

Thinking about Energy

The UN's Intergovernmental Panel on Climate Change (IPCC) issued its sixth "assessment report" earlier this month. As usual it generated its share of alarmist headlines. The report is several thousand pages long, and I'm certainly not qualified to digest, much less judge, it. I do think it's wise, however, to view the headlines and politicians' statements about it critically. The poppycock quotient of rhetoric about the supposedly looming environmental catastrophe is extremely high, not to mention toxic.

At the risk of being accused of cherry-picking, I will point out that one expert on the matter, by no means unfriendly to the IPCC, Roger Pielke Jr. of the University of Colorado, writes, "Instead of apocalyptic warnings about 'immediate risk' a top line message of this report should be: **Great News! The Extreme Scenario that IPCC Saw as Most Likely in 2013 is Now Judged Low Likelihood.** I am actually floored that this incredible change in such a short time apparently hasn't even been noticed, much less broadcast around the world."

Instead, Pielke notes, UN Secretary General António Guterres said the report is "a code red for humanity" and that "billions of people [are] at immediate risk." To which Pielke replies: Not only is this wrong, it is irresponsible. Nowhere does the IPCC report say that billions of people are at immediate risk."

That's from a guy who says if the IPCC didn't exist, we'd need to invent it. (Pielke has a follow-up article [here](#), and Nick Gillespie of *Reason* interviews him [here](#).)

I don't want to leave the impression that we nonspecialists should be agnostic on the climate question. The most prominent of the political solutions to the problems (real or imagined) associated with climate change would be unimaginably expensive for the world. So new problems-associated with poverty and liberty-would thereby arise. As Thomas Sowell points out, in our world, there are no solutions, only trade-offs. This is woefully unappreciated. I recall hearing an environmentalist say that the first law of ecology is: you can't do just one thing. But he apparently forgot it in the next moment. That's also a fundamental law of economics-and indeed all of life.

We face choices, and we must always ask those who propose "solutions": at what cost-not just in money terms but in terms of human life and well-being?

Enter Alex Epstein, author of *The Moral Case for Fossil Fuels* and founder of the Center for Industrial Progress. (He has a sequel on the way, *Our Fossil Future: Why Global Human Flourishing Requires More Oil, Coal, and Natural Gas-Not Less.*) Epstein's work is in the tradition of Julian Simon, author of *The Ultimate Resource*, whom Epstein acknowledges in

his book. See a summary of Epstein's book [here](#).)

What I want to draw attention to is not his case for fossil fuels per se, which I find persuasive, but his "framework"—a word he is appropriately fond of—for thinking about energy and the environment. The importance of how one frames an issue may seem obvious, but how many people actually ask what the right framework is? Because of its dubious framework, Epstein sees the campaign against fossil fuels as riddled with bias, sloppiness (or vagueness), and an animus toward human beings. The last seems to account for the others.

Before we can decide whether something is good or bad, we need a standard. Good for what or whom? Moreover, in environmental matters it makes a difference whether you see mankind as an invader and destroyer of benignly stable nature or as a species that flourishes by taming often dangerously volatile nature, that is, making it a safer, more hospitable place.

In this regard, Epstein stresses the basic Simonian point that human beings don't *find* and then deplete natural resources; rather they *create* them out of mere stuff, which does not come with a user manual. That makes human intelligence the "ultimate resource" (Simon's term), a fact that an astounding corollary: as technology increases our efficiency in creating and using resources—as we learn to make more with a smaller quantity of resources—we in effect increase the supply of those resources, which we can use to make new things we couldn't afford yesterday. In a way, human intelligence frees us from physical limitations. That takes the bite out of scary depletion scenarios.

You can see the implications for the controversy over energy. It is not enough to say that a given type of power has risks. We must be unbiased, meaning that we must look at the pros as well as the cons and compare them to other forms of energy; we must be specific about the magnitudes and probabilities of any actual risks; and, most important, we must judge the energy form by what it does on net for human welfare, not whether it interferes with nature. To live is to "interfere" with nature. For human beings, to live is to *transform* nature. What matters is whether change improves the prospects of human flourishing or undermines them.

Within this context Epstein goes on to vindicate fossil fuels and argue that we need more (as well as nuclear and hydroelectric energy, which, oddly, are also opposed by most CO₂-phobes). Oil, natural gas, and coal have provided abundant, inexpensive, and reliable energy that has been and remains life-saving. After all, energy underlies all production. The biggest challenge is to get them to the billions of people in the world who have no electricity or very little energy.

But what about the predicted apocalypse? We need to realize that the environmental

alarmists' record of predictions, which stretches back to antiquity, is pathetic. Moreover, the current state of the world does not support the dire scenarios. I'll pick just two examples that Epstein emphasizes. First, deaths from the climate (extreme temperatures and extreme events) have been plummeting: a "98% decrease in the rate of climate-related deaths since significant CO2 emissions began 80 years ago." Second, CO2, the most-feared greenhouse gas, is plant food not pollution. The earth is greening.

In summary, he writes, "Fossil fuel use doesn't take a safe climate and make it dangerous, it takes a dangerous climate and makes it safe." As a result, billions of people are alive today who otherwise could not be. Cutting back on fossil fuels would require an enormous human die-off. Who wants to volunteer? (No, unreliable and unscalable wind and solar apparently won't fill the gap.)

This doesn't mean that particular problems can't arise: remember, there are no solutions, only trade-offs. The problems, however, should be addressed specifically (tort law has a role), while understanding that individual rights and freedom, private property, competitive markets, entrepreneurship, and the profit motive are the best ways to discover the best remedies.