

Harris vs. Trump: Climate and Energy Policy

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This is the latest in a series of TAG memos examining how the outcome of the U.S. presidential election could shape U.S. policy toward the Indo-Pacific region in 2025. The previous memo on Trump and Harris’ respective approaches to Indo-Pacific alliances can be found [here](#).

Key Takeaways

Climate and Energy Policy	Trump	Harris
Motivations	<ul style="list-style-type: none"> Sought traditional energy resources to protect U.S. jobs and workers Linked climate policy to U.S.-China rivalry, withdrew from Paris Accord and opposed EV adoption 	<ul style="list-style-type: none"> Sought to invest in renewables and green infrastructure Aimed at multilateral and “whole-of-government” approach to climate change
Implementation	<ul style="list-style-type: none"> Has pledged to repeal the IRA, or change subsidy/penalty provisions Likely to again leave multilateral climate agreements and double down on fossil fuel production 	<ul style="list-style-type: none"> May build upon IRA to boost investment in renewable energy Trade protection for key green sectors, including EVs, critical minerals, and batteries

- Kamala Harris’ and Donald Trump’s climate and energy agendas reflect widely divergent priorities and policy approaches.** Harris seeks to achieve U.S. energy independence and address climate change concerns by investing in renewables, advocating for a “whole-of-government” and multilateral approach. Driven by a desire to boost U.S. industry, Trump seeks traditional energy resources and is likely to de-prioritize coordination with allies, partners, and international organizations on climate change, which he believes weakens the United States’ strategic position vis-à-vis China.
- Nevertheless, the candidates show some minor areas of overlap.** Both Trump and Harris have pledged support for expanding the United States’ nuclear energy capacity. Although Harris is not as openly supportive of fossil fuels as Trump, her tenure as Vice President saw a record increase in U.S. oil and LNG exports – despite the Biden administration’s focus on renewables via the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA). Also, strategic competition with China has shaped both candidates’ climate and energy policies and will remain a key policy driver under either administration.



- **Trump and Harris presidencies give rise to different risks for the business community.** A re-elected Trump could repeal the IRA or dismantle many of its core provisions on grants, subsidies, and other incentives, creating significant disruption for U.S. and foreign entities in ally and partner countries that have spent the past two years trying to benefit from the law. Meanwhile, a Harris administration might deepen tariffs and other protections (which Trump also supports) on electric vehicles, green technology, and strategic sectors.

The Status of Climate and Energy Policy in the United States

The United States currently maintains a multi-pronged energy policy that seeks to service a mix of priorities, including transitioning to renewables, mitigating climate change, bolstering energy security and independence, and enhancing domestic energy production. The Biden administration has committed to net-zero emissions by 2050 and a net-zero power sector by 2035. Nevertheless, the United States remains the top global oil producer, producing around 21.91 million barrels per day in 2023 – approximately 22 percent of the global total. The U.S. is also the world's top natural gas producer and fourth largest coal producer. Last year, the country generated around 60 percent of its electricity from fossil fuels, 18.6 percent from nuclear energy, and 21.4 percent from renewables.

The Candidates in Comparison

Trump

Motivations: President Trump has consistently stated that his primary climate and energy policy goals are to address rising energy prices, create new jobs to “unleash American energy,” and uphold U.S. energy independence. He especially strives to protect the fossil fuels industry and seeks to pivot away from renewable energy, arguing that the focus on green technologies has stymied energy sector job creation, hampered oil and gas production, and resulted in higher inflation.

Trump's tough approach on alternative energy further extends to foreign policy. Trump has expressed concerns that green policies have disadvantaged the United States in its strategic competition with China. For example, Trump emphasized his belief that widespread electric vehicle (EV) adoption in the U.S. would support China's economy at the cost of domestic auto manufacturers, and that tariffs would be essential for keeping Chinese EVs out of American markets. That said, Tesla CEO Elon Musk's support of Trump's campaign may complicate Trump's criticism of EV adoption and his plan to impose sweeping tariffs on China-manufactured EVs since Tesla produces cars and sources components from there.



In addition to demonstrating solidarity with traditional oil and gas, Trump has also been supportive of **expanding** nuclear energy production and utilization. He **pledged** to “modernize the Nuclear Regulatory Commission, [work] to keep existing power plants open, and [invest] in innovative small modular reactors (SMRs).” During his first term, Trump signed the 2019 Nuclear Energy Innovation and Modernization Act to advance the development of SMRs. In 2020, he supported funding for next-generation nuclear reactors through the Advanced Reactor Demonstration Program and **promoted** domestic uranium mining investments in the Department of Energy’s (DOE) Strategy to Restore American Energy Leadership.

Implementation: Trump alleges that the Biden administration’s focus on climate change and green energy – especially via its signature policy, the IRA – has hamstrung American job creation, increased U.S. energy dependence on foreign countries, and heightened energy costs and inflation. Accordingly, a re-elected Trump would likely try to **dismantle**, outright repeal, or rescind remaining funds from the IRA, which he has labelled “The Green New Scam.” Key provisions that Trump wishes to abolish include subsidies for EVs, fees on methane emissions, the excise tax on crude oil, and tax credits incentivizing home installations of solar panels and heat pumps.

Beyond the IRA, Trump is also expected to challenge several other climate engagements that the Biden administration pursued even while it championed the oil and gas sector. For example, he may reverse plans to build out a national EV charging network or remove staff within the DOE and the Environmental Protection Agency (EPA). Finally, Trump previously implemented a range of tariffs on EVs, solar cells, and batteries along with other green technologies. These tariffs are likely to return – or, in the case of the tariffs from his tenure kept by the Biden administration, intensify. Notably, Trump said that the current 100 percent retained tax on Chinese EVs was insufficient and has argued for a 200 percent duty, as well as tighter scrutiny of EVs manufactured by Chinese companies in Mexico.

For the Indo-Pacific as a whole, a second Trump administration’s prioritization of domestic economic considerations may reduce the space for international collaboration. It will challenge the region’s burgeoning clean energy sector – including multilateral efforts to diversely sourcing of critical minerals and batteries involving Japan, South Korea, and other partners. Given that many Indo-Pacific economies (e.g., Indonesia and Vietnam) have allocated capital to supporting clean energy supply chains with U.S. diplomatic and financial support, Trump’s potential rollback of Biden-era clean energy agreements could undermine previous investments.

Furthermore, Trump’s efforts to boost American industry and create domestic jobs may also increase U.S. oil and natural gas exports to Asia, reducing incentives for greater bilateral and multilateral climate cooperation. Relatedly, Trump has promised to re-withdraw the United States from the Paris Climate Accords and



take the more permanent step of leaving the broader United Nations Framework Convention on Climate Change.

Harris

Motivations: The Biden-Harris administration's energy agenda focused on enhancing energy security while promoting economic competitiveness and job creation through renewables and infrastructure investment. In particular, it aimed to strengthen domestic industries such as EVs and batteries. These efforts, which include the IRA and the IIJA, are part of a broader, "whole-of-government" approach that interweaves efforts to combat climate change, advance U.S. technological innovation, and reduce the cost of renewables for consumers with other policies linked to U.S. economic resilience and supply chain security.

In addition to focusing on the development of renewables at home, the Biden-Harris administration also pursued multilateral solutions abroad for combatting climate change and fostering energy independence. In addition to rejoining the Paris Climate Agreement, the Biden-Harris administration established White House offices dedicated to climate change engagement, including the U.S. Special Presidential Envoy for Climate. Similarly, the Biden administration made clean energy and climate change a cornerstone of discussions in many multilateral fora, including the G7 and the G20.

Alongside renewables, the Biden-Harris administration also expanded nuclear energy growth and collaboration. The administration passed the 2024 ADVANCE Act to accelerate the deployment of nuclear energy capacity and create incentives for nuclear reactor technologies. The Biden-Harris administration was also active in promoting nuclear energy abroad. For instance, the White House released the U.S.-ROK Leader's Joint Statement in May 2021, which affirmed a U.S. commitment to strengthening nuclear energy cooperation between the two countries, including joint participation in nuclear power plant projects.

The oil and gas industry also experienced notable growth during the Biden-Harris tenure. The U.S. became the largest LNG exporter in the world in 2023, with Japan and South Korea becoming the fourth and fifth-largest recipients. Biden and Harris showed themselves to be sensitive to domestic criticism about renewables, as demonstrated by the White House's decision to temporarily pause new LNG export licenses to non-FTA countries in January 2024. The moratorium was blocked by the Western District of Louisiana in July 2024. The ruling means that the DOE must resume considerations for export permit applications for new LNG projects.

Implementation: The IIJA and the IRA reflect the expansive, "whole of government" approach to climate and energy policy that Harris is likely to favor if elected – i.e., one that interweaves renewables development with job creation, U.S.-China



competition, and economic security. This could translate to executing the provisions of the IJA and the IRA; deepening coordination between the EPA, DOE, and other government agencies to bolster supply chain security on critical minerals and green technologies; and providing additional grants, subsidies, and incentives to boost renewables adoption. Harris is also likely to maintain existing bilateral and multilateral climate obligations, including the Japan–U.S. Clean Energy and Energy Security Initiative, the U.S.–India Climate and Clean Energy Agenda 2030 Partnership, and even the U.S.–China agreement on methane reduction and climate.

Harris’ implementation strategy for climate and energy is also likely to become interwoven with tariffs, export controls, and other restrictions related to U.S.–China strategic competition. Already, grants provided by the IJA and IRA are linked to efforts to bolster U.S. economic security and prevent China’s technological advancement, including provisions aimed at limiting Chinese access to federal funds via limitations on Foreign Entities of Concern (FEOCs). For example, the IRA mandated that EV batteries and components would only qualify for subsidies if 50 percent of their materials were sourced domestically or via countries that had signed a free trade agreement (FTA) with the United States (as of now, this includes Australia, Japan, Singapore, and South Korea).

Harris is also likely to further expand some of Trump’s tariffs on solar cells and solar panels given that the Biden–Harris administration has already raised the base duty rate on these goods from 25 percent to 50 percent in 2024. Additionally, in March of that year, the Commerce Department removed rules preventing the U.S. from imposing countervailing duties (CVDs) on cross-border subsidies. Thus, green tech suppliers in the Indo–Pacific – especially from Southeast Asia – are liable to face additional duties if they received subsidies from the Chinese government, marking the first time that the Commerce Department has had the authority to impose CVDs.

Looking ahead, Harris will likely both broaden and deepen Biden’s climate agenda – including showing support for a “climate pollution fee” for fossil fuel companies – given her history of climate-friendly policymaking. During her tenure as Attorney General of California, for example, Harris investigated and prosecuted oil and gas companies such as Exxon Mobil. That said, Harris has also tried to reframe her priorities to appeal to moderate voters. Although she is a supporter of the original Green New Deal, she has also highlighted how her administration oversaw “the largest increase in domestic oil production in history” and cited IJA’s oil and gas lease–sale requirements as an example of support for traditional energy – arguing that the U.S. should invest in “diverse” sourcing to strengthen its energy security.



What Businesses Should Watch

- **Court Checks on Harris' Ambitious Climate Agenda:** Despite Harris' more ambitious views on energy-related issues relative to Biden, her executive tools could be limited by Congress and a conservative Supreme Court. The landmark ruling by the Supreme Court on *West Virginia v. EPA* in 2022, for instance, placed limits on the EPA's authority to mandate emission reduction in the power industry under the Clean Air Act, signaling a legal red line for future regulations.
- **Trump's Government Efficiency Commission:** President Trump has proposed creating a government efficiency commission led by Elon Musk. While Musk's leadership would be unlikely, a new agency could alter the U.S. government's structure for regulating clean energy, which is currently overseen by the EPA and DOE. There remains uncertainty, however, on how those agencies would fare under scrutiny by the proposed agency as their fates will also be determined by political appointees.
- **Roadblocks to IRA Implementation:** IRA implementation and the tightening of emissions regulations for power plants during the Biden-Harris administration's second half have both faced roadblocks that could persist after the election. Only a small percentage of appropriated funds under the IRA have been spent, and the Treasury Department and Internal Revenue Service have not yet fully implemented IRA tax credits. As discussed previously, Trump is likely to revoke IRA subsidies for EVs, fees on methane emissions, the excise tax on crude oil, and tax credits incentivizing home installations of solar panels and heat pumps, while Harris may double-down on those measures.
- **Status of the LNG Export Pause:** The pause (see above) was blocked by the Western District of Louisiana in July 2024. The Biden administration announced that it would fight the order in August 2024. Currently, the ruling means that the DOE must resume considerations for export permit applications for new LNG projects, but it is unclear how soon the agency will act. The next administration will determine the pace of new LNG permits; given his support for traditional fuel sources, Trump may be more inclined to advocate for a ruling that makes it easier for U.S. companies to export fuel abroad.

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