

Friday, January 9, 2009

View of green rules, economy is incoherent

When Gov. Arnold Schwarzenegger and his staff huddled in recent weeks to try to figure out how to stimulate California's reeling economy, they quickly settled on a proposal to ease environmental review rules and speed up the permit process for more than \$1 billion of transportation projects.

This makes obvious sense. Such regulations are a huge economic drag. Weakening them helps Schwarzenegger achieve what spokesman Aaron McLearn called "the governor's No. 1 priority": getting people back to work.

But try as he might, Schwarzenegger simply can't reconcile his claim to worry about jobs with his championing of two extremely costly and destructive measures adopted last month by the state Air Resources Board.

Both edicts – one forcing a broad switch to costlier but cleaner forms of energy; the other imposing stricter limits on diesel-fuel emissions – will saddle the state with unique costs, sharply eroding California's ability to compete with other states and nations. Incredibly, both were adopted without a serious evaluation of their effects on the economy.

Instead, the air board's long-term economic claims for the clean-energy measure – adopted to combat climate change – were so addled that a Harvard expert hired to review them said they were likely to set back the fight against global warming.

If the governor really believes this measure is his signature achievement in office, it's absurd for him to insist creating and preserving jobs are his top priority.

Schwarzenegger says California's example will inspire the world to finally act to stop global warming. While we wait for the rest of the world to become inspired, though, our economy will be dying – a martyr to the governor's obsession with being seen as an environmental visionary.