

## A refreshing dose of honesty

### Maria Cantwell and the politics of global warming

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NOT long after the flood, when Noah was safely back on dry land, God promised: “Never again will I curse the ground because of man...And never again will I destroy all living creatures.” The implication is clear. “Man will not destroy this earth,” says John Shimkus, a Bible-reading Republican congressman from Illinois. So there is no need to worry about global warming.

On January 28th, America formally pledged to the UN that it would reduce its greenhouse-gas emissions by 17% (from what they were in 2005) by 2020. But there was a planet-sized catch. Meeting the target will depend on getting a climate bill through Congress, and that will be horribly hard. A bill to erect a cap-and-trade system to curb carbon-dioxide

emissions squeaked through the House of Representatives last summer. But similar bills have stalled in the Senate, where nearly anything big needs a supermajority to pass.

Various obstacles block the way. First, Barack Obama has not yet decided what to do about health care, and he cannot wage two domestic wars at once. Second, cap-and-trade is a tough sell. An increasing number of Americans, like Mr Shimkus, doubt the science. The proportion who believe there is “solid evidence” that the earth is warming fell from 71% in 2008 to 57% last year. Among Republicans, disbelief is the norm: only 35% think there is solid evidence of warming, according to a Pew poll. The news that some climate scientists tried to muzzle dissenting voices has spread like the common cold on conservative blogs, fuelling widespread suspicion that global warming is an elaborate hoax. Many climate sceptics are furious. “My Carbon Footprint Will Fit Nicely in Your Liberal Ass,” reads a typical T-shirt. Even among Americans who believe in global warming, there is little appetite for tackling it. A hefty 85% told Gallup that the government should place a higher priority on fixing the economy, with only 12% saying the opposite.

Enter Maria Cantwell, the junior senator from Washington state. She is pushing a simpler, more voter-friendly version of cap-and-trade, called “cap-and-dividend”. Under her bill, the government would impose a ceiling on carbon emissions each year. **Producers and importers of fossil fuels will have to buy permits.** The permits would be auctioned, raising vast sums of money. Most of that money would be divided evenly among all Americans. The bill would raise energy prices, of course, and therefore the price of everything that requires energy to make or distribute. But a family of four would receive perhaps \$1000 a year, which would more than make up for it, reckons Ms Cantwell. Cap-and-dividend would set a price on carbon, thus giving Americans a powerful incentive to burn less dirty fuel. It would also raise the rewards for investing in clean energy. And it would leave all but the richest 20% of Americans – who use the most energy – materially better off, she says.

Ms Cantwell’s bill is refreshingly simple. At a mere 40 pages, it is one-thirty-sixth as long as the monstrous House bill (known as “Waxman-Markey”, after its sponsors), which would regulate everything from televisions to “bottle-type water dispensers” and is completely incomprehensible to a layman. Instead of auctioning permits to emit, Waxman-Markey gives 85% of them away, at least at first. This is staggeringly inefficient: permits would go to those with political clout rather than those who value them most. No one is proud of this – Mr Obama wanted a 100% auction – but House Democrats decided that the only way to pass the bill was to hand out billions of dollars of goodies to groups that might otherwise oppose it. (There was plenty of pork left over for its supporters, too.)

The Senate will not pass a comprehensive climate bill any time soon. So Mr Obama is attacking the problem piece by piece, bypassing Congress. On February 3rd, he unveiled a plan to promote biofuels and a task force to study the improbable dream of “clean” coal. Last week, the Securities and Exchange Commission ordered private companies to publish estimates of the climate-related risks they face. The Environmental Protection Agency, meanwhile, is trying to regulate greenhouse gases under existing laws. But regulation is

no substitute for putting a price on carbon, which would harness the power of the market to cut emissions more cheaply.

### **Tell it like it is**

Of all the bills that would put a price on carbon, cap-and-dividend seems the most promising. (A carbon tax would be best of all, but has no chance of passing.) Ms Cantwell has a Republican co-sponsor, Susan Collins of Maine, and says she is hearing positive noises from a few other Republicans, such as Lisa Murkowski of Alaska. The most attractive thing about the bill is that it is honest. To discourage the use of dirty energy, it says, it has to be more expensive. To make up for that, here's a thousand bucks.

This challenges the conventional wisdom in Washington, DC, that the only way to pass a global-warming bill is to disguise what's in it. Leading Democrats try to sell cap-and-trade as a way to create jobs and wean America from its addiction to foreign oil. (It's about "jobs, jobs, jobs and jobs," said Nancy Pelosi, the speaker, last year.) Focus groups say this message ought to resonate. Frank Luntz, a pollster, released a study last month showing that voters are unswayed by melting ice caps but will support an energy bill that sticks it to the Saudis and creates American jobs.

In real life, though, voters hear counter-arguments. Sure, cap-and-trade will create jobs, but it will destroy them, too. If the goal is to reduce dependence on foreign energy, why not mine more American coal? The only sound reason for acting to curb global warming is to curb global warming. Ms Cantwell does not put it so bluntly, but her bill speaks for itself.

*[http://www.economist.com/world/united-states/displaystory.cfm?story\\_id=15453166](http://www.economist.com/world/united-states/displaystory.cfm?story_id=15453166)*