...National AFL-CIO supports cap-and-trade legislation

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in Copenhagen.

U.S. President Barack Obama wanted Congress to pass a bill to curb greenhouse gas emissions, so that he could take that commitment to Copenhagen.

A bill in Congress — American Clean Energy and Security Act of 2009 — would do that. Also known as Waxman-Markey, HR 2454 would create a cap-and-trade system. Annual caps would be placed on emissions from large sources like utilities and refineries, with the cap getting smaller each year. Businesses would be able to decide, via a market in allowances, how to make the reductions. The bill passed 219-212 in the U.S. House of Representatives June 26, with 211 Democrats and eight Republicans in support. Congressman Peter DeFazio was the only Democrat in Oregon or Washington to vote against it, explaining in a press statement that he opposed it because the cap-and-trade system would be set up as an unregulated market, susceptible to gaming by Wall Street, and also because U.S. polluters would be allowed to invest in developing country carbon-reduction projects instead of making meaningful changes in the United States.

The AFL-CIO supports the Waxman-Markey bill, for several reasons. The bill makes substantial investments in energy efficiency and renewable energy technologies, and requires that workers who do that work be paid the prevailing wage. It makes sizable investments in research and development for "carbon capture and sequestration" techniques to bury carbon dioxide rather than release it into the atmosphere, which would enable the continuation of the coal industry. And it has money for worker training, and benefits for workers who lose jobs because their employers shut down operations to comply with the law. As for the cap-and-trade market, the AFL-CIO's Baugh says the bill's framers took a number of the labor federation's regulatory suggestions. Finally, it contains measures to stop "carbon leakage," the term for what would happen if carbon dioxide limits in the United States push production to countries without similar limits: trade-exposed energy-intensive industries would get free emission allowances, and a "border adjustment" mechanism would kick in if any surge in imports occurred.

Massachusetts Democrat Sen. John Kerry is working on a companion bill in the U.S. Senate.

The president could also act independently of Congress by directing the Environmental Protection Agency (EPA) to limit greenhouse gas emissions. The U.S. Supreme Court ruled in 2007 that EPA has the authority to do so under the Clean Air Act. On Dec. 7, the EPA moved to assert that authority, issuing an official finding that greenhouse gases pose a significant threat to human health. That finding lays the ground for the EPA to impose new emission standards on vehicles, power stations and industrial plants as soon as next year. And that could happen if Congress doesn't provide a better plan.

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Getting the United States to start limiting emissions is only half of the immediate challenge; the other half is getting poorer countries like China, India, and Brazil on board. China is now on par with the United States in total greenhouse gas emissions.

At the Copenhagen talks, the developing countries are negotiating in a loose coalition known as the "G77 plus China."

The Kyoto Protocol left the developing world off the hook for the reason that rich countries could better afford the expensive transition, and could lead the way. Also, developing countries could rightly point out that most of the human-added greenhouse gas that's now in the atmosphere was put there in the last 150 years by coal and oil burned in developed countries, and such energy consumption directly contributed to their wealth. It would be unfair, developing countries argued, for greenhouse gas restrictions to prevent their late-starting chance at prosperity.

At the Copenhagen talks, as of press time, rich countries were proposing aid of $10 billion a year to help poor nations reduce their carbon dioxide output.

"Ten billion dollars is not enough to buy us coffins," Lumumba Di-Aping, chair of the G77 plus China group reportedly replied.

China, with one fifth the world's population, may be the key to any global commitment. China is facing severe threats from the effects of global warming in, for example, changes to the country's crucial river system if warming temperatures disrupt Himalayan snowmelt.

Baugh, as fierce a China critic as any when it comes to trading practices, says China may be near a breakthrough, as its leaders see the dangers of global warming and the advantages of efficiency and conversion to clean energy. The key is to get China to use its industrial might to transform its own economy, instead of depriving other countries the opportunity to make windmills and solar panels.

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