

Containing Climate Change Hysteria

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President Donald Trump's <u>announcement</u> to withdraw the United States unilaterally from the Paris Accords has arguably awakened more fury in his critics than any other position he's staked out. His critics seem to believe that his right-wing agenda is to poison the entire planet. It is, therefore, important to disentangle the plusses and minuses of the Trump position. Indeed, for all its defects, Trump's position is more coherent than that of his fiercest critics.

As I indicated in <u>my earlier column</u> on the subject, there are at least two principled ways to defend Trump's decision to exit Paris. First is the weak scientific case that links global warming and other planetary maladies to increases in carbon dioxide levels. There are simply too many other forces that can account for shifts in temperature and the various environmental calamities that befall the world. Second, the economic impulses underlying the Paris Accords entail a massive financial commitment, including huge government subsidies for wind and solar energy, which have yet to prove themselves viable. The President should have stated these two points, and then challenged his opponents to explain how the <u>recent greening</u> of the planet, for example, could possibly presage the grim future of rising seas and expanded deserts routinely foretold by climate activists.

Unfortunately, Trump's silence on these critical issues has let his critics have a field day in portraying the president as a man who is prepared, in the coarse language of *The New Yorker*'s John Cassidy, to say "screw you to the world" in order to implement "his maniacal, zero-sum view." But what is so striking about the endless criticisms of the President is that they all start from the bogus assumption that a well-nigh universal consensus has settled on the science of global warming. To refute that fundamental assumption, it is essential to look at the individual critiques raised by prominent scientists and to respond to them point by point, so that a genuine dialogue can begin. By failing to state a case for his policy, the President has disarmed his allies. Alas, his recent statement, through U.N. Ambassador Nikki Haley, that climate change is "real" is singularly useless. No defender of the President's decision would care to deny that platitude.

Instead of starting with the social case against the substantive provisions of the Paris Accords, Trump justified his decision by invoking his highly nationalistic view of international arrangements. He said the United States was once again getting ripped off by a lousy treaty that, in his words, would force American "taxpayers to absorb the cost in terms of lost jobs, lower wages, shuttered factories, and vastly diminished economic production." He then insisted that his

first duty is to the citizens of Pittsburgh, not of Paris—giving the impression that there are *only* provincial arguments that support his decision.

Yet, ironically, the President has a stronger case on this point than he does with his attacks on free trade, which he justified in similar terms. Free trade has a natural corrective, in that no private firm will enter into any agreement that it believes will work to its disadvantage. That was decidedly not true of the Obama approach to the Paris Accords, which gives a free pass to China until 2030 even though its recent carbon emissions have increased by 1.1 billion tons, while the United States' total has dropped by 270 million tons, and will continue to do so. But when it comes to the United States, the critics claim that the threat of greenhouse gases (GHGs) has never been greater, while saying that China may eventually implement greater GHG controls than required by its current commitment. The Chinese can reduce emissions a lot more rapidly than the US. The diplomatic pass represents a clear double standard.

The President is also right to cast a suspicious eye on the Green Climate Fund, established under the Paris Accords to "mitigate" the damage that excess GHG production might cause to the undeveloped world. But this moral posturing ignores the powerful point that undeveloped countries have already benefited vastly from Western technology, including carbon-based energy, and market institutions that, as the Cato Institute's Johan Norberg reminds us in his book *Progress*, have done so much to ameliorate chronic starvation and poverty across the globe. Carbon dioxide has not wrecked the atmosphere, and the political risk of the Green Climate Fund lies in its false characterization of advanced Western nations as despoilers of less developed countries. Foreign aid may well be desired, but it should not be packaged with the one-sided claims of Western wrongdoing so common in today's climate-change politics.

Trump, moreover, does himself no favors when he relies on a handful of controversial studies that point to dramatic declines in jobs and production—that will result in astonishing economic losses for the United States—if the policies embodied in the Paris Accords are fully implemented. These numbers are simply too large to be credible, given the adaptive capacity of American industry. Contrary to what Trump says, U.S. production will *not* see "paper down 12 percent; cement down 23 percent; iron and steel down 38 percent; coal . . . down 86 percent; natural gas down 31 percent." As the *Wall Street Journal* has noted, the level of carbon efficiency in the United States has improved vastly in the last decade because of innovations that predate the Paris Accords.

That trend will continue. Traditional forms of pollution generate two forms of loss, which are addressed by current laws. First, nothing about the Trump decision exempts domestic U.S. polluters from federal and state environmental laws and lawsuits that target their behavior. It is precisely because these laws are enforced that coal, especially dirty coal, has lost ground to other energy sources. Second, pollution is itself inefficient, for it means that the offending firms have not effectively utilized their production inputs. They can do better by higher yields from improved production processes. These two drivers toward cleaner air and water—one external, one internal—explain why American technological innovation will continue unabated after Paris.

Yet none of Trump's detractors has, to my knowledge, praised him for his pledge that the U.S. "will continue to be the cleanest and most environmentally friendly country on Earth." Indeed, the plumes of dirty smoke that issue forth regularly from German power plants and Chinese steel mills show that the U.S. has done a far better job than its rivals in matching high levels of industrial production with effective environmental controls. One comical irony about the current debate is that the *New York Times* seems to have conveniently forgotten that carbon dioxide is colorless, odorless, and tasteless. Why else would it print two pictures—one of a dirty German power plant and the other of a dirty Mongolian steel plant—to explain why other "defiant" nations will not follow the U.S. now that it has withdrawn from Paris. I suspect the *New York Times* would find far fewer plants in the U.S. that dirty. Indeed, one tragedy of Paris is that the nations adhering to it will invest more in controlling GHGs than in controlling more harmful forms of pollution that developed nations have inflicted on themselves.

The incoherence of the many Trump boo birds goes even deeper. First is the constant refrain that the U.S. did not have to withdraw from a non-binding treaty. But if that's so, how can the decision be the travesty and calamity that Trump detractors claim it is? After all, Trump is not blocking private companies from investing and innovating in wind and solar technology. Weirdly, the *New York Times* laments that the U.S. will miss out of these golden technological opportunities to participate in what it claims will be a \$6 trillion alternative energy market by 2030. It further cites the strong defense of major well-established private investors and businesses urging the non-responsive Trump to remain true to Paris.

Yet, one of the advantages of getting out of Paris is that it removes any systematic pressure for American firms to hop on the wind and solar bandwagons. Those firms that urged Trump to subsidize this market are free to enter it themselves, without dragooning skeptical firms and investors into the fold. Withdrawal also cuts down on the risk that clever environmental lawyers turn the Paris Accords into a source of domestic obligations even though it supposedly creates no international obligations.

My best guess is that withdrawal from the treaty will do nothing to hurt the environment, and may do something to help it. With or without the hysteria, the earth has been through far more violent shocks than any promised by changes in carbon dioxide levels. It is important to keep priorities straight when the U.S. and other nations around the world face major challenges on matters of economic prosperity and international security. Withdrawing from Paris allows the United States to focus its attention on more pressing matters, like global security and economic prosperity.