

OPINION | COMMENTARY

# Harness the Market to Manage the Climate

The problem is dire, but the solution isn't command and control.

By Fred Krupp

Oct. 15, 2018 7:13 p.m. ET



State Road 98, torn up after Hurricane Michael, in Mexico Beach, FL, Oct. 12. PHOTO: JOE RAEDLE/GETTY IMAGES



Hello,  
D.C.

We're finding new  
ways to change  
energy for the better.

← LEARN MORE



Last week gave the world a ghastly climate show-and-tell. First came the new report from the Intergovernmental Panel on Climate Change, confirming that our climate is already changing rapidly and telling us we have a dozen years to act if we are to manage the risk of ecological and economic devastation. Then Hurricane Michael came ashore in Florida after growing from Category 2 to Category 4 in less than 24 hours—showing one reason scientists are so concerned.

Because of the problem's severity, some say we need a command-and-control solution, with governments telling companies how to retool. Climate change is an urgent problem, but that's not the right approach. The world instead should harness the marketplace—the most powerful force available. Here are three policies that would help:

- *Slow deforestation and restore damaged forests.* Properly managed woodlands help avoid emissions by not burning the trees and also draw carbon dioxide from the atmosphere through photosynthesis. Forests could deliver a quarter or more of the carbon emissions reductions needed by 2030—but only if rain forests are more valuable alive than dead. California is considering a proposal to create incentives that enable this while setting the global standard for social and environmental safeguards. My organization, the Environmental Defense Fund, is also working with landowners on strategies that allow them to contribute to the solution and profit from it.
- *Cut short-term climate pollutants such as methane.* These gases stay in the atmosphere for less time than carbon dioxide but trap far more heat while there. Methane, the chief component of natural gas, is responsible for a quarter of all current warming. The largest industrial source of methane pollution is the global oil-and-gas industry, so EDF is launching a satellite to measure and map these emissions world-wide. Our goal is a 45% reduction in methane pollution from oil and gas by 2025. This would deliver the same climate benefit over the next 20 years as closing about one-third of the world's coal-fired power plants.

D.C.

We're finding new ways to change energy for the better.

← LEARN MORE

Recommended Videos

1. A Rohingya Villager's Forensic Quest for Justice
2. Harvard Trial Documents Shed Light on Secretive Admissions Process
3. How Saudi Journalist Jamal Khashoggi Went From Missing to 'Killed'
4. When iPhones and Androids Chat: How to Live With Green Bubbles



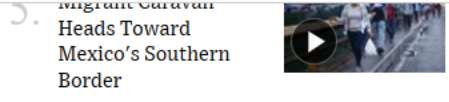
• *Stop letting companies pollute for free.* In most of the world, there is no economic incentive for corporations to reduce pollution. But if they had to pay every time they put a ton of emissions into the atmosphere, they'd find creative ways to reduce pollution. By itself, a tax on pollution doesn't guarantee reductions, so any carbon pricing policy must include enforceable limits to ensure emissions are cut as much as the science demands. As the work of the Nobel Prize-winning economist William Nordhaus makes clear, pricing carbon is a much cheaper way of hitting climate goals than command-and-control regulations.

Scientists, investors and philanthropists also are exploring ways to remove carbon dioxide directly from the atmosphere. It's a challenge, but a system that pays a bounty for carbon soaked out of the sky would spur a race to develop and commercialize this promising concept.

Some people would get rich, and that's OK. If videogames and iPhone apps can create wealth, so can saving the world.

*Mr. Krupp is president of the Environmental Defense Fund.*

*Appeared in the October 16, 2018, print edition.*



Most Popular Articles

1. You Want 20% for Handing Me a Muffin? The Awkward Etiquette of iPad Tipping
2. Fight at Consulate Led to Journalist's Death, Saudis Say
3. Scandal Over Dead Journalist Jolts Heir to Saudi Throne
4. Thousands of Southerners Planted Trees for Retirement. It Didn't Work Out.
5. Will Tech Leave Detroit in the Dust?

