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ENVIRONMENTAL JUSTICE, CAPITALISM, DEMOCRACY

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HOW STANDARD ECONOMIC ENVIRONMENTAL POLICY IGNORES INEQUALITIES

One of the most problematic aspects of standard economic policy responses to negative externalities (such as air pollution and greenhouse gas emissions) is that these policies tend to ignore the socioeconomic distribution of both the externality itself and the distribution of the costs and benefits of the policy response. Therefore, these policies often fail to redress important inequalities, and can even perpetuate inequality. And because the distribution of the harms from a negative externality is often the most important social problem connected to that externality, this means that by ignoring distributional effects, standard economic policies are at least often ignoring what is most important—and in some cases could be making it worse.¹

Why are distributional facts ignored by standard economic policy responses to negative externalities? This is a consequence of the fact that standard economic analyses—i.e., the actual policies that tend to be enacted based on the advice of environmental economists—aim to minimize the total dollar cost to the economy of any desired level of negative externality reduction by creating a *uniform* disincentive for the negative externality for all people in all locations. What I mean by a “*uniform*” *disincentive* is that the very same dollar magnitude of disincentive is in place everywhere: such as a *uniform* carbon tax in which the very same tax is charged everywhere, or a *uniform* cap and trade system in which the very same

price for permits is charged everywhere as a consequence of a well-functioning market for the permits. This uniformity in disincentive is a key part of standard economic policy, as it is necessary to ensure that any level of reductions comes at the least cost to the economy.²

One problem with this kind of standard economic policy is that it ignores the distribution of the burden of the tax on different socioeconomic groups. Most obviously, it ignores the fact that a uniform tax often disproportionately burdens the poor, since a dollar of tax subtracts more wellbeing from poor households than a dollar of tax to rich households. Standard economic policy ignores these differences in wellbeing impacts from a uniform tax. Beyond this, in for example the case of climate change, the regressive nature of a standard carbon tax in a rich country like the United States is a widely discussed problem, as poor households in richer nations spend a higher fraction of their income on carbon-intensive goods than rich households, making such a tax regressive even beyond accounting for the fact that each dollar spent by a poor household reduces their wellbeing more than a dollar spent by a rich household.³

Economists often attempt to justify standard economic policy advice by saying that it is part of their job to intentionally ignore equity, on the grounds that their job is to focus on efficiency, not equity. But at best this would provide a justification for *economists* to ignore equity, and would not provide any justification for *policies* to ignore equity. And in fact the economists who make this argument agree, as they explicitly endorse the idea that equity needs to be taken into account by someone else in policymaking—just not by economists. With that in mind, this line of argument from economists faces a further problem insofar as economists have carefully maneuvered to take the reins of policymaking all for themselves, as they have arguably done in connection with US federal environmental policy as well as many other areas. It can be argued that they have done this because to the extent that they alone control the reins, it is known that their standard economic policies that ignore equity will be enacted in a context in which it is known that no one else will take equity adequately into account in any supporting policies—which means that the policies they end up recommending are ethically unacceptable by their own lights. Furthermore, in such a context, standard economic policy can make outcomes

worse rather than better for both individuals and society in the aggregate, as explained earlier, and has been shown in economic theory from a utilitarian perspective.⁴

To illustrate a different and less obvious reason why a uniform disincentive structure is problematic and ignores distributional consequences, consider a simplistic illustration of how such a policy could go wrong: Suppose that a society wants to cut emissions of an air pollutant in half (for example, GHG emissions), and so it ratchets up a uniform tax on that pollutant until emissions are cut in half across society. But, unfortunately, the way that this plays out is there are initially two emission sources—one source in the urban area where most people live, and one larger source in the middle of nowhere—and it turns out that the least-cost way for the economy to deal with the new price on emissions is to close the rural emitting facility altogether, invest in upgrading the controls at the urban emitting facility, and move all the production to the urban plant, which then ends up doing all of the production for society. The result is that pollution actually increases at the urban location where most people live and decreases a lot more in the middle of nowhere. This illustrates how a uniform disincentive scheme across society ignores the distribution of the emissions, and as a result can go wrong by ignoring distributional effects. In this dramatic example, we could imagine that the policy actually makes the outcome worse for society by redistributing a smaller amount of emissions in a way that actually makes the aggregate health burden worse than it was with a higher level of emissions.

And even if we assume there isn't such a dramatic failure of the policy, and thus even if we imagine that health is improved for most people in society by the policy and is only made worse for a few who live very close to the single higher emitting plant that emerges from the policy, it is easy to see that this is itself a problematic distributional outcome that the policy ignores. This is especially problematic if the small group that suffers greater harm consists of those at the bottom of the socioeconomic distribution or the most oppressed racial minority groups.⁵

This last worry is a key reason why environmental justice (EJ) advocates often decry standard economic policy responses to pollutants, as they fear that something very much like this result is the predictable outcome of standard economic environmental policy.

Furthermore, any missed opportunity to alleviate inequalities in pollution exposure is especially important, given that inequalities in exposure to pollutants are one primary cause of structural injustices in society and the intergenerational transmission of inequalities.⁶ Specifically, the EJ worry is that the uniform incentives created by such policies will incentivize society's emissions to be located at the places where they can be sited at the least cost, thereby predictably concentrating pollution in the poorest and most vulnerable communities.⁷ In this way, the EJ worry is that implementing standard environmental economic policy becomes a way of predictably implementing and deepening structural injustice. (It is a further question to what extent these specific EJ concerns are predictably the consequence of standard environmental economic policy, which I set aside here.)⁸

In sum, standard economic policy ignores many inequalities, and according to some EJ advocates can actually amplify some of the deepest structural injustices in society.

THE PROBLEM WITH FAMILIAR CRITIQUES OF CAPITALISM

All that being said, the observations in the previous section about the inadequacy of standard market-based economic policy are often turned too quickly into arguments against capitalism itself. These familiar but too-quick arguments often have something like the form: "Climate change shows that capitalism is deeply and necessarily flawed, because capitalism is the fundamental underlying problem behind the catastrophic problems associated with climate change and capitalism is also inherently incompatible with any decent solutions to these problems, much less the best solutions to these problems."⁹

The main point of this section is to suggest that these familiar critiques of capitalism are mistaken: In fact, the best solutions to climate change are perfectly consistent with capitalism, and actually require capitalism. So, it is a mistake to argue that climate change shows that there is a deep problem for capitalism: While it is true that we live in (somewhat) capitalist societies, and while it is true that capitalism is not currently well-regulated, and that these two things together are in some sense causing problems such as climate change and other problems of over-pollution, it is incorrect

to think that capitalism is the fundamental underlying problem, because in fact well-regulated capitalism provides the best solution to the problem.

To see the intuition behind this, it may be useful to consider the example of air pollution, which has been one of the most harmful externalities of the previous century associated with capitalism. Air pollution was not well-regulated in many places in the past one hundred years (and is still not fully well-regulated even in rich nations today), and the historic number of deaths caused by air pollution have thus far been even greater than the historic deaths resulting from climate change.¹⁰ (Which is not to take a position on what the future holds.) In an earlier era of environmentalism in the late 1960s, it was also common to offer structurally analogous arguments that air pollution revealed a deep problem with capitalism. However, it is now generally agreed that this particular anti-capitalist argument was mistaken, because in fact the best solutions to the problem of air pollution are perfectly consistent with capitalism, and actually require capitalism, e.g., via market-based pricing of emissions.¹¹

Generalizing, the fundamental argument here regarding capitalism and externalities is straightforward:

Premise 1. The best response to externalities (including climate change, air pollution, etc.) is perfectly consistent with capitalism and in fact depends on market mechanisms that are most naturally part of a capitalist system: namely, a Pigouvian tax (e.g., a carbon tax) or other market-based externality pricing system, together within linked policies to use the revenues from the tax on the externality to promote equity, or other straightforward supporting policies that promote justice, such as equity weighting to give more value in the pricing scheme to reductions paid by those who are richer, or other distributional weights that give preference to reductions in places that are overburdened. Indeed, this ideally best response is most naturally achieved within a capitalist system.

Premise 2. In addition, almost everyone would be much worse off under any alternative response that got rid of capitalism.¹²

Conclusion. Therefore, not only is capitalism consistent with the best response to externalities such as climate change, it is also a necessary part of any desirable response, and a necessary part of any desirable basic structure for society.

For our purposes here, we can set aside the claim made in the second premise that almost everyone would be much worse off without capitalism. Given that our focus is on the more narrow issue that is the focus of the first premise, the key point here is that many influential experts on environmental policy in recent decades (and most major environmental regulations at the federal level from both parties in the past fifty years) endorse the truth of this first premise.¹³

In sum, the best responses to climate change, air pollution, and other externalities known to policymakers involve pricing the externality (e.g., via a Pigouvian tax), using the revenues to promote equity, or a number of other straightforward supporting policies that promote equity and justice. This suggests that the best solutions to climate change are perfectly consistent with capitalism, and actually require capitalism. Two further supporting data points are that richer capitalist societies have shown the most success in regulating negative externalities once they become sufficiently rich,¹⁴ and noncapitalist nations such as the Soviet Union and North Korea fared dramatically worse than capitalist counterparts with respect to environmental pollution, even controlling for per capita wealth.¹⁵

At a theoretical level, this suggests a different diagnosis of the root problem behind externalities. The problem is not ultimately with capitalism, but instead with the failure to ensure that capitalism is well-regulated. And in contemporary free societies, the root of this problem is our particular forms of democracy, rather than capitalism. Some data in support of this are that when we consider more authoritarian yet (somewhat) capitalist nations such as China, they are able to move more quickly and efficiently toward regulation of externalities than democratic nations have done, especially when controlling for per capita wealth—as illustrated in the past decade by China's rapid air quality improvements, its movement toward market-based policies such as its National Emissions Trading Scheme, and market-based regulation of other externalities.¹⁶

Consistent with this, an additional question outside of our focus is whether we should have a positive or negative overall evaluation of China's environmental policies. The point that is important for our purposes is independent of this evaluation. For example, some experts argue that while China is able to move more quickly and efficiently, China nonetheless has worse environmental policies overall because of other problems and distortions caused by China's particular forms of authoritarianism, which ensure that environmental and other "social welfare" policies in China are primarily designed to advance authoritarianism, rather than vice versa, typically at greatest expense to the social welfare of those in China with the lowest socioeconomic status.¹⁷

Setting these issues aside, for our purposes the important point is that our particular forms of democracy involve important impediments to proper regulation, and these political failings are really the root cause of problems with externalities, rather than capitalism. Perhaps the solution is, as some have argued, that we need "10% less democracy," perhaps in the form of something akin to more insulated institutions such as the Federal Reserve, to govern externalities, thereby insulating regulation of externalities from democratic forces, much as monetary policy has been insulated by the Federal Reserve itself.¹⁸ Or perhaps there is some other even better way to modify our decision-making procedures to yield regulation of externalities.¹⁹ The important point for our purposes is that regulatory failures are not ultimately caused by capitalism; they are caused by failures within particular forms of democracy and other political systems. So, insofar as the root cause of a fundamental underlying problem behind climate change must be located in one of the main mechanisms for social coordination discussed by political theorists, the best place to locate it is in specific forms of democracy, specific forms of authoritarianism, and the like, rather than capitalism. Again, the important point is that the best solutions to climate change are perfectly consistent with capitalism, and actually require capitalism.

BATTISTONI'S CRITIQUE OF CAPITALISM, AND OF
STANDARD ECONOMIC ENVIRONMENTAL POLICY

Moving beyond the familiar arguments about capitalism in the last section, Alyssa Battistoni offers a deeper and novel critique of the actual practice of policymaking within capitalist societies. Battistoni correctly identifies and makes conceptually clear several ways that well-intentioned standard economic policy can fail from the perspective of justice even when perfectly implemented. In so doing, Battistoni's critique deepens the critique from the first section above, and makes visible several ways that oppression can remain even when standard economic policy is perfectly implemented.²⁰ Nevertheless, I shall argue that the take-home message for her critique ultimately should be the same as for the line of critique identified in the first section: Namely, that there are no fundamental problems with capitalism *per se*, but rather with the actual practice of democratic environmental policymaking—including standard economic policy—which does not typically include any of the straightforward supporting policies described in the second section that are necessary to ensure equity and justice, and instead only includes policy mechanisms that ignore justice and the distribution of benefits and harms (such as a uniform Pigouvian tax without any supporting policies).

Battistoni's novel critique begins by noting that even if we have the sort of environmental policy recommended by economists, the inequalities that remain will ensure the poor and socioeconomically vulnerable remain wrongfully dominated (and harmed, oppressed, and disproportionately burdened) by the negative externality itself. So, standard economic environmental policy, even if fully implemented, would not remove many of the most serious ethical problems with the situation, given that significant amounts of pollution would remain, it would be regressively distributed, and this would involve wrongful domination, harm, and oppression. This critique is very powerful, especially given the insightful way that Battistoni grounds the argument in the detailed analysis outlined above of the ways that standard economic policy ignores inequality. And the novelty of Battistoni's critique ensures it is a valuable contribution to thinking about these issues.

With the critique in hand, Battistoni also suggests that anti-capitalist and anti-consumerism conclusions follow from these legitimate criticisms of standard economic policy. In the remainder of this chapter, I want to highlight a few ways that some aspects of Battistoni's arguments for these further conclusions involve complications that are important and not commonly enough addressed in many discussions in social and political philosophy. Because of their interest, and because they introduce important limits on even subtle critiques of capitalism like Battistoni's, I will focus on making them clear in the rest of this discussion. To that end, we can begin by making explicit three further claims that Battistoni presents in continuing the line of critique above:

- A. Capitalism inevitably produces wrongful domination, given that (as we've seen above) domination remains even under fully implemented standard environmental economic policy.
- B. The rich within capitalist societies are morally responsible for this domination.
- C. Individuals within capitalist society also bear moral responsibility for this domination (although individuals should often focus on change at the structural rather than the individual level).

I will try to quickly highlight what I think are the most difficult complications for each of these three further claims in turn. Doing so will introduce limitations on the force of Battistoni's ultimate critique of capitalism and consumers within capitalist systems.

Regarding claim A: One complication is that even if we agree that standard economic policy is insufficient to remove wrongful domination from capitalism, it doesn't follow that there is no *other* way for capitalism to remove wrongful domination, and thus it doesn't follow that capitalism *inevitably must* produce wrongful domination. In fact, many leading theorists in economics, policy, and law have argued for additional market-friendly methods of going beyond standard economic policy to address inequalities head-on rather than ignore them,²¹ including some proposals to improve environmental economic policy to address inequalities head-on and avoid exactly the kind of problems outlined above.²²

In the absence of an argument that the methods proposed by these experts are doomed to fail, we should consider the possibility that *well-regulated capitalism* in its best form, including incorporating these further market-friendly policy measures, might be able to avoid producing wrongful domination even if current instances of capitalism do not.²³

Regarding claim B: One complication in the argument for B is that it seems to assume both (i) that capitalism or the rich within capitalist societies are causally responsible for the fact that the poor are poor, and (ii) that the poor have not received benefits from the rich and from capitalism that more than compensate them for the downsides of inequality, their constrained labor option set, and other important limitations on their lives. In highlighting the reliance on (i) and (ii), I do not mean to cast doubt on the idea that these assumptions sometimes hold true in specific cases. Instead, my goal is to highlight that there are important complications due to the fact that the global poor benefit so much (according to some experts) from a globalized capitalist economy, and the wealth of nations arguably has numerous complex causes, some of which arguably do not involve the rich and capitalism making poorer countries poorer. Depending on how far one believes it is empirically plausible to go with these thoughts, one can anticipate those who believe that (at least well-regulated) capitalism would benefit the poor to an extent that more than outweighs the downsides of inequality, constrained labor option sets, etc., and that this fact gets capitalism off the hook for some of the bad aspects of inequality.

As a related conceptual point, from the fact that A knowingly caused x, and that x is badly oppressive to B, it does not follow that A is wrongly oppressing B, and doesn't even obviously follow that A is oppressing B at all. To illustrate, imagine a fanciful (and highly counterfactual) case where a new planet appears to us, which we can see is filled with people in desperate poverty who cannot benefit from direct charity—instead, the only thing we can do to help them is to give them coal to make cheap power for themselves, because a key source of their poverty is a lack of energy. Suppose they see the coal we give them as like manna from heaven, but manna that also causes the presence of oppressive and harmful dust in the air. If we assume for the sake of argument that there is really no other way we can help them, and that they really, really

want the coal we give them because it helps them dramatically on balance (they are no longer starving and in darkness), then it seems we are not wrongly oppressing or dominating them by sending them the coal, even if we are thereby causing the dust cloud that is badly oppressive to them. And it is not clear that *we* are oppressing or dominating them at all.

As a side note, even in conditions of perfect justice there could be lots of domination and oppression by nature—the weather can be oppressive after all. As intuition for this, consider those who were born at an earlier time before anything like social safety nets or even large societies existed, who were born into places where the weather frequently destroyed all of their work and repeatedly set them back to square one. For them, it is easy to imagine the weather as an oppressive force dominating their lives—indeed, their thoughts and rituals might themselves be dominated by responding to the domination of the weather. More generally, there are ways in which natural scarcity and other circumstances might be the entity that is “responsible” for the oppression that people sometimes experience, including perhaps the inhabitants of the imaginary poor planet in the example above (if the details of the case are developed in that way).

All of this is especially important to the evaluation of capitalism, if capitalism is analogous to our best biomedical knowledge and treatments: Just as the regrettable and oppressive fact that humans will always be constrained by finite lives pairs naturally with the thought that there are strong reasons to lengthen our lives and health, so too the regrettable and oppressive fact of scarcity pairs naturally with the thought that there are strong reasons to produce more abundance for all—and some would argue that well-regulated capitalism is the best technology we currently have for doing that. For those who endorse this perspective, it is easier to see why unfortunate side effects such as inequalities (especially if well-managed under well-regulated capitalism) could be considered a regrettable side effect that can be nonetheless ethically justified by the larger and more ethically important benefits of (well-regulated) capitalism.

Regarding claim C: From the fact that every individual is a contributor to climate change harms (in whatever form of contribution one likes—causal contribution, consequentialist difference-maker

to harm, etc.),²⁴ it doesn't follow that each is morally responsible for a share of those harms. To illustrate, imagine that zero emissions power is invented soon that is also too cheap to meter, but that one hundred years from now this power technology still hasn't been deployed because of an evil conspiracy by a few leaders. Now consider a child born one hundred years from now, and consider the evaluation that they are responsible for the harms from climate change because all of their power consumption still contributes to climate change. Even if we agree with the premise about their contribution of their consumption, it doesn't follow that we should hold this future person in these circumstances morally responsible for the climate harms that happen—instead, intuitively it is the leaders of the conspiracy who are responsible. Of course our actual situation is very different, but a reasonable worry still remains that a realistic-but-limited analog of these complications remains. For example, if you are disposed to adjust the climate policy lever in the right way if only you could (e.g., with a carbon tax and complementary policies) to make the outcome much better and in a way that is costly to you, and you take good action as a citizen politically and interpersonally in supportive ways, and act well professionally in supportive ways, then this might importantly reduce your individual responsibility for bad outcomes. More generally, there are reasons to be suspicious of the common assumption in ethics and political theory that if you are part of a group that is collectively doing harm, then it follows directly that you are morally responsible for (your proportional share) of the harm. This line of thought may be too quick, and ethical reality may be more complicated.

In sum, Battistoni correctly highlights one of the most problematic aspects of standard economic policy responses to negative externalities such as air pollution and greenhouse gas emissions: namely, that these policies tend to ignore the socioeconomic distribution of both the externality itself and the distribution of the costs and benefits of the policy response. Therefore, these policies often fail to redress important inequalities, and can even perpetuate inequality, domination, and injustice. Battistoni's contribution is particularly important and novel, in part because it makes visible and more conceptually clear several ways that well-intentioned standard economic policy can fail deeply from the perspective of justice even when perfectly implemented by the standards of standard

economic policy, which have not been recognized or widely discussed. This is important, because standard economic policy is the dominant approach to responding to negative externalities in many places.²⁵

However, the conclusions we should draw from these facts may be more limited than they initially appear. In particular, as we've seen in this section, there are important further complications regarding moral responsibility in the evaluation of capitalism and consumers within such a system. And as we saw in the second section above, none of these observations imply any deep problem for capitalism, because the best solution to problems of externalities are perfectly consistent with capitalism, and actually require capitalism. The problem is not ultimately with capitalism, but instead with the failure to ensure that capitalism is well-regulated.

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NOTES

1 See also Alyssa Battistoni, "Domination in the Age of the External-ity," in this volume; for general discussion of standard economic policy, distributional complications, and considerations of justice, without Battistoni's special emphasis on structural injustice or environmental injustice, see Daniel Hausman, Michael McPherson, and Debra Satz, *Economic Analysis, Moral Philosophy, and Public Policy*, 3rd ed. (Cambridge: Cambridge University Press, 2016).

2 See for example Lynne Lewis and Tom Tietenberg, *Environmental and Natural Resource Economics*, 12th ed. (New York: Routledge, 2018).

3 See for example Francis Dennig, Mark B. Budolfson, Marc Fleurbaey, Asher Siebert, and Robert H. Socolow, "Inequality, Climate Impacts on the Future Poor, and Carbon Prices," *Proceedings of the National Academy of Sciences* 112, no. 52 (2015): 15827–15832.

4 Graciela Chichilnisky, Geoffrey Heal, and David Starrett, "Equity and Efficiency in Environmental Markets: Global Trade in CO₂ Emis-

sions,” in *Environmental Markets: Equity and Efficiency*, ed. Graciela Chichilnisky and Geoffrey Heal (New York: Columbia University Press, 2000).

5 For further discussion along several important dimensions, see for example Nicholas Muller and Robert Mendelsohn, *Using Marginal Damages in Environmental Policy: A Study of Air Pollution in the United States* (Washington, DC: AEI Press, 2013) and Chichilnisky and Heal, eds., *Environmental Markets: Equity and Efficiency*.

6 See for example Anna Aizer and Janet Currie, “The Intergenerational Transmission of Inequality: Maternal Disadvantage and Health at Birth,” *Science* 344, no. 6186 (2014): 856–861.

7 See for example Nicky Sheats, “Achieving Emissions Reductions for Environmental Justice Communities Through Climate Change Mitigation Policy,” *William and Mary Environmental Law & Policy Review* 41, no. 2 (2017): 377–402.

8 See for example Danae Hernandez-Cortes and Kyle Meng, “Do Environmental Markets Cause Environmental Injustice? Evidence from California’s Carbon Market,” *Journal of Public Economics* 217 (2023): 104786; Muller and Mendelsohn, *Using Marginal Damages in Environmental Policy*.

9 See Douglas Kysar, “Ways Not to Think About Climate Change,” in this volume, and Alyssa Battistoni, “Domination in the Age of the Externality,” in this volume, among many others in contemporary discourse more generally who could be cited. For what could be argued is a critique of liberalism similar to this critique of capitalism, see Dale Jamieson and Marcello Di Paola, “Climate Change, Liberalism, and the Public/Private Distinction,” in *Philosophy and Climate Change*, ed. Mark Budolfson, Tristram McPherson, and David Plunkett (Oxford: Oxford University Press, 2021), 370–396.

10 See “Death Rate from Air Pollution, World,” *Our World in Data*, accessed July 30, 2024, <https://ourworldindata.org>. For more general discussion of the health and wellbeing impacts of air pollution and other large-scale externalities, see Hannah Ritchie, *Not the End of the World* (New York: Little Brown, 2024).

11 See for example the sort of arguments presented in Robert Stavins, ed., *Economics of the Environment: Selected Readings*, 7th ed. (Cheltenham, UK: Edward Elgar, 2019).

12 For more discussion of the structure of arguments in favor of well-regulated capitalism, based in part on its importance to human wellbeing, see for example Mark Budolfson, “Arguments for Well-Regulated Capitalism, and Implications for Global Ethics, Food, Environment, Climate Change, and Beyond,” *Ethics & International Affairs* 35, no. 1 (2021): 83–98, which also discusses other examples of environmental externalities.

13 Stavins ed., *Economics of the Environment*. See also Cass Sunstein, *The Cost-Benefit Revolution* (Cambridge, MA: MIT Press, 2018).

14 See for example Ritchie, *Not the End of the World*.

15 See for example Murray Feshbach and Alfred Friendly, Jr., *Ecocide in the USSR: Health and Nature Under Siege* (New York: Basic Books, 1993).

16 Ashley Esarey, Mary Alice Haddad, Joanna I. Lewis, and Stevan Harrell, eds., *Greening East Asia: The Rise of the Eco-developmental State* (Seattle: University of Washington Press, 2020); Xianchun Tan and Henry Lee, “Comparative Assessment of China and U.S. Policies to Meet Climate Change Targets,” Harvard Belfer Center for Science and International Affairs, accessed August 22, 2024, www.belfercenter.org; Yifei Li and Judith Shapiro, *China Goes Green: Coercive Environmentalism for a Troubled Planet* (Cambridge: Polity Press, 2020).

17 As one leading example, see China’s moves to eliminate coal-based heating in many homes in the late 2010s, which showed little concern for the ability of poor households to afford alternatives to coal heat for their homes in the winter. For more general discussion, see Li and Shapiro, *China Goes Green*.

18 See for example, Garrett Jones, *10% Less Democracy: Why You Should Trust Elites a Little More and the Masses a Little Less* (Stanford, CA: Stanford University Press, 2020).

19 Note that this paper was written in 2023. Recent events now make even more salient the general argument here that too much democracy enables deep harms to society, and that the best solution is to more securely insulate institutions that protect basic rights, regulate externalities, and protect the basic structure of well-regulated liberalism and capitalism from democratic and authoritarian distortion. It is an embarrassment that the past century of political philosophy has ignored the fundamental role of too much democracy in catastrophically undermining the universal freedom and prosperity that well-regulated liberalism and capitalism could otherwise provide.

20 See Battistoni, “Domination in the Age of the Externality,” in this volume.

21 See for example Matthew Adler, *Measuring Social Welfare* (Oxford: Oxford University Press, 2019), and Matthew Adler and Marc Fleurbaey, *The Oxford Handbook of Well-Being and Public Policy* (Oxford: Oxford University Press, 2016). A central proposal within these studies for “equity weighting” within cost-benefit analysis of policy was endorsed by the updated guidance from within the US government in 2023; see “Circular A-4,” November 9, 2023, The White House, accessed August 23, 2024, www.whitehouse.gov.

22 See for example Muller and Mendelsohn, *Using Marginal Damages in Environmental Policy*.

23 For some related discussion of the concept of well-regulated capitalism, and the importance of proper regulation to ethically desirable capitalist systems, see Budolfson, "Arguments for Well-Regulated Capitalism, and Implications for Global Ethics, Food, Environment, Climate Change, and Beyond."

24 For discussion of these differences, see for example Julia Nefsky, "Collective Harm and the Inefficacy Problem," *Philosophy Compass* 14, no. 4 (2019): e12587.

25 See for example, Sunstein, *The Cost-Benefit Revolution*, and Stavins, ed., *Economics of the Environment*.