



Written by [Bob Adelman](#) on November 15, 2010

Chicago Climate Exchange Closes in Silence

On Election Day 2010, Reuters noted briefly that Intercontinental Exchange Inc. (ICE) was “shedding some 40 employees from its ... Chicago Climate Exchange (CCX) by the end of the year, with further cuts [expected] in 2011.” In its curt announcement, Reuters said that all trading on that exchange had virtually stopped in July “due to the lack of U.S. action on climate change.”



Steve Milloy [expected](#) much more fanfare from the media. Commenting on the news, Milloy said that over the last 15 years, “cap and trade has been one of the most stridently debated public policy controversies ... but it is dying a quiet death.”

Incredibly (but not surprisingly), although thousands of news articles have been published about CCX by the lamestream media over the years, a Nexis search conducted a week after CCX's announcement revealed *no news articles* published about its demise. [Emphasis added.]

Outside of a report in *Crain's Chicago Business* and a soft-pedaled article in a small trade publication, the media has entirely ignored the demise of the ... effort at carbon trading. Even Glenn Beck, who has dedicated [quite a bit](#) of Fox News airtime to exposing CCX, has yet to mention the news.

Founded in 2002 by Northwestern University professor Richard Sandor with \$1.1 million of grant money from the left-wing [Joyce Foundation](#), CCX was to be the jackpot winner for those planning to profit from the coming cap-and-trade bills pending in Congress. The exchange found [investors](#) ranging from Ford, DuPont, Motorola, the University of California, Tufts University, Michigan State University, and the National Farmers Union all the way to Goldman Sachs and Al Gore's company, Generation Investment Management.

As Raven Clabough [wrote](#), cap and trade “is a system that redistributes wealth from successful companies to less successful companies ... by forcing companies that emit more gas [than allowed by the government] to give money to companies that emit less gas. It is Marxism at its best (sic).” The market has been estimated at between \$500 billion and \$10 trillion and the consequent profit potential is gigantic.

Congress was on a roll. When the Waxman-Markey bill (aka, the Orwellian-named American Clean Energy and Security Act) passed the House in June, 2009, it was [touted](#) as a system “under which the [federal] government sets a limit (cap) on the total amount of greenhouse gases that can be emitted nationally. The cap is [then] reduced over time [in order] to reduce total carbon emissions.” Producers of those greenhouse gases would be issued “allowances” that they could then sell to others, using the CCX to facilitate those trades. Those producing more than allowed would be required to purchase allowances from those under producing, thus the moniker “cap and trade.”



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Critics included the [Heritage Foundation](#), which concluded that such caps would

- reduce GDP by \$7.4 trillion by the year 2035
- destroy 844,000 jobs
- raise electricity rates by 90 percent, and
- increase the federal debt by nearly 30 percent

The *Competitive Enterprise Institute* declared that the bill would be “the largest tax hike in world history.”

But momentum for the Waxman-Markey bill began to fade as the Great Recession continued, Climategate exposed the truth behind global-warming claims, and the Tea Party began to push back against big government. Investors in CCX began to bail out, leaving the founder, Professor Sandor with a nice \$100 million profit, and the ICE holding the bag.

As Milloy put it,

With the demise of CCX carbon trading, only the still-pending Waxman-Markey bill is keeping cap and trade alive – technically at least – in the U.S.... Despite this good news, opponents of carbon regulation will need to remain vigilant. While radical greens and the... “clean energy” industry are down, they are not out.



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