

US public backs carbon tax, and spending revenue on renewables

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The majority of the US public is in favour of a tax on fossil fuels, provided the money goes into clean energy and infrastructure, according to a new study.

The Yale University study surveyed Americans' willingness to pay a [carbon](#) tax, and their preferences on how any [revenue](#) should be spent. The results were published today in the journal *Environmental Research Letters*.

Lead researcher Professor Matthew J Kotchen said: "The idea of a carbon tax is not new, and indeed has been advocated by some senior conservative leaders in the US, with a dividend being rebated to American households.

"What we aimed to find out, however, was whether there was support among the American public for a carbon tax to address climate change. Specifically, we also wanted to discover how much they were willing to pay, and how they would prefer the revenue from the tax to be used."

The researchers carried out a nationally-representative survey of 1,226 American adults, aged 18 and over. The survey introduced the idea of a carbon tax to combat [climate change](#), and then asked respondents how they would like to see the revenue used if such a tax were implemented. Respondents were given 10 different expenditure categories and asked to indicate whether they would support or oppose each one.

Professor Kotchen said: "We found the greatest level of support - nearly 80 per cent - was for the revenue to be used in the development of [clean energy](#), and for improvements to US infrastructure like roads and bridges.

"With the average American household willing to pay a mean amount of around \$177 a year in carbon tax on their energy bills, this equates to around \$22 billion that could be spent on

investments in clean energy and infrastructure, among other sectors as well.

"Interestingly, our analysis indicates strong public support - more than 70 per cent - for using some portion of the carbon-tax revenue to compensate coal miners whose jobs may be affected by a reduction in the use of [fossil fuels](#). By our calculations - based on the number of workers carrying out coal extraction - there would be enough revenue from this tax to compensate all coal miners with nearly US\$146,000 upon passage of the tax."

The research found that the 'willingness to pay' of Americans was actually less than the proposed carbon tax price described in the influential "The Conservative Case for Carbon Dividends" report from the Climate Leadership Council's report in Feb 2017.

But Professor Kotchen said: "It's worth keeping in mind that their proposal is for a wider-ranging carbon tax on all goods and services, with dividends paid back to households from the revenues raised, so a direct comparison is more difficult.

"Our study asked specifically about a tax on [energy](#) bills, and the responses we received showed a minority of support for any form of dividend to be paid out. We believe that, with current interest about a [carbon tax](#) as a 'Republican climate jailbreak strategy', our findings may have significant policy implications."

More information: 'Public Willingness to Pay for a U.S. Carbon Tax and Preferences for Spending the Revenue' 2017 *Environ. Res. Lett.* 12 094012 [DOI: 10.1088/1748-9326/aa822a](https://doi.org/10.1088/1748-9326/aa822a)

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