

THE PRESIDENTIAL INBOX

Coordinate Climate Strategy Through an *Institute for Climate Disaster Resilience*

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Topline

The federal government has taken an ad hoc approach to the management of climate disasters, underestimated the fiscal risk exposure and failed to account for projected catastrophic damages in the years and decades to come. Without clear executive leadership, the US will not have a coherent approach to managing this problem and the result will be the loss of thousands of lives, the destruction of houses, schools, hospitals, office buildings, infrastructure, crops and natural resources, and overwhelming fiscal and economic costs. The President should lead a comprehensive strategy coordinated by a new **Institute for Climate Disaster Resilience**, reporting directly to the White House and authorized to guide all aspects of the federal response to climate threats.

The Presidential Inbox is an ongoing series examining the international challenges that will face the next presidential administration and providing concrete recommendations for presidential action.

The Problem

Hurricanes, wildfires, droughts, floods, rising sea levels, and extreme weather events are happening now and will grow in frequency, intensity, and scope. In 2018 alone, 14 separate billion-dollar weather and climate related disasters took a toll across the US with a price tag of \$91 billion. Yet global energy use is expected to grow 28% by 2040 and 75% of it will still be fossil fuels; it is no longer possible to decarbonize the global economy fast enough to avoid some consequences of climate change. While this underscores the imperative to develop clean fuels and decarbonize the economy, it also suggests that our current policy responses for disaster preparedness are inadequate for the resulting crisis. Climate change is nonlinear, meaning the past will no longer be a reliable guide to future costs. Instead, analytical projections will be essential to matching the scale of federal response to the projected threat. This task will be complicated by varying impact on different regions and localities. As the trend becomes clearer, sudden disasters can no longer be depicted as surprises; Presidential foresight and leadership will be vital for the security, safety, and well-being of the American people. With such vision, America has the potential and power to lead the world in climate resilience strategies and actions.

Essential Context

The most recent report of the Intergovernmental Panel on Climate Change prioritized climate resilience and adaptation on par with climate mitigation, concluding that efforts to decarbonize the economy must be combined with strategies to address climate impacts that are already in evidence. Resilience is the ability to prepare and plan for, absorb, recover from, and more successfully adapt to adverse events and this new paradigm for planning, risk management, funding, and implementation will require farsighted leadership. Finance, commerce, insurance, infrastructure, natural capital, and a broadened perspective of national security will need to be aligned to meet these challenges.

The plans and programs of the last century fall far short of what is needed today:

- **Federal agencies are swamped.** The National Flood Insurance Program is over \$21 billion in debt to the US Treasury because the damage caused by climate related disasters has overwhelmed the anticipated claims. The Federal Crop Insurance Corporation is expected to pay out \$8 billion annually between 2019 and 2029. The Federal Emergency Management Agency has been stretched to the breaking point.
- **The problems they face are accelerating.** Infrastructure on the Atlantic coast has been inundated by unexpected surges of sea water from powerful hurricanes. Five hundred year and thousand- year floods are occurring over time spans of only a few years, destroying crops and farmlands. Fires have lit up the northwest US and droughts have hit the southwest. The range of climate-related disasters is threatening 650 million acres under management by the US government.
- **DOD will face real challenges.** Military installations such as Tyndall Air Force Base and Camp Lejeune, which sustained \$3 billion and \$3.6 billion in damages respectively, are vulnerable to climate disasters. Norfolk Naval base, the world's largest, is being slowly inundated by the Atlantic Ocean.

The current US budget and planning process does not adequately account for these fiscal impacts.

US government is not organized to deal with the complexity and cross- cutting nature of this challenge. There is no single government entity with the capacity to know what every department, agency, institute, center, and other entity of the administrative state is doing on climate resilience. Nor is there a federal entity with the power to coordinate those actions. The US General Accounting Office has repeatedly documented that the whole realm of climate resilience planning and implementation as one of the policy arenas most in need of transformation, highlighting the need for a new entity with overarching authority to avoid duplication, overlapping jurisdiction, and fragmentation.

Policy Recommendations

- **Create an Institute for Climate Resilience** to lead the entire federal government with climate resilience as its primary and sole obligation – by executive order if possible or legislation if necessary. Such an Institute would report directly to the White House Office of Management and Budget and the White House Office of Science and Technology. The Institute would not only coordinate across the federal government, but would also review plans, policies, investments, and final implementation strategies to effectively build a coherent and comprehensive approach to address the climate related disasters.
- **Seek the advice of the Joint Chiefs of Staff** regarding ways that the US military branches could best support pre-disaster prevention and preparation activities that would reduce the loss of life, property damage, and economic disruption. The White House should determine whether new orders or legislation are needed to broaden the definition of national security to include actions on climate resilience within the borders of the US and what funding levels would be needed to support pre- disaster activities to reduce costs post-disaster.
- **Work with the American Society for Civil Engineers** and the leading climate modelling organizations to ensure infrastructure plans meet the climate threat level. The president should require that any infrastructure program he signs into law complete a full life cycle analysis that includes climate resilience for the lifetime of the infrastructure's use.
- **Recommend new climate resilient building standards**, building codes, elevated housing, and other implementation steps through NIST. The National Institute for Building Sciences has shown that \$11 is saved for every \$1 invested in climate resilience for buildings.
- **Share plans, tools, and strategies for climate resilience with other countries**, particularly the emerging and developing countries who will often lack the resources to bounce back better. The administration should offer other resources of the US, such as unclassified maps and geospatial data, to leaders who need information to adequately respond to the climate crisis and integrate climate resilience into the new and innovative International Finance Development Corporation's investments and grants.
- **Give direction and leadership to the necessary establishment stakeholders.** Given the budget constraints, the President should call on the financial sector and convene institutional investors to encourage the inclusion of climate resilience within their Environment, Social, and Governance criteria for investment. The President should convene the investment banks to explore how to create green, climate resilient bonds that can be accessible and affordable to cities and states. The President should convene insurance and reinsurance companies to explore ways to supplement the NFIP, with goals to expand coverage to individuals and communities suddenly exposed to the new risks of climate change and offer new products to those who can afford more coverage than NFIP can or should cover.