This is the seventh in a series of posts. The first post is here. The second post is here. The third post is here. The fourth post is here. The fifth post is here. The sixth post is here.

The incoming Trump Administration has, of course, called for ending efforts to reduce greenhouse gas emissions, and repealing the Inflation Reduction Act (IRA), the Biden Administration's signature bill that provides dramatic expansions of subsidies for investments in clean energy. There is a lot that a President can do on their own to stymie climate policy of course, but much of the IRA is structured to operate through tax credits that are predominantly self-executing. Eliminating the core of the IRA therefore requires Congressional action, not just unilateral Presidential decisionmaking. And that is not so certain to occur.

The arguments why Republicans might repeal the IRA are fairly straightforward. First, the Trump Administration has made repealing climate policy a top priority. Second, the incoming Republican majorities need some sort of revenue source to offset the extension of the tax cuts they enacted in 2017 – a step that currently is estimated to cost a few trillion dollars if it occurs. Eliminating the tax provisions of the IRA would provide some (but only a fraction) of savings to offset those costs.

On the other hand, the Republican majority in the House of Representative is wafer-thin. Even using reconciliation for repeal of the IRA – which, like enactment of the IRA, allows for avoidance of the supermajority filibuster in the Senate – is going to be a narrow squeeze. A letter earlier this year from eighteen Republican House members opposed blanket repeal of the IRA. Much of the benefits of the IRA are going into locations represented by Republican Members of Congress, producing investments and jobs. A key question is whether those investments and jobs are enough to protect the IRA against repeal.

But the mere fact that this kind of debate is even possible in the face of a President deeply hostile to climate action shows the power of the approach taken in the IRA, an approach consistent with what I have laid out here in this series of posts. Climate policy is most likely to occur, and most likely to be sustainable, when it builds up supportive interest groups who can go to bat for it when the political times are challenging. Given the long-term nature of the investments required to address climate change, and indeed more broadly the long-term nature of any policy response to the issue, the policy approach that will be most successful is the one that is most resilient to the political setbacks that are inevitable over time. A policy response that builds supportive interest groups, whose incentives are to fight for policy through good and bad political times, is a policy response more likely to be sustainable over time. And it is precisely because of the long-term nature of climate change, and the massive investments that any response requires, that we need a policy response that is sustainable over time.

Even if the IRA does not survive the next four years, it has already driven large amounts of investment in clean energy and electrification of transportation. That process will not end. And the investments made now will lay the groundwork for future efforts – building the necessary political support, changing economic realities, and advancing further technological innovation.