

Pope blasts California's cap-and-trade system

By David R.
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In its brief history, California's cap-and-trade system to fight global warming has faced many foes, including oil-company executives and manufacturing magnates.

On Thursday, it came under fire from a new quarter: the Vatican.

Pope Francis, in his highly anticipated call to action against climate change, took an unexpected swipe at the cap-and-trade systems used in both California and Europe to control greenhouse gases. They may sound good, the pontiff argued. But they won't work.

"The strategy of buying and selling 'carbon credits' can lead to a new form of speculation which would not help reduce the emission of polluting gases worldwide," Francis wrote in his [wide-ranging encyclical](#) on the environment and global warming.

"This system seems to provide a quick and easy solution under the guise of a certain commitment to the environment, but in no way does it allow for the radical change which present circumstances require," he wrote. "Rather, it may simply become a ploy which permits maintaining the excessive consumption of some countries and sectors."

His comments stunned many California environmentalists. Some had expressed their own reservations about cap and trade before the system launched in 2012, and in several cases, their concerns mirrored the pope's. But they have largely rallied around the system to defend it from political attack.

"I don't disagree with the pope at all on this," said Kathryn Phillips, the Sierra Club's director for California. "The club hasn't been shy about saying this: We don't think cap and trade is the cat's pajamas, and other groups do."

The system limits the amount of greenhouse gases that companies can emit, with the restrictions tightening gradually, year by year. Businesses must buy permits, called "allowances," to cover every ton of carbon dioxide and other heat-trapping gases that they pump into the atmosphere. In California, the current price is \$12.29 per ton.

Pope's warning on climate change

California officials have always hoped to lure other states and Canadian provinces into joining. So far, only Quebec has, although Ontario's government is considering it.

In his encyclical, Francis forcefully argues for international agreements to tackle climate change, which he calls a threat to humanity's "common home" and a looming disaster for the world's poor. But the [sprawling, remarkably detailed document](#) — which has triggered furious criticism from conservatives who reject the scientific consensus on global warming — stakes out several surprising positions.

For example, he warns against the "internationalization of environmental costs," saying they could place too heavy a burden on poor countries. That's heresy to many energy economists, who consider an international price on greenhouse gas emissions — established either through cap and trade or through carbon taxes — an essential step.

The pope's positions seem to reflect two overriding concerns: repairing the environment and helping the poor.

Politically, Francis' criticism of a system that enables wealthy polluters to essentially buy their way out of reducing emissions conforms to his worldview of "comfort the afflicted and afflict the comfortable," said the Rev. Mike Russo, who teaches communication at St. Mary's University in Moraga and writes a blog on Francis , the Francis Factor.

"The American Catholic Church often has a problem in translating its theology into public policy," Russo said. "But this pope is moving people to a higher ground. He's like the parish priest of the world. How many other world leaders can speak with this kind of moral authority on this?"

Cap and trade's critics on the left have sometimes phrased their critique in Catholic terms, saying the system allows companies to pay penance while continuing to sin.

They also note that many factories, power plants and oil refineries that produce greenhouse gases also emit the kind of air pollution that creates smog and damages lungs, and those sites tend to be located in poor communities. At least in the short term, cap and trade allows the companies that own those operations to buy allowances rather than cleaning up their act, Phillips said.

"A smarter way would be to require that all power plants meet a certain standard, create a regulation and force them to meet it, wherever they are," she said.

'Right to be concerned'

But supporters of California's cap-and-trade system say the state has kept that criticism in mind. A [2012 state law](#) requires that 10 percent of the money raised by the cap-and-trade system be spent on projects that cut greenhouse gases or improve the environment within disadvantaged communities, defined as cities or neighborhoods with low incomes, high unemployment and significant pollution.

"The pope is right to be concerned about poorly designed systems that rely only on cap and trade to reduce greenhouse gas pollution," said California Senate President Pro Tem Kevin de León, D-Los Angeles, who wrote the 2012 law. "California's GHG reduction system is different and is being seen as a model by other states and nations. It is a hybrid approach that covers the pope's concerns by lowering GHGs, working toward a low-carbon economy, while fighting environmental degradation in our poorest communities and increasing their access to cleaner energy."

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