

Copenhagen, Climategate, EPA and the U.S. Senate

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Climate issues dominated the headlines through the fall of 2009. In December, delegates from around the world gathered in Copenhagen in hopes of striking agreement to limit greenhouse gas emissions. Swirling around that meeting of world leaders, bureaucrats, environmental advocates and those looking to make a buck on the climate change debate are new allegations challenging the integrity of the underlying science. Emails leaked by a hacker or whistle blower from the Climatic Research Unit (CRU) in the United Kingdom raise grave concerns about the data used to justify regulations advanced by the Environmental Protection Agency (EPA) and legislation before the U.S. Senate. Picking up where their colleagues in the House of Representatives left off, the Senate pushed ahead with legislation to cap greenhouse gas emissions and create a trading regime, only to see the effort stall as the costs of the proposal became clearer and attention shifted to the equally intractable problem of health care reform.

Independently each event—Copenhagen, Climategate, the EPA's endangerment finding and the Senate debate—is worthy of serious examination. Together they focus the general public on the case for action and the consequences of the options for action.

The Copenhagen meeting likely will result in proclamations of the need for action and broad agreement to meet reduction goals far in the future. Missing will be details on how to accomplish those goals while also accommodating a larger global population and aspirations for robust economic growth. As the Marshall Institute and others have shown, achieving emission reductions at the scales required and in the time allowed simply is not feasible given available technology and the costs of action at the scale required (see, for example, *The Myth of Vanishing CO₂ Emissions*, <http://www.marshall.org/pdf/materials/585.pdf>).

The likely results of “climategate” are less certain. Will the release of the raw data underlying the CRU depiction of the temperature record shift common understanding of temperature trends? Were the processes used to analyze and interpret the data improper? How those questions are answered will have profound implications for the climate debate. If it is shown that the methods were flawed and the data does not support the prevailing view of the temperature record, the basis for action can be questioned. The emails suggest a bias in how temperature data has been handled. Even before the release of these emails, serious questions had been raised about the quality of the data, the lack of good global coverage, and techniques used to make adjustments in the data. (See, for example, *The Increase in Global Temperature: What It Does and Does Not Tell Us* <http://www.marshall.org/article.php?id=170> and *Lessons & Limits of Climate History: Was the 20th Century Climate Unusual?* <http://www.marshall.org/article.php?id=136>). The emails only serve to reinforce the importance of these questions and the need for an open, objective, and transparent reassessment of the climate record since 1895.

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At a minimum, the emails should give the public pause about blindly trusting the scientific community to provide objective interpretations of facts and evidence on major public policy issues when the stakes are so large. As speakers at a recent Marshall event noted, the “cultification of science” by policy makers is simply a convenient way for policy makers to avoid making hard choices. Put another way, when policy makers encounter difficult policy problems or irreconcilable policy conflicts, they ask scientists to resolve the policy problems, but call it science. In doing so, scientists can be tempted to insert their own preferences and interpretations into the decision making process and have incentives to use those questions to obtain grants.

The Climategate scandal shows intentional behavior on the part of some scientists to influence the peer review and journal publication process—the purported cornerstones of the objectivity of science—because they objected to the publication of articles reputedly challenging their work. Can the peer review process be trusted to fairly and objectively vet scientific controversies? More significantly, does the scientific peer review process resolve those controversies in a manner sufficient for use in reconciling policy debates? Clearly, something beyond peer review is needed to protect against a reoccurrence of this misuse of the scientific process.

Finally, the U.S. Senate’s consideration of cap-and-trade legislation brings into sharper focus the economics of greenhouse gas mitigation efforts. Assertions that a cap and trade system would cost the American family less than a postage stamp per day rest on rosy assumptions that seem unlikely to come to pass. For instance, the EPA estimates the Kerry-Boxer legislation will cost an average U.S. household only \$111 annually. As Marshall’s CEO William O’Keefe pointed out recently, “The agency’s researchers assume that more than 100 new nuclear facilities will be in operation in 2030, in spite of the fact that no new

facility has been built in the past 30 years. The analysis also assumes that the offset market operates honestly, effectively and efficiently—ignoring the wide-spread incidents of fraud and abuse in the existing EU market.” More realistic estimates place costs in excess of 50 billions dollars annually.

As legislators and the public finally began to focus on the details of cap and trade over the past few months, support for precipitous action has eroded. We have long believed that the picture of urgency crafted by environmental advocates, climate alarmists, and ideologically motivated scientists would not be sufficient to overcome the common sense of the American people. Hopefully now we can turn our attention to crafting energy policy/programs that recognizes that our environmental and national security concerns must be balanced against economic and technical reality.

Reflecting on these events, we return to the conclusions reached by our 2001 report, *Climate Science and Policy: Making the Connection* (available at <http://www.marshall.org/article.php?id=86>). The product of a panel effort chaired by Dr. James R. Schlesinger, former Secretary of Defense and Energy, and Dr. Robert Sproull, President Emeritus of the University of Rochester, *Climate Science and Policy* argued that “the [Intergovernmental Panel on Climate Change]’s findings have been presented with a degree of certitude that is not justified by the underlying science” citing concerns with the quality of the data used by the IPCC to reach its conclusions and the climate models used to interpret and analyze that data.

Indeed, the members of the Schlesinger-Sproull panel were very concerned about the IPCC’s methods for selecting and interpreting scientific evidence and the peer review process employed in climate science. They felt the drive for “consensus” within the scientific community was counterproductive to the exploration of key uncertainties and would lead to poor public policy.

The Institute panel concluded that:

“There is a justifiable concern about the potential for human activities to affect future climate. Action is appropriate. The question is what action? As in all human endeavors, there is a need for balance. The dramatic reductions in greenhouse gas emissions called for in the Kyoto Protocol . . . would have unacceptable economic consequences . . . However, cost-effective reductions in greenhouse gas emissions can be achieved through economically justified energy technology and capture of non-CO₂ gases.

As we, and many others, have shown, the economic consequences of large-scale reductions in greenhouse gas emissions have not changed in the intervening years since these words were written. The economic consequences of capping greenhouse gas emissions remain “unacceptable.” See, for example, our recent work on the topic: *The Dismal Economics of Climate Regulation* (<http://www.marshall.org/article.php?id=759>) and *The Cost of Climate Regulation for American Households* (<http://www.marshall.org/article.php?id=636>).

Does that mean inaction is the appropriate strategy? No. Again, returning to the conclusions of the Schlesinger-Sproull study:

“Are calls about uncertainty in the state of scientific knowledge a call for no action? Nothing could be further from the truth. The message to policy makers is not to delay action until uncertainties are reduced. Rather, actions should flow from the state of knowledge, should be related

to a long term strategy and objectives and should be capable of being adjusted—one way or the other—as the understanding of human influence improves. There is a sufficient basis for action because the climate change risk is real. Yet, it is equally true that actions must not be predicated on speculative images of an apocalyptic vision of life in 2100.

Common sense actions include:

- Removing barriers to the turnover of capital stock to encourage the deployment of new technologies in the U.S.;
- Accelerating the transfer of technology to developing countries;
- Examining the utility of incentives for rapid deployment of new energy technologies and implementing those that show promise;
- Expanding public and private investment in research and development for low- and no-carbon energy systems; and
- Focusing climate research programs on a prioritized list of uncertainties;
- Instituting a transparent award and review process for climate research;
- Supporting a long-term commitment to observation and data analysis; and
- Commissioning critical examinations of assessment panels and reports.

Many of these recommendations were made by the Schlesinger-Sproull panel. They remain as relevant today as they were then.