Positive Tipping Points: Navigating Climate Instability

Guest Speaker **LAURIE LAYBOURN**

"We are now in a very severe mess, but that doesn't mean we are completely doomed, it means we need to navigate this storm with focus, strategy, and maturity."

Nik Gowing
Welcome to the Thinking the Unthinkable podcast, our latest leadership conversation. Hello, I'm Nik Gowing. Well, here at Thinking the Unthinkable, we encourage everyone, especially leaders, to develop new mind muscle so they defy orthodoxy, they think more boldly, they plan more boldly, and consider options that previously they would never have dared to consider. What we'll share with you now is how the vision is still far too limited.

Joining me is Laurie Laybourn, Executive Director of the Strategic Climate Risks Initiative. The SCRI is a think-do tank. It develops capabilities for securing a stable world, even as complex environmental-driven risks escalate. The SCRI's vision is sobering. It goes well beyond the current comfort zones of analysis.

Quote, "we're now experiencing the unthinkable and we're not adequately equipped". That's the SCRI's view. These are... national security blind spots as they put it. Well Laurie, a very warm welcome. We're not adequately equipped. Why do you say that?

Laurie Laybourn
I say it because we're in what I would call a new climate reality, a next chapter of this climate and nature crisis. The previous one, the one that we are very used to hearing on the news around the world, is a chapter that was largely occurring around 1 to 1.5 degrees of global heating. We are now headed over 1.5 degrees.

And what comes with it are global scale risks, highly complex, highly uncertain risks. The planet is being catapulted into a condition we have never lived in before and we don't have the ways of running societies and even thinking about this because we've never been in it before. And that fundamentally is the challenge that we face now.

Nik Gowing
Now you've got a fantastic way of describing this now in your new thinking, calling it a derailment risk concept. Derailment of what? From what?

Laurie Laybourn
So the derailment of climate action by climate change itself. So often when we talk about climate change, we talk about how we need to act to then solve the problem of climate change. But we

very rarely talk about how the problem of climate change could impact our ability to act. And my concern is that as the consequences of climate change get worse, they could create conditions that get in the way of our ability to deal with climate change.

Imagine a situation like if a tap has been running all night and the floor of a room is flooded and you are bound up, mopping the floor, too busy to do that, to turn off the tap. And it's that kind of derailment, the pushing of our efforts off a viable path to avoiding the worst that derailment is talking about.

Nik Gowing
Because you talk about the worsening consequences of climate change could get in the way of dealing with the causes of climate change.

Laurie Laybourn
Yes. So and we are starting to see some examples of this happening in recent years. In some ways the action to deal with climate change has already led to consequences that have derailed us slightly. So the fear of lost profits has been driving certain vested interests to manipulate science to try and push politics away from acting on climate change.

That's one type of derailment dynamic that we're all probably familiar with. My concern is now we are starting to see evidence where a different factor is driving derailment and that's the impacts of climate change itself. An example of this is in frontline countries, particularly in the global south, they are experiencing worst in climate impacts. We know this, but what that is leading is to two ways in which they've got much less resource to then act on climate change. So those disasters need to be mopped up. That costs a lot of money.

At the same time, more disasters are affecting the credit rating of countries that already in a lot of debt. Both of those factors mean that there is less money to go around in those countries, which means less money to spend on adapting to climate change and trying to deal with its causes, which then means worse disasters come, which are more costly. So there's less money to spend on dealing with climate change and you get stuck in this vicious cycle.

Nik Gowing
Because you talk about it as a landscape of escalation. You talk about issues that affect all of us, whether we're in the East, West, North or South, about inflation, about food availability and so on. In other words, an escalation.

Laurie Laybourn
Exactly. So our one of the features of this new climate reality, the phrase I mentioned just earlier, is that we're going to we're going up what is a nonlinear curve of change. Now, let me explain what I mean by that. In December 2019, January 2020, February 2020, we were going up the beginnings of a very rapid exponential curve of viral outbreak with Covid-19, the beginning of an exponential feels quite leisurely. The pace of change doesn't feel that great. With climate change in recent years, over

the last couple of decades, a couple of decades that in many ways forged the narratives we have around climate change now, was the beginning of what will probably be an exponential rise in climate impacts. We are now starting to go up that more exponential curve.

Like we began with Covid to go up as we headed into January, February and March 2020. And signs of that include heat events across the world escalating far quicker and far more severely even than the models predicted that they would. So this is part of a whole, as I say, landscape of escalation of ways in which climate change is going from this thing that we thought might be evolving slowly and a problem for grandchildren, to something far more quicker, more severe and non-linear.

Nik Gowing
Do you think this is really recognized? Do you think that this can be accelerated out of it? And it's one of your key words from some of your work, an accelerator. The reason I ask that is that the recent, the new national security strategy here in the UK barely has a mention of climate threats to stability, even on an issue of national security, a real blind spot, you call it. Why is this blind spot there when all of what you're saying is so obvious?

Laurie Laybourn
There is a real problem with how key institutions in society risk assess this problem. This problem of climate change and the problem specifically of its consequences becoming non-linear. There are number of complex reasons for this. I'll give you a couple. One is that there is a cultural clash, misunderstanding sometimes between risk assessors in government and other key institutions and scientists.

Scientists want to only report things that they are utterly confident about. Whereas a risk assessor needs to hear about everything, even if we have low confidence in it, because if it is a plausible threat, then we need to make sure we're assessing and managing those risks, right? It matters less if you predict Pearl Harbor and it doesn't happen than if you fail predict it and it does happen. So there's a cultural tension sometimes between how science thinks about uncertainty and how government and risk assessment thinks about uncertainty.

Uncertainty is a critical quantity of a climate system gone haywire. Another problem, the second example I'll give you, is that a lot of the risk assessments to understand the impacts of climate change rely on some not particularly good economic analysis, which has used too many simplistic assumptions in trying to tackle the very complex question of how badly will climate change impact our economies?

And so far, that economics has given us some very benign and misleading results. And we find ourselves in a situation where, for example, major pension funds around the world think that a four degree temperature rise, which is essentially biophysically catastrophic, we're not growing food in that world, will only lead pension annual returns to be reduced by about 1%. So there are a whole barrel of are the reasons why this risk assessment isn't working and it is a common feature of many institutions, though that is starting to change.

Nik Gowing
But let me be clear, mean, you are very clear about what you see and it's pretty doom laden. I have to say I subscribe and our work subscribes exactly to the kind of thing you're saying, but I'm asking the question of when it comes to leaders and orthodoxy, is this about deniability or is it about complacency? Is it about a selective blindness to the reality of the enormity of what's happening?

Laurie Laybourn
I mean, I think there is a bunch of well-meaning misunderstanding and, as you say, complacency. For example, I'll give you another example. One of the features of our new climate reality is that we now have to remove vast quantities of carbon from the atmosphere to draw it back down, to clean up the mess.

And that has... ended up being dumped on the laps year after year for a number of reasons, one of which is that our climate models have used an assumption that we will suck it down in the future to be able to square the circle of whether we could still stay under 1.5 degrees. All that is very complex. If you're a decision maker, you don't have the time, you don't have the expertise, you maybe aren't even alerted to these kind of complexities. So there's a well-meaning complacency there.

But there is also manipulation. So to continue with this example of carbon removals, it has been a very useful foil for certain vested interests, particularly fossil fuel companies, who the alternative to the promise that we'll just clean up the mess later is that they would have to lose profits because we would have to change society to reduce emissions now instead of relying on technologies to draw it down later. So it's a complex mix of these kind of things.

And right now, as this new climate reality begins to emerge, as we go over 1.5 degrees, we have to break through that complacency and understand that we are in a very severe mess. But it doesn't mean a binary outcome of we're either completely doomed or technology will miraculously save us. We're in a much more difficult position now and that requires maturity in facing up to it.

Nik Gowing
But you do say that it's drawing away our attention, drawing away our attention, our money, our focus, our political energy from being able to decarbonize. In other words, a massive distraction.

Laurie Laybourn
Yeah, and this is at the heart of why we have developed this concept of derailment risk because we think going forward, one of the, if not the greatest strategic risk facing societies is that in a dramatically climate changed world and all of the chaos that comes with it, resources, money, time, political attention, our emotional energy and so on, will be drawn away in dealing rightly, understandably, with that chaos.

And in the process, it means that we will not accelerate carbon emissions reductions as we need to. And that is a recipe for true catastrophe because it means, like my analogy of not being able to turn

off the tap because you're too busy mopping the floor, it ultimately means you're overcome because the underlying problem gets to a truly critical point.

Nik Gowing
Now let me try another avenue because you've likened where we're heading to be on a ship that is heading towards a storm that is known to be out there. It's confirmed by the radar. The captain steers away to avoid it, but nothing like enough. What is the meaning of this metaphor? In other words, if the captain is on this ship that you're talking about, how much more steering away from the storm has to be done?

Laurie Laybourn
Well, I think this is way that helps us understand what needs to be done next, right? So the analogy here is that I think the way we talk about climate change and in many ways the way we develop and try and execute policies on climate change is akin to a ship, which we could say represents the world or a given country or company headed towards a storm, which represents, you know, the climate crisis. Maybe the storm represents going over 1.5 degrees.

And the way we talk about climate change is that we have to get everyone else on the ship to realize there is this storm on the horizon, that there's this climate crisis. And then we work together to change the bearing of the ship, to change the development trajectory of societies. And then we will steer around and all will be well. And we have done some of that globally. The bearing, as it were, has been changed. We've had astonishing progress with renewables. Solar is now the cheapest electricity in history.

But the bearing wasn't changed enough and in some ways the ship has accelerated towards the storm and we are now in it globally and what's been happening recently, not just in the most frontline communities but around the world, is a sign that we're now in the storm. And when you're in the storm it requires a different sailing strategy and this analogy helps us understand the kind of things that we will now need to do to navigate within the storm which then gives us a chance to ultimately get out of it.

Nik Gowing
Are you saying that the instinct, Laurie, is to meander, to prevaricate rather than to head in the direction that is absolutely clear and dictated by the conditions that are emerging?

Laurie Laybourn
So I think there has been a tendency to meander. There is a tendency to meander before entering the storm, because if you're complacent and if you don't fully appreciate the threat within the storm, then you're not going to be so serious about sailing around, right? And I think we've definitely seen that in the case of climate change.

When you then enter the storm itself, which I think will become more apparent to us globally in the coming years with climate change, then suddenly things reach a different tenor and you suddenly

realize that you should have been thinking far more about how robust the boat was, how adapted in our case societies are to climate change. You've then got to have very good radar on the ship. You've got to have really good climate risk assessments because radar before you've entered the storm can be low resolution.

It just needs to pick up the existence of the storm. When you're in it, you need to know what is around you so you can know what is unmanageable and you must avoid and also identify what might be unavoidable and must be better managed. And the list goes on and on and on of the types of capabilities that aren't that important in fair weather sailing. But when you are in a storm, they then become very important. And the same type of thing is happening with societies and climate change now.

Nik Gowing
What about the OMG moments, the my god moments, which are looming at the moment because you're very specific about this and very clear about it. Generalized social and economic stability, for example, uninsurability, less money for adaptation and mitigation, as you put it, a vicious circle. People can't even raise money. In other words, the way we run society is under threat. Is that as far as you would go?

Laurie Laybourn
Yeah, definitely. mean, you can't be in a situation where you hear board members of some of the major insurance organizations like Allianz running around saying there is a critical threat to insurability, which itself is a critical threat to our global economic system, to use a very big word, to capitalism, because insurance is the kind of secret grease, right?

The invisible grease that lubricates our entire economic life and by extension therefore so much that makes up society. we are going to see all of these things being fundamentally destabilised. We already are, to be honest. These people are not saying this because they're worried about what comes next, they are partly. They're saying it because what is already happening with uninsurability crises beginning to emerge in different places across the world, in particular when it comes to real estate in parts of the US driven by a change in fire weather.

And also a change in sea levels and flooding risk and so on and so forth. And that is already being reflected in higher premia around the world and other spillover knock-on effects. So this is inevitable. We have to face that this generalized instability is only going to accelerate, but we have to get away from our predilection for binary ways of thinking about that. my goodness, that means we're doomed.

Or, let's not talk about it because we need to be positive to solve it. Those binaries work if you're sailing, if you're not yet in a storm as a sailor to continue to use my analogy. It does look like a win-lose situation. When you're in a storm, the binaries need to go out the window and you need to be focused on the much harder grind of navigating amongst the instability.

Nik Gowing
Laurie, we're into the last couple of minutes, but let's try and be positive as we try to always be on Thinking the Unthinkable. Your analysis is important and there are many who are pretty positive. I've got here the subject of your work, which is currently underway at Exeter University on tipping points, on positive tipping points, the work led by Professor Tim Lenton, which has had a remarkable traction. Positive tipping points. A lot can be achieved by a very small number of people with vision.

Give us a quick summary of what is achievable and why we shouldn't be too distressed by the kind of analysis that you have.

Laurie Laybourn
So, yeah, I mean, I am one of the most positive people I know. what was needed for me, I felt very downhearted about the state of climate change when I was not allowed or was not in a position to professionally focus on the true scale of what we might soon navigate through.

There is in my home country, the UK, on the government website, there is a page in which you can type in your birthday, and it will tell you when you're supposed to retire. And I'm supposed to retire at the very end of the 2050s. So all of these environmental goals, net zero by 2050 and so on, are supposed to be achieved within my career. And then I've got a number of years before I retire and then hopefully enjoy the rest of my life. That really helped sharpen to me an understanding that I needed to know what the conditions were going to be in which we try to navigate these rapid transitions.

Nik Gowing
But Tim talks very clearly about positive tipping points, in other words, tipping points which can tip in a positive, not negative way.

Laurie Laybourn
Yeah, 100% and they have already tipped. We've already seen a tipping point in the rollout in solar technology. I mentioned that earlier that reached a critical point in which it became cheaper than other things. And now you can go down and buy a solar battery pack for less than a price of coffee in some countries. And we've seen the beginnings of tipping points in electric vehicles. We've seen tipping points in campaigning.

History is riddled with amazing instances, some of which are related in Tim's book about how positive change can be triggered by a very small number of people. The question now is how among generalized conditions of instability we can trigger even more of those things. And if you look back through history, you have to realize that some of the biggest, most positive tipping points that we have ever seen have come during conditions of massive instability and conflict.

What we need to do now is be less shy, less timid, less scared about facing up to the type of instability that now is to come and actually then start facing it and working out which positive

tipping points would be well served, that are well set up to be triggered under those worrying conditions.

Nik Gowing
Laurie, our last 30 seconds, your main take-off message because you talk about an accelerator being needed that creates a broad mass movement. What do mean by that?

Laurie Laybourn
Well, so for me, the critical thing now is that we get over this binary construction of how we think about climate change as there is negative news and then there is the positive news that there is the scary stuff we talk about and then there is the bedtime story we tell ourselves to tuck us up into bed at night. That's not sufficient. Think back to Covid. I mentioned this earlier. In February, it felt at least for us in the UK, we'd not yet experienced the full force of the pandemic at that point. In February 2020,

It felt like there's this negative thing, but let's not dwell on it too much. When it then came upon us, we entered a different mindset, a mindset more of navigating the instability and the complexity of it, right? No one was saying, my goodness, are we going to win? Are we going to lose? we talking too negatively? Let's talk positively. It then became a mindset of focus on navigating through it. That is now what we need. We are now in the storm and we've got to become storm sailors, and no longer, because we're no longer fair weather sailors and that is the shift that we need with climate change now.

Nik Gowing
Wow, thanks, Laurie. That's enormously great. Enormously revealing about the dilemmas we now face. Thank you so much for joining us. And you can reference everything that Laurie has been saying us and has just given us because there'll be a transcript of the podcast. It's posted in parallel on our website, along with contact details for us.

And of course, Laurie, at the Strategic Climate Risk Initiative. Do please join us when we next have our conversation about thinking unthinkables. We want to keep moving all of this forward, particularly in a positive way.

Subscribe to our YouTube channel where you'll find all our podcasts very much in the same vein of frankness From me Nik Gowing until the next time keep thinking unthinkables more than ever. It's both possible and necessary So from Laurie and from me. Bye.