

The 'economists' have lost control of climate change

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I was amused by this in [an Economist](#) editorial:

[T]he criticism of the economic approach to climate change implicit in the Green New Deal is not that it is flawed or politically unrealistic, but that it is a category error, like trying to defeat Hitler with a fascism tax. Climate change is not a market glitch to be fixed through pricing, in this view, but part of a dire social crisis. It is hard to judge such arguments without decades of hindsight. But they seem to be winning, raising the possibility that, for the moment, economists have lost the chance to lead the fight against climate change.

The claim that economists have lost control is based on the absence of a cost-benefit analysis in the Green New Deal and the fact that carbon pricing is rejected.

Of course, the Economist is wrong. There is a cost-benefit analysis in the Green New Deal: we cannot afford not to do it, whatever it costs.

And carbon pricing does not work. Marco Fante explains why [here](#). The essence is simple though: renewables are cheap enough to ensure that carbon pricing is itself priced out of the market.

So the economists - or rather, the neoliberal economists that the Economist thinks to be the holders of that tile - have lost.

But the green political economists have won. As I always thought we would, one day, which is why I kept on banging on about this.

It's taken a while. But the Economist should note, the change is seismic. And for the sake of the planet, irreversible.