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## **Climate Change Issues: The Special Contribution of Vaclav Klaus**

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### **1 An established policy consensus**

In relation to climate change issues, there is an *official policy consensus*. That consensus has been firmly in place for over twenty years, and virtually all governments subscribe to it. By way of recent example, paragraph 66 of last year's G20 Summit Document year, begins as follows:

‘Addressing the threat of global climate change is an urgent priority for all nations. We reiterate our commitment to take strong and action-oriented measures...’

The measures referred to are chiefly directed towards curbing emissions of (so-called) ‘greenhouse gases’ in general, and CO<sub>2</sub> in particular. The policy consensus reflects what I call *received opinion*; and the core of received opinion is that anthropogenic global warming (AGW) constitutes a serious threat, which however can be contained and partially averted by severely limiting emissions.

The consensus has been increasingly reflected in a wide variety of official actions at local, state, national and international level. In taking these actions, the governments concerned have so far met with widespread public approval.

It is a remarkable fact that, throughout the period since its adoption at the end of the 1980s, the policy consensus has gone without serious political challenge. In the OECD member countries in particular, climate change issues have typically been the subject of close and continuing cross-party agreement, so that policies have been little affected by changes in government. Inside the governmental machine, the policies have had cross-departmental backing, with none of the usual conflicts of interest or differences of opinion.

### **2 An isolated dissenter**

Political leaders across the world have embraced the consensus, and they continue to do so. Within their ranks, however, there has for some years now been a prominent and outspoken dissenter, in the person of Vaclav Klaus.

The position which Klaus has taken on climate change issues is distinctive. In particular:

- For several years now, he has given a great deal of thought and attention to the subject. It has become for him a leading (though far from exclusive) preoccupation.

- The views that he expresses on the subject are his own. It is unusual for a political leader to stake out publicly a strong personal position on a major issue of policy. Klaus's readiness to act in this way reflects the strength of his convictions. No element of political calculation enters into those convictions or the way in which he has chosen to express them.
- His critique of the policy consensus, and of the arguments on which it rests, forms one element in a wider set of beliefs, a personal philosophy. Klaus is a committed liberal, in the European sense of the term – a classical liberal. In consequence, his assessment of any measure or policy largely depends on what he sees as its implications for the freedom – the personal liberty - of individuals. In the case of current and prospective climate change policies, his main single concern has been with the threat that he sees them as posing to individual freedom and to the market economy which gives expression to it.
- Klaus views this threat as extremely serious. He holds that 'ambitious environmentalism' has 'replaced Communism' as 'the biggest threat to freedom, democracy, the market economy and prosperity', in that it 'wants to replace the free and spontaneous evolution of mankind by a sort of central (now global) planning of the whole world'.<sup>1</sup>

Given Klaus's isolation in the political world, and the persistence and intensity with which he has argued his case, it is easy for opponents to class him as both an eccentric and an extremist. Two obvious charges that can be brought against him are

- first, that he has become over-preoccupied with climate change issues;
- second, that in relation to those issues, and the threat that he sees as arising from consensus thinking and policies, he has taken an extreme and untenable position.

In my view, these charges do not hold. I believe that in his lonely role, as outspoken critic and protester, Klaus has by no means overstated the grounds for concern about the situation of today. From the outset, the treatment of climate change issues by governments has gone badly astray. Both the content of policy and its underlying rationale give grounds for serious concern.

### **3 The costs and impact of consensus policies**

Klaus has strongly emphasised the likely costs and dangers that consensus policies bring with them, and some of those costs and dangers have already materialised. Across the world, measures to curb emissions that are currently in force or in prospect largely take the form of a long and growing list of detailed regulatory initiatives - an array of interventionist gimmicks. These have raised costs unnecessarily, since little regard has been paid to cost-effectiveness; and by creating a host of new opportunities for rent-seeking and lobbying they have brought a further corrupting influence into public life. What is more, they involve a range of intrusions on the freedom of choice of individuals and institutions, opening up

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<sup>1</sup> These quotations are from a newspaper article of 2007. Of Klaus's many writings on the subject, the main single publication is his book, *Blue Planet in Green Shackles*, brought out (in its English version) in 2008 in Washington D. C. by the Competitive Enterprise Institute.

multiple new possibilities for what has been well termed ‘micromanaging the lives of people’.

All these effects have emerged already, yet they are no more than a beginning. Far more drastic measures will be required to meet the extraordinarily ambitious goals of consensus policy for reductions in emissions. Among those who endorse the goals, within governments and outside, there are frequent ominous references to the need and scope for individuals, institutions and societies to change their behaviour radically. Two representative instances are:

- ‘... countries need to act in a concerted fashion to reshape human activities on an unprecedented scale’.
- ‘Our call is for fundamental transformation and innovation in all spheres and at all scales...’<sup>2</sup>

I believe that Klaus is justified in his belief that world-wide ‘reshaping’ and ‘transformation’, in the cause of radical ‘decarbonisation’, could be expected to bring coercive and would-be permanent restrictions on individual freedom.

#### **4 Steering the planet**

Received opinion points to the need for and feasibility of what Klaus has referred to as ‘global central planning’. It holds that:

- changing concentrations of ‘greenhouse gases’, in response to changing rates of emissions, are now the main influence on the climate system of today;
- accordingly, the system can be reliably tuned and guided, and what would otherwise be dangerous concentrations avoided, through judicious expertly-directed collective action to control and curb emissions;
- in exercising this control the objective, in the form of a safe maximum concentration of ‘greenhouse gases’, is known with close approximation, and
- alternative paths to its realisation can be mapped out with confidence.

True, received opinion recognises the possibility that the costs of radical ‘decarbonisation’ could be significant; but it maintains that any such costs are known with confidence to be greatly exceeded (or overshadowed) by what would otherwise be the costs (or risks of disaster) of dangerous global warming: hence the case for far-reaching, concerted and well defined world-wide action has been firmly established. For the indefinite future, then, the constraint of not exceeding the now-identified safe twin maxima, of emissions and concentrations, is taken to be both practicable and binding: in this sense, the right climate change policies are now fixed for ever. Given the necessary political will on the part of

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<sup>2</sup> The first of these two quotations is from an article published in 2008 in the IMF journal *Finance and Development* by Mohan Munasinghe, then a Vice-Chair of the Intergovernmental Panel on Climate Change. The second is from a 2011 report from the German independent but officially-appointed Scientific Advisory Council on Global Environmental Change. The report is entitled ‘World in Transition: A Social Contract for Sustainability’.

governments across the world, supported by enlightened public opinion ready to adopt new modes of living, the planet can be held for good on a safe and prudent course.

To my mind, such beliefs reflect what Klaus has described, in a different but related context, as ‘immodest constructivist ambitions’. It is contrary to all past experience, including experience of failed energy strategies, to presume that governments now know enough about the extraordinarily complex systems involved, and the ways in which these might change, to lay down firm blueprints, and even specific targets, which are to hold good into the indefinite future.

## **5 The basis of received opinion**

How is it that received opinion on climate change issues, and far-reaching policy conclusions arising from it, have won such widespread, continuing, confident and unqualified support, official and unofficial, including endorsement at the highest political levels and by central economic departments of state, over nearly a quarter of a century?

I think the answer is straightforward: it is the shared conviction of all these persons and institutions that ‘the science’ of climate change can now be taken as ‘settled’.

This response provokes the further question: What is the basis of this shared conviction? Here again, I think there is a straightforward answer. Received opinion everywhere reflects, and has throughout accepted and relied on, the scientific advice provided to governments 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 (IPCC) from 1990 onwards. The fourth and most recent of these, referred to for short as AR4, was completed and published in 2007. Work on its successor is now well under way.

For more than twenty years, then, governments and international agencies, and a great many outside observers too, have put their trust in the official expert advisory process as a whole and the IPCC process in particular. They are continuing to do so. However, there is now a substantial body of evidence to suggest that their trust is unwarranted.

## **6 A flawed process**

From the start, received opinion has been subject to challenge on many fronts. In part, and predominantly until 2003, the various challenges have been to the *correctness* of the analysis, and of the inferences drawn from it, which have emerged from the expert advisory process. In recent years, however, a further dimension of challenge has been opened up, in which the critics concerned have questioned the *integrity and professionalism* of the process, often with implications for the plausibility of specific key results.

The main headings of unprofessional conduct which the critics have noted and documented have been:

- Over-reliance on in-group peer review procedures which do not serve as a guarantee of quality and do not ensure due disclosure;
- Serious and continuing failures of archiving and disclosure in relation to peer-reviewed studies which the IPCC and member governments have drawn on;
- Continuing resistance to disclosure of basic information which reputable journals increasingly insist on as a precondition for acceptance of papers;
- Basic errors in the handling and interpretation of data, through failure to consult or involve trained statisticians;
- Failure to take due account of relevant published work which documented the above lapses, while disregarding IPCC criteria for inclusion in the assessment process;
- Failure to take due note of comments from dissenting critics who took part in the preparation of AR4;
- False claims to openness and transparency within the IPCC process;
- Resisting the disclosure of professional exchanges within the drafting process of AR4, despite the instruction of member governments that IPCC proceedings should be ‘open and transparent’; and last but far from least
- Failure over the years on the part of the IPCC and its directing circle to acknowledge the above deficiencies, still less to remedy them.

Well documented exposure of these flaws has come from a number of independent commentators: I would mention particularly, in relation to key chapters in the influential reports from the IPCC’s Working Group I, the outstanding work of Stephen McIntyre and Ross McKittrick, and later of David Holland.<sup>3</sup>

In November 2009 an unexpected event gave further substance to what these and other critics of the advisory process had been saying, through the unauthorised release of a mass of emails, data and code from the influential Climatic Research Unit (CRU) at the University of East Anglia. Many of the now-exposed exchanges between CRU staff and fellow-scientists elsewhere, all of whom were closely involved in the IPCC process, revealed attitudes and practices which were clearly unprofessional. Among them, two in particular lent further weight to already existing lines of criticism. First, there was a dogged determination, on one false pretext after another, to continue to withhold information that should from the start have been in the public domain. Second, the clear intention was revealed to prevent the publication in scientific journals, and the inclusion in the IPCC process, of pieces of work that cast doubt on received opinion.

The manifest defects in the expert advisory process have gone unacknowledged and unremedied by what I call the environmental policy milieu. This high-level failure, as also the

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<sup>3</sup> There is an array of possible references here, most of which are on Ross McKittrick’s website. In addition, leading elements in the story are treated in Holland’s article, ‘Bias and Concealment in the IPCC Process’ (*Energy and Environment*, 2007), and at book length in A. W. Montford’s *The Hockey Stick Illusion: Climategate and the Corruption of Science* (Stacey International, 2010). McIntyre’s blog, [climateaudit.org](http://climateaudit.org), is a notable continuing source of analysis, commentary and debate.

defects themselves, have resulted 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 has been well termed 'pre-commitment to the urgency of the climate cause'.

It is not just the environmental policy milieu that is to blame for the mishandling by governments of climate change issues. As a former Treasury official and international civil servant, I have been surprised by the failure of economic departments in OECD member countries to audit 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 criticisms of that process which have been voiced by independent outsiders – criticisms which they ought to have been making themselves. A similar lack of resource has characterised the Research Department of the IMF, the Directorate-General for Economic and Financial Affairs of the European Commission, and the Economics Department of the OECD. In all these departments and agencies, national and international, there has been a conspicuous failure of due diligence.

## **7 A missing dimension**

In relation to climate change, a fundamental flaw in official thinking and policies across the world, which has hardened with time, lies in treating the main issues as closed. Hence there is a continuing failure to consider and explore an appropriately wide range of possibilities for action.

On the basis of the advice they have been given, governments everywhere have accepted the reality of 'dangerous anthropogenic interference with the climate system'. As a working assumption, this is understandable. But given (1) the huge uncertainties and unknowns that remain, (2) the high potential costs, and dangers to freedom, from far-reaching mitigation measures, and (3) the serious proven flaws in the expert advisory process and the conduct of climate science, it should not be the end of the matter. The various elements of received opinion should not be taken as embodying revealed and now unassailable truth. Rather, they should be viewed as working assumptions *and no more*. As such, they should be subject to rigorous and continuing test and review, and *it should be a concern of policy to ensure that such testing takes place*. Neither the current official policy consensus nor the advice on which it rests should be treated as authoritative or final. The whole notion of a now-settled consensus should be discarded. Governments should promote open exchanges of view and contrasting informed assessments.

In an area where so much is at stake, and so much remains uncertain or even unknown, 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 has so far been the case.

## **8 A disquieting episode**

The treatment of climate change issues, across the world and over the past quarter of a century, forms a truly disquieting chapter in recent history. Richard Lindzen has drawn a parallel with the history of eugenics in the last century, and the analogy may prove to have been an apt one.<sup>4</sup>

In part, the story is one of ill-chosen policy initiatives already in place or in prospect. But the current disordered policy mix, though alarming, is symptomatic. A deeper cause for concern is the complex of attitudes, beliefs, presumptions and flawed procedures which have shaped and entered into received opinion, and which now form the officially unchallenged basis for further and far-reaching measures of intervention and control.

In this area of policy, the treatment of risks by governments is dangerously partial and one-sided. Since the late 1980s, attitudes, beliefs and policies world-wide have been fully attuned to the risks of AGW. But there is another side to the coin. A counterpart risk is that humanity is being committed to a costly world-wide collectivist adventure, in which people everywhere will be made not only poorer but less free, on arguments and evidence which are mistakenly treated as final and in a prevailing atmosphere of credulity, bias and intolerance.

In relation to climate change issues, governments in general, and the OECD member governments in particular, have locked themselves into a set of procedures, and an associated way of thinking - in short, a *framework* – which both reflects and yields over-presumptive conclusions which are weighted towards alarm. They have done so through a worrying combination - of credulity and inadvertence on the part of responsible lay persons, and of chronic bias and professional underperformance on the part of trusted experts and expert bodies. In this whole episode, the capacity of human societies today to arrive at well founded conclusions and decisions has been placed in question. Against this disturbing background, the lone stand of Vaclav Klaus appears as a salutary and much-needed contribution to the climate change debate.

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<sup>4</sup> Richard S. Lindzen, ‘Science and Politics: Global Warming and Eugenics’, from R. W. Hahn (Ed.), *Risks, Costs and Lives Saved*, Oxford University Press, 1996.

