

President's budget would end \$36 bln in oil and gas giveaways, but give up to \$55 billion to nuclear industry

Submitted by NBerning on Tue, 02/02/2010 - 16:44
Tuesday, February 2, 2010

For Immediate Release

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Friends of the Earth Welcomes President's Proposal to End \$36 Billion in Polluter Giveaways, But Questions Up-to-\$55 Billion Nuclear Industry Bailout

Calls for international climate change funding to be channeled through UN, not World Bank

WASHINGTON, D.C.—President Barack Obama made public a budget proposal yesterday that would end approximately \$36 billion in taxpayer-funded giveaways to the oil and gas industries and other corporate polluters. But the proposed budget would also put taxpayers on the hook for an up-to-\$55 billion bailout of the nuclear industry.

Friends of the Earth President Erich Pica had the following response:

"We have worked for more than a decade to end wasteful taxpayer handouts to big oil and other corporate polluters, and the Obama administration deserves credit for its proposal to eliminate \$36 billion in such giveaways. Exxon, Shell and other polluters are awash with multi-billion-dollar profits. The last thing struggling families need is to see their tax dollars wasted on giveaways to these corporations.

"That's why it's so disconcerting that in the same budget in which the president proposes to end these fossil fuel giveaways, he seeks to offer a potentially massive handout to another polluting industry. The president's budget contains \$55 billion in loan guarantees for risky new nuclear reactor projects. With the industry expected to default on more than half of the loans, taxpayers could be left to pay for another massive bailout. The nuclear industry has received government support for more than 50 years yet still can't survive on its own. It would be far wiser to invest in emerging industries like wind and solar power and efficiency—building blocks of a clean energy future."

Pica also commented on the president's proposal to have most international climate change funding for developing countries flow through the World Bank, rather than the United Nations Framework Convention on Climate Change:

"It's good that the president seeks to support developing countries as they transition to clean energy and adjust to the impacts of climate change, but the Obama administration is putting almost all of its eggs in the fundamentally flawed World Bank basket. These funds should be distributed through the United Nations Framework Convention on Climate Change, which is a more democratic, equitable and accountable institution."

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Friends of the Earth and our network of grassroots groups in 77 countries fight to create a more healthy, just world. Our current campaigns focus on clean energy and solutions to global warming, protecting people from toxic and new, potentially harmful technologies, and promoting smarter, low-pollution transportation alternatives.