

Book review

AN APPEAL TO REASON – A COOL LOOK AT GLOBAL WARMING

N. Lawson. Duckworth Overlook, 2008. ISBN 978 0 7156 3786 9, £9.99, 144 pp.

Unpalatable though the conclusions may be for dedicated believers, Nigel Lawson's slant on the great warming debate is nothing if not innovative, with an economist's firm perspective of optimistic scepticism. This handy-sized pocket volume stands as a challenge to what the author abhors as the 'conventional wisdom' of the case for our species' contribution to rising carbon dioxide concentrations in the atmosphere and their knock-on effects. The author is one who cannot be taken lightly. As a former chancellor of the exchequer, Nigel Lawson brings with his arguments a wealth of knowledge of the subtleties of economics and, as a minister for energy, he also brings knowledge of the technology and arguments favouring non-fossil fuel substitution. It is as an economist that his contribution to the debate inevitably shines through.

Lawson asserts that natural scientists have not necessarily got it right – and in justification he refers to competing arguments with regard to the cyclicity of temperature fluxes and the external influences arising from solar rather than homocentric causes. What makes this book interesting is his effort to argue that whether the scientists are right or wrong, the laws of economics will introduce their own solutions and that history will look back on the global warming debate as, if not a swindle, then certainly a classic example of collective hysteria which introduced major government-led distortions to produce (in his words) 'medicine which will kill the patient'.

The target of, at times venomous, opprobrium, is the Stern review and the debate which has raged among economists on the rate discounted (from today) as a means of justifying mitigation investments and actions to offset alleged unfounded future risks. Such upfront actions, Lawson argues, will prove insanely expensive to achieve a relatively minor variation in the standard of living of future generations who will be more than capable of making necessary adaptations by a combination of economic and technological dexterity. Lawson recognises that a more realistic assessment of the shift from fossil-based carbon energy is needed and that it

could even possibly happen, but not on the basis of the current temerity and weakness in the price signals.

What makes this book really interesting (provided confirmed believers in the climate chaos emergency read it) is as a demonstrator to physicists, chemists, meteorologists and engineers of the way in which economists' minds operate along different lines. This is graphically represented in the author's recurrent urgings for us to recognise the serendipitous nature of mankind's ability to adapt behaviourally in a step change way to the climatic challenges which we may or may not be facing. In some ways there are parallels with the creationist school compared with the smooth linear approaches of Darwinist thought. The suggestion that something might have happened differently is not necessarily proof that it did – or could – in the future. Thus Lawson argues that, if there are uncertainties in the science, we must have positive policy measures to drive autonomous adaptations on a disaggregated and wider scale rather than more esoteric government-level responses. He challenges the notion of a 'tipping point' climatically and that such allegations of either a literal or metaphoric meltdown are unfounded and alarmist. This counterpoints with his arguments of tipping points in behavioural mechanisms that would enable us to adapt flexibly and effectively as soon as we encounter the real and present danger decades hence.

There are islands of economic common sense, particularly in relation to condemnation of subsidies and state support for moves away from fossil energy, particularly where these damage current economic activity. Urging switches from direct to carbon taxation in preference to cap and trade will also bring cheer to the ears of some environmentalists, although not to those who are enmeshed in the impact of income redistribution debates that will occur in response to environmental taxes. These calls for economic reason are also overlain with more (party) political polemic that green is the new red and that the so-called 'greens' represent a more pessimistic thread to the more optimistic outlook of capitalism.

It is hard to put this book down at its end, however, and feel that one is utterly convinced. Six months since publication is a long time in terms of emergent scientific evidence, when one remembers – to quote but one example – the temperatures of summer 2008 and depth data for the polar

ice-cap melting. Some of the arguments on the scientific evidence are simply wrong, while the belief in the flexibility and strength of natural capitalism to come to the rescue have taken a severe dent since August 2008. Those assertions attracted everything from disdain to rebuffs. Nevertheless, it does deserve reading for the insights it offers into the mind of an optimistic capitalist seeking to lend what he genuinely

perceives as a sorely needed sense of perspective and more rational distancing to the current debate. Ultimately, one side or the other will be proven right in coming decades – whether it is in one generation or five only time will attest.

P. JONES
Editorial Advisory Panel