

Building U.S. Resilience to Global Warming Impacts

Rep. Sensenbrenner Opening Statement, House Select Committee on Energy Independence and Global Warming, Oct. 22

Adaptation is an important, but often overlooked, facet of the global warming debate. That's probably why the GAO has concluded that federal, state and local governments need better coordination on climate adaptation strategies.

It's a popular misconception that there is a scientific consensus about the future impacts of global warming. There is little agreement in the scientific community about what the specific effects of climate change will be.

That's why a strategy that focuses on adaptation, and not taxes, makes more sense. Congressional Democrats believe a cap-and-tax plan will cure global warming. But there is little reason to believe that's true. Unless China and India made similar emission cuts, there won't be any reduction in global temperatures.

Cap-and-tax may not have much impact on global temperatures, but it will have a big impact on the American economy. The Waxman-Markey cap-and-tax bill calls for an 83 percent cut in greenhouse gas emissions by 2050, but a study by the National Association of Manufacturers and

the American Council for Capital Formation shows that by 2030, the economy will already feel the pressure.

Come 2030, cap-and-tax will have shaved as much as 2.4 percent, or \$571 billion, off of the U.S. gross domestic product. That's nearly as much as the government spent on social security in 2008. Cumulative GDP loss during the coming decades would be enormous, with projections of more than \$3 billion in lost economic output. This isn't just a problem for business and industry, as government will also be short changed. In 2030 alone, federal and state governments would see nearly \$170 billion less in revenue. That's money that would be more wisely spent on adaptation.

The GAO report shows that local and state government managers are finding it hard to fit global warming adaptation into their budgets, as more pressing concerns over jobs, infrastructure, security and other issues are taking precedent, as they should. By enacting cap-and-tax and reducing economic growth, Congress risks cutting the revenues that state and local governments will eventually need to fund climate adaptation projects. Proponents of the legislation argue that the bill will raise new tax revenues that can be used for adaptation. I would rather not reduce growth in the first place.

The written testimony of one of today's witnesses emphasizes the importance of resilience to climate variability, regardless of the cause. Dr. Kenneth Green, a Resident Scholar at the American Enterprise Institute, will submit testimony that highlights many important considerations for policymakers, such as faulty wisdom behind rapid development in areas prone to natural disaster, the need for investment in new climate technology and the benefits market pricing could bring to adaptation preparation. I welcome his perspectives as part of today's record.