

Climate-Change Colonialism Keeps Poor Countries Impoverished

Development agencies fund green projects when people need jobs, food and energy.

By Bjorn Lomborg

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People wait in to refill donkey-drawn water tanks in Sudan, April 9. Photo: AFP/Getty Images

At the latest United Nations climate summit, developing nations slammed rich countries' pledge to spend \$300 billion annually on climate reparations as "crumbs." The reality is much worse. Wealthy nations likely won't conjure up \$300 billion in new spending. Europe has been roiled by protests against radical climate policies and the 2024 U.S. election was an indictment of, among other things, aggressive climate regulations. Instead, wealthy nations will do what they've done before: raid development funds to the detriment of the people they claim to help.

Members of the Organization for Economic Cooperation and Development currently [spend \\$223.7 billion](#) a year trying to do good in poor countries through bilateral and multilateral aid and development spending. It is politically much easier for politicians intent on green spending to shift this money to climate purposes than try to get voters to go along with fresh outlays. Rich nations have diverted much of this funding to climate-change initiatives. OECD members spent [one-third](#) of their direct development aid on climate in fiscal 2021-22, the most recent year for which data are available. Development banks have twisted their purpose even further: The World Bank last year [sent 44% of its lending](#) to climate causes, [the African Development Bank 55%](#) and the European Investment Bank [60%](#).

This charade needs to stop. As part of President-elect Trump's reforms to wasteful government, he should return development aid to policies that make a real difference.

Advocates of green aid are right that climate change will hurt poor countries, but almost every other challenge these nations face—from hunger and poverty to disease and poor education—hurts them more. Typically, climate aid is the worst way to improve quality of life or prevent deaths. Some adaptations to extreme weather are prudent. Early-warning systems for hurricanes and dikes [can deliver](#) excellent benefits for each dollar spent. But most climate aid does little to help the developing world. What feeble returns it does bring are dwarfed by the good that could have been done if governments spent that money on direct development efforts such as expanding childhood vaccines or improving crops.

This is especially true for climate aid that goes toward emission cuts. The very poorest countries in the world are responsible for [less than 0.5%](#) of emissions. They don't need decarbonization. They need growth, which requires access to copious, reliable energy. Given solar and wind power's unreliability—and consequent reliance on expensive backup power—this will mostly have to come from fossil fuels. Denying these countries access to cheap and reliable energy is equivalent to condemning them to poverty.

Perversely, multilateral development banks spend two-thirds of their climate financing—a massive \$50 billion a year—on “mitigation” policies, helping poor countries cut carbon emissions and pushing them only to adopt unreliable power sources.

When people need jobs and food, it is immoral to give them solar panels instead. Poverty kills nearly 10 million people annually through related problems such as infectious diseases and hunger. By comparison, the climate-change toll is tiny. Extreme weather took an average of 9,000 lives each year over the past decade. There are [many core development priorities](#) wealthy nations could fund that would quickly and efficiently save lives and create economic growth. These include reducing the scourges of malaria and tuberculosis, improving learning outcomes and cutting maternal and neonatal deaths. Carbon mitigation in poorer countries, on the other hand, will generate only a minuscule temperature reduction about a century from now.

This is assuming the money actually makes it to climate aid—much of it is poorly tracked by distributing bodies. The U.S. Office of the Inspector General [has criticized](#) USAID for having insufficient data on where its climate aid goes. Analysis by Oxfam suggests that as much as [\\$41 billion](#) of the World Bank’s climate financing from 2017 to 2023 can’t be accounted for.

Data show poorer countries want the development industry to end its distraction with green policy. A large survey of leaders’ priorities in low- and middle-income countries ranked climate change [12th out of 16 issues](#), below education, employment, peace and health. In 2020 and 2021, the World Bank completed 43 surveys of people in its client countries. [Less than 6%](#) listed climate change as a top priority. Yet, in 2023 the World Bank [boasted](#) about adding climate change to its mission to end poverty.

When he enters office, Mr. Trump can do a lot of good for the world’s most vulnerable if he refocuses development spending on smart investments with good returns and accounts for spending closely. Otherwise, poorer nations will suffer under a sort of climate colonialism as elites in Washington and Europe take money away from the fight against poverty and hunger to build their climate delusions.

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