

What Questions?

What do you mean 'we,' white man? — Tonto

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Facts From Previous Slides

- ▶ OECD : 3x energy/person, 2x emissions/person
- ▶ OECD : 18% of world population
- ▶ Global Temp rising : World will change greatly.
- ▶ Externalities : Tax them! (\$50/tCO₂ ?)

Wrong Question

- ▶ What should the world do?
- ▶ What is the SCC ?
- ▶ What should be the CO₂tax ?

Right Question

- ▶ What will decision-makers do?
- ▶ How can they be influenced?
- ▶ What will be the outcome?

Humanity

- ▶ We are not the Borg!
- ▶ Tunnel vision is futile

Can We Go It Alone?

- ▶ 250 GtCO₂ reduces equilibrium temp by 0.1°C.
 - ▶ vague on equilibrium
- ▶ Climate change 3.0°C instead of 2.9°C.
 - ▶ 50 years of no USA.
 - ▶ 100 years of USA omitting half.
 - ▶ Renunciation versions would cause economic hardships so bad that neither has a chance of happening.

EU And USA And OECD?

- ▶ Now only 1/3 of emissions in 2022.
- ▶ Soon only 1/4 in a generation in 2050
- ▶ US/EU shrinking. India/China growing.
 - ▶ Would it be galling to our voters?

Pay For Non-OECD?

- ▶ IMHO: Far too much \$s to receive political approval.
- ▶ *Unanimous* vote in U.S. Senate against us cleaning up our own shit if others do not.
 - ▶ difficult to find other unanimous votes.
 - ▶ Would they vote to pay for others??

Platitudes

- ▶ When you think you can successfully appeal to *global* human altruism.
- ▶ When you state “The World should ...”
WTH? This is *not* how the world works.
- ▶ When you propose climate-change related “wellness” initiatives

Do Appeals Work?

- ▶ The US could not even *through appeals* get its *own* citizens to take the almost-surely safest vaccine in human history.
- ▶ (There are things we can do, though—wait until later in the course.)

Goop

Fun With Wellness

- ▶ When you propose climate-change related “wellness” initiatives, like carbon footprint reductions.

(Think [Goop](#). And the following are the more PG-rated products.)

LED Sign Handwritten by GP (\$900)



SOURCE: GOOP

Ouija Board (\$1,995)



Ask the spirits for some guidance with this \$2,000 Ouija Board

SOURCE: GOOP

You Educated Folks...Good or Bad?

- ▶ \$1 trillion Infrastructure Bill in Nov 2021.
 - ▶ Would \$2 trillion have been better?
 - ▶ Democrats want(ed) \$3+ trillion.
- ▶ \$0.5 trillion Inflation Reduction Act, Aug 2022.
- ▶ Estimated cost Of *War On Terror* (2001-2020)
 - ▶ \$8 trillion and about 1 million people killed
- ▶ Toxic Burn Pits Veterans Benefits (2023-2024)
 - ▶ Strong bipartisan legislation healthcare benefits
 - ▶ Cost: \$1 trillion.

Problem Of Magnitudes

- ▶ Climate change is principally a problem of *incomprehensibly gigantic* magnitudes.
 - ▶ we must *try* to make the numbers more comprehensible.
- ▶ How many voters understand the difference between \$1 billion and \$1 trillion?
 - ▶ And how many voters just follow partisan lines?
- ▶ Stupidity has its limits when the bills come due.

Quoting Cost Differently

- ▶ About 120 million households.
- ▶ About 160 million labor force.
- ▶ About **160 million tax payers**.
 - ▶ average: \$10k/payer Fed income tax (ignore other).
 - ▶ top 1% (>\$550k/year): Avg tax pay \$500k/payer. 22% of income, 42% of total taxes.
 - ▶ bottom 50% (<\$42k/year): \$500 tax/payer. 2% of total taxes, before redistribution.
- ▶ Realistically, today's debt will be mostly paid by top 10%, 15 million payers.

Translations

For each \$1 trillion extra in Federal debt:

- ▶ Think \$60k each for 10% high-inc earners
- ▶ Think \$100k each for 1% high-inc earners — 100 days.
- ▶ Think low for bottom half high-inc earners — 10 days.

Not exact. Order of magnitude. Redistributive aspects.
Investment aspects.

Translations

Assuming you will join the top quartiles, Congress and Whitehouse spent/invested your earnings of

- ▶ 1 month on Inflation-Reduction-Act in 2022
- ▶ 3 months on Build-Back-Better in 2021
- ▶ 3 months on Toxic Burn Pits in 2023
- ▶ 24 months on War-on-Terror (5% of your working life)

and, of course, a lot more on running costs (military; social security, medicare, medicaid; everything else). Ignores state income tax, property tax, etc.

How much does AOC understand before she votes?

Does Tucker Carlson before he shoots his mouth off?

Sidenotes

*War on Terror is not a substitute for War on CC. US won't spend less on military. Eisenhower **warned us**. But "The US should..." is not how it works, either. Spending has a different dynamic.*

*Infrastructure can be a great investment. However, in my mind, it depends on the type and spending. Think **\$5m for 1 lane per mile**. With 50 houses per mile, think \$100,000 per house construction or asphalt highway. With 4-lanes, you can build full houses or just lanes for the same cost.*

*"Novel Fiscal Theories:" Think in terms of mortgage — how fast is your income still growing? If your income is growing fast, then your mortgage today can be bigger and it will over time diminish in importance. If your income is no longer growing but shrinking, your budget (i.e. the US budget) will hit a wall — unless you can bring in more money. This means primarily **your taxes** — upper middle income.*

Conclusion

- ▶ Nations and people will be selfish.
 - ▶ Small sacrifices perhaps. Some countries perhaps.
- ▶ There are no world solutions without the non-OECD countries.
 - ▶ India, China, Africa, etc.
- ▶ We need self-interested emissions reductions.