

## **UJAE Summary**

### **The Kyoto Protocol: A Flawed Treaty Puts America at Risk By Consad Research Corporation, May 1998**

#### **Background**

This study was conducted in May 1998, five months after the Kyoto Protocol was negotiated. Consad produced employment projections for two cases, a high permit price of \$265 per ton of carbon, and a low permit price of \$140 per ton. The low permit price is in the same range as the July 1999 EIA study (1990+9%) and above the DRI Case2 in which permit prices reach \$113 dollars per ton.

Consad produces tables showing year-by-year projections of employment losses for the nation and for each state for the period 2000-2012. This summary presents the national employment table and state employment losses for 2005.

For a more detailed look at the study, go to [www.ceednet.org](http://www.ceednet.org).

Consad's key findings are that, implementation of the Kyoto Protocol would mean:

- Higher energy costs for consumers and business resulting in higher prices on all consumer goods;
- Approximately 2.7 million fewer Americans will be working in 2005 assuming high permit prices, and 1.8 million fewer if permit prices are in the lower range;
- U.S. Production of goods and services will decline by at least \$177 billion and perhaps as much as \$318 billion;
- Key strategic industries (aluminum, pulp and paper, chemical, and others) will experience persistent employment losses and lose market share;
- Every region of the country loses employment with the largest losses in California, Texas, New York and Illinois;
- Wages and living standards will decline.

## Effect of Implementation of the Kyoto Protocol on U.S. Employment

Year	Employment Losses	
	Low Permit Prices	High Permit Prices
2000	-599,900	-831,100
2001	-1,011,200	-1,515,800
2002	-1,201,500	-1,845,700
2003	-1,418,000	-2,106,600
2004	-1,615,400	-2,395,400
2005	-1,804,800	-2,711,800
2006	-1,730,600	-2,889,300
2007	-1,683,500	-3,077,600
2008	-1,636,600	-3,101,600
2009	-1,603,800	-3,129,100
2010	-1,577,600	-3,115,200
2011	-1,452,600	-2,891,600
2012	-1,307,400	-2,733,100

# Effect of Implementation of the Kyoto Protocol on State Employment

## Employment Loss in 2005

Rank	State	Low Permit Price	High Permit Price
1	California	-289,000	-440,000
2	Texas	-210,000	-320,000
3	New York	-90,000	-134,000
4	Illinois	-81,000	-122,000
5	Florida	-78,000	-116,000
6	Pennsylvania	-77,000	-115,000
7	Ohio	-72,000	-108,000
8	Michigan	-56,000	-83,000
9	Louisiana	-55,000	-84,000
10	New Jersey	-49,000	-73,000
11	North Carolina	-44,000	-65,000
12	Georgia	-41,000	-62,000
13	Virginia	-40,000	-60,000
14	Indiana	-39,000	-58,000
15	Arizona	-39,000	-60,000
16	Massachusetts	-36,000	-54,000
17	Tennessee	-34,000	-50,000
18	Oklahoma	-34,000	-52,000
19	Wisconsin	-32,000	-47,000
20	Minnesota	-30,000	-45,000
21	Maryland	-30,000	-44,000
22	Missouri	-28,000	-43,000
23	Washington	-25,000	-37,000
24	South Carolina	-25,000	-37,000
25	Kentucky	-24,000	-36,000
26	Alabama	-24,000	-36,000
27	Colorado	-21,000	-32,000
28	Arkansas	-21,000	-32,000
29	Connecticut	-19,000	-29,000
30	New Mexico	-18,000	-28,000
31	Nevada	-18,000	-27,000
32	Iowa	-15,000	-22,000
33	Oregon	-14,000	-22,000
34	Kansas	-14,000	-21,000
35	Mississippi	-13,000	-20,000
36	West Virginia	-12,000	-19,000
37	Hawaii	-12,000	-18,000
38	Utah	-11,000	-16,000
39	Nebraska	-9,000	-13,000
40	District of Columbia	-7,000	-11,000
41	New Hampshire	-6,000	-8,000
42	Delaware	-6,000	-8,000
43	Wyoming	-5,000	-7,000
44	Rhode Island	-5,000	-8,000
45	Maine	-5,000	-7,000
46	Idaho	-5,000	-8,000
47	Montana	-4,000	-6,000
48	Vermont	-3,000	-4,000
49	South Dakota	-3,000	-5,000
50	North Dakota	-3,000	-5,000
51	Alaska	-3,000	-5,000
	<b>Total</b>	<b>-1,834,000</b>	<b>-2,762,000</b>