

# What is the Value of Being First?

## *Perspectives from California and Sweden*

### Climate Policy Forum

San Francisco, CA Tuesday, May 7, 2013

Thomas Sterner



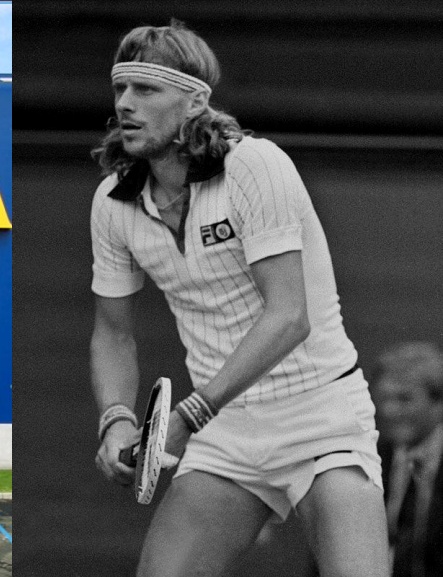
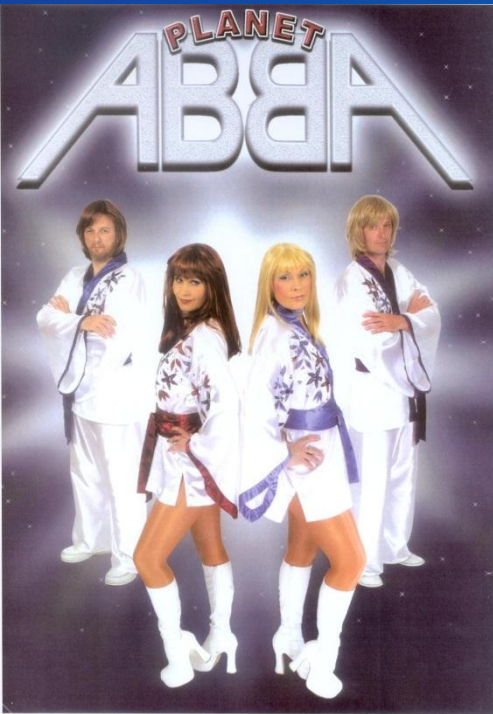
# California

# Sweden






# CO2 tax Sweden **165** \$/Ton



# WTP for Climate

Swedes, Americans, Chinese  
WTP 1.6%, 1.1% and 0.9%,  
respectively of income to  
prevent warming  $\geq 2$  deg. F

# WTP for Fairness

- Chinese have much higher WTP for distributive preferences than US.
  - Ranking of rules opposite.
  - Only similarity is that both are very self serving.
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"The Truth, the Whole Truth, and Nothing but the Truth " JEBO

“A Fair Share: Burden-Sharing Preferences in the United States and China” REE,


“Paying for Mitigation: A Multiple Country Study” Land Economics

“Is fairness blind? – The effect of framing on preferences for effort-sharing rules”,  
Ecological Economics



# **"Paying for Greenhouse Gas Mitigation: A Multiple Country Study"**

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Variable	Sweden	USA	China
Temperature has not increased.	6	23	5
Humans have affected temp incr.	94	73	96
We cannot stop climate change.	6	17	10
Own country should reduce carbon emissions, even if others do not.	82	68	80
Reduce emissions wherever cheapest, even if in other country	45	16	32
Deal with climate change primarily by reducing carbon emissions.	86	59	83
Prioritize environment even if we lose jobs.	62	40	77

# Wtp for fairness

Burden-sharing rule	USA	China
Historical emissions (US 67%; China 18%)	-9 <sup>**</sup>	141 <sup>***</sup>
Need (US 55%; China 38%)	-22 <sup>***</sup>	-78 <sup>***</sup>
Ability to pay (US 47%; China 29%)	9 <sup>**</sup>	90 <sup>***</sup>
Current emissions (US 42%; China 40%)	22 <sup>***</sup>	-154 <sup>***</sup>