

Are Environmentalists Actually Costing Lives?

You can't really take fossil fuel divestment seriously unless you ignore a lot of inconvenient truths. These would include such things as Al Gore's carbon footprint or the fuel bill for the dozens of private jets flown to any UN climate summit. On a more mundane level, we might point to benefits of abundant and affordable resources of coal, natural gas and crude oil that power modern industrialized economies and will continue to dominate as future energy sources. Alas, according to the World Bank, around 730 million people in sub-Saharan Africa rely on solid biomass for cooking, which – when used indoors with inefficient cookstoves – causes air pollution that results in nearly 600,000 premature deaths in Africa each year. The fossil fuel divestment movement hasn't really taken off in Africa, for some reason. Which leads me to the potent term of “hypocrite” when talking about the liberal nuns, priests and other clergy and religious behind divestment campaigns, which currently are all the rage for shareholder activists of the progressive spiritual stripe. What is so strange is that most if not all of the same sort of social justice warriors have vowed to assist the poor. Journalist Richard Valdmanis notes this strange moral disconnect in a recent Reuters article:

Pope Francis heartened environmentalists around the world in June when he urged immediate action to save the planet from the effects of climate change, declaring that the use of “highly polluting fossil fuels needs to be progressively replaced without delay.” But some of the largest American Catholic organizations have millions of dollars invested in energy companies, from hydraulic fracturing firms to oil sands producers, according to their own disclosures, through

many portfolios intended to fund church operations and pay clergy salaries. This discrepancy between the church's leadership and its financial activities in the United States has prompted at least one significant review of investments. The Archdiocese of Chicago, America's third largest by Catholic population, told Reuters it will reexamine its more than \$100 million worth of fossil fuel investments.

Former Colorado Gov. Bill Ritter took the opportunity earlier this week to puff himself up by claiming he played a "small role" in Pope Francis' climate-change encyclical, *Laudato Si*. Not normally recognized as a Roman Catholic theologian or historian (although identifying as a Roman Catholic), Ritter remarked: "Really it's less about church doctrine than almost any other encyclical ever written." Well, then, there you have it: as long as the Pope doesn't gussy up his encyclical with all that church doctrine folderol, we have a perfectly good manifesto for championing renewable mandates funded by taxpayers. This is big business and a tarpit of crony capitalism (See John Hinderaker's "Global Warming: A \$1.5 Trillion Industry" on Powerline). Since leaving the governor's mansion, Ritter has assumed leadership of the Center for the New Energy Economy at Colorado State University. I don't know for sure but I'm guessing that they don't do a deep dive there into the theological frameworks of papal encyclicals. Ritter has no reason to concern himself with Roman Catholic doctrine in his current capacity, so he has an excuse of sorts. But the same cannot be said for the Catholic priests and nuns encouraging divestment in fossil-fuel enterprises. Fr. Michael Crosby, for one, should know better, but the Reuters article tells us otherwise:

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worth of fossil fuel investments. "We are beginning to evaluate the implications of the encyclical across multiple areas, including investments and also including areas such as energy usage and building materials," Betsy Bohlen, chief operating officer for the Archdiocese, said in an email. The pope's encyclical, a letter sent to all Catholic bishops, has sharpened a debate well underway in Catholic organizations and other churches about divestment. But many major American dioceses have resisted the push. "You now have this clash between Pope Francis' vision of the world, and the world that the bishops who run the investments live in," said Father Michael Crosby, a Capuchin friar in Milwaukee who advocates socially responsible investing in the church.

True, investments in fossil fuels currently are recognizing disappointing returns and, for some, staggering losses. A lot of that has to do with rapidly increasing global supplies of crude oil and natural gas from the United States. It is also true that investors are free to pick and choose companies and mutual funds in their respective portfolios and shoulder the risk and reap the reward. That is the nature of investing after all, but divestment from fossil fuels is a weapon deployed by the left only for punishing oil and gas industries for ostensibly polluting Earth's atmosphere. Further, divestment is a cudgel used to stop all new fossil-fuel developments and strand oil and gas assets in the ground. Not a great way to increase your share price. All this is a "let them eat cake" approach as it applies to the poor and not just in sub-Saharan Africa. Oil and gas are plentiful, cheap and reliable. That's good for the person writing this blog post, and it's good for everybody else as well – especially those financially less well-off. Divesting from fossil fuels would require something to replace coal, oil and gas – and today's renewable energy sources simply cannot get the job done anywhere near the relatively low, low price of fossil fuels. One day maybe and we'll all have reason to rejoice. Yes, Fr.

Crosby, with all due respect, the poor will suffer the most should we recognize fulfillment of your crusade. "Electricity from existing coal plants costs \$38 per megawatt-hour; from new wind facilities, \$106," wrote Thomas Pyle from the Institute for Energy Research in Monday's *Wall Street Journal*. Pyle prefaces these numbers with this data:

Using data from the Energy Information Administration and the Federal Energy Regulatory Commission, they found that existing nuclear plants generate reliable electricity, on average, at \$ per megawatt-hour—one million watts expended for one hour. Existing hydro, coal and natural gas aren't far behind, at \$, \$ and \$, respectively. These figures are derived from self-reported data the government collects annually from individual generators. But compare these costs with the costs of new sources. At \$ per megawatt-hour, electricity generated from new natural gas plants is about twice as expensive as from existing coal plants. This is due mostly to the plant's upfront capital costs.

Who bears the brunt of these additional costs? The poor, Fr. Crosby, plain and simple. Higher costs for energy translates into higher utility bills for customers and businesses, and higher costs of goods and services. Provided, of course, there's enough renewable energy to supply demand in the first place. Claiming to be concerned with the plight of the poor while vociferously advocating against their best interests sort of, kind of, seems a little bit like hypocrisy, doesn't it? *This article originally appeared on the **Acton Institute**.*