

Climate crisis: Roosevelt revisited

VIEWPOINT

Andrew Simms

We have just 100 months to act to prevent dangerous climate change, says Andrew Simms. In this week's Green Room, he outlines plans for a "Green New Deal" that could sort out the pressing problems we have with climate, energy and the financial system.

" No simple techno-fix exists that can reduce greenhouse gas emissions fast or far enough to solve the problem "

"Too important to fail" is the message heard repeatedly from governments stepping in and spending billions to prop up failing financial markets.

But all the time, another system - an atmosphere convivial to human civilisation, that really is too important to fail - is being wrecked by political complacency and unrealistic economics.

Now, a unique new group of specialists in finance, energy and the environment are arguing for a Green New Deal that will deliver a comprehensive solution to the triple crunches of the credit crisis, high energy prices and climate change.

But time is short, very short.

New and cautious calculations by the New Economics Foundation's (nef) climate change programme suggest that we may have as little as 100 months starting from August 2008 to avert uncontrollable global warming.

Nothing short of the rapid and wide-scale re-engineering of the economy will be sufficient. Radical change, though, is needed anyway because of the credit and energy crises; the latter driven significantly by the imminent peak and decline of global oil production.

No simple techno-fix exists that can reduce greenhouse gas emissions fast or far enough to solve the problem.

The answers are going to be economic, political and behavioural. Many countries, not just the UK, are going to need to learn the art of rapid transition.

Lessons from history

The Green New Deal group formed in the summer of 2007 against this background, but before the current full-blown economic crisis.

It took inspiration from President Roosevelt's response to the 1929 Wall Street financial crash.

Back then, his plan was divided into an initial 100 days spent rapidly passing measures on poverty relief, financial reform and economic recovery, including the creation of the Civilian Conservation Corps.

A later wave of law-making sought to deliver broader redistribution of power and resources.

Our modernised Green New Deal, published on the 75th anniversary of Roosevelt's plan, is tailored to the threats and opportunities of today, but also designed to happen in two waves.

First, we outline a structural transformation of the regulation of the financial system, including major changes to taxation systems.

Secondly, we call for a sustained programme to invest in, and deploy, energy conservation and renewable energies, coupled with effective demand management.

In place of Roosevelt's politically clever 100 day programme - in which all of his measures were passed - we find ourselves with the very real timeframe of 100 months, imposed by the unthinkable prospect of runaway climate change.

The outcomes of our plan, though, are not to be feared. They will create countless green collar jobs, introduce greater economic stability, bring huge benefits to the real economy and establish prudent environmental policy.

Three interlocking elements make up the Green New Deal:

Stabilising the financial system: A financial system built on speculation and the reckless accumulation of debt needs saving from itself with a thorough overhaul of regulation. This would include breaking up discredited financial institutions that have only survived through the injection of vast sums of public money.

Instead of institutions that are "too big to fail", we need institutions that are small enough to fail without creating problems for depositors and the wider public.

We also need to minimise corporate tax evasion by clamping down on tax havens and obfuscatory corporate financial reporting.

Raise the resources to invest in change: The Green New Deal needs resourcing. As part of the financial reform described above, cheaper money is needed to invest in the environmental transformation of our energy, transport and building infrastructure.

In parallel, to prevent inflation, we want to see much tighter regulation of the wider financial environment.

" The UK and the global economies are entering uncharted waters, and the weather forecast is not just bad, but appalling "

There are plenty of other ways of urgently freeing-up necessary finance.

As just one part of a wide-ranging package of financial innovations, the Deal calls for the establishment of an Oil Legacy Fund, similar to a highly successful Norwegian government initiative, paid for by a windfall tax on the profits of oil and gas companies.

More realistic fossil fuel prices, raised to include their cost to the environment, will generate further revenue and create economic incentives that drive efficiency and bring alternative fuels to market.

Importantly, this multiple approach will help pay for the safety nets needed for those vulnerable to higher food and fuel prices.

Environmental transformation: The end game of the Green New Deal is to bring about a low-carbon, high well-being economy.

There are numerous benefits in shifting to a more efficient, decentralised energy system that uses a wide range of renewable energy technologies applied at different scales, and in which demand is actively managed.

With the right economic incentives, the foundations of a new energy system could be laid tomorrow.

Increasing our energy security and independence by making every building a power station and efficiency centre will create a "carbon army" of countless green collar workers.

But that is only the beginning; re-engineering our food and transport systems would cut out unnecessary fossil-fuel use and increase our resilience and security.

Rethinking reality

The project requires vision, boldness and a commitment to learning the art of rapid transition.

The Green New Deal calls on us to learn from history - not just what Roosevelt achieved from 1933 onwards, but from how Britain prepared for, fought and recovered from the Second World War.

Back then, in a few short years, we successfully re-tooled the economy for a new purpose, and achieved massive, supportive changes in behaviour.

Also, many of those initiatives had unanticipated benefits for health and well-being, such as the growth of urban gardening.

More recently, there were the responses to the oil crises of the 1970s, and Cuba's astonishing avoidance of widespread starvation post-Cold War, when it lost access to affordable oil supplies and was placed in near total economic isolation.

Reckless and ultimately expensive lending, coupled with speculation, has brought the financial system to the brink of collapse and has funded environmentally damaging over-consumption.

That has also brought that more important system - the climate - literally to the edge.

Politicians' faith in markets' ability to manage themselves now looks childishly naive.

Failure not an option

Our challenge now is to make available the low-cost capital needed to fund the UK's green economic shift whilst having controls in place to prevent inflation.

To deliver the Green New Deal, we need a new alliance between environmentalists, industry, agriculture, government and the unions to put the interests of the real economy ahead of those of footloose finance.

As an even earlier US President, Thomas Jefferson, said: "I sincerely believe that banking establishments are more dangerous than standing armies, and that the principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a larger scale."

The UK and the global economies are entering uncharted waters, and the weather forecast is not just bad, but appalling.

The triple crisis of credit collapse, oil prices and climate change is conjuring a perfect storm. Instead of desperate baling out, and in the absence of a joined-up plan from government, the Green New Deal is the first attempt to outline a comprehensive plan and a new course to navigate each obstacle in our path.

If successful, we also believe that emerging on the other side of the storm, we will find the world to be a better place. It is, at the very least, too important to fail.

Andrew Simms is policy director of the New Economics Foundation (nef), a founder member of the Green New Deal Group, and co-author of its report: A Green New Deal. The report can be downloaded from nef's website

The Green Room is a series of opinion articles on environmental topics running weekly on the BBC News website

Do you agree with Andrew Simms? Do we need a Green New Deal to prevent dangerous climate change? Is the current global economic system failing? And is the credit crisis an ideal opportunity for politicians and business leaders to restructure the world's financial frameworks?

I agree 100%. Our problem has been so far total lack of action. Apart from a few wind farms we see very little being done on a global scale. The Carbon offset idea is just a great way to con people into believing that something is happening whilst all the time our carbon output (and for that matter methane and other warming gases) continue to rise. We have to consider that at some point in the very near future all our energy demands in the home will have to be met by either electricity from the grid or in the case of hot water, from roof mounted solar warming grids. The combination of these two requirements should create jobs for hundreds of thousands across the world. I only hope that the action required will bypass the politicians and their endless and pointless discussions and actually form part of a remit by our power providers to step up a gear; no perhaps at least a couple of gears and help us move quickly to a greener production chain.

Dave, Chatham Kent UK

I must drop by Clarke's shoe museum and see if the answer is still there? - what a marvelous assembly of soundbites; this is a short term product of short range radar. The only words of any use are the ones "in which demand is actively managed." Well; the real problem we are going to be killed by works like this; More people have more feet, more feet buys more shoes, more shoe sales supports more people, who have more feet, who buy more shoes, and more shoe sales supports more people, who have more feet who . . . It's called "Economics", and it a measure of "Human Activity" - and THAT's the problem we have to "actively manage" This guy is talking heroically of "emerging out the other side of the storm that is coming" like some flag waving movie - but if he is expecting to "emerge" with even more human activity on the planet - then sorry chum - look behind you; that's the nitrogen crunch, and the fish in the sea crunch, the drinking water crunch; the farm land crunch, the loss of bio diversity crunch coming to bite your heroic backside. It's a real pity this cannot see the over all picture; because to survive we need to gently reduce levels of human activity; we need to gently reduce economic activity to match - and it would really handy to have a clued in Economist to help think of way do that. Leave the heroic flag waving to the 1930's movies; we need someone to think our way down from this mess; anyone else got a Economic plan; preferably not filmed in B&W and no flags waving! It will prove to be a very sobering next 100 months ! Cheers Steven

Steven Walker, Penzance

Here here!! Awesome plan. Shame it will never work because politics is too far broken (politicians are just the facade corporate lobbyists hide behind). The only solution is for society

to completely collapse as oil runs out, climate effects get worse and economy fails due to rot within and ever rising oil prices. When society fails, then maybe we can rebuild without companies, without financiers, without pollution and oil, and without lobbyists.

Dean, London

Yes I think that they are right. Now would be a good time for change because everyone is tightening their belts. We all fed up with the money-men getting richer at our expense. The latest evidence does suggest that emissions need to stop rising by 2015 for us to stop global warming becoming an extinction event. Tackling overpopulation does of course need to be part of this Green New Deal.

John Lilley, Kings Langley UK

Absolutely bang on the money. However, the Green New Deal will terrify politicians unless they are given a 'clear and present danger' to which they can react - otherwise the electorate will not vote any party offering these changes. This begs the question - as we move into the Post-Peak Era, is democracy fit for purpose? The alternative is to persuade all three of the major parties to come onside. This may be impossibly difficult, but I believe that if the altruistic elements of the Deal are talked down there is a chance that it can be achieved.

andy mckee, dorchester, uk

More Socialist rubbish thinly disguised as intelligent thought. It's a dead giveaway whenever unions get mentioned. Infact high fuel prices work in favour of reducing emissions since people travel less and there is strong demand for manufacturers to produce more efficient vehicles. The three elements in the article can be summed up as follows: 1) A slight problem with the current financial system means it must be demolished and re-built into what a commitee thinks is best. 2) Increase taxes further on the already sky-high price of fuel and then give some back to the poor (no doubt ignoring the struggling middle-income households). 3) Waste the rest on renewable technologies that don't provide the 24/7 power supply required by a 21st century society. I can't even guess at what the article means by "re-engineering our food and transport systems". Perhaps all our farms, roads, rail lines etc are all in the wrong place? But no, like a great number of the ratings we have to endure from the Green Room, the piece is long on identifying problems, short on presenting solutions. Any "solutions" which we do see magically point us to some socialist utopia.

Gabriel, Leicester

The 100 month time scale (or less) will come sharply into focus when people really understand the oil issue, as in the permanent end of cheap oil, otherwise known as Peak Oil and referred to in BBC2's Burn Up later this week...

Geoff, Stafford

Thank you for outlining probably our only chance for a meaningful and livable future; I would vote only for any politician brave and decent enough to stand on this platform.

Simon, Pitsidia, Crete, Greece

A thought provoking idea, there really does need to be change in the way markets work but given that the current system is predicated on idividulaistic greed the challenge is to change the collective mentality. The article mentions how war re shaped the British economy, but we had to have the crisis to start the change, my fear is that the perceived crisis of global warming is not real enough to spark the necessary change.

Derek Marsh, Nottingham UK

Blah - blah - blah. Once again "The seas are going to boil, the land become as desert and the river will run with blood." We must accept a communist religion and let Al Gore be World President. We desperately need improved energy efficiency to make us less reliant on oil and investment in the Worlds poor is essential. The era of cheap energy is over and people need to change their habits. This is all true. Still lets not bother to listen to a bunch a failed anti-

capitalists, who want political power.

Mark , Coventry / UK

I have been researching this "perfect storm" for almost 20 years and predict that it is going to be much worse than Andrew Simms' prediction. He is completely right when he talks about the need of a major re-wiring of our economy. However, the global economic system isn't failing. Its goal is to create the most wealth out of all the available resources, and in that task it is unrivalled. This process is destroying the planet's ability to support life while allowing more of us to populate it. A credit crisis is the worst time to restructure the world's financial frameworks because the pressure will be towards re-invigorating the wealth creation machinery. If successful, it will make the larger problems more severe. Global warming, species decline, bird flu, over-population and disease, food shortages and nuclear proliferation are all seen as costs and charity to our wealth creating machine. Solutions will not be empowered, as we have already seen. Only a deep re-wiring of our economic system will allow true solutions to these life-threatening problems to be realised. Convincing people to see what is coming in terms of this "perfect storm" is, in the current social climate, going to be a much more challenging task. Not too long ago, I had serious trouble convincing people that house prices were going to go down and that they should act accordingly to protect themselves. Even the best solutions will be meaningless until the deeper problems are acknowledged.

Tim Gooding, Woking UK

Several years ago we had 'Mad Cow' disease. A time bomb waiting to explode! Now we have well off researchers and no explosion. Two/three years ago it was bricks in the water cistern and the BBC 'drought tolerant gardening'. Those flooded out the last two years must cry! Now we have a politician and an accountant telling us we are destroying the world as they fly to collect their awards! No, we don't need another bunch of forecasting parasites feathering their own nests to help governments increase tax. Leave us alone and get a proper job working for a living instead of scare mongering with long range forecasts which by the time it is realised they talk rubbish they will have long retired on the proceeds.

Lloyd Williams, Farnham, England

-- Yes, I most emphatically agree. -- This is a brilliant and timely plan. -- Will the UK prove to be a leader in turning around our economies, returning to sanity and saving our planet ? I pray so and hope so. -- And I pray and hope that well-informed citizens in the world's democratic countries will sway our governments to join forces in this essential 100-month global project. Thank you, BBC, for spreading the word and spearheading the work. Therese

Therese Romer, Montreal, Canada

I think it's clear, and has been for some time, that the current system isn't really working. This is the first thing I've read that's given me hope for the future, and I'm keen to find out more.

Juliet Lee, Peterborough

Another group hijacking the climate change issue to push their own radical agenda. This is the sort of thing that is contributing to the backlash against environmental issues.

Ian Nartowicz, Stockport, England

Yes, to the first three, no to the last. Even those with the vaguest memories should recall how distant, how remote and far our concerns all were just a decade ago. Sure, it was a problem, but something centuries or millennia in the future, governments and business lobby groups told us. The last 12 months have seen an implosion of timeframes being scientifically estimated, to the dismay of a shrinking minority of climate doubters. A new deal is precisely what is needed. But I am not certain that restructuring 'frameworks' would have much effect than reordering deck chairs on the Titanic. There is very little wrong with the frameworks of institutional finance, a lot wrong with the policies those frameworks support. For example, a reversal of global flows towards planet-saving technology might come out of policies transforming tax havens into green havens. Instead of stamping out offshore corruption and

tax evasion, just make it less profitable than doing the right thing.

Jason Brown, Aotearoa, New Zealand

In the vein of the well written article by Andrew, I would like to suggest two vitally important measures to our fellow Greens and wildlife groups. If you do not want nuclear power, then you have to lighten up on the idea that sea defense measures, on our east coast especially, can be combined with long required green energy schemes. For example when Gordon Brown extolls alternatives, but means nuclear energy, we should, within the next 100 months as our Greens proclaim, agree on building a wash barrier, together with natural England, the RSPB and surrounding local councils. This needs openness and cooperation from all concerned and humanity will have to play a part in the current agendas of our revered wildlife groups. Made from sand, as proposed by the Washbarrier Corp. it would only have sections of concrete, housing the turbines and lock system that enable shipping trade. This sea defense would not only produce enough to make two nuclear power stations obsolete, it would as well be in the national interest. By safeguarding our lowlying Fenlands from ever increasing storm surges, we are enabling 500,000 people their livelihoods and property, as well as 1/5 of our national food supply grown there. Lastly, we cannot afford to have a vast area from Peterborough to Cambridge to Watton in Norfolk to go saline, it would destroy the lands fertility for a minimum of four years. So this should mean brownie points allround, but who is supporting this old idea and who is objecting? Its our green wildlife groups. They deem to have a mandate from their membership to prioritise animals before humans, something of a dicotomy that needs sorting out, now, because we have only got 100 months, as so aptly put. I am not quiet sure wether the soft approach undertaken by Johnathan Porritt over the last 15 years really has achieved anything more than green wash. Britain is still lagging miles behind the rest of Europe and there is no unity amongst those who would like to see change. Concerns about rising fuel prices still concern us more than the future of our children, why is that? Unless fathers get militant about the issues affecting their offspring, unless all party dogma's is lifted from feckless power seekers, currently turning off voters in droves, nothing will change at the ballot box. So whats the action plan then? Ingo, ex Green Party, against leadership in the Green Party, for decentralisation of politics as Schumacher sought and power to the local.

Ingo Wagenknecht, Rockland St. Mary, Norfolk

Yes, yes, yes and yes. Old leadership, old philosophies, and old thinking have damaged the planet. Solutions are easier find than some might think. We must act locally but on a large scale. For example, turn a third of all lanes on streets marked for automobiles into bike lanes. Provide tax incentives for cyclists. This will help reduce emissions as well as obesity. Good luck to us all.

PK, San Francisco, USA

Using the words "New Deal" in the same sentence has put the kiss of death on the planet before we even begin.

Emily,

So this is the answer to the break up of the global warming consensus following no warming this century and the beginning of global cooling. Confuse the issue by linking it to some real crises. The real solution is to abandon the ludicrous idea that we can control the climate by limiting CO2 emmissions and concentrate our efforts on real problems. This will immediately strengthen our economies by allowing proper decisions on power and not force us into nuclear and also get rid of the nonsense of carbon trading. By all means let us develop new means of power production because fossil fuels will run out but let us be truthful about why we need to do this. There was a small warming in the last century but none this. Only if you believe increasingly discredited models which have failed to forecast real climate changes do we have a climate change crisis. So let us concentrate on real problems from a position of maximum strength and not restricted by the MMGW nonsense.

Mike Owens, York

This is fantastic! Just what I've been saying for years. Instead of pouring money into the Saudi treasure chests lets make that money work in the economy. Even without climate change to worry about there is an economic imperative to become energy self-sufficient. If only we had giant ball of thermonuclear fire in the sky from which we could get all our energy....

Jack, Dunedin, New Zealand

A dramatic shift in policy regarding financial markets, and environmental regulation is needed. In my own country, much of the policy supported by presidential nominee McCain lines the pockets of the Oil Companies and would preserve the Status Quo (repealing the gasoline tax, supporting offshore drilling, and pushing for harsher penalties for failure to adhere to current, abysmal fuel efficiency standards). Personally, I am putting every spare dollar I earn into common stock of companies poised to become part of the solution. Additionally, you can become part of the solution by contributing your computer's processor to refining our knowledge of climate modeling, and how our world will react to a doubling of atmospheric carbon dioxide here: (www.climateprediction.net)

EarthScience Major, Atlanta, USA

Look, these plans are all worthy, but they miss the central problem. If the global population continues to grow, then none of these measures will make any long-term difference.

Cameron, Buenos Aires, Argentina

We are about 25 to 35 years late coming up with change, but better late than never.

Jess McQ, Dallas - Texas -US

What's so remarkable is that we recognise the fact that our planet in danger but we are still not doing anything about it. Look at US. Democracts want action while Republicans want to stick to drilling. We still have global warming sceptics which rediculous of course. The only techno fix that will help ut fight global warming is something on a magnificent scale that allows a quick conversion from coal powered economies to solar powered economies. This is by far the biggest challenge facing human civilisation and its time for America, 'the world leader', to act and lead the world in a propret way not by refusing to sign Kyoto Protol.

Samerin, Sydney

After destroying the existing financial system, raising taxes on all "carbon-based" fuel, lavishing public funds on "green collar" jobs, and generally making a hash of things, this "New Deal" would impose wage and price controls in an effort to limit its obviously inflationary "cheaper capital." Just say it requires wage and price controls, rather than say this: "In parallel, to prevent inflation, we want to see much tighter regulation of the wider financial environment." This is just another brand of authoritarian socialism, and it is likely to be a failure -- just like FDR's "New Deal."

BobM, Port Orchard, WA, USA

The need of environmentalists to borrow moments from history reveals the vapidty of environmentalism; it needs crutches to give the climate issue gravity. Climate change is constantly compared to moments in mid and early C20th history. This latest case of using Roosevelt to make Green ideology legitimate is no exception. The truth is that environmentalism has to make such references because it is incapable of producing its own history.

Ben P, York

the green new deal is truely,thealtimate way forclean new energy.we are killing the atmosphere.fossil fuels will run out of time.solar energy is the ultimate way too go.electric cars is in the near future.we have contaminated our oceans and atmosphere long enough.respect life .and you will be respecting god.I am the alpha and omega which in reality means I am the beginning and end too all life.

george bauer, pittsburgh pa.

This is scary. Sounds like Orwell's 1984 to me.

Roger F Peters, Justin, Texas, USA

Andrew Simms should be careful when mentioning the build up to WW2 as an analogy. Churchill would most certainly have been what Mr Simms would call a "Denier". He was unlike other politicians such as the Prime Minister of the day who tried appeasement of the forces trying to impose a new world order. Churchill was not swayed by what he called "perverted science" and ultimately he was proved right.

G Gaskell, Detroit MI USA

Actually, the prevailing opinion among economists seems to be that FDR's "New Deal" dramatically prolonged the great depression by preventing the formation of new jobs in the private sector and robbing industry of badly needed investment funds by expanding the public debt. One suspects that this new "Green Deal" will have precisely the same effect.

Walter Moore, Indianapolis, USA

I agree with the positive results of the plans Simms proposes. But who will have the authority to compel these changes upon every single country on the planet? A world leader with the equivalent power of Franklin Roosevelt? Remember that for all the good he did, FDR's presidency established the imperial power of the American executive. That will be the kind of power required for this undertaking. Who will the world invest with such power? And can we trust that power to devolve back to the people?

Jmar Gambol, Makati, Philippines

I agree the world needs a Green New Deal. One program to consider is a global conservation corps, similar to the New Deal Civilian Conservation Corps, to plant trees.

Kathleen W. Pagan, Gainesville, FL, USA

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