

Friday, December 11, 2009

## Green fantasies / Governor ignores anti-AB 32 evidence

Every now and then, rapid-fire developments serve to bring clarity to a big problem. This happened in a 24-hour stretch earlier this week. The topic: why California's rotten economy is likely to remain rotten.

On Tuesday, we asked Gov. Arnold Schwarzenegger why he wouldn't even consider suspending AB 32, the state's landmark 2006 anti-global warming law, given that state unemployment was 12.5 percent. Schwarzenegger threatened to veto AB 32, which will force Californians to use cleaner but costlier sources of energy, unless it included a provision allowing for its suspension in times of economic distress.

The response from the governor's office: "Your question is premised on an unproven assertion that implementation of AB 32 would be harmful to the economy when all the evidence points in the opposite direction."

At roughly the same time, veteran Sacramento reporter-turned-blogger Greg Lucas broke the story that a draft report by a state advisory committee estimated that implementing AB 32 would cost businesses, government agencies, private organizations and individuals who emit greenhouse gases from \$48 billion to \$143 billion from 2012 to 2020.

The draft report was dated Nov. 16. Presumably, the governor's staff – which monitors AB 32 developments like a hawk – knew about it. Yet his spokeswoman still insisted "all evidence" about AB 32's economic effect "points in the opposite direction."

This is nuts. But it is also consistent. Schwarzenegger's argument boils down to the absurd idea that it benefits the economy for energy to cost more. This is a parallel argument: Increased costs benefit businesses.

The next morning, the evidence that the governor was untethered from economic reality grew even more. A report on the growth in "green jobs" – which Schwarzenegger says will be the foundation of the future California economy – noted that even though they had grown 36 percent statewide since 1995, they still constituted less than 1 percent of all state jobs. The report offered no reason of any kind to believe the governor's premise they will be California's economic salvation.

Incredibly, Schwarzenegger's aides sent out nearly a dozen mass e-mails citing news coverage of the report, as if it validated his claims about the boundless benefits of the coming green economy.

The governor has moved beyond mere spin here. This also doesn't reflect the denial sometimes seen among elected officials when their initiatives go awry. Instead, what Schwarzenegger's doing seems to be nothing less than an abandonment of rational thought. Literally nothing can make him say a negative word about AB 32. Every manufacturing job in the state could disappear and Schwarzenegger would pretend it was unrelated to the higher energy costs that led to this disappearance. A large business could say it was relocating elsewhere because of these costs and he would say the firm wasn't disclosing its actual motive.

When you start making stuff up, anything goes. If only the governor's fantasies didn't have such dire real-world impacts.