


One thing we have learnt this week – carbon dividends

Posted on **July 06,2018** by **admin**

Image not found

 Here's an idea I've not heard about before - carbon dividends. Broadly speaking polls show most Americans do believe in climate change. There is also clearly some concern amongst Republicans about Trump pulling out of Paris. They are both losing support of younger voters and if climate change is real then there could be a real crisis. Looking at the migration crisis it could be argued that its roots lie in climate change. Even if it doesn't at present look forward to a possible climate future and it looks frightening, Added to this there is still concern about energy security. There must be some worries amongst more thoughtful Republicans that oil, gas coal and uranium are finite. Carbon dividends combine the ideas of a carbon tax and a citizens income. Readers of this blog will know I am a huge supporter of this latter idea. The current social security model is broken in a world of part time insecure work (of which I am a part). The problem has been how to fund it. Could [James Baker and George Shultz](#) have found the solution to this conundrum and how to sell a carbon tax? The carbon tax has been promoted by James Hansen. He talks of a tax on all carbon and vaguely of tax cuts in return. The problem is that of selling the idea. I've always preferred up until now a carbon ration but recognise both are a hard sell. The Carbon dividend idea is simple. All business who pollute have to buy a fee. The money is collected and paid as a "share dividend" to all households. Imported goods and fuels are taxed to allow no home disadvantage. The advantages are income would rise at least in the medium term. Its simple in theory and allows markets to operate most efficiently. It does not promote any particular solution but would allow companies to choose the most effective one to reduce emissions and avoids regulation. The idea is a citizens income in all but name (the alternative would be to build a sovereign wealth fund). However there do seem to be certainly some questions if not disadvantages. In time the income should fall even if just for peak oil reasons. Second who administrates it all? The idea is to get the government of your back but it sounds like it needs to involve the government and the tax system (in fact they do suggest this). Its certainly an interesting idea whether its sellable anyway least of all the US at the moment remains to be seen. Neil

Posted in:Climate Change,One Thing We Have Learnt This Week,Peak Oil || With 0 comments