

PRINTER-FRIENDLY FORMAT  
SPONSORED BY



**September 25, 2009**

**Op-Ed Columnist**

# **It's Easy Being Green**

**By PAUL KRUGMAN**

So, have you enjoyed the debate over health care reform? Have you been impressed by the civility of the discussion and the intellectual honesty of reform opponents?

If so, you'll love the next big debate: the fight over climate change.

The House has already passed a fairly strong cap-and-trade climate bill, the Waxman-Markey act, which if it becomes law would eventually lead to sharp reductions in greenhouse gas emissions. But on climate change, as on health care, the sticking point will be the Senate. And the usual suspects are doing their best to prevent action.

Some of them still claim that there's no such thing as global warming, or at least that the evidence isn't yet conclusive. But that argument is wearing thin — as thin as the Arctic pack ice, which has now diminished to the point that shipping companies are opening up new routes through the formerly impassable seas north of Siberia.

Even corporations are losing patience with the deniers: earlier this week Pacific Gas and Electric canceled its membership in the U.S. Chamber of Commerce in protest over the chamber's "disingenuous attempts to diminish or distort the reality" of climate change.

So the main argument against climate action probably won't be the claim that global warming is a myth. It will, instead, be the argument that doing anything to limit global warming would destroy the economy. As the blog Climate Progress puts it, opponents of climate change legislation "keep raising their estimated cost of the clean energy and global warming pollution reduction programs like some out of control auctioneer."

It's important, then, to understand that claims of immense economic damage from climate legislation are as bogus, in their own way, as climate-change denial. Saving the planet won't come free (although the early stages of conservation actually might). But it won't cost all that much either.

How do we know this? First, the evidence suggests that we're wasting a lot of energy right now. That is, we're burning large amounts of coal, oil and gas in ways that don't actually enhance our standard of living — a phenomenon known in the research literature as the "energy-efficiency gap." The existence of this gap suggests that policies promoting energy conservation could, up to a point, actually make consumers richer.

Second, the best available economic analyses suggest that even deep cuts in greenhouse gas emissions would impose only modest costs on the average family. Earlier this month, the Congressional Budget Office released an analysis of the effects of Waxman-Markey, concluding that in 2020 the bill would cost the average family only \$160 a year, or 0.2 percent of income. That's roughly the cost of a postage stamp a day.

By 2050, when the emissions limit would be much tighter, the burden would rise to 1.2 percent of income. But the budget office also predicts that real G.D.P. will be about two-and-a-half times larger in 2050 than it is today, so that G.D.P. per person will rise by about 80 percent. The cost of climate protection would barely make a dent in that growth. And all of this, of

course, ignores the benefits of limiting global warming.

So where do the apocalyptic warnings about the cost of climate-change policy come from?

Are the opponents of cap-and-trade relying on different studies that reach fundamentally different conclusions? No, not really. It's true that last spring the Heritage Foundation put out a report claiming that Waxman-Markey would lead to huge job losses, but the study seems to have been so obviously absurd that I've hardly seen anyone cite it.

Instead, the campaign against saving the planet rests mainly on lies.

Thus, last week Glenn Beck — who seems to be challenging Rush Limbaugh for the role of de facto leader of the G.O.P. — informed his audience of a “buried” Obama administration study showing that Waxman-Markey would actually cost the average family \$1,787 per year. Needless to say, no such study exists.

But we shouldn't be too hard on Mr. Beck. Similar — and similarly false — claims about the cost of Waxman-Markey have been circulated by many supposed experts.

A year ago I would have been shocked by this behavior. But as we've already seen in the health care debate, the polarization of our political discourse has forced self-proclaimed “centrists” to choose sides — and many of them have apparently decided that partisan opposition to President Obama trumps any concerns about intellectual honesty.

So here's the bottom line: The claim that climate legislation will kill the economy deserves the same disdain as the claim that global warming is a hoax. The truth about the economics of climate change is that it's relatively easy being green.

[Copyright 2009 The New York Times Company](#)

[Privacy Policy](#)[Terms of Service](#)[Search](#)[Corrections](#)[RSS](#)[First Look](#)[Help](#)[Contact Us](#)[Work for Us](#)[Site Map](#)