Stop the Presses!

I've always liked the work of New York Times columnist Joe Nocera, ever since his days as an investigative reporter for the Texas Monthly. He doesn't come to a topic with an axe to grind, and tries to see through the cant. But I think he just got snookered.

In Nocera's recent column on the Keystone XL project, entitled "How Not to Fix Climate Change," he attacks the likes of Bill McKibben, Michael Brune and James Hansen for their opposition to the project. Here's the nut grafs:

> Brune and McKibben have been very clear about what they hope to accomplish. Oil companies have invested upward of $100 billion to extract the unconventional oil in the sands. A pipeline is the only way to export it. The Keystone pipeline is Canada's Plan A. Plan B is a pipeline to British Columbia, which would get the oil to China. If the president blocks Keystone, and the First Nation tribes continue their staunch opposition to the western pipeline, then Canada will have the second largest oil reserves in the world — and no place to sell it. The assumption of the activists is that by choking off the supply of new oil sources like the tar sands, the U.S. — and maybe the world — will be forced to transition more quickly to green energy.
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> Can you see how backward this logic is? As Adam Brandt, an energy expert at Stanford University, pointed out to me recently, so long as the demand is there, energy producers are going to search for new supplies of fossil fuel — many of them using unconventional means like tar sands extraction. "With growing global demand, the economic pressure to develop unconventional resources is enormous and not going away," he said. "Can environmental groups expect to win a series of fights for decades to come, when the economic forces are aligned very strongly against them in each round?" The answer is obvious: no. The emphasis should be on demand, not supply. If the U.S. stopped consuming so much of the world's oil, the economic need for the tar sands would evaporate.

It seems to me that this either misses the point or proves the very opposite of

Nocera's argument. If you "chok[e] off the supply of new oil sources," then that means that the price of *all* oil sources — both old and new — will go up. And if the price of oil goes up, then that means that *other* new sources, like solar, wind, and micro-hydro, will become more competitive in the market. In other words, blocking Keystone XL is something like a carbon tax.

It's clearly true, as Adam Brandt says, that "the economic pressure to develop unconventional energy resources is enormous and not going away" — and that is why, under the logic of McKibben et al., it is important to make getting energy from tar sands extremely difficult: comparatively speaking, that makes solar and other renewables look better.

For Nocera to say that "the emphasis should be on demand, not supply" is essentially meaningless because demand is a function of supply. How to get the US to "stop consuming so much of the world's oil"? Make it more expensive!

Now, one might well argue that while blocking Keystone XL operates something like a carbon tax, it operates like a *really inefficient and ineffective* carbon tax. Maybe Canada will just shop the tar sands oil through British Columbia (although as Nocera writes, that is itself a difficult proposition). But don't blame Bill McKibben for that: blame the Republican Party, which — as Peter Wehner and Michael Gerson tacitly acknowledge in *Commentary* — has embraced hatred of science as a fundamental ideological proposition, probably making a deal on the Boxer-Sanders partially refundable carbon tax hopeless.

I don't know whether McKibben et al are right, and as I have written before, I think it is better to focus on the big picture of federal climate policy than on the Keystone XL project itself. But we can't do that unless smart, honest reporters like Nocera think a little harder about what they are writing.