Green Cities versus Climate-Safe Cities

Like anybody else, Al Gore wants to live in a city with a high quality of life that is safe from climate change. He has the money to be able to pay for such expensive real estate. Where would he want you to live? Suppose that Al Gore must assign households to live in either Boston or Houston. Suppose that Boston residents are at risk from climate change-related shocks, but that its residents have a very small carbon footprint — our hypothetical Boston residents use public transit, drive little, and consume electricity generated by renewable power plants that have low carbon emissions. In contrast, suppose that Houston is the opposite of Boston. Its residents face no direct risks from climate change, but households in Houston have a huge carbon footprint: they drive individual cars, eat meat, and use electricity generated by dirty, coal fired power plants.

Al Gore has a tough choice: should he send people to Houston or Boston? There is no "win-win" here. People sent to Houston will be safe from scary climate change risks such as flooding, but the world's aggregate carbon emissions will increase, and this will exacerbate the impact of climate change for everyone else. People sent to Boston will be "human shields" and at risk, but the global externality of greenhouse gases will not be made worse. What should Al do? If his sole goal is climate change mitigation, he ships us to Boston. If he wants to protect us from climate change-induced harm he sends us to Houston.

In a perfect world, our cities would offer Houston's protection and Boston's small footprint. In our real world, cities lie somewhere in between these extremes. If we all lived in "at-risk" Boston, we would be aware that we will suffer greatly from climate change. Out of narrow self-interest, we would vote for policies that protect us from climate change. In contrast, if we were "cocooned" in Houston, we would not feel this urgency and would view costly carbon mitigation regulation as a transfer; that is, we would face higher prices for fossil fuels, but other people (who live in climate risk cities) would gain from our financial sacrifice. A climate-safe city (Houston in this case) can actually hinder building an international coalition willing to sacrifice to mitigate carbon now. Al Gore and the Sierra Club will probably not admit it, but they need "human shields" to help them build a coalition of the willing who will vote for $4-per-gallon gas and the other costly steps we need to take to seriously reduce our global carbon emissions. If we do not expect to suffer at all from climate change, then only altruists will vote for significant regulation. There are not enough altruists in the United States to get Congress to sign such regulation.