

"a little bit of everything"

Libertarians accidentally argue for massive foreign aid against climate change

By Carl Woodward

April 22, 2015

[G]rowing wealth necessitates higher carbon emissions in the short or medium term, but greater prosperity enables people to become both greener and more energy efficient in the long term. Denying cheap energy to the developing world will trap hundreds of millions of people in poverty and lead to more humanitarian disasters. – Marian Tupy

All of this is completely accurate, but Tupy, in his haste to promote capitalism on the Cato Institute's blog, seems to have missed the implication.

To get to green energy, much of world needs money. But if developing countries try to acquire wealth through capitalism's standard route – fossil-fuel driven industrialization – they'll counterproductively create insane amounts of pollution.

The obvious solution, then, is for the rest of us to give the unindustrialized world lots of money. That way it can skip right to the green energy stage of development without further contributing to pollution. Give them money, and give them the technology that we've already come up with through investments in research and development: these are obviously the most efficient and greenest ways to help the unindustrialized world.

This, of course, is precisely what environmentalists have advocated for decades. Gwynne Dyer, for instance, insists that "there has to be not only technology transfer but also direct financial subsidies from the developed countries on an extremely large scale, in order to give the developing countries adequate resources for the task of switching their power-generation capacity from fossil sources to (more expensive) non-fossil technologies."

To keep below the standard 2 degree warming limit, the United Nations Environment Programme proposes <u>a minimum annual investment of \$1.3 trillion</u> to subsidize the developing world's transition to green economies. Of course, if we force developing nations to undergo fossil-fuel industrialization before making the transition to clean energy, the earth will get even warmer; our response will then have to be even more ambitious; and the associated costs will be much, much higher.