

**Mr. Sensenbrenner's Opening Statement for Select Committee on Energy Independence and Global Warming hearing: "Economic Impacts of Global Warming: Part I - Insurance."**

**May 3, 2007**

Today's hearing of the Select Committee on Energy Independence and Global Warming begins a series of discussions by this panel on the economic impacts of climate change.

While there has been much attention paid to climate change science by the media and some politicians, there's been far too little talk of the economic consequences of climate change and the policy proposals that are supposed to address this issue.

I know that I, for one, am anxious for this debate. The economic impact is just another topic where alarmists pump a gallon of hysteria out of an ounce of fact.

Today, we're looking at how global warming affects hurricanes, insurance rates and payments. The implications are that global warming creates more powerful storms, which in turn cause more damage.

Al Gore's movie uses a busy 2005 hurricane season to illustrate the catastrophe that is sure to come the day after tomorrow. Inconveniently for us, Mr. Gore's movie fails to provide larger context and perspective on hurricane cycles, but it is able to juice fear and uncertainty out of people by not giving the whole picture.

As I mentioned, there's an ounce of fact to the alarmist claims: the number of major hurricanes has increased since 1995. But as University of Colorado at Boulder researcher Roger Pielke Jr. pointed out in August 2005, the recent hurricane trend fits perfectly with multi-decade hurricane cycles that have been well documented since at least 1900.

In fact, a study released yesterday by Chris Landsea, a scientist at the National Hurricane Center, said there is absolutely no evidence linking global warming and hurricane strength. Landsea said: "There's no link to global warming that you can see at all."

But hurricanes, with their menacing eye, sure make for a scary picture.

And quite frankly, if you're living in a coastal region prone to hurricanes, you should have a healthy fear of these deadly storms. That was as true for the residents of Galveston, Texas in 1900, the site of the deadliest hurricane in U.S. history, as it is today for the millions of people who live in the path of hurricanes along the Atlantic and Gulf coasts.

It's a fact that hurricanes are causing more damage than they ever have before. It's also a fact that there are millions more people living in the path of hurricanes today than did so in 1900, and the homes and buildings they occupy are much more expensive.

Despite the hysteria, the rise in hurricane-related damage is because more people live in the path of hurricanes. Where did I learn this fact? From the recent report from the U.N.'s World Meteorological Organization, a parent group of the U.N.'s Intergovernmental Panel on Climate Change.

The November 2006 report from the International Workshop on Tropical Cyclones said, and I quote: "The recent increase in societal impact from tropical cyclones has largely been caused by rising concentrations of population and infrastructure in coastal regions."

This report also said that no individual hurricane can be attributed to global warming and that no firm conclusions can be made as to whether climate change is affecting hurricane activity. And if you don't believe Dr. Pielke, this report also notes that historical multi-decade trends in hurricane activity make it difficult to make conclusions about the current hurricane trends.

Fortunately, the GAO report also noted the relationship between development in hurricane-prone areas and the increase in damage these storms cause.

That is not to make light of hurricanes or the damage they bring. But as we look into ways to recover from weather-related damages, we should focus on the core issues of development and preparation, and not be distracted by undocumented hype.

Republicans will insist that any climate change policy include four principles:

- It must tangibly help the environment.
- It must support technological advances.
- It must protect jobs and the economy.
- It must include global participation, including China and India.

Preparing for hurricanes is also good policy, but it's just not part of climate change policy.

I worry that overzealous economic policy designed to fix global warming won't reduce hurricane damage at all, but instead create economic storms that hit not just the residents on the coasts, but people all over the country.

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