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## Will climate change legislation encourage innovation?

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How will the Waxman/Markey climate change bill affect agriculture? Last week Agriculture Secretary Tom Vilsack said the result will be “a new American economy, an economy that moves away from pollution and waste to an economy that really focuses on clean energy, clean jobs, reducing waste, greater efficiency, more conservation, and what are enormous opportunities.”

Vilsack told questioners at the Chicago Council on Global Affairs that “You can’t assume a static condition. The problem with this debate so far is that everyone is looking at the world as it is today and not understanding and appreciating that we’re actually going to improve the world as it will be tomorrow.” Going into more detail, he predicted that “we’re going to learn a great deal more about fertilizer in the next 10 years or the next 20 years. . . We’re going to see ways in which people will be incentivized to use it differently, to use it in different quantities and different places. . . Clearly, if everything remains the same, there will be some impact on the cost of fertilizer. But I’m not willing to concede that everything is going to stay the same.”

Vilsack predicted that properly structured climate-change legislation “will encourage us to be innovators. It will stretch our thinking. . . And I think American agriculture is going to do well.” Specifically, he called the bill’s creation of carbon offset credits which farmers can sell “a tremendous opportunity for American agriculture.” Noting that farmers earn \$4.7 billion a year from current conservation programs, he said “offsets could be substantially greater than that, can produce additional income opportunities, can create opportunities for greater diversity in agriculture.”

Calling the Waxman/Markey bill passed by the House June 26th “a positive first step,” Vilsack predicted that a final version worked out with the Senate will become law. When this law is implemented, he said, problems may emerge, “at which point we may have to make adjustments. There is no such thing as a perfect bill. You are constantly trying to make improvements. But what we don’t want is for people to believe that we could do nothing” because “the problem is not going to go away.”

Vilsack warned that doing nothing to counteract climate change would signal the rest of the world that the U.S. is no longer willing to accept a leadership role. And if U.S. isn’t leading the way with strong climate-change policies of its own, it will be in no position to

ask other countries to take action to combat “the temperature increase anywhere from two to seven degrees,” increasing animal and human disease, rising sea levels which threaten “massive outmigration,” and “changing growing seasons.” He asked “**Are we prepared to essentially say in the Midwest that we’re really not going to be a grain producer any more?**”

Forecasting “new jobs, new industries, new businesses that are going to be started that will provide a dynamic to this economy,” Vilsack said President Obama “has a very clear vision of a stronger, greater world leadership for this country and he is putting it in action.” He said Obama has confidence that the America people have the strength and ingenuity to achieve “healthcare reform and climate change all in the same year” because “This is America! Of course we can do it. That’s why this country has always been the innovator. . .”

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