



ALLIANCE
FOR MARKET
SOLUTIONS

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ICYMI, in [National Journal](#):

Wednesday Q+A With Alex Flint

By Brian Dabbs

Conservative advocacy groups and business leaders are flooding Capitol Hill to push Republicans to support a carbon tax. Alex Flint, executive director of the Alliance for Market Solutions, is front and center in the discussions. Flint spoke with Brian Dabbs late last month to discuss the group's embrace of climate science and support for a revenue-neutral carbon tax. The interview has been edited for length and clarity.

What is the primary focus of your outreach to Republicans?

We were impressed when we first started two years ago that we were not debating the science with Republicans when we met with them privately. As the science has become clearer, and as the consequences become manifest, we've recognized that we need to take the party to a different position. That's really the meat of the conversation. As Republicans, what do we do when we recognize that the climate is changing? Many Republicans are reluctant to discuss a tax policy as the right response, and yet it is the most efficient response, per most economists.

Republicans on Capitol Hill right now mostly say they want to address climate change through low- and no-carbon innovation like advanced nuclear and carbon-capture technologies. What do you say to those who think that boosting research and development is sufficient?

The challenge for policymakers is the way to drive that innovation. And there really are three tools available to policymakers. One is regulation. We can limit or prohibit the use of certain technologies or certain fuels. And we can do that with the Clean Power Plan or [Corporate Average Fuel Economy] requirements or other things like that.

We can incentivize with production tax credits and investment tax credits. The challenge in that space is the scale of the problem. The country is running a trillion-dollar-a-year deficit, and contemplating using general-fund tax dollars to subsidize the energy marketplace enough to drive the innovation necessary is daunting. And we don't have that much cash at this point.

And so, what we're left with is a discussion of how we can create a market that drives demand for innovative technologies. A tax on carbon pollution does that.

You're calling for revenue neutrality. Have you seen a sensible proposal that pairs reductions in income and corporate taxes with a carbon tax?

A tax should be revenue-neutral because we're fiscal conservatives; we're not interested in growing the size of the federal government. Our suggestion is to use the revenue to offset other taxes—so, reduce taxes on earnings and income. That conversation generally gets a pretty good reception. It's not completely ripe yet. It's an evolving conversation, but that as an alternative to regulation and subsidies is pretty well received in some circles. ... The short answer: No. No, there's not an optimal carbon-tax proposal that is out there today.

[Read the full article here.](#)

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[Alliance for Market Solutions](#) (AMS) is an organization of conservative leaders with experience in business, government, and the intellectual community who know that markets and economic incentives are the most powerful drivers of change and are more efficient and effective than top-down regulation. We aim to educate conservative policymakers on the benefits of market-oriented solutions to one of America's most pressing economic challenges: advancing clean energy and reducing carbon pollution.

The carbon tax policy we support is consistent with a pro-growth conservative agenda. It would replace costly regulations and prevent new regulations from burdening families and job creators. And it would eliminate economically harmful taxes on investment and family incomes.

AMS is a 501(c)(3) non-profit educational organization. We don't engage in electoral politics on behalf of any candidate, campaign or party. We are recruiting allies and developing policy analyses to help conservative policymakers consider a pro-growth, conservative carbon tax policy.