

Hydrocarbons and global warming

Big business is caught in a continuing environmental controversy. **Interviewed by Arthur G. Sharp**

The subject of global warming has a way of opening rifts. Experts who believe it is taking place also believe that manmade hydrocarbons in the environment are making it worse. Opposing experts say global warming is a natural phenomenon that ultimately won't harm the environment. In either case, business owners are stranded in the middle, facing potential costly outlays to deal with the proposed solutions.

If one listens to global-warming advocates, one would think that global warming results primarily from gases spewed into the atmospheres by manufacturers and autos. That is not even remotely true. The fact is that 97 percent of the global warming gases are water vapor. Manmade hydrocarbons (CO₂), per federal research reports, comprise less than half of 1 percent of global warming gases. Again, regardless of the facts, the controversy rages and businesses are in the middle.

Smart Business spoke with John Barnes, chairman and CEO of B&R Energy LLC, about the hydrocarbons and their possible connection to global warming in the context of the effect on U.S. businesses — and business' response to it.

Do you believe that global warming is a byproduct of manmade hydrocarbons?

Global warming may be real, but most of it is a natural phenomenon. And the influence of manmade hydrocarbons as a harmful factor in it is theory, not fact. The data supporting the theory is heavily suspect, and a lot of evidence exists to refute it.

Keep in mind that without some global warming, humans couldn't survive here. Temperatures would average somewhere below zero. From the historical perspective, consider that 12,500 years ago, Earth experienced a double-digit increase in global temperatures — at a time when no automobiles or manufacturing plants were around to cause it.

What evidence exists to refute the idea of a global warming threat to the planet?

The Earth has more ice right now than 100



John Barnes
Chairman and CEO
B&R Energy LLC

years ago. It is true that the thin Arctic icecap and a small peninsula in Antarctica are melting, but the Antarctic has 90 percent of the world's ice and 70 percent of the world's fresh water. The Antarctic ice cap has, in fact, thickened overall over the past few years.

If you look at the 100-year temperature surveys that global-warming proponents use for evidence, almost all were conducted in or around large cities. Global-warming proponents believe that average temperatures in those cities have risen because of the increase in industrial gases. If they have — and variations are small — one must factor in that concrete, asphalt and sun-reflecting skyscrapers create more heat than the grass, dirt and trees they displaced. Around smaller cities that have not grown significantly with a lot more concrete, asphalt and skyscrapers, temperatures have not risen.

Evidence for or against the role of manmade hydrocarbons in global warming notwithstanding, the concept has enough momentum to harm U.S. industry.

Harm U.S. industry how?

Potentially — and this is significant — with carbon taxes. It's likewise significant that the global warming theory began as a political issue in Europe. Given that the

United States has the most productive economy in the world and is the biggest energy user, some Europeans look at global warming as a way to cripple their competitor's economy and improve their own.

For people outside the United States and some within it, the global warming theory is a pretext for raising taxes massively or requiring permits for energy use — so-called carbon taxes or permits — for technologically advanced countries. Such taxes or permit requirements don't exist yet, but the Kyoto Treaty, which the U.S. has thus far refused to ratify, calls for them.

How would the Kyoto Treaty affect U.S. industry if our government were to ratify it?

The treaty is designed to mitigate the effects of global warming by some small fraction of the one half of 1 percent of the global warming effect of CO₂ — that's all — and raise taxes in multi trillions of dollars. The treaty's carbon taxes would transfer a massive amount of wealth. That might have a major impact on U.S. businesses but a small impact on perceived global warming. Meanwhile, large developing nations like China and India would go unaffected by it.

What can U.S. business people do about the possible impact of global warming legislation?

They can always push to revive focus on alternate energy sources — and use the alternatives available now.

They can attempt to offset negative media reports. Bad news sells, and global warming is one of media's major current causes célèbre.

Business professionals must look past the media's stories and know the facts for themselves. Business owners must also monitor governments' reactions to the issue of global warming, stay current on where legislation may be heading, and work with other business owners to keep the debate centered on balanced facts, not media-driven frenzy.

JOHN BARNES is chairman and CEO of B&R Energy LLC. Reach him at (972) 934-3800 or jbarnes@BandREnergy.com.