

# taxing times

There is a growing belief that taxing emissions will lead not just to greater investment in low carbon technologies, but more importantly, wider adoption; when you start hitting people's pockets for their energy production and consumption you change their behaviour into the bargain. But that's not the whole story according to Charles Komanoff who believes that the time is right to set about taxing our carbon emissions.

**IF, AS SEEMS** evident, 2006 was the year in which serious debate ended on the imminence of the climate crisis, then 2007 was when the need to put a price on carbon emissions became broadly understood. No one with the least grasp of climate issues and energy policy now doubts that sharp cuts in carbon require charging a steep price to emit CO<sub>2</sub>. Without that, even the most meticulous patchwork of efficiency regulations, renewables quotas and low-carbon-energy R&D will not be nearly sufficient to meet 6.5 billion people's ruthlessly rising demand for energy services without adding to atmospheric carbon.

Will this be the year then for choosing between carbon cap-and-trade schemes and carbon taxes, the rival approaches for pricing carbon emissions? Not likely, at least in the United States. As you've probably noticed, US politics are largely broken, and what little is intact is pinned down in presidential campaigning and unlikely to delve into finer points of policy. The decision on carbon pricing is likely to come in 2009–2010, with a new president, a new Congress and, perhaps, a renewed sense that reckoning can't be put off any longer.

To this writer, the persistence of support for carbon cap-and-trade remains somewhat of a mystery. True,

