

Doing Nothing: The Real Risk of Climate Policy

Fran Pavley



This past year has seen enormous progress in the realm of climate policy in the United States, arguably the most progress we have ever seen in a single year on this most pressing issue of our generation.

In California, the implementation of the state's historic 2006 climate legislation, AB 32, has moved forward on schedule. An outline of how the state can achieve its goal of a 25 percent reduction in greenhouse gases by 2020, called the AB 32 Scoping Plan, was approved in December of 2008. Several early implementation measures, including a low-carbon fuel standard, have also already been approved.

While critics complain of the costs associated with climate policy, they conveniently overlook that many approaches to reduce climate pollution can also provide a way out of the economic crisis. Our climate and energy policies over the last 35 years have enabled Californians to redirect billions of dollars saved toward other goods and services. Energy efficiency policies have saved our state's consumers \$56 billion between 1972 and 2006, which spurred approximately 1.5 million full-time jobs with a \$45 billion payroll.

The costs of adapting to climate change, with expected water shortages, sea level rise, wildfires, and cropping changes, among many other problems, may have been underestimated by a factor of two to three, according to a UK study published in September of this year. The 2006 Stern Report has estimated that while the costs of addressing climate change could cost 1 to 2 percent of annual global gross domestic product (GDP), the cost of adapting to uncontrolled climate change could reach 5 to 20 percent of annual global GDP.

Putting California's plan to curb global warming into action is far cheaper than the cost of doing nothing. We are already feeling climate change impacts, which, if left unchecked, could cost California as much as \$47 billion every year in direct damages and put at risk trillions of dollars of real estate, infrastructure, and other assets. Climate change

also threatens water resources and important industries like tourism, entertainment, agriculture, and recreation, which all fuel the state's economic engine.

While reducing the potential impacts of climate change is important, it does not eliminate the need for adapting to inevitable changes in sea level, coastal erosion, and water supply. Throughout the state, local governments need to take actions to assess and prepare for these future impacts. In Santa Monica Bay for example, detailed modeling of sea level rise, coastal erosion, and changing rainfall patterns needs to be conducted on a local scale. This is essential to informing local planning, instigating the necessary protection or relocation of infrastructure, and planning for reduced water supplies.

Actions at the local level will require coordination across agencies and municipalities. Protection of our natural areas, such as coastal wetlands and kelp forests, will buffer us against the impacts of sea level rise and coastal erosion. Retrofitting our urban areas to allow rainwater infiltration will reduce polluted runoff and help recharge diminished ground water resources.

Mitigating and adapting to a changing climate will be expensive, but will also catalyze green jobs and prevent even greater costs later. Clearly, when it comes to climate, the greatest risk we face is the risk of inaction, and the biggest cost we will incur is the cost of doing nothing.

Senator Fran Pavley represents Senate District 23 - including portions of Los Angeles and Ventura Counties - in the California Legislature. She was elected to the forty member State Senate in November, 2008 and was immediately appointed to chair the Senate Natural Resources and Water Committee by Senate pro Tempore Darrell Steinberg. While in the Senate Fran will also serve on the Transportation and Housing, Budget, Health, Environmental Quality and the Food Safety and Agriculture Committees. As Chair of the Select Committee on Global Warming, Senator Pavley will be holding hearings to help guide the implementation of AB 32, the landmark law she offered as serving in the Assembly.