the Atlantic

A Conservative's Approach to Combating Climate Change

May 30, 2012

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No environmental issue is more polarizing than global climate change. Many on the left fear increases in atmospheric concentrations of greenhouse gases threaten an environmental apocalypse while many on the right believe anthropogenic global warming is much ado about nothing and, at worst, a hoax. Both sides pretend as if the climate policy debate is, first and foremost, about science, rather than policy. This is not so. There is substantial uncertainty about the scope, scale, and consequences of anthropogenic warming, and will be for some time, but this is not sufficient justification for ignoring global warming or pretending that climate change is not a serious problem.

Though my political leanings are most definitely right-of-center, and it would be convenient to believe otherwise, I believe there is sufficient evidence that global warming is a serious environmental concern. I have worked on this issue for twenty years, including a decade at theCompetitive Enterprise Institute where I edited this book. I believe human activities have contributed to increases in greenhouse concentrations, and these increases can be expected to produce a gradual increase in global mean temperatures. While substantial uncertainties remain as to the precise consequences of this increase and consequent temperature rise, there is reason to believe many of the effects will be quite negative. Even if some parts of the world were to benefit from a modest temperature increase -- due to, say, a lengthened growing season -- others will almost certainly lose.

Many so-called skeptics note that environmental activists and some climate scientists exaggerate the likely effects of anthropogenic warming, distorting scientific findings and overstating the extent to which contemporary events (hurricanes, etc.) may be linked to human activity to date. But the excesses of climate activists and bad behavior by politically active scientists (and the IPCC) do not, and should not, discredit the underlying science, or justify excoriating those who reach a different conclusion. Indeed, most skeptics within the scientific community readily accept the basic science. They

contest the more extreme climate projections, but accept the basic scientific claims. Take, for example, Patrick Michaels of the Cato Institute. In one of his recent books, *Climate of Extremes: The Global Warming Science They Don't Want You to Know* (co-authored with Robert Balling, another prominent "skeptic"), Michaels readily acknowledges that there is a warming trend and that human activity shares some of the blame.

The position espoused by Michaels, Balling and most (but not all) skeptics is that anthropogenic global warming is occurring, but it is more of a nuisance than a catastrophe. Some even argue that the net effect of climate change on the world will be positive, due to increased growing seasons, less severe winters and the like. Were I a utilitarian, and if I placed substantial faith in such cost-benefit studies, I might find these arguments convincing, but I'm not and I don't. Even if these skeptics are correct that global warming will not be catastrophic and that the net effects in the near-to-medium term might be positive, there are still reasons to act.

Accepting, for the sake of argument, that the skeptics' assessment of the science is correct, global warming will produce effects that should be of concern. Among other things, even a modest increase in global temperature can be expected to produce some degree of sea-level rise, with consequent negative effects on low-lying regions. Michaels and Balling, for instance, have posited a "best guess" that sea levels will rise 5 to 11 inches over the next century. Such an increase in sea levels is likely manageable in wealthy, developed nations, such as the United States. Poorer nations in the developing world, however, will not be so able to adapt to such changes. This is of particular concern because these effects will be most severe in those nations that are both least able to adapt and least responsible for contributing to the concentration of greenhouse gases in the atmosphere.

It is a well established principle in the Anglo-American legal tradition that one does not have the right to use one's own property in a manner that causes harm to one's neighbor. There are common law cases gong back 400 years establishing this principle and international law has long embraced a similar norm. As I argued at length in this paper, if we accept this principle, even non-catastrophic warming should be a serious concern, as even non-catastrophic warming will produce the sorts of consequences that have long been recognized as property rights violations, such as the flooding of the land of others.

My argument is that the same general principles that lead libertarians and conservatives to call for greater protection of property rights should lead them to call for greater attention to the most likely effects of climate change. It is a well recognized principle of common law that if company A is flooding the land of person B, it is irrelevant whether company A generates lots of economic prosperity for the local community (including B). A's action would still violate B's property rights, and B would be entitled to relief of some sort. By the same token, if the land of a farmer in Bangladesh is flooded, due in measurable and provable part to human-induced climate change, why would he be any less entitled to redress than a farmer who has his land flooded by his neighbor's land-use

changes? Property rights should not be sacrificed as part of some utilitarian calculus. Libertarians readily accept this principle when government planners violate property rights in the name of economic development (see e.g., *Kelo v. New London*). Yet they seem to abandon their commitment to property rights when it comes to global warming.

I readily recognize that there is, as yet, no international mechanism that adjudicate warming-based disputes, and I am quite sympathetic to those who believe any international entity capable of adjudicating such disputes would do more harm than good, but this does not negate the principle that global warming is, as best we can tell, likely to cause harms that should be addressed. The question is how to do it.

Accepting that global warming is a serious problem does not require the embrace of federal regulation of greenhouse gases under the Clean Air Act, as currently undertaken by the EPA. I have been quite critical of these efforts, which I believe are based on a misinterpretation of the Actby the Supreme Court. CAA regulation will be extremely costly but will not produce emission reductions sufficient to stabilize atmospheric concentrations of greenhouse gases. The pork-laden cap-and-trade legislation passed by the House of Representatives would not be much better. What then should we do?

If the effects of global warming are to be mitigated, it is necessary to stabilize atmospheric concentrations of greenhouse gases at a reasonable level. The emission reductions necessary for this to be achieved are enormous, and far beyond the capability of existing technologies. Just to reach a reasonable intermediate target the U.S. would have to reduce its emissions to levels not seen in 100 years, and reduce per capita emissions to levels not seen since Reconstruction. And even this would not be enough, for if equivalent emission reductions are not made elsewhere, it would all be for naught. As I explain in the first part of this paper, dramatic technological innovation is necessary to address the threat of climate change.

As Roger Pielke Jr. persuasively argues in his book *The Climate Fix*, nations will not decarbonize their economies until it is relatively cheap and easy to do so. Therefore, those who are concerned about climate change, as I am, should be pursuing policies that will make it cheaper and easier to adopt low-carbon technologies. What should these policies be? I've suggested several.

First, the federal government should support technology inducement prizes to encourage the development of commercially viable low-carbon technologies. For reasons I explain in this paper, such prizes are likely to yield better results at lower cost than traditional government R&D funding or regulatory mandates that seek to spur innovation.

Second, the federal government should seek to identify and reduce barriers to the development and deployment of alternative technologies. Whatever the economic merits of the Cape Wind project, it is ridiculous that it could take over a decade for a project

such as this to go through the state and federal permitting processes. This sort of regulatory environment discourages private investment in these technologies.

Third, I believe the United States should adopt a revenue-neutral carbon tax, much like thatsuggested by NASA's James Hansen. Specifically, the federal government should impose a price on carbon that is fully rebated to taxpayers on a per capita basis. This would, in effect, shift the incidence of federal taxes away from income and labor and onto energy consumption and offset some of the potential regressivity of a carbon tax. For conservatives who have long supported shifting from an income tax to a sales or consumption tax, and oppose increasing the federal tax burden, this should be a no brainer. If fully rebated, there is no need to worry about whether the government will put the resulting revenues to good use, but the tax would provide a significant incentive to reduce carbon energy use. Further, a carbon tax would be more transparent and less vulnerable to rent-seeking and special interest mischief than equivalent cap-and-trade schemes and would also be easier to account for within the global trading system. All this means a revenue-neutral carbon tax could be easier to enact than cap-and-trade. And as for a broader theoretical justification, if the global atmosphere is a global commons owned by us all, why should not those who use this commons to dispose of their carbon emissions pay a user fee to compensate those who are affected.

Fourth and finally, it is important to recognize that some degree of warming is already hard-wired into the system. This means that some degree of adaptation will be necessary. Yet as above, recognizing the reality of global warming need not justify increased federal control over the private economy. There are many market-oriented steps that can, and should, be taken to increase the country's ability to adapt to climate change including, as I've argued here and here, increased reliance upon water markets, particularly in the western United States where the effects of climate change on water supplies are likely to be most severe.

I recognize that a relatively brief post like this is unlikely to convince many people who have set positions on climate change. I can already anticipate a comment thread filled with charges and counter-charges over the science. But I hope this post has helped illustrate that the embrace of limited government principles need not entail the denial of environmental claims and that a concern for environmental protection need not lead to an ever increasing mound of prescriptive regulation. And for those who wish to explore these arguments in further detail, there's lots more in the links I've provided throughout this post.