

## BRIEFLY NOTED

## The Climate Policy Warning in Democrats' Defeat

BY RICHARD B. MCKENZIE

**T**he results of the 2024 election offer an ominous warning for climate activists: If they and many climate scientists are right, the powerful economic and political forces that surfaced in reaction to President Joe Biden and his fellow Democrats' pursuit of their climate agenda could well seal the fate of the Earth, making our distant future hot and desolate.

Biden assumed the presidency as a full devotee of the view that ongoing climate change is a major consequence of people's long-escalating use of fossil fuels, and continuation of that change will have severe effects on the planet. The standard policy solution—according to the “climate science consensus”—is presumed to be straightforward: Return human greenhouse gas emissions close to zero (or some workable level)—and right soon—through federal regulatory, subsidy, and tax policies, and spread those policies globally to curb other nations' emissions. This axiom validated Biden's focused efforts to replace combustion with electric engines, promote wind and solar electricity generation over gas-fired generation, and uphold international agreements on emissions.

But at every turn in the policy debate, climate activists have either remained silent on the costs of their preferred policies or attested that those costs would be trivial compared to the horrors of “climate Armageddon.” If their proposed policy course is not achieved by the mid-2030s, they've said, humans will face “runaway greenhouse effects” under which global warming will dissolve the Earth's ice cover, exposing more heat-absorbing water that will increase moisture

in the global atmosphere. That, in turn, will restrict sun-generated surface heat from escaping into space, accelerating global warming and creating a self-perpetuating cycle.

According to many climate scientists,

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most abnormal climate events in recent years—from droughts to hurricanes—affirm the deadly link between human emissions and climate change. Their alarming scenario justifies the cost—indeed, any cost—of combating change, they say. Their main perceived policy obstacles are (mainly right-wing) “climate deniers” and uninformed Americans who do not share the alarm of—or outright reject—the scientists' climate consensus.

***The voters speak*** / After assuming office, Biden aggressively implemented an agenda that sought a sudden curb in fossil fuel use both in the world's immediate and distant future. Then came a spike in gas prices and inflation that topped 9 percent in mid-2022.

As the 2024 presidential campaign got underway, Donald Trump made higher prices—including energy prices—a central issue. He gradually moved ahead

of Biden in the polls. The move likely had many causes, but surely one was inflation. When Kamala Harris became the Democratic nominee, she didn't reject the many Biden policies that voters associated with higher prices. Her subsequent defeat and the losses experienced by Capitol Hill Democrats should disabuse climate activists of the belief that the public is willing to bear heavy costs to combat climate change.

Understandably, climate activists, focused on atmospheric variables, overlooked (if not denied) the political effects of their policy preferences. In making their case for controls, they often intimated there would be zero cost. Many voters, however, were not persuaded.

Harris seemed to welcome the climate mantel partially on the grounds that development of wind and solar energy was an existential necessity for the planet. She failed to see the links between energy policy, the cost of living, and

voter perceptions. Instead, she focused on Trump's threat to democracy, even as he activated democratic forces against climate policy—and maybe pushed activists' dreamed-for climate recovery far beyond the mid-2030s.

***Road ahead*** / Climate activists should draw an important lesson from Trump's 2024 triumph: The best of environmental and humanitarian policy intentions can be self-defeating if climate policies are pursued in short order and without regard to their economic consequences on voters. Cost and price effects shift political allegiances, resulting in the *opposite* policy and environmental outcomes than what these activists desire.

They should now understand something they have largely ignored: Incentives matter. Prices matter. Costs are ever present. Wind and solar energy are not, and cannot be, the proverbial “free (policy) lunch” that many activists and some

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policymakers claim. In essence, their policy efforts *cause* emissions when we factor in the off-putting political effects on price-burdened voters.

A policy goal of “zero emissions” makes no economic or climate science sense. It’s a delusion. *Effective* environmentalists first need to win elections, which they will never do by only citing climate science findings. Then they need to proffer policies that voters will accept. Real

people the world over, with a preference for the “good life,” make policy and elect leaders. These people likely do not want an overheated planet, but they also want their standard of living to rise, not fall.

Given Trump’s reversal of Biden’s climate policies, climate activists’ ambitions are stymied for now. But that can change over the longer term if the activists realize their biggest obstacle is not Trump, but their own rigid policy ambitions. R

# TikTok, Public Choice, and the Theater of the Absurd

BY PIERRE LEMIEUX

Imagine you are watching a play by theater of the absurd playwright Samuel Beckett or Eugène Ionesco. In it, a Republican president proposes to ban a computer application, saying it’s a threat to national security, but the effort fails. The subsequent Congress and Democratic president approve legislation banning the app and, nine months later, it goes dark in the United States. But the aforementioned Republican president, returning to office, rides in like a knight in shining armor and saves the app, perhaps illegally, because it is politically beneficial for him.

**Waiting for Godot** / This isn’t (only) theater. In early April 2020, the last year of his first term, President Donald Trump declared that TikTok, the video sharing and online commerce app owned by the Chinese company ByteDance, was a national security risk, that it must be sold to an American company if it is to continue being available in the United States, and that a “very substantial portion” of the sale proceeds should go to the US government. Congress was already working on legislation, soon to be adopted, banning the app on government-issued electronic devices.

Then, on August 6 of that year, Trump

issued Executive Order 13942 declaring that TikTok was part of a threat to “the national security, foreign policy, and economy of the United States.” The reason invoked was a somewhat vague claim that American users’ data could be used for nefarious purposes by the Chinese government or that the latter could spread disinformation through the app. The order mandated that after 45 days, “any person [including corporations] in the United States” would have to stop dealing with ByteDance. The only way TikTok could survive would be to sell it to an American company. The order did not mention the US Government receiving a cut of the sale.

A few months later, a federal judge struck down EO 13942, calling it arbitrary and capricious.

Fast forward to April 23, 2024, when the Democratic-controlled Senate approved by a 70–29 vote the Protecting Americans from Foreign Adversary Controlled Applications Act (PAFACA), which included a provision to the same effect as

Trump’s executive order four years earlier. President Joe Biden signed the bill into law the next day, setting a deadline of January 19, 2025, for ByteDance to be sold to an entity not “controlled by a foreign adversary.”

Not surprisingly (at least from the perspective of Beckett or Ionesco), by the time the bill was signed into law, Trump had changed sides on the ban. In a social media post on April 22, 2024, two days after the Republican-controlled House adopted the PAFACA bill, Trump wrote:

Just so everyone knows, especially the young people, Crooked Joe Biden is responsible for banning TikTok. He is the one pushing it to close, and doing it to help his friends over at Facebook become richer and more dominant, and able to continue to fight, perhaps illegally, the Republican Party. It’s called ELECTION INTERFERENCE! Young people, and lots of others, must remember this on November 5th, ELECTION DAY, when they vote! They also must remember, more importantly, that he is destroying our Country, and is A MAJOR THREAT TO DEMOCRACY!

A few months earlier, an opinion poll by the Associated Press and University of Chicago’s Center for Public Affairs Research found that 44 percent of Americans aged 18–29 were using TikTok at least once a day. Biden himself used it to target young voters early during the 2024 electoral campaign. Notwithstanding national and economic security and his own shame, Trump followed Biden and opened an account on TikTok. The number of Trump’s followers rapidly surpassed Biden’s. At a pre-inauguration rally, Trump said: “We won the youth vote by 36 points. So, I like TikTok. I like it. I like it.” As he put it in an early January post boasting of his performance on the app, “Why would I want to get rid of TikTok?”

To comply with the Democratic law that had followed Trump’s earlier attempts to ban the app by executive fiat, TikTok went off the air in the United States starting a few hours before the

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January 19 deadline. Users trying to log into their accounts saw this notification:

A law banning TikTok has been enacted in the U.S. Unfortunately, that means you can't use TikTok for now. We are fortunate that President Trump has indicated that he will work with us on a solution to reinstate TikTok once he takes office. Please stay tuned.

On the same day at 7:03 AM, Trump posted on social media: "SAVE TIKTOK!" He also promised that he would issue an executive order the next day, after his inauguration, to ensure that TikTok and its electronic partners would not be in legal jeopardy if they broke the law. A few hours later, TikTok went back online, although downloading the app remained blocked. A new notification greeted users: "Welcome back! As a result of President Trump's efforts, TikTok is back in the U.S.!" The big man had spoken.

The next day, Trump issued an executive order promising not to enforce the PAFACA penalties for the reactivating of TikTok the day before. The suspension of the law extends unto April 5, 2025, to allow him to consult "on the national security concerns posed by TikTok, and to pursue a resolution" and save "a platform used by 170 million Americans."

Along with other commentators, a January 21 *Wall Street Journal* editorial argued that the executive order was breaking a law adopted by Congress and was thus "illegal." An executive order is nothing but a decree, which cannot change a law.

In a social media post preceding the issuance of the TikTok executive order, Trump wrote that his "initial thought" was for a joint venture between "the current owners and/or new owners" in which "the U.S. gets a 50% ownership." As the *Wall Street Journal* noted, it is not clear whether he meant the US government or private American investors—and it is not certain he knows the difference. But it more likely means the former because ByteDance is already 60 percent owned by global institutional investors, many of which are Ameri-

can financial firms, so TikTok may already be half-owned by American investors. This would mean that Trump's solution, if it has not changed, is to have the federal government—that is, American taxpayers—become half-owner of a video-sharing and online commerce firm. A way perhaps to make industrial policy great?

Godot, it seems, had finally arrived—contrary to the famous Becket play, where he never shows up.

**Public choice analysis**/Viewing Trump's treatment of TikTok as a theater of the absurd play, however, lacks analytical content, notwithstanding its literary value. It is more useful to view it as an

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illustration of public choice theory and a confusion between normative and positive analysis—between what should be in Trump and his supporters' wishes and what the constraints of reality are.

Public choice theory—the economic analysis of politics—assumes that state agents (politicians and bureaucrats) act in their own interests, just like they do when they participate in ordinary (non-political) markets. The difference is that political institutions impose different constraints on them. In a free society, these constraints are supposed to create different incentives to deflect politicians from using their power to exploit and bully the governed.

In his *Considerations on Representative Government* (1865), John Stuart Mill wrote:

The very principle of constitutional government requires it to be assumed, that political power will be abused to promote the particular purposes of the holder; not because it is always so, but

because such is the natural tendency of things, to guard against which is the special use of free institutions.

A century earlier, in an essay published in 1777, David Hume wrote:

In constraining any system of government and fixing the several checks and controuls of the constitution, every man ought to be supposed a *knave*, and to have no other end, in all of his actions, than private interest.

Understanding the positive fact that the knaves in power would be dangerous if not restrained by the proper institutions does *not* imply the normative idea

that knavery is a virtue and that the knaves' attempts to bend the rules and institutions toward their own interests is acceptable behavior. It is not because credible theories of state agents' behavior

forecast their temptation to exploit the governed and undermine a free society that such behavior must be celebrated and encouraged. On the contrary, as James Buchanan, the main artisan of public choice theory, argued, a free society may not survive without a basic ethics of honesty and reciprocity. Hence the importance of institutions restraining state power and the danger of giving extreme power to politicians.

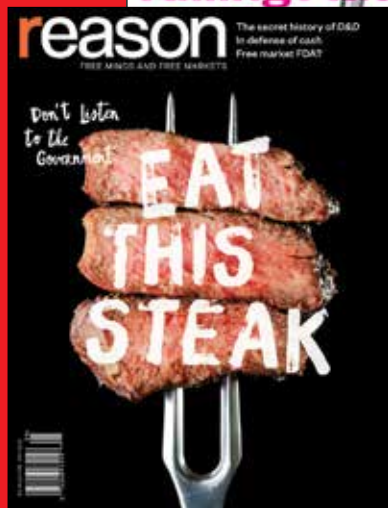
By the time this article lands in the reader's hands, the TikTok situation may have changed radically. Virtually anything can happen in politics (Lemieux 2021). Or a big event may be on the horizon, perhaps on April 5. On this and other matters, let's hope that the worst scenarios won't develop.

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## READINGS

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