

# Green New Deal: Ain't New, Green — or The Clean Capitalist Real Deal

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Green New Deal cheerleaders — led by rookie socialist Rep. Alexandria Ocasio-Cortez — insist we need bold policy innovation to address the runaway impacts of pollution on health and climate. The trouble is, the free market policy innovation we need won't be found in the socialist playbook.

Trial-and-error New Deal programs failed to end the Great Depression but created a welfare state. A quasi-socialist Green New Deal will likewise fail to cure climate change, but might just trigger economic catastrophe, as in Greece or Venezuela.

Green New Deal “innovation” for AOC and followers means a mashup of tired, old climate proposals with an off-topic wish list of leftwing programs, like healthcare and welfare for all. This rebranded big government smorgasbord seems sure to further alienate moderates and conservatives, and make environmental consensus even more difficult.

Worse, the actual climate proposals in the GND grab bag have passed their sell-by date. Carbon taxes, offset markets, ever higher emissions standards, and massive direct spending on renewable energy and efficiency via subsidies and mandates — these market forcing policies have always had admitted drawbacks. But 10 years ago, these were the only way to support unprofitable but necessary clean technologies.

Such policies are now increasingly obsolete. No need to force it. Clean capitalism is now profitable. Unsubsidized wind and solar power have now both become cheaper than fossil fuels at utility scale since 2015. Many energy efficient products, waste-reducing investments, and a vibrant new \$167bn Green Bond market show growing profits.

Sure, we'd still best upgrade to a low-carbon, pollution-free economy, ASAP. But now, our challenge has changed: to accelerate profitable — not unprofitable — clean investment. Sticks, barriers, and complex price adjustmentschemes harm growth, without helping technologies already in the money. We need pro-growth strategies to accelerate human and financial capital flows to profitable clean free enterprise.

We can do so most directly by removing ALL THE BARRIERS to clean capital flows — including taxes and tariffs, corruption and cronyism, regulatory excess and complexity, authoritarian oppression and economic exclusion. To mobilize the trillions of dollars of capital needed to finance the conversion to a low carbon, pollution-free global economy — and to enlist the billions of people striving for prosperity and freedom — we should simply expand freedom and unburden profit in the direction of clean capitalism.

To achieve sustainable growth and prosperity, we must get clean market liberalization right. For that, we desperately need pioneering policy innovation.

First and foremost, tax rates on new and growing clean profits offer an entirely new, previously unavailable policy lever, ideal for capital acceleration. And fair too, because why should pollution-free enterprise pay the same tax rates as free rider polluters, who dump costly damages on citizens and taxpayers?

In 2016, Grace Richardson Fund proposed Clean Tax Cuts (CTC) — tax rate cuts on clean investment profits — as fresh, fertile ground for collaborative policy innovation. Accelerating the natural dynamic of capitalism, Clean Tax Cuts reward and scale up the most profitable waste-free solutions fastest, boosting GDP while driving down costs of clean energy and products for everyone.

CTCs differ from renewable energy tax credits. Designed to promote the unprofitable, complex credits subsidize a very few ultra-rich investors, traders and lawyers. Unfortunately, they constrict market participation and GDP for everyone else. CTC tax rate cuts, by contrast, boost only the profitable, and open market participation by design.

Clean Tax Cuts also flips the carbon tax from stick to carrot. While not just about carbon, CTC also transforms carbon pricing from tax-barrier, to tax-barrier-buster, so reversing all the opposition-inducing, stagflationary carbon tax impacts that hurt everyone, especially the poor.

Over 300 scholars and think tanks have participated in “charrette” working groups to design specific CTC proposal for various economic sectors, as well as national and international markets. The best Clean Tax Cut mechanisms to emerge also finesse many other barriers — those mentioned above, plus those created by harmful, inefficient or obsolete policy.

For example, the new Clean Free Market Act overcomes multiple barriers. It kickstarts a global clean free market, via a simple, reciprocal international tax and tariff exemption on pollution-reducing investments, assets and products, to leverage and unleash massive human and financial capital flows. The proposal maximizes citizen participation while spreading free markets and clean solutions side by side.

A new Clean Capitalist Coalition of think tanks and scholars — many shaping their own proposals, and even Congressional bills — have come together around ideas like this. They share an insight and innovation strategy: The same laissez-faire, barrier-busting principles that unleashed the freedom, opportunity and prosperity of democratic capitalism, can now accelerate clean capitalism.

The clean capitalist real deal is pretty simple. Clean free enterprise will save the planet. Just get government out of the way.

And ditch the climate socialism.

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