

Green New Deal

Stories

[Coalition letter advocating for a Green New Deal](#)

Questions

You're working as a staff economist at Environmental Defense Fund (EDF) under the leadership of EDF's Chief Economist, Suzi Kerr. Suzi has asked you to decide whether EDF should sign on to the above letter to Congress which advocates for a specific interpretation of the Green New Deal. Suzi has highlighted several statements from the letter and has asked you specific follow-up questions about each statement. Read the letter and write a short response to each of the questions below.

1. "The United States must shift to 100 percent renewable power generation by 2035 or earlier ... As the transition away from fossil fuels occurs, our transportation system must also undergo 100 percent decarbonization." **Given what we know about the equimarginal rule and marginal costs and marginal benefits of abatement, does it make sense to completely eliminate all non-renewable power sources and fossil-fuel powered vehicles by 2035?**
2. "We will vigorously oppose any legislation that ... promotes corporate schemes that place profits over community burdens and benefits, including market-based mechanisms and technology options such as carbon and emissions trading and offsets..." **How would abandoning market-based mechanisms affect the cost of achieving a given amount of greenhouse gas emissions abatement?**
3. "Fossil fuel companies should pay their fair share for damages caused by climate change, rather than shifting those costs to taxpayers." **Who pays the cost of climate policy? Do prescriptive policies necessarily force companies to bear more of the costs of climate policy than market-based policies?**
4. These policies "are but a few ways to build a sustainable, low carbon economy where no one is left behind during this change." **Would an efficient, market-based approach to climate policy guarantee that all Americans are better off?**