

NSMBuzz 1208

Global Warming Overreach

By KIMBERLEY A. STRASSEL

The Wall Street Journal

April 24, 2009

Congressman Henry Waxman played to the crowds this week with high-profile hearings designed to boost his climate legislation. To listen to the Energy and Commerce committee chair, a House global warming bill is all but in the recyclable bag.

To listen to Congressman Jim Matheson is something else. During opening statements, the Utah Democrat detailed 14 big problems he had with the bill, and told me later that if he hadn't been limited to five minutes, "I might have had more." Mr. Matheson is one of about 10 moderate committee Democrats who are less than thrilled with the Waxman climate extravaganza, and who may yet stymie one of Barack Obama's signature issues. If so, the president can thank Democratic liberals, who are engaging in one of their first big cases of overreach.

Not that you couldn't see this coming even last year, when Speaker Nancy Pelosi engineered her coup against former Energy chairman John Dingell. House greens had been boiling over the Michigan veteran's cautious approach to climate-legislation. Mr. Dingell's mistake was understanding that when it comes to energy legislation, the divides aren't among parties, but among regions. Design a bill that socks it to all those manufacturing, oil-producing, coal-producing, coal-using states, and say goodbye to the very Democrats necessary to pass that bill.

Such sense didn't deter Mrs. Pelosi, who first tried an end-run around Mr. Dingell in 2007 by putting Massachusetts Rep. Edward Markey in charge of a new global-warming committee. When that didn't get her a bill, she helped her fellow Californian, Mr. Waxman, unseat Mr. Dingell. Environmentalists threw a party, and the Waxman-Markey duo got busy on legislation to please their coastal crowds.

Cap and trade was already going to be a brawl, but the two upped the ante by including tougher targets and restrictions. If that weren't enough, they rolled in every other item on the green wish list: a renewable electricity standard; a low-carbon fuel standard; a broader renewable fuels policy; new efficiency standards. Any one of these is a monumental fight on its own. Put together they risk an intra-party committee mutiny.

There's Mr. Matheson, chair of the Blue Dog energy task force, who has made a political career championing energy diversity and his state's fossil fuels, and who understands Utah is mostly reliant on coal for its electricity needs. He says he sees several ways this bill could result in a huge "income transfer" from his state to those less fossil-fuel dependent. Indiana Democrat Baron Hill has a similar problem; not only does his district rely on coal, it is home to coal miners. Rick Boucher, who represents the coal-fields of South Virginia, knows the feeling.

Or consider Texas's Gene Green and Charles Gonzalez, or Louisiana's Charlie Melancon, oil-patch Dems all, whose home-district refineries would be taxed from every which way by the bill. Mr. Dingell remains protective of his district's struggling auto workers, which would be further incapacitated by the bill. Pennsylvania's Mike Doyle won't easily throw his home-state steel industry over a cliff.

Add in the fact that a number of these Democrats hail from districts that could just as easily be in Republicans' hands. They aren't eager to explain to their blue-collar constituents the costs of indulging



NSMBuzz 1208 - Continued

Mrs. Pelosi's San Francisco environmentalists. Remember 1993, when President Bill Clinton proposed an energy tax on BTU's? The House swallowed hard and passed the legislation, only to have Senate Democrats kill it; a year later, Newt Gingrich was in charge. With Senate Democrats already backing away from the Obama cap-and-trade plans, at least a few House Dems are reluctant to walk the plank.

Rumors were in fact flying earlier this week that Mr. Markey might have to postpone next week's subcommittee markup. For now, he and Mr. Waxman are busy trying to buy or arm-twist votes. They have some potent tools, in particular the enticement of giving some carbon-emission permits away for free, or allocating them to specific industries. Yet having set expectations so high, the duo risk losing liberal members if they give away too much.

The Obama team is aware it has trouble, which explains last week's well-timed Environmental Protection Agency "finding" that carbon is a danger. The administration is now using this as a stick to beat Congress to act, arguing that if it doesn't the EPA will. (Reality: Any EPA actions will be tied up in court for years.) It also helps explain EPA's Monday analysis claiming the legislation won't cost all that much. (Reality: The agency could only make this claim by assuming an endless recession.)

The real risk to the president is that his bill goes down at the hands of his own party -- with nary a Republican to blame. Whether Mrs. Pelosi and Mr. Waxman considered this as they crafted their gem is unclear. But the overreach has made it a possibility now.