POLECON10

THE CLIMATE CHANGE DEBATE TODAY

COP 15, the CRU Affair, and the Basis for Policy

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(The text that follows formed the basis for a talk given in London to the Political Economy Club on 3 February 2010)

Introduction

Following this introduction, my talk is in two parts. In Part I, in conformity with my previously advertised title, I provide a briefing, mainly factual, on the large-scale and much-heralded world gathering in Copenhagen on climate change issues which took place, as planned, in December. In Part II I comment on the evolution and current state of the debate on those issues. In doing so, I refer to other recent unplanned developments, still continuing, which may have more impact than events at Copenhagen. In particular, mid-November 2009 saw the unauthorised release of a mass of email exchanges from the server of the Climatic Research Unit (CRU) at the University of East Anglia, and these have put in question the conduct of prominent CRU scientists and some of their correspondents. Indeed, the situation they reveal can fairly be described as scandalous.

> One of the persons who features in the emails is first referred to as follows:
>
> 'The person who sent you this is likely far worse. This is David Holland. He is a UK citizen who send[s] countless letters to his MP in the UK, writes in Energy & Environment about the biased IPCC and has also been hassling John Mitchell...He has been making requests under our FOI...'.

The 'likely far worse' person thus mentioned is my guest this evening; and during the past week you may well have seen his name in print, and even his face on screen, since his profile was further raised as a result of a statement recently issued by a Deputy Commissioner at the Information Commissioner's Office, in which the following passages occurred:

> "The e-mails which are now public reveal that Mr Holland's requests under the Freedom of Information Act were not dealt with as they should have been under the legislation. Section 77 of the Act makes it an offence for public authorities to act so as to prevent intentionally the disclosure of requested information.'

and

> 'We will be advising the university about the importance of effective records management and their legal obligations in respect of future requests for information.'

As a result of these events, David Holland has been referred to in several newspaper reports, including a front page piece in *The Times* and a leading feature article in *The Spectator*. Even BBC TV, in a departure from its standard menu of calving ice flows, raging floods and endangered polar bears, has shown him responding to a question.

Predictably, the list of his media appearances has not extended to the *Financial Times*. Granted, the FT, which in over two months had barely mentioned the CRU affair or other recent widely reported revelations, produced yesterday (2 February) a third leader on the theme of 'climate scientists must be seen to be whiter than white' (though the passing reference there to the CRU affair was inaccurate). However, true to normal form, it featured only last week a picture of a polar bear 'at risk'.

I The Copenhagen story

COP 15 in context

The Copenhagen meeting was 'COP 15' – that is, the 15th Conference of the Parties to the United Nations Framework Convention on Climate Change. The Parties in question are UN member states, and virtually all of these took part: it appears that 192 governments were represented at Copenhagen. Like its fourteen predecessors, COP 15 was a meeting held under UN auspices and with established UN procedures including a consensus rule.

Intergovernmental meetings, such as those of the G8 and G20 today, typically result in an agreed consensus Declaration. The UN Framework Convention is more than a declaration: it is an international treaty. The text was agreed at the wide-ranging high-level UN Conference on Environment and Development (the so-called 'Rio Earth Summit') held in June 1992. At the conclusion of that Summit meeting 154 countries, including the US in the person of George Bush Senior, signed the treaty. Following subsequent ratification by the prescribed minimum of 50 countries, the treaty came into effect in March 1994. In the US, the necessary ratification by the Senate had occurred as early as October 1992: the US was one of the first countries to ratify.

The Convention specifies that its 'ultimate objective' is:

> 'to achieve … stabilization of greenhouse gas emissions in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system'.

That internationally agreed objective remains in place today, nearly 18 years later. It forms the core element in what I call the *official policy consensus*. That consensus is world-wide and cross-party. It reflects, and forms part of, what I call *received opinion* on climate change issues.

At this opening stage, the Convention placed no binding obligation on any signatory to meet specific targets for curbing or reducing emissions. That situation changed as a result of the third Conference of the Parties, in 1997, where the Kyoto Protocol to the treaty was agreed. The Protocol is still in force: its first stage is due to expire in 2012. Its leading feature

(it has many features) is that it prescribes, for a specified list of what are termed 'Annex I' countries – 40 countries plus the European Union - legally binding targets for their emissions of listed 'greenhouse gases' over the period 2008-12. The main targets take the form of specified reductions as compared with 1990. These targets are legally binding, though there are no mechanisms for enforcement. The 150 or so non-Annex I countries are exempt from any such obligation.

For the Protocol to come into effect, a dual condition was laid down. Instruments of ratification had to have been deposited by at least 55 of the Parties, and these had to include countries accounting for at least 55 per cent of the total CO2 emissions in 1990 of the Annex I countries. While the former condition was soon satisfied, the latter remained in abeyance for several years because of non–ratification by Australia, Russia and the US. The situation changed, and the Protocol came into effect in February 2005, following ratification by Russia. Following the change of government in Australia in late 2007, one of the first actions of the new Labor Prime Minister, Kevin Rudd, was to attend the COP 13 meeting in Bali where he announced ratification by Australia and received a standing ovation.

The US, under Clinton's presidency, took a leading part in drafting the Kyoto Protocol, and Clinton actually signed it. However, because of a prior Senate resolution of July 1995, the Byrd-Hagel resolution which is still in force¸ he did not submit it to the Senate for ratification. His successor had no wish to do so, and President Obama has said that he has no plans to do so. The list of ratifying Parties now numbers 189, but it still does not include the United States.

At the COP 13 meeting of 2007, the discussion centred on what further internationally agreed action might be taken to curb emissions up to and beyond 2012. (Note: the need for further action was taken for granted: the official policy consensus was not in question). The Parties decided on a Bali Action Plan; and this provided in particular for setting up an Ad Hoc Working Group on Long-Term Cooperative Action, charged with the drafting of a global agreement, an extension of or successor to the Kyoto Protocol, with the final text to be agreed at COP 15.1 Thus the main object of the Copenhagen meeting, and high ambitions for its results, were officially announced two years in advance. Lord Stern, in the book that he published last year, referred to it before the event as 'the most important international gathering since the Second World War'.

So much for the lead-up to Copenhagen, from the 1992 Framework Convention onwards. Now for the meeting itself.

[1] Key sentences in the Action Plan refer to the Conference as:
'*Recognizing* that deep cuts in global emissions will be required to achieve the ultimate objective of the [Framework] Convention and emphasising the urgency to address climate change...
Decides to launch a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012...'

COP 15: proceedings and outcome

A problem of numbers

As I mentioned, 192 governments were represented at Copenhagen. Virtually all of these brought delegations, and the resulting list of accredited ministers and officials was a long one. (The announced Australian retinue, for example, comprised 114 persons. The corresponding figure for the UK was a more modest 71). At the outset of the meeting the conference Secretariat issued a 'provisional list of (registered) participants', in which there were four main categories. First were the official delegations of the Parties to the Convention: the prospective total was put at just over 8,000. A second official category comprised representatives of international and intergovernmental agencies: the figures here added up to rather more than 1,400. Participants from registered media were estimated at close to 3,000. But much the largest single category was that of 'non-governmental organizations' (NGOs) for which the rounded figure was 20,600. The announced prospective grand total of registered participants thus came to over 33,000.

As things turned out, these provisional figures proved to be an underestimate. In a later Secretariat briefing, the estimated grand total came to 38,000, including 11,500 official representatives and 'nearly 23,000' from NGOs. The spokesperson that day also gave out that conference staff came to 7,400, and that by Monday of the second week of the meeting 22,387 passes had been issued.

These numbers posed a problem for the orderly conduct of business, the more so since the main meeting hall could accommodate only – *only* – 15,000 persons. For the last few days of the conference, after the arrival of heads of state and government with their delegations, the number of NGO representatives admitted was progressively and drastically reduced. This was not well received.

Besides the logistic problems it created, mass participation of NGO representatives had another aspect which can be illustrated by the following quotation, which I took from a report in *The Australian.* It reads:

'*... President Chavez brought the house down.*

When he said the process in Copenhagen was "not democratic, it is not inclusive, but isn't that the reality of our world, the world is really an imperial dictatorship…down with imperial dictatorships" he got a rousing round of applause.

When he said there was a "silent and terrible ghost in the room" and that ghost was called capitalism, the applause was deafening.

But then he wound up to his grand conclusion – 20 minutes after his 5 minute speaking time was supposed to have ended and after quoting everyone from Karl Marx to Jesus Christ - "our revolution seeks to help all people…socialism, the other ghost that is probably

wandering around this room, that's the way to save the planet, capitalism is the road to hell....let's fight against capitalism and make it obey us." He won a standing ovation.

Thus the proceedings at COP 15 were not as well ordered as might have been hoped. To use three standard cloying euphemisms of today: as an instance of 'participatory democracy' through the active involvement of 'civil society', and as an instrument of 'global governance', the meeting did not show up well. However, the on-the-spot logistic and procedural problems were incidental rather than fundamental. Even had the attendance aspect been impeccably handled, and had President Chavez kept to his 5-minute limit and addressed himself to the actual agenda, the final results of the meeting would have been much the same. A more basic weakness, or limitation, was the gap between the early ambitions for the conference and its final outcome. Well before the Copenhagen meeting opened it had become clear that a fully agreed substantive text, a worthy successor to the Kyoto Protocol, was unlikely to emerge.

A modest last-minute outcome: the Copenhagen Accord

In the event, not only was there no new treaty, but even an agreed Declaration proved unattainable. The main final product was a document that emerged right at the end, chiefly from an improvised and irregular drafting process in which the EU, as also Japan and Canada, were not invited to take part. Though valiant attempts have been made to inflate its importance, the final version of that document amounts to little more than marking time.[2] In the absence of consensus, it is not a Declaration: instead, it is the Copenhagen Accord. Governments were invited to 'associate themselves' with the Accord and to provide the information that it asks for about plans to curb emissions – there are different requirements for Annex I and non-Annex I countries - with a deadline, now extended, of 31 January. It is reported (4 February) that 55 countries have so far signed up, though (to quote) 'the biggest emitters have limited themselves to repeating targets they had already announced'

Not surprisingly, the outcome of COP15 came as a disappointment to many participants. Two high-level official reactions were:

> The President of the European Commission, Jose Manuel Barroso: *'This accord is better than no accord, but it wasn't a huge step. The level of ambition is honestly not what we were hoping for. I will not hide my disappointment...*
>
> Ed Miliband, in a statement to the House of Commons on 5 January 2010: '*We are disappointed that Copenhagen did not establish a clear timetable for a legal treaty, and that we do not yet have the commitments to cuts in emissions that we were looking for... We know that the world needs to go much further.'*

[2] The draft was initially put together by a group comprising four developing (and non-Annex I) countries – Brazil, China, India and South Africa - who were joined by President Obama on behalf of the US.

What next, you may ask? Well, the main official answer is simply to try again. The meeting instructed its already-existing array of official drafters to resume their labours, with a view to producing text that could form the basis for an agreement at COP 16 in Mexico next December, following an interim meeting at Bonn in May, thus redeeming the failure at Copenhagen. Clearly there is room for scepticism about the prospects of success in this endeavour. You might indeed be inclined to view this whole episode as confirming Nigel Lawson's assessment, made before Copenhagen in his book *An Appeal to Reason* (p.117), that 'an enforceable and enforced super-Kyoto agreement is unattainable'.

Just recently Lawson has argued, in a statement by the newly-formed Global Warming Policy Foundation of which he is Chairman, that the failure at COP 15 provides '[an] opportunity to abandon the UN's inherently flawed approach to climate change. Instead, governments would be well advised to adopt a new policy approach'; and he outlines the main features of that approach. Benny Peiser, the Director of the Foundation, has written that the outcome of COP 15 has 'triggered a tectonic shift in international relations and created a new political landscape that is likely to reshape the balance of power and climate policy making for decades to come'.

Without wishing to question such ideas, nor to prejudice in any way the course of our discussion this evening, I want now to pursue a different line of thought So far - of course, these are early days – events at Copenhagen have left unchanged the main contours of the climate change debate. Those contours have remained firmly in place for over 20 years, against a background of attitudes, beliefs and procedures which go back half a century. Received opinion retains its hold, and the official policy consensus which reflects it still remains largely unquestioned. That situation, as yet unaffected by the outcome of COP 15, forms my point of departure for Part II.

II The climate change debate today

A consensus and its basis

What was it that persuaded governments across the world, over two decades ago, to take the possible dangers of human-induced global warming (from now on, AGW) so seriously, and what is it that has caused them to maintain and even intensify their concerns, with a good deal of public support? I think the answer is straightforward. From the start the main influence was, as it still is, the scientific advice provided through what I call the *official expert advisory process.*

That advice can and does come from many sources; but the main single channel for it, indeed the only channel of advice for governments *collectively*, has been the series of massive and wide-ranging Assessment Reports produced by the Intergovernmental Panel on Climate Change (the IPCC), which was established by UN member governments in 1988. The fourth and most recent of these Reports, referred to for short as AR4, was completed and published in the course of 2007. It chiefly comprises the lengthy separate volumes brought

out by each of the Panel's three Working Groups: WGI deals with issues of climate science, WGII with the prospective impacts of possible global warming, and WGIII with mitigation measures. The various documents that make up AR4 come to around 3,000 pages, and some 2,500 experts – authors, contributors and reviewers – were directly involved in preparing them. I refer to these persons as the *expert network.* Although the two are often confused, the network is quite distinct from the Panel.

The IPCC does not itself undertake or commission research. Its reports review and draw on already published work, so that the Panel's contribution forms only one element in the official expert advisory process. All the same, the IPCC is influential and important in its own right. Its reports carry substantial weight, with public opinion as well as its member governments, and in 2007 it shared with Al Gore the Nobel Peace Prize. Lord Stern, in the book I just mentioned, describes the two as 'very worthy winners'.

Praise for the IPCC's work, and continuing endorsement of received opinion, has come from scientists outside the field of climate science and from leading scientific academies across the world. It is often claimed that there now exists a world-wide scientific consensus on climate change issues, sometimes described as 'overwhelming'. I believe that such language is inappropriate; but I think it is correct to say that alongside the official policy consensus (which *is* a reality), and providing both rationale and support for it, there exists a body of what I call *prevailing scientific opinion.*

A spectrum of opinions

Predictably, received opinion is not universally shared. It remains subject to challenge by a varied collection of doubters, sceptics, critics, non-subscribers: I will label them as *dissenters*. Against these, and greatly outnumbering them, are arrayed what I term the *upholders* of received opinion. Among economists, a clear majority of those who have expressed views on these matters can be classed as upholders.

Within both groups – and this is important to note – there are different schools of thought: a whole spectrum of opinions can be identified. Each of the many subject areas, including ours and that of the climate scientists, has a spectrum of its own.

At one end of each spectrum are what may be termed strong or full-blown upholders, the dark greens so to speak. Prominent among these are Nick Stern and the team that worked under him to produce the *Stern Review*: the *Review* takes the position that AGW 'presents very serious global risks and … demands an urgent global response'. At the other end of the spectrum, strong dissenters – the dark blues - argue that such warming, if indeed its extent can be shown to be significant, is not a cause for alarm or concern: hence measures to curb emissions should be eschewed - or discontinued, where they are now in place. In between these two far removed positions, there are upholders and dissenters who hold more limited or qualified beliefs. I count myself as a light-to-medium blue – a limited dissenter, though a firm one.

The dividing line

What is it that divides dissenters from upholders?

Despite what is often suggested or presumed, for example in an FT leading article (2 November 2009) looking ahead to Copenhagen, the line of division is not a matter of action versus inaction.[3] Contrary to the article's (rather testy) opening paragraph, dissenters do not necessarily reject prevailing scientific opinion and hence oppose all measures designed to curb emissions. Some of them do: those are my dark blues; and it may be that events and evidence will increasingly lend support to their views. However, I am not one of them, and for reasons that I can summarise on request, I am inclined, as things now are, to favour action in the form of a carbon tax (or charge) which would not be confined to Annex I countries.

Some of my fellow-dissenters, more in sorrow than in anger, have taken me to task for adopting this line. One of them, a scientist, surmised pityingly that as a person with no scientific qualifications I had felt constrained to endorse prevailing scientific opinion. He was mistaken; and equally mistaken was the prominent economist-upholder who made the opposite presumption. He wrote to me, with manifest signs of incredulity:

> 'You have formed the clear and strong view that what is overwhelmingly the opinion of the relevant scientific community in all of the leading countries is wrong'

Not so: I have never taken such a position. My correspondent had forgotten that there is a clear and well recognised difference between questioning and denial, between being an agnostic and being an atheist.

Among economists, the dividing line between upholders and dissenters is not a matter of policy or doctrine, and it falls outside the accepted limits of our subject. It concerns the choice of initial assumptions; and this choice depends on a judgement as to what conclusions it is appropriate to draw from arguments and evidence that are scientific rather than economic. Received opinion among economists, as within governments and international agencies, takes as a point of departure what it sees as scientific evidence and conclusions that are not to be questioned: like the FT leader that I just mentioned, they are apt to refer to 'the science'. I think this is a mistake, and an unfortunate mistake.

In a recent paper, I presented a critique of positions taken by a range of prominent economist-upholders of varying shades of green.[4] I comment on the *Stern Review* and its Australian counterpart, the officially commissioned Garnaut report; on papers by Dieter Helm, William Nordhaus, and Martin Weitzman; and on the treatment of climate change issues by the IMF. (I could now add the World Bank, the International Energy Agency, and the OECD Secretariat). I charge this impressive array of authors and agencies with three interrelated failings: over-presumption, credulity and inadvertence

[3] The leader advocates reliance on 'the 'real experts... who have no doubt that man-made global warming is a real crisis'. Since it was written, some of these real experts, at CRU and its places of contact, have become better known.

[4] 'Economists and Climate Science: A Critique', *World Economics*, Vol 9 No 1, 2009.

- *Over-presumption*, in accepting too readily that received opinion on global warming is firmly grounded on scientific findings which can no longer be seriously questioned, and, in consequence, treating as established facts what should be viewed as no more than working hypotheses which have won expert support.
- *Credulity*, through placing unwarranted trust in the official expert advisory process, and
- *Inadvertence*, in that they have disregarded published evidence, evidence which they are competent to weigh and evaluate, which puts that process in serious question.

The last two aspects, the credulity and the inadvertence, go together. Economist upholders, both in the groves of academe and around the corridors of power, have not woken up to the ways in which the official expert advisory process, and the IPCC process as its leading element, have been revealed as professionally not up to the mark. Hence there is a missing dimension in their treatment of policy aspects: they have not caught on to the need to strengthen the basis of policy, by making the advisory process more objective and professionally watertight.

A flawed process

Just what is it (you may ask) that they have overlooked? For me, the answer is to be found under two headings.

First is the well documented list of omissions, errors, lapses and distortions in publications and processes that the IPCC and its member governments have relied on. (And indeed, it would appear that outright deceit and fraud have also entered in). Second is the failure of responsible persons and agencies in what I call *the environmental policy milieu* to recognise and acknowledge these flaws, still less to deal with them. Both the flaws themselves and the readiness to overlook or condone them result from chronic and pervasive bias. Right from the start, members of the milieu, and of the IPCC's directing circle, have been characterised by what Clive Crook has termed 'pre-commitment to the urgency of the climate cause'.[5]

As to the main forms of unprofessional treatment, my own summary list is:

- Over-reliance on in-group peer review procedures which do not serve as a guarantee of quality and do not ensure due disclosure.
- Serious failures of disclosure and archiving in relation to studies which the IPCC nd member governments have drawn on.
- Basic errors in the handling of data, through failure to consult or involve trained statisticians.
- Failure to take proper account of relevant published work which documented the above lapses, while disregarding IPCC criteria for inclusion in the review process
- Failure to take due note of comments from dissenting critics who took part in the preparation of the AR4 WGI report.

[5] I should add that he was writing in the FT, in August 2007.

- Resisting the disclosure of professional exchanges in the IPCC process, despite the formal instruction of member governments that the Panel's proceedings should be 'open and transparent'. And last but not least
- Failure on the part of the Panel and the IPCC directing circle to acknowledge and remedy the above deficiencies.

In the light of recent revelations about Himalayan glaciers, we might now add: 'reliance on worthless (non-peer-reviewed) sources'. However, mere insistence on peer review would leave in place the other basic flaws.

Note that none of the items in the above list involves climate science as such: there is no suggestion that prevailing scientific opinion has to be rejected. The issues raised relate to professional standards, conduct and procedures; and these are issues that informed outsiders who are not climate scientists are competent to judge.

Just a quick supplementary word on archiving and disclosure. If you and I were submitting to the *American Economic Review* a paper in which we had put together a large data set, submitted it to various statistical procedures and tests, and drawn conclusions from the results, we would have to comply with a basic requirement laid down by the journal. As a matter of editorial policy, the AER (I quote)

> 'requires of articles submitted, as a precondition for publication, that data and computer code, in sufficient detail to permit replication by others, should be archived on the journal's website'.

You might think that this is an elementary and commonplace stipulation. But in climate science journals no such policy has been in force, and serious failures of archiving and disclosure have been tolerated as a matter of course.

In today's (3 February) FT there is an article headed 'Climate expert seeks more openness'. The expert in question is Professor Phil Jones of the CRU. 'Good on him', you might think. What the article fails to mention is that in the now-revealed email exchanges Jones discusses with others a range of arguments, pretexts and devices that could be used to resist disclosure, including the deletion of emails containing material that had been sought under freedom of information requests. Nor would one gather from anything that has ever appeared in the FT that as far back as 2005, in response to pertinent questions about the CRU's treatment of the Australian temperature record, Jones had written: 'Even if WMO agrees, I will still not pass on the data. We have 25 or so years invested in the work. Why should I make the data available to you, when your aim is to try and find something wrong with it?'

Final thoughts

In winding up, I offer two observations, two quotes, and a concluding comment on where we are now.

First observation. As a result of the CRU affair and the *faux-pas* on glaciers, the IPCC and its Chair, Dr Pachauri, are now under scrutiny, much of it unfriendly. This is too

restricted a focus. The basic problem of unwarranted trust goes well beyond the Panel: it extends to the chronically biased treatment of climate change issues by responsible departments and agencies which the Panel reports to, and in the many nationally-based organisations which they finance (including the CRU).

Second observation. It is not just the environmental policy milieu that is to blame for the chronic mishandling by governments of climate change issues. As a former Treasury official and international civil servant, I have been surprised by the failure of the central economic departments of state in OECD member countries to go more deeply into the evidence bearing on climate change issues, their uncritical acceptance of the results of a process of inquiry which is so obviously biased and flawed, and their lack of attention to the well founded criticisms of that process that have been voiced by independent outsiders – criticisms which, as I think, they ought to have been making themselves. A similar lack of resource has characterised the Research Department of the IMF and the Economics Department of the OECD. In all these organisations, there has been here a conspicuous failure of due diligence.

My two quotations embody twin positive suggestions.

First, some words of mine, from the article footnoted above. 'Where so much remains uncertain and unsettled, policies should be evolutionary and adaptive, rather than presumptive as they are now; and their evolution should be linked to a process of inquiry and review which is more thorough, balanced, open and objective than is currently the case'.

Second, from an article of which my guest this evening, David Holland, was the lead author. The authors rightly stess 'the need for comprehensive audit of the quality of the science-based information on climate risk that is currently being used by governments to set public policy'.[6] The article appeared two years ago, but the need remains.

A final word on where we are today. The significance of the CRU affair, and the more recent revelations of ill-supported alarmism in AR4, is that they have exposed to general view serious flaws in an accepted and influential process. Some blogmasters see this as marking the end of an era: Andrew Neil took as a headline 'The Dam is Cracking', while Philip Stott has drawn a comparison with the demolition of the Berlin Wall. Of course, these may prove to be over-reactions. However, there is clear evidence that scales have been falling from a growing number of unofficial eyes, and perhaps this salutary tendency will make itself felt, at long last, even in Her Majesty's Treasury. At any rate, I think it is safe to say that, for some time to come, these recent revelations and others that may well follow, and the publicity arising from them, will have more influence on events than the disorderly proceedings at COP 15.

[6] David Holland, Robert M. Carter, Chris de Freitas, Indur Goklany and Richard Lindzen, 'Response to Simmons and Steffen', *World Economics*, Volume 8 Number 2, April-June 2007