



The Road Report & More

Health, Science, & Climate Action

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SPECIAL ISSUE

The Green New Deal

When giving climate talks, I often get questions about the [Green New Deal](#) (GND). What is it? How much will it cost? Is it realistic? Thus, I thought I'd dedicate a special newsletter to this topic. By no means is this meant to be a comprehensive report on the GND. Rather, I intend to address a few common questions and points of interest. For those unfamiliar, the Green New Deal is an economic stimulus package that was introduced by Rep. Alexandria Ocasio-Cortez (D-NY) and Sen. Ed Markey (D-MA), which aims to address climate change and economic inequality. Importantly, the GND is a resolution and not a policy, and therefore is not very specific on how exactly its goals get achieved. Nonetheless, it calls for an ambitious 10-year national mobilization effort in the U.S. to achieve 100% of its power demand from zero-emission energy sources, massive grid renovations, retrofitting buildings to maximum energy efficiency, among other social and environmental targets.



What Will it Cost?

One of the criticisms of the Green New Deal is that it will be too expensive. While a high upfront investment would indeed be needed, one must be cautious about ascribing a specific price tag to the GND. The resolution is simply not specific enough to enable meaningful economic analyses. That is, it proposes goals, without specifying how we achieve them. Only once we know the

specifics can we expect accurate cost estimates. To [quote](#) Noah Kaufman, a research scholar at Columbia University's Center on Global Energy Policy, "you can't use policy analysis if you don't have policy." He articulates that the GND is a set of goals, not policies, and that how much these goals will cost will depend on the specific set of policies that are implemented. With that said, cost estimates are nonetheless floating around. So, let's take a look at them.

Perhaps the best-known cost estimate surrounding the GND is the one cited by President Trump. He points to a \$100 trillion price tag. Where did that number come from? As it turns out, it was a \$7 trillion round-up from the \$93 trillion estimate produced by an American Action Forum (AAF) [analysis](#). Having said that, even \$93 trillion is a hefty price tag! Yet, upon peeling off another layer of the onion, one finds that \$93 trillion represents an upper bound estimate of what was actually a range of estimates spanning \$53 to \$93 trillion. Now \$53 trillion is still a LOT of money, but it's a far cry from \$100 trillion.

To elaborate on the AAF study, it's important to recognize that it is a "cost" analysis, not a "cost-benefit" analysis. That is, it doesn't weight the positives of the GND against the negatives. Put another way, the estimated price tag does not take into account the whole reason we're even talking about the Green New Deal. That is, "climate change." It discusses the upfront economic costs of the GND without considering the economic gains that would be realized by slowing climate change. These economic gains turn out to be enormous. It's therefore an incomplete picture to discuss the upfront costs of the GND or any other climate proposals without discussing the downstream gains. It would be like putting someone on an expensive fitness plan without any talk of health benefits. Who would want to pay the cost if there was no future benefit?

Cost of Climate Change

Climate-related natural disasters in the U.S. have racked up nearly [\\$800 billion](#) in economic costs in this decade alone, which is up four-fold compared to the 1980s.

Natural disasters of course aren't the only climate-related costs we can expect with future warming. The recent [U.S. National Climate Assessment](#) estimates that future warming will result in up to two billion lost labor hours annually by 2090 due to temperature extremes, costing an estimated \$160 billion in lost wages. The report also notes losses in some economic sectors projected to reach hundreds of billions of dollars per year by the end of the century. This doesn't include the enormous public health cost of



air pollution from burning fossil fuels, causing about 200,000 deaths in the U.S. each year. Nor have we accounted for the poisoning of waterways and other instances of environmental destruction that arise from coal mining and fracking. In short, climate change and business-as-usual energy production are EXPENSIVE.

All things considered, the annual economic impacts of climate change in the United States are **projected to cost** up to 10% of GDP by the end of this century, which translates to about \$2 trillion annually. Even if we assume half that cost, we're still looking at an estimated \$1 trillion of annual climate-related costs by 2100. Over time, such astronomical costs begin to resemble the estimated costs of the Green New Deal, with the added perk of preventing the catastrophic climate impacts and human mortality that is likely to only worsen in time. Turning again to the AAF cost analysis cited earlier, recall that these massive and growing climate-related costs are not taken into account.



Why Zero Senate Votes?

The GND was brought to a Senate vote back in March. However, it yielded zero support by either Democrats or Republicans. Was this a unanimous display of rejection of the Green New Deal? While at first glance it may appear so, a bit of scrutiny tells a different story.

Democrats did not in fact vote “no” on the bill. Instead, they voted “present.” This somewhat strange vote on behalf of Democrats was a response to what many considered a “sham.” The sham refers to Senate Majority Leader Mitch McConnell having rushed a vote on the GND without holding any hearings or expert testimony on climate change or related aspects of the resolution. To quote Democratic Senator Cory Booker, the maneuver was largely viewed as “a cynical political attempt to create division” within the Democratic party by forcing premature positions. In short, the Senate vote was essentially a protest vote which said very little about Democratic sentiment either for or against the Green New Deal.

Green Energy in 10 Years?

The GND is by no means perfect. For starters, there are some redundancies

in the resolution that partially obviate the need for one another. For instance, the goal of retrofitting all buildings in the U.S. has diminishing environmental returns as we increasingly achieve the goal of 100% clean energy. Similarly, achieving the goal of guaranteed good pay for all citizens seems to render the goal of targeted programs for food and housing less necessary. Of course,



such kinks can likely be worked out. What I view as a greater obstacle to success is the ambitious timetable described in the resolution as it relates to renewable energy. Given our current energy mix and dependency on fossil fuels in the U.S., it is in my opinion unrealistic that we can achieve 100% renewable energy in just 10-years. Energy experts that I've spoken with tend to agree. Of course, we would all love to be proven wrong and see a smooth and complete deployment of renewables in just 10 years! Despite my sentiment, I am reminded of the quote "Shoot for the moon. Even if you miss, you'll land among the stars." In other words, even though we're unlikely to reach 100% renewables in 10 years, perhaps we'll achieve great progress by trying.



Closing Thoughts

While the Green New Deal comes with astronomical costs, so does climate change and business-as-usual energy production. There is no question that we must urgently reduce our greenhouse gas emissions by shifting to renewable energy. The GND certainly takes this necessity seriously, which is something we don't readily see in Washington. Whether it takes on too

much too quickly is an open question. While perhaps overly ambitious in its timeline, a breath of fresh air as it relates to the GND is that it starts with the question of "what is required" to address climate change, rather than "what is politically viable." This is an important starting point given that climate change is a problem embedded in physics. That is, we don't get the luxury of postponing climate action without incurring irreversible climate destabilization. To quote Bill McKibben, whether achievable or not, "the Green New Deal is the first climate proposal we've seen that is actually commensurate with the scale of the climate problem."

Some experts fear that the unrealistic timetable of the GND will undermine the

credibility of the climate movement, in turn damaging future efforts to combat climate change. Others dislike the inclusion of sweeping social targets in the GND, fearing that they will turn some people off to what are otherwise critical measures to protect the planet. Still, I've heard other people contend the opposite; that the social targets may be responsible for the widespread popularity of the GND that we've seen in many circles. One thing we can at least agree on is that the GND, regardless of viability, has nonetheless received a lot of attention in the media and political arena. Whether such attention will in the end be positive or negative for the climate movement remains to be seen. If such attention is positive, that's obviously a win! If it's negative, can it really do much to hurt the already dismal climate action we've seen in Washington? What are your thoughts? Reply to this newsletter to share them with me!

Closing Climate Actions!

While we can debate about the merit and feasibility of the GND, let us not forget that a separate bill exists on the table of Congress today that would do a great deal to reduce greenhouse gas emissions. The Energy Innovation & Carbon Dividend Act, or H.R. 763, is a bill which, if passed, would put a price on atmospheric carbon pollution, and in turn reduce carbon emissions by an estimated 40% in the first 12 years. [Click here](#) to learn more about the bill and how you can help ensure its passage in Congress!



If you're like me, you've been frustrated by the minimal attention that climate change receives on the debate stage come election time in the U.S. Well, there is a movement right now to push the Democratic National Committee (DNC) for a televised Democratic debate focused entirely on climate change. [Click here](#) for the webpage people are using to contact DNC Chair Tom Perez to express support for such a debate.

Have a great week!
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