



## Why Now is the Time to Build a Broad Citizen Movement for Green Energy Dividends

**Theda Skocpol**, Scholars Strategy Network

Reelected to a second term, President Barack Obama is speaking with new force and clarity about the threat of climate change; and he is encouraging the Environmental Protection Agency to take bold steps to reduce dangerous greenhouse gas emissions. To make up for Congressional unwillingness to legislate, the Obama administration seems ready to do all it can through executive actions. Many professional environmentalists are delighted, and will rely on inside-the-beltway lobbying to urge regulators onward. That is fine for the short run, but it would be too bad if efforts to counter damage from global warming stopped at insider advocacy.

The next few years are exactly the right time to build a broad nationwide network of popularly rooted organizations committed to supporting carbon-capping as part of America's transition to a green economy. To be prepared when the next opening arises in Congress, organizational efforts must reach far beyond the Beltway – to knit together alliances and inspire tens of millions of ordinary Americans to push for change.

### Lessons from the 2010 Cap and Trade Defeat

In 2009 President Obama and Democratic majorities in Congress pledged to tackle major challenges – including the enactment of new laws to reduce climate damage from the burning of coal and gas to fuel the economy. Working through the United States Climate Action Partnership, leading environmental organizations and some business chieftains urged Congress to enact a “cap and trade” system, which would gradually tighten limits on overall carbon emissions while allowing businesses to adjust by buying and selling allowances. The House of Representatives voted favorably on such a bill in June 2009. But that was the legislative high point. Fierce Tea Party campaigns deployed grassroots pressures, costly advertising, and electoral challenges from the right to prevent GOP Senators from compromising. The Senate failed to move any kind of climate change legislation. After Republicans made huge gains in the November 2010 elections – and after a radicalized GOP managed to retain control of the House of Representatives in 2012 – Congress became deadlocked.

In 2011, I was asked to do an independent analysis of the cap and trade episode and outline promising future directions. The following are some of the key findings in my report:

- Starting in the early 1990s, Republican and Democratic elites and legislators moved toward polar opposite stands on environmental and global warming issues, yet rank-and-file voters remained less divided and more open to environmental protections.
- In 2006, when it looked as if most of the public might support government action to deal with global warming, right-wing media moguls and free-market advocates mounted a successful campaign to convince rank and file conservatives that climate science is a hoax and new regulations would hurt the economy. By 2007, pressures from below and outside Washington made compromise impossible for GOPers, including John McCain.
- Oblivious to this shift, supporters of cap and trade kept trying to strike bargains with business leaders and Senate Republicans. They failed to build support across the country, and presented an anemic message that did nothing to counter worries that new carbon caps could leave families paying higher energy prices from shrinking incomes.

### Launching a New Citizen Campaign for Green Dividends

Most supporters of carbon capping recognize that the post-2010 Congress will not act as long as Republicans wary of challenges from the right remain in charge. But what happens when another opening comes – for

example, if Democrats take control in 2016 or 2018? Some erstwhile cap and trade supporters want to try again with the same game plan. But my findings underline the need to field a new team and pursue an innovative strategy. To counter what is now entrenched elite and popular opposition on the right, **supporters of strong federal action to limit greenhouse gas emissions need to build a broad network of allied organizations that can communicate with everyday citizens and reach into most states and Congressional districts.**

A powerful movement cannot come together around the same old policy nostrums. Cap and trade bills are very complex, hard to explain, and based on the idea that polluting businesses should be given free permits to offset their higher costs for producing carbon-based energy. In turn, businesses like electric utilities are supposed to keep retail prices down for families and businesses. But there are no guarantees, and average citizens are easily convinced that they will be forced to pay more for daily necessities. Two thirds of Americans have seen their incomes stagnate for decades, and their economic worries must be addressed by more than vague talk.

A better alternative already exists, sometimes called “cap and dividend” or “tax and dividend.” In this approach, federal regulators raise prices on dirty energy – with taxes or by making energy producers pay for the right to emit greenhouse gasses under gradually lowered caps. Either way, a lot of new revenue would flow into the federal treasury, some of which could be used to jump-start clean energy innovations. But at least three-quarters of the new revenue should be equally divided and paid out in the form of “green dividend” checks sent annually to every American.

Green dividends can be large enough to let most families come out ahead, even if they pay a bit more for electricity or gasoline. Obviously, people would also have a clear incentive to switch to cleaner energy sources, because they could then spend the dividends on things other than energy.

To advance this potentially popular approach, a broad alliance of organizations must be constructed – uniting community groups, churches and synagogues, service-worker unions, doctors and nurses’ associations, and green businesses. Networks need to reach beyond self-described environmentalists and include many groups outside of Washington DC. Such a far-reaching alliance could deliver messages in every community and contact legislators back home, where it counts. Wobbly Midwestern Democrats would be prime targets. When they come around, a majority will be poised to act in the next Democratic-led Congress – to limit carbon emissions by law and pay green dividends to all Americans.

**Read more in Theda Skocpol, “Naming the Problem: What It Will Take to Counter Extremism and Engage Americans in the Fight against Global Warming,” Scholars Strategy Network, February 2013.**