

Taking The Lead

In the northeastern United States, eight of the most populous states have signaled impatience with the refusal of the White House to limit carbon dioxide emissions. They did so by signing a pact that would cap emissions and then allow the trading of these carbon dioxide emissions in 2009. Under the agreement, power plants that emit more heat-trapping carbon dioxide than prescribed limits would be able to buy credits from cleaner power plants. The proceeds in each state will go to the government.

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Unlike previous money collecting schemes by governments world wide, these dollars would go into investments in energy saving technology. A frequent criticism of similar programs has been a tendency by governments to use the environment or energy crises as a means to plump general revenues and spend money in a manner that has nothing to do with either issue.

The states involved, if treated as one country, would rank seventh in the world in terms of greenhouse gas emissions, behind Germany but ahead of Canada and Britain.

Proponents indicate confidence that short term increases in household electricity bills will be more than offset within a decade by savings derived from technological innovation.