Imagine a problem: it's global; it stems from an extremely complex, interconnected system; it has major economic implications. Sounds like climate change, or in other words, like the kind of problem that the world can't seem to address effectively. But no, it's not Global Climate Change, it's Global Economic Change. And the world seems to be coalescing without much fuss around major regulatory initiatives.

From the NY Times, a story about how the major governments came together and adopted tough rules to deal with potential global crises:

> BASEL, Switzerland — The world's top bank regulators agreed Sunday on far-reaching new rules intended to strengthen the global banking industry and shield it against future financial disasters.
>
> The new requirements more than tripled the amount of capital banks must hold in reserve, an effort to bolster their financial strength and provide a cushion against potential losses. They come two years after the collapse of Lehman Brothers set off a worldwide banking crisis that required billions in government bailouts. But the rules could also reduce bank profits, strain weaker institutions and raise the cost of borrowing for businesses and consumers.

I'm struck by how different this picture is than climate change. We don't see any Recession Denialists arguing that the economy is actually in great shape, or accusing economists of colluding to cook the data to make it look like we have economic problems. We don't see U.S. Senators talking about the "hoax" of economic recession. The Great Recession also involves inconvenient truths, but they're truths that seem to go down a bit easier — though I gather from Paul Krugman and Brad DeLong that some of their colleagues attribute the recession to natural fluctuations in the economic system, which isn't so different from some forms of climate denial. Even the remaining economic believers in the absolute perfection of the markets, however, do admit that fewer people have jobs and GDP is down. That's at least a step on the road to reality.

There are several key differences between economic instability and climate instability, of course. Probably most importantly, the Great Recession has already happened, which makes action much easier than it would have been before the fact. And the change was faster and more dramatic. If the Antarctic ice sheets had collapsed as fast the stock market did a few years ago, we'd have fewer people trying to deny the reality of climate change.

Also, although the banking industry is powerful and may experience some short-term pain as the result of a regulation, no one is talking about getting rid of money and replacing it with something altogether different. But we are talking about stopping the use of fossil fuels to a large extent and moving in an entirely different direction. So it's not too surprising that an international response to the financial crisis is a bit easier than the energy transformation required by climate change.

Still, wouldn't it be nice to see a similar story like "Economic Regulators Agree on Global Response to Climate Change"? Not going to happen, I'm afraid, or at least, not anytime soon.