

Climate Policy: A Reality Check

Remarks At The Annual Meeting Of The Society Of Environmental Journalists
By William O'Keefe, CEO of the George Marshall Institute,
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I want to begin by commending Andy for organizing this panel and for including me on it. He is obviously a risk taker because he knows my view that the climate debate has been driven mostly by rhetoric and advocacy and what Nobel economist Frederick Hayek termed the "fatal conceit".

If any environmental issue was in need of a reality check, it is climate change. Doing so, however, requires distinguishing reality from image and myth. That is not easy, as evidenced by the fact that most of what passes for conventional wisdom about climate change bears little resemblance to either scientific or economic reality. Journalists face a daunting task in getting it right.

Much of the climate change debate and the international policy to address asserted human influence on it are driven by assumptions and complex computer models reflecting those assumptions.

A certain amount of fact based reality is beginning to replace what has passed as reality since the late 1980s. I hold no illusions, however. The special interests and advocates who gain from an apocalypse scenario will fight hard to maintain the illusions that have proven profitable.

For almost two decades, the climate debate has been dominated by advocates and environmental ministries, primarily those from the European Union. They used the image of a distant environmental apocalypse caused by human activity to fashion an unsustainable and unachievable treaty and to demonize any one who questioned their orthodoxy.

That orthodoxy holds that climate science is settled, that humans are the major cause of warming in recent decades, and that there is only one way to avoid a climate-induced apocalypse later this century. That one way is to drastically reduce greenhouse gas emissions to levels 60% below 1990 levels by 2050. That orthodoxy is not built on observation, measurement, validation, and objective analyses, which are the bases of scientific information and sound policy.

There is not enough time, nor is this the place, to discuss how this state of self-delusion came about. But, it is not a new phenomenon. It has long been the case that prophecies and uncertainty about the future have put bread on the table.

The art and history of manipulating the public opinion are well documented in two books. The first is *Extraordinary Popular Delusions and the Madness of Crowds* by Charles Mackay, which was written in 1841. Even then, Mackay made the point that crowds of people become simultaneously impressed with one delusion and run after it until their attention is caught by some new folly more captivating than the first. And, Mark Twain once observed that he was not troubled by what people didn't know, only what they knew that wasn't so.

Our capacity for being bamboozled must be hard wired.

The second book is *The Image: A Guide to Pseudo Events in America* by the late historian Daniel Boorstin. He documented how the gap between what an informed

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citizen needs to know and can know is being filled with deceptive illusions.

In addition, Michael Crichton and others have made the case that environmentalism has replaced religion. The environmental orthodoxy divides the world into angels and demons with the demons being anyone who expresses skepticism about the asserted climate consensus.

As it becomes ever more clear that the Kyoto Protocol is flawed beyond repair, the policy debate will gradually and grudgingly become more realistic and shaped by objective realities. Some of that is already taking place as evidenced by the recent G-8 meeting declaration, the one from the recent Greenland Summit and Tony Blair's surprise admission that Kyoto is unworkable.

The fact that virtually all developed country Kyoto signatories will miss their 2012 obligations and have no hope of meeting the more stringent ones that would follow will be sobering. As Samuel Johnson observed, there is nothing like a hanging to concentrate the mind.

The debate over future climate change and human attribution is an important one and it will go on for a long time because significant uncertainties will not be resolved soon. Claims that climate science is settled do not square with the many uncertainties documented by the IPCC or the strong support for the Bush Administration Climate Science Strategic Plan by the National Academy of Sciences. Some like climate sensitivity and natural variability may never be completely resolved.

Science will not soon resolve the extent of human influence on the climate system or illuminate an unambiguous path forward. Policy making in the fog of uncertainty is how the world works and we will get better policy if we acknowledge that. Uncertainty complicates decision making but need not paralyze it.

We know that average global temperature is warmer than it was a century ago. We know that CO₂ emissions are higher and increasing. We know that human activity has contributed to a warmer world but not whether the longer

term impact will be trivial or serious. And, we know that reducing emissions involves reducing fossil fuel use. Beyond that, almost everything else is speculation, professional judgment and the circular process of climate modeling.

The cold hard realities are that we are where we are, there is no politically viable way of turning the greenhouse gas clock back, the world is not about to turn away from fossil fuels, and we cannot predict the future, as much as we pretend otherwise.

Inevitability can be reality forcing. According to the International Energy Agency, the world will need about 50% more energy by 2025. Like it or not, fossil fuels will remain the dominant source of energy then and or some time beyond. That means that emissions will be higher, not lower. The best we can hope for is to slow their growth and increase the world's resiliency. Increased energy efficiency and the introduction of new energy-generation technology are the only politically viable means of achieving those objectives but they will not lead us to a world of increased prosperity with zero or negative emissions growth.

Since most of the future growth in emissions will be from developing countries, a major focus must be to help them realize their economic aspirations, while also lowering their carbon intensity. That is clearly doable and cost-effective. In addition, it is the right thing to do. There can be no justification for ignoring serious human and environmental problems that we know how to solve—malnutrition, high mortality and disease rates, and polluted water for example—while focusing on one that we do not adequately understand and, at best, is distant.

As a nation, and as a group of developed nations, we can do better going forward than we have done in the past. We can do better by testing image against reality and not the reverse. We can do better by being more humble about our ability to will outcomes. We may not be able to abandon Hayek's "fatal conceit" but

we can do better in keeping it in check. We can do better by not demonizing those who raise legitimate issues for debate. After all, challenge and skepticism are the hallmarks of good science and the source of new knowledge.

Today, we pretend that we know enough to predict what the world and its climate will be in 2100. We cannot and the sooner we admit it, the better off we will be. Models are useful tools for research and can help illuminate policy issues. But, models that have not been validated and can only simulate are instruments of mischief.

Planning the world's economic and climate future, if they could be planned, is not like planning a long vacation where there is little uncertainty and a lot of predictability. Instead, the right model is how Lewis and Clark carried out their charge from Thomas Jefferson to

explore and map the territory west of the Missouri. Jefferson set the objective but Lewis and Clark had little knowledge about how they were going to achieve it. They succeeded by an iterative process of taking small steps, acquiring and analyzing new information and then taking their next steps based on what they had learned. Distant predictions of dread and policies reflecting them are not based on this model.

Policies that are based more on facts and objectivity and the acquisition of new knowledge stand a better chance of success and sustainable public support. But, expecting such policies is probably be a triumph of hope over experience.

Healthy skepticism makes good journalism and is recognized as a virtue. In the climate debate, unfortunately, it has been treated as a vice. It should not be.