

Congress Votes for Bad Weather

Last Friday House Speaker Nancy Pelosi led the charge in passing a landmark climate bill. For many people concerned about the environment this legislation seems like a major step forward. Unfortunately in life and politics, a supposedly good thing done a wrong way can leave us worse off than if we had done nothing at all. Our first step toward cleaner energy could have begun with increasing our nuclear energy sources or several other strategic beginnings.

✖ This climate bill, however, has flaws. Let's take a moment to give a high level overview of what has actually been passed. According to the Associated Press there are three major national limits that will be imposed on gas emissions from sources like factories, refineries and power plants. These limits include a 17 percent cut in greenhouse gas emissions by 2020, an 83 percent cut in greenhouse gas emissions by 2050 and a 20 percent redistribution of all electricity in the nation to renewable or cleaner sources by 2020.

The bill may have alarming consequences in its current state. Because there does not seem to be enough clarity about where we will wind up at the end of the process, a detailed cost benefit analysis should be conducted on each aspect of the bill. The president has justly identified our need to end the nation's dependence on foreign oil. Further the administration's desire to accelerate the pace of technological innovation in the energy arena is admirable. Unfortunately the way this Congress has chosen to attempt to fulfill the president's vision for energy reform seems imbalanced and overbearing.

There are several reasons I am against this particular Cap and Trade approach as our first step to energy policy reform. First of all, constructing financial hurdles that will raise the cost of goods made in America seems unwise. In my thinking, the Cap and Trade bill just passed is at its root a massive tax. Granted it is an indirect tax, but some experts believe it will lay the foundation for the largest tax hike in history, if it does not pan out to be the greatest tax increase in history, it will indirectly raise the cost of all goods and services produced with energy. Raising the cost of our goods could decrease our competitive edge and cause an accelerated shift of manufacturing from the U.S. to China or India. The cost of achieving a very small reduction in CO2 emissions will be enormous. Some experts believe that nearly 2 million jobs will be lost by 2012 with a huge \$9.4 trillion in lost GDP through 2035.

Secondly Cap and Trade will affect the poorest of the poor in America. In a manner of speaking it is a regressive tax. Let me explain. Because the poor spend more proportionally on energy than others, their disposable income will decrease because of energy costs. Our poorest citizens spend up to 50 percent of their limited income on energy, while the average American spends only 5-10 percent of their income. In comparison to their rich suburban counterparts, poor families are sometimes forced to make serious choices between food, medicine or fuel. As a result of this dilemma, 8 percent of households with incomes between \$33,500 and \$55,000 have had their electricity shut off this year due to non-payment. Those living in rural areas of the country are being squeezed even harder. They tend to have older vehicles that are less fuel-efficient. Pickup trucks are common because they work part or full time in agricultural jobs. It takes a larger percentage of a person's income for transportation in rural areas because of longer rural commutes.

Against this backdrop of disproportionate energy costs for the

poor, this bill will cost everyone more money. The Congressional Budget Office says the bill, as it is written, will only cost an estimated \$175 a year for each of us by 2020. Other sources say that a conservative impact of this legislation will raise the average American family's energy bill by \$1,241 per year, or more than \$100 per month. In addition to the burden of direct energy costs there will also be several indirect energy related increases that will affect the poor. For example, basic necessities like food and transportation will increase as well.

The third reason I am against Cap and Trade has to do with the felt needs of the average minority citizen. "An overwhelming majority of African-Americans want Congress to fix the economy before turning its attention to climate change," said David Ridenour, Vice President of the National Center for Public Policy Research. A recent national poll which included 80 percent identified Democrats produced fascinating results: 76 percent of African-Americans want Congress to make economic recovery instead of climate change its top priority. The same study says that 56 percent of the respondents believe that policymakers have failed to consider "economic and quality of life concerns of the black community." Finally over 70 percent of the respondents don't want to pay more for gasoline or electricity.

Let's pray that the Senate explores the costs and ancillary consequences of the Cap and Trade bill. There is a lot at stake. Bad environmental policies will change the economic, community and political climate of the nations – giving us all bad weather for years.

Harry R. Jackson Jr. is senior pastor of 3,000-member Hope Christian Church in the nation's capital. Jackson, who earned an MBA from Harvard, is a best-selling author and popular conference speaker. He leads the High-Impact Leadership

Coalition.