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Costly climate change intervention

Americans will pay more to make clean energy cleaner

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On Tuesday, President Obama announced a series of executive actions aimed at reducing greenhouse-gas emissions, with hopes of mitigating climate changes. His "Climate Action Plan" is neither necessary nor effective, but it will be costly.

By promoting limits on greenhouse-gas emissions from U.S. power plants while increasing "green"-energy incentives, the president is trying to steer our energy choices away from the free-market course and toward the direction of his liking.

This is a dangerous undertaking, and one with a far-from-certain outcome. Government intervention in financial markets was the root of the Great Recession. Government intervention in the energy market carries an even greater risk, as energy drives everything.

The justification for this risk is just not there.

U.S. greenhouse-gas emissions are already on the decline and have been for about a decade now. The majority of this downward trend is not the result of government regulations restricting greenhouse-gas emissions, but rather technological innovations in the energy industry. Techniques such as horizontal drilling and hydraulic fracturing, commonly known as fracking, have opened expansive natural gas and oil reserves that were considered unrecoverable only a few years ago.

Consequently, cheap, reliable electricity produced by coal is being replaced by even cheaper, reliable electricity from natural gas.

Because of its chemical makeup, natural gas, when burned, produces about half the amount of greenhouse gas emissions as burning coal. Therefore, as natural gas replaces coal as fuel for generating electricity, our greenhouse-gas emissions fall.

Granted, this is an unforeseen outcome. Natural gas fracking was developed to produce a cheaper fuel and outperform the competition, not to produce less greenhouse-gas emissions. The net result, though, is exactly the type of outcome that Mr. Obama wants to happen — a reduction of greenhouse-gas emissions — and it has been achieved without government incentives, taxes, or restrictions.

All the government had to do was stay out of the way.

In fact, it is arguable that had the government imposed regulations handicapping fossil fuels, these production techniques — now a cornerstone of Mr. Obama's Climate Action

Plan — may never have been fully developed as research efforts could have been diverted elsewhere.

Greenhouse-gas emissions in the U.S. are falling at a rate that is greater than the one laid out in the president's plan. So why get involved at all?

When it comes to significantly slowing human-caused climate change — the reason for the Climate Action Plan in the first place — none of this matters anyway.

Scientific research suggests that global warming is proceeding, and will continue, at a slower pace, with fewer negative impacts than current projections indicate, including those underlying the president's plan. On top of this, the U.S. relative contribution to climate change is declining year after year as greenhouse-gas emissions from developing nations, such as China, expand rapidly.

Together, this means that the president's plan for reducing emissions in the United States effectively will have no impact on the local, regional or global climate. Domestic reductions will not produce any demonstrable change in the weather; there will be not be verifiably fewer tornadoes, hurricanes, droughts, floods, wildfires, heat waves or any other manner of extreme weather. The rise in the number of billion-dollar weather disasters highlighted by the president will continue — driven by the fact that there are more people with more stuff in harm's way, not by human-caused climate change.

The president recognizes that actions in the United States alone will be insufficient to change the course of the climate. A global effort is required. Therefore, what the president really hopes to achieve is not direct climate-change mitigation from reducing U.S. greenhouse-gas emissions, but to gain bargaining power at international talks to address climate change and, ultimately, that low-emitting energy technologies will be developed and deployed rapidly and safely around the world.

Yet there is no guarantee of these outcomes.

Nevertheless, our own president is pursuing actions that are akin to holding Americans hostage to limited energy choices — and probably higher energy prices — while hoping that the rest of the world someday will pay the ransom in the form of a reduction in greenhouse emissions.

Rather than this wait-and-hope attitude, the president ought to encourage actions that would enable us to better fend for ourselves no matter what the future brings — actions aimed at expanding our energy resources, increasing our wealth and improving our resilience for the climate challenges that lie ahead. This path would be paved with less government interference, not more.

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