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1

Preface

Growing up in the high desert of New Mexico, I saw green as a welcome relief from the arid landscape. “It is so green,” my father would say as we drove up to the family cabin in the mountains. That usually meant he hoped there was enough water in the stream for trout fishing. Green to my father meant trout in the pan.

My view of the meaning of “Green” has changed since my willowed fishing days. Green has taken on a life of its own, becoming a social movement that reflects a new approach to individual actions, companies, political activities, and laws. It is an interconnected set of ideas about the dangerous side effects of modern industrial societies and how we can cure, or at least curb, them. In this book, “Green” with a capital *G* represents the movement to deal with the collisions and contagions of the contemporary world. When written with a lowercase *g*, “green” refers to the perceived color of trees and plants.

When I sketched this book in my mind a decade ago, I hoped to address the challenges raised by economic growth and globalization and their unintended side effects. The side effect that has engaged me most is climate change, and the search for policies to slow global warming generated many of the ideas in this book. As the final words of this book are being written, the world is presently haunted by another scourge, the pandemic caused by the novel coronavirus.

Plagues are as old as climate change is new, but the solutions have a common core of approaches. Societies need to combine the ingenuity of private markets with the fiscal and regulatory powers of governments. Private markets are necessary to provide ample supplies of goods such as food and shelter, while only governments can provide collective goods such as pollution control, public health, and personal safety. Operating the well-managed society without both private markets and collective actions is like trying to clap with one hand. This book discusses how to harness the strengths of both private and public forms of social organization to find effective solutions to the complex challenges faced by interrelated industrial societies.

The impact of the environmental, or Green, movement is examined in various areas here. While most people think of pollution as the major spillover of modern life, the world has learned that pandemics can be deadly by-products of everyday personal and economic transactions. Green means not only a clean planet but also a world free of devastating infectious diseases like COVID-19.

Blueprint for a Green Planet

The chapters of this book cover a wide array of social, economic, and political questions that are examined from a Green vantage point. They include established areas such as pollution control, reduction of congestion, and global warming. But they also involve new frontiers such as Green chemistry, taxes, ethics, and finance.

We begin our journey with the cover of this book, which features a futuristic piece of architecture called “Copenhill,” recently completed in Copenhagen, Denmark. This building combines interior offices with a trash-to-electricity plant, a hiking trail, and a chair-lift serving grassy beginner-to-expert ski slopes. Few people would imagine Copenhill as the icon of the Green age because of its association with garbage, but it shows how different components of our lifestyles—from production to working to skiing—can be innovatively integrated.

Copenhill is a monument to Green architecture, which is usefully described by one of its advocates, James Wines, as follows:

“Green architecture is a philosophy of architecture that advocates sustainable energy sources, the conservation of energy, the reuse and safety of building materials, and the siting of a building with consideration of its impact on the environment.” *Sustainability* is the key here. In Green architecture it means minimizing the harmful environmental impact of buildings through efficient design and the use of renewable resources. More generally, in a theme running throughout this book, a sustainable society is one that operates to ensure that future generations can enjoy living standards at least as ample as those of today.

The built environment is the most durable tangible feature of human civilization. Aside from a few tools, the oldest human artifacts are buildings. These include Egyptian pyramids, Roman aqueducts, Indian pueblos, and Gothic cathedrals. Most structures last at least a half century, compared to a decade for cars or a couple of years for smartphones. Because buildings are so prominent and last so long, they are a useful illustration of the importance of the application of Green principles.

While the Spirit of Green is useful as a blueprint for structures and other tangible goods, it is even more influential as a conceptual framework for the design of institutions, laws, and ethics for an interconnected society. The analytical foundations of Western economies are built on the ideas of Adam Smith and the nineteenth-century liberals. Their approach emphasizes competitive markets free of monopoly and fraud. Economic insights of an earlier age remain a critical component of a prosperous society, but they must increasingly be balanced with the philosophy required to correct market and nonmarket flaws.

This book describes Green philosophy and its application to a globalized and technologically sophisticated society. In some cases, as in the building on the cover of this book or in new vehicles or chemicals, the approaches are literally or figuratively concrete.

However, some of the most important Green approaches are organizational or institutional or attitudinal. Changing our tax system, developing more accurate measures of national output, improving the incentives for green energy, using market instruments to

reduce pollution, and improving the ethical norms for individuals and firms—these are ways of altering society that require no steel or concrete but rather changes in attitudes and laws.

Before turning to the different themes that follow, I must give a nod of thanks to the friends and colleagues who have taught me so much. I particularly salute my teachers from an earlier generation: Tjalling Koopmans, Paul Samuelson, Robert Solow, and James Tobin.

Additionally, I give thanks to contributors to the invisible college of environmental and economic thinking. They include George Akerlof, Jesse Ausubel, Lint Barrage, Scott Barrett, William Brainard, Nicholas Christakis, Maureen Cropper, Dan Esty, Alan Gerber, Ken Gillingham, Geoffrey Heal, Robert Keohane, Charles Kolstad, Matt Kotchen, Tom Lovejoy, Robert Mendelsohn, Nick Muller, Nebojsa Nakicenovic, John Reilly, Jeffrey Sachs, Cass Sunstein, David Swenson, Martin Weitzman, Zili Yang, and Gary Yohe.

The last salute goes to my brother Bob, an inspiration in life and the law, who devoted his talents to writing Green ideals into federal energy and environmental legislation.

All remaining errors and impractical flights of fancy belong to the author.

I write the final words of this book on January 21, 2021, the day after Joseph Biden became the 46th President of the United States and the world left the dark ages of the Trump years. The new administration, along with governments and citizens around the world, face challenges, Green and beyond, more daunting than at any time in half a century. But good will, sound science, and the rule of democratic institutions will serve as beacons to light our way over the coming years.

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