



## Green New Deals Costs

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American Action Forum estimates that if the Green New Deal (GND) is enacted, every American household would pay \$65,000 per year to foot the bill and that the total price tag could reach \$93 trillion in the first 10 years alone.<sup>1</sup>

Liberal economist Noah Smith estimated that the cost of the Green New Deal without all the promises listed in the FAQ would be \$6.6 trillion annually. That is three times as much as the federal government collects in tax revenue and about 34% of U.S. GDP. Under the Green New Deal, Smith estimates that nearly 75% of the economy would be spent by the government.<sup>2</sup>

### Other Costs:

The Mercatus Center estimates that the costs of the single-payer health care provision alone would cost \$32 trillion in the first 10 years.<sup>3</sup>

According to a McKinsey study, achieving net-zero greenhouse gas emissions would cost \$11 trillion in the first ten years alone.<sup>4</sup>



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<sup>1</sup> <https://www.americanactionforum.org/research/the-green-new-deal-scope-scale-and-implications/>

<sup>2</sup> <https://www.bloomberg.com/opinion/articles/2019-02-08/alexandria-ocasio-cortez-s-green-new-deal-is-unaffordable>

<sup>3</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

<sup>4</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

## **More Green New Deal Costs:**

- Transitioning to all-renewable electricity and closing every nuclear, coal and natural gas plant in the country would cost at least \$7 trillion.<sup>5</sup>
- Expanding renewables to provide 100% of the nation’s power needs would cost about \$2.0 trillion in the first ten years alone.<sup>6</sup>
- Building a “smart power grid” for the entire country would cost \$400 billion over ten years.<sup>7</sup>
- Replacing and upgrading every home and building is conservatively estimated to cost \$2.5 trillion over ten years and the figure may be much larger.<sup>8</sup>
- The GND aims to provide a jobs guarantees at a “living wage” that is estimated to cost \$2.5 trillion over 10 years.<sup>9</sup>
- According to the American Action Forum, \$5.7 trillion of investment in renewable energy and storage is needed for the GND.<sup>10</sup>
- Consumer Energy Alliance estimates the collective costs for American families of replacing four daily household appliances — furnaces, water heaters, dryers and stoves — to be \$244 billion.<sup>11</sup>

## **How Will We Pay for the Green New Deal?**

- Nothing in the Green New Deal bill specifies how this legislation will be paid for.
- Rep. Ocasio-Cortez indicated they plan to pay for the GND the “same way we paid for the New Deal, the 2008 bank bailout... all our current wars... by the Federal Reserve extending credit... by creating new public banks that extend credit... by the government taking an equity stake in projects.”

## **Funding these government giveaways will require massive tax increases:**

- The GND will significantly increase taxes for all Americans.
- Even with massive tax increases, deficits will skyrocket.

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<sup>5</sup> <https://reason.com/blog/2017/06/21/powering-us-using-100-percent-renewable>

<sup>6</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

<sup>7</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

<sup>8</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

<sup>9</sup> <https://www.forbes.com/sites/miltonezrati/2019/02/19/the-green-new-deal-and-the-cost-of-virtue/#707cfbbf3dec>

<sup>10</sup> <https://www.americanactionforum.org/research/what-it-costs-go-100-percent-renewable/>

<sup>11</sup> <https://consumerenergyalliance.org/2019/02/green-new-deal-could-cost-consumers-244-billion-replace-appliances/>