

U.S. Views on the Trade and Climate Policy Nexus

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Executive Summary

As international actors, notably the European Union, begin to codify the next generation of their own climate change mitigation policies, the United States needs to explore which policy responses are most feasible within both multilateral frameworks and the domestic political atmosphere. Early action by the administration suggests its prioritization of climate change includes a protectionist tilt in its trade policy that aligns with a growing view in the U.S. Congress that the government must do more to support innovation in green technology and key industries in response to the climate crisis, as well as to better compete with China. Such a tilt may make the process of reaching international agreement on a common approach to climate trade policy more difficult. However, both the Biden administration and the political climate, including Republicans in Congress, favor incentives over compulsory regulatory measures. This paper, the first of two, analyzes the domestic politics at the nexus of the Biden-Harris administration's policies on trade and climate. The second paper will analyze the diversity of views among climate and trade policymakers and how they intersect with those in Europe and China.

Introduction

THE NUMBER ONE ISSUE FACING HUMANITY

During the 2020 presidential campaign, Joe Biden **declared** climate change the “number one issue facing humanity.” As president, he has repeatedly **expressed** his **conviction** that climate change requires concerted action at both the domestic and international levels. The Biden-Harris administration’s “whole-of-government approach to the climate crisis” **includes** a shift in international trade policy to utilize existing trade mechanisms in fighting climate change. This approach underscores the administration’s recognition that climate change transcends national boundaries and therefore requires coordinated international action. Together with domestic tools such as government procurement, subsidy reform, and incentives, trade policy plays a central role in elevating international standards, deploying green finance, and building resilient supply chains. The Biden-Harris administration has also expand-

ed traditional notions of trade policy to include social justice goals, including advancing labor rights and racial equity.

At the same time, Biden must contend with the fact that public opinion in the United States does not yet reflect his urgency. In a 2021 Pew Research Center [poll](#) on Americans' priorities, the public ranked climate change 15 out of 19 in importance. Only 38 percent of Americans say dealing with climate change should be a top priority for Congress, and beliefs differ starkly between the two parties: 59 percent of Democrats ranked climate change as a top priority, versus only 14 percent of Republicans. This partisan divide over climate extends into Congress. The most ambitious climate hawks in Congress have repeatedly called for passing a package as high as [\\$10 trillion](#), where moderate Democrats prefer a substantially smaller package closer to \$2 trillion. This striking difference among members of the same party portends a tumultuous legislative session as progressives negotiate with fiscal hawks within their own party and across the aisle, likely putting major components of Biden's climate plan out of reach.

In addition, Biden and other leaders of developed nations will eventually have to deal with developing countries' complaints that climate mitigation actions will hinder their industrial growth and development. Despite recognizing climate change as a problem of the global commons, many developing countries are not ready to move beyond blaming the problem on rich countries and focus on what actions they need to take. Furthermore, global leadership on climate mitigation is complicated by the fact that polluters have typically been democratic countries, and major polluters of the future are likely to be authoritarian governments.

Overall, the key target in President Biden's [climate plan](#) is to transition to a clean energy economy with net-zero emissions by 2050. One of the administration's intermediate goals is for the U.S. electricity grid to be entirely [carbon-free by 2035](#). It is also pushing for a [federal mandate](#) for the United States to produce at least 80 percent of its electricity from emissions-free sources by 2030. (In 2020, approximately 60 percent of [U.S. electricity generation](#) was from fossil fuels such as natural gas, coal, and petroleum, and 20 percent each was from nuclear and renewable energy sources.) Achieving these climate goals will require investment on an unprecedented scale. Of the White House's \$2 trillion [American Jobs Plan](#), roughly \$900 billion is [climate-related](#). Questions abound as to how much President Biden can achieve—or to what degree domestic political pressures may stymie the administration's efforts. The 2050 targets are extremely ambitious, and reaching them will demand both very large and very fast changes to the U.S. economy and society. The Biden-Harris administration appears to recognize that the transition will create winners and losers and that policy must cushion the impact on the latter.

What emerges from the Biden climate agenda is that both the administration and Congress, including Republicans, favor incentives over compulsory measures such as strict regulation. However, these incentives-based policies encounter budget and spending challenges that may make them hard to attain in Congress. Trade incentives largely entail subsidies, both removing harmful ones and implementing good ones, both of which raise legal issues within the World Trade Organization (WTO). The administration and Republicans alike are averse to direct climate policy sticks, meaning that the trade politics of stronger regulatory mechanisms could be influenced by what other countries are doing. If others, namely the European Union, proceed with a carbon border adjustment mechanism (CBAM), both U.S. parties may become more amenable to using carbon border mechanisms as defensive measures against both the European Union and countries with lower climate standards. Outside of comprehensive policies, such as subsidies or a CBAM, international partners are more likely to find common ground in, for example, pursuing sustainable development goals.

BUILD BACK BETTER

Prioritizing economic recovery and growth, President Biden has [integrated](#) significant climate objectives

into his **Build Back Better** agenda, a three-part package that includes the American Rescue Plan, the American Jobs Plan, and the American Families Plan. Biden's agenda promotes investment in green technology and renewable energy while aiming to reduce carbon emissions and dependence on fossil fuels. Politicians in both parties are concerned the energy transition will take place at the expense of jobs connected to traditional fuel sources such as oil, gas, and coal—particularly because fossil fuel jobs pay better wages and support local communities with tax and other forms of revenue. Lest the transition render these communities economically nonviable, the administration will need to ensure fossil fuel workers find jobs in the renewable energy sector.

To smooth this transition, Biden has **called** for significant investment in rural communities, including those impacted by the shift to clean energy. The president's **Justice40** pledge, which promises that 40 percent of climate-related benefits will go to disadvantaged communities with higher rates of pollution, reflects the view that the U.S. energy system has built-in inequities, which must be addressed as the country transitions. Biden's American Jobs Plan includes a \$16 billion investment to create hundreds of thousands of jobs plugging oil and gas wells and cleaning up abandoned mines, a \$40 billion investment into sector-based training and reskilling programs, and a commitment to ensuring that displaced workers receive the pensions and health benefits they have been promised. Additionally, Biden has **pledged** federal support to communities built around traditional fuels to diversify their economies, upskill their workers, and improve their infrastructure.

GLOBAL LEADERSHIP

Beyond domestic policy, Biden's international climate objectives are also part of his determination to restore U.S. global leadership. Biden demonstrated this intention by reentering the Paris Agreement on his first day in office and hosting the Leaders Summit on Climate in April. These immediate steps highlight that Biden's plan to prove to the world that "America is back" includes strong action on climate change, which he recognizes as a problem of the global commons that can only be successfully mitigated multilaterally. Therefore, raising environmental discipline in trade agreements and other international negotiations, as well as supporting sustainable international development, are necessary components of a comprehensive climate policy. Trade incentives alone will not solve climate change but will be integral to an approach that leverages international engagement, investment, and industrial policy.

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The breadth of the Biden-Harris administration's commitments regarding domestic and international action on climate means this agenda will face significant obstacles along the path to net-zero emissions. Domestically, the administration needs to navigate political tensions regarding displaced fossil fuel industry jobs, reduced earnings for "traditional" energy companies, and the cultural collision between environmentalists and those who prefer fossil fuels. Globally, the administration will also need to demonstrate the United States' commitment to fighting climate change and encourage other countries lagging in their climate targets to undertake their own aggressive measures to reverse the race to the bottom. Persuading other countries to adjust standards and emissions targets will be even more difficult if the United States cannot produce sweeping policy changes at home. Furthermore, the increasingly protectionist political atmosphere, both at home and abroad, threatens the Biden-Harris administration's trade policy objectives of promoting sustainable development and strengthening

trade in environmental goods and clean technology. China's role as the world's greatest polluter—but also as a front-runner in global renewable energy production—adds to bipartisan concerns in Washington about U.S.-China competition.

At the current rate, the world will reach the critical threshold of carbon dioxide (CO₂) emissions exceeding **450 parts per million by 2031**, meaning countries must take immediate action to meet their climate targets. Institutionalists are keen to leverage existing international rules to work together to combat climate change, viewing a multi-faceted, global approach as best suited to reducing global carbon footprints. Others believe the world will only achieve adequate carbon reduction if each country is free to pursue climate policies that maximize its domestic political support. This approach, which would likely be more nationalist and protectionist, raises important questions about whether trade facilitates or obstructs good climate policy—and what consequences pursuing climate policy within the global trading system will have for future economic growth.

This paper will investigate policy proposals to address climate change in the context of domestic and international political tensions, with a focus on trade policy. It explores the intersection of domestic climate objectives and trade policy in current U.S. discourse, contrasting the policy options of the executive and legislative branches and presenting the views of major political actors on key climate and trade objectives. Specifically, this paper analyzes a menu of climate and trade policy actions that the executive branch can take unilaterally and those that require congressional action, as well as the main tensions surrounding each. A subsequent paper will discuss the politics of climate policy in the United States, how it is influenced by relationships with the European Union and China, the probability of implementing various climate policies, and their potential effects on global trade.

Executive Branch Policy Options

BIDEN'S WHOLE-OF-GOVERNMENT APPROACH

The United States **left** the Paris Agreement in November 2020 under then president Donald Trump, but Biden reentered the treaty on January 20, 2021, his first day in office. The Paris Agreement is a legally binding treaty on climate change adopted by 196 parties under which each party must submit plans, or “nationally determined contributions” (NDCs), to promote sustainable development and reduce carbon emissions in order to limit global warming to “well below 2°C above pre-industrial levels.” In a bid to meet these obligations and compensate for the previous administration's opposition to climate action, the Biden-Harris administration has made climate a priority throughout the executive branch. There are many benefits to utilizing executive-branch power to fight climate change, namely that such policies can be implemented relatively quickly and without congressional action.

Overall, learning from the Obama administration that disincentives, or “sticks,” can be very costly politically, the Biden administration has so far favored incentives, or “carrots,” to achieve its domestic climate goals. The administration emphasizes incentivizing private investment—in contrast to progressive proponents of the **Green New Deal**, which relies on direct government investment to create “a new national, social, industrial, and economic mobilization on a scale not seen since World War II.” Biden has never explicitly endorsed the Green New Deal, and while the progressive wing of his party has clearly pulled him toward greater government intervention on climate, his moderate inclinations mean a key philosophical difference will likely persist between the administration and left-leaning Democrats.

The executive branch does have significant rulemaking and regulatory authority, and the administration is trying to do as much as it can with the levers available to it. As part of its whole-of-government approach, the Biden-Harris administration has ordered the Environmental Protection Agency (EPA), the Department

of Energy (DOE), and other agencies to implement more stringent greenhouse-gas and methane emissions standards for power plants and oil and gas production, as well as establish vehicle and appliance efficiency standards. The administration has also proposed changes in other entities, including directing the Department of Justice to elevate the importance of climate, and committed to the Justice40 Initiative, which would direct 40 percent of all climate-related spending to environmental justice initiatives and frontline communities. Nevertheless, large-scale climate actions, including the administration's proposed clean-electricity standard, will rely on federal funding and thus require congressional approval. Moreover, while the executive branch can incorporate climate measures—including expanding the [EPA's annual budget](#) and directing funds toward clean energy research and development (R&D)—into its spending priorities, Congress ultimately wields the power to approve any budget measures.

With respect to foreign policy, the executive branch can commit to multilateral accords, such as the Paris Agreement, and introduce climate-specific language in free trade agreements. The executive branch could also encourage Congress to pursue a CBAM, which the Biden administration has considered supporting but remains unlikely to endorse.

Tackling the Climate Crisis at Home and Abroad ([Executive Order 14008](#)), signed during Biden's first week in office, directs the federal government to give climate mitigation a leading role in both national security and foreign policy considerations, requiring agencies to conduct 120-day assessments of the impacts of climate change. It states:

It is the policy of my Administration to organize and deploy the full capacity of its agencies to combat the climate crisis to implement a Government-wide approach that reduces climate pollution in every sector of the economy; increases resilience to the impacts of climate change; protects public health; conserves our lands, waters, and biodiversity; delivers environmental justice; and spurs well-paying union jobs and economic growth, especially through innovation, commercialization, and deployment of clean energy technologies and infrastructure.

Section 203 of the executive order creates a National Climate Task Force, which will consist of 21 heads of agencies, from the Departments of the Treasury and Agriculture to the Office of Science and Technology Policy. This top-down approach to climate governance has had tangible effects throughout the executive branch, such as by directing agencies to protect air from harmful pollutants and encouraging government procurement of environmental goods. The administration is also poised to implement stricter limits (compared to the Obama administration) on [carbon emissions](#) from power plants and on [methane emissions](#) from the oil and gas industry.

The Biden-Harris administration has aggressively pursued climate action at the executive level and worked to reinstate regulatory measures jettisoned under the Trump administration. One tool it has used is the revocation of permits for pollution- and carbon-intensive projects. Among the most famous of these is the [Keystone XL Pipeline](#), which announced plans to halt the project in June 2021 following the loss of its transnational permit. The administration also [announced](#) the suspension of oil drilling leases in the Arctic National Wildlife Refuge. However, [legal actions](#) initiated by industry groups and Republican-led states continue to slow the administration's ability to initiate broad regulatory changes. Furthermore, the courts will ultimately play a significant role in defining, for example, how the EPA can wield its [regulatory power](#) to institute emissions restrictions.

Clearly, executive authority is not limitless, and the Biden-Harris administration will require input and funding support from Congress. While the political parties diverge on how to manage the climate crisis,

there may be bipartisan agreement on proposals that include expanding the nation's storage capacity, investing in carbon capture technology, and promoting the deployment of electric vehicles (EVs). Some of these initiatives were already enacted late in the Trump administration as part of the [Energy Act of 2020](#), which sought to modernize U.S. energy policies. However, the 2020 legislation was largely focused on innovation, which—while critical to future decarbonization—is the lowest common denominator on which Congress can agree. Enacting climate legislation commensurate with Paris Agreement targets will be much more difficult. The executive branch can also declare a climate emergency through the [National Emergencies Act](#), which would allow it to reallocate federal funds toward climate mitigation and limit fossil fuel imports and exports—but, given the administration's preference for incentives-based climate policy, declaring a national emergency remains highly unlikely.

“BUY AMERICAN,” INDUSTRIAL POLICY, AND SUPPLY CHAINS

President Biden has prioritized strengthening “[Buy American](#)” rules—policies that require government agencies to favor domestically manufactured products in federal contracts—as a key feature of his climate platform. The policy is a hallmark of his messaging that the clean energy transition will create “jobs, jobs, jobs.” This pivot toward domestic production requirements is an attempt to reframe climate mitigation efforts to voters while responding to domestic political pressure from the progressive wing of the Democratic Party. It is also a response to U.S. manufacturers, who have seen the sector decline as a share of gross domestic product (GDP) over the past two decades while the trade deficit in manufactured goods widens—meaning this policy is not just politically motivated, but increasingly economically motivated. In his [speech](#) to a joint session of Congress on April 28, 2021, the president claimed, “There is simply no reason why the blades for wind turbines can't be built in Pittsburgh instead of Beijing. . . . There's no reason why American workers can't lead the world in the production of electric vehicles and batteries.” This explicit pivot toward domestic production highlights the growing appetite in the United States to re-shore manufacturing not only to create more jobs but also to address demands for greater supply chain resilience in the wake of the Covid pandemic as well as the security challenge posed by China.

“Buy American” is rhetorically and politically appealing, and it appears to enjoy rare [bipartisan approval](#). It could help build economies of scale, generate learning by doing, and provide stable demand for early-stage clean energy technologies. Business groups such as the [U.S. Chamber of Commerce](#) have been more restrained in their outlook about the potential benefits of re-shoring measures, fearful these requirements will increase costs while benefiting competitors with cheaper exports, such as China. Additionally, in some sectors, particularly the fast-growing U.S. [solar panel industry](#), [significantly more jobs](#) exist in sales, installation, and maintenance than in manufacturing, which is dominated by imports from China. The result is a difficult balancing act between purchasing U.S.-made clean energy equipment, such as wind turbines and solar panels, and speeding the urgently needed clean energy transition. As a practical matter, Republican votes will be necessary to advance the president's plans in a closely divided Congress, meaning a bipartisan compromise would ultimately be far less ambitious than Biden's climate agenda.

Biden's climate strategy significantly prioritizes batteries and EVs. Transportation is the largest emitting sector in the United States, and the automobile manufacturing industry is both one of the largest potential winners and losers in a clean energy transition. In his January [executive order on climate](#), President Biden encouraged developing a plan for the entire U.S. government fleet of nearly 650,000 vehicles to become electric. However, [lawsuits](#) have stalled the production of 180,000 new vehicles for the U.S. Postal Service (USPS) because Oshkosh, which won the \$6 billion contract, could only commit to producing 10 percent of the fleet as EVs. If USPS is not pursuing a fully electric fleet, it is difficult to see how more systemic electrification would occur throughout the U.S. government.

To help enhance domestic production of green manufactured goods, including EVs and batteries, the administration can adjust intellectual property (IP) rights under the [Bayh-Dole Act](#). Passed in 1980, Bayh-Dole grants universities, nonprofit research institutions, and small businesses the ability to own, patent, and commercialize inventions that were developed using federal funding. The act also provides for the modification of a patent owner's rights under the “[exceptional circumstances](#)” clause, which grants the government significantly more leeway over IP, including allowing it to restrict or eliminate IP rights in certain instances. Notably, a declaration of exceptional circumstance (DEC) is prospective rather than retroactive, and organizations must provide a plan to manufacture their goods domestically prior to receiving grant money, which may raise questions about compatibility with WTO subsidy rules. DEC's have been implemented several times, most recently following the release of the Biden-Harris administration's 100-day supply chain [report](#), when the DOE [announced](#) it would strengthen manufacturing requirements for federally funded projects by invoking this clause.

In addition to political obstacles to EV manufacturing, the difficulties of acquiring enough rare-earth minerals to transition away from combustion engines further complicates the administration's agenda. A typical EV requires six times the number of mineral inputs as a conventional automobile does. Key minerals for EVs include copper, lithium, nickel, and cobalt, none of which is produced in significant quantity within the United States. The United States produces just 2 percent of the world's lithium, for example, and environmentalists and tribal nations have opposed the opening of new mines. The country [imports](#) over 50 percent of the metals and minerals required for EVs, meaning the Biden-Harris administration must work strategically to ensure resilient supply chains for them. Facing limited domestic supply and virtually no domestic processing capacity, the administration in its critical supply chain [report](#) urged the new supply chain trade strike force to examine unfair trade practices, such as export bans, that negatively affect the United States' ability to import rare-earth minerals. However, the administration's approach to climate change underscores an inherent contradiction at the heart of a sustainable trade policy: the energy transition cannot occur without a steady supply of rare-earth minerals.

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TRADE POLICY

During its first few months, the Biden-Harris administration made clear that its trade policy would not be “business as usual.” The administration has indicated it will use trade policy far beyond traditional elements of trade to advance environmental and social justice. However, the degree to which the administration will be able to bring about these policy changes through free trade agreements depends on what it will be able to get through Congress, which has historically had a more restrained approach to using trade to galvanize sweeping policy change.

The Biden-Harris administration regards lax labor and environmental standards as having facilitated a “[race to the bottom](#),” the idea that foreign governments deregulate to attract foreign investment and make their exports cheaper, leading to weaker product quality and environmental degradation. A core component of the administration's trade agenda is to ensure that trade helps improve and enforce higher standards, including environmental ones. If it negotiates new trade agreements, the administration has indicated

it will include ambitious environmental standards, recognizing that climate action requires international coordination. In a speech at the Center for American Progress on April 15, U.S. Trade Representative (USTR) Ambassador Katherine Tai [said](#), “For too long, we believed that trade liberalization would lead to a gradual improvement in environmental protection as countries grew wealthier from increased trade flows. But the reality is that the system itself creates an incentive to compete by maintaining lower standards. Or worse yet, by lowering those standards even further.” This push to integrate climate as a core element of trade agreements will help pacify trade-skeptic progressives in Congress, but the underlying problem with this approach is that the Biden-Harris administration has no immediate plans to conclude new major trade agreements.

Republicans traditionally prefer to emphasize [expanding free trade](#) and limiting the scope of trade regulations, which historically have not included extensive environmental rules. This view remained evident in Congressional [deliberations](#) on the U.S.-Mexico-Canada Agreement (USMCA), as well as in the current debate over the requirements trading partners must meet to benefit from lowered tariffs through the Generalized System of Preferences program. Republicans in Congress and former USTR Ambassador Robert Lighthizer preferred not to prioritize environmental provisions in the USMCA but were forced to cede some ground amid mounting pressure from House Democrats. Conversely, environmentalists surrendered leverage early in the debate by announcing their immediate opposition to the deal. Ultimately, the USMCA’s environment chapter [included](#) increased monitoring and oversight mechanisms, as well as additional obligations and commitments to improve environmental standards regarding the illegal timber, fish, and wildlife trade. However, explicit mention of “climate change” was kept out of the final USMCA text at the behest of then president Trump and USTR Ambassador Lighthizer, despite a concerted effort by USTR Ambassador Tai, who at the time worked on trade policy in Congress. While these timber, fish, and wildlife provisions are not insignificant, environmentalists argue that broader and more direct climate change language would have strengthened the overall environmental integrity of the USMCA.

Nevertheless, there is bicameral and bipartisan support for rigorous enforcement of trade rules and trade agreements to curb abuses that make U.S. workers and manufacturers less competitive. The environment chapter of the USMCA, described by the [USTR](#) as the “strongest, most enforceable environmental obligations of any trade agreement,” represents a significant step toward subjecting climate change standards to trade enforcement procedures, similar to basic labor standards. Despite this step forward on enforcement, there are ongoing doubts about whether Republicans will be flexible on including environmental provisions in trade agreements. At the other end of the spectrum, environmentalists and progressives have historically been skeptical of trade agreements, which they view as displacing jobs and falling short when it comes to establishing and enforcing strong labor and environmental standards.

REGULATORY ASYMMETRY

Two of the United States’ top five import sources, Mexico and China, have not announced strict short-term emissions reductions targets. The potential asymmetry between these major trading partners’ regulatory regimes for carbon emissions could not only disadvantage U.S. producers, but also lead to carbon leakage, in which businesses facing strict emissions regulations move their carbon-intensive production processes to countries with less strict rules, causing emissions to “leak” across borders. A form of offshoring, carbon leakage could have significant economic and political consequences, particularly the loss of U.S. manufacturing jobs, if companies move their carbon-intensive manufacturing processes abroad. Additionally, less carbon-intensive U.S. products would be relatively more expensive than imports from countries with less strict regulatory regimes. The possibilities of carbon leakage and declining competitiveness of U.S. goods will increase political pressure within the United States to adopt a CBAM.

Differences in countries' short-term climate commitments could significantly harm U.S. producers of carbon-intensive goods over the next decade and facilitate a race to the bottom in international trade. While theoretical models and business lobbies regularly raise such "carbon leakage" concerns, there is [little empirical evidence](#) to suggest carbon-pricing policies or other climate commitments have a significant effect on output and emissions patterns. U.S. producers in all sectors will have to undertake potentially expensive investments to reduce carbon emissions during production, such as retrofitting factories with carbon capture, utilization, and storage (CCUS) technology. However, few of these firms compete on cost alone, and they would likely find it difficult to replicate other, favorable features of the U.S. business environment elsewhere. Further, the Biden-Harris administration's plan would offset some of these costs—for example, through [tax credits and subsidies](#) for businesses to upgrade equipment and deploy low-carbon technologies. However, at this point, there is no specific carbon tax or other cost imposed on industry, and the CCUS conversation largely centers around how to provide a significant enough credit for the sector to decarbonize on its own without regulation or carbon pricing schemes.

Furthermore, tightening Buy American rules by increasing [local-content requirements](#) for products to be considered "American-made" may actually complicate the role of trade in combating climate change. Changing content requirements will create more [headaches](#) for domestic manufacturers that rely on global supply chains and could slow down deployment of any renewable energy products made outside the United States. In addition, despite President Biden's claim in his speech to Congress that the Buy American principle "does not violate any trade agreement," some measures may ultimately conflict with U.S. obligations under the WTO [Government Procurement Agreement](#) (GPA) or existing trade agreements, potentially provoking [retaliatory measures](#) from allies and undercutting the clean energy transition.

The trade implications of incentives-based policies primarily involve subsidies. The Biden-Harris administration will need to exercise caution when implementing measures such as domestic-content requirements or government incentives for green technologies, since these policies can clash with [WTO subsidy rules](#). However, as a subsequent paper will address, China has demonstrated a distinct lack of caution when implementing such policies, potentially increasing pressure within the WTO to clarify existing environmental subsidy rules. The WTO divides subsidies into two categories: actionable and prohibited. A subsidy is deemed actionable if it has harmed a member state's domestic industry, which permits the injured country to impose countervailing duties on the subsidized product. Prohibited subsidies include those that require recipients to meet certain export targets or to favor domestic goods over foreign ones. For example, mandating domestic production of wind turbines as a condition for government financing of an offshore wind project would be prohibited under WTO rules.

Ironically, subsidies that directly harm the environment, such as [subsidized overfishing](#), are currently [less actionable](#) at the WTO than support to renewable energy producers because existing subsidy rules are based on their trade-distorting effects and not their environmental ones. In addition to the growing appetite to discuss fossil fuel subsidy reform within the U.S. government, the issue of environmentally harmful subsidies is becoming more prominent at the WTO, an effort New Zealand is leading. The United Kingdom, Iceland, and Switzerland have also explicitly mentioned environmentally harmful subsidies. Creating binding WTO rules to deal with environmentally harmful subsidies would fine tune otherwise broad commitments from the Asia-Pacific Economic Cooperation and the Group of 20.

The executive branch's significant rulemaking and regulatory authority extends throughout federal agencies, ranging from the DOE to the Department of Defense. However, while the Biden-Harris administration's agenda is relatively strong on climate change mitigation, it will need to work closely with both parties in Congress in order to achieve sweeping climate impact. Given the administration's preference

for large incentives—which invite budget and spending challenges—over increased regulation, it remains unlikely that systemic climate change policy will materialize in the near future.

Legislative Branch Policy Options

POLARIZED PARTIES

The immediate barrier to sweeping climate legislation is political polarization, with one party displaying little appetite for addressing the climate challenge. A 2021 [survey](#) by the Pew Research Center found that 57 percent of Democrats believe climate scientists know “very well” whether climate change is happening versus just 14 percent of Republicans. In Congress, representatives’ stances toward climate policy remain entrenched along party lines. Some Republicans regard the Biden administration’s climate approach as “[economy-crushing regulations](#)” that could lead to a sudden shutdown of the U.S. energy sector, leaving workers jobless. Representative Carol Miller (R-WV) [called](#) the plan “a Trojan Horse for radical Green New Deal policies that would destroy the energy industry.” The stark differences between the two parties regarding climate action make concluding any major deals, including on infrastructure or grid modernization, very difficult. Democrats in Congress have demonstrated a willingness to negotiate with Republicans, for example on infrastructure, and accept legislation that is much more limited in scope. However, progressive members in both the House and Senate, who view the meager climate language in the recently announced Bipartisan Infrastructure Framework as woefully inadequate, have vowed to vote against any infrastructure bill that lacks strong climate provisions. Inaction in Congress will leave the administration with little choice but to go forward with executive branch policies, which risk being overturned by the judiciary and remain dependent on congressional funding.

The immediate barrier to sweeping climate legislation is political polarization, with one party displaying little appetite for addressing the climate challenge.

Democrats have historically been the primary proponents of strong climate action, but a small number of Republicans are engaging on climate issues, fearing that inaction is hurting them politically. Other Republicans want to be viewed as leaders on climate—as long as they can focus on “innovation” and avoid more controversial climate measures. [The Energy Act of 2020](#) is an example of the serious limitations of bipartisanship in Congress. The bill, led by moderates Joe Manchin (D-WV) and Lisa Murkowski (R-AK) in the Senate, prompted the DOE’s Office of Fossil Energy to focus on carbon capture technologies, promoted the use of nuclear energy, strengthened the electrical grid, and invested in clean energy R&D. However, the targeted nature of this bill underscores the relative ease of passing legislation regarded as pro-innovation, compared with broader legislation that would encourage systemic change.

INFRASTRUCTURE PACKAGE

Biden’s sweeping [American Jobs Plan](#) aims to reconstitute the American economy “in a way we have not invested since we built the interstate highways and won the Space Race.” The plan calls on Congress to invest nearly \$2 trillion in infrastructure, almost half of which would be allocated toward climate-related spending. This includes making the electric grid more renewable, retrofitting homes, and investing in new infrastructure projects such as high-speed rail. Included in this plan is \$35 billion to improve U.S. manufacturers’ competitiveness in critical clean energy technologies, in addition to \$50 billion for a technology directorate that will focus on semiconductors, advanced computing, advanced communications technologies, advanced energy technologies, and biotechnology. These funds would be distributed across various

federal research and development agencies to develop a comprehensive range of solutions to combat climate change. The American Jobs Plan also establishes the Clean Energy and Sustainability Accelerator, which would invest \$27 billion in public funds toward up to \$100 billion in clean energy projects over the next 10 years. Biden has also proposed launching an Advanced Research Projects Agency-Climate (ARPA-C), which would help develop new methods to reduce emissions and improve the United States' climate resilience. The DOE has already **announced** it will invest an additional \$100 million into the existing Advanced Research Projects Agency-Energy (ARPA-E) to support the transition to low-carbon technologies. Similarly, the installation of the new Climate Innovation Working Group highlights the Biden-Harris administration's commitment to using ARPA-C as a tool to enhance U.S. competitiveness.

In late June, Democrats and Republicans agreed in principle to the \$1.2 trillion **Bipartisan Infrastructure Framework**, in which most of Biden's climate plan is omitted. This agreement is part of a two-track approach that Democrats designed, which puts infrastructure into one bill and, most likely, more comprehensive legislation (including parts of the major climate package) into a second bill. In mid-July, Democrats tentatively agreed to a \$3.5 trillion reconciliation spending **package**, which does include major components of Biden's climate agenda, such as funding for the Clean Electricity Standard (CES), which aims to achieve carbon-neutral electricity by 2035. It also includes funding to secure a 50 percent carbon emissions reduction by 2030 and establishes a Civilian Climate Corps. Also included in the proposed package is a carbon tariff on imports from polluting countries, though details still need to be worked out. Biden initially said he will not sign the infrastructure bill unless the climate legislation is also passed, although he has since walked this statement back somewhat.

Biden and Senate Democratic Leader Charles Schumer regard a comprehensive infrastructure bill as essential to Democrats' success in the 2022 midterm elections and have indicated that both infrastructure bills will receive votes in July. By passing the bills separately, Republicans can vote for sorely needed, old-fashioned infrastructure that their states need, but will also be forced to go on the record as voting against the climate and tax provisions. Furthermore, while progressives were quick to knock the bipartisan infrastructure bill for containing inadequate climate provisions, the deal does contain funding for several climate goals. For example, the deal would fund 500,000 EV charging stations as part of \$15 billion slated for EV and electric bus infrastructure and would create a Grid Authority to build a more resilient and renewable electrical grid. These are positive steps toward more bipartisan consensus on climate. However, for now they remain far short of what is required to meet the administration's climate goals.

An alternative to the normal legislative process is to use the budget reconciliation process, which allows bills to be passed in the Senate with limited debate and a simple majority rather than the 60 votes required to stop a filibuster. Complex rules govern what may or may not qualify for this process, so climate legislation would need to be carefully designed to use it. Still, Democrats appear confident in their ability to pursue the second component of the infrastructure deal via such reconciliation. A significant burden will fall on Democrats to ensure that key senators are on board. For instance, Senator Manchin has expressed skepticism about passing climate legislation without bipartisan support, meaning both packages will likely need to pass in tandem. However, trying to pass comprehensive packages through reconciliation is much more attractive than trying to persuade Republicans to cross the aisle, which could only happen if the climate package is far more diluted. Politicians on both sides of the aisle are contending with a public that is split on the need for climate action, which does not portend serious a serious economic overhaul in the near future.

In the U.S. House of Representatives, Democrats tend to focus on the long-term economic benefits of infrastructure development, whereas Republicans tend to view energy innovation as a more efficient catalyst for economic growth and therefore oppose more comprehensive policies such as large, direct investment

in renewable technology. House Democrats favor developing and deploying zero-carbon energy sources, incentivizing domestic clean manufacturing, and modernizing infrastructure to reduce emissions. House Republicans prefer policies that protect the oil and gas industry, which aligns with their political philosophy that the United States must maintain [energy independence](#) to ensure sovereignty. While House Republicans typically eschew broad infrastructure and grid legislation, they are more comfortable working to ensure that the future of agriculture is more sustainable and that U.S. energy interests, both at home and abroad, are protected. Several Republicans have suggested using tax credits to develop carbon capture technology, preferring to let the market respond to the climate crisis.

INDUSTRIAL POLICY, MANUFACTURING, AND INNOVATION

Another politically contentious topic is the effect a transition to a renewable future will have on employment, particularly fossil fuel-related jobs. In 2019, approximately [1.7 million workers](#) were employed in the U.S. fossil fuel industry. Senator Manchin has expressed the frustration felt by many of the coal miners in his state who feel threatened by the White House's clean energy transition plans, [saying](#), "Now we're not good enough, we're not clean enough, we're not green enough, we're not smart enough." Statements like these highlight the ongoing cultural tensions surrounding the climate debate in the United States.

These sentiments conflict with estimates that the clean energy transition will create millions of [employment opportunities](#) in fast-growing renewable energy sectors, such as wind, solar, and hydrogen. Of course, the effects of such a transition are more complicated than a tally of net jobs lost or gained, because the new jobs created will not necessarily be located where the old ones were and may not be equivalent in pay or benefits. Republican Senators Tom Cotton and Ted Cruz sharply [denounced](#) White House climate envoy John Kerry's suggestion that coal workers can choose to take up new jobs "to make solar panels" as out of touch and insensitive. Fossil fuel workers are understandably [worried](#) about the practicality and feasibility of directly replacing good, local, union jobs and benefits with new, "greener jobs" that could require retraining and relocating.

There remains a [general divide](#) between trade unions directly or indirectly tied to the fossil fuel industry and those that are not. Fossil fuel-dependent trade unions emphasize the need for robust job training programs, having clean energy jobs pay similar wages to current fossil fuel jobs, and maintaining technologies that use fossil fuels, at least in the short to medium term. The United Mine Workers of America, for example, [recently endorsed](#) President Biden's climate proposals but stressed the need to invest significant federal resources in communities that will be disproportionately impacted by diminishing coal jobs. The union's members also emphasized that, as the industry stands, workers in coal-rich states like West Virginia would need to take a pay cut to work in the clean energy sector. These unions have also expressed the need for gradual changes in the country's energy infrastructure, including promoting carbon capture technologies that would allow coal and other fossil fuels to remain in use until the United States can ensure an effective, equitable, and just transition to clean energy. However, certain unions have taken a more aggressive approach to climate change, notably those that participate in the [BlueGreen Alliance](#), a consortium of labor and environmental groups calling for clean jobs, infrastructure, and fair trade. President Biden has aimed to address this tension by pushing for the large-scale deployment of EVs and by [specifically targeting](#) coal and power-plant communities for infrastructure investments—such as retrofitting factories for carbon capture, expanding rural broadband, and upgrading water treatment facilities affected by coal—that can spur local economic revitalization.

To complement other strategies like Buy American, the Biden-Harris administration hopes to increase federal procurement of clean energy and green technology, as proposed in the administration's

infrastructure plan. However, major differences persist between Democrats and Republicans when it comes to spending on renewable energy goods and services. For example, Biden's original infrastructure proposal included \$174 billion for EVs and associated infrastructure, including charging stations, federal acquisition of EVs, and the conversion of school buses to electric. One of the Republicans' counteroffers on infrastructure allocated a mere **\$4 billion for EVs**. As the infrastructure deal evolves, progressives will have to contend with moderates who would prefer using less ambitious, more targeted funding to combat climate change, but their tentative agreement to accept the \$1.2 trillion Bipartisan Infrastructure Framework, together with the \$3.5 trillion budget reconciliation package, means there is room for compromise.

FOSSIL FUELS AND SUBSIDIES

Among trade experts and in Congress, the topic of fossil fuel subsidy reform is becoming more prominent, forming the heart of a more interventionist climate policy. Those favoring swifter action on climate believe that the government should have halted oil and gas subsidies decades ago and that eliminating those subsidies would encourage greater demand for and consumption of renewable energy. President Biden's budget proposal eliminates tax giveaways to fossil fuel companies, including foreign oil and gas exemptions, intangible drilling cost deductions, and percentage depletions. By tethering subsidy elimination to the federal budget proposal, President Biden opens the door to using budget reconciliation to pass fossil fuel subsidy reform, reducing an otherwise significant legislative barrier for Democrats.

Congressional Democrats have also introduced several complementary bills aimed at eliminating fossil fuel subsidies. Senators Bernie Sanders, Elizabeth Warren, Cory Booker, Ed Markey, Jeff Merkley, Chris Van Hollen, and Kirsten Gillibrand have cosponsored the 2021 version of the "**End Polluter Welfare Act**," which would eliminate fossil fuel subsidies. Nineteen Democratic House Representatives, including Earl Blumenauer, Ro Khanna, Ayanna Pressley, Jamie Raskin, and Alexandria Ocasio-Cortez, have cosponsored the same legislation in the House. On the other side of the aisle, 56 Republican representatives sent a letter to Speaker of the House Nancy Pelosi condemning other proposals to eliminate fossil fuel subsidies.

Competing legislation, such as the **Clean Energy for America Act**, sponsored by Senator Ron Wyden (D-OR), and the **Financing Our Energy Future Act**, sponsored by Senator Chris Coons (D-DE) and cosponsored by several Republican colleagues, aims to incentivize renewable energy deployment and adoption while reducing financial incentives for fossil fuel companies. Democrats, who will attempt to use budget reconciliation to pass Biden's proposed climate plan, will need every member of their caucus to vote in favor of eliminating fossil fuel subsidies. However, Senator Manchin, a key vote for Senate Democrats, has expressed reservations about abusing the budget reconciliation process and has been noncommittal about the specifics of fossil fuel subsidies.

CARBON BORDER ADJUSTMENT MECHANISM

The Biden administration regards lax labor and environmental standards as partially responsible for offshoring U.S. manufacturing jobs and facilitating a "race to the bottom." One possible way to mitigate this is to pursue a CBAM. This would require Congress to establish a carbon price (which remains politically contentious), but by charging an import duty, a CBAM would protect domestic industries actively seeking to lower their carbon emissions against import competition from countries with less stringent climate standards. In other words, a CBAM is a trade tool for dealing with carbon-intensive imports. A CBAM would equalize the cost of carbon embedded in the product, theoretically erasing incentives for potential carbon leakage. Furthermore, Biden is wary that carbon leakage could negatively impact the global competitiveness of U.S. businesses, arguing in his **climate plan** that the administration will impose carbon adjustment fees or quotas on carbon-intensive goods from countries with weaker climate standards to ensure

that “American workers and their employers are not at a competitive disadvantage.” House Republicans **proposed** a package of bills in early 2020 promoting tax credits for carbon capture and sequestration, but conservatives have consistently opposed various forms of carbon pricing and strict regulations on industrial emissions. Proponents of the European Union’s CBAM point out that the mechanism is largely intended not as a climate change mitigation tool itself, but rather as an incentive to encourage other countries to raise their own environmental standards. So far, that appears to be materializing. In their reconciliation package, the Democrats have included a carbon tariff on imports from countries with higher rates of pollution, but details of the plan remain unclear, and senior officials of the Biden-Harris administration have so far expressed reluctance to pursue a CBAM. In addition, with Congress seemingly reluctant to put a price on carbon and the provision in danger of being ruled out of order by the Senate parliamentarian on the grounds that its budget implications are ancillary to its main purpose, this proposal has a steep hill to climb to enactment into law. Still, the fact that it is even in the bill is a notable step forward and a sign that the United States is beginning to move beyond “carrots” and grapple with the more difficult elements of the climate change debate.

International Policy Options

SUSTAINABLE DEVELOPMENT

The Biden-Harris administration realizes that climate change is a global commons problem and that one country alone cannot solve it. Both developed and developing economies will need to address the climate crisis together, and they are more likely to join forces to promote sustainable development than subsidies or CBAMs. Slow action among many developing economies has instilled **worries** in the United States, which accounts for only 15 percent of global emissions, that ambitious climate efforts on a national level may be futile if others fail to follow suit. This concern has led the administration to emphasize the importance of integrating sustainable development into foreign policy. Recent **data** from the International Energy Agency show that developed economies have largely succeeded in either leveling or reducing their carbon emissions, while developing countries, namely China, continue to increase carbon emissions. The percentage of emissions generated by developing economies is expected to increase as they continue to grow and industrialize while many advanced economies pursue comparatively stricter emissions reductions.

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Despite **evidence** that climate change disproportionately affects poorer countries, many developing economies have been hesitant to pursue significant reductions in carbon emissions, largely because they view climate restrictions as a potential threat to industrialization, a historically carbon-intensive process regarded as a key element in reducing poverty. Additionally, some argue that eliminating fossil fuel subsidies in the developing world may disproportionately harm the most vulnerable people, many of whom work in the fossil fuel sector and benefit from cheap energy.

Realizing the mutual benefits of promoting renewable energy deployment, Biden has **focused** on financing low-carbon energy and infrastructure projects in developing economies. The administration has **argued** that expanding access to green finance and working with international institutions such as the International Monetary Fund to prioritize “green debt relief” should increase opportunities for developing economies to reduce emissions without compromising their economic development. At the Leaders Summit on Climate in April, Biden announced **plans** to double the United States’ public climate finance to developing

countries relative to the average level from fiscal years 2013–16. Several African leaders **embraced** this proposition that advanced economies have a duty to provide financial support to developing economies in exchange for enacting emissions mitigation policies. The attention to international development demonstrates the administration’s recognition that developing economies have a significant role to play in global emissions mitigation and that any successful approach will involve multiple players from both the developed and developing world. Given that China has continued to build **carbon-intensive projects**—despite nominally agreeing to help the United States combat climate change—U.S. clean energy investments in developing countries outside of China would be strategically beneficial as well. Furthermore, investing in renewable energy deployment in developing countries could help even the playing field should the administration ultimately pursue a CBAM.

At the April summit, the Biden-Harris administration also released a separate, complementary climate agenda, the **Global Climate Ambition Initiative**, which specifically aims to assist partner countries in implementing their own climate goals. The Department of State and U.S. Agency for International Development (USAID), working with other agencies, will lead this initiative to undertake significant sustainable development ventures, including launching a \$200 million project to build renewable energy grids in Asia. USAID is also working with South Africa and Namibia to reduce emissions in southern Africa by the equivalent of 1.5 million cars by investing in grid modernization and transitioning away from coal production. Other ambitious aspects of this global development strategy include instituting conservation and restoration projects, mobilizing private capital for climate solutions, and investing in agricultural technology. USAID plans to announce a comprehensive climate strategy at the 26th UN Climate Change Conference of the Parties (COP26) in November 2021, and the agency’s swift pivot toward climate change mitigation policy underscores the whole-of-government approach Biden is pursuing.

TRADE IMPLICATIONS

The ability of trade to promote sustainable development has been receiving growing attention throughout the foreign policy community. In March 2021, Secretary of State Antony Blinken **criticized** previous trade agreements for not doing enough “to understand who would be negatively affected and what would be needed to adequately offset their pain, or to enforce agreements that were already on the books and help more workers and small businesses fully benefit from them.” Blinken’s statements demonstrate the Biden-Harris administration’s reticence to conclude ongoing free trade agreement (FTA) negotiations prior to analyzing their potential impacts on U.S. workers and small businesses, thus limiting the utility of trade agreement negotiations as an instrument of climate policy. Despite this hesitancy, in April Blinken **expressed** the administration’s desire to “continue the ongoing discussions with regard to our FTA” with Kenya, reinforcing the administration’s ultimate support for FTAs that benefit U.S. workers.

Meanwhile, sustainable development featured in the Biden-Harris administration’s critical supply chain **report**, which recommended establishing a trade strike force to target unfair trade practices and “promote the use of transparent competitive procurement and concession practices through foreign assistance programs abroad,” such as USAID programs. It also encourages the government to work closely with allies to develop socially responsible and environmentally sustainable mining practices that “do not harm local communities, including historically disadvantaged and indigenous communities including native American tribes.” This approach further underscores the administration’s agenda to leverage trade policy to exact other policy outcomes across the economic, social, and political spectrum.

Biden’s plans for sustainable development financing also intersect with policy regarding competition with China, a topic that has garnered strong bipartisan **interest** in Congress. While Republicans have historically

been reticent to spend large sums of money on climate mitigation projects, they are more easily persuaded when climate ambitions overlap with strategic competition. Biden’s climate plan seeks to offer Belt and Road Initiative (BRI) countries “alternative sources of development financing for lower-carbon energy investments”—in other words, to simultaneously promote sustainable development and compete with China for influence in “**battleground**” countries in the Indo-Pacific, Africa, and Latin America. At the Group of Seven (G7) summit in June, world leaders recommitted to sustainable development goals, including protecting biodiversity, promoting sustainable investment, and instituting net-zero targets, also announcing plans for a G7-led “**green**” response to the BRI. However, these sustainable development efforts may be complicated by developed countries’ growing demand for rare-earth minerals, which are largely supplied by and or processed in China.

Conclusion

Several themes have emerged from the Biden-Harris administration’s climate agenda. Learning from the Obama administration that regulatory restrictions can have a high political cost, Biden has so far pursued offering incentives to achieve his climate policy goals, which both Democrats and Republicans favor over compulsory measures. However, several substantial obstacles to implementation remain. Notably, progressives and environmentalists regard the Biden-Harris administration’s incentives-based approach—and its willingness to negotiate with Republicans—as woefully inadequate, especially as the country faces more coastal tornadoes, raging wildfires, and acute droughts. Furthermore, these incentives-based policies, whether they involve funding for R&D or corporate tax breaks, encounter budget and spending challenges that may make them difficult to enact, especially with moderate members of Congress hesitating to increase government spending. An incentives-based agenda that favors subsidies could also raise issues within the WTO.

Learning from the Obama administration that regulatory restrictions can have a high political cost, Biden has so far pursued offering incentives to achieve his climate policy goals, which both Democrats and Republicans favor over compulsory measures.

At the domestic level, the Biden-Harris administration has pursued ambitious infrastructure goals to build more resilient electrical grids, deploy hundreds of thousands of EVs, and invest in environmental remediation. Pursuing a whole-of-government approach, the administration has leveraged its authority within federal agencies to protect air from harmful pollutants, establish more stringent emissions guidelines on methane, and encourage government procurement of renewable goods. It has also directed a slew of federal agencies to undertake targeted changes, exemplified by the USAID pivot toward sustainable development policy and the Department of Defense’s Climate Working Group, which aims to incorporate climate change into the national defense strategy. However, certain domestic policies—such as tightening Buy American rules by increasing local content requirements—may complicate the role of trade in combating climate change by encouraging re-shoring rather than supply chain resiliency. If implemented correctly, however, Buy American can be an important way to build economies of scale, generate learning by doing, and provide stable demand for early-stage clean energy technologies.

As international players begin to codify the next generation of their own climate change mitigation policies, the United States needs to explore which policy responses are the most feasible within the domestic political atmosphere and under multilateral frameworks. CBAMs present numerous measurement and credibility issues that raise fundamental questions about protectionism and how to hold domestic products

to the same standards as imports, as the WTO requires. Government procurement can incentivize firms and the public alike to embrace sustainability, but overstepping could also invite legal challenges at the WTO. FTAs can raise and harmonize standards, protect biodiversity, and grow the trade of green goods and services, but it is up to the Biden-Harris administration to ensure that trade delivers on its environmental promises. As the administration continues to pursue its climate agenda, it will further have to contend with shortages of rare-earth and critical minerals that complicate its ability to deploy renewable goods and technology. While strong regulations are disfavored by the administration, the trade politics of regulatory change will be influenced by what other countries are pursuing. For example, if the European Union proceeds with a CBAM, U.S. political calculations could shift, making both parties more amenable to pursuing climate policy via regulation to help defend against imports from countries with lower standards. Despite tensions over climate policy priorities, finding common ground is much more feasible within a sustainable development framework, including through G7 commitments.

The core challenge of combating climate change is to address a global commons problem while individual countries pursue domestic policies at different paces and in different directions. In a second and forthcoming paper, CSIS will map out which policy tools require cooperation from which actors and where sensitivities lie regarding building effective climate and trade policies. It will also address the diversity of views among policymakers and how their perspectives intersect with those in Europe and China. As a previous CSIS [report](#) notes, “Most existing trade rules are not definitive; there is ample gray area for policymakers to define them in a climate-positive manner—a task the United States and its allies should take on together.” The current system provides ample leeway to advance a climate-driven agenda, but ongoing challenges, including the lack of a global agreement to phase out coal and geopolitical tensions with China, present obstacles for the Biden-Harris administration to implement and reach its climate goals.

The Biden-Harris administration has prioritized climate change as a central pillar of its plan to rebuild the U.S. and global economy, but it will be constrained on what it can accomplish. The climate agenda will require cooperation from U.S. states and cities, Congress, the judicial branch, other countries (particularly the European Union and China), as well as the private sector. Constructing the necessary cooperative relationships will be difficult on multiple levels. Each country has internal divisions—liberals and conservatives, China hawks and doves, pro-industry politicians and free marketeers—that add further complexity. Above all, when it comes to the nexus of climate and trade policy, the central challenge of the Biden-Harris administration is to reconcile seemingly contradictory policies, whether building supply chains that are both sustainable and resilient, looking inward while reaffirming global leadership, or convincing a deeply divided public to rally around systemic change, all while leveraging existing multilateral rules to thwart a climate catastrophe. At least Biden has an affinity for long-standing rules and may be able to maximize existing frameworks to accelerate the fight for a better future. ■

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