Americans Support a Carbon Border Adjustment

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Takeaways

- **There is strong, bipartisan support for a carbon border adjustment policy**. While Americans are largely unfamiliar with the concept of a carbon border adjustment policy, nearly three-quarters of voters nationwide are supportive once they hear a brief explanation, with solid support for the policy across party lines, including in states with heavy manufacturing and fossil fuel-based economies.

- **Tying a carbon border adjustment policy to economic growth and accountability wins support.** Policymakers can build support by emphasizing how a carbon border adjustment framework will give cleaner, American-made goods a competitive advantage, support good-paying jobs, and hold some of the world's worst polluters accountable for their emissions.

- **Negative messages do not meaningfully dampen support for a carbon border adjustment.** Voters across the political spectrum continue to support a carbon border policy when presented with opposition arguments about disrupting trade and increasing the price of goods.

Leveraging Trade Policy to Cut Emissions and Strengthen US Manufacturing

As a follow up act to the Bipartisan Infrastructure Law and Chips and Science Act, there is a burgeoning opportunity for Congress to advance another piece of bold, bipartisan legislation to mitigate climate pollution and strengthen US manufacturing industries in the process. Democrats and Republicans alike have expressed interest in leveraging trade policy to reward low-carbon products and incentivize manufacturers abroad to cut their emissions. Despite recent advancements in the US to address climate change, it remains a global problem, and US policymakers are coalescing around a policy to cut emissions outside our borders: a carbon border adjustment mechanism, or CBAM.

CBAM is a trade policy that levies fees on certain imported goods based on their carbon intensities. Designed properly, a CBAM encourages cleaner production practices for carbon-intensive industries, like steel and aluminum, and prevents developed countries from outsourcing those industries to countries with weaker environmental standards, creating a "carbon loophole" that threatens to stall global climate efforts. [1] To address this loophole, countries can implement border tariffs that raise the cost of "dirty" imports and provide a competitive edge to products made using fewer carbon emissions. With some of the cleanest industrial production facilities based in the US, American manufacturers are well-positioned to benefit from a CBAM policy. This potential win-win for climate and the economy has certainly caught the attention of federal policymakers.
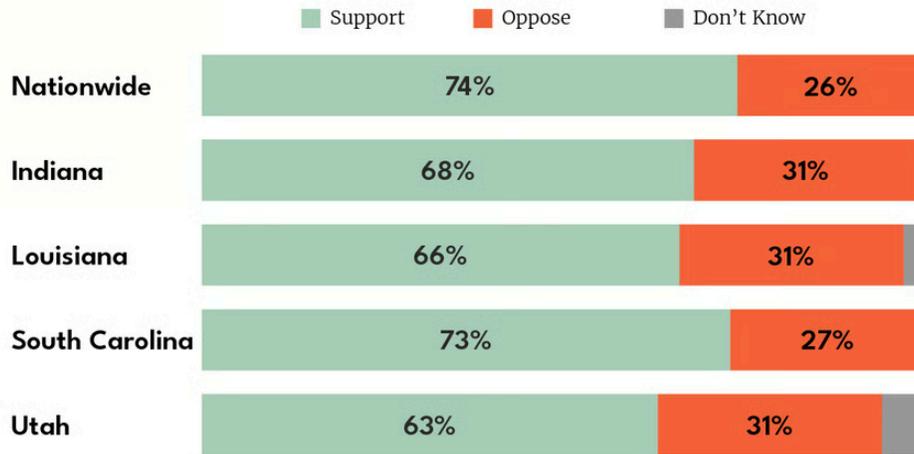
Senator Sheldon Whitehouse's (D-RI) Clean Competition Act was one of several Democratic-led CBAM bills introduced in the previous Congress, and Senator Bill Cassidy (R-LA) will soon introduce his own proposal likely to garner support from several Republican colleagues. Legislators from both sides of the aisle recognize the value of a US CBAM in advancing our climate and economic goals. And according to our public opinion research, the American public recognizes its value as well. Third Way partnered with Global Strategy Group to conduct a nationwide quantitative survey to better understand voters' priorities concerning climate legislation and whether they support trade policies that address climate pollution.

Bipartisan Support for a Carbon Border Adjustment Policy

Perhaps unsurprisingly, only a small percentage of respondents (37%) had even heard of a carbon border adjustment mechanism. However, despite their initial unfamiliarity, an overwhelming majority (74%) of registered voters in our nationwide sample support implementing a carbon border adjustment policy after learning more about it, including 87% of Democrats, 71% of political swing voters, and 61% of Republicans.

Notably, voters in Republican-leaning states from different regions of the country with distinct local economies — Indiana, South Carolina, Louisiana, and Utah — approve of a CBAM framework across the board. Republicans have generally resisted new regulations targeting carbon emissions, but several GOP members in the Senate have expressed interest in CBAM as a way to bolster US manufacturing given its carbon advantage over major global competitors in many industries.

Do you support or oppose a carbon border adjustment?

Support Oppose Don't Know

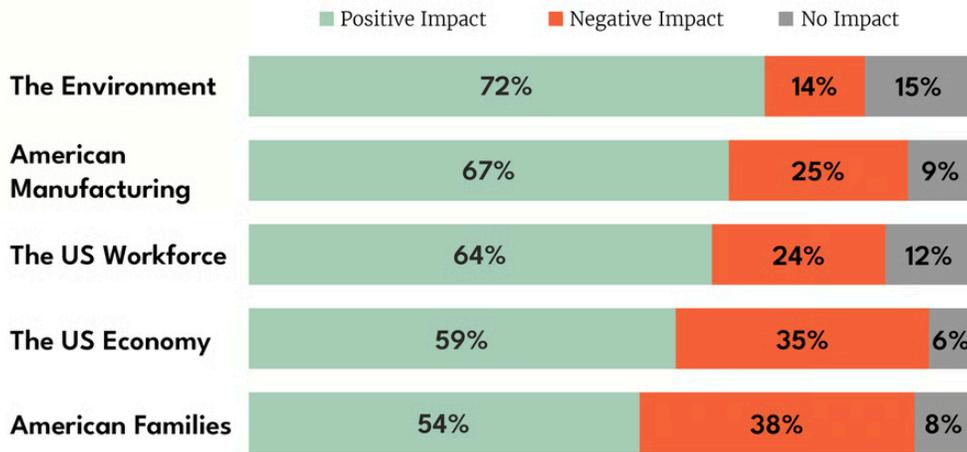|	Support	Oppose	Don't Know
Nationwide	74%	26%	
Indiana	68%	31%	
Louisiana	66%	31%	
South Carolina	73%	27%	
Utah	63%	31%	

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

Any proposal will need support from members of both parties to have a chance at becoming law. Fortunately, 43% of voters found the policy more attractive (compared to 4% less attractive) if they knew both Republicans and Democrats in Congress supported it, demonstrating the broader appeal of pursuing a bipartisan agreement.

Crafting a Compelling Narrative

As a complex and relatively unknown concept for most Americans, policymakers must build support for CBAM from the ground up by emphasizing its various benefits. Thankfully, we know where to start. Voters were quick to identify that a CBAM policy would positively impact the environment (72%), American manufacturing (67%), and workers (64%), and a majority view the policy as beneficial to the US economy (59%) and American families (54%). This trend persists across key states and with political swing voters.

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Do you think implementing a carbon border adjustment would have a positive impact, negative impact, or no impact on each of these?

	■ Positive Impact	■ Negative Impact	■ No Impact
The Environment	72%	14%	15%
American Manufacturing	67%	25%	9%
The US Workforce	64%	24%	12%
The US Economy	59%	35%	6%
American Families	54%	38%	8%

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

Policymakers seeking to garner voter interest and support for a CBAM should highlight its potential to reduce air and water pollution and the positive economic impact on the American economy and local communities. Given that over a third of voters initially assumed that a CBAM policy would hurt the economy and American families, policymakers can dispel any concerns and galvanize public support by showcasing the advantages to American industries, workers, and communities.

When voters hear about the benefits of a CBAM framework, there is overwhelming support for the policy. By a 68-point margin, the most persuasive argument focused on how a carbon border can level the playing field and make American-made low-carbon goods more competitive, benefitting American companies and creating jobs. This message resonates particularly well with political swing voters – 84% found the focus on jobs and manufacturing persuasive, including 82% of swing voters.

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*...Raising prices for [more carbon-intensive] foreign products will make **American-made goods more attractive**, rewarding American companies and workers that produce low-carbon goods and **supporting well-paying jobs** across the country*

Accountability also proved to be an effective messaging tactic—83% of voters, including 81% of political swing voters, found the argument that emphasized accountability for top global polluters convincing.

*China and Russia account for 34% of global emissions, and the products they manufacture and export around the world often cause more pollution than similar products manufactured in the U.S.. A carbon border adjustment policy will **hold these polluters accountable** by charging a fee for any imported goods that do not meet America's climate pollution standards. In addition to making U.S. goods more competitive at home, this policy will encourage other nations to cut their climate pollution.*

Other messages we tested - including taking measures to mitigate the costs of climate change, preserve a livable climate for future generations and position the US as a global leader in the clean energy economy - performed nearly as well, suggesting that this policy has broad appeal among different audiences.

While some respondents expressed concern about disrupting trade partnerships in the pursuit of cutting global emissions, a larger number prioritized taking action to join our allies in holding major polluters like China and Russia to account.

A majority of respondents also favored taking action to bolster US manufacturing industries and cut global emissions, even if it increases the costs of goods for American families.

Who do you agree with more, even if neither is exactly right?

	Total	Democrat	Republican	Swing
Those who say that if America joins Europe and other major economies in implementing similar fees, polluters like China and Russia **cannot retaliate against such a large bloc of countries.**	60% agree	71% agree	50% agree	55% agree
Those who say that we should not implement policies that would upset U.S. trading partners, because they could retaliate by imposing fees on American goods in response to this policy.	40% agree	29% agree	50% agree	45% agree

	Total	Democrat	Republican	Swing
Those who say that by joining Europe and other major economies in implementing similar fees, the U.S. can force countries like China and Russia to **clean up their manufacturing emissions faster.**	67% agree	76% agree	59% agree	67% agree
Those who say that we should not implement policies that would upset U.S. trading partners, because they could retaliate by imposing fees on American goods in response to this policy.	33% agree	24% agree	41% agree	33% agree

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

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Who do you agree with more, even if neither is exactly right?

	Total	Democrat	Republican	Swing
Those who say that we can strengthen the American manufacturing sector and create **well-paying manufacturing jobs** in the U.S. by raising the cost of foreign-made goods that create excessive climate pollution.	59% agree	71% agree	44% agree	55% agree
Those who say that costs are already skyrocketing for American families and now isn't the right time to implement policies that could raise the cost of raw materials or other goods.	41% agree	29% agree	56% agree	45% agree

	Total	Democrat	Republican	Swing
Those who say that we need to prioritize reducing global climate pollution now, and we should enact trade policies that compel other countries to **do their part** in cutting harmful emissions, even if it raises the cost of some foreign-made goods.	54% agree	69% agree	35% agree	51% agree
Those who say that costs are already skyrocketing for American families and now isn't the right time to implement policies that could raise the cost of raw materials or other goods.	46% agree	31% agree	65% agree	49% agree

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.
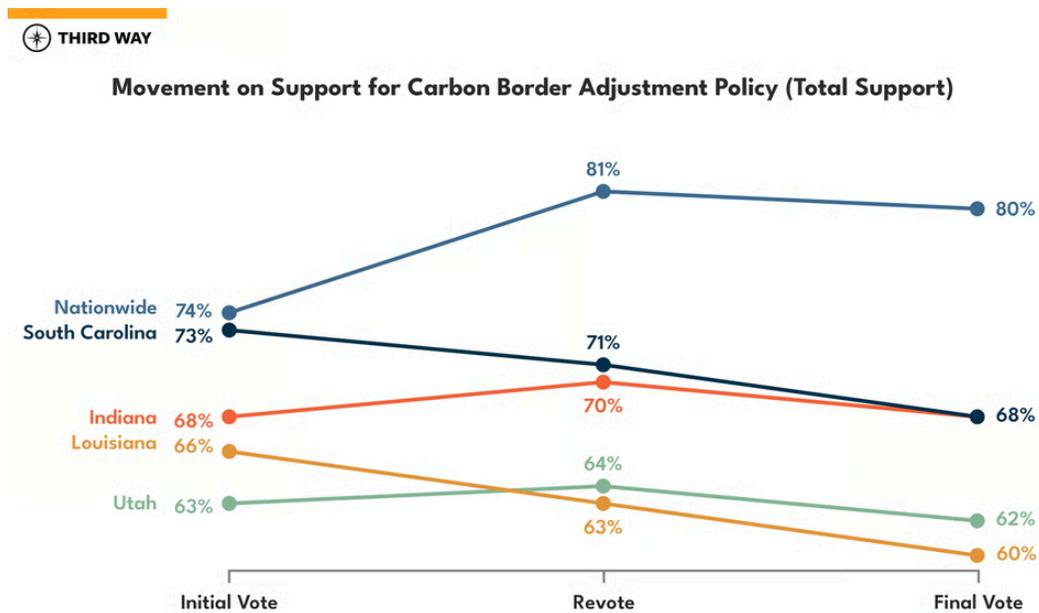
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Despite the potential for trade disruptions and resulting price increases for certain goods, respondents prefer policies that advance climate goals and create manufacturing jobs at home.

Negative Messaging Does Not Dissuade Voters

Voters across Indiana, Louisiana, South Carolina, and Utah – rallied behind a CBAM policy once they learned more about it, with the majority of voters in each state supporting the policy. Even after voters read negative messaging that focused on potential cost increases, international retaliation, and burdens that the new regulations could add for American

families and businesses, voters continued to back the policy, albeit with some diminished support.

Among the state samples, Louisiana experienced the heaviest dip in support after exposure to negative messaging, with a 6-point drop, from 66% to 60%. This could be due to the state's heavy reliance on oil, which comprises a significant portion of the state's economy. [2] This contrasts with Indiana [3] [4] and Utah [5], which have larger manufacturing presences and experienced virtually no decrease in support from voters who saw the negative messaging, with zero- and one-point drops, respectively. In the national sample, where respondents were exposed to positive messaging followed by negative messaging, support actually increased from an initial 74% to a final 80%.

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Movement on Support for Carbon Border Adjustment Policy (Total Support)

Nationwide 74%
South Carolina 73%
Indiana 68%
Louisiana 66%
Utah 63%

81% → 80%
71%
70%
68%
64%
63%
62%
60%

Initial Vote — Revote — Final Vote

Positive Messaging: We have a basic responsibility to leave a better world for future generations. A carbon border adjustment will be a win-win for the climate and for the American economy, families, and workers. The policy will force polluters outside of the U.S. who generate excessive carbon pollution while manufacturing materials like steel to clean up their production processes or suffer the consequences as their goods become more expensive and less competitive in the U.S. This policy is supported by both Republicans and Democrats because it will significantly reduce carbon pollution, compel other countries to address climate change, make American-made goods more competitive, reward American companies and workers that produce low-carbon goods, and support well-paying jobs across the country.

Negative Messaging: A carbon border adjustment would subject businesses at home and abroad to added regulations, forcing them to calculate the environmental impact of their goods and raise prices on a broad range of products at a time when costs are already skyrocketing for American families. Implementing the policy and accurately tracking carbon emissions would be difficult to enforce and could upset U.S. trading partners, resulting in a possible trade war between the U.S. and the countries that are adversely impacted by this policy. They could retaliate by raising the prices of goods they sell to the U.S., raising costs for American businesses and families even further.

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023. Revote refers to the average support for a domestic carbon border adjustment following exposure to distinct positive or negative messaging. Note that nationwide respondents were presented with positive messaging, followed by several positive/negative statement pairs.
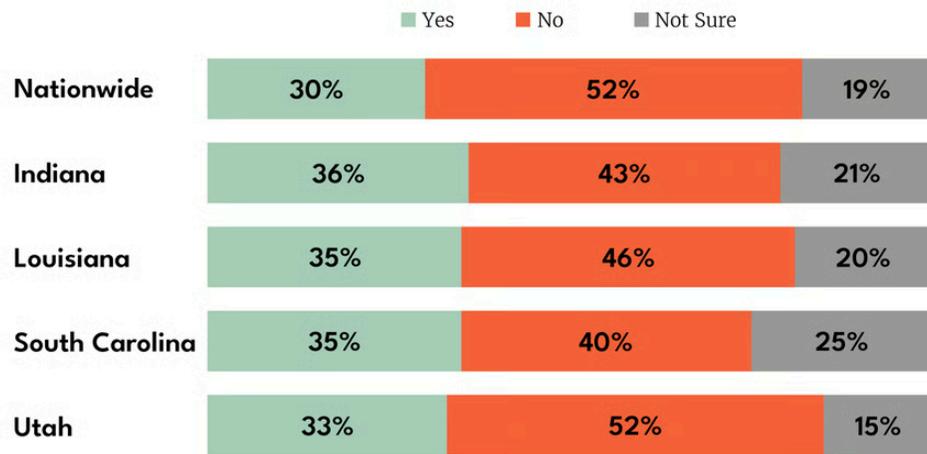
CBAM on the Ballot

Voters wholeheartedly agree—by a 57-point margin—that the government should be doing more to reduce air and water pollution. And they're no longer turning a blind eye to policymakers who refuse to act. Over half of voters (57%) would not vote for a candidate who opposes efforts to combat climate change. An even larger faction (60%) would not support a candidate who does not advocate for American manufacturing and work to prevent outsourcing.

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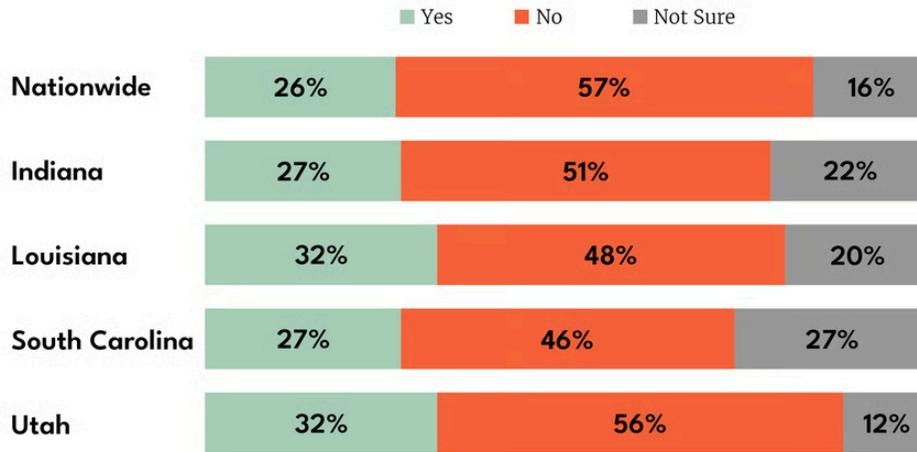## Could you ever vote for a candidate who holds this position?
Opposes transitioning to clean energy

Legend: ■ Yes ■ No ■ Not Sure

	Yes	No	Not Sure
Nationwide	30%	52%	19%
Indiana	36%	43%	21%
Louisiana	35%	46%	20%
South Carolina	35%	40%	25%
Utah	33%	52%	15%

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

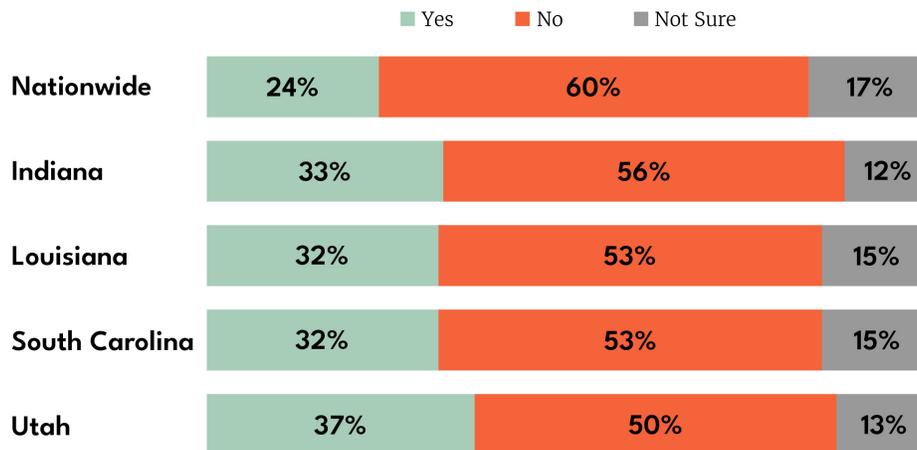# Could you ever vote for a candidate who holds this position?

Opposes efforts to combat climate change

Legend: ■ Yes ■ No ■ Not Sure

Region	Yes	No	Not Sure
Nationwide	26%	57%	16%
Indiana	27%	51%	22%
Louisiana	32%	48%	20%
South Carolina	27%	46%	27%
Utah	32%	56%	12%

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

Could you ever vote for a candidate who holds this position?

Opposes efforts to support American manufacturing and prevent outsourcing American jobs

Legend: ■ Yes ■ No ■ Not Sure

Region	Yes	No	Not Sure
Nationwide	24%	60%	17%
Indiana	33%	56%	12%
Louisiana	32%	53%	15%
South Carolina	32%	53%	15%
Utah	37%	50%	13%

Source: Carbon Border Adjustment Survey" Poll, Third Way and Global Strategy Group, January 26–February 3, 2023.

Historically, a candidate's position on climate and energy issues has not been a decisive factor in elections. [6] But given that cleaner manufacturing practices are crucial to our decarbonization strategy, a border adjustment policy is as much about strengthening US manufacturing as it is about mitigating climate pollution. For example, a Third Way–commissioned study found that implementing a CBAM in the US would make domestic steel and aluminum more price competitive, reduce imports, and help American steel and aluminum producers capture an additional $8.5 billion and $6 billion of their markets, respectively, by 2030. [7] Given the dual benefits to this policy, policymakers can tailor their support for CBAM in either a climate or economic frame – or ideally, both. The potential of this policy to onshore more American manufacturing jobs and punish major polluters in countries like China appeals to Democrats and Republicans alike.

Conclusion

A carbon border adjustment mechanism is a powerful tool that, if leveraged correctly, can cut industrial emissions, strengthen the economy, and elevate our status as a global climate leader. Imposing import fees on carbon-intensive goods would allow the US to hold global polluters accountable for their emissions while boosting the cost-competitiveness of cleaner, domestic products, supporting good-paying manufacturing jobs, and expanding economic growth at home. By addressing concerns and communicating these popular impacts to communities, policymakers can build lasting support for the policy across the political spectrum.

Methodology

Third Way partnered with Global Strategy Group to conduct a nationwide quantitative survey with 1,003 registered voters (margin of error is ± 3.1%) and an oversample of 405 registered voters in Indiana, 400 registered voters in Louisiana, 402 registered voters in South Carolina, and 400 registered voters in Utah (margin of error is ± 4.9%). Swing voters in this survey are defined as those who are not strong partisans who vote for a mix of Democrats and Republicans.

ENDNOTES ▼

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2. AJG Simoes, CA Hidalgo. "Louisiana" The Economic Complexity Observatory: An Analytical Tool for Understanding the Dynamics of Economic Development. Workshops at the Twenty-Fifth AAAI Conference on Artificial Intelligence. 2011. https://oec.world/en/profile/subnational_usa_state/la?redirect=true#:~:text=In%202022%20the%20top%20export,than%20seed%2C%20whether.

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7. John Milko. "How a Carbon Border Adjustment Mechanism Can Strengthen US Competitiveness, Workers, and Climate Efforts." Third Way. Feb 2 2023.
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