

Bob Doppelt: Pay to stop warming now or really pay later

By Bob Doppelt

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Most people would be unhappy if they had to devote a bigger chunk of their household income every year to a big problem that could have been resolved years earlier for a fraction of the cost. Yet that's what the failure to adopt policies to reduce climate change-producing carbon emissions is likely to mean for families in Oregon and other Western states.

Oregon Gov. Ted Kulongoski has introduced nine bills intended to reduce the state's carbon emissions. In my discussions with Oregon legislators prior to the current session, many seemed to have concluded that the costs of emissions reductions were too high to bear. However, when I asked what they thought the costs of not reducing emissions would be, they had no answer. They were drawing conclusions in a vacuum.

So, my program at the University of Oregon decided to fill this gap. We analyzed what the costs would be for Oregon households of not reducing carbon emissions and allowing climate change to proceed uncontrolled.

Because feedback from legislators in Washington state and New Mexico mirrored the comments from Oregon officials, we also estimated the costs for those states.

Our team — led by ECONorthwest, an economic consulting firm — found that uncontrolled climate change would impose costs on Oregon in a number of ways. Rising temperatures would produce more asthma and heat-related illnesses, for example, and in other ways affect public health and reduce the productivity of workers. The value of some assets and some revenue streams are likely to be affected, such as when more frequent winter floods or wildfires damage buildings or reduce property values.

There also would be some direct increases in expenses, such as higher costs for health care and air conditioning. Employment would drop in some industries. Supplies of clean water and other ecological services that are vital to our economy and quality of life would be reduced.

After examining these and other issues, our team found that climate change would cost the state of Oregon a minimum of \$3.3 billion annually by 2020, \$5.1 billion by 2040 and \$9.8 billion by 2080. That would represent more than 4 percent of current median household income in 2020, more than 5 percent by 2040 and more than 7 percent by 2080.

Similar costs were found in the other states. The team concluded that climate change would cost the state of Washington at least \$3.8 billion annually by 2020, or more than 2 percent of current median household income. Those costs would rise to more than \$6.5 billion in 2040 and to \$12.9 billion by 2080.

Due to its location in the hotter, drier Southwest, New Mexico's costs would be even more extreme. The team found that by 2020, households in New Mexico would incur, on average, annual climate change-related costs representing at least 8 percent of current median household income, 13 percent by 2040, and more than 29 percent by 2080.

These costs are purposefully conservative. They are also not negotiable — unless emissions are reduced significantly.

The numbers are conservative because our team assessed only the costs of climate change-related flood and storm damage, reduced food production, increased wildfires, health, energy related expenditures and a few other issues. Due to insufficient data, the team did not assess the economic effects of coping with more variable weather, increased pathogens and about 15 other likely direct costs of climate change.

We also did not assess costs imposed on Oregon families and businesses from climate impacts occurring outside the state. Reduced agricultural production in hotter, drier regions of the

nation, for example, is likely to raise food costs for Oregon households.

The costs are nonnegotiable because if carbon emissions continue to rise unabated, more frequent storms, prolonged droughts, more heat waves and other climate changes would damage property, increase health problems, affect the availability and costs of energy, and impose many other costs.

Although some of the costs — such as those associated with rising asthma, vector-borne diseases and other effects — can be mitigated by local action, most cannot be prevented by emissions reductions by Oregonians alone.

The United States and nations across the globe also will need to slash emissions to prevent the worst forms of climate change. But if Oregon and other Western states do not act, there will be little motivation for others to do so.

One thing is clear: The longer we wait to adopt strong emission reduction policies, the more costly climate change will be.

There will be no business-as-usual economy for Oregon under a business-as-usual approach to climate change.

Bob Doppelt is director of Resource Innovations at the University of Oregon, and also heads the UO's Climate Leadership Initiative.