

# Environmentalism and Other Challenges of the Current Era

1. By Václav Klaus

I came here today as president of the free and democratic Czech Republic, a country that succeeded more than 17 years ago in getting rid of communism; a country that quite rapidly, smoothly, and without unnecessary additional costs overcame its communist heritage and transformed itself into a normally functioning European-style parliamentary democracy and market economy; a country that is an integral part of the free world, a member of NATO and of the European Union, and a good friend of the United States of America.

Everyone has a list — mostly an implicit one — of issues, problems, and challenges that he feels and considers — on the basis of his experiences, prejudices, sensitivities, preferences, and priorities — to be crucial, topical, menacing, and relevant. I will reveal at least some of the items on my own list. All are inevitably related to something that was absent during most of my life in the communist era.

What I have in mind is, of course, freedom, something that Americans value very highly, in spite of the fact that they have not experienced its nonexistence or absence personally. The experience of living under communism provides me with a special sensitivity, if not an oversensitivity, to lack of freedom.

Where do I see the main dangers to freedom at the beginning of the 21st century? I will not speak about the current headlines, and I will decline to speak about our external enemies, such as the Taliban, al-Qaeda, and Islamic fundamentalism, because I have nothing special to say or add to the issue of terrorism and I don't want to just repeat well-known arguments and facts. Suffice it to say that our ability to go ahead and eventually face external dangers depends to a large extent on our beliefs, visions, convictions, internal strength, coherence, ability to function, and so on.

I consider it more important, therefore, to speak about our internal challenges, three of which are main challenges of the current era.

## Neostatism

My first topic is connected to communism. The Czech Republic — as did all the other former communist countries — had to undergo a difficult transition. We came to understand very early on that the transition had to be homemade as it was impossible to import a system devised abroad. We also came to understand that such a fundamental change was not an exercise in applied economics but a man-made evolutionary process and that we had to find our own path, our "Czech way," toward an efficiently functioning society and economy.

Over the last 15 years, I spoke many times in the United States about the process of transition; about its nonzero costs; about its benefits, tenets, and pitfalls. Now, when it is over, we face a different problem.

We succeeded in getting rid of communism, but along with many others, we erroneously assumed that attempts to suppress freedom, and to centrally organize, mastermind, regulate, and control society and the economy, were matters of the past, an almost-forgotten relic. Unfortunately, those centralizing urges are still with us. I see more examples of such urges in

Europe and in most international organizations than in the United States, but they can be found here as well.

The reason for my concern is the emergence of new, very popular and fashionable, "isms" that again put various issues, visions, plans, and projects ahead of individual freedom and liberty. There is social-democratism, which is nothing more than a milder and softer version of communism, and there is human-rightism, which is based on the idea of mostly positive rights applicable all over the world. There are also internationalism, multiculturalism, europeism, feminism, environmentalism, and other similar ideologies.

Communism is over, but attempts to rule from above are still here, or perhaps they have merely returned.

### **Europeism**

The second main challenge that I see is connected to our experience with the European Union, but goes beyond the EU, because it is part of a broader tendency toward denationalization of nation-states and toward worldwide supranationalism and global governance.

The special sensitivity that I and many of my countrymen have makes me view many current trends in Europe rather critically. My opponents do not seem to hear my arguments. They keep rejecting the views that they don't like a priori. To understand my criticism requires knowledge of developments in the EU — its gradual metamorphosis from a community of cooperating nations to the union of nonsovereign nations — and of prevailing supranationalistic tendencies. Those developments are not well-known in the United States.

I have always been in favor of a friendly, peaceful, and mutually enriching cooperation and collaboration among European countries. However, I have many times pointed out that the move toward an ever-closer Europe, the so-called deepening of the EU, as well as rapid political integration and Europe's supranational tendencies that are not buttressed by an authentic European identity or European demos, are damaging to democracy and freedom.

Freedom and democracy — those two precious values — cannot be secured without parliamentary democracy within a clearly defined state territory. Yet that is exactly what the current European political elites and their fellow travelers are attempting to eliminate.

### **Environmentalism**

I see the third main threat to individual freedom in environmentalism. To be specific, I do understand the concerns about eventual environmental degradation, but I also see a problem in environmentalism as an ideology.

Environmentalism only pretends to deal with environmental protection. Behind their people- and nature-friendly terminology, the adherents of environmentalism make ambitious attempts to radically reorganize and change the world, human society, our behavior, and our values.

There is no doubt that it is our duty to rationally protect nature for future generations. The followers of the environmentalist ideology, however, keep presenting us with various catastrophic scenarios with the intention of persuading us to implement their ideas. That is not only unfair but also extremely dangerous. Even more dangerous, in my view, is the quasi-scientific guise that their oft-refuted forecasts have taken on.

What are the beliefs and assumptions that form the basis of the environmentalist ideology?

Disbelief in the power of the invisible hand of the free market and a belief in the omnipotence of state dirigisme.

Disregard for the role of important and powerful economic mechanisms and institutions, primarily those of property rights and prices, in an effective protection of nature.

Misunderstanding of the meaning of resources and of the difference between potential natural resources and real ones that can be used in the economy. Malthusian pessimism over technical progress.

Belief in the dominance of externalities in human activities.

Promotion of the so-called precautionary principle, which maximizes risk aversion without paying attention to the costs.

Underestimation of long-term income growth and welfare improvements, which results in a fundamental shift of demand toward environmental protection and is demonstrated by the so-called environmental Kuznets Curve.

Erroneous discounting of the future, demonstrated so clearly by the highly publicized Stern Report a few months ago.

All of those beliefs and assumptions are associated with social sciences, not with natural sciences. That is why environmentalism — unlike scientific ecology — does not belong to the natural sciences and can be classified as an ideology. That fact is, however, not understood by the average person and by numerous politicians.

The hypothesis of global warming and the role of humanity in that process is the last and, to this day, the most powerful embodiment of the environmental ideology. It has brought many important "advantages" to the environmentalists:

An empirical analysis of the global warming phenomenon is very complicated because of the complexity of the global climate and the mix of various long-, medium-, and short-term trends and causes.

Environmentalists' argumentation is based not on simple empirical measurements or laboratory experiments but on sophisticated model experiments working with a range of ill-founded assumptions that are usually hidden and not sufficiently understood.

The opponents of the global warming hypothesis have to accept the fact that in this case we are in a world pervaded by externalities.

People tend to notice and remember only extraordinary climate phenomena, not normal developments and slow long-term trends and processes.

It is not my intention here to present arguments for the refutation of that hypothesis. What I find much more important is to protest against the efforts of the environmentalists to manipulate people. Their recommendations would take us back into the era of statism and restricted freedom. It is therefore our task to draw a clear line and differentiate between ideological environmentalism and scientific ecology.

*Václav Klaus is president of the Czech Republic. This essay is based on a speech he delivered at the Cato Institute on March 9, 2007.*