

PRO-CON

Is the Green New Deal worth its price tag?



Flames erupt in 2014 from a natural gas flare near oil pump jacks in the Bakken fields near Watford City, N.D.

AP Photo/Eric Gay

PRO: Ignoring climate change far exceeds price of dealing with it

GREEN BAY, Wis. — The idea of a Green New Deal has risen fast on the nation’s political agenda. Many congressional Democrats find value in its impact on climate change as well as social and economic justice goals they hope to put center stage in the 2020 elections. The media have seized on the idea, favorably and not, in part because Rep. Alexandria Ocasio-Cortez backs it. Along with Sen. Ed Markey of Massachusetts, she is co-sponsoring a non-binding congressional resolution for a Green New Deal that calls for a “10-year national mobilization” to shift away from fossil fuels in response to climate change. Their Green New Deal also calls for major economic reforms and infrastructure investments to stimulate job creation and economic growth and to promote greater social and economic equity. These are ideas that are consistent with emerging views of the Democratic Party’s progressive wing. To judge from recent polls, they also have strong support among voters in both political parties. Of course, the combination of diverse and unrelated proposals, many still being fleshed out, makes serious evaluation of a Green New Deal difficult. Think vision statement or framework more than polished plan. Many details can be found in a 40-page report by Data for Progress and others will be forthcoming. The short answer to the core question is that a Green New Deal in some form may well be feasible as well as affordable. Much depends on which formulation is being assessed, over what time, and with what assumptions about overall costs and benefits for the American people, and for that matter, the world. As expected, conservatives have been quick to denounce the proposal as irresponsible and costly. They tend to discount burdens already imposed by a rapidly changing climate, and the enormous risks and costs posed by climate change for the future. A major scientific report from 13 federal agencies last November estimated that the U.S. economy could shrink as much as 10 percent by 2100 because of climate

change. According to a recent Brookings Institution study, much of that damage will likely occur in states that voted for Donald Trump. Perhaps residents eventually will see the economic logic of acting on climate change. In 2017, record storms, floods and wildfires in the U.S. cost an estimated \$306 billion in damages. In 2018, NOAA reported that 14 weather disasters cost the nation at least \$1 billion each and killed more than 247 people. The total price tag for the nation’s economy was nearly \$100 billion. How much is it worth to reduce such damage in the future? Surely the question merits careful study. Moreover, it is likely that many policy actions will pay for themselves through averted costs of this kind. As is the case with most policy proposals, advocates for change must defend the specific recommendations against skeptics. This will take place in congressional hearings and around the country. Many states and localities have taken significant actions on climate change, renewable energy, energy conservation and efficiency as well as sustainable economic development. Some advocates favor advancing nuclear power in this mix and others do not. National policies could build on what these states and localities already have accomplished. For example, carbon taxes, including rebate systems where fees imposed on carbon sources are fully returned to citizens, have decreased reliance on oil, coal and natural gas. More broadly, we need to figure out how best to calculate the economic benefits of acting on climate change and addressing major threats to public health and well-being. This is a national conversation very much worth having right now. Doing so is vastly better than merely rejecting climate change as science fiction or dismissing the idea of governmental intervention as too bold or costly even to consider. Let’s get started on that debate. Michael E. Kraft is professor emeritus of political science and environmental affairs at the University of Wisconsin at Green Bay.



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CON: Green New Deal will be all pain and no gain

WASHINGTON — The Green New Deal sounds really good. But as the details start to come out, it looks worse and worse. In fact, the costs would be stupendous, and the damage done by its policies would be catastrophic. First, how much will it cost? One of the main promoters of the Green New Deal, freshman Rep. Alexandria Ocasio-Cortez, said recently that paying for it may require raising the top tax rate on incomes above \$10 million to 70 percent. The experts developing the Green New Deal openly admit that it will cost not billions, but rather trillions of dollars. Although how many trillions is open to debate, the fact is that the money will have to come from somewhere. Progressive economists have argued that the federal government can print as much money as it needs and that spending so much will fully mobilize the economy and thereby create growth. How has that worked out in Venezuela? Second, what are these policies that will cost so much? According to Ocasio-Cortez, the plan within 10 years must transition “the U.S. economy to become greenhouse gas emissions neutral.” This would likely require replacing all coal, oil and natural gas used for electricity generation and transportation with renewable energy, upgrading all buildings to state-of-the-art energy efficiency and a whole lot more. However, turning our energy economy upside down in a decade is only part of the Green New Deal. Income redistribution and social justice must be accomplished at the same time. Thus the federal government must create a “job guarantee program to assure a living wage job to every person who wants one.” It must also mitigate “deeply entrenched racial, regional and gender-based inequalities in income and wealth” and “ensure a ‘just transition’ for all workers, low-income communities, indigenous communities,” etc. The obstacle to achieving these dubi-



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ous goals is that moving to 100 percent renewable energy within 10 (or many more) years is impossible. About 80 percent of America’s energy comes from coal, oil and natural gas. After decades of multi-billion dollar subsidies, wind and solar accounted for 9 percent of electricity produced in 2017. From 9 percent to 100 percent is a long way to go, and replacing all the gasoline and diesel cars, trucks and tractors with electric vehicles will require much more renewable power. This not only won’t happen; it can’t happen. That’s because the electric grid becomes unstable and unmanageable as the percentage of power produced by intermittent and variable sources increases. Twenty percent wind and solar poses problems; 50 percent threatens blackouts and collapse. But what about battery storage? Alas, the technology available for the foreseeable future can provide minutes of expensive backup power, not hours or days. The Green New Dealers reply that the climate crisis is so dire that we must do whatever it takes to stop it. But even a green leap backwards will not stop global greenhouse gas levels from increasing. Chinese emissions are now higher than the U.S. and Europe combined and still growing. And Indian emissions are increasing rapidly as hundreds of millions of people start to climb out of energy poverty. The good news is that although global warming may present long-term challenges, it’s not an immediate crisis, despite the dire warnings of politicized scientists. The rate of warming over the past 40 years has been modest, and the demonstrable impacts have been mild. The experts predicting doom ignore the data and rely on discredited computer models. What would cause a real, immediate crisis is for Congress to enact the back-to-the-Dark-Ages policies of the Green New Deal. Myron Ebell is director of the Center for Energy and Environment at the Competitive Enterprise Institute.