



The Republican group's plan outlines a carbon tax of \$40 for each ton emitted. (photo: Jim Cole/AP)

Republican Elders Call for New National Carbon Tax to Replace Federal Regulations

By Oliver Milman, Guardian UK, 09 February 17

GOP elder statesmen urge Donald Trump's administration to impose a 'free market, limited government' response to rising global temperatures

A group of senior Republicans will meet with White House officials on Wednesday to call for a new national carbon tax to replace federal regulations as a way to combat climate change.

The GOP elder statesmen – which include former secretaries of state James Baker and George Shultz, and ex-treasury secretary Hank Paulson – will urge Donald Trump's administration to impose a "free market, limited government" response to rising global temperatures.

The [group's plan outlines a carbon tax of \\$40 for each ton emitted](#), which would increase steadily over time. In an attempt to appeal to Republicans wary of new taxes, the plan stipulates that income from this levy would be distributed to the American public on a quarterly basis.

"Mounting evidence of climate change is growing too strong to ignore," the group states. "For too long, many Republicans have looked the other way, forfeiting the policy initiative to those who favor growth-inhibiting command-and-control regulations."

The plan would also sweep away federal regulations limiting carbon dioxide emissions. Barack Obama, faced by stiff Republican opposition to a similar market-based carbon plan, deployed the Environmental Protection

Agency to draw up rules the directly curb emissions via the clean power plan.

This new proposal estimates that a family of four would receive about \$2,000 a year in dividends, offsetting any increase in fuel costs that would occur as a result of the tax.

"Carbon dividends would increase the disposable income of the majority of Americans while disproportionately helping those struggling to make ends meet," the report states. "Yet these dividends are not giveaways; they would be earned based on the good behavior of minimizing our carbon footprints."

Trump's antipathy towards climate science, which he has previously called a "hoax" and mere ploy to impose new taxes, suggests that the group of Republicans will struggle to win the president over. [Obama's clean power plan](#) is already slated for abolition, with Trump suggesting the US could also retreat from the international effort to tackle climate change.

Congressional Republicans, too, have voiced doubts over the validity of the science and have consistently opposed any new taxes and [any restrictions upon greenhouse gas emissions](#).

Baker, who was secretary of state under George HW Bush, conceded his group faces an "uphill slog" that may not be successful.

"We may not convince the president, but it's a good plan because it's a conservative, free market and limited government approach to the problem," he told CNN. "Republicans have not been at the table because we are skeptics or deniers. But if you see what's happening to the environment, even if it's happened before 10,000 years ago, that's a risk we shouldn't have to take."

Support for a carbon tax has support in diverse places, including ExxonMobil, the world's largest oil company, former vice-president Al Gore and James Hansen, the former Nasa scientist-turned-climate campaigner.

Proponents argue the most efficient way to cut emissions would be a tax that spurs large greenhouse gas emitters to switch to cleaner sources of energy. Rex Tillerson, the former ExxonMobile chief executive and Trump's pick for secretary of state, has said he supports a "revenue neutral" carbon fee.

The idea of a carbon tax will also garner support among progressives who were left deflated after Obama's initial attempts to institute a national cap-and-trade carbon system were scuppered by Republican opposition.

"It's a sensible alternative and this group is probably the best possible messengers for this particular president and Congress," said Andrew Light, a former senior climate negotiator at the department of state during Obama's administration.

"The structure of this plan should appeal to Republicans because it returns the money from the tax to citizens. We need some action, we need to get to the emissions cuts. This could help us get there."

Environmental groups were cautiously supportive but warned that the tax shouldn't come at the cost of rolling back clean air laws.

"We have a moral obligation to protect future generations from the growing dangers of climate change," said Rhea Suh, president of the Natural Resources Defense Council.

"Effective action means building on the progress we're already making, not sacrificing those gains by weakening the laws Congress has already passed."