

\*\*\* April 19th Editorial Board/Op-ed Page Editor Briefing \*\*\*

**REPORT: PRACTICAL SOLUTIONS TO GLOBAL WARMING COULD BE  
A MAJOR ECONOMIC OPPORTUNITY FOR THE UNITED STATES**

The following is the executive summary of a new report, "Seeds of Opportunity – Climate Change: Between Complacency and Panic," written by Dr. Lloyd Jeff Dumas, professor of Economics and Public Policy, University of Texas at Dallas, and released on April 19, 2006 by the nonprofit and nonpartisan Civil Society Institute:

"It has been said that within every problem lie the seeds of opportunity. Global warming is no exception to that rule. Global warming threatens us with huge economic dislocations, more powerful storms, diseases, catastrophic droughts, dwindling food supplies, unprecedented floods, and vanishing coastal areas. Nonetheless, it does not make sense to look at global warming only as a risk ... it also presents an opportunity for private sector firms and government to find cost-effective ways to mitigate the damage likely to be caused by climate change. There is the potential for earning substantial profits and creating large numbers of productive jobs by focusing on climate change solutions.

There is widespread consensus among the scientific community -- and growing recognition by political and business leaders as well -- that global warming poses real and increasingly documented risks. For example, the EPA calculates that a one-meter rise in sea level due to global warming could drown 25-80 percent of the U.S. coastal wetlands and inundate 5,000-10,000 square miles of dry land if shores are not protected. By the year 2050, the total worldwide economic costs of global climate change are expected to reach \$300 billion per year. According to a UN Environmental Program (UNEP) report published in 2002: 'Worldwide economic losses due to natural disasters [including climate-related hurricanes, floods, and droughts] appear to be doubling every ten years, and have reached almost \$1 trillion over the past 15 years ... Each year now brings four times as many weather related disasters as 40 years ago ... If current trends persist, the annual loss amount will, within the next decade, come close to \$150 billion ...'

The opportunities presented by global warming have received less attention and study to date, but there is already evidence that there are major opportunities for business profits and job creation in meeting the rising demand for solutions to global warming. At the high end, it has been estimated that the annual cost of reducing greenhouse gas emissions (GHG) emissions in the U.S. to 3 percent below 1990 levels is as much as \$280 billion per year (in 1992 dollars).

However, the Intergovernmental Panel on Climate Change estimates that reducing equivalent GHG emissions by about 15 percent of current levels could be achieved by 2010 and 30 percent by 2020 by taking measures that would save enough energy to actually produce net economic benefits, rather than costs. For example, UNEP projects that global sales in the market for all forms of renewable energy will reach \$234 billion to \$625 billion by 2010, and as much as \$1.9 trillion by 2020. The market in the U.S. alone is expected to grow 34 percent by 2020. Using renewable energy to meet just 20 percent of U.S. electricity demand would by itself create nearly a quarter of a million jobs in this country by 2020.

Whether or not the United States takes strong action to deal with the problem, many other nations are already in the process of doing so. This report considers five sensible, robust and flexible policy approaches, which can be used individually or in combination to effectively address the problem of global warming in ways that hold costs down and/or increase the return on our investment:

- \* “cap and trade” emission reductions;
- \* programs to conserve energy while maintaining or improving our standard of living;
- \* increased use and further development of renewable ecologically benign energy sources;
- \* enhanced greenhouse gas sequestration (storage); and
- \* programs that use positive and negative incentives to induce the progress of technologies useful to climate change mitigation.

When it comes to global warming, there is reason to be optimistic. We certainly cannot afford to be complacent, but there is no need to panic. We still have the time to take a measured approach, to roll up our sleeves and build the political will to take sensible, pragmatic actions that will make global warming a problem of the past, rather than a threat to our future.”

The full text of the CSI report is available at <http://www.civilsocietyinstitute.org>.

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