# Article information:

The Green Subsidy War Accelerates - WSJ
[https://archive.is/20230206010557/https://www.wsj.com/articles/green-deal-industrial-plan-european-union-inflation-reduction-act-biden-administration-trade-war-subsidies-11675372289](https://archive.is/20230206010557/https%3A//www.wsj.com/articles/green-deal-industrial-plan-european-union-inflation-reduction-act-biden-administration-trade-war-subsidies-11675372289)

# Article summary:

1. The European Union has proposed a new Green Deal Industrial Plan in response to the U.S. Inflation Reduction Act, which offers subsidies for green industries and exempts EU countries from anti-subsidy rules until 2025.

2. The U.S. Inflation Reduction Act includes a consumer tax credit of up to $7,500 for electric vehicles assembled in North America and subsidies for various U.S. industries such as carbon capture and wind power.

3. This escalating green trade war risks returning the world to the bad old days of nationalist production, less competition, higher costs for consumers, and a misallocation of investment that leads to slower growth.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article is generally reliable in its reporting of facts about the European Union's Green Deal Industrial Plan and the U.S.'s Inflation Reduction Act (IRA). It provides clear information about both policies, including details such as the consumer tax credit available under the IRA and how it is tied to buying cars with battery components made in North America or having batteries with minerals extracted in certain countries with free-trade agreements with America. The article also provides an overview of how these policies are likely to affect global trade and investment, noting that they will lead to higher costs for consumers and slower growth due to a misallocation of resources caused by protectionism and subsidies.

However, there are some potential biases present in this article that should be noted when considering its trustworthiness and reliability. For example, while it does mention that the EU was moving towards imposing a carbon border tax before the IRA was passed, it does not explore any counterarguments or provide any evidence for why this policy may have been necessary or beneficial for Europe's economy or environment before being met with resistance from the US government. Additionally, while it does note that both sides will lose from this escalating green trade war, it does not provide any evidence or analysis as to why this is likely to be true beyond simply stating it as fact without further exploration into potential consequences or risks associated with these policies on either side of the Atlantic Ocean.

# Topics for further research:

* Carbon border tax benefits
* Impact of green trade war on global economy
* Misallocation of resources due to protectionism
* Potential consequences of European Union's Green Deal Industrial Plan
* Risks associated with US Inflation Reduction Act
* Subsidies and their effect on consumer costs

# Report location:

<https://www.fullpicture.app/item/57fc5abec882c89a94a153eae153a09d>