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Commentary: This accountability measure could boost US businesses, solve climate change

BY BOB INGLIS SEP 23, 2022



Former U.S. Rep. Bob Inglis STEVEN SENNE

> Incentives for American clean energy have been created in the Inflation Reduction Act. Now how do we get the rest of the world in on climate action?

The Inflation Reduction Act will help clean up American air by incentivizing clean energy. It creates credits for nuclear power and hydrogen and extends tax credits for wind and solar for 10 years.

If these tax credits had been in a free-standing bill, a number of Republicans might have voted in favor. But the vehicle chosen for passage was reconciliation, and that made it impossible for Republicans to support it.

Reconciliation is a process that allows a fragile majority in the Senate to overcome a filibuster. When a party doesn't have 60 votes in the Senate, it can get something passed with just 51 votes by using the reconciliation process. When Republicans have used it in the past, there were no Democratic votes in support. When Democrats used it for the Inflation Reduction Act, there were no Republican votes in support.

The clean energy incentives in the Inflation Reduction Act are now law. This is a solid start, and now comes the challenge of getting the whole world in on climate action.

The way to get the world "in" is to put a carbon tax on stuff coming to America from countries that don't have a carbon tax. It's called a "carbon border adjustment mechanism," and it's a powerful way to level the playing field and bring accountability to countries that dump for free into the "trash dump" of the sky.

For competitive reasons and for climate change reasons, we should care if other countries dump for free. Free dumping abroad makes it harder for our manufacturers to compete in the worldwide market. Our regulations clean up our air, but they add costs to our products — costs that aren't included in the price of products produced by free-dumping countries.

Moreover, carbon pollution anywhere is climate change everywhere. So, for competitive reasons and for climate reasons, we need to charge a tipping fee for dumping into the trash dump of the sky.

America is uniquely empowered to enforce this accountability because of the allure of the American market. The whole world wants to sell us stuff. If we impose a carbon tax on products coming from countries that don't have a carbon tax, we'd level the playing field for our manufacturers.

We'd also make it in the interest of free-dumping countries to clean up their acts. If we had a carbon border adjustment, trading partners would follow our lead and impose the same carbon tax in their own countries. Why would China, for example, want to pay an American carbon tax on landing goods in the Port of Charleston when it could have collected that tax in China?

If it had the same carbon tax as ours, Chinese goods would come through the Port of Charleston with no carbon border adjustment. The cost of China's carbon pollution would be reflected in the price of its products. There would be no need for any international agreement, no bowing and scraping at the United Nations, no protracted negotiations; just a bold move by the United States that would make it in the interest of our trading partners to price-in the cost of carbon pollution.

Accountability through a simple pricing-in mechanism fits with conservative values and would work well in international trade. To make it fit with conservative values here at home, any carbon tax that we impose on ourselves should be paired with a dollar-for-dollar reduction in existing taxes or a dividend of all of the carbon tax revenue back to the citizenry. This way, there would be no growth of government.

America is the indispensable nation for solving climate change. Conservatives in America are the indispensable partners in the indispensable nation. We can step forward with a solution based on accountability — a bedrock conservative value. If Commentary: This accountability measure could boost US businesses, solve climate change | Commentary | postandcourier.com

we do, we'll find many willing partners among progressives, and we can bring America together and lead the world to solutions.

Former U.S. Rep. Bob Inglis is the executive director of republicEn.org, a conservative group that believes in the power of free enterprise and innovation to solve climate change.

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