Holly referenced the Chamber of Commerce's hysterical claim that regulating carbon dioxide would stop all the infrastructure projects in the stimulus. Not only is that not true, but it might in fact be exactly the opposite.

The reason is pretty straightforward: to the extent that the government places caps on carbon dioxide, such a policy could catalyze spending on transit and other environmentally-friendly infrastructure. If we've got to reduce carbon, then that means we've got to:

1) Build more CNG-powered buses;

2) Give money to states and locals to run them a lot;

3) Build more rail;

4) See #2

5) Build technology infrastructure to support these activities, e.g. ways of alerting commuters about the impending arrival of buses and transit through their cell phones, IPods, and Blackberries; or enhance telecommuting options;

6) Invest in a smart grid to enhance plug-in hybrids. increase financial incentives for purchasing and developing such hybrids;

7) Etc.

There is a very important place for sophisticated conservative and pro-business thinking on climate policy. Too bad it has not appeared, perhaps because the American Right is dominated by Luddites of the C of C variety.