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Kyoto Agreement Would Devastate the Ohio Valley

As most everyone knows, the Kyoto Agreement is designed to reduce carbon dioxide emissions, thereby reducing so-called "Greenhouse Gases." The Kyoto Agreement says this is necessary to reverse a trend of global warming that Kyoto Agreement backers say will have a devastating impact on the world's environment. These conclusions are drawn from computer models in which scientists input certain assumptions and the computer generates conclusions.

The global warming conclusions, however, are by no means unanimous. Scientists from major universities and study groups have come to different conclusions about whether global warming is an actual trend. Still others have convincingly pointed out that flaws in the assumptions of the computer models make the conclusions about global warming suspect.

I am not a scientist. All I know about the scientific discussions regarding Greenhouse Gases is that there is disagreement among the scientific community.

As a representative of the business community, I can tell you that there is clear evidence that the Kyoto Agreement, if it is ever ratified and put into place in the United States, would have huge costs to the United States economy and would devastate the economy of the Ohio Valley. The Kyoto Agreement would act as a "smart bomb" designed to eliminate manufacturing in the United States, while leaving behind unemployed workers.

Here is what the this agreement would do. The Kyoto Agreement would reduce "Greenhouse Emissions to a level that is 7 percent below their 1990 levels by 2012. Because the United States has experience significant economic growth during much of that time that means emissions would need to be reduced by 30%. The only way to reduce those emissions by 30 percent is to reduce energy use. How much would 30 percent equal? That would be equivalent to the TOTAL amount of energy used for transportation in 1996. So reducing energy use to meet the accord would be tantamount to permanently stopping all highway, rail, water and air traffic.

The Ohio Valley produces coal. The Ohio Valley burns coal to produce electricity. The Ohio Valley burns coal and uses electricity to make steel. Increases in the costs of coal and the cost of electricity would have to be added to the cost of steel. The prices we pay for cars, for food, for clothing produced in the United States would all go up. The Energy Information Agency forecasts a loss of U.S. Gross Domestic Product of roughly \$300 billion per year because of any mandated emission cuts stemming from the Kyoto Agreement. We are talking about a \$300 billion tax increase on U.S. consumers.

But these increases would not be equal throughout the world. Jobs that would be eliminated in the United States would pop up overseas in countries like China, India and Mexico -- which are exempt from making reductions in emissions.

Wheeling-Pittsburgh Steel is already spending more than \$50 million every year to operate and maintain its pollution control equipment -- something that the steel industries in developing countries like China and India do not do.

Should the United States regulate pollution emissions and enforce those laws? Absolutely! Because pollution control is demonstrated to have clear benefits to people's health and the country's economy.

Should the United States agree to the Kyoto Agreement or anything that would limit energy use in the United States while exempting competing countries like China, India and Mexico? Absolutely not?

In fact, many people contend that the Kyoto Agreement is not about the environment it is about the economy. It is about increasing the costs of manufacturing and business in the United States -- the worlds most dynamic economy; the worlds largest economy; and the world's most efficient user of energy for manufacturing and business.

Wheeling-Pittsburgh Steel and its 3,800 employees have worked hard to reduce costs and increase the efficiency with which they make steel. They have sacrificed through pay reductions and the loss of jobs in order to increase their competitiveness in the world market. It would be a serious injustice to throw away those sacrifices to satisfy an global agreement that clearly benefits this country's competitors at the expense of the United States and its workers.

And it is not just American's who oppose the Kyoto Agreement who are saying this.

To quote Margot Wallstrom, the European Union's commissioner for the environment: global warming "is not a simple environmental issue where you can say it is an issue where scientists are not unanimous. This is about international relations, this is about economy, about trying to create a level playing field for big businesses throughout the world. You have to understand what is at stake and that is why it is serious."

We understand what is at stake. What is at stake is Ohio Valley jobs,. Ohio Valley manufacturing, mining and energy businesses and our very standard of living.

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