



# Impact of population growth and population ethics on climate change mitigation policy

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**Future population growth is uncertain and matters for climate policy: higher growth entails more emissions and means more people will be vulnerable to climate-related impacts. We show that how future population is valued importantly determines mitigation decisions. Using the Dynamic Integrated Climate-Economy model, we explore two approaches to valuing population: a discounted version of total utilitarianism (TU), which considers total wellbeing and is standard in social cost of carbon dioxide (SCC) models, and of average utilitarianism (AU), which ignores population size and sums only each time period's discounted average wellbeing. Under both approaches, as population increases the SCC increases, but optimal peak temperature decreases. The effect is larger under TU, because it responds to the fact that a larger population means climate change hurts more people: for example, in 2025, assuming the United Nations (UN)-high rather than UN-low population scenario entails an increase in the SCC of 85% under TU vs. 5% under AU. The difference in the SCC between the two population scenarios under TU is comparable to commonly debated decisions regarding time discounting. Additionally, we estimate the avoided mitigation costs implied by plausible reductions in population growth, finding that large near-term savings (\$billions annually) occur under TU; savings under AU emerge in the more distant future. These savings are larger than spending shortfalls for human development policies that may lower fertility. Finally, we show that whether lowering population growth entails overall improvements in wellbeing—rather than merely cost savings—again depends on the ethical approach to valuing population.**

population | climate change | social cost of carbon | social welfare | emissions

The size of the human population, in the near-term and distant future, is a key determinant of climate policy: All else equal, a larger population entails more emissions and therefore more mitigation to achieve a given climate target (1–3), and it also means more future people will be vulnerable to climate-related impacts. The extensive time lag between the environmental pressure (emissions) and the impacts (fully realized climate damages) differentiates the climate problem from other issues at the human population and environment nexus, as the costs of mitigation will be borne largely by people now, but most of the benefits will be experienced by a future stream of people which is uncertain in size.

Our paper joins a large literature that estimates the social cost of carbon dioxide (SCC), which is the economic cost, expressed in present-day dollars, caused by the consequences for climate change of an additional ton of carbon dioxide emissions (or its equivalent)\*. Because in economic theory the optimal carbon price is equal to the SCC (under certain optimality conditions), we use these terms interchangeably.

Any framework for estimating the SCC and optimal mitigation effort has two prerequisites with respect to population: (i) Emissions pressure: Analyses must explicitly account for a range of plausible future population growth rates—which have proved difficult to estimate even over relatively short time periods (4)—and their corresponding links with greenhouse gas emissions. (ii) A social objective: There must be a consistent and transparent approach for valuing the wellbeing of future populations through time.

The link between population and emissions (point *i* above) has been the topic of a large literature (1, 2, 5–11) (*SI Appendix, section 2*).

The same is not true for the link between population and the valuation of wellbeing in the context of climate change (point *ii* above) (12). This aspect is of critical importance because how population is valued by society will determine the SCC and also establish whether a policy that reduces population for climate purposes is desirable overall.

Our paper addresses these questions by using Dynamic Integrated Climate-Economy model 2013 (DICE2013), a leading

## Significance

We investigate how future population growth is relevant to climate change policy. The answer depends importantly on ethical questions about whether our ultimate goal should be to increase the number of people who are happy or rather to increase the average level of people's happiness. We calculate the best (optimal) emissions reduction pathway given each of these two different goals that society might have and calculate how much cheaper it would be to avoid dangerous interference with the climate given a smaller rather than a larger population. We also show that whether it is ultimately better to have a smaller population in response to climate change depends on which of these two goals society chooses.

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\* Here we are referring exclusively to the impact of carbon dioxide emissions on the climate through its action as a greenhouse gas. We do not address other externalities associated with burning carbon-based fuels, such as those related to air quality, which are increasingly encompassed in the term "social cost of carbon."

cost–benefit climate–economy model, to explore how population growth affects the SCC, optimal peak temperature, and mitigation costs under alternative approaches to valuing wellbeing.

The structure of this paper is as follows. In the Introduction we introduce two population-sensitive approaches for valuing human wellbeing (these approaches are known as “social objectives”) and explain the treatment of population in cost–benefit climate–economy models (CEMs). In *Main Results: Population Growth and the SCC*, we use a range of recent population projections, together with the DICE model, to show that population growth has a large effect on climate policy and the SCC. This is true, although quantitatively different, using either of the two most common approaches for comparing social wellbeing across populations of different size, known as total utilitarianism and average utilitarianism (described below). We then extend our analysis by quantifying what these differences imply in terms of mitigation expenditures, observing that smaller-population futures imply lower mitigation costs under either ethical approach, but on different timescales and with different conclusions about the overall desirability of different population pathways.

### Population and Wellbeing in CEMs

CEMs are the main tool for estimating the SCC and corresponding optimal mitigation trajectories. It is important to differentiate CEMs from other types of “integrated assessment models.” Here CEMs refer specifically to cost–benefit models that evaluate the impact on wellbeing of climate change and associated policy decisions and are the basis of estimates of the SCC. They are distinct from other types of integrated assessment models in that they quantify the economic damage from increased temperatures, alongside descriptions of the economy and emission processes (13). Three widely used cost–benefit-type models are DICE, Climate Framework for Uncertainty, Negotiation, and Distribution (FUND), and Policy Analysis of the Greenhouse Effect (PAGE) (14).

The key tradeoff in these models is between mitigation and climate damages, where mitigation expenditures disproportionately subtract from the wellbeing of people now, while damages disproportionately subtract from the wellbeing of people in the more distant future. The tradeoff is made in a way that maximizes the objective of the model, called a “social welfare function” (SWF). All leading optimization CEMs share a total utilitarian (TU) SWF, according to which the (social) objective is to maximize the sum of (discounted) wellbeing across time (15–18). Globally aggregated CEMs such as DICE calculate the wellbeing of the average individual for each point in time as the average consumption transformed into wellbeing by a utility function which embodies “inequality aversion.” The TU objective is the sum of the total wellbeing at each time point (average wellbeing multiplied by the population size), with each time point discounted to a present value at a chosen rate of “time preference.”

Although not currently applied in CEMs, other non-TU social objectives are common in the population literature and could be used instead (19). As a central example, an average utilitarian (AU) social objective focuses on per capita wellbeing and ignores population size, unless population size influences average wellbeing. The average utilitarian concept has had multiple implementations in the literature. The AU SWF that this paper uses provides a clear contrast with TU and integrates straightforwardly with the discrete-time structure of DICE and other CEMs: It calculates levels of wellbeing from average consumption in each time period and then maximizes the sum of those multiplied by the discount factor, but not by the population. However, other implementations exist: Asheim (20), studying the value of population in the genuine savings criterion, uses a similar AU as we do, while Arrow et al. (21) instead use an imple-

mentation which Dasgupta (19) calls “dynamic average utilitarianism” and which divides the discounted sum of total utility across time by the discounted sum of total population across time. TU and AU each have theoretical advantages and disadvantages which have been explored in the population ethics literature (12, 19, 22), alongside other social objectives (23). AU and TU are formally introduced as SWFs in *SI Appendix*, section 1.

In leading CEMs, population size is an exogenous variable calibrated to a population projection at the time of the model parameterization (15, 18). Although it is clear that updated population projections are one source of variation in results estimated by different model versions (15), systematic testing of alternative projections has not been standard in major assessments (although see refs. 1 and 24 and more recently ref. 25); even less research has focused on analyzing the importance of assumptions about how population is valued by society and what that means for climate policy. In stark contrast, there has been comprehensive treatment of the ethical parameters that determine the discount rate referred to above—the inequality aversion parameter and the rate of time preference—with the choice of these parameters becoming one of the most prominent debates in climate economics (16, 26–29). The lack of attention to the social valuation of population growth is particularly surprising because population size, unlike the discounting parameters, is modifiable by policy intervention.

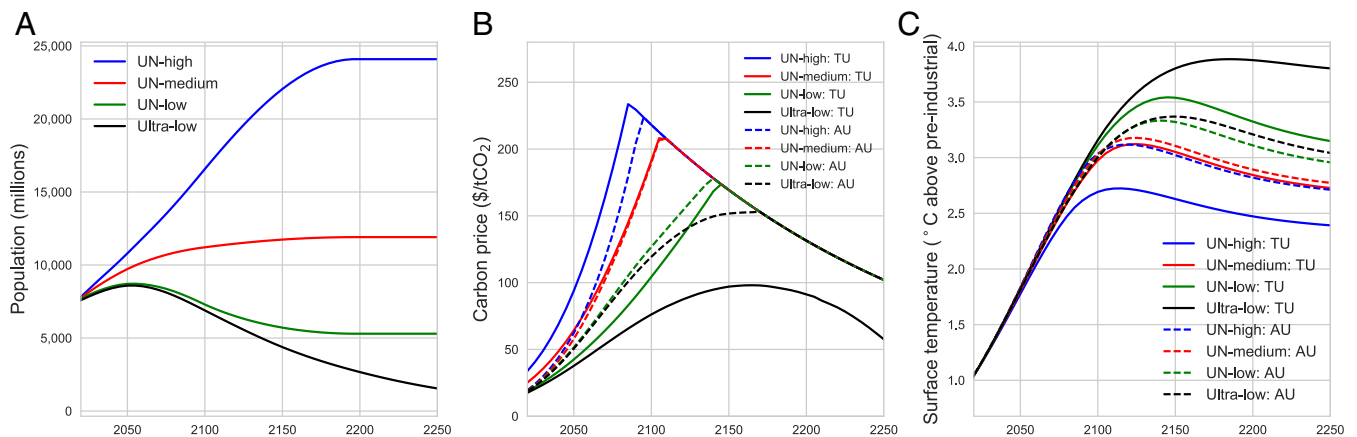
### Main Results: Population Growth and the Social Cost of Carbon Dioxide

In this section, we explore the consequences for the mitigation policy of assuming different potential future populations and social objectives (TU vs. AU). We take our population projections from the 2015 revision of the United Nations (UN)-medium, -low, and -high population scenarios (30) as well as a more extreme (“Ultralow”) case based on Basten et al. (31) (Fig. 1A). Although we retain the names of the UN projections, we have modified them by extending them beyond 2100, when they end (*Materials and Methods*).

Analyses were conducted using a variant of the 2013 version of the DICE model (15), with results summarized as differences in optimal global harmonized carbon prices (Fig. 1B) and future temperature rise (Fig. 1C) over time. We depart from the official DICE2013 model only by fixing the savings rate at 25.8%, which is consistent with other CEMs; this change has little impact on results, as shown in *SI Appendix*, Fig. S1 (ref. 32, *Materials and Methods*, and *SI Appendix*, section 2).

Each of these results is an optimal mitigation policy path under DICE, meaning that mitigation effort maximizes intertemporal discounted wellbeing, according to the chosen social objective. Below, we also discuss results for the same population scenarios but constrained by temperature targets. Unless otherwise noted, all model runs assume a 1.5% annual rate of time preference and a 1.45 inequality aversion parameter (representing the diminishing marginal utility of consumption), the values chosen for DICE2013 by William Nordhaus, the architect of the model. In *SI Appendix* a wider range of population projections are tested, based on the shared socioeconomic pathways (SSPs) and the UN’s probabilistic scenarios (*SI Appendix*, Fig. S2), as well as sensitivity to the assumption of a near-zero (0.1%) rate of time preference (*SI Appendix*, Fig. S3). *SI Appendix* also contains results based on a regionalized version of DICE, demonstrating that our general findings are unaffected when region-specific differences in economic and climate variables, as well as population estimates, are explicitly represented (*SI Appendix*, Fig. S4).

**Carbon Price.** The solid lines in Fig. 1B present results with the standard TU social objective; dashed lines represent AU. The results demonstrate that future population has a large effect on



**Fig. 1.** Population scenarios and corresponding influences on optimal mitigation and temperature under the TU and AU social objectives. (A) UN-high, -medium, and -low population scenarios (with extrapolations beyond 2100) and the Ultralow scenario. (B) Optimal prices. (C) Global average temperature rise.

optimal policy, with carbon prices over 85% higher in 2025 and 120% higher in 2050, assuming the UN-high compared with the UN-low population scenario given the TU objective. Relatedly, full abatement (100% decarbonization)—the point in Fig. 1B where each carbon price path peaks and subsequently declines along a single line (representing an assumed “backstop price” at which zero carbon technologies are competitive with all fossil fuels)—occurs more than half a century later under the UN-low vs. UN-high scenario. Carbon prices in the Ultralow scenario stay far lower still, and full abatement is never optimal given the TU objective. A regionally disaggregated comparison of the UN-medium with the UN-low scenario—as well as an alternative comparison of an SSP-inspired population scenario—shows that the differences in the SCC across alternative population projections are principally driven by differences in the future population paths of developing countries, with sub-Saharan Africa the greatest contributor (*SI Appendix, Fig. S5 and Table S1*).

The dashed lines in Fig. 1B present results under AU and compared with the TU results (solid lines) elucidate the distinct mechanisms by which population influences optimal climate policy. Note in particular that the AU curves diverge slowly, since AU does not weight time periods by population size. In contrast, the TU price paths quickly diverge from each other, even in the near term, because TU is sensitive to the role of future population growth in its weighting of period wellbeing.

In other words, in the near term, the AU price paths are insensitive to the size of the future population because population assumptions do not influence the social objective; it is the average level of wellbeing that matters. In the long run, however, the AU price paths do diverge as the increasing difference in population size begins to cause an increasing disparity in emission pressure. As a result, AU-optimal price paths become more like their TU counterparts as more time passes. Further results in *SI Appendix, section 6* separate the effects on the optimized results of the population weighting effect of future population growth from the emission effects of future population growth: These two mechanisms can be isolated by the use of diagnostic model runs that mix one population path’s role in economic consumption (emissions) with another population’s role in the social objective.

To help explain the mechanism of this result, consider a hypothetical case of constant exponential population growth. Under TU, the rate of population growth would be linearly added to or subtracted from the rate of pure exponential time discounting to determine the weight put on average wellbeing of future time periods: The weighting roles of time preference and population growth are analogous (ref. 3, p. 136 and *SI Appendix, section 1*).

Because the difference in population growth to 2200 between the UN-high and -low scenarios is comparable to a 1.4 percentage point constant difference in population growth, we show in *SI Appendix, Fig. S6* that the difference in optimal policy under TU between these population trajectories is similar to changing the rate of pure time preference from 0.1% to 1.5%. A rate of time preference ranging from 0.1% to 1.5% bounds the values for time preference common in the climate economics and policy literature (16, 26, 28). Therefore, under TU, the importance of population assumptions for optimal carbon policy is quantitatively comparable to the assumptions frequently debated about time preference. Under AU, the rate of population growth has no weighting effect.

**Optimal Peak Temperature.** Strikingly, temperatures increase less in the higher-population optima (Fig. 1C). This is especially true under TU, because a given level of climate damages registers as a greater social cost when more people suffer from it.

Increasing the future population growth rate could theoretically increase or decrease optimal peak temperature under AU and under TU. But the theoretically unambiguous prediction—which our results display—is that population growth will reduce optimal peak temperature more under TU than AU, because there is an additional weighting effect of population. Further, under both TU and AU, increasing the future population increases the SCC, which accelerates the date of full mitigation (100% decarbonization), causing peak temperature rise to be lower and occur sooner. This effect is stronger under TU, again because of the population weighting effect. (For more detail on the result that TU optimal peak temperature falls with increasing population and comparison with the literature, see *SI Appendix, section 3*.)

One policy implication of these results is that whether differences in the assumed future population trajectory influence near-term mitigation policy depends upon the choice of the social objective: Under TU, near-term optimal climate policy is sensitive to future population growth, but under AU it is much less so. This finding has a direct bearing on potential mitigation cost savings from putting the world on a lower-population trajectory, which we consider in the next section.

### Mitigation Cost Savings from Smaller Population Under TU and AU

An important prior literature has explored whether human development policies that reduce population size could lead to large benefits through avoided climate mitigation costs (1, 2, 5, 7, 9–11).



Accordingly, in this section we explore potential cost savings, in quantitative terms, of achieving the UN-low vs. UN-medium scenario. These two population scenarios were chosen because our goal is to compare mitigation costs under the central population projection against the costs under a lower-population alternative that may be roughly achievable given additional investments in human development.

To compute mitigation cost savings, we depart from the previous section, which presented optimal mitigation trajectories without any constraint on the level of temperature increase, by here estimating the mitigation costs (and savings) needed to achieve targets of 2 °C and 3 °C under both population scenarios. This allows us to compare costs when the level of temperature rise is held constant, including at the 2 °C target that is often considered necessary to prevent dangerous climate change. (Note that a target of 2 °C and 3 °C requires greater than optimal mitigation effort in DICE—see Fig. 1C for optimal peak temperatures.) Further results in *SI Appendix, Table S4* investigate the effect of population growth on mitigation costs when mitigation effort is suboptimally low (i.e., results in higher peak temperatures).

With the standard TU social objective, smaller population entails lower near-term carbon prices and therefore results in near-term mitigation cost savings (Fig. 2 and *SI Appendix, Tables S2 and S3*). Regional disaggregation for the 2 °C target shows that it is the wealthier regions—those most able to finance sustainable development—that would save the most, in per capita terms (*SI Appendix, Fig. S7*). With AU, cost savings occur only in the more distant future. Results with additional population scenarios, robustness checks, and an explanation of the cost savings calculation are available in *SI Appendix, section 2 and Tables S2 and S3*).

One debate within the climate literature is whether interventions that reduce population growth rates would be effective climate policy, because a smaller future population will have lower emissions, all else equal. Our results have an implication for that debate: Under TU, a smaller future population implies near-term mitigation cost savings in the tens of billions of dollars annually. As a result, we show in Fig. 2 and associated results and discussion in *SI Appendix, section 4 and Tables S2 and S3*

that some feasible, noncoercive policies (e.g., education and family planning programs) to promote human development in the developing world—and thereby reduce fertility—can result in avoided near-term climate mitigation costs more than large enough to pay for the programs.

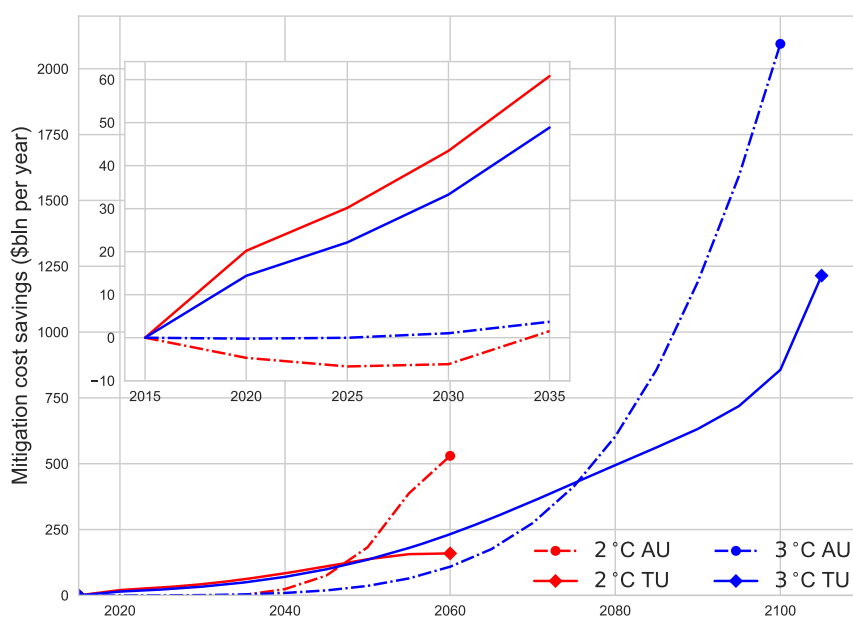
In contrast, because population growth has a smaller effect on the near-term SCC under AU, policy to reduce future population growth entails almost no near-term mitigation cost savings. In fact, in the 2 °C case, the “savings” are slightly negative in the first few periods: Although the theoretical prediction is clear that reducing population growth would reduce overall mitigation costs over the full future time horizon studied, there is no necessary theoretical prediction about this numerical result in these few periods where mitigation costs are very low under either population path. Reduced population growth would eventually offer mitigation cost savings under both TU and AU as reduced population eventually causes reduced emissions pressure (Fig. 2).

This result suggests a possible rethinking of the reason why reducing future population growth would reduce climate mitigation costs. The standard argument is that a reduced population would influence mitigation policy because a smaller population would have less emissions pressure. However, our AU and TU results have identical populations and associated emissions pressure. The large near-term difference in mitigation cost savings with TU compared with AU therefore suggests another reason: For any given level of climate change, increasing the future population increases the social valuation of climate damages under TU but not under AU.

### Does Reducing Population Improve Overall Wellbeing?

We have seen that mitigation cost savings arise, albeit on different timescales, under both TU and AU. Does this imply that both TU and AU recommend policies to reduce population size? Not necessarily, because mitigation cost savings are only one way population size influences wellbeing. Because AU and TU value population differently, the full valuation of a population path is a further question.

Table 1 shows that the answer again depends on whether AU or TU is chosen: In the context of our CEM, the sign of recommended population policy depends on the treatment of



**Fig. 2.** Mitigation cost savings from moving from the UN-medium to the UN-low population path, under TU and AU social objectives, given 2 °C and 3 °C temperature targets. Cost savings stop when full abatement is reached in both population scenarios.

**Table 1. Social valuation of population paths by AU and TU, at optimal climate policies, as a percentage of valuation of the UN-medium path**

Social objective	UN-high, %	UN-medium, %	UN-low, %
AU	99.5	100	100.6
TU	192.3	100	40.4

population in the social objective. AU regards moving from UN-medium to UN-low population as a slight improvement, because average wellbeing is increased and there is no loss in wellbeing from foregone people. In contrast, TU regards moving to a smaller population as much worse.

This reveals a tension in the climate literature not previously recognized: For a standard CEM to reconstruct and endorse a common policy recommendation in the literature—that population growth should be reduced as a form of climate mitigation—requires an AU-like social objective. However, all CEMs with a social objective assume TU. A TU social objective could recommend policies that encourage lower population growth, but only if, beyond the emissions reductions and climate mitigation benefits entailed in DICE, other benefits of reduced population for average wellbeing are large enough to outweigh the reduction in population size.

## Discussion

Climate change mitigation incurs a cost in the near term but will primarily benefit people in the future, including an unknown number of those not yet born. As a result, the number of future people is an important determinant of climate policy, depending on how society chooses to value the quantity and quality of people's lives. As O'Neill and Wexler have discussed in regard to the climate externalities of having children, "in general, comparing welfare across different population sizes introduces profound theoretical issues" (ref. 10, p. 344), with advantages and disadvantages of each approach.

Our results have used the DICE modeling framework to show that alternative approaches to valuing wellbeing—common outside of the climate literature—and alternative projections of future population have large and often immediate impacts on recommended climate mitigation policy. Moreover, these assumptions interact, with the impact of different population projections dependent on the role of population in the social valuation of wellbeing.

Our modeling approach has extended previous analyses in several respects. DICE allows for a systematic integration of economic and climatic variables alongside alternative approaches to social wellbeing and enables an investigation of population size to be placed within the SCC framework. Further investigation could consider substituting AU for the TU objective function in other CEMs.

Because the goal of our analysis is to highlight the importance to the SCC of the role of population in the social objective, there are limitations to our approach. These are discussed more fully in *SI Appendix*, but we highlight three here.

First, DICE considers only the size of the population, but not variables related to its composition. Instead, DICE subsumes these into a reduced-form model of the economy that translates population size, capital stock, and technology into production and emissions. We abstract away from population composition because our paper focuses principally on the valuation of population rather than the emissions pressure of population. However, urbanization and age structure in particular have been shown to influence greenhouse gas emissions, although studies suggest that the two may largely offset globally (2, 6, 7).

Second, although we study exogenous population paths, previous work indicates that the links between fertility and climate impacts are not uniform across regions (2). Our robustness checks in *SI Appendix*, using a regionalized version of DICE, suggest that our results are robust to disaggregation.

Third, some policies affecting population growth may also affect resilience to adverse impacts of climate change (33, 34). Although such effects may be important for climate policy, they are beyond the scope of our study, which focuses on the importance of population projections and values within the context of a standard CEM. More broadly, our model has not considered endogenous effects of climate change or climate policy on fertility or any important nonclimate benefits of policy that offers opportunities to reduce fertility.

The choice of an AU vs. TU social objective has meaningful consequences for climate mitigation policy. This choice influences the SCC and can also determine both the magnitude and sign of the appropriate population policy response to climate change: Where TU would value the additional lives of a larger population over the resulting climate damages and mitigation expenditures, AU would recommend a smaller population to avoid these costs. This choice is therefore important for climate policy, although it is not yet widely discussed within the climate change community.

## Materials and Methods

We use the Excel version of the DICE2013 CEM as downloaded from William Nordhaus's website, which is freely available online (currently at [aida.econ.yale.edu/~nordhaus/homepage/documents/](http://aida.econ.yale.edu/~nordhaus/homepage/documents/)) and has been described in detail elsewhere (15, 35). Further details of the DICE model and its assumptions are presented in *SI Appendix, section 2*. In *Dataset S1* we also present all data and the interactive, optimizable model in spreadsheet form for every result.

Briefly, DICE is a global (single-region) optimization model that includes an economic and a geophysical component that are linked. Economic activity produces emissions, which are a function of gross domestic product (output) and a time-varying ratio of emissions to output, as well as emission control policies; carbon intensity is exogenous. Population influences emissions by influencing output via a Cobb–Douglas production function. If unmitigated, emissions affect the future economy through climate-related damages (24, 36), which increase with the global surface temperature and are incurred as the loss of a percentage of output. Emission reductions (mitigation) occur through a globally uniform carbon price.

Like all leading CEMs, the size of the population is an exogenous variable in DICE. In this study, we compute optimal carbon prices and thus mitigation paths by exogenously specifying a variety of population trajectories, based primarily on the 2015 revision of the UN's World Population Prospects and the Shared Socioeconomic Pathway project (30, 37, 38). Both of these sources provide a range of population estimates through 2100. To project beyond 2100 we assume that the population growth rate in the timestep ending in 2100 tapers linearly to zero between 2100 and 2195 and remains constant thereafter. The Ultralow projection continues past 2100.

Other than the changes to population that are essential to our experiments, the DICE2013 model is unchanged (including default parameter values, such as a climate sensitivity of 3.2) with one exception: We specify an exogenous savings rate of 25.8%, which can be interpreted as the optimal savings rate of private savers with a time-separable and discounted objective with a logarithmic utility function (32, 39). To explain this approach, we first note that there are two alternative treatments of savings in the climate–economy modeling literature: One approach assumes that economic agents endogenously look forward to climate damages and policies and optimally adjust their planned savings (a leading example is in the official versions of DICE/Regional Integrated Climate Economy (RICE)), and another assumes that savings do not so respond to climate policy optimization (leading examples are FUND and PAGE; in a DICE/RICE framework, see ref. 32). Although both approaches are defensible, we prefer and use the second approach, because we find it more realistic to assume that society has a fixed appetite for savings that is essentially insensitive to climate change and climate policy decisions. In *SI Appendix, Fig. S1*, we demonstrate that our results are substantively identical and

quantitatively very similar if we instead endogenize optimal savings as in DICE.

In a small subset of our modeling runs, we also make an additional change to DICE to investigate our research questions. To generate one result reported in the main text, we change the rate of time preference to the value that would make the optimal mitigation trajectory of the UN-low population scenario provide the closest fit to that of the UN-high scenario (*SI Appendix, section 2 and Fig. S6*). To generate results for the runs maximizing AU, we altered the social objective accordingly (*SI Appendix, Eq. S2*). For Fig. 2, we maximize the social objective (AU or TU) subject to the constraint that temperature must never rise above the target in the 2 °C and 3 °C cases.

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# Impact of population growth and population ethics on climate change mitigation policy

## SI Appendix

Although the description of our method allows for all the DICE results to be reproduced exactly – the model and population estimates are freely available – we also include as Supporting Information the full DICE modeling and results in editable Excel spreadsheets.

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## Section 1. Formal implementation of average and total utilitarianism

In general, many social objectives, also called welfare functions (SWFs), are available in the population ethics literature, with varying approaches to social valuation of population size. We study two forms, designed to be representative:

- **Average utilitarianism (AU):** the type of SWF which does not regard extra people as a social benefit, all else equal, but instead averages well-being over the set of people which exist.
- **Total utilitarianism (TU):** the type of SWF which considers total well-being, and is therefore increasing in the size of the population and in the level of average well-being. TU would regard extra people as a social benefit, all else equal, such that a larger population represents a social improvement, provided that the extra people are living lives worth living (adding to the total stock of well-being) and unless it is sufficiently offset by a decline in average well-being.

As O'Neill and Wexler have discussed in a paper considering the climate externalities of having children, “in general, comparing welfare across different population sizes introduces profound theoretical issues” (10 p. 314). Both AU and TU have advantages and disadvantages, which are well-explored in the economics and philosophy literature on social choice and welfare.

Despite this plurality in the population ethics literature, cost-benefit climate-economy models essentially share the same TU equation for calculating present-discounted social welfare,  $W$ , at a given point in time  $t$ :

$$W^{TU} = \sum_t \left( \frac{L_t}{(1+\rho)^t} \times \frac{c_t^{1-\eta} - 1}{1-\eta} \right) \quad (\text{Equation S1: TU})$$

Here  $L_t$  is the population in period  $t$ ,  $\rho$  the pure rate of time preference, and  $c_t$  the average consumption in time  $t$ , scaled to wellbeing by the inequality aversion parameter  $\eta$ . Note that in Equation S1, increasing the future population has an effect conceptually (and formally) similar to decreasing the rate of pure time preference,  $\rho$ , and thus gives more weight to the future in the calculation of the optimal trade-off between mitigation and damages. This is the equation that we use for TU.

In contrast with the straightforward equation for TU, in an intertemporal context, “average utilitarianism” is ambiguous (19, p. 213-214). This ambiguity is amplified when time discounting is introduced. Consequently, we use a form of average utilitarianism that involves applying time discounting to the average period wellbeing calculated by the model, with the objective of maximizing the sum of these discounted average period utilities – this is the SWF we describe as AU, which is related to the version used by Asheim (20):



$$W^{AU} = \sum_t \left( \frac{1}{(1+\rho)^t} \times \frac{c_t^{1-\eta} - 1}{1-\eta} \right) \quad (\text{Equation S2: AU})$$

An alternative, more orthodox, implementation of average utilitarianism would simply divide the total sum of wellbeing by the total size of the present and future population; such an approach would ignore discounting, and show no pure time preference. Another alternative, called “dynamic average utilitarianism” by Dasgupta (19) and used by Arrow, et al. (21), would divide the discounted TU objective function by the total discounted population of all present and future generations; because such a dynamic AU SWF would deliver the same results as TU in our exogenous-population analyses, and the same result as our version of AU when population size is endogenous, we do not further consider this approach.

However, in a further sense, even these alternatives would not be the most theoretically pure version of AU, even ignoring the complicating role of time discounting. This is because AU in its most pure form would average the wellbeing of the entire human population across history in the future and past. On this view, whether or not creating future people is a social improvement depends, in part, on whether or not their lives are better than the lives of people who lived and died millennia ago.\* TU – like the implementation of AU that we use in our paper – does not have this dependency on the distant past because its additive structure separates the evaluation of future wellbeing from the evaluation of past wellbeing.

Some generalized versions of TU involve a "critical level," which is a minimal level of wellbeing for adding an extra life to be regarded as a social improvement by the social welfare function: an extra life at a level of wellbeing below the critical level (even if it has positive utility) would lower the SWF. Our implementation of TU assumes a critical level equal to a GDP per capita of \$3,775 per year (the default value in DICE). We note that any of our TU results for the SCC or optimal peak temperature would be numerically identical if a critical level were changed to any other (typically positive) number, because the additive critical level would not appear in the first order condition of the optimization. This is because DICE's SCC optimization procedure does not endogenize the size of the population. Critical levels are discussed further in Extension 4 below.

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\* “On this view, whether or not a person should have a child now depends in part on how well off – and how numerous – people were in the Stone Age, and it is difficult to see why this sort of consideration should be relevant.” p. 115. McMahan, Jefferson. "Problems of population theory." *Ethics*. (1981): 96-127.

## Section 2. Methods: further details

### **DICE and RICE modeling details**

We use the Excel version of the DICE2013 climate-economy model as downloaded from William Nordhaus's website, which is freely available online (<http://aida.wss.yale.edu/~nordhaus/homepage>), and has been described in detail elsewhere (15, 24).

Briefly, DICE is a global (single-region) optimization model that includes an economic and a geophysical component that are linked. Economic activity produces emissions, which are a function of GDP (output) and a time-varying ratio of emissions-to-output, as well as emission control policies; carbon intensity is exogenous. Population influences emissions by influencing output via a Cobb-Douglas production function.

If unmitigated, emissions affect the future economy through climate-related damages, which increase with temperature and are incurred as the loss of a percentage of output. More specifically, DICE's climate damages are based on 13 published studies that have estimated the magnitude of monetized impacts that would occur given a specified, discrete increase in temperature (36). The continuous (with temperature) DICE damage function was parameterized by assuming that damages are a quadratic function of temperature and that there are no tipping points. The number and types of impacts assessed in the underlying studies varied, but normally included changes in agricultural productivity, human health (mortality and/or morbidity from climate-sensitive diseases), and damages from extreme weather events and sea-level rise, amongst other factors.

The key tradeoff in the model, therefore, is between mitigation, which incurs a cost relatively soon, and climate damages, which incur costs in the more distant future. The standard optimization maximizes the sum of discounted wellbeing across time (i.e., has a TU SWF as in Equation S1). When a temperature target is added, the optimization is constrained to first ensure that temperature rise in the future stays at or below that target, and then the objective is maximized subject to that constraint.

Like all leading climate economy models, the size of the population is an exogenous variable in DICE (meaning that it is predetermined and that the model therefore has perfect foresight in this regard).

Other than the changes to population that are essential to our experiments, the DICE2013 model is unchanged (including default parameter values, such as a climate sensitivity of 3.2) with one exception: we specify an exogenous savings rate of 25.8%, which can be interpreted as the optimal savings rate of private savers with a time-separable and discounted objective with a logarithmic utility function (33,39). To explain this approach, we first note that there are two alternative treatments of savings in the climate-economy modeling literature: one approach that assumes that economic agents endogenously look forward to climate damages and policies and optimally adjust their planned savings (a leading example is in the official versions of DICE/RICE), and another approach that assumes that savings do not so respond to climate policy

optimization (leading examples are FUND and PAGE; in a DICE/RICE framework, see (33)). We prefer the second approach, which leads to our departure here from the official DICE model, on the grounds that we find it more realistic to assume that society has a fixed appetite for savings that is essentially insensitive to climate change and climate policy decisions. In Figure S1, we demonstrate that our results are substantively identical and quantitatively very similar if we instead endogenize optimal savings as in the official DICE model.

In certain modeling runs, we also make additional changes to DICE in order to investigate our research questions. Most importantly, to generate results for the runs maximizing AU, we altered the SWF accordingly as described in Equation S2 of the previous section. To explore the relationship of population growth and the rate of pure time preference (Figure S6 below), we changed the latter to the value that would make the optimal mitigation trajectories of the UN-medium and UN-low population scenarios provide the closest fit to that of the UN-high scenario. Here, closest fit is understood as the assumption for time preference that minimizes the differences between carbon prices squared in the resulting optimum and the default UN-high optimum, summed over all time periods.

For all analyses, DICE2013 initializes in 2010 with identical carbon prices (= \$1). Although the model has a 300 year time horizon, we do not present results over the whole period since full mitigation occurs much earlier in almost all analyses.

In a few analyses found only here in the Supporting Information (not in the main text), we present results derived from a regionalized version of DICE known as RICE. As opposed to DICE, which is a single-region (global) model, RICE is regionalized and therefore has region-specific parameters including, for example, total factor productivity and emission intensities as well as population growth, which we aggregated from UN country-level data. Climate damages are also region-specific and taken from reference (24). The carbon price however, is globally harmonized.<sup>†</sup> The standard implementation of RICE has been described in detail elsewhere (24, 15). We make three additional modifications to RICE2010 (the most recent version of RICE). The first is to eliminate the use of Negishi weights, which were introduced originally to restrict redistribution and ensure that it does not become a policy tool. In our version of RICE, we do not use Negishi weights, as described in a previous publication (33). Second, we fix the savings rate at 25.8%, with the same rationale as above for our DICE modeling. In light of this, our implementation might more aptly be referred to as “RICE with fixed savings and without Negishi weights”. Third, we substitute a reduced form version of the RICE2010 sea level rise damage module in our implementation; see (33) for details. The countries comprising the twelve regions can be found in the Supporting Spreadsheet, as can all summary results from these analyses using our variant of RICE.

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<sup>†</sup> Although a global harmonized carbon price is considered the most economically efficient carbon price solution, and is the default in RICE, studies have modified cost-benefit climate-economy models to allow for regionally determined carbon prices. For two examples, see Anthoff, D (2009) Optimal Global Dynamic Carbon Taxation, (ESRI), WP278, and Budolfson M, Dennig, F (in press) Optimal Global Climate Policy and Regional Carbon Prices. In Chichilnisky, G, Sheeran, K, & Rezai, A eds., Handbook on the Economics of Climate Change, (Edward Elgar).

## Population projections

In this study, we compute optimal carbon taxes and thus mitigation paths by exogenously specifying a variety of population trajectories, based primarily on the 2015 revision of the United Nations' World Population Prospects, and also on the Shared Socioeconomic Pathway project (30, 37, 38). Both of these sources provide a range of population estimates through 2100. To project beyond 2100 in cases where we use a projection that stops at 2100, we assume that the population growth rate in the time-step ending in 2100 tapers linearly to zero between 2100 and 2195 and remains constant thereafter.

This assumption means that there are only relatively modest changes in population after 2100. Therefore, to explore the possibility of a more dramatic decline in population, we also include an additional "Ultra low" population scenario based on results in Basten et al. (31) that assumes a life expectancy converging on 100 and a fertility of 1.5, which is slightly lower than the European Union's fertility today (1.58). The other scenarios reported in the main text are based on the UN-medium scenario, which is the scenario considered most likely by the UN, and the UN-high and UN-low scenarios, where fertility is projected to be 0.5 above and below the UN-medium, respectively. All 16 of the scenarios analyzed are presented graphically in Fig. S2.

## Computation of mitigation cost savings

To compute mitigation cost savings (as displayed in Figure 2 of the main text and Tables S2-S4), we program DICE with the relevant AU or TU objective and then maximize that objective subject to the constraint that temperature must never rise above the target.

To calculate the per capita mitigation cost savings between a higher and lower population scenario in a given time period, we first calculate the difference in cost as a percentage of per capita GDP and then multiply that difference by the per capita GDP in the lower scenario, as follows:

$$\left( \frac{Mpc_{higher}}{GDPpc_{higher}} - \frac{Mpc_{lower}}{GDPpc_{lower}} \right) * GDPpc_{lower} \quad (\text{Equation S3})$$

where  $Mpc$  refers to the mitigation cost per capita and  $GDPpc$  refers to the GDP per capita. To calculate total mitigation cost savings, the per capita cost savings is then multiplied by the population in the lower scenario (see Table S2 for an example calculation). We believe a comparison normalized to the percentage of per capita GDP in this way is more appropriate than one based on absolute cost differences, because the two societies would have different sized economies (including in per capita terms, for example because of a different capital-labor ratio) that would in turn be shared by a different number of people. For example, without normalization, the difference in the absolute total cost of abatement in 2050 between UN-medium and UN-low with a 2°C constraint is approximately 370% higher than reported in the top section of Table S3, which is misleading because costs are shared by a larger population in UN-high than in UN-low. Similarly, without normalization, the difference in per capita costs in 2050 is approximately 45% lower, which is misleading because costs are borne by a population that is poorer per capita in UN-medium than in UN-low. (These calculations with normalized cost savings are used to



generate numbers displayed in Figure 2 of the main text and Tables S2-S4. A comparison of cost savings with and without normalization can be found in Table S3, which demonstrates that our preferred normalization is quantitatively very similar to a simple per capita normalization .)

### **The “consumption effect” elasticity: The effect of population on emissions pressure**

The consumption effect of a larger population on emissions, through expanded economic activity, is a largely empirical question with an important existing literature. Our paper – with its focus on social valuation – builds upon this literature, which we review briefly here along with its implications for our modeling framework.

O'Neill et al. (7) summarize the results on the relationship between population and emissions that were obtained by various estimations of the STIRPAT (Stochastic Impacts by Regression on Population, Affluence and Technology) equation. The authors conclude from the existing evidence that CO<sub>2</sub> emissions from energy respond roughly proportionally to population, but argue in favor of improved regression methodologies going forward, and in particular for panel regressions taking account of time series effects. Adopting this methodology, Liddle (6) and Casey & Galor (5) find that population may have a much greater influence on emissions than income per capita.

One issue therefore, is whether the economic effect of population on emissions is conceived in a reduced form way that incorporates all mechanisms, or whether the effect is estimated through particular economic pathways. We use the reduced-form DICE model, in which the elasticity of emissions is equal to one with respect to income and to 0.7 with respect to population (this is the coefficient of labor in the production function). However, the Liddle (6) and Casey & Galor (5) results may be more comparable with ours if what drives their estimates is the fact that emission intensity is influenced by income growth (via learning and technology replacement effects) and by population trends (via education being associated both with lower population and lower emission intensity). These mechanisms are imperfectly captured in our model via a trend on intensity. Our results can therefore be taken as capturing the most basic effects of population and may underestimate the potential climate benefits of reducing population.

### Section 3. Further discussion of optimal peak temperature results

Our finding that optimal peak temperatures are *lower* given *higher* population under the standard TU social objective is a striking result that contrasts with an important previous study, (1), that used a much older vintage of DICE, DICE1994. The explanation of the sign difference between our results and the previous study (1) is that due to a modeling error, DICE1994 erroneously assumed that the cost as a proportion of GDP of mitigating a given fraction of business-as-usual emissions was increasing over time, whereas the correct assumption as in DICE2013 is that it decreases. As acknowledged over a decade ago by the architect of DICE, William Nordhaus, the older mitigation cost assumption was a mistaken modeling assumption (“The basic functional form for the abatement-cost function follows the structure assumed in the earlier DICE models. However, the structure has been reformulated over time to correct for an earlier modeling mistake. ... The prior version used a functional form that implicitly and mistakenly assumed that the cost of the backstop technology increased over time. ... Although this new specification makes little difference in the short run (to the tactics of climate policy, so to speak), it turns out that it makes a major difference over the long run (to the strategy or vision)” (42, p. 52-3)).

This error in the earlier model explains the sign difference between our results and (1), as importing the older, mistaken backstop assumptions (and as a direct consequence, mistaken mitigation cost assumptions) into DICE2013 yields results analogous to (1). In our results with the corrected mitigation cost assumptions, increasing the future population increases the SCC under both TU and AU, which accelerates the date of full mitigation (100% decarbonization), causing peak temperature rise to be lower and occur sooner. This effect is stronger under TU, because of the population weighting effect. When the pre-1999 vintages of DICE are run, or if their mistaken mitigation cost assumptions are imported into DICE2013, full mitigation never occurs, which accounts for the sign difference. If one mistakenly built into the modelling assumptions that full mitigation would never occur, then higher population would indeed lead to higher peak temperature, as the higher social cost of carbon would then not have the correct result of entailing faster full mitigation.

## Section 4. Evidence and debates on population policy

A large literature studies the effectiveness of population and development policies on population size and growth, in ways that are relevant to climate change. One way to think about the relevance of this literature is that population policy can only be applicable to climate policy if it indeed can influence population growth rates, at acceptable costs and without other undesirable consequences.

Our paper, which does not do original econometric analysis of empirical data, employs estimates (especially of cost savings) from this literature. Because space is limited in the paper, we elaborate here on the evidence and debate in some papers in this literature.

There is considerable debate about the causes of the fertility reduction of the demographic transition, and in particular about the extent to which fertility reduction has been caused or accelerated by policy efforts, rather than by endogenous changes in behavior, such as responses to mortality decline or the importance of human capital (4). Connelly (41), describing the history of population policy, describes how some coercive policies have caused harm, especially to populations in developing countries. We abstract from much of this debate: our results are not intended to quantify full the social welfare implications of such programs, inclusive of any such important social costs.

Rather, in the spirit of Abel, et al.'s (43) investigation of a subset of the Sustainable Development Goals, we refer the reader to evidence that development programs that promote human development, child health, social equality, and women's social status also can lead parents to freely choose lower fertility. They find that the achievement of the SDGs would lead to a world population in 2100 of around 8.2-8.7 billion. This is substantially below the UN-lower 95th projection, leading Abel, et al to suggest that the UN prediction range is therefore too narrow. Wheeler and Hammer (11) show that family planning and women's education is a very cost-effective mitigation policy, via reduced population growth, compared to other options such as solar or wind. O'Neill (9) and O'Neill and Wexler (10) make similar computations and arguments about fertility policy.

What matters for policy is not merely that reducing population has climate consequences, but also the quantitative comparison of costs. We cannot know these hypothetical future costs in detail, but build upon estimates in the literature to understand their general magnitude. The spending shortfall for providing all women in the developing world with access to modern contraception was recently estimated at about \$5 billion per year (44) and providing all children in low and lower-middle income countries a quality education at \$40 billion annually (45). Both of these policies would be non-coercive, leaving women no less free than before to choose their fertility, and perhaps freer.

Along those lines, a fundamental aspect that we have not discussed in detail is that the non-climate benefits of policies that lower fertility – including better maternal and child health, improved gender equality, and more human capital – could be large, and could exceed the benefits from any avoided mitigation costs. Our observation, joining this existing literature and quantifying it in the context of a leading CEM, is that any successful low-fertility program would

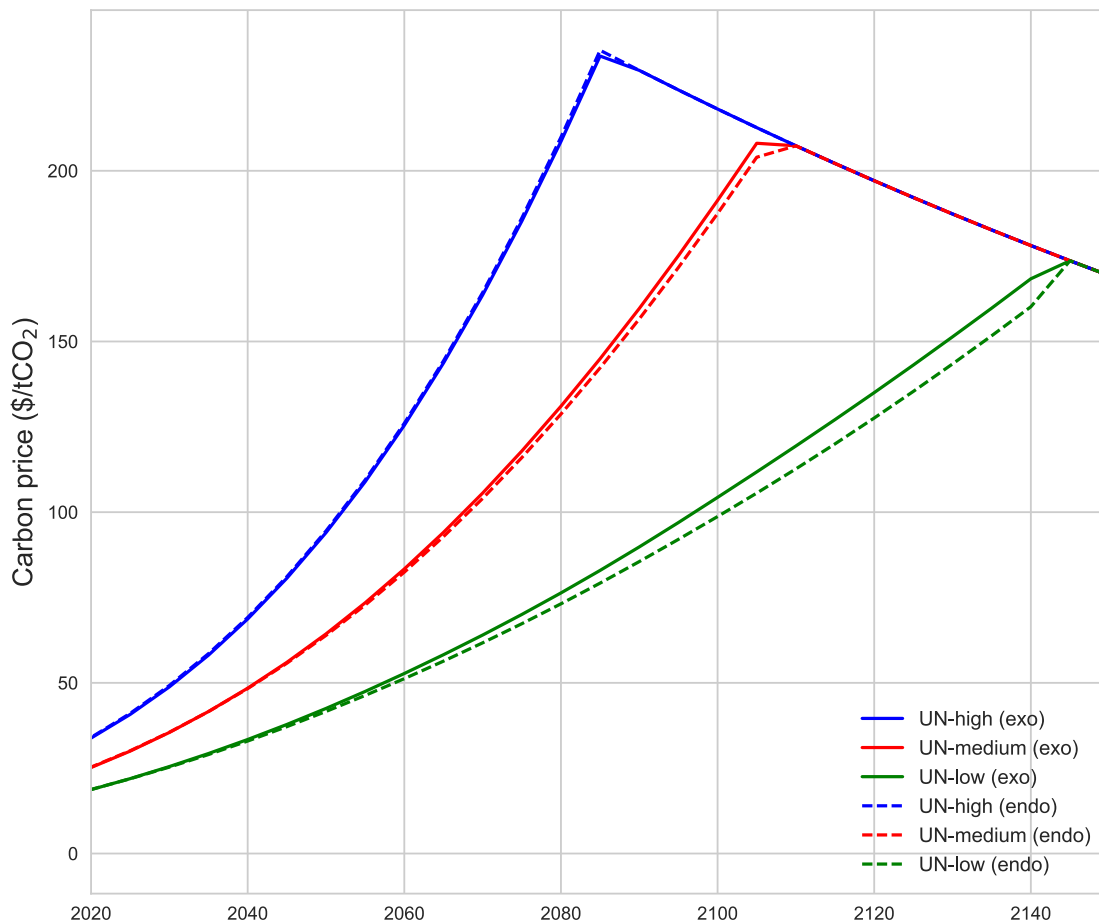
have a reduction in climate mitigation costs and damages to count among its other benefits, many of which are highly desirable in their own right.



## Section 5. Supplementary exhibits (Figures and Tables)

This section presents all the supplementary figures and tables referred to in the main article.

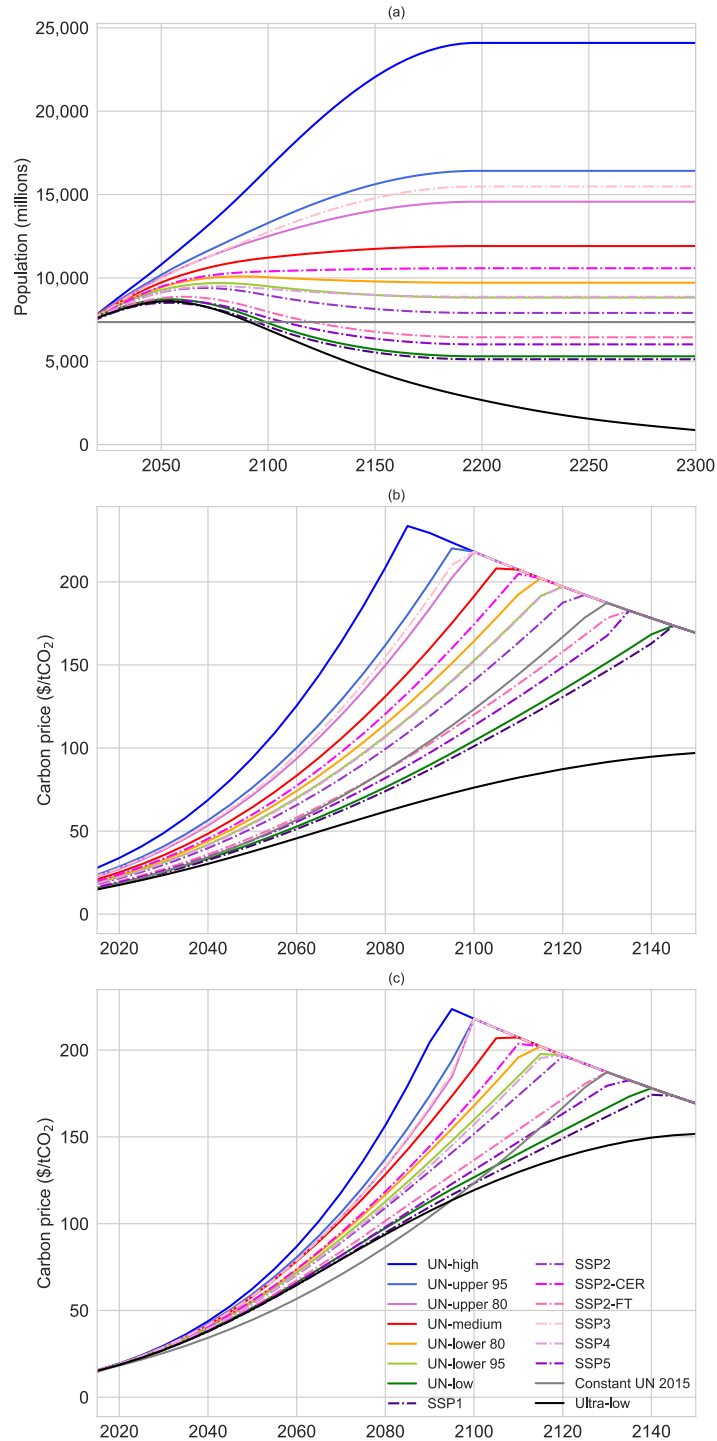
Additional exhibits from several extensions are reported in the next section. For all exhibits, data for the full multi-century time horizon can be found in the Supporting Spreadsheet, which is editable and optimizable by the user.



**Fig. S1. Optimal carbon prices with an exogenous (exo) savings rate fixed at 25.8% and an endogenously (endo) determined savings rate under TU.**

Notes on Fig. S1

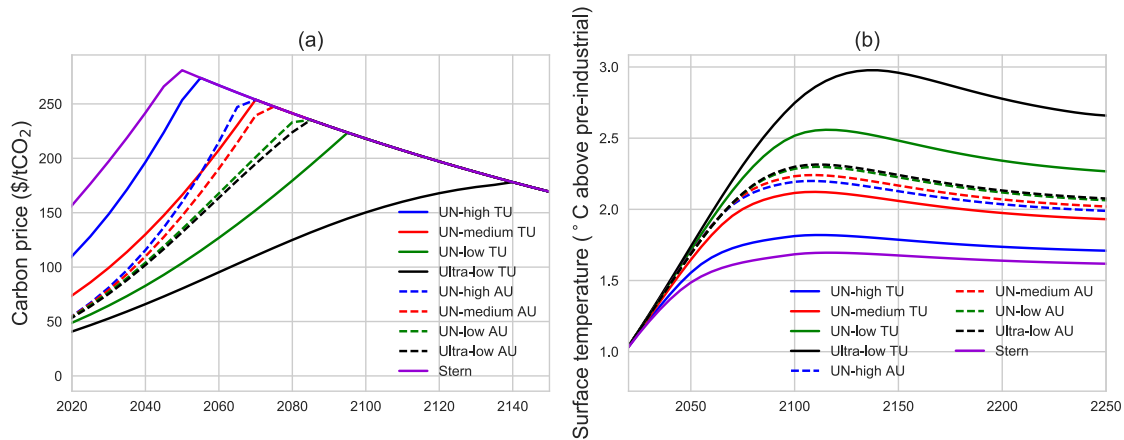
In all analyses in the paper, we use a fixed savings rate, but standard DICE uses an endogenously determined savings rate (see Methods). This figure demonstrates the similarity of the two approaches, illustrated with a total utilitarian objective.



**Fig. S2. (a) Population projections analyzed in DICE, based on data from the United Nations (UN) and the Shared Socioeconomic Pathway project (SSP) and an “Ultra-low” scenario, (b) optimal carbon prices with a TU social objective and (c) optimal carbon prices with an AU social objective.**

Notes on Fig. S2: The UN and SSP data can be found in references (30,37) while the “Ultra-low” scenario is based on reference (31) and assumes that global fertility converges to 1.5 with a life expectancy of 100. Optimal carbon prices are reported with TU objective only for illustration.

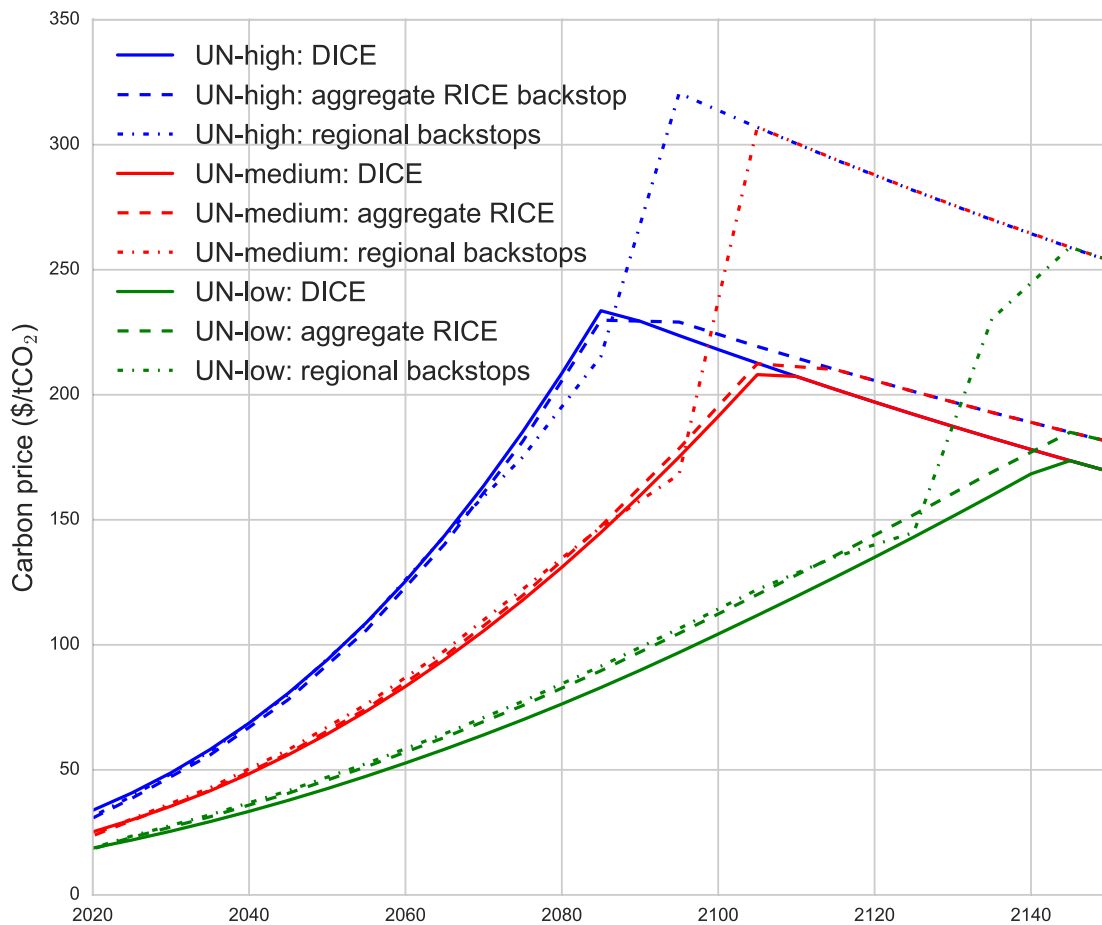




**Fig. S3. (a) Optimal carbon taxes and (b) temperature rise assuming near-zero time preference (0.1% per annum).**

Notes on Fig. S3

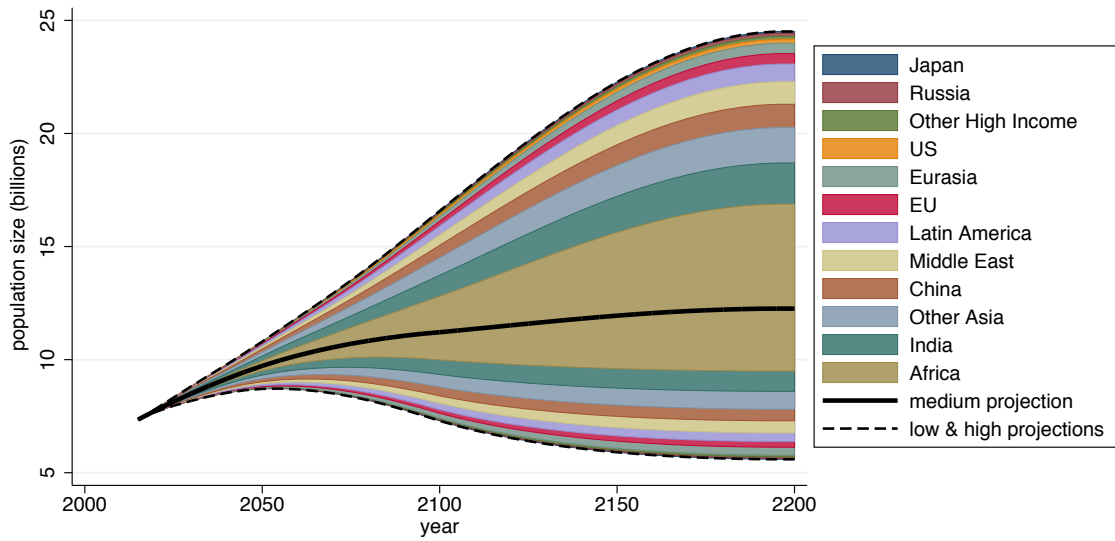
Here the “Stern” tax path is based on the UN-medium population with the parameter values assumed in the Stern Review (16), which includes near-zero time preference as well as low inequality aversion (1.01) and uses a TU social objective. These results show that even with UN-high population, mitigation effort with near-zero time preference never reaches Stern’s rates in the near-term when inequality aversion is relatively high (1.45 vs. Stern’s value of 1.01), but yet at the same time, the point of full mitigation is similar (2050 vs 2055 for Stern and UN-high, respectively).



**Fig. S4. Comparison of optimal carbon price pathways for the UN-high, -medium, and -low population scenarios in DICE vs. the regionalized version of DICE known as RICE. Here we compare the results in our implementation of DICE2013 (as presented in the main text) to results in a modified version of RICE2010 (modifications described above).**

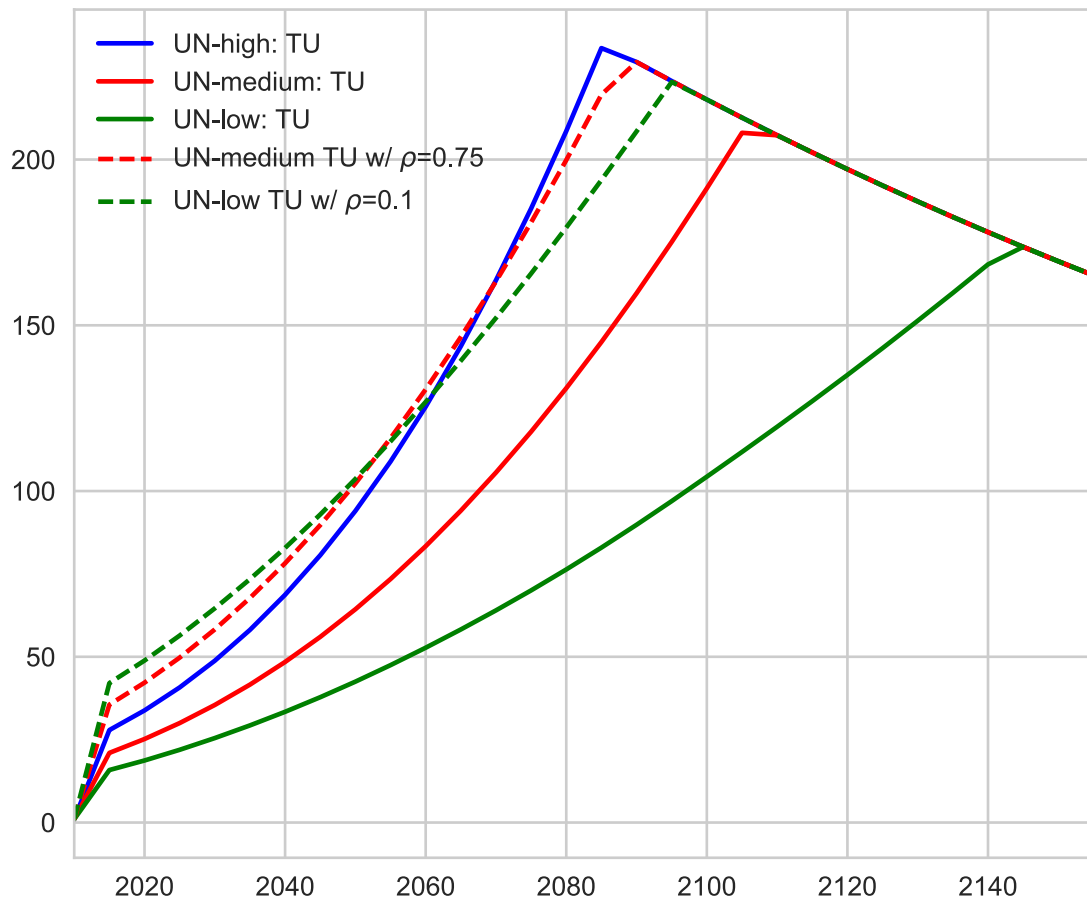
#### Notes on Fig. S4

Here we present two sets of results from our implementation of RICE2010. The first uses the standard RICE assumption that each region has its own backstop price (one of which is substantially higher than DICE's global backstop). The second uses a single globally aggregated backstop price from RICE and is presented for comparative purposes only, as it is similar to (but slightly higher than) the DICE2013 backstop. All of our regionalized analyses use the standard RICE assumption of different regional backstops. This is robustness illustration uses the standard total utilitarian objective.



**Fig. S5. Global population as projected in the UN-high, - medium and –low scenarios. Color bands show the contribution of each region represented in RICE to the difference between the three scenarios.**

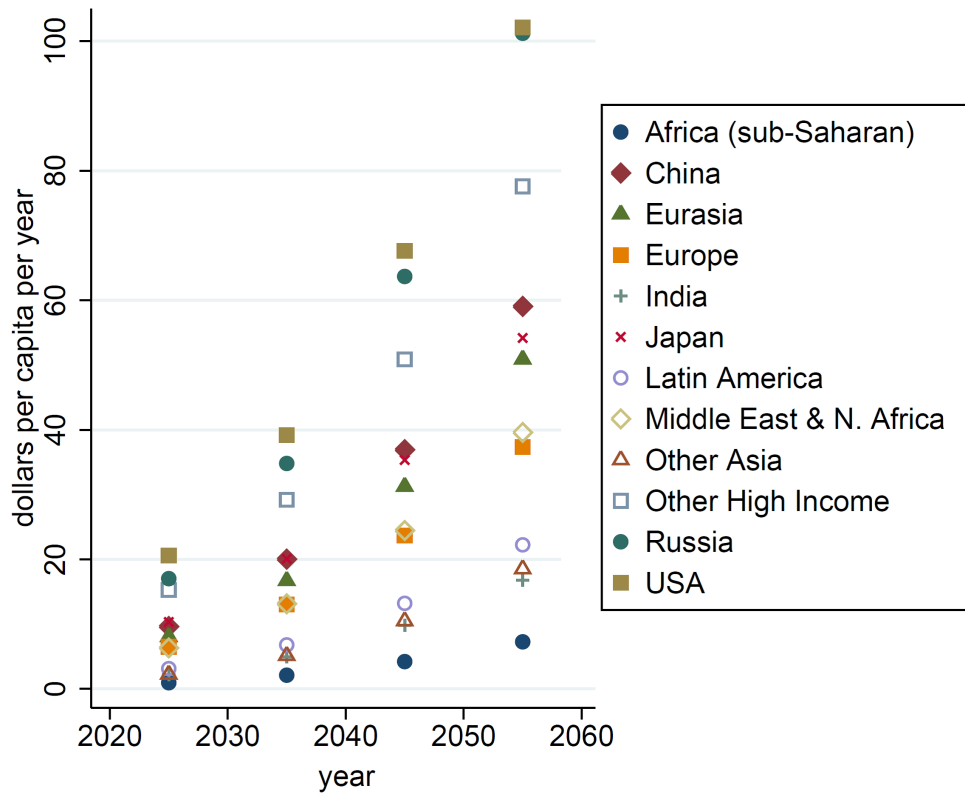




**Fig. S6. Optimal carbon prices for three UN population scenarios estimated with the standard TU social objective and using the default rate of pure time preference ( $\rho$ ) of 1.5% per annum, as well as two cases with different rates of pure time preference (0.75% and 0.1%) for comparison (while keeping inequality aversion = 1.45).**

Notes on Fig. S6

To explore the relationship of population growth and the rate of pure time preference, we changed the latter to the value that would make the optimal mitigation trajectories of the UN-medium and UN-low population scenarios provide the closest fit to that of the UN-high scenario. Here, closest fit is understood as the assumption for time preference that minimizes the differences between carbon prices squared in the resulting optimum and the default UN-high optimum, summed over all time periods.



**Fig. S7. Per capita abatement cost savings by region under the UN-low compared to the UN-medium population scenario given a 2 °C temperature target. (We show results only with a TU objective because there are negligible cost differences in the near term with an AU objective.)**

**Table S1. Optimal carbon prices (\$/ton CO<sub>2</sub>) for four select population scenarios and the change in the UN-medium price when only specified regions follow the UN-low scenario. Results derived from a variant of the RICE model using the standard TU objective.**

	2025	2045	2065
Price when all regions have UN-medium population	\$30.37	\$58.01	\$97.63
Price when all regions have UN-low population	\$23.53	\$41.66	\$64.45
Price when only developing regions have UN-low population*	\$23.97	\$43.23	\$68.50
Price when all regions have SSP1 population**	\$21.47	\$37.96	\$59.16
<b>Percent change from UN-medium carbon price (above) if only indicated region has UN-low population while all others retain UN-medium population</b>			
<i>Africa (sub-Saharan)</i>	-10.9	-10.9	-16.2
<i>China</i>	-2.5	-2.5	-4.1
<i>Eurasia</i>	-0.1	-0.1	-0.1
<i>Europe</i>	-0.5	-0.5	-1.2
<i>India</i>	-3.0	-3.0	-2.6
<i>Japan</i>	-0.1	-0.1	-0.3
<i>Latin America</i>	-0.6	-0.6	-1.2
<i>Middle East and North Africa</i>	-1.3	-1.3	-2.3
<i>Other Asia</i>	-2.1	-2.1	-1.9
<i>Other High Income</i>	-0.2	-0.2	-0.6
<i>Russia</i>	-0.1	-0.1	-0.4
<i>USA</i>	-0.4	-0.4	-1.9
* Here “developing” refers to Africa, China, India, Latin America, Middle East/North Africa and Other Asia. All other regions have UN-medium population.			
** Applies to the global total population and the regional composition.			

**Table S2. The information in this table illustrates the calculation of the normalized avoided mitigation costs between scenarios (here given a constraint of a 2 °C increase in global temperature, and with a total utilitarian social objective). Population is in millions and GDP in 2005 US Dollars. Values rounded. (We illustrate with a total utilitarian objective because near-term cost differences are negligible with an average utilitarian objective, as shown in Figure 2 of the main text.)**

		2020	2030	2040	2050
<b>UN-medium</b>	Population	7,758	8,501	9,157	9,725
	GDP per capita*	11,649	14,570	17,936	21,691
	Abatement cost per capita	42	99	224	481
<b>UN-low</b>	Population	7,689	8,180	8,532	8,710
	GDP per capita*	11,685	14,704	18,163	22,045
	Abatement cost per capita	38	93	214	471
<b>UN-lower 80th</b>	Population	7,732	8,411	8,984	9,440
	GDP per capita*	11,661	14,605	17,996	21,785
	Abatement cost per capita	41	98	221	478
<b>UN-lower 95th</b>	Population	7,718	8,360	8,889	9,284
	GDP per capita*	11,669	14,625	18,029	21,838
	Abatement cost per capita	41	97	220	477
<b>SSP2</b>	Population	7,612	8,256	8,772	9,140
	GDP per capita*	11,718	14,648	18,048	21,868
	Abatement cost per capita	40	95	216	471
<b>SSP2FT</b>	Population	7,567	8,131	8,546	8,792
	GDP per capita*	11,740	14,696	18,127	21,987
	Abatement cost per capita	39	93	213	465
<b>SSP1</b>	Population	7,535	8,024	8,357	8,504
	GDP per capita*	11,756	14,741	18,196	22,090
	Abatement cost per capita	38	91	209	460

**Example calculation:** To calculate the normalized per capita cost savings in the UN-medium compared to the UN-low scenario in 2050, as described in Section 2 above, the calculation is as follows:

$$\left( \frac{481}{21691} - \frac{471}{22045} \right) * 22045 = \sim \$18$$

The total global savings is that number (~18) multiplied by the population in the UN-low scenario (~8710 million).

\* All GDP estimates are from DICE, including those using SSP populations.

**Table S3. Abatement cost savings of achieving the UN-low versus UN-medium population under the total utilitarian optimal pathway that meets different temperature targets for: the default parameterization with normalization (top section), without normalization (middle panel), and normalized with near-zero discounting (0.1% per annum) (bottom section). Values are rounded.**

		2020	2025	2030	2035	2040	2045	2050
<b>Default parameterization with normalization</b>								
2°C	<b>Per capita (\$)</b>	4	5	7	10	13	16	18
	<b>Total (billion \$)</b>	30	43	61	84	111	137	157
3°C	<b>Per capita (\$)</b>	3	4	6	8	12	16	21
	<b>Total (billion \$)</b>	22	33	49	70	99	135	180
<b>Default parameterization without normalization</b>								
2°C	<b>Per capita (\$)</b>	4	5	7	8	10	11	10
	<b>Total (billion \$)</b>	32	52	85	140	227	363	577
3°C	<b>Per capita (\$)</b>	3	4	6	8	11	15	19
	<b>Total (billion \$)</b>	23	36	55	83	123	178	252
<b>Near-zero time preference with normalization</b>								
2°C	<b>Per capita (\$)</b>	8	10	12	14	16	16	16
	<b>Total (billion \$)</b>	61	78	96	116	132	141	137
3°C	<b>Per capita (\$)</b>	29	40	55	75	101	134	176
	<b>Total (billion \$)</b>	220	318	451	629	861	1159	1530

Notes on Table S3

The top section of the table reports the same numbers presented in the TU lines of Figure 2 of the main text. The cost savings can be viewed as a type of budget that is available to decision makers to implement policies capable of moving the world's population from a trajectory like the UN-medium variant to one like the UN-low; staying within budget would pay for itself entirely through avoided climate abatement costs, even without accounting for the other primary benefits generally associated with a faster peak in global population (34,46). With this budget in mind, it is worth comparing the avoided costs in the above table with spending shortfalls for two human development interventions associated with fertility decline: ensuring access to family planning (modern contraception) and quality education. Recent studies estimate the shortfalls for these programs, respectively, at about \$5 billion and \$40 billion per year (44,45). The results therefore suggest that the avoided mitigation costs could cover the whole funding shortfall for family planning by 2020, and both programs soon thereafter.

However, it is important here to acknowledge that the UN-low population path is defined by the mechanistic assumption that fertility in all regions would be 0.5 children lower, which is a crude assumption. It would be difficult to achieve this level of decline in many wealthy regions and almost certainly not through additional investments in education or family planning, as these

are already supplied to a large extent. However, studies indicate that roughly this level of *global* fertility decline – which is what is important in DICE – may be achievable given large and sustained policy intervention (2,47,48), although there is debate about the full effects of such policies. Additionally, Table S1 shows that most of the change in the carbon prices from the UN-medium to UN-low result from changes in the developing regions.

Two additional notes to this analysis should be mentioned. First, a successful human development policy could also increase average per capita emissions pressure – even while reducing population size – by increasing the economic productivity of a more educated population with more female labor force participation. A second is that some historical population policies have harmed wellbeing, sometimes without actual substantially changing population growth (41), which is a note of caution.

An additional reason for presenting this table is to demonstrate that our normalization procedure (see Section 2 above) makes little difference overall, but is slightly more conservative than directly taking the difference in mitigation costs between the UN-medium and UN-low scenarios.

(We do not report equivalent results with an average utilitarian objective because near-term cost differences are negligible as shown in Figure 2 of the main text.)

## Section 6. Extensions

In this section we extend the results analyses in the main text through a series of additional experiments described below.

### **Extension 1. Mixed-population paths: Isolating the role of population in consumption and in social welfare weighting of time periods**

In this section we explain the mechanisms through which population growth affects mitigation policy by separating the two primary factors linking population growth to carbon prices. First, if there is a TU social objective and future population is greater, then greater weight is given to future damages, as there are more future people to suffer them. In this sense population growth acts like lowering the discount rate, increasing the *current* incentive to reduce emissions by increasing the importance of the future. Second, a larger future population puts upward pressure on future emissions and corresponding damages, making emissions reductions more costly to achieve. We refer to the first factor as the “Weighting effect” (i.e. population’s weighting of the future in the SWF), and the second factor as the “Consumption effect” (i.e. more emissions and climate damages in the absence of mitigation).

Understanding the full consequences of population for climate policy requires understanding the separate roles of these two separate mechanisms, which we decompose in Figure S8. In particular, we compute two mixed-assumption scenarios:

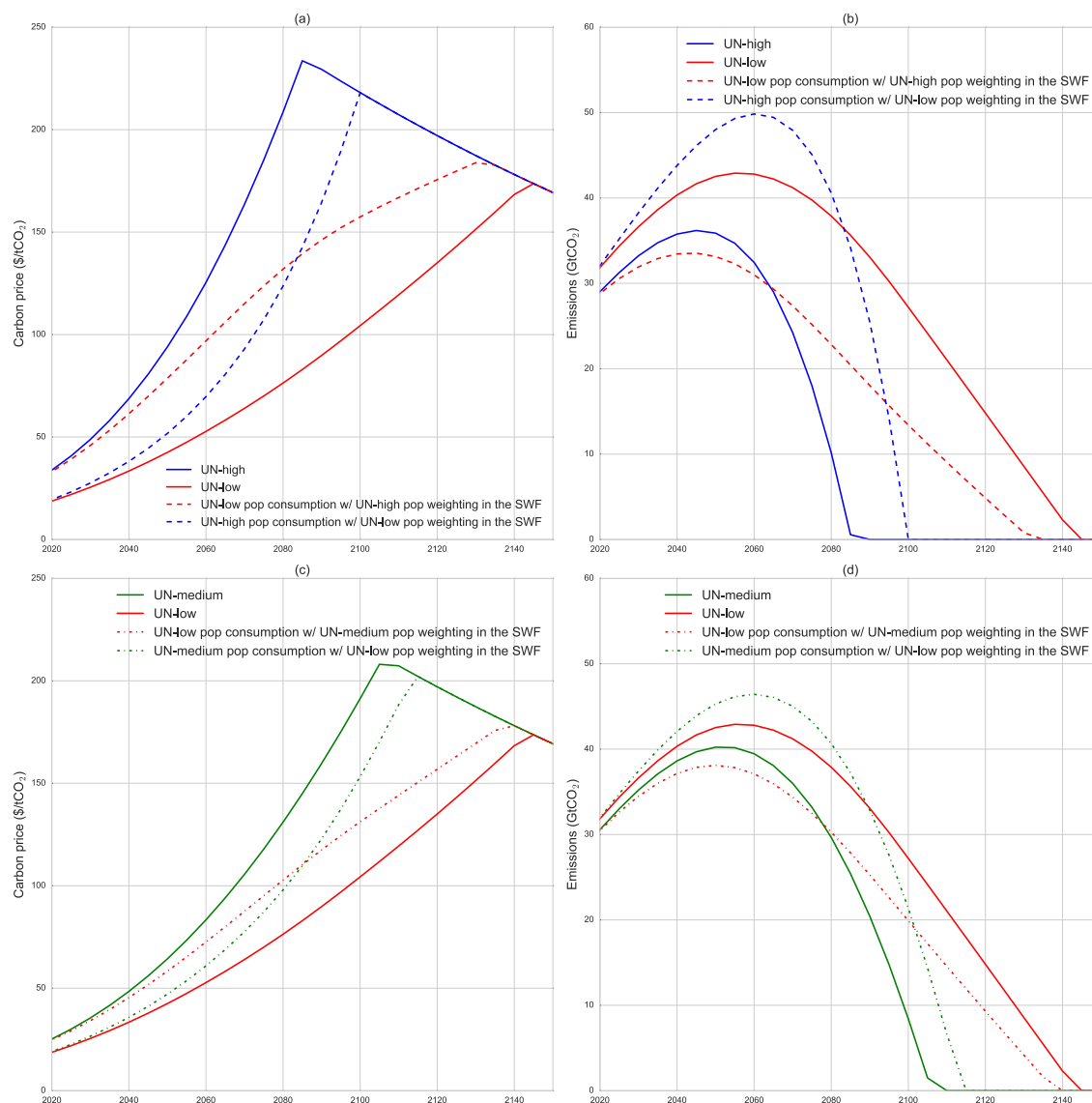
- **High population consumption, low population weighting in the SWF:** here economic activity (and thus unmitigated emissions) is computed as though the population were on the high trajectory but wellbeing is calculated and optimized as though population were on the low trajectory;
- **Low population consumption, high population weighting in the SWF:** here we do the reverse, using the low population trajectory for computing economic activity (and thus unmitigated emissions) and the high trajectory in the weighting and optimization of the SWF.

This experiment with artificial scenarios is meant to clarify the role of the two population effects on the recommended climate policy. It is not very different from investigating non-artificial scenarios: what would be the optimal policy if we believe that a UN-high quantity of future people will be exposed to climate damages, but if we also believe that those people will be more frugal and only cause the emissions profile entailed by a UN-low quantity of future people? Or conversely, what is the optimal policy if we believe that a UN-low quantity of future people will



be exposed to climate damages, but they are profligate and cause the emission profile entailed by a UN-high quantity of people?

Perhaps more importantly for the main result of our paper, this mixed-scenario experiment clarifies the mechanisms by which the future population path has its effect under AU and TU. This is because, even while using a TU SWF, the “low population in SWF, high population consumption” path behaves similarly to AU using the high population path. Under AU, the impact of the high population path on the economy is considered, but it has no effect on social welfare weighting; in the mixed path, future population growth has *some* effect on future population weighting because population is not constant under the low path, but it is substantially reduced. Therefore, the eventually increasing mitigation costs due to eventually emissions pressure of greater population under this mixed path is conceptually similar to the initially low but eventually increasing mitigation costs under AU with a high future population.



**Fig. S8. Optimal carbon price and emissions pathways for standard population scenarios and specified mixed assumption scenarios. The mixed assumption experiment is designed separate the role of population growth in the weighting of social welfare from its role in contributing to unmitigated emissions and (potential) climate damages via consumption. This figure is only informative given a TU objective because with an AU objective there would be no social welfare weighting effect.**

The upper left of panel (panel “a”) of Fig. S8 presents the results of this experiment. In the figure, four lines are plotted: the recommended tax paths of these two hypothetical, mixed-assumption scenarios are plotted as dashed lines alongside the original TU paths under the non-mixed UN-high and -low population scenarios, repeated from Fig. 1b of the main text as solid lines. The comparative importance of the two mechanisms changes over time. In the short run, the weighting effect dominates: both mixed-assumption optima closely match the optima of whichever population assumption is used in the SWF. For example, in early decades, the mixed scenario with high population in the SWF resembles the simple high-population scenario. This short-run result is because, during the nearest decades, the population implications with regard to emissions remain in the future, but there is still a mechanism for future population growth to influence near-term taxes through how the future is valued. Panel (b) of Figure S8 reports the emissions associated with the carbon price path.

In the long run of about a century, the economic consumption effect comes to dominate, a reversal visible in the crossing of the dashed lines. The long-run reversal occurs when faster population growth eventually translates into (increasingly) larger populations with (increasingly) greater total consumption and unmitigated emissions. It is at this point that the population paths used in the economy become more important. Therefore, the two mixed-assumption optimal tax paths cross in the late 21<sup>st</sup> century. For further analyses, compare the upper and lower left panels (panels “a” and “c”) of Fig. S8, which show how the result is qualitatively the same when comparing the UN-medium vs UN-low scenarios (or any higher vs lower scenario under this parameterization).

## Extension 2. Exploring mitigation costs for temperature targets that are sub-optimally high (4 °C and 5 °C)

In Table S4 we report mitigation cost savings under temperature targets that entail less than optimal mitigation, namely 4 °C and 5°C. In these cases, we maximize the objective function subject to the relevant temperature constraint assuming constant growth of carbon prices from the starting values in the 3°C cases (by which we mean, starting in the UN-low variant from the initial carbon price in the UN-low 3°C case, and starting in the UN-medium variant from the initial carbon price in the UN-medium 3°C case). The cost savings are calculated as described in Section 1 above.

**Table S4. Abatement cost savings under sub-optimally high temperature targets of achieving the UN-low versus UN-medium population under the total utilitarian optimal pathway that meets different temperature targets for: the default parameterization with normalization (top section), without normalization (middle panel), and normalized with near-zero discounting (bottom section). Values are rounded.**

		2020	2025	2030	2035	2040	2045	2050
<b>Default parameterization with normalization</b>								
4°C	<b>Per capita (\$)</b>	3	5	8	10	14	18	22
	<b>Total (billion \$)</b>	26	42	62	87	118	154	195
5°C	<b>Per capita (\$)</b>	3	5	7	9	11	14	17
	<b>Total (billion \$)</b>	25	38	54	73	96	122	152
<b>Default parameterization without normalization</b>								
4°C	<b>Per capita (\$)</b>	3	5	7	10	13	17	21
	<b>Total (billion \$)</b>	27	44	68	98	137	186	245
5°C	<b>Per capita (\$)</b>	3	5	6	8	11	14	17
	<b>Total (billion \$)</b>	25	39	58	80	108	142	182
<b>Near-zero time preference with normalization</b>								
4°C	<b>Per capita (\$)</b>	23	26	30	34	38	42	47
	<b>Total (billion \$)</b>	179	210	245	282	323	365	410
5°C	<b>Per capita (\$)</b>	23	26	29	32	35	39	43
	<b>Total (billion \$)</b>	176	205	235	268	303	339	376

### **Extension 3. Assume equal mitigation effort, then compute the resulting difference in emissions and the savings from avoided climate damages**

This subsection describes an alternative method for conceptualizing the climate benefits of a lower population in connection with suboptimal mitigation effort and a TU social objective.

The key assumption behind the mitigation cost savings analysis described in the earlier sections and displayed in Figure 2 of the main text and Tables S2-S4 is that the world will be willing to spend more on mitigation in the higher population (UN-medium) scenario because there is a temperature target to meet. An alternative assumption is that society may have a fixed appetite for mitigation, regardless of population. In Table S5, we show the implications of this alternative assumption for different levels of mitigation effort (different “appetites”), ranging from higher than optimal effort, to much less than optimal effort, to no effort at all; using DICE we quantify the resulting difference in emissions between the UN-medium and UN-low scenarios for each level of effort, and quantify the resulting difference in climate damages. In other words, in this section the benefit of a lower population appears (by the design of the experiment) in the form of avoided *climate damages* with a lower versus higher population, rather than in the form of avoided *mitigation cost*.

To model this alternative assumption that society might have a fixed appetite for mitigation, we define a level of mitigation effort *at a specified time* as the mitigation cost as a percentage of per capita GDP, and a level of mitigation effort *pathway* as a particular level of mitigation effort at each time point into the future. With these definitions in hand, we consider the four mitigation effort pathways that yield the four UN-medium temperature target scenarios reported in Tables S3 and S4 – i.e., we consider the mitigation effort pathway that yields peak warming of 2°C given UN-medium population, the mitigation effort pathway that yields peak warming of 3°C given UN-medium population, and so on. We also consider the mitigation effort pathway that yields the UN-medium Baseline scenario, where there is no climate mitigation.

Therefore, for each of the five UN-medium scenarios, we determine the control rate at each time period that *with the UN-low population* would yield the same mitigation cost as a percentage of per capita GDP at each time and then run the model accordingly.

Table S5 shows the difference in emissions between these five pairs of scenarios; again, each pair has the same mitigation effort pathway in the sense just described. Because there is by design almost no difference in *mitigation cost* as a percentage of per capita GDP, the savings implied by a lower population are here represented only by avoided *climate damages* in the further future. Such avoided climate damages are due to lower emissions, and the difference increases in magnitude as mitigation effort becomes less and less stringent.

**Table S5. Avoided damages under UN-low rather than UN-medium population with a TU social objective given equal mitigation effort (for different mitigation effort pathways that yield different peak temperatures given UN-medium population).**

		<b>Total change in emissions</b>	<b>2020</b>	<b>2030</b>	<b>2040</b>	<b>2050</b>	<b>2150</b>	<b>2200</b>
2°C	Per capita (\$)	-3%	0	0	0	2	17	23
	Total (\$billion)		0	0	4	14	98	119
	Change in emissions		0.2	0.7	1.2	0.9	-	-
3°C	Per capita (\$)	-11%	0	0	1	3	216	274
	Total (\$billion)		0	1	5	23	1,233	1,452
	Change in emissions		0.2	1.0	2.2	3.5	-	-
4°C	Per capita (\$)	-22%	0	0	1	3	870	1,436
	Total (\$billion)		0	1	6	24	4,973	7,608
	Change in emissions		0.2	1.0	2.3	3.9	5.6	0.0
5°C	Per capita (\$)	-31%	0	0	1	3	1,314	3,342
	Total (\$billion)		0	1	6	25	7,509	17,702
	Change in emissions		0.2	1.1	2.4	4.4	22.5	7.2
Base	Per capita (\$)	-37%	0	0	1	4	2,275	6,945
	Total (\$billion)		0	1	7	34	13,000	36,786
	Change in emissions		0.2	1.4	3.3	6.1	53.1	38.1

#### Extension 4. Critical levels in the social welfare function

Table 1 in the main text considers whether different population paths would represent overall improvements in wellbeing, as valued by the social welfare functions we use. As described above and in the main text, our implementations of AU and TU are two focal functional forms, but other functional forms are also consistent with the basic principles of valuing, not valuing, or conditionally valuing additional lives or a larger population. One alternative functional form within the general family of TU incorporates a “critical level”: a level of personal utility (in our case consumption,  $c$ , is the only input into utility,  $u(c)$ ) above which an additional life increases social welfare and below which it does not. This form of totalist utilitarianism replaces  $[u(c) * n]$  with  $[(u(c) - u(a)) * n]$  within each period, where  $a$  is the critical level and  $n$  is the population size (49).

All totalist SWFs implicitly assume a critical level – if nothing is subtracted, a critical level of zero is assumed. DICE’s default functional form implicitly assumes a critical level equal to a GDP per capita of \$3,775 per year. Therefore, if there were lives below this level of consumption, they would reduce social welfare; however, per capita GDP is greater than this level in every period in the model.

Tables S6 and S7 analyze alternative critical levels in percentage and absolute terms, respectively. As the critical level is reduced, the pattern is qualitatively the same as Table 1 of the main text: lowering population reduces total wellbeing. The effect is quantitatively dampened in percentage terms (Table S6) because the value of social welfare goes up when the critical level is reduced, but the absolute difference increases (Table S7).

As a verification of our mechanism, we also include a case where the critical level is very high (\$10,000/year) – in our view, inappropriately high (because it implies that it makes the world worse for people to exist who have an income level comparable to the average citizen of Morocco or Ukraine, for example). Here, a larger population is still preferable to a smaller one; even though additional lives are regarded as a social worsening over the coming several decades when global per capita GDP has not yet reached \$10,000 per year, the cumulative total is higher over the model’s full time horizon. A critical level of \$43,915 (roughly the current per capita GDP in the UK) is the point in DICE where the model has an equal amount of wellbeing whether assuming the UN-high or UN-low population.

As a final note, optimal carbon taxes, emissions, and temperature change are all entirely independent of the choice of critical level. This is a theoretical implication of the fact that that when population is exogenous (as in our model), the additive critical level term drops out of the first order condition for the optimum. In other words, assuming a particular future population path, the optimal emissions reduction pathway and associated outcome for world is the same regardless of what assumption is made about the critical level – the choice of the critical level only affects how society should value that future world.



**Table S6: Social valuation of population paths under several different TU critical levels at optimal climate policies, as a percent of the UN-medium path.**

Critical level (\$/year)	UN-high	UN-medium	UN-low
\$0.00	133.6%	100%	77.7%
\$730.50	144.0%	100%	71.1%
\$3,775.50 (DICE default value)	192.3%	100%	40.4%
\$10,000.00*	--	--	--
* Total wellbeing is negative given a \$10,000 critical level (Table S7), so we don't report percentages for this scenario.			

**Table S7: Social valuation of population paths under several different TU critical levels at optimal climate policies, in units of wellbeing (utility).**

Critical level (\$/year)	UN-high	UN-medium	UN-low
\$0.00	713,892	534,410	415,145
\$730.50	25,763	17,894	12,719
\$3,775.50 (DICE default value)	6,262	3,257	1,315
\$10,000.00	-63	-1,491	-2,384

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