

## Joe Biden is planning on a Green New Deal

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According to the [Financial Times](#):

*Joe Biden – armed with a commanding lead in the polls ahead of November’s US presidential election – now promises a root-and-branch overhaul of the American energy system that will put climate change at its heart and which one worried industry adviser describes as “a Tet offensive” on the fossil fuels industry.*

You don't have to call that a Green New Deal, of course, but it smells like one to me. The FT adds that there are risks:

*The plan, which will be aired again at the Democratic party convention this week, earmarks \$2tn in spending over the next four years to use climate policy to drag the economy out of its pandemic-era recession. But Mr Biden’s plans for the energy sector would reach into everything from Middle East geopolitics to the global race with China over clean tech and is likely to prove unpopular among parts of the US electorate – dependent on oil and gas for jobs – in an election year.*

And there is a political imperative to this:

*It stems from an urgency about climate change that has animated much of his party – especially the younger supporters he will need to mobilise. And is made possible by a coming together of factors: drastic falls in clean-energy costs, rapid technological progress, and the devastation of the pandemic, which makes even a \$2tn plan seem politically viable.*

What the FT never really mentions is that there is no choice on this issue, not if we want to survive that is. The big picture is lost by their coverage, which is quite remarkable. Instead they sweat the small stuff, noting that:

*Critics say [the plan] will destroy the country’s world-beating oil and gas industry – a claim that has forced Biden supporters in shale heartlands to insist local economies will be secured. The plan, they say, will resurrect American manufacturing and the country’s leadership – and, by including elements of the Green New Deal supported by*

*Alexandria Ocasio-Cortez and Bernie Sanders, satisfies the Democratic party's leftwing without scaring its middle.*

Again, this ignores the fact that shale is destroying itself. Not only are renewables cheaper now, but shale delivery is over shorter time spans than forecast, fundamentally undermining its economics. It isn't taking Biden to undermine shale: it's simply not viable.

That, the rapidly falling cost of renewables and the possibility of funding the transition at net zero interest cost is what really makes this shift possible. As the FT notes:

*"It's hard to overstate how far Joe Biden's Democratic party has shifted on fossil fuels, especially natural gas, in just four years," says Bob McNally, a former adviser in the George W Bush White House and now head of Rapidan Energy Group. "A Biden victory would unleash a Tet offensive against the US oil and gas sector."*

That the change has happened is true. But there is no offensive, with or without the military overtones. There's just a will to survive, thank goodness.

This battle is not over yet.

I have no idea if Biden will really deliver.

But that this is on the agenda is good news. We need a Green New Deal around the world, and we need it now.