SEIZING THE HIGH GROUND:Cautionary Notes on the Rhetoric of Climate Change Policy

A Memorandum to Opponents of the Kyoto Protocol

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August 1997

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Overview

On July 25, 1997, the U.S. Senate passed Senate Resolution 98 by a vote of 95 to zero. S. Res. 98 stipulates that the United States should not sign any agreement at the Kyoto conference which would exempt developing countries from mandatory emissions reductions or which would seriously harm the U.S. economy. A shot fired across the bow, the resolution complicates Bill Clinton's tasks in negotiating and selling the Kyoto protocol.

In many ways, S. Res. 98 is a remarkable achievement. The resolution is thoroughly bipartisan and enjoys the solid backing of business, labor, and agriculture interests. The Senate approved it in time to influence U.S. negotiators before the August meeting in Bonn. Passed by an uncontested majority, it makes a strong statement that the Senate will not ratify any agreement that would wreck the U.S. economy for no environmental benefit. The resolution is a consensus document, and that is its strength. Only a consensus document could attract such broad support or win passage in such short order.

But certain caveats are in order. Consensus building across ideological lines can be a wonderful thing – when it advances your ultimate objectives. But consensus politics also has its risks, such as producing ideological timidity in your own troops and blurring, rather than clarifying, what is really at stake for the American people.

At first glance, S. Res. 98 may seem to be a clever means of sinking the Kyoto agreement. Developing countries cannot afford the stringent emissions controls the Kyoto protocol would establish for the U.S. and other OECD countries. So if we can just make U.S. ratification contingent on developing country participation, we can kill the agreement and put the onus on China, India, or Mexico.

But this approach may be too clever by half. To demand that all countries curb their emissions makes sense only if (a) global warming is a serious and imminent threat and (b) concerted action by the world's governments is the appropriate response. Whether they realize it or not, opponents are conceding the main points at issue. Indeed, S. Res. 98 affirms the "need for global action on climate change."

Worse, by making the developing country exemption the chief sticking point, opponents come perilously close to saying that the U.S. should not ratify a treaty needed to save the planet unless the world's poorest countries agree to commit economic suicide. This posture puts opponents on the opposite side of the moral universe from Mother Teresa. It's not an advantageous place to be.

As for the stipulation that U.S. negotiators not sign any agreement which would seriously harm our economy, this is a variant of the jobs and competitiveness arguments that have consistently failed to halt the growth of environmental regulation. Unless connected to broader humanitarian concerns, such arguments do not challenge, and could even reinforce, the environmentalists' preferred framing the of climate change debate (i.e., money versus lives, business versus the planet). Economic assessments can be useful, but only if advanced in the context of "wealthier is healthier, richer is safer" arguments emphasizing the connection between livelihoods, living standards, and lives.

The irony of the whole debate is that it is the greenhouse lobby that is pushing antigrowth policies inimical to the poor. Environmentalists take great pains to hide this fact; Kyoto opponents have yet to expose and exploit it.

To win, opponents must be prepared to argue that the climate treaty is an intrinsically bad idea (rather than the flawed execution of a good idea). Specifically, they will have to: denounce the whole scheme as a scam – a power grab based on deception and fear; explain why an energy-starved world will be poorer in all the essential supports of human life; and champion a resilience strategy (the elimination of political impediments to economic growth and technological innovation) as the best long-term protection from both natural and man-made disasters.

This is a tall order. Advancing an alternative moral vision is never an easy task. But that is what it will take to defeat Clinton, the UN, and the greenhouse lobby.

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I. Shot Across the Bow

The Clinton-Gore administration appears to be headed for its biggest political setback since the health-care debacle of 1994. Only five months remain before the United States and other parties to the UN Framework Convention on Climate Change, also known as the Rio Treaty, meet in Kyoto, Japan, to finalize a protocol establishing mandatory reductions in fossil fuel emissions, alleged to be dangerously warming the earth's climate. On July 25, 1997, the U.S. Senate, by a vote of 95-0, passed a resolution (S. Res. 98) opposing any protocol or agreement which would exempt the world's "developing" countries from legally-binding emissions reduction targets and timetables. A shot fired across the bow, S. Res. 98 complicates matters for Clinton-Gore and their team of negotiators.

Developing countries cannot afford the stringent emissions reduction targets and timetables the Kyoto pact would impose on the U.S. and other "developed" countries. Hence they will not agree to be bound by such requirements. Hence also, it would appear, the U.S. Senate will not ratify the Kyoto protocol. And if the United States, the world's largest emitter of greenhouse gases and chief sponsor of the current negotiations, fails to ratify the agreement, the Rio Treaty becomes a purely symbolic and hortatory document, not a framework of enforceable obligations, as its architects had hoped.

S. Res. 98 also stipulates that the United States should not be a signatory to any agreement which would seriously harm the U.S. economy. This provision, too, would appear to preclude Senate ratification of the Kyoto protocol. Administration officials deny that mandatory curbs on fossil fuel consumption pose any threat to our economy. Indeed, according to Vice President Gore, international controls on greenhouse emissions could actually make America more competitive. How? By expanding the world market for "environmentally friendly" technologies, in which America has a comparative advantage. 3

¹ Senate Resolution 98, (1)(A): "...the United States should not be a signatory...unless the protocol or other agreement also mandates new specific scheduled commitments to limit or reduce greenhouse gas emissions for Developing Country Parties within the same compliance period." *Congressional Record*, July 25, 1997, p. S8138. ² Ibid., (1)(B).

³ Senator Gore advocated a green industrial policy – the Strategic Environmental Initiative, or SEI – to enhance America's comparative advantage in energy-efficient technology. See *Earth in the Balance: Ecology and the Human Spirit* (Boston New York London: Houghton Mifflin, 1992), pp. 335-337. In her July 17, 1997 testimony before the Senate Environment and Public Works Committee, Council of Economic Advisors Chairman Dr. Janet Yellen suggested that climate controls could boost companies' profits by forcing them to become more productive: "It boils down to this: if we do it dumb, it could cost a lot, but if we do it smart, it will cost much less and indeed could produce net benefits in the long run." Dr. Yellen confuses energy efficiency with economic efficiency. Spending vast sums to economize energy use is wasteful if energy is relatively abundant compared to other factors of

But the analyses that might make such claims credible have been conspicuous by their absence. The administration was supposed to have released official assessments of the economic implications of Kyoto last October. Only one agency analysis has been released – months after it was leaked. According to the Department of Energy's Argonne National Laboratory, "fuel price adders" sufficient to reduce U.S. greenhouse emissions to 1990 levels by 2010 would cripple major U.S. industries, including paper, steel, petroleum refining, chemical manufacturing, aluminum, and cement.⁴

Under one scenario, for example, the energy cost of producing steel rises from \$48 per metric ton (pmt) to \$128 pmt – an \$80 increase exceeding the industry's \$60 pmt profit margin. Steel producers would thus have two options: fold up and die, or shift production to China, Mexico, and other developing countries, which current negotiations exempt from mandatory requirements. The fuel price increases would also "devastate and possibly eliminate the OECD [petroleum] refining sector," "cause all of the U.S. aluminum capacity to be noncompetitive by 2010," "cause the high energy portions of the [U.S.] chemical industry to relocate" to the Middle East and other developing-country regions, and eliminate 3,700 to 5,800 cement industry jobs. "The main effect of the assumed policy," concludes the DOE study, "would be to redistribute output, employment and GHG [greenhouse gas] emissions from participating to non-participating countries."

S. Res. 98 and the vocal opposition of labor groups appear to be tying the administration in knots. Not just the U.S. Senate, but the European Union and the international environmental movement have been waiting for months for the administration to lay its cards on the table and explain what kind of agreement it wants to achieve at Kyoto. But at the recent UN extravaganza in New York, the "Rio Plus Five" conference, President Clinton was as evasive as ever. While praising the European Union for its "strong focus" on climate change (the EU advocates lowering greenhouse emissions to 15 percent below 1990 levels by 2010), and while reiterating the administration's support for binding emissions reduction targets, Mr. Clinton would not reveal what numbers he believes should be in the Kyoto protocol. He ducked the main issue of that three-day conference.

And he could not do otherwise. Any U.S. proposal that met the first condition of S. Res. 98 (no exemption for developing countries) would have been unacceptable to the majority of UN member states. Any proposal that met the second condition (no serious harm to the U.S. economy) would have been scorned by Mr. Clinton's European counterparts. Britain has already met its proposed emissions reduction targets, having shifted from subsidized coal to natural gas

production. She also assumes government planners understand better than business executives the true or long-term interest of the firms they run. But when economizing on energy use makes firms more profitable, they don't have to be forced to do it.

⁴ Ronald J. Southerland, "The Impact of Potential Climate Change Commitments on Energy Intensive Industries: A Delphi Analysis," Argonne National Laboratory, February 5, 1997.

⁵ Ibid., p. 11.

⁶ Ibid., p. 8.

⁷ Ibid., p. 2.

⁸ BNA, *Daily Environment Report*, 6-27-97, p. AA-1.

primarily for economic – not environmental – reasons. Germany can also lower its emissions inexpensively just by closing obsolete, smoke-belching power plants and factories in what used to be East Germany. Those countries favor draconian emissions reductions precisely because they believe such constraints will hobble and handicap their chief trade competitor – the USA.

In many ways, S. Res. 98 is a remarkable achievement. The resolution is thoroughly bipartisan and enjoys the solid backing of business, labor, and agriculture interests. The Senate approved it in time to influence U.S. negotiators before the August meeting in Bonn. Passed by an uncontested majority, it makes a strong statement that the Senate will not ratify any agreement that would wreck the U.S. economy for no environmental benefit. The resolution is a consensus document, and that is its strength. Only a consensus document could attract such broad support or win passage in such short order.

But certain caveats are in order. Consensus building across ideological lines can be a wonderful thing – when it advances your ultimate objectives. But consensus politics also has its risks, such as producing ideological timidity in your own troops and blurring, rather than clarifying, what is really at stake for the American people.

Senator Robert Byrd, the leading Democrat cosponsor of S. Res. 98, says that he wants a global treaty with mandatory emissions reductions for all nations, and that he hopes the resolution will give U.S. negotiators the clout they'll need to obtain such an agreement at Kyoto. ¹¹ Is that also what conservative and business supporters of S. Res. 98 seek? If not, then don't they need a rhetoric and political agenda of their own?

Yet so far, conservative and business critics of the Kyoto protocol have been content to echo organized labor's denunciation of the developing country exemption. They are not making the case that energy abundance is indispensable to achieving a healthier, safer, and cleaner world. They are not explaining why green anti-growth policies are elitist, inhumane, and unfair. They are not condemning the whole scheme as a scam – a power grab based on deception and fear. In brief, they are not challenging the *moral vision* from which the greenhouse lobby derives all of its respectability and much of its influence.

That's what Kyoto opponents are *not* doing. Even riskier is what they *are* doing. In S. Res. 98, they affirm "the need for global action on climate change." And they are suggesting that the administration can make a bad treaty good by expanding it, by making it truly global, by forcing its regulatory burdens on the poorest of the poor. But if controlling global emissions is a good idea, doesn't it make sense to start with the richest nations and build incrementally on that solid foundation? And isn't laying the foundations and launching the enterprise what the Kyoto

half stays afloat. Unless we all pull our oars in the same direction and plug the large leaks as well as the small leaks, our ship will flounder and surely sink." *Congressional Record*, July 25, 1997, p. S8117.

⁹ "Seizing global warming opportunity," *Nature*, June 12, 1997, p. 637; and Ehsan Masood, "Britain seeks leadership role with ambitious greenhouse-gas targets," Ibid., p. 640.

¹⁰ Alan Mitchell, "Why Australia should go it alone," *The Australian Financial Review*, May 7, 1997.

¹¹ "Count me as a global environmentalist, who insists that all nations that spew forth major concentrations of carbon dioxide, or that will be spewing forth major concentrations of carbon dioxide, must step up to the plate and make good-faith, specific, binding commitments to control and reduce these emissions right from the start....The nations of the world are all in this global boat together. It is not a boat of which only half will sink while the other

conference is all about? Whether they realize it or not, congressional and business leaders are deserting the moral battlefield before the serious fighting even starts.

II. Traps

In American politics, most policy disputes are first and foremost rhetorical battles for the moral high ground. Are tax cuts special breaks for the rich or fairness to working Americans? Is affirmative action unfair racial preferences or justice to minorities? Is compensation for regulatory takings "paying polluters not to pollute" or protection for landowners' rights? In these and most other controversies, the battle determining whose premises frame the debate and define its terms is the decisive battle. Clinton understands this well, which is why his favorite fighting words are "our values" and "our children." He is nothing if not relentless in seeking to define, and thereby occupy, the moral high ground.

One of the most common mistakes conservatives and business groups make in public advocacy is to endorse their opponents' premises. Republicans often defend their budget proposals by emphasizing how much social programs will continue to grow. In so doing, they implicitly endorse the premise that Welfare State programs are beneficial and that bigger government is better. Corporations repeatedly try to win public approval with advertising campaigns of the "we're polluting less than ever" variety. In so doing, they reinforce the perception, assiduously cultivated by environmentalists, that corporations are primarily and essentially in the business of producing pollution (i.e., *not* in the business of providing goods and services that make the world a better place).

Embracing the premises of one's opponents is a natural temptation. It's a lot easier than advancing an alternative moral vision, and it does avoid a certain amount of controversy in the short run. But eventually, timid and apologetic rhetoric is self-defeating. Once you concede, however obliquely or tacitly, that your opponent is basically on the side of truth and justice, you are heading for defeat.

In the climate change debate, congressional and business forces are not yet fighting on clear grounds of principle. The main business community argument goes like this. The Climate Treaty is unfair to American workers and businesses. The Treaty exempts many of our trade competitors – high-growth developing countries like China, Mexico, and Korea – from emissions reduction requirements. But these countries are expected to become the major emitters of greenhouse gases in the next century; the Treaty "lets them off the hook." The developing country exemption is "inconsistent with the need for global action on climate change." U.S. negotiators should not sign any agreement that does not mandate emissions reductions targets for all nations.

At first glance, this tack seems downright clever. As already noted, developing countries cannot afford to lower their greenhouse emissions to 1990 levels by 2010; this would blight their hopes of ever growing out of poverty. So if we can make U.S. ratification of the Kyoto protocol contingent on developing country participation, we can kill the agreement and put the onus on China, India, or Mexico.

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¹² S. Res. 98.

But this approach may be too clever by half. To demand that all countries curb their emissions makes sense only if (a) global warming is a serious and imminent threat and (b) concerted action by the world's governments is the appropriate response. In other words, it makes sense only if Clinton-Gore and the greenhouse lobby are basically right. Having conceded the main points at issue, all attempts to make U.S. ratification contingent on that of poorer countries will surely be derided as "killer amendments," a dodge unworthy of America's greatness, a retreat from the responsibilities of world leadership in environmental and economic affairs. Those taking this approach may succeed only in making themselves look sneaky, more concerned about the profits of polluters than the fate of the planet.

In effect, the sponsors and supporters of S. Res. 98 argue that the Climate Treaty is the flawed execution of a good idea, not that it is an intrinsically bad idea. Clinton and the greenhouse lobby will make mincemeat of this position. Here's what they'll say: "No multilateral agreement is perfect; there are flaws in every treaty, especially one requiring the approval of so many diverse nations. But it is wrong to make the perfect the enemy of the good. The Kyoto agreement is not a total solution, perhaps not even a partial solution, but it is at least a step in the right direction, a foundation on which to build. America has the world's strongest economy and the most sophisticated environmental policies. We should set an example and lead the world on this most critical issue, not retreat into isolationism."

Now, how can opponents deny the force and validity of such assertions if they affirm "the need for global action on climate change"?

Furthermore, it is pathetically easy for Treaty supporters to make concessions that meet, or appear to meet, opponents' demands for global participation. The agreement could be modified so that developing nations must also reduce emissions but over a longer period (e.g., in 50 years rather than by 2010) – and with heaps of foreign aid to sweeten the deal.

The administration and other Kyoto proponents are already moving in this direction. At the Rio Plus Five conference, Clinton said the Kyoto accord must include "language that makes it clear" that developing country obligations will increase over time "and will include binding targets." He also promised \$1 billion in U.S. foreign aid to jump-start the process. He Britain, too, advocates using foreign aid to promote energy efficiency and cleaner production methods in the developing world. Veteran arms-controller Paul Nitze says western companies should be allowed to earn tradable emissions credits for helping poor countries reduce emissions. Japan's environmental agency has proposed a *per capita*-based emission ceiling for developing countries, allowing their total emissions to increase while decreasing *per capita* emissions. Australia says emissions reduction targets should be differentiated rather than uniform, so that

¹³ BNA, *Daily Environment Report*, 6-27-97, p. AA.-1.

¹⁴ Ibid., p. AA-2.

¹⁵ John H. Cushman, Jr., "Europe Faults U.S. at Talks on Ecology," *The New York Times*, June 27, 1997, p. A11.

¹⁶ "A Cold-War Solution for a Warming World," July 2, *The Washington Post*, July 2, 1997, p.A23.

¹⁷ Richard Nathan, "...as Japan seeks to bridge split on emissions policy," *Nature*, June 12, 1997, p. 641.

each country, with its particular level of development and industrial structure, is required to make an equivalent sacrifice.¹⁸

There are, in short, many possible compromises, many ways to split the difference, between an absolute developing country exemption and one-size-fits-all. Senator Byrd, who certainly ought to know, categorically denied that S. Res. 98 would require "identical" emissions reduction commitments from developed and developing countries: "The emissions limitations goals, to be fair, should be based on a country's level of development....There are plenty of tools to encourage the developing world to make meaningful commitments." Almost any concession by the developing countries could rob opponents of their stated grounds for rejecting the Kyoto protocol, making continued resistance seem irrational or perverse.

Mere speculation? The 1987 Montreal Protocol on Substances that Deplete the Ozone Layer provides a recent precedent for exactly the kind of deal that could undercut S. Res. 98. The Montreal Protocol gives developing countries an additional ten years to comply with any restrictions imposed on developed countries. It also created a multilateral fund that distributes hundreds of millions of dollars annually to assist developing country compliance efforts. That environmental advocates like Al Gore view the Montreal Protocol as a "prototype" for a global treaty dealing with greenhouse gases is hardly surprising. What is surprising is that key opponents of the Kyoto agreement seem to concur. In a briefing paper criticizing administration policy, the United Mine Workers of America and the Bituminous Coal Operators Association state: "Any protocol to the Rio Treaty should commit developed and developing countries to legally-binding emission control actions for specified time periods, similar to the Montreal Protocol, developing nations were provided additional time to accommodate future economic growth needs." developing nations were provided additional time to accommodate future economic growth needs.

So there you have it. If we just model the Kyoto agreement on the Montreal Protocol, the coal lobby – the defenders of the industry most directly affected by global warming policy – will shift from the "nay" column to the "yea" column. Some congressional and business community opponents may try to hold out, but they'll look like spoilers, unwilling to reciprocate the administration's "good faith" efforts to meet their concerns. Many will probably decide they had better support a treaty their criticisms helped to "improve." Whatever resistance remains at that point will be demoralized and inconsequential. Clinton and the greenhouse lobby will have won.

III. Lessons of the CWC Debate

¹⁸ See Paul O' Sullivan, "Australia and Climate Change," remarks delivered at *The Costs of Kyoto: the Implications of Climate Change Policy*, National Press Club, July 15, 1997: "Of great importance, we see differentiation as an enticement for developing countries eventually to come on board....Differentiation provides the framework within which developing countries could make commitments but in a way which would ensure that they are equitably negotiated, taking full account of their national circumstances and stage of development." See also Brian Fisher et. al., *The Economic Impact of International Climate Change Policy*, Research Report 97.4 (Australia Bureau of Agricultural Resources and Economics, June 1997), p. 68; and Mitchell, "Why Australia should go it alone." ¹⁹ *Congressional Record*, July 25, 1997, p.S8117.

²⁰ Richard Benedick, *Ozone Diplomacy* (Cambridge: Harvard University Press, 1991), pp. 148-162.

²¹ Earth in the Balance, p. 352.

²² United Mine Workers of America, Bituminous Coal Operators Assn., "From Rio to Kyoto: UMWA/BCOA Climate Change Briefing Paper," 1997.

Congressional and business opponents of the Kyoto protocol risk falling into the same traps that defeated opponents of another UN-sponsored global treaty, the Chemical Weapons Convention (CWC). Many Republicans initially opposed the CWC, a treaty purporting to ban the production and stockpiling of chemical weapons. But they failed to argue their case in terms of a clear moral vision. Important political lessons can be learned from that debate, regardless of where one stands on arms control treaties generally or the CWC in particular.

None of the CWC opponents made the moral argument that it is right for the good guys (i.e., *us*) to possess chemical weapons, because we would use or threaten to use such weapons only in defense of freedom. None made the complementary strategic point that America might just need chemical weapons should we ever go to war with Russia, China, or some future military rival – if only to deter the adversary from using chemical munitions against us. (Hitler abstained from using poison gas against Allied forces not out of any regard for international law, but because he knew the Allies could retaliate in kind.) Finally, none made the political point that ratifying the CWC would revitalize the arms control establishment, thwarting conservative efforts to jettison the M.A.D. (mutual assured destruction) policy of deliberate vulnerability and institute a new policy of strategic defense.

Instead of going to the root or essence of the controversy, CWC opponents concentrated their rhetorical fire on specific provisions of the treaty. They claimed that one article would compromise Fourth Amendment guarantees against unreasonable search and seizure, that another would prohibit the use of tear gas to rescue U.S. military personnel behind enemy lines, that others would compel the United States to share chemical weapons defensive technology with rogue states, and so on. CWC supporters parried by denying the accuracy of such criticisms, turning the debate into a lawyers' duel over clauses and interpretations. Besides, on 28 out of 33 points of contention, CWC supporters were willing to compromise and attach conditions of implementation that appeared to resolve most of the opponents' concerns. Unwilling to make the case that the CWC was an intrinsically bad idea, not just the flawed execution of an essentially good idea, opponents found themselves stripped of any cogent rationale to remain in opposition. As Senator Lott explained to Senator Helms after the vote ratifying the CWC, "You're a victim of your successes [in improving the treaty]."

The closest opponents came to staking out a high-ground position was to argue that the CWC couldn't work as advertised, and so would lull Americans into a false sense of security. Supporters blunted the force of this criticism the same way they countered the objections regarding Fourth Amendment violations, unwarranted technology transfers, etc. – by adopting implementing language recommended by CWC opponents. For example, they added conditions

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²³ For example, Senator Joe Biden argued that the opponents' reading of article IX on technology transfer was the "Iranian interpretation," which U.S. negotiators had rejected and which conflicted with the article I obligation to abstain from helping any country acquire chemical warfare capabilities. *Congressional Record* (hereafter cited as CR), April 23, 1997, p. S3478.

²⁴ Among other concessions, CWC supporters agreed to conditions "ensuring that fourth amendment rights will be protected by requiring search warrants in cases where consent to search a facility is not granted," and "providing for the continued use of riot control agents by U.S. troops to save lives when rescuing pilots or when attacked by both combatants and civilians." Remarks of Sen. Biden, CR, April 23, 1997, pp. S3474-75.

²⁵ Brian Blomquist, "Senate approves chemical-arms treaty; Pact picks up Lott's backing in final debate," *The Washington Times*, April 25, 1997, p. A1.

requiring the Secretary of Defense to ensure the adequacy of U.S. chemical weapons defense capabilities, and to provide an annual report on compliance issues.²⁶

And why won't the CWC work, according to opponents? The treaty is not "truly global" (since rogue states like Libya will not sign), not "effectively verifiable" (because chemical weapons are easier to hide than nukes), and not "enforceable" (because the UN lacks the power to discipline Iraq, much less Russia or China). But such flaws matter only if the military balance in chemical weapons matters. And opponents would not say that a deteriorating military balance in chemical weapons is dangerous. They could not do so, because they repeatedly affirmed the other side's premise – that all chemical weapons, America's included, are morally objectionable and should be destroyed.

The most devastating criticism that can be leveled at any arms control treaty is that it will result in unilateral disarmament; that its strictures, being unverifiable and unenforceable, will disarm only the law-abiding, giving the lawless a monopoly on the prohibited weapons. CWC opponents did not make this criticism, and could not make it, because they themselves claimed to support *unilateral disarmament*. Instead of arguing that the CWC was dangerous because it would lock America into a terrible policy blunder (namely, the U.S. government's unilateral decision to dismantle all our chemical weapons by early in the 21st century), virtually every Senator opposing the CWC declared his unqualified support for that policy.²⁸ But if you favor *unilateral disarmament*, how can you credibly object to *multilateral arms control*?

Presumably, CWC opponents affirmed the desirability of destroying America's chemical weapons to avoid being caricatured as "warmongers" and "extremists." But the price of their timidity was incoherence. The real basis for their opposition to the CWC was the old-fashioned but honorable view that peace can be preserved only through strength. They could not, however, argue clearly and consistently from that premise once they embraced the contrary notion, central to the whole arms-control enterprise, that weapons of mass destruction – i.e., the very weapons that contribute most to a nation's military strength – endanger peace.

Having ceded the high ground, CWC opponents were driven, much like today's sponsors of S. Res. 98, to try to kill the treaty while pretending to expand it. Specifically, they offered amendments stipulating that the U.S. should not ratify the CWC unless Russia ratifies and until rogue states like Iraq sign and ratify. Chemical weapons proliferation is a global problem, they explained, so what good is a treaty that does not include the very countries most likely to buy and sell such weapons?²⁹ Of course, this ploy fooled no one; it was clear that CWC opponents

²⁷ Remarks of Sen. Kyl, CR, April 23, 1997, pp. S3493-94, and Senator Bob Smith, p. S3518.

²⁹ Remarks of Sen. Kyle, CR, April 23, 1997, p. S3497.

²⁶ Remarks of Sen. Biden, CR, April 23, 1997, p. S3475.

²⁸ "Therefore, I take a back seat to no one in expressing my abhorrence for these despicable weapons and why I fully support the United States eliminating our chemical weapons and leading the world in that regard." "Certainly those who oppose the convention [CWC] support eliminating our chemical weapons....I suspect that everyone in this Chamber supports that position. So opposition is not based on the notion that we should retain our chemical weapons." Remarks of Senator Jon Kyl, CR, April 23, 1997, p. S3492.

hoped these amendments would kill the treaty, not perfect it. 30 What was never clear was why they wanted to kill it.

After all, if you favor scrapping America's chemical arsenal, then why shouldn't you support a treaty which would encourage at least some other countries to do the same?³¹ If all chemical weapons are evil and should be destroyed, then isn't almost any treaty better than no treaty? As CWC supporters said, the opponents were making the perfect the enemy of the good.³² And in the process, opponents were jeopardizing America's leadership on an issue of critical international importance.³³ Trapped by the logic of their own rhetorical concessions, opponents could not convincingly rebut such criticism nor explain why the CWC was bad for America. In the final vote, they lost big time.³⁴

Regrettably, opponents of the Kyoto protocol are setting themselves up for a similar defeat. Like CWC opponents, they are concentrating their fire on a specific flaw (the developing country exemption) rather than the basic idea (the alleged need for anti-growth regulations to avert a global catastrophe). And they seem quite unaware that Clinton may already have outflanked them by agreeing that the Climate Treaty must include binding targets for developing countries. For example, undersecretary of State for global affairs Timothy Wirth, noting that S. Res. 98 nowhere says industrialized and developing countries must adopt "the same commitments," suggested at the July 17 Senate Environment and Public Works Committee hearing that the administration is already acting in accord with the general aims of the resolution.³⁵

Of course, some opponents may insist that developing countries be held to the same emissions reduction targets and timetables as the United States. But, as Sen. John Kerry has pointed out, any such demand is a "treaty killer." And opponents have not yet made the case that the Kyoto protocol *deserves* to be killed.

Worse, congressional and business opponents risk painting themselves into a box labeled "greedy" and "mean-spirited." They have made the developing country exemption the chief sticking point – as if a government takeover of world energy markets would be fine as long as it hurts the poorest countries, too. Following Big Labor's lead, they have come perilously close to saying that America should not support a treaty needed to save the planet unless the poorest of the poor agree to commit economic suicide. That's about as ethically challenged as one can get.

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³⁰ Sen. Biden saw through the pretense: "I suspect that the opponents of this treaty will still not be satisfied, even if they succeed in attaching killer conditions. That is because, at bottom, they have a theological opposition to arms control. This is a defensible position. I respect it. But I strongly disagree with it." CR, April 23, 1997, p. S3475. Alas, the opponents did not admit holding this position, much less try to defend it.

³¹ "So think of the irony! We are going to destroy our chemical weapons no matter what, and we may not join a treaty that requires other nations to destroy their chemical weapons." Remarks of Sen. Biden, CR, April 23, 1997, p. \$3471

³² This refrain was heard many times during the debate. See, for example, remarks of Sen. Biden, CR, April 23, 1997, p. S3474, and Senator John Glenn, p. S3512.

³³ Remarks of Senator Ted Stevens, p. S3520.

³⁴ The vote to ratify was 74-26, seven more than the requisite two-thirds majority.

³⁵ BNA Daily Environment Report, 7-18-19, p. AA-1.

³⁶ Ibid., p. AA-1.

This posture puts treaty foes on the opposite side of the moral universe from Mother Teresa. It is not a good place to be.

The irony of the whole debate is that it is the greenhouse lobby that is pushing antigrowth policies inimical to the interests and aspirations of the world's poor.³⁷ This is an enormous vulnerability. Environmentalists take great pains to hide it; advocates of environmental reform have yet to expose and exploit it. By attacking anti-energy policies as unfair, inhumane, and elitist, Kyoto opponents could seize the moral advantage, put the Clinton administration on the defensive, and maybe even deep-six the Climate Treaty.

IV. The High Ground

As noted earlier, S. Res. 98 stipulates that any agreement negotiated at Kyoto must meet two conditions before the United States should sign it. One is that binding emissions reduction targets apply to all countries. The pitfalls arising from this demand have been discussed. The second condition is that the agreement not do serious harm to the U.S. economy. Here Kyoto opponents are on firmer terrain – although not yet on the commanding heights.

Business groups and their allies have been saying for years that environmental mandates and programs are harming the economy. But that hasn't stopped or even noticeably slowed down the growth of environmental regulation. Part of the problem is the way reform advocates have talked about regulation – in economic rather than moral terms. Instead of emphasizing the arrogance, unfairness, and destructiveness of the Regulatory State, they have criticized regulation as costly, inefficient, and anti-competitive. Such talk has been grist for green propaganda mills. It has allowed environmental advocates to accuse business and the GOP of caring more about profits than people, more about dollars than lives.

What this suggests is that pro-business arguments will have limited utility in the climate change debate. Opposing the Climate Treaty in the name of jobs and competitiveness will not challenge, and could actually reinforce, the environmentalists' preferred framing of the issue (business verses humanity, dollars verses lives). Americans do not relish the prospect of shuttered factories, rising unemployment, and falling wages. But neither do they look forward to the end of the world! If business-as-usual leads inexorably to global catastrophe, then most Americans will demand an end to business-as-usual, whatever the cost in competitiveness and jobs. And they will resent those who seem to put profit ahead of survival.

To sink the Kyoto protocol, opponents must be prepared to: accuse the greenhouse lobby of peddling junk science; categorically deny the need for urgent action; explain why curbing energy use will harm the health and safety of U.S. citizens; attack the Climate Treaty as elitist, inhumane, and unfair; explain why the best societal insurance policy is the resilience of a free

³⁷ Deepak Lal, "Ecological Imperialism: The Prospective Costs of Kyoto to the Third World," conference paper, *The Costs of Kyoto*, National Press Club, July 15, 1997, pp. 9-10.

³⁸ Consider Charles Curry's letter (*Star Tribune*, June 16, 1997, p. 10A) criticizing CEI environmental studies director Jonathan Adler: "If the global warming folks turn out to be wrong, we will have spent money. If Jonathan Adler's crowd is wrong, we can't breathe, drink the water, eat the fish, grow crops, etc." To reach the Currys of the world, opponents of the Climate Treaty must emphasize how destroying wealth and misdirecting economic resources cost not just dollars but lives.

and prosperous economy; and expose the mythical global warming "crisis" as a pretext for the most audacious power grab of the late 20th century.

Junk Science

There is a lot of hype in this debate that should not be allowed to pass the laugh test. Clinton warns that if we don't stop global warming, the polar ice caps will melt, the seas will rise, coastal cities will be flooded, and tiny island states will vanish beneath the waves. But is any of that credible? Arctic air masses are often -30 degrees Fahrenheit and colder. How could a 4-5 degree warming melt ice caps at temperatures that are way below the freezing point? Greenhouse apocalysts also warn that a warming of the oceans will produce more evaporation, hence more torrential rains. But if the atmosphere gets wetter, then it should dump more snow in the arctic regions. Global warming should thicken the ice caps of Greenland and the Antarctic and transfer water from the oceans to the ice sheets. Sea levels may even drop.

What evidence do global warmers offer for their predictions of climate doom? Computer simulations of the climate system that, it turns out, can't even "hindcast" the past (the models "retrodict" one degree of warming over the past century, whereas the actual increase was about half that amount). The climate system is so complex, explains a recent issue of the prestigious journal *Science*, that today's computers would have to be a thousand times faster to model climate change accurately. And that's only if the scientists feeding in the data understood how all the key variables interact. But they don't. The influence on global climate of major factors like clouds, water vapor, and ocean currents is still unclear.

Clinton says the science of global warming is "clear and compelling." In fact, there is no scientific consensus that the earth is even getting warmer, much less that fossil fuel emissions are dangerously altering global climate. The earth seems to have warmed half a degree centigrade since 1880, but most of that temperature rise occurred before 1940 – before the largest increase in fossil fuel emissions; in other words, the effect preceded the "cause." Much or all of the pre-1940 warming could be the result of variations in solar output, declining volcanic activity (i.e., reduced levels of sun-reflecting atmospheric dust), or some kind of cyclical rebound from the previous cold period (the "Little Ice Age" of 1550-1850). Nothing in the temperature record of the past century is cause for alarm or justifies drastic action.

³⁹ John F. Harris and Job Warrick, "Clinton Rebuffs Europeans on Cutting Global Warming," *The Washington Post*, June 27, 1997, p. A9.

⁴⁰ Patrick J. Michaels, "Holes in the Greenhouse Effect?" *The Washington Post*, June 22, 1997, p. C2.

⁴¹ More precisely, warming should slow down, rather than accelerate, the rise in sea levels due to changes in ocean basin plate tectonics. S. Fred Singer, "Global Warming, If It Occurs, Could Lower Sea Level," Press Release, Science and Environment Policy Project, June 24, 1997.

Science and Environment Policy Project, June 24, 1997.

42 Robert C. Balling, Jr., "Global Warming: Messy Models, Decent Data, Pointless Policy," ed. Ron Bailey, *The True State of the Planet* (New York: The Free Press, 1995), p. 91.

⁴³ Richard A. Kerr, "Greenhouse Forecasting Still Cloudy," *Science*, May 16, 1997, p. 1040.

⁴⁴ Ibid., pp. 1040-42; Roy Spencer, "The State of Climate Change Science," conference paper, *The Costs of Kyoto*, National Press Club, July 15, 1997, pp. 2-3.

⁴⁵ Balling, "Global Warming," pp. 94-95; "European Temperature Records Since 1751: Where's the Greenhouse Signal?" *State of the Climate Report* (Western Fuels Association), pp. 27-28.

The computer models say the earth's climate should have warmed 0.35 degrees Celsius since 1979, a period of rapid increase in industrial emissions. In reality, highly accurate satellite observations over the past 18 years show no warming at all, but rather a statistically significant cooling. Weather balloon measurements over the same period confirm those findings. Of course, things could change (they usually do). But a modest warming that occurs mainly in winter and at night (which many scientists consider the most probable scenario) would not produce cataclysmic changes in the earth's climate. If anything, a gradual 1-2 degree warming would benefit mankind, producing milder weather and longer growing seasons. 47

Why Rush?

Administration officials say we can't afford to wait until the scientific uncertainties are resolved; we must act now, lest disaster overtake the earth and future generations. But the very same computer simulations on which warming predictions are based show that the world's governments can wait up to 25 years to take action with no discernible difference in climate outcomes. According to T.M.L. Wigley, R. Richels and J.A. Edmonds – climate modelers who support restricting greenhouse gas emissions – delaying action until 2020 would yield only 0.2 degrees additional warming in the year 2100.⁴⁸ That small increment would have no practical bearing on any human or environmental interest.

If over the next 20 years, we find that global warming is a threat (and if we decide government intervention is the appropriate response), we could begin taking corrective action then using superior technologies and increased wealth – hence with less disruption and hardship. "Instead of premature and likely ineffective controls on fuel use that would only slow down but not stop the further growth of CO2," argue S. Fred Singer, Chauncey Starr, and Al Gore's mentor, the late Roger Revelle, "we may prefer to use the same resources – trillions of dollars by some estimates – to increase our economic and technological resilience so that we can then apply specific remedies as necessary to reduce climate change or to adapt to it." So what's the rush? Do Bill Clinton and Al Gore fear that another decade of satellite data will show apocalyptic global warming to be a hoax, the empirical equivalent of the Easter Bunny?

Endangering Health and Safety

Energy is the lifeblood of modern civilization. Energy heats our homes; lights our cities; propels our cars and other modes of transportation; runs our computers and communications

⁴⁶ Balling, *Calmer Weather: The Spin on Greenhouse Hurricanes*, Competitive Enterprise Institute, May 1997, p.14; Michaels, "Holes in the Greenhouse Effect?"

⁴⁷ Thomas Gayle Moore estimates that a 2.5° Celsius warming would lower deaths in the United States by about 40,000 per year. "Health and Amenity Effects of Global Warming, Working Papers in Economics E-96-1," The Hoover Institution, Stanford University, January 1996. Rising levels of CO₂ should help green the planet. Plants in CO₂-enriched environments grow faster, require less water, and are more resistant to stressful temperature changes. See Sherwood Idso, "Plant Responses to Rising Levels of Atmospheric Carbon Dioxide," *The Global Warming Debate: The Report of the European Science and Environment Forum* (Great Britain: Bourne Press Limited, Bournemouth, Dorset, 1996), pp. 28-33.

⁴⁸ T.M.L Wigley, R. Richels, & J.A. Edmonds, "Economic and environmental choices in the stabilization of atmospheric CO₂ concentrations," *Nature* (Vol. 379), January 18, 1996, pp. 241, 243.

⁴⁹ S. Fred Singer, Roger Revelle, and Chauncey Starr, "What To Do About Greenhouse Warming: Look Before You Leap" (*Cosmos*, Vol. 1, No. 1, 1991), p. 28.

networks, our hospitals and medical equipment; and fuels our businesses and factories. An energy-abundant world is wealthy, an energy-deficient world is poor. For individuals and even more for communities, wealthier is healthier and richer is safer. Wealth is the single most important factor determining a society's levels of nutrition, medical care, sanitation, police and fire protection, and – ves – environmental cleanup. 50

Any plan that makes energy scarcer will lower living standards. Carbon taxes or their proxies will raise the costs of heating and air conditioning, transportation, housing, food, and consumer goods. If the greenhouse lobby has its way, Americans can look forward to paying over 50 percent more for electricity, 50 percent more for household fuel prices, and 60 cents per gallon more for gasoline.⁵¹ Wesleyan University economist Gary Yohe says consumers will "feel like" they were living through the oil price shocks of the 1970s all over again. 52 Global warming policies will cause "relatively large losses" of real income in the poorest one-fifth of the population, according to Yohe. Indeed, notes Frances Smith, since the poor "pay a larger share of their income for utilities and fuels, they will find it hard to maintain even a subsistence level."53

Even in a wealthy country like the United States, studies indicate that every \$5 million to \$10 million drop in economic output translates into one statistical death.⁵⁴ And here is where arguments about jobs and competitiveness can make a valuable contribution to the debate. Environmental zealots ignore the connection between living standards and health, livelihoods and lives. They forget (or don't care) that gainful employment and a growing economy are the most effective "safety nets" society can provide. Involuntary joblessness is stressful, demoralizing, and correlates strongly with higher rates of illness, accidents, and death. When the economy sours, people die.

One of the favorite policy prescriptions of the global warmers – increase auto fuel economy standards – would surely add to the body count. Al Gore has long advocated raising the Corporate Average Fuel Economy (CAFE) mandate for cars from 27.5 mpg to 45 mpg, and President Clinton at the UN promised to triple auto fuel efficiency over the next few years.⁵⁵ But CAFE already exacts a frightful toll in injury and death. Fuel economy mandates force manufacturers to reduce their cars' average size and weight, and smaller, lighter cars are less safe than larger, heavier ones in all collision modes. According to a 1989 Harvard-Brookings study,

⁵⁰ Indur M. Goklany, "Richer is Cleaner: Long-Term Trends in Global Air Quality," in Ron Bailey, ed., *The True* State of the Planet (New York: Free Press, 1995), pp. 340-377; and Michael S. Bernstam, The Wealth of Nations and the Environment (London: Institute for Economic Affairs, 1991).

⁵¹ Frances Smith, "The Human Costs of Global Warming Policy," conference paper, *The Costs of Kyoto*, National Press Club, Washington, DC, July 15, 1997.

⁵² Climate Change Policies, the Distribution of Income, and U.S. Living Standards, Special Report, American Council for Capital Formation Center for Policy Research, November 1996, p. 1.

⁵⁴ Frank B. Cross, "Paradoxical Perils of the Precautionary Principle," Washington and Lee Law Review (Vol. 53, No. 3, 1996), pp. 915-920; Cross, "When Environmental Regulations Kill; The Role of Health/Health Analysis" (Ecology Law Quarterly, Vol. 22:729, 1995), pp. 762-64. 55 BNA, Daily Environment Report, 6-27-97, p. E-3.

CAFE's downsizing effects cause an additional 2,000 to 4,000 traffic deaths per year. ⁵⁶ This immoral "blood for oil" trade should be abolished, not expanded. If the global warmers succeed in forcing most Americans into even smaller, less crash-resistant vehicles, this death toll will rise. ⁵⁷ Whether Al Gore's enthusiasm for squeezing ordinary folks into cramped, unsafe, minicars has anything to do with the fact that top government officials will still have their limousines is, unfortunately, not a frequently asked question at White House briefings.

Elitist, Unfair, and Inhumane

The dirty little secret of the Climate Treaty is that it cannot work. The ostensible goal of the Treaty is to stabilize greenhouse gas concentrations in the 21st century at roughly twice the level of pre-industrial times. But the policies currently on the table cannot possibly accomplish that goal. The developing countries, which are now exempt from the Kyoto protocol, are expected to generate 52 percent of the world's industrial emissions by 2020.⁵⁸ The Western countries could reduce their emissions to zero – they could shut down every factory and ban every automobile – and atmospheric concentrations would still increase.

The congressional and business community response to this revelation has been to join Big Labor in decrying the developing country exemption. But, as already noted, this makes opponents look duplicatious (pretending to favor expanding the Treaty while actually opposing it) and misanthropic (asking poor countries to condemn themselves to perpetual poverty). There is a better way.

Since the Climate Treaty cannot work, environmentalists must eventually try to impose energy-use restrictions on the Third World as well. Kyoto is but a link in a chain – phase two of a three-step strategy.

The first link, the 1992 Rio Treaty, committed the signatories to promote voluntary emission control measures. The greenhouse lobby knew then that voluntary approaches could not reduce emissions to 1990 levels by the year 2000, but a voluntary treaty was all the world was prepared to accept at that time. When it became clear (surprise, surprise) that voluntary programs were ineffectual, they called for mandatory reductions, to be negotiated at Kyoto. And when it later becomes clear (again, surprise, surprise) that the Kyoto protocol isn't working as promised, environmentalists will demand its extension to the Third World. Indeed, as noted earlier, Clinton and other Kyoto advocates are already moving in this direction.

Once the West is locked in and spending fortunes on compliance, the pressure on developing countries to join will be immense. Asian, African, and Latin American governments will be confronted by offers they can't refuse – foreign aid bribes or cutoffs, trade preferences or

⁵⁶ Robert Crandall and John Graham, "The Effect of Fuel Economy on Auto Safety," *Journal of Law and Economics*, April 1989, p. 111; Sam Kazman, "Death by Regulation," *Regulation: The Cato Review of Business & Government*, Fall 1991, p. 21.

⁵⁷ John Graham, a co-author of the Harvard-Brookings study, estimates that raising the standard to 40mpg would produce an additional 5.5% increase in highway deaths – about 1,200 more fatalities. "The Safety Risks of Proposed Fuel Economy Legislation," *RISK – Issues in Health & Safety*, Spring 1992, p. 125.

⁵⁸ Brian Fischer, "The Economic Impact of International Climate Change Policy," conference paper, *The Costs of Kyoto*, National Press Club, July 15, 1997, p. 2.

sanctions. In short, the greenhouse lobby is pursuing a classic divide-and-conquer strategy of incremental advance. The intended progression is from voluntary, to mandatory for some, to mandatory for all. First, get America and other UN member states to sign a treaty acknowledging the need for global action on climate change. Next, preempt Third World opposition to mandatory measures through an exemption that appears to promise trade advantages for developing nations. Then, when the legal and bureaucratic mechanisms are in place, bully and bribe Third World governments into joining the club. This is the game plan, and it's about time Treaty opponents blew the whistle on it.

The Rio Treaty "process," then, is not just an attack on American competitiveness and jobs. It is also an assault on the huddled masses of Asia, Africa, and Latin America.

Gordon S. Jones, a political strategist with over 20 years experience on Capitol Hill, hits the nail on the head. Signing the Kyoto protocol "would be profoundly immoral," says Jones. The planetary regime to which Kyoto is a prelude would "consign much of the world to a life of poverty, starvation, and misery." If America signs and ratifies the agreement, we will be sending this message to starving peasants in Guatemala and Congo: "We have cars and we have air conditioners, and we have frozen food and television, and we have computers and clean water and hospitals, but you can't have those things...You'll just have to make the best of it, and continue to struggle along as you have for centuries, with your children dying of cholera, and your backs breaking as you scratch a desperate living out of unfertilized fields." 59

"In fact," Jones continues, "that is the message the international eco-extremists of the United Nations, egged on by their counterparts in the Clinton Administration, are already sending to the Third World. And that message is bitterly resented." He concludes: "Make no mistake. This is a profoundly moral question. Will we, from our position of blessing and privilege, consign three-quarters of the earth's people to poverty, disease, and starvation?"

Resilience Is the Best Insurance Policy

Jones makes a related point that is too seldom heard in this debate. Even if there turn out to be harmful consequences from global warming – an increase in tropical storms, ⁶⁰ for example – "the way to prepare for them is not to reduce the overall wealth of the world, it is not to cripple our productive, inventive, and scientific capacity." Precisely if Al Gore's fantasy comes true, humanity will be safer if economic growth and technological innovation are not stifled by trillion-dollar regulatory schemes. The best insurance policy against both natural and man-made disasters is greater wealth and technological sophistication. This is especially true for countries where people struggle to survive even in the best of times. Jones' commentary on this point deserves extensive quotation:

⁵⁹ "The Immoral Climate Treaty," *Direct Line*, National Empowerment Television, June 13, 1997.

⁶⁰ The empirical evidence suggests that the number and intensity of hurricanes will *decline* as global temperatures rise. See Balling, *Calmer Weather*, pp. 5-6. Nonetheless – and despite the cooling trend of the past two decades – many pundits and commentators are quick to blame any natural disaster (hurricanes *and* blizzards, floods *and* draughts) on global warming.

Hurricanes hit Florida every year, and while they often do tremendous damage, as a rule very few lives are lost, and a few months later, things are back to normal. But when a typhoon hits Bangladesh, tens of thousands of people die in the storm, and thousands more die in the aftermath. Is the difference that typhoons are so much worse than hurricanes? It is not. The difference is that Florida has a highly developed economy, with advanced communications systems, alternative mechanisms for providing water after the storm, and for handling wastes that might otherwise contaminate the water supply. Transportation rebounds quickly in Florida, because heavy equipment is available, with trained operators to get roads back into passable shape, so that relief trucks can get there. Medical help is available, and public health officials provide advice on what to do and what not to do. None of these things is present in Bangladesh, and if the environmental extremists ever have their way, they never will be.

To put the point even more simply, privately-owned automobiles (those relentless emitters of greenhouse gases) are plentiful in Florida, scarce in Bangladesh. In Florida, people can move out of the path of a hurricane just by getting in their cars and driving to safer locales. Most people in Bangladesh have no such safety option, and if the international environmental movement wins, they never will. ⁶²

These simple reflections show how we should deal with the developing country exemption – condemn it as bait for luring poor nations to their ruin. The last thing our coalition should do is give the impression that restricting energy use is fine as long as it hurts poor countries, too. We should oppose Kyoto not only on our own behalf, but also for the sake of all humanity. We lose all moral standing in this debate – and not only in this debate – if we urge U.S. negotiators to lead the world down a green road to serfdom.

Many possible catastrophes may await us in the next century – the onset of another ice age, a new viral plague, increased earthquake activity, a meteor encounter. There are at bottom two strategies for dealing with global change in an uncertain future. One – that of Clinton-Gore and the greenhouse lobby – attempts to prevent change through political controls on economic activity and technology development. The other – based on the insight that global change is inevitable and that mankind's greatest strength is its adaptability – attempts to increase the resilience of human societies by removing political impediments to production, invention, and successful adaptation. The Clinton-Gore strategy is foolhardy and dangerous.

First, it is hubristic, based on the conceit that government planners can predict the course of events decades or even centuries into the future. There is no way to tell in 1997 what will be

⁶¹ University of Maryland economist Thomas Schelling makes a similar argument: "The sooner we can get them [developing countries] to have clean drinking water, better sanitation and sewage systems, better public health systems, higher standards of nutrition and other higher standards of welfare, the sooner we can get them less dependent on primitive agriculture for their living, the better off they'll be. I think there's a good chance that if we want to make them less susceptible to climate change, we could do it by investing in their development rather than slowing down climate change." Transcript, AEI Seminar, "How Economics Can Inform the Climate Change Debate," April 17, 1997, p. 31.

⁶² Blind to the connection between safety and automobility, Al Gore views the internal combustion engine as "a mortal threat to the security of every nation that is more deadly than that of any military enemy we are ever again likely to confront." *Earth in the Balance*, p. 325.

the worst calamity facing mankind in 2047. It is the height of presumption for anyone living today to attempt to plan the world's energy economy 100 years from now. Second, the Clinton-Gore strategy is based on a falsely static view of nature. It assumes that humanity is the only disturbing influence in nature, that if we could just control "anthropogenic" influences, the world would be a stable, non-threatening place. But nature is dynamic. An asteroid collision wiped out the dinosaurs. Ice ages come and go. Killer diseases like AIDS or Ebola can suddenly emerge. Making plans for the entire human race is a dubious proposition in any event, but it is extremely hazardous when based on a flawed view of nature. Third, the Clinton-Gore strategy is blind to the problem of opportunity cost. The resources available to protect human health and safety are limited. Any policy that diverts trillions of dollars from real problems to speculative or imaginary ones, or that locks mankind into politically-correct paths of economic and technological development, can only make societies less resilient, less able to meet the challenges of an unknown tomorrow.

The most pressing need of the world's peoples, especially those most vulnerable to climatic disturbances, is to develop the institutions (property rights, the rule of law, limited government) that allow societies to become more robust and better able to adapt to, and profit from, change. The appropriate strategy, therefore, aims not at restricting economic activity but at encouraging it, not at limiting entrepreneurial creativity but at emancipating it, not at dictating technological solutions but at removing political impediments to market-driven innovation. The potential threat of global warming is not a justification for putting energy use – everything from home heating to transportation to industrial production – under government control. Rather, it is a reason to do what we ought to be doing anyway: reduce tax and regulatory burdens to increase the rewards of production and invention; extend private property rights in land and other resources to encourage their wise use and conservation; eliminate political barriers to trade, market entry, and the adoption of new technologies; repeal agriculture and industry subsidies, which distort investment, stifle competition, and waste resources.⁶³

Bureaucratic Power Grab

When the scientific basis for global warming is so dubious, when the urgency for international action is so implausible, and when the dangers of restricting energy use are so obvious, why are green propaganda machines running at full tilt to sell America on the Kyoto agreement? Could it be that the real point of this exercise *is* to harm industry, destroy jobs, and make us more dependent on government? Is the purpose to enshrine in international law the myth that capitalism is destroying the planet? Is it to expand regulatory fiefdoms for the benefit of those who like to feel their heels on other people's necks? These explanations make sense of a lot of otherwise irrational behavior. Environmental groups continually impugn the motives of those who disagree with them. Shouldn't we at least raise the question of who will profit from the Kyoto protocol?

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⁶³ Indur M. Goklany, "Strategies to Enhance Adapability: Technological Change, Sustainable Growth and Free Trade," *Climate Change* (Netherlands: Kluwer Academic Publishers, Vol. 30, 1995), pp. 444-445.

⁶⁴ Consider Interior Secretary Bruce Babbit's McCarthyite outburst against opponents of the Kyoto protocol: "But it's an unhappy fact that the oil companies and the coal companies in the United States have joined in a *conspiracy* to hire pseudo scientists to deny the facts....and I think that the energy companies need to be called to account because what they're doing is *un-American* in the most basic sense. They are compromising our future by

The Clinton-Gore administration assures us that what they are planning is not some heavy-handed, top-down, command-and-control scheme. Rather, it is a "cap and trade" system. The parties to the Kyoto pact will set a ceiling on overall emissions levels, allocate permits that collectively keep total emissions within the cap, and allow emitters to trade the permits. Those whose costs of reducing emissions are higher can purchase permits from those whose costs are lower. This is all supposed to be very "efficient" and "market oriented."

In reality, "cap and trade" is probably unworkable, and any serious attempt to implement it would produce a Rube-Goldberg monstrosity. Where's the moral advantage here? Most Americans believe, and rightly so, that unelected, unaccountable bureaucrats already wield too much power over their lives. The specter of rampant bureaucracy killed Clinton Care. It can also help kill the Kyoto protocol.

The administration claims that a greenhouse cap and trade system could be modeled on the acid rain abatement program established for public utilities under Title IV of the 1990 Clean Air Act Amendments. But as William L. Fang, Deputy General Counsel for Edison Electric Institute, observes, the informational, political, and administrative issues that had to be resolved to get Title IV up and running are child's play compared to those confronting today's greenhouse planners.

Before Bill Clinton and other environmental planners can decide how many emissions permits to issue and to whom, they will first have to find out who is emitting what and how much. Reaching industry-wide agreement on this kind of baseline data for sulfur dioxide among just a few hundred highly-regulated public utilities took two and a half years of frequently contentious negotiations, according to Fang. 65 An inventory of greenhouse emissions would have to cover several gases instead of one, numerous source categories instead of one, and thousands of sources instead of hundreds – "a daunting proposition even if limited to the U.S. alone."

Greenhouse gas sources "range from large utility and industrial plants to residential and commercial heating systems to individual automobiles and trucks and more for CO₂, from landfills to natural gas pipeline systems to coal mines to land use changes for methane, to fertilizer applications for nitrous oxides, etc.," notes Fang. Producing a global inventory would be a "monumental task" requiring "several years of research and negotiations to achieve." 66 Needless to say, it would also require vast numbers of inspections and boatloads of paperwork. Is that what Americans want?

Economist Thomas Schelling of the University of Maryland does not believe "there's any likelihood that nations of the world can sit down and once for all allocate among themselves several trillions of dollars worth in present value of very, very long-term unchangeable quotas." In fact, he cautions, "I don't believe there's any possibility that the nations could even agree on

misrepresenting the facts, by suborning scientists onto their payrolls and attempting to mislead the American people" (emphasis added). Radio interview, Diane Rehm Show, WAMU-FM, July 21, 1997. ⁶⁵ Ibid., p. 2.

⁶⁶ Ibid., p. 5.

what the trajectory of total emissions ought to be, even before they sit down to allocate the quotas." Clearly, reaching agreement on emissions quotas for nations as diverse as America, Germany, and Japan could take a very long time. Does anyone believe the interests of the little guy, the consumer, would be fairly represented in this process?

Assuming international planners can agree on who is emitting how much of what, they next will have to decide how emissions permits (quota) are to be allocated. "Will oil companies be allocated allowances that determine how much gasoline can be sold into the market, or will individuals be given an allocation to use when purchasing transportation fuel?" asks Fang. "Similarly, will coal, oil and natural gas companies be given allowances or electric utilities that use such fuels to generate electricity?" Since different allocation plans produce different winners and losers, picking a plan would not be easy even if negotiations were confined to the U.S. alone.

Then comes the problem of how to monitor the system to prevent cheating (undercounting of emissions). Under the Title IV program, the EPA collects hourly data from public utilities, at great cost, on their SO₂ emissions. Asks Fang: "Does this approach make sense, even for sources of greenhouse gases that can be monitored?" Americans pump over one billion tons of carbon dioxide into the atmosphere each year. That may be tiny compared to natural sources, but in human terms it is gigantic. To what lengths would we have to go to keep track of it all? Would greenhouse monitoring and reporting systems for power plants and factories be sufficient? Or would the regulatory web also extend to businesses and office buildings, farmers and ranchers, homeowners and automobile owners? The administration isn't saying.

This much is certain: EPA's budget and staff will have to be increased, or some new regulatory authority will have to be created. Under the Kyoto protocol, Americans will have to endure more red tape, more inspections from the feds, and more bureaucracy.

But wait, there's more. Relying solely on each nation's own environmental agency to monitor and enforce the treaty is out of the question. Every national agency will have an incentive to undercount emissions to secure trade advantages for domestic producers. Therefore, an international authority will have to be created to oversee the entire process – to keep the "books" on international trades. What is more, this authority will need "tools to enforce compliance" – "realistic options for deterring emissions profligacy," as Paul Nitze puts it. Enforcement tools could include "economic measures such as sanctions or embargoes."

⁶⁷ Transcript, AEI Seminar, "How Economics Can Inform the Climate Change Debate," April 17, 1997, p. 23.

⁶⁸ Ibid., p. 6.

⁶⁹ Fang, Op. Cit., p. 6.

⁷⁰ Ibid., p. 7.

Nitze, "A Cold War Solution." Yale University economist William Nordhaus observes that none of the proposals currently on the table address the enforcement problem – how to make countries participate whose "benefits would be small relative to costs." According to Nordhaus, "any meaningful agreement would have to have some serious sanctions for non-participants...trade sanctions, countervailing duties, or something like that, on non-participants on the basis of the carbon imports into the participating countries." Transcript, AEI Seminar, "How Economics Can Inform the Climate Change Debate," April 17, 1997, p. 11.

Administration officials deny that the Kyoto protocol will spawn a new UN-style bureaucracy. They note that the Montreal Protocol did not create an international inspection agency. But there's a world of difference between banning a *product* made by a relatively small number of specialized companies and controlling levels of the most pervasive *by-product* of industrial civilization. Monitoring the compliance of nations, industries, or firms with a ban on CFC production is a much easier task – with far fewer opportunities for cheating – than monitoring compliance with CO₂ emissions reduction targets. Even so, there is a booming black market in contraband CFCs, with many non-Western countries suspected of producing beyond their quota to meet the demand.⁷² Relying exclusively on national agencies to police the Climate Treaty becomes even more problematic under a "cap and trade" system. Such agencies would come under strong pressure to look the other way or "cook" the books when firms were exceeding their emissions permits, explains a recent Brookings Institute study.⁷³

So if the Kyoto protocol is not to be a toothless tiger, there will have to be sanctions for non-compliance and cheating. And if the sanctions are not to degenerate into bilateral trade conflicts, an international agency will have to monitor and police the system. Administration assurances that no new international authority will be created simply do not square with the logic of the situation. Opponents should therefore be persistent in raising questions the administration would prefer to avoid. What powers will the global EPA have to investigate individuals, companies, or nations suspected of cheating? What sanctions will it wield to punish the sins of emission? What safeguards will exist to prevent the global agency from facilitating industrial espionage against U.S. firms? Only a fool buys a pig in a poke. Bill Clinton and Al Gore must take us for fools.

V. Conclusion

The Kyoto agreement is a threat to American jobs and competitiveness. But it is also an opportunity for congressional and business advocates of regulatory reform. Like the Clinton health care plan, the Climate Treaty is an egregious case of regulatory over-reach. When Americans realize that the climate "ain't broke" and that the White House is plotting another power grab, they will turn against the Climate Treaty.

The environmental movement, the UN system, and the Clinton-Gore administration have invested substantial financial and political capital to sell this plan to the world. But for that very reason, a decisive rejection of the Climate Treaty by the U.S. Senate would constitute a major setback for the partisans of big government, at home and abroad.

But opponents of the Climate Treaty can win only if they fight from the high ground, because the battle is essentially about a conflict of visions. Should we try to prevent global change by further politicizing economic and technological development, or should we try to

Duncan Brack, *International Trade and the Montreal Protocol*, (London: The Royal Institute of International Affairs, 1996), pp. 105, 112-113; Jim Vollette, "Allied Signal, Quimobasicos and the Frio Banditos: A Case Study of the Black Market in CFCs," *An Ozone Action Report*, November 1996, pp. 20-33.
 Warwick J. McKibbin and Peter J. Wilcoxen, "A Better Way to Slow Global Climate Change," *Brookings Policy*

Warwick J. McKibbin and Peter J. Wilcoxen, "A Better Way to Slow Global Climate Change," *Brookings Policy Brief* No. 17, 1997, p. 5.

increase mankind's ability to adapt to change by reducing political barriers to enterprise, trade, and invention? Are human beings more likely to do good when they are directed by central planners, or when they are free to use their own knowledge for their own ends? Is capitalism destroying the planet, or is the market economy mankind's most successful survival strategy for managing the risks of change? Advancing an alternative moral vision is never an easy task. But that is what it will take defeat Clinton-Gore, the UN, and the greenhouse lobby.