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Fresh Takes From Experts And Reporters At The U.N. Summit

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The Unseen Benefits And Profits

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Many in the US believe that the Markey - Waxman climate change bill is just about increasing the cost of energy. Most fail to see the benefits and profits that it brings to industry, how it can help expand our exports and, most importantly, the many jobs it can create. This has to change. It is critical that the US public realizes how the climate change bill can benefit our economy. Its 'cap and trade' legislation is a version of the carbon market of the Kyoto Protocol that became international law in 2005. Each of the US\$125 billion traded in the carbon market per year represents a payment made by someone who overemits and is received by someone who underemits. For each dollar paid, a dollar is received leading to commercial gains and profits. The overemitters pay and the underemitters benefit, exactly as one would like things to be to provide incentives towards a safer atmosphere. But the carbon market's net cost to the economy is zero. And in addition it creates positive incentives for averting climate change, for clean technology jobs, clean goods and services, and clean exports.

The energy industry and large segments of the business community understand that there are significant gains to be made from the carbon markets. They want clear guidelines, they need such guidelines to succeed. A recent discussion in London with senior executives of EON, the EU's largest carbon emitter, confirms that the carbon market's guidelines are important for them and viewed as helping their business strategies into the future. EON supports the Kyoto Protocol's carbon market for this reason - it is an integral part of a successful business strategy. The same is true for our US automobile industry who sells globally - all major industries sell globally today -- and it is handicapped today without the guidelines created by the carbon market, since US has not ratified the Kyoto Protocol. The Markey Waxman bill will correct this.

The carbon market changes the prices of all goods and services in the world economy because it helps make clean energy cheaper and fossil energy more costly and undesirable - for the first time. Everything we produce -- cars and trucks, homes, electricity, food, machinery, heating services -- everything uses energy. A change in the price for clean energy is a major signal that US industry needs and does not yet have. Since US car makers do not have an equivalent legislation at present, and will not have one until the Markey - Waxman Bill becomes law, they lack the guidelines they need for the cars they sell globally. US cars are less desirable overseas as they burn more gas than the global consumer wants. This created a major disruption in the US automobile industry - which is the heart of America - and led to painfully high levels of unemployment that could have been avoided.

With the right market price signals, we can turn the energy industry and business as a whole into friends of the environment.

Clean technology is where the US excels. We can be world leaders in innovation and commercialization, because we have the risk capital and the intellectual property rights needed for innovation like nobody else in the world. China cannot compete with us here. But we are handicapping our economy and our own innovation capability by failing to provide appropriate carbon market guidelines to our economy. The Markey - Waxman climate change bill and its 'cap and trade' system can help achieve the incentives and guidelines

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needed for clean innovation and commercialization, to compete globally and lead a clean tech industry that is a major source of US exports and new jobs at home.



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- History of previous U.N. climate change negotiations
- Background on Kyoto Protocol
- Kyoto Protocol [PDF]
- UNFCCC official agenda [PDF]
- Copenhagen Conference Guide [PDF]
- Overview schedule [PDF]
- Daily schedule (to start first day of conference)
- Live meeting schedule
- Official side events [PDF]
- UNFCCC YouTube channel
- UNFCCC Twitter
- Official COP-15 blogs
- EPA events

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- Center For American Progress' Climate Progress
- Conservation International
- Council on Foreign Relations
- Duke University's Nicholas Institute for Environmental Policy Solutions
- Climate Post blog
- Earth Policy Institute
- Heritage Foundation
- Institute for Transportation and Development Policy
- Mongabay
- Nature Conservancy
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