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CAPITAL ACCOUNT

Coronavirus Is Buying Time on Climate Change. Will We Make Use of It?

Carbon emissions appear to be plateauing, making dire scenarios less likely; but limiting warming will still require steep emissions cuts

After back-to-back storms, snow covered the San Gabriel Mountains behind the Los Angeles skyline in mid-April.

PHOTO: RINGO CHIU/ZUMA PRESS

By [Greg Ip]
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Back in 2014 the United Nations-affiliated panel on climate change predicted carbon-dioxide emissions from fossil fuels would keep rising steadily, hitting 40 billion metric tons this year and, in some scenarios, nearly doubling again by 2050.

Even before Covid-19, those scenarios looked increasingly unlikely, and they are even less likely now. The International Energy Agency put emissions last year at 33 billion tons, and predicts they will plummet 8% this year as Covid-19 shuts down swathes of global economic activity.

“We were already getting close to the point of emissions peaking,” said Zeke Hausfather, director of climate and energy at the Breakthrough Institute, an environmental-research organization. With the decline induced by Covid-19, “it’s quite possible we might not get back up to 2019 levels.”

First, some caveats. Lockdowns aren’t a sustainable or desirable way to reduce emissions, and this drop is almost certainly temporary. Second, it is the cumulative buildup of greenhouse gases in the atmosphere since the Industrial Revolution that, among other things, influences global warming. So if annual emissions continue even at this lower level, CO2 concentrations and temperatures will continue to rise.

“To stop CO2 concentrations from rising, emissions have to be cut by 80%, and no one is talking about anything close to that,” Mr. Hausfather said.

Yet the plateauing of carbon emissions is encouraging for several reasons. First, it suggests some dire scenarios by the U.N.’s Intergovernmental Panel on Climate Change—previously seen as inevitable, absent dramatic government action—are actually pretty unlikely. Second, it gives the world more breathing room to figure out how to decarbonize faster.

Since 1988, the IPCC has regularly issued reports with carefully constructed scenarios on the likely path of greenhouse-gas emissions and the resulting rise in global temperatures to help guide policy making and discussion around the world. Those scenarios must take into account not only complex scientific and environmental factors but also projections of population, economic growth, technology, and government policies.

For its fifth assessment report, released in 2014, the panel collected hundreds of possible scenarios, including four selected for deeper analysis, dubbed "representative concentration pathways." The most serious, RCP 8.5, is often called "business as usual" because it assumed no changes in government policies.

But Roger Pielke Jr., a professor at the University of Colorado, Boulder, said RCP 8.5 shouldn't be used as a "business as usual" baseline because its assumptions on economic growth and emissions have been wrong, as are those of IPCC's more moderate scenarios. In a paper published before the pandemic, Mr. Pielke and three co-authors found the scenarios overestimated per capita economic growth in all regions except Asia from 2005 to 2017. They also found the scenarios understated how fast carbon intensity—the amount of CO_2 emitted for every dollar of GDP—would decline thanks to falling use of coal and the declining cost of renewables.

Mr. Pielke, in an interview, said that because of Covid-19, the real world and IPCC's scenarios are diverging further. "It's quite possible we could be treading water on emissions, which is good news. This does buy us time."

But only so much time. Under RCP 8.5, the IPCC said temperatures would likely rise more than 4 degrees Celsius by 2100 (compared with the late 1800s), a dire outlook. Now, business as usual is more like 3 degrees, said Mr. Hausfather. That's still more than the 1.5 to 2 degrees the world targeted in the Paris climate accord. (There's a lot of uncertainty around predicted temperatures.)

Meeting that target will require emissions not just to stabilize but to head much lower. Whether Covid-19 lowers future emissions depends on whether it changes the path of the economy, fossil-fuel usage, or policy. In a study published in Nature Climate Change last week, a team of experts estimated that daily emissions had plummeted 17% by early April from average 2019 levels. But those reductions "are likely to be temporary as they do not reflect structural changes in the economic, transport or energy systems."

Still, global economic growth never returned to its previous path after the global financial crisis in 2008, and may not return to its pre-pandemic path, either, which would hold down emissions. The crisis has also led energy consumers to cut back faster on fossil fuels than on renewables like wind and solar power which, once installed, have no continuing fuel costs. Investment will collapse by 15% this year in coal and 32% in oil and gas, but just 10% in renewables, the International Energy Agency predicted.

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Yet significant emissions reductions require vastly more investment in low-carbon capacity and technology, and the appetite for that investment may wane in the wake of the pandemic. Carbon taxes, already a hard sell, may be even harder in a depressed post-Covid economy. Low oil prices may sap exploration for new deposits, but they will also make electric vehicles much less appealing.

"The history of climate policy is we fritter away time," said Mr. Pielke. "With the crash in the price of fossil fuels, this would be a great time for a carbon tax. With interest rates so low, it's a great time for large-scale investment in transforming energy systems. We have more time than we thought, but that doesn't matter if we don't make good use of it."

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