There's been some good discussion of the pros and cons of the Waxman-Markey ACES bill at Ethan's recent post criticizing cap-and-trade. One commenter worries that , whether or not the bill would ultimately succeed in reducing greenhouse emissions, the public perception of ACES is that it's a corporate giveaway, which harms all efforts for environmental regulation. Red Desert writes, "Voters they see a bill like W-M handing out billions to industries–like finance–with powerful lobbies. All this after the big bank bailouts. Deal making may make sense politically in DC to pass legislation, but I think it increasingly disillusions the public at large. Ultimately, this could be a political setback for the environmental movement."

For a very funny (warning: & very ribald) look at how the Jon Stewart crowd views Waxman-Markey, see this 2-minute clip on "Cap'n Trade"'s painful journey through the House, aired Tuesday on The Daily Show. I'd say it supports Red Desert's fears about public perception. But Energy Secretary Chu, Stewart's guest that night, then went on to give an eloquent defense of why the bill is important, even if imperfect. Here's a clip of his interview; the ACES discussion runs from about 1:25 to 2:35. (See also a terrific discussion of cool roofs (which I wrote about here) from 6:40 onward. Note that Hulu requires you to watch a 15-second ad before this clip plays.)

One of the charges Stewart makes against the bill, and one that is frequently made, criticizes its inclusion of a large (but declining) number of free allowances to industry, rather than a 100% auction. The best analysis I've yet read of why this should neither be seen as a massive corporate giveaway nor as a serious threat to the environmental aims of the bill is here, by Harvard's sometimes controversial Robert Stavins. Dan Farber also has a great discussion on this topic here, with insightful comments. The regulatory watering-down bothers me much more than the free allowances–but then I watch Secretary Chu, cross my fingers, and think how much worse waiting would be. "Strengthen and pass" is still my go-to phrase.