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Lecture by Distinguished Scholar as a part of Golden Jubilee

**The Case for Phasing Out Coal-Fired Power: Evidence from
Air Quality Dissatisfaction**

by

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Abstract

Phasing out coal power in favour of renewables is a central plank of climate action. But, unlike many other actions, which hinder climate protection, coal-fired power has a direct impact on people's lives through reduced air quality. Moreover, these costs of coal-fired power have the potential to be harnessed in local political debates if they are material. Using locational data on citizens' perceptions, we show that people living within 40 km of coal-fired power stations are, on average, more dissatisfied with ambient air quality. To turn this into a willingness to pay measure, we use data on life satisfaction. Comparing the aggregate benefits computed this way, we find substantial net benefits from switching to renewables based on local air quality improvements alone. Such findings could be important in galvanizing public action in a way that complements the global agenda on the reduction of carbon emissions. We compare, in particular, heterogeneity in these conclusions across countries including India and China which are heavily dependent on coal-fired power.