

The Wyly Coyotes of the Global Warming Hoax

by Paul Gallagher

Members of the Senate's Select Subcommittee on Investigations, seeking to identify and stop large-scale tax evasion by and through hedge funds, have ironically found the worst of the "bad actors": a group that claims a leading role in Al Gore's "carbon trading/global warming" show. They've hidden \$700 million in income, through three of their hedge funds, in offshore centers in the Isle of Man and Cayman Islands, in what may be the second-largest tax evasion on U.S. record, while claiming to run "the nation's leading provider of cleaner electricity and carbon offset products."

The group is the corporate family of Texas right-wing billionaire Sam Wyly, a self-described environmentalist and "great admirer of Al Gore" ever since reading Gore's 1992 global-warming book, *Earth in the Balance*. The third-largest funders, with \$214,000, of George W. Bush's 1994-2000 political campaigns (behind only Ken Lay's Enron crew and the Bass family of Texas billionaires), and major "Swift Boat" funders of underhanded attacks on Senators John McCain in 2000 and John Kerry in 2004, the Wyly family unexpectedly did *not* fund attack ads against Gore in the 2000 Presidential race, as a result of that admiration. But Sam Wyly did form the ersatz "Republicans for Clean Air" to attack McCain.

On global-warming financier Richard Sandor's Chicago Climate Exchange—touted by Gore and by the U.S. Climate Action Project as the successor to the Kyoto Accord—the only firm listed as a "Green Power Marketer" is Green Mountain Energy Resources LLC (one of a number of names the firm has had since 1998). A kind of "green Enron" which buys and resells supposedly "green" wholesale electricity (maybe the sort that Gore claims powers his 20,000 kwh/month home in Tennessee) around the country, Green Mountain Energy is run by the Wyly family—Sam, Charles, Sam's son Evan, and two other officers of their Maverick Capital, Ltd.

The Wyls and their Maverick Capital hedge funds are the biggest users of British protectorate offshore centers to evade taxes, that the Senate Select Subcommittee has been able to identify. The Wyls were identified by Sen. Carl Levin (D-Mich.), in his Feb. 17 Senate floor speech motivating legislation to stop evasion of tens of billions a year in taxes, as the worst example of hedge-fund tax evasion in the United States, and as having used 58 offshore trusts to hide more than \$700 million in income from taxation.

Investigation of these trusts by law enforcement in the

United States did not begin until 2005. In other illegal evasions prior to that, four years ago the IRS "ordered Wyly to pay \$70,653 in back taxes; his wife, Cheryl, \$304,560; and their children, Evan, \$31,773; Lisa, \$754,463; Kelly Wyly Elliott and her husband, Jason, \$731,638; and Laurie Wyly Matthews and her husband, David, \$694,226," according to the March 5, 2003 *Dallas Business Journal*.

Designers of Electricity Dereg

In fact, the Wyls' stock options and stock ownership in Green Mountain Energy itself, have been run largely through these tax-evading trusts on the Isle of Man.

As environmentalists and carbon-trade/carbon-offset experts of the global warming hoax, the Wyls' Green Mountain Energy is considered a hoax by some environmentalist groups and investigative reporters. One of them, Greg Palast, reported that it crafted the electricity deregulation swindle in Texas: "As Governor, [George W.] Bush signed into law an electricity deregulation bill that was little more than an ill-disguised raid on consumers wallets' by Texas power companies. The bill was in part drafted by an outfit called GreenMountain.com, a power company owned by Sam Wyly."

Another group, BoycottGreenMountain.com, reports "It was Sam Wyly's involvement with GreenMountain.com and his close ties to the governor that spurred Tom "Smitty" Smith of Public Citizen to call him in the Spring of 1999. Smith wanted the bill deregulating the state's electric utility industry to include a provision forcing utilities to reduce emissions from coal and other fossil fuels—a measure that would help producers of renewable energy. But Bush favored a voluntary approach. Until Wyly spoke to him, that is."

As an example of its expertise as a carbon-offset consulting firm as well as wholesaler of mysterious green electricity, Green Mountain Energy Resources has just announced a new green scam called Eco-Tunes(SM), "the first comprehensive program for carbon-neutral music tours and events, which includes the availability of solar-powered stages and sound systems." Concertgoers can purchase a Be Green Ticket for these events. Al Gore and Bono are sure to jump on the "carbon-neutral rock concert" bankwagon.

Evan Wyly has been chairman of the board of directors of Green Mountain Energy Resources LLC since August 2003, and has been in its management since 1997. Evan Wyly was a co-founder in 1990, with his father Tom Wyly and uncle George Wyly, of Maverick Capital, Ltd., a manager of equity hedge funds with \$8 billion in assets, where Evan Wyly currently serves as Managing Partner. He is also a director of the Wyls' Sterling Companies group, and their Michael's Stores. The Green Mountain Energy board of directors also includes Wyly officer K. Scott Canon and another Maverick Capital partner, and Sterling Companies exec, Dennis Crumpler.

So the Wyls are leaders of the fight against global warming *and* national taxing.