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“How Conservatives Should Deal with Climate Change”

Remarks as Prepared for Delivery

Climate of Confusion: How Should Conservatives Think About Climate Change?

Co-Hosted by The R Street Institute and National Affairs

The Rayburn Building

Washington, D.C.

July 6, 2015

In 1980, when I was four-going-on-five, my father really scared me.

He told me about the upcoming presidential election and said that if, Ronald Reagan won, *Sesame Street* would be canceled.

I remember running up the stairs of our home on the North Side of Chicago, turning the dials on our old-style television the day after the election (I didn't know about transitions) to find, to my relief, that *Sesame Street* was still on.

Today, of course, I'm a proud conservative and count Reagan among our greatest presidents. My experience taught me two lessons.

First, grownups can be wrong.

Second, everyone makes predictions in ways that attempt to influence others to accept their worldview.

The way my father thought about *Sesame Street* has a lot in common with the way the left thinks about climate change: they see a real forthcoming event as a way to sway others to their worldview on a wide variety of issues.

But the things they want to do are bad.

Climate change is, to borrow a phrase from the management literature, a “wicked problem.” It's one that is, to quote C. West Churchman, “difficult or impossible to

solve because of incomplete, contradictory and changing requirements that are often difficult to recognize.”

That doesn't mean we can't have ideas about where to start the debate. Here's what I'd say:

“There is no doubt that climate change is real, human caused to a very significant extent and likely to have long-term negative consequences somewhere in excess of its positive ones. The magnitude of these consequences isn't known with certainty and, while science can measure the problems, it cannot test most solutions.”

Jim Manzi and Pete Wehner have presented the best argument I know of for thinking about things this way. Expressing doubt about the magnitude of the problems should not be called “anti-science.” And expressing opposition to the things that liberals want to do about these problems ought to be called “common sense.”

The real question isn't “is climate change happening?” but rather, “how do we deal with what is happening?”

The answer I propose in the article I've written for *National Affairs* is, I must admit, a long list of things that we ought to do even if climate change weren't a significant problem. Here are four:

First, we currently spend an enormous amount of public money on things that are clearly maladaptive with regard to climate change; this must stop. Coastal development subsidies, particularly the National Flood Insurance Program, should be phased out in short order. Farm subsidies should be made conditional on doing the right things with regard to the potential impacts of climate change. The Obama administration's recent executive order to improve floodplain management deserves support. (One of the few times you'll hear me say this about an Obama administration policy.) We should also expand the zone natural areas where, following the principles of Ronald Reagan's Coastal Barrier Resources Act, we eliminate all subsidies for development. All of these things might and should be done for reasons *other* than the impact of climate change, but the reality of climate change makes it more important that we do them.

Second, we need more energy. I'm indebted to Lee Lane's article for a better understanding of the topic overall. It's difficult to think of any growing segment of the energy sector that is bad for the environment, on balance. In the short term, the single most important thing we can do to reduce CO2 emissions is to increase natural gas production. Opposing natural gas should be anathema to people concerned about climate change. But only one mainstream environmental group has embraced natural gas at all. We also need to invest in pipelines and in energy research that the private sector won't undertake on its own. By contrast, the “green jobs” agenda so beloved of the left deserves euthanasia.

Third, we need a better system to distribute power. This would save a lot of CO2 emissions and the benefits could be immense. This is mostly a job for the private sector, but as with any networked infrastructure, there's also a role for the public sector. A smart grid makes sense and some elements of it might be justified on national security grounds alone. We also need to find ways to make more and better use of distributed generation. Waste heat and co-generation systems deserve active encouragement and government should get out of the way of rooftop solar.

Finally, a carbon tax makes sense. Although, I actually agree with most of Oren Cass' criticisms. There is little evidence that a carbon tax will spur a huge revolution. In the global context, the impact of U.S. CO2 emissions is limited. I'm particularly impressed by his argument about co-benefits, which I think should be an effective rejoinder.

But there's one simple fact: the courts have basically mandated CO2 regulation and getting rid of that regulatory regime entirely appears almost impossible.

Even if you think there is a path to do fight implementation of the Clean Power Plan, there's nothing to stop the left from bringing it back later. The Obamacare fiasco demonstrates what happens when the right offers no solutions to something recognized as a problem. A carbon tax is an alternative to current policy, not a perfect policy.

The best thing about a carbon tax is that we can use it to cut taxes on productive activity. Coupled with taxing dividends and capital gains as regular income, a carbon tax could be used to eliminate the corporate income tax entirely.

Is what I want unrealistic? Maybe. Maybe not. I'd argue that doing nothing and hoping the left stops using climate change to gain favor for the proposals it wants is the unrealistic point of view. Plenty of conservative ideas that once seemed improbable – from welfare reform to school choice – are no longer beyond the pale.

It's better to price things than to strangle them with regulation. Even as William F. Buckley told us to stand athwart history yelling "stop," he also told us that "idealism is fine but, as it approaches reality, the costs become prohibitive."

I frankly don't object to anyone who wants to beat up on a carbon tax. Many of the carbon tax plans from the left are really bad.

Above all, we need to approach this issue with a fair dose of humility. That includes admitting that we probably don't know much for sure, coupled with a clear commitment to a philosophy of limited, effective government.

Conservatives ought to take climate change seriously. Ignoring it should not be an option, even if one doesn't find the prospects of climate change nearly as dire as many on the left do.

A lot of the best ways to deal with climate change call for smaller government and more freedom. Above all, the one way we can be sure is best to deal with climate change is this: be really, really rich in the future.

Thank you.