



Carbon Scam? Al Gore, Profits, and Copenhagen

Will Al Gore become the first "carbon billionaire?" That question — and the ethical issues involved in his related lobbying activities — is beginning to dog him, as he goes out on the global-warming hustings again, this time pitching his new book to gin up political support for the December UN summit in Copenhagen.

As usual, he's playing to adoring fans in the media, who rarely ask a discomfiting question. But change may be on the way. Now it's not only conservative blogs and talk radio that are questioning huge conflict-of-interest issues involved in Gore's business and political dealings; the British dailies have now picked up on the matter. In a brief November 3 article bearing the heading, "[Al Gore could become world's first carbon billionaire](#)," the *Telegraph* reported:



Few people have been as vocal about the urgency of global warming and the need to reinvent the way the world produces and consumes energy as Mr. Gore. And few have put as much money behind their advocacy and are as well positioned to profit from this green transformation, if and when it comes.

Last year the venture capital firm Kleiner Perkins Caufield & Byers (KPCB), of which Gore is a partner, invested \$75 million in Silver Spring Networks, a small company involved in making "smart grid" technology.

"The deal appeared to pay off in a big way last week," the *Telegraph* noted, "when the Energy Department announced \$3.4 billion in smart grid grants.... Of the total, more than \$560 million went to utilities with which Silver Spring has contracts. The move means that venture capital company Kleiner Perkins and its partners, including Mr Gore, could recoup their investment many times over in coming years."

The *Guardian*, Britain's premier left-wing daily, came out with a similar story on November 3, entitled, "Al Gore's green investments prompt conflict of interest row." The *Guardian* article reported:

The accusation that Gore is trapped in a conflict of interest has been raised periodically over the past few years. It is a barb popular among climate change sceptics and rightwing bloggers, as well as Republican politicians. Marsha Blackburn, a congressional representative from Gore's home state of Tennessee, tackled him over the issue in April during a subcommittee debate in Congress on the Obama administration's proposed cap-in-trade system for curbing emissions.

She referred to Gore's partnership of Kleiner Perkins Caufield and Byers, a Californian venture capital firm that has put about \$1bn into about 40 companies that will be bidding for contracts under the new



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system. "Is the legislation we are discussing here today something you are going to benefit personally from?" she asked.

Gore, audibly riled, replied that every penny he made from his investments was put back into his non-profit foundation to spread knowledge about the climate challenge.

Unfortunately, neither the *Telegraph* nor the *Guardian* dug deeper into the issue. If they had, they (and more importantly, their readers) would have learned that Gore's Silver Spring deal, huge as it is, is but one of many ethically challenged investments the former Vice President has gotten into.

Huge Profits for the Prophet of Doom

There's a lot of green to be made in being "green." Al Gore knows this full well, having jumped, in a few short years, from bourgeoisie wealthy to near super-rich by riding the politically connected green wave he helped to create. A March 6, 2009 [Bloomberg News story](#) reports:

Former U.S. Vice President Al Gore left the White House seven years ago with less than \$2 million in assets, including a Virginia home and the family farm in Tennessee. Now he's making enough to put \$35 million in hedge funds and other private partnerships.

The Bloomberg piece continues:

He and Tipper Gore released tax returns for 1998 showing they earned \$224,376 that year, less than half the income of President Bill Clinton and Hillary Clinton, news reports at the time said.

Now Gore charges a \$175,000 speaking fee and has a net worth "well in excess" of \$100 million.

Al and Tipper have done significantly better than Bill and Hillary did on Hillary's questionable cattle futures trading deals that caused on-going controversy and investigations. Hillary pocketed a mere \$60,000 on a few "irregular" trades with shady investment brokers James Blair and Robert Bone. Gore makes three times that in a one-hour speech, and many more times that amount with every new state, federal, and local law that is passed forcing businesses to use technologies (and consumers to buy products) from "green" industries in which Gore and his partners are invested. There's nothing wrong, of course, with making a profit on investments; that's what the free-enterprise system is all about. And that's the facile defense Gore offers when questioned about his mercurial financial rise and his ties to companies that are making sizeable profits (and stand to make much, much more) from the policies he is promoting.

Gore delivered the same pre-fabricated apologia in a recent sit-down interview with the *San Francisco Chronicle* to promote his new book, *Our Choice: A Plan to Solve the Climate Crisis*.

Typical of the friendly (some might say sycophantic) treatment Gore receives from his green media allies, there were no probing questions by *Chronicle* reporter Peter Fimrite, who conducted the interview. Here's how the *Chronicle* presented Gore's investment relationships:

"I have made some investments in the last few years that are in keeping with my beliefs and values. Were I not to do so, these same people would call me a hypocrite," Gore said. "I have delivered the same message for more than 30 years and now I'm in a position to put at least some of my money where my mouth is."

Any reporter worth his salt would have found some way of asking Mr. Gore to explain the glaring facts that seem to show Gore has it backwards. Which is to say, he is putting his mouth where the money is; he is getting fat devouring government pork from the green feed trough. Gore is the founder and



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chairman of the non-profit Alliance for Climate Protection, which is heavily funded by Gore and his green profiteer partners. The Alliance has announced that it will be spending \$300 million over the next three years on its "We Can Solve It" advertising campaign. Gore is the key front man in this fright-peddling operation to scare up public support for more legislation and regulations that will favor "alternative" technologies in which Gore & Co. are invested.

Christopher C. Horner, a senior fellow at the Competitive Enterprise Institute, a free-enterprise think tank, was referring specifically to Gore and his partners when he stated: "There are a bunch of folks that stand to make real money, who have invested a lot in companies that are not worth real money until the agenda that this ad campaign is advocating is achieved."

Fred Lucas makes the same point in an in-depth Capital Research Center report on Gore's investments entitled, ["Al Gore's Carbon Empire: Cashing in on Climate Change."](#)

Lucas says it is doubtful "that the green investment portfolio Gore advocates can ever be profitable — unless the federal government enacts the policies Gore lobbies for. History shows green companies are risky business." He quotes financial analyst Bert Ely, who underscores the political — as opposed to market or scientific — forces that are driving Gore's green agenda:

"Wind power, solar and bio-fuels all operate on tax subsidies or purchase requirements," Ely said. "The government stimulates demand. Ely continues, "To the extent that you got some kind of government mandate here, whether it is cap-and-trade or a purchasing requirement, a taxpayer subsidy, to me that's a dicey way to look for a return on a venture. Because what the government giveth it can taketh away — and often does."

And, Lucas notes, "Surprisingly, Kleiner Perkins doesn't disagree. In fact, it uses the argument for sweeping government regulation as a selling point for investing in its funds." He quotes a May 1, 2008 statement of Kleiner Perkins partner John Denniston to investors that acknowledges the key role the politics of fear is playing in making the Gore-type portfolio profitable:

The growing sense of global urgency over our twin crisis — climate change and energy security — is now driving businesses to become green, consumers to demand green and policy makers to drive policies to accelerate the market adoption of green products. The most notorious subsidy is the 51-cent gas credit for ethanol."

Instant Karma (Only \$Half-a-billion Plus)

The strategy is working wonderfully for Gore and his KPCB partners thus far. As with the Silver Spring deal, they stand to rake in big profits from the recent \$529 million federal government loan awarded to Fisker Automotive, which builds high-priced hybrid sports cars in Finland. You can have one of Fisker's lithium-ion battery-powered Karmas for a mere \$89,000 — just the kind of boutique vehicle that celebrities and "green" tycoons love to have in their car collections as a status symbol that vouches for their environmentalist bonafides. (Al Gore was first in line to order one).

Reporting on the Fisker deal, the [Wall Street Journal](#) noted:

Fisker's top investors include Kleiner Perkins Caufield & Byers, a veteran Silicon Valley venture-capital firm of which Gore is a partner. Employees of KPCB have donated more than \$2.2 million to political campaigns, mostly for Democrats, including President Barack Obama and [now Obama's Secretary of State] Hillary Clinton.

According to the *Journal*, Henrik Fisker "said he pitched the Karma to Mr. Gore at an event hosted by



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KPCB last year, and that the former vice president almost immediately submitted a down payment for the car." Al Gore was one of the early big-name Democrats to jump on board the Obama bandwagon and has remained closely tied to the administration. Did he unethically (or illegally) use his connections to help secure the Fisker loan? Or the Silver Spring loan? Do these not deserve at least passing scrutiny? After all, half-a-billion here, half-a-billion there, pretty soon you're talking about real money.

Gore can afford the \$90K price tag for a Karma out of pocket change, thanks to his newfound wealth. Fisker will use part of its newfound wealth to buy up some former General Motors facilities to begin building the Karma in the United States, thus helping silence critics who have pointed out the lunacy of taking money from a bankrupt American economy to give to a foreign manufacturer of luxury cars for the super rich. Fisker says it can bring the price of a U.S.-made Karma down to \$40,000 per unit when it gets production up to higher volume. Which means it still will be way out of reach of the average family budget, not that there would be serious demand for the 5,000 pound car that has an optimal battery range of fifty miles (though promoters say a 2.2-liter GM Ecotec engine will power a generator to keep enough current flowing to add 250 more miles).

Gore's suspect profiteering in the Silver Spring and Fisker deals are but the tip of the iceberg and pale in comparison to the tens of billions to be made by Gore and his partners at KPCB, Capricorn Investment Group LLC, Generation Investment Management, and Goldman Sachs in the sale of carbon credits in a global cap-and-trade regime. Al Gore is the rainmaker they are banking on and the upcoming Copenhagen summit is the stage where they hope he will deliver the climactic performance that will "[Seal the Deal](#)" for a global UN climate-change treaty.

Media lap dogs fail to bark

The *New York Times*, *San Francisco Chronicle*, CNN, CBS, NBC, *Huffington Post*, and other organs of the establishment media cartel that have been all over Sarah Palin and other conservatives for alleged conflicts of interest seem to find nothing even worth investigating in the massive scandal that has developed around Gore's political lobbying and financial operations. All too typical is this *Times* puff piece from November 2, "[Gore's Dual Role: Advocate and Investor](#)."

"Mr. Gore is not a lobbyist," the *Times* declares, "and he has never asked Congress or the administration for an earmark or policy decision that would directly benefit one of his investments." The *Times* does not tell us how it knows this and offers no proof to substantiate the claim, but it does go on to tell us "he has been a tireless advocate for policies that would move the country away from the use of coal and oil."

To accentuate its unquestioning faith in Gore and dispose of lingering questions, the *Times* piece concludes with Gore's indignant retort to Rep. Marsha Blackburn:

"And, Congresswoman," he added, "if you believe that the reason I have been working on this issue for 30 years is because of greed, you don't know me."

Many of the *Times* imitators have copied this tactic, quoting Gore's arrogant non-answer to Rep. Blackburn's legitimate inquiry as if it were as self-evidently dispositive as a citation from Holy Writ. Gore does have a point, and this writer would be the first to acknowledge that it is unlikely that greed is the *only* motivation (or even the primary motivation) of the sainted Oscar-winning, Emmy-winning Nobel Laureate. The Earth-saving, jet-setting Gore (whose Tennessee mansion has a "carbon footprint" 20 times [that of the average American family](#)) is a collectivist ideologue who gives every indication of being in the green game for power and prestige as much as (or more than) for the money. He and his



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fellow globalists want to "transform" the world, to remake it to their own desires. The green path is their road not only to self, but also to power.

Photo: AP Images

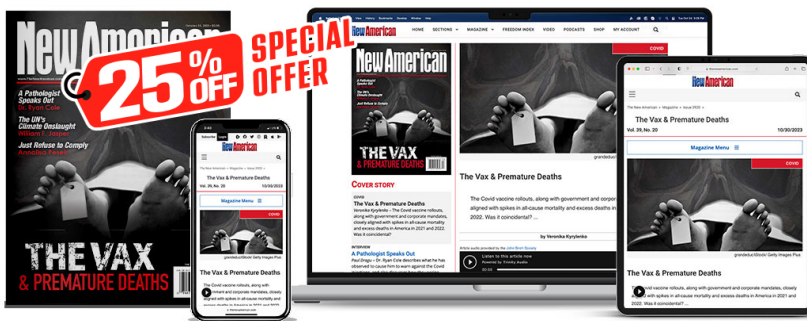


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