opportunity Carbon Fee Act](#), and Rep. John Larson (D-CT) has introduced the [America Wins Act](#).
- [More than a dozen states](#) have taken serious strides toward enacting a carbon price. Legislators in eight states have introduced carbon-pricing legislation in 2018 alone: Connecticut, Hawaii, Maryland, Minnesota, Oregon, Utah, Vermont, and Washington. In June, the Massachusetts Senate [passed](#) a carbon-pricing bill, which now goes before the state House.
- In January, nine states – Connecticut, Maryland, Massachusetts, New Hampshire, New York, Oregon, Rhode Island, Vermont, and Washington – [formed](#) the Carbon Costs Coalition, which is advocating for carbon pricing.
- At the December 2017 One Planet summit held in France, two states – California and Washington – joined five Pacific Rim countries – Canada, Chile, Colombia, Costa Rica, and Mexico – in [committing](#) to implement carbon pricing.

Although some of the more conservative, oil-industry-backed carbon-tax plans are [opposed](#) by progressives, and the more progressive plans are [opposed](#) by conservatives and the oil industry, they all have one foe in common — the Koch-backed anti-carbon-pricing coalition.

Alex Flint, the executive director of the Alliance for Market Solutions, a group of conservative leaders who support carbon pricing, [said](#) in April, “Those who oppose a carbon tax are rallying their defenses for a reason: they see supporters gaining momentum.”

## A right-wing campaign against carbon pricing ramps up

On July 19, the U.S. House [voted](#) 229 to 180 to approve a nonbinding resolution opposing a carbon tax, largely along party lines. Six Republicans voted against it, and seven Democrats voted for it. The anti-carbon-pricing coalition helped to make sure almost all Republicans were on the “yes” side.

The measure had been introduced on April 26 by Rep. Steve Scalise (R-LA), House majority whip and possible [contender for House speaker](#), and Rep. David McKinley (R-WV) — both [climate deniers](#). The “sense of the House” [resolution](#) declared that “a carbon tax would be detrimental to American families and businesses, and is not in the best interest of the United States,” and it garnered 48 co-sponsors total. (Scalise had previously sponsored anti-carbon-tax measures in [2013](#) and [2016](#).)

On the day the resolution was introduced, the leaders of more than 25 right-wing and industry lobbying groups released a [letter](#) calling on members of Congress to support it. “We oppose *any* carbon tax,” the letter read (emphasis in original). On July 9, many of these same groups sent a follow-up [letter](#) to House Speaker Paul Ryan (R-WI) and House Majority Leader Kevin McCarthy (R-CA) urging them to hold a vote on Scalise’s resolution. Groups sent one more [letter](#) to members of Congress on July 17, two days before the vote.

The influential right-wing group Americans for Tax Reform, which signed onto all three letters, put out its own [call](#) for representatives to vote yes.

Altogether, 51 groups signed at least one of the letters in favor of Scalise’s resolution:

- [60 Plus Association](#)
- [ALEC Action](#)
- [Alliance for Wise Energy Decisions](#)
- [American Commitment](#)
- [American Conservative Union](#)
- [American Energy Alliance](#)
- [Americans for Limited Government](#)
- [Americans for Prosperity](#)
- [Americans for Tax Reform](#)
- [Caesar Rodney Institute](#)
- Campaign for Liberty
- The Carlstrom Group, LLC
- Center for Freedom and Prosperity
- [Center for Individual Freedom](#)
- [Center for the Study of Carbon Dioxide and Global Change](#)
- [Center for Worker Freedom](#)
- [Club for Growth](#)
- [Competitive Enterprise Institute](#)
- Consumer Action for a Strong Economy
- [Council for Citizens Against Government Waste](#)
- [Cornwall Alliance for the Stewardship of Creation](#)
- [Digital Liberty](#)
- [Energy and Environment Legal Institute](#)
- Family Business for Affordable Energy
- Free the People
- [Freedom Foundation of Minnesota](#)
- [FreedomWorks](#)
- [Frontiers of Freedom](#)
- [The Heartland Institute](#)
- Hispanic Leadership Fund
- [Independence Institute](#)
- [Independent Women's Forum](#)
- [Independent Women's Voice](#)
- [Institute for Liberty](#)
- [The James Madison Institute](#)
- [John Locke Foundation](#)
- Less Government
- [Maine Heritage Policy Center](#)
- [MacIver Institute](#)
- [Mississippi Center for Public Policy](#)
- [National Black Chamber of Commerce](#)
- [National Center for Public Policy Research](#)
- [Pelican Institute for Public Policy](#)

- [Property Rights Alliance](#)
- [Rhode Island Center for Freedom and Prosperity](#)
- [Rio Grande Foundation](#)
- Taxpayers Protection Alliance
- [Tea Party Nation](#)
- [Thomas Jefferson Institute for Public Policy](#)
- [Western Energy Alliance](#)
- Women for Trump

At least 42 of the 51 groups (82 percent) have received money from the Koch network, a [conglomerate](#) of fossil fuel executives, donors, think tanks, and advocacy groups that work to advance the right-wing deregulatory and anti-environment objectives of the Koch brothers and their company, Koch Industries. Scalise is a recipient of Koch money too: In 2017 and 2018, KochPAC, a political action committee that represents Koch Industries, [gave](#) \$105,000 to Scalise and to a PAC and leadership fund he runs.

Koch Industries also [weighed](#) in directly in support of Scalise's resolution by sending a letter to members of the House on July 16.

The Koch brothers have waged a multi million-dollar [crusade](#) to undermine acceptance of climate change and support for climate change solutions since the mid-2000s. Starting in 2008, the Kochs' main political advocacy group, Americans for Prosperity, cajoled [hundreds](#) of elected officials, including many congressional Republicans, into signing its influential "[No Climate Tax](#)" [pledge](#). "The pledge marked a pivotal turn in the climate-change debate, cementing Republican opposition to addressing the environmental crisis," Jane Mayer [wrote](#) in *The New Yorker* last year.

Right-wing groups' arguments against carbon pricing often feature the Kochs' libertarian talking points or straight-up climate-change denial.

For example, the American Energy Alliance makes vague free-market arguments in a [piece](#) on its website titled "ICYMI: There's Nothing Conservative About a Carbon Tax":

*Simply calling something “conservative” or “free-market” doesn’t make it so. The Climate Leadership Council’s carbon tax is an affront to the principles that conservatives have championed for decades. Most important, a carbon tax would destroy American jobs, encourage more wasteful spending from Washington, and burden consumers with higher energy costs. You’d be hard pressed to find a more damaging policy for American families.*

The [Texas Public Policy Foundation](#), a [Koch-funded](#) think tank that argued Scalise’s resolution [understates](#) the harm of carbon pricing, denied the [well-established scientific consensus](#) around human-caused climate change in its April 30 [white paper](#), “Does a Carbon Tax Support Prosperity?”:

*There remain questionable fundamental issues about the way carbon dioxide affects the climate. Observed temperatures by sophisticated technologies greatly and consistently conflict with today’s widely accepted, although highly questionable, scientific consensus about the effects humans have on climate change.*

## Conservative and right-wing media amplify the anti-carbon-tax campaign

In the days after Scalise’s resolution was introduced, it was covered in the right-wing and conservative mediasphere and praised in op-eds by commentators from right-wing think tanks.

- [Investor’s Business Daily](#) ran an editorial supporting the resolution.
- [The Daily Caller](#) and the [Washington Examiner](#) ran articles about it.
- [The Hill](#) published an op-ed supporting the resolution, written by the authors of the Texas Public Policy Foundation’s anti-carbon-tax white paper.
- [RealClearPolicy](#) published an op-ed opposing carbon taxes in general, written by a researcher from the Texas Public Policy Foundation.

- The [Washington Examiner](#) ran an op-ed from a Heartland Institute senior fellow praising the resolution and contending that a carbon tax would be “disastrous.”

Conservative outlets continued to publish anti-carbon-pricing opinion pieces from Koch-funded think tanks up until the House voted on Scalise’s resolution.

- [TribTalk](#), a publication of [The Texas Tribune](#), published an op-ed denouncing carbon taxes that was co-written by an author of the Texas Public Policy Foundation’s white paper and a senior economist at the Institute for Energy Research. The latter is a Koch-funded [partner group](#) of the American Energy Alliance.
- [RealClearEnergy](#) ran an op-ed by staffers from the Texas Public Policy Foundation and ALEC that incorporated many of the white paper’s talking points.
- [Investor’s Business Daily](#) published an opinion piece by a Heartland Institute senior fellow that criticized the Baker-Shultz plan.
- [The Daily Signal](#) published an opinion piece co-written by an analyst and an intern from the Heritage Foundation that promoted Scalise’s resolution and denounced the Baker-Shultz plan.
- The [Washington Examiner](#) published an op-ed from Americans for Tax Reform’s director of strategic initiatives that endorsed the Scalise resolution.

After Scalise’s resolution [passed](#), anti-carbon-pricing groups took a brief [victory lap](#) before quickly turning their attention toward attacking Curbelo’s carbon-tax bill.

- The [Washington Examiner](#) published an op-ed decrying Curbelo’s “dumb carbon tax” by the Family Business Coalition, an [anti-tax, anti-regulation](#) lobbying group.
- [The Daily Caller](#) wrote about Americans for Tax Reform’s press conference, highlighting opposition to Curbelo’s proposal: “Conservative and anti-tax groups from

around the world joined together to speak against a carbon tax bill that has been introduced in Congress.”

- [Reason](#) published an article contending that Curbelo’s bill could raise privacy concerns for businesses.
- The [Miami Herald](#) published a letter to the editor attacking Curbelo’s legislation from the president of the Florida State Hispanic Chamber of Commerce, a group that has sided with polluters in other fights over environmental issues.
- The [Washington Examiner](#) published an op-ed co-written by staffers from the Competitive Enterprise Institute and the Taxpayers Protection Alliance that argued Curbelo’s bill would be “a costly failure.”
- [Forbes](#) published a piece attacking carbon-pricing proponents written by an executive for Americans for Tax Reform.
- [CNSNews](#) published an op-ed from a senior fellow at the Competitive Enterprise Institute that bashed Curbelo’s bill.
- The [Star Beacon](#), an Ohio newspaper, published an op-ed from the president of American Commitment condemning Curbelo’s bill.
- The [Washington Examiner](#) published an opinion piece by an analyst from the Family Business Coalition that attacked progressives’ “delusional tax reform ideas,” including proposals for a carbon tax.

## Anti-carbon-pricing coalition enlists minority groups in its campaign

The anti-carbon-pricing coalition is also trying to make it look like its effort has the support of minority communities — a strategy the polluter lobby has [used often](#). The National Black Chamber of Commerce and the Hispanic Leadership Fund, two Koch-funded minority groups with long histories of opposing climate solutions, were enlisted as signatories on the

coalition’s letters endorsing Scalise’s anti-carbon-tax resolution.

National Black Chamber President Harry C. Alford gave a [quote](#) to Scalise to support his resolution: “We can continue to reduce regulations and watch our economy rise with the recent tax reform. Bringing unnecessary hurdles before us like a carbon tax will preclude that growth and hurt our economy immensely.” Alford, a [climate denier](#), has previously opposed the Environmental Protection Agency’s efforts to impose [smog restrictions](#) on factories and power plants and to reduce [carbon emissions](#) from coal plants through the Clean Power Plan. The National Black Chamber of Commerce also [led](#) a disinformation campaign against rooftop solar in Florida in 2016.

The Hispanic Leadership Fund [participated](#) in Americans for Tax Reform’s press conference criticizing Curbelo’s bill. In 2015, the fund joined with other Koch-aligned groups in asking a federal judge to [vacate](#) the Clean Power Plan. In 2009, it [co-sponsored](#) a Heartland Institute conference on climate change, which was based on the premise that “[Global Warming is Not a Crisis](#).”

The Florida State Hispanic Chamber of Commerce is also part of the anti-carbon-tax effort. Its president wrote a letter to the editor of the *Miami Herald* opposing Curbelo’s legislation. In 2016, the group [supported](#) a [utility-backed ballot measure](#) designed to restrict consumer access to rooftop solar power in Florida.

These efforts are especially harmful because [minority and low-income communities](#) suffer disproportionately from the [burning of fossil fuels](#) and the [impacts](#) of [climate change](#) and minorities are generally [more concerned](#) about climate change than white people.

## Taking the fight to the states

Curbelo’s bill won’t be passed into law by this Congress, and the Baker-Shultz Carbon Dividends Plan and other national carbon-pricing

proposals won't get much if any traction this year either. But in a number of states, carbon-pricing measures are gathering more support and have more chance of being enacted. The right-wing,

anti-carbon-pricing coalition wants to halt this trend, so it's at work on the state level too. *Media Matters* will examine these state-focused efforts in a forthcoming piece.



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