



OPINION: CAN AMERICA REIN IN FOREIGN POLLUTION WITHOUT PAYING THE BILL? - INSIDE SOURCES

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Nations are meeting at COP28 in Dubai to [consider climate change](#) and what to do about it. At home, Republican Sens. Bill Cassidy of Louisiana and Lindsey Graham of South Carolina have proposed a “[foreign pollution fee](#)” hoping that China can be forced to reduce its carbon emissions. The world’s most populous nation does pose an environmental challenge, but let’s be clear: Whether or not the plan compels China to do something it does not want to do, it’s a tax on Americans, and the results are hard to anticipate.

It’s Americans who would pay for the carbon emissions associated with imported Chinese goods, harkening memories of the “Taxman” of Beatles lore, who will tax the heat if we get too cold, tax the street if we drive, and tax our feet if we walk. Now, if we buy Chinese goods — even if they are greener products — the Taxman will tax the carbon that produced them. Ultimately, the fee may affect China’s emissions somewhat but will also lead to more carbon emissions from somewhere else.

We should remember that the United States is the bigger polluter by some measures, such as 2020 World Bank [data](#). We emitted 13 metric tons of carbon per capita annually, whereas China emitted 7.8 tons. This calls into question the idea that moving some of this manufacturing home is the cleaner approach. Plus, if the United States imposes a fee on China, we can bet that it, and perhaps other countries, will do the same to us.

In justifying the fee, Cassidy said, “It makes absolutely no sense that we allow China to pollute freely and export their products to the U.S. — displacing U.S. jobs, manufacturing and excellence. The Foreign Pollution Fee begins to hold China accountable for its lack of environmental standards while expanding domestic production, increasing opportunities for the American family, and decreasing global emissions.”

Graham said, “We are leveling the playing field, and American manufacturers and business(es) will be the biggest beneficiaries.”

The senators don’t call it a tax; that would ask for opposition. Reasonable minds can disagree about the merits of such a tax. We should agree upon the applicability of the “[Bootlegger-Baptist](#)” theory of politics and economics, which is based on the old-school, small-town bootlegger who aligns with his Baptist neighbors to limit competing legal alcohol sales. The senators’ message includes elements of both virtue and self-interest. They seek to slow or avoid harmful climate change and appeal to Americans’ nationalist desires while also getting organized labor and Big Business on their side. Several major industries enthusiastically [support](#) the notion of raising their rivals’ costs by

way of domestic taxation.



Anyone [reviewing the facts](#) about America's recent experience with trade restrictions knows that fees, taxes or tariffs placed on goods crossing U.S. borders translate to higher consumer prices or reductions in the availability of goods and services we wish to purchase. [It's U.S. consumers](#) who pay most directly when our politicians seek to help us by raising prices on any foreign-produced goods.

Finally, we must acknowledge that, due to looming federal deficits that partly fund our lives, we Americans [consume](#) more than we produce. That means countries somewhere must produce more goods than they consume, ergo China. If additional limitations are imposed on Chinese goods, some other foreign source will take China's place, and the replacements may be associated with even more carbon emissions. Who can know?

We need to be reminded that there is no such thing as free environmental quality. Protecting the environment and penalizing an economic rival cost money. It's not easy to find policies that will do all they aim to do in a complicated world.