

INSIDE

Protocol without US	2
Renewable agenda	3-4
Canada plan	5
Intense pretence	6
Gelbspan fuming	6

By all means call everyone else in the world a communist riddled by class envy, but at least tell us why CO₂ isn't important, or what you're going to do when Florida disappears under water, or when fossil fuels run out. All the Bush apologists seem to think this is an anti-US issue. Wrong. It's an anti-moron, anti-selfishness issue from educated, well-travelled people with knowledge of the world at large, who quite like trees, clean water and the coastlines we've got at the moment. Not people who will submerge several dozen south sea islands to help their dad's mate.

—Martin Smith, UK

With US already contributing to 25 per cent of the CO₂ being dumped into the global blanket of air, Bush's plan is to make this number even higher. He very well could be the US president who brings about the end of the world civilisation as we presently know it.

— Alan Hanscom, Massachusetts, USA

What Bush and Cheney are unleashing on the US public at large today is an insult to every US citizen, and an arrogant thumbing of the nose to the rest of the world that must breathe our polluted air and bask in our warming globe.

— Phil, USA

Everyone knows that Bush is paying off his political debts. Never mind the environment. Never mind the inflated energy costs. Never mind the resulting bankruptcies. That's the price that we have to pay for his career.

— Michael, California, USA
http://news.bbc.co.uk/hi/talking_point
as viewed on October 25, 2002

We are all environmental criminals. But there must be a new category for the United States. I would like to see an international justice system that would recognise this crime.

— Patrina Dumar, Fiji

The Centre for Science and Environment is a non-profit organisation committed to advocating for a better future.



EQUAL RIGHTS TO THE ATMOSPHERE

EQUITY WATCH

SPECIAL EDITION #2

UNFCCC / CoP-8

NEW DELHI

OCTOBER 25, 2002

POOP of the world

Two days into the climate conference, and the US is out to inflame. Yesterday, US representatives declared that the world will hereafter be divided into two: those who agree with them on climate change, and those who do not. Countries that believe in multilateralism, and countries that opt for US bilateralism and voluntary action. With us, or against us.

Should we be surprised? Not at all. We are all acquainted with US foreign policy these days — multilateralism bad, bilateralism good. At the World Summit on Sustainable Development (WSSD), the US lambasted the multilateral WSSD process and beatified bilateral, voluntary partnerships. As a US senator pointed out, multilateralism is nothing but an obstacle in the way of the world's superpower. Who needs somebody else to decide what's fair and foul when you are rich and powerful?

The divide and rule policy goes deeper. Two press briefings held in two days emphasised that several countries had entered into bilateral agreements with the US. In case countries were ratifying the protocol in the hope of shaming the US into taking action some day, chief honcho Harlan Watson announced that the US will *not* take on cuts even post-Kyoto. (Very presumptuous, Mr Watson. As one EU delegate said, there will probably be a new government in the US by then!)

Finally, in case the countries were joining the protocol under the mistaken impression that it would work, US delegates were heard telling the media that it

remained to be seen if the protocol would ever come into effect, or whether countries would meet their commitments.

Developing countries delegates — beware. It is easy to be taken in with promises of bilateral aid, and make seemingly innocuous commitments in bilateral agreements. There is far too much at stake here. To further their interests, smaller, poorer countries don't have aid to bribe and trade muscle to threaten countries.

Instead, find a way to make the world's biggest polluter accountable for

its actions. No developing country would have gotten away with the kind of arrogance that the US is displaying — they would have been hit with trade sanctions even before they knew what was happening. Waiting for another government to be elected in the US may seem like a pragmatic strategy, but it does not give the world community a mechanism to make rich countries equally accountable for their actions.

Idealism may be old fashioned, but we do all want to live in a world where all countries are equally accountable. ■



RUSTAM VANIA

ALL SAID AND DONE

SUNITA NARAIN



This Hobson can choose

The head of the US delegation, Harlan Watson, has made it clear that his country will happily pollute the global atmosphere. He said openly that his country, under no circumstances, would agree to take on legally binding commitments to cut greenhouse gas emissions. So much for climate change, which scientists now say is getting real and worse.

This is not news. Because US President George Bush had already said that the US way of life is not negotiable and rejected the Kyoto Protocol.

What is news is that the US has made it clear that not only will it reject the Kyoto Protocol in the first commitment period (2008-2012), but also that it would reject the protocol for ever more. The US always had a problem with the protocol. But what began as a sulk has ended in a 'over my dead body' kind of approach.

US chief negotiator Harlan Watson also added a 'in with us, or out' clause, the first time something like this has happened in climate negotiations. He then went on to sweetly offer poison to the developing countries, saying that his country accepted their 'right to development'. The US, he said taking the high moral ground, would never ask developing countries to take on commitments to reduce emissions. Incredible. I thought corruption was a game only our politicians were good at.

I am appalled. As, I am sure, are you. The choice that the world's most powerful nation is offering us is no choice. It leads straight to hell. We are the victims in this dirty business. We have to remember that we have no choice but to demand an *effective* climate convention. Climate change leaves poor people, living at the very margins of survival, even more vulnerable. Given our poverty, it is in our interest to reduce the impacts of climate change.

There is an interesting pincer movement afoot. On one side is the US — biggest polluter of the world, offering the developing countries a chance to join the sooty game of emitting and creating wealth. On the other are countries — I have the European Union and Japan in mind — which have decided to take on legally binding commitments to reduce emissions. These countries believe they have now done their bit, and would like developing countries — particularly the more advanced developing countries like India, China and Brazil — to take on cuts. Even though we all know these countries need the ecological space to grow. Talk about a Hobson's choice for the world's poor nations. Damned if you do. Damned if you don't.

Could it be that the US negotiator has done us a favour? I think so. I do, really. It is now clear that we should not wait for the US to re-engage. Instead we need to deal with this renegade nation. The problem is not merely a recalcitrant bully nation. The problem is about global democracy and how it will function, or not, in a situation where the most powerful lawmaker has turned law-breaker. The world has moved towards a rule-based system of global governance, where nations agree to take on legally binding commitments based on lengthy discussions, consensus building, and voting. But in this body of law, as with law-making in any civilised nation, the standard of justice depends on the equality of power to restrain the strong from doing what they have the power to do, and enable the weak to refuse what they don't have to accept. This is the challenge we face.

It is going to be more difficult to craft a world in which the rich and powerful are disciplined. But it is definitely possible. I suggest the following:

Firstly, build a strong regime of climate cooperation in which non-members such as the US are not allowed to even trade among parties, a kind of 'players-only' club. The Montreal Protocol (created to protect Earth's ozone layer) is proof this can be done. Secondly, the climate compact needs cooperation between rich and poor, and fairness and good faith. This will be possible if the world agrees to give developing countries their fair share — equal rights to the atmosphere — so creating a strong and durable basis for trust and cooperation. Thirdly, and this I think is vital, we must seek damages from the US as compensation for its wilful and deliberate inaction, which today threatens the lives of millions.

All this will take guts and gumption. Qualities our leaders singularly lack when dealing with a nation with unprecedented — and unequalled — strength and influence in the world. But it is time we told them clearly that this time they have no choice. We are not giving them one.

Under the protocol, industrialised countries pledged to reduce their emissions by an average of 5.2 per cent below 1990 levels. With the US out of the process, it is no longer possible to meet this average reduction target.

According to the National Institute of Public Health and Environmental Protection (RIVM), the Netherlands, if the Marrakech Accords are implemented without the US, the carbon dioxide equivalent emissions of industrialised countries in 2010 will actually increase by 1.7 per cent compared to 1990 levels. This calculation includes emission reductions through domestic policies, emission trading, joint implementation and clean development mechanism; sinks are not considered an abatement effort. With the US out of the process, even if sinks are included, emission reduction in industrialised countries is 3.6 per cent below 1990 levels.

The bargaining power of key

of carbon dioxide).

Another study by Bjart Holtmark and Cathrine Hagem projects similar figures. It says that international permit prices will fall by about one-third of what it would have been if the US were in the loop (US \$15 per tonne of carbon dioxide).

A lower price means industrialised countries can meet a large part of their commitments by buying cheap 'hot air', thus reducing the cost of complying to the protocol. But since permits from international emission trading can be banked for future use, the price may not dip very low and the cost of mitigation may not decrease by a great extent.

So, no money for green R&D

According to Barbara Buchner, Carlo Carraro and Igor Cersosimo, the US withdrawal will have a negative effect on research and development (R&D) undertaken in industrialised countries, especially in the US itself. They predict

They aren't in. So?



countries, like Japan, Russia and Canada, has increased. This enabled countries to obtain important concessions at CoP-7, further reducing the environmental effectiveness of the protocol. For instance, Russia got away with an extra amount of credits for forest management activities at Marrakech.

So, cheaper 'hot air'

There is a higher amount of 'hot air' available with the US exit, bringing down the price of greenhouse gas (GHG) permits. The RIVM study says that the US re-entry can potentially raise the post-Marrakech price of international permits from US \$9 per tonne of carbon (US \$2.4 per tonne of carbon dioxide) to US \$30 per tonne of carbon (US \$8 per tonne

that by 2010, R&D in the US will decrease by 9.7 per cent, because the US is no longer under pressure to meet the Kyoto obligations and reduce its emissions. Investment in R&D will, in fact, continue to decline over the years due to a lack of incentive.

The US accounted for 36 per cent of industrialised countries' carbon dioxide emissions in 1990, and was to cut its GHG emissions by 7 per cent below 1990 levels. If it had complied with the protocol, it would have had to reduce its emissions by 25–30 per cent in 2010 compared to a business-as-usual scenario. Now, not only will there be no substantial drop in emission levels, the demand for emission permits in the international market is also bound to drop sharply. ■

Renewable agenda

- ~~Survival~~ ^{luxury} emissions
 - 5.2% below 2008-2012
 - ~~10% below 2005~~
- ~~Cut emissions to 10-15% below 1990 levels by year 2000~~
 - Developing equally (if not more)
- ~~Developed countries historically responsible for enhanced greenhouse effect~~
- ~~Equity-based~~ ^{Market} policy instruments
- ~~Legally-binding~~ ^{Flexible} commitments to meet reduction targets
- ~~Expensive to reduce emissions in industrialised countries~~
 - cheap developing
- ~~Meet commitments through domestic action~~
 - quantified reduction targets flexible trading mechanisms
- ~~Renewable energy systems~~
 - ~~fossil-fuel-based~~
- ~~CDM is a compliance mechanism~~
 - carbon credit/emission credit
- ~~Cut emissions now~~
 - borrow assigned amounts from future
- ~~Factories, power generation plants, car~~
 - land-use forests grain of rice
- ~~technology-transfer Adaptation Compliance Commitment~~
 - CDM CDM CDM CDM
- ~~Principles of emission trading~~
 - modalities, rules, guidelines
- ~~Global agreement/consensus~~
 - carbon trading between individuals, companies and brokers

Early 1980s: Scientific community increasingly concerned about global warming.

1980: As the Carter administration comes to an end, a report by the President's Council on Environmental Quality concludes that "the responsibility of the carbon dioxide problem is ours, and we should accept it and act in a way that recognises our role as trustee for future generations." The Reagan administration shows little interest in accepting responsibility.

Late 1980s: European nations begin to press for concerted international action to reduce greenhouse gas emissions. The United States, first in the Reagan and then in the Bush (Sr) administrations, emphasises scientific uncertainty and unacceptable costs of domestic action.

1988: Partly in response to US calls for more scientific research before any global warming action is taken, the United Nations Environment Programme (UNEP) and the World Meteorological Organisation (WMO), in accordance with a UN General Assembly resolution, establishes the Intergovernmental Panel on Climate Change (IPCC). Its mission is to analyse the evidence on the global warming problem, and advice the international community on potential solutions.

By this time, some nations wanted to take internationally coordinated action. But the US was worried about the effect such action would

degree of confidence a cause and effect relationship to the greenhouse effect...Extreme events, such as summer heat waves and heat wave/drought occurrences in the southeast and midwest United States may be more frequent in the next decade."

Hansen's remarks spark a controversy in Congress. He is attacked by the coal and oil lobby for "jumping the gun".

January 1989: The National Academy of Sciences recommends to the president-elect (George Bush, Sr) that global warming be placed high on his agenda. It suggests that the "future welfare of human society" is at risk.

March 11, 1989: An 'environmental summit' held at The Hague, Netherlands, brings together heads of state from 17 nations. The group recommends the creation of an agency within the UN to combat global warming. The US rejects any such proposal; it dies a natural death.

November 1990: 130 nations meet at the second World Climate Conference at Geneva. The conference declaration calls for all nations to set targets or establish programmes to reduce greenhouse gas emissions. This idea — of setting specific targets — is strongly opposed by the Soviet Union and the US.

December 21, 1990: In response to strong calls for action on global warming coming most-

acknowledges that the US position was based not on a rational assessment of national interest, but the ideology and politics of a small circle of White House advisors led by chief of staff John Sununu.

Earth Summit, 1992: The UNFCCC text is tabled. US pressure ensures that the text remains a legally non-binding one.

January 1993: The Clinton administration comes into existence. A month later, president Clinton unveils an energy tax. The Senate snubs the tax. Congress, following the positions of the fossil fuel industry, resists the tax.

April 1993: Clinton announces 'voluntary' measures to curb greenhouse gas emissions. The measures are mild. They fail utterly to reduce emission levels. In fact by 2000, the US would find its greenhouse gas emissions almost 13 per cent higher than 1990 levels.

1995: The Intergovernmental Panel on Climate Change, a group created with strong support from the US to look into the science of climate change, releases an assessment report. The report concludes that there is a "discernible human influence on climate".

July 8-19, 1996, CoP-2, Geneva: Negotiators release the Geneva Declaration, which is based on a US policy statement made during the conference. The declaration calls for

lobbyists from US coal, oil and car industries, masquerading as the Global Climate Coalition, stalk the corridors of the conference, cajoling and threatening US and developing country delegates. The Protocol to the UNFCCC is signed at the last moment, despite deep misgivings from developing countries.

The US agreed to cut emissions to seven per cent below 1990 levels. It also turned the protocol into a completely 'flexible' document. It got nations to agree on a) flexibility in which gases could be counted in national targets, b) flexibility where a nation must reduce its emissions, c) flexibility in how targets might be achieved, d) flexibility in when targets need to be achieved.

At Kyoto, the US introduced concepts that would continue to plague negotiations thereafter. The negotiation process became slower, more complex and contorted.

In the US, legislators reacted angrily to the protocol. In a number of executive branch appropriations acts, Congress prohibited executive branch agencies, including the Environment Protection Agency (EPA), from working on climate issues that could be construed as 'back-door' ratification of the Protocol.

November 1998, CoP-4, Buenos Aires: The conference comes out with a two-year plan of action to resolve protocol-related issues. The EU asks for limits to the amount any nation can use emissions trading as a method to achieve national targets. The US strongly resists this proposal. It pushes for market mechanisms, such as the clean development mechanism. Not much gets done at this conference.

1999: A House appropriations bill for the EPA includes a ban on spending for any effort to implement the Kyoto agreement, including meetings and educating the public about climate issues.

December 1999, CoP-5, Bonn: No major progress on the two-year plan to work out protocol details. The US obdurately pushes for flexibility mechanisms, which continue to be the centre of controversy.

November 2000, CoP-6, The Hague: The US is unrelenting on maximum use of trading mechanisms, and for the right to use its existing forests' ability to remove carbon as a credit. The EU resists the desire of the US to have unrestricted use of protocol mechanisms. Talks break down.

January 2001: The George W Bush administration takes office.

March 2001: The US walks out of the Kyoto Protocol.

April 30, 2001: Vice President Dick Cheney gives a preview of the Bush energy strategy. "The aim here is efficiency, not austerity." He says the US needs to build as many as 1,900 power plants in the next 20 years to keep abreast of demand.

May 16, 2001: Bush releases the new US Energy Policy. Its cornerstone is increased use of fossil fuels.

July 2001, CoP-6 bis, Bonn: Attempt to maintain quorum for the protocol to come into effect. The US does not attend this conference.

September 2002, WSSD: US undermines multilateral process by emphasising bilateral and voluntary partnerships instead. Refuses to allow countries to urge others to come on board to ratify the Kyoto Protocol, resulting in awkward text in the WSSD Plan of Implementation.

Brief history of bullying

have on its domestic economy. By this time, much of the underlying science about the threat of human-induced climate change was not in question; what uncertainty remained was about the timing and magnitude of warming. It was recognised that the longer one waited, the greater could be the damage. Yet the US stressed the importance of reducing scientific uncertainty. It acted as if harm to the domestic economy, should the global warming theory be false, was of much greater concern than damage to the atmosphere.

During this time, fossil fuel interests, particularly the oil and coal lobbies, were waging intense campaigns against government action by stressing scientific uncertainty and adverse economic impacts. The views of these lobbies would turn out to be remarkably similar to the positions taken by the Reagan and Bush administrations in international negotiations.

Late summer, 1988: Presidential candidate George Bush outlines his approach to global warming when he says, "Those who think we are powerless to do anything about the greenhouse effect are forgetting about the White House effect. As president, I intend to do something about it." Subsequent events would prove this statement to be completely misleading.

June 23, 1988: US government scientist James Hansen testifies before the US Senate Energy Committee. "Global warming is now sufficiently large that we can ascribe with a high

ly out of Europe, the UN creates the Intergovernmental Negotiating Committee (INC). This body is given the task to negotiate a global warming convention.

January 1991-May 1992: Five INC meetings take place to decide on what would become the United Nations Framework Convention on Climate Change (UNFCCC).

In these talks, the US would often be isolated from the rest of the world due to the stances it took. Whereas developing countries took the position that the onus of climate change belonged to developed countries, the US wanted developing nations to accept responsibility. It resisted any proposal that would assign responsibility for greenhouse gas reductions on the basis of a nation's historical share of emissions. It was extremely reluctant to acknowledge 'differentiated responsibilities' for national obligations. It strongly resisted proposals to negotiate enforceable targets and timetables to reduce greenhouse gas emissions. On the question of funding greenhouse gas-reducing projects in developing countries, the US insisted that developed nations pay not 'full' costs, but only 'incremental' ones.

William A Nitze, head of the US delegation at the INC meetings, has given us an insider's view on the negotiations. Despite the fact that many in the government believed that holding US emissions to 1990 levels by 2000 would not harm the economy, the US strategy was to avoid committing to enforceable targets. Nitze

'legally-binding medium-term targets' to reduce emissions, to be negotiated at CoP-3 in Kyoto. It accepts the US position that nations should be allowed flexibility in applying policies and measures to achieve emission limits. The Clinton administration agrees to this approach, thus agreeing to bind the US to quantitative emission limits.

The US official response to the declaration included many controversial options. Global emission trading schemes, options to pick which greenhouse gases any nation could choose to meet their reduction targets, a liberal use of sinks and other carbon absorption methods. The US demanded participation of all nations (contrary to UNFCCC, which it had agreed to). In short, the Clinton administration introduced issues that would considerably slow down the negotiation process.

July 25, 1997: A Senate resolution introduced by senators Hagel and Byrd is passed by a vote of 95-0. The resolution suggests that the US should not sign on any agreement unless "the protocol or other agreement also mandated new specific scheduled commitments...for developing country parties within the same compliance period," or if it would "result in serious harm to the economy of the United States."

This resolution effectively repudiated those UNFCCC principles the US had agreed to in 1992.

December 1-11, 1997, CoP-3, Kyoto: Sixty

Going bilateral

Straying into dangerous territory

The US will not take on mandatory commitments. "Not today, not tomorrow, never in the first commitment period," blusters US climate change negotiator Harlan Watson. Watson is gassing the negotiation process here. But he isn't breaking any new wind. He has official mandate to say things like this, for it is now a part of US strategy to stop talking protocol and start talking bilateralism.

So what are these bilateral deals the US has been boasting about? Many of these agreements stray (or deliberately strut?) into distinctly dangerous territory: debt for nature, where developing countries commit to protect their forests. In exchange, part of their debt to the US is written off. The problem with these deals is that they often deprive communities the right to decide how to use their forests, because the donor country has paid for their protection. "Pay off your debt. Sell us a forest!" is closer to the truth.

Under the guise of bilateral deals to mitigate their greenhouse gas emissions, the US has signed several debt for nature agreements with developing countries. This was facilitated by the revival of the 1998 Tropical Forest Conservation Act (TFCA), which allows eligible countries an opportunity to reduce their debt to the US, while preserving their tropical forests.

The US approached Sri Lanka with an offer to waive the island nation's debt of US \$400 million in exchange for four tropical forests last year. The Lankan government said no. But with its back to the wall due to a deepening economic crisis, it may be forced to rethink its stand in a decision expected in November. "Issues of ownership of genetic material, intellectual property rights, local community rights and future selling of forests will all be compromised if this agreement comes through," warns Hemantha Vithanage from Environmental Foundation Limited, a Sri Lankan non-government organisation.

Other developing countries have already given in. An agreement signed under this provision with Thailand in September 19, 2001 saves Thailand US \$11.4 million in hard currency pay-

ments. In August 2001, the US and Belize concluded a debt for nature agreement to protect 23,000 acres of tropical forests, raising US \$1.3 million in private funds. Another agreement was signed with El Salvador in July 2001, reducing the country's official debt by US \$3 million.

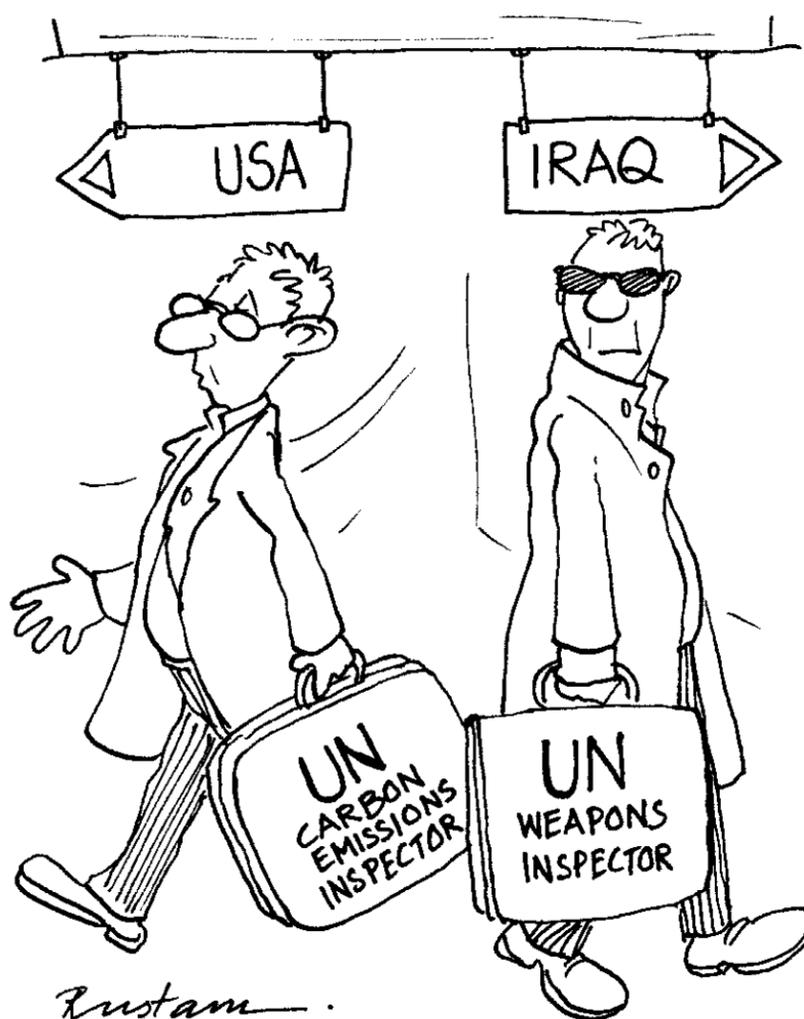
Energy deals have also been signed. The deal with India includes an agreement to increase the use of clean energy technology in cities. In March 2000, during former US president Bill Clinton's India visit, India unwittingly committed to "embracing national goals for energy efficiency and renewable energy". USAID then magnanimously advanced a paltry US \$45 million to help India on the road to this commendable goal.

China is the other major target of the US' new bilateralism mantra. In April 2002 the two countries agreed to cooperate on technical research, including electric and fuel-cell vehicles, new materials, science and technology policy and clean coal technology.

Developing countries are not the only focus of US bilateralism — the attempt, after all, is to win over countries whose participation would be key in the Kyoto Protocol. Japan, Italy, Australia and Canada have also signed agreements. Japan and the US are collaborating on 30 research projects, on working out market mechanisms to take voluntary action for emission reductions. A similar agreement has been signed with Italy.

The US-Canada agreement will cover issues like climate change science and technology, carbon sequestration, emissions measurement and accounting, capacity building in developing countries, and measures to speed up the use of cleaner technology. The Australia-US Climate Action Partnership (CAP) aims at evolving a renewable energy model.

Once the US decided not to ratify the protocol, these coalitions provided the US with an easy way out of possible international isolation. Unfortunately, it looks like the governments of the targeted countries are blissfully unaware of the US agenda, or choose to be. ■



GAO FENG
Head of the
Chinese delegation

What do you think of the US position in climate negotiations?

It is not satisfactory at all. Their approach to climate change is one thing, their 'unilateralism' is quite another. We are open to discuss their approach with regard to their economy. But we believe that multilateralism is the best way to address climate change and its international character. The US refusal to ratify the Kyoto Protocol is a mark of unilateralism. But we have to remember that the US is still a signatory to the convention.

How do you view the carbon market?

I have doubts about the possibility of an international market to trade carbon emissions. If there is trading, in the real sense of a carbon market, then it is likely to be among Annex I countries, for example 'hot air' trading with Russia. If there is any trading of carbon emissions reductions credits between Annex I countries and developing countries, it would not be a real market, but a political market.

Don't need the US

A crucial piece in the Kyoto puzzle may soon fall into place. Yesterday, the Canadian government tabled a plan admitting that Canada "can move ahead without the US", achieving its reductions targets at an acceptable cost. "If the Kyoto Protocol falters, it could take years to negotiate a new international agreement. The science suggests that we do not have time," says the overview.

In fact, it goes so far as to say that the Canadian economy will grow while the country reduces emissions. Canada's reason: innovation and technology are critical, and timely investments will put Canada ahead of the curve. The overview does not insist upon getting emissions reductions credits for exports 'cleaner' gaseous fuels and hydroelectricity to the US.

The main opposition to this draft is likely to come from Alberta, Canada's energy province which has a sizeable chunk of the fossil fuel reserves. ■

OE concession

The Executive Board (EB) of the Clean Development Mechanism (CDM) has halved the US \$15,000 application fee for organisations from developing countries applying to become Operational Entities (OE). OEs are expected to assist project applicants to prepare CDM project design documents, evaluate projects to check if they meet requirements like contributing to sustainable development goals, and verify and certify reduction credits achieved by the project.

A common registration fee of US \$20,000, paid when OEs submit a request to register projects with the board, was also modified. Now a different registration fee will be charged depending on the scale of the project. For instance, a small-scale project providing reduction credits below 15,000 tonnes of carbon dioxide equivalent will have to pay a registration fee of US \$5000. The highest amount to be paid as registration fee was finalised at US \$30,000. ■

WHATEVER THE WEATHER

COME TO THE CLIMATE CARNIVAL.

CARNIVAL

CARBON CAKES. CARBON CLASS. CARBON CARTOONS.

TODAY!

THE AMPHITHEATRE, INDIA HABITAT CENTRE, 5 PM.

Intense pretence

The US scripted the Kyoto Protocol so that it could combat global warming without hurting its economy. But, on hindsight, it realised that even the modest target it committed itself to put too much burden on its citizens' lifestyles. So it started insisting on developing countries' 'meaningful participation' for meeting its targets. Failing to achieve its designs within the framework of the protocol, it junked the protocol together with the emission cap approach. And early this year, it came up with its new energy policy, which throws away the concept of absolute emissions targets and introduces a new ropetrack called greenhouse gas (GHG) intensity, which is simply a measure of carbon emissions per unit of gross domestic product.

According to Harlan Watson, USA's senior climate negotiator, the new strategy will help the US reduce its GHG intensity by 18 per cent over the period 2002-2012. The Energy Information Administration (EIA) recently estimated that under the most likely business-as-usual (BAU) scenario for the US, GHG intensity would decline by 14 per cent over the next 10 years. Bush is therefore aiming for a 4 per cent improvement over BAU. This, claims Watson, translates into a 4.5 percent GHG emissions reduction from BAU.

Watson offers the following logic in support of the new idea: when the annual decline in emission intensity equals the economic growth rate (currently about 3 per cent per year), emissions growth will have stopped. When the annual decline in intensity exceeds the economic growth rate, emissions growth will take a U-turn. Reversing emission growth will eventually stabilise atmospheric concentrations as emissions decline.

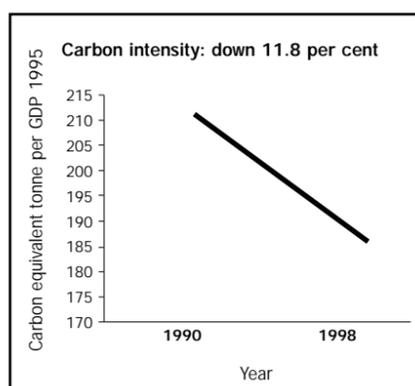
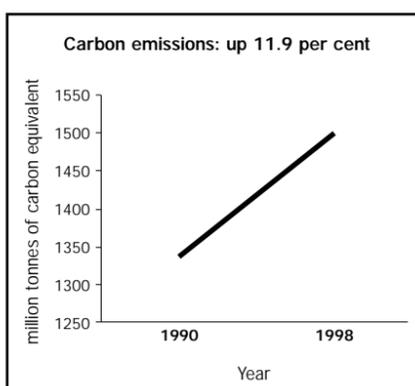
But an evaluation of Bush's new energy policy by the Dutch institute RIVM calls the emission intensity targets very modest when compared to historical trends and projected baseline developments. It says it will not prevent the US emissions from rising; indeed in 2012 they would be

32 per cent above the 1990 levels.

Scholars have also blown serious holes in the concept's fabric. First, let's give the devil its due. Intensity targets admittedly can impose a cap on permitted emissions during the commitment period in question, but the size of these cuts depends on economic growth during the commitment period, and is thus apparent only after, as it were, the water's flown under the bridge. Second, argues Oxford University's Benito Müller who's critiqued the idea in the journal *Climate Strategies*, "intensity targets are obviously more flexible in the way they affect economic growth than emission caps, even if this flexibility is bought at the price of potentially increased emission levels in high-growth situations." Finally, he concedes, there are situations in which "such a trade-off between the risk of dampening growth and the risk of diminished mitigation are morally justifiable."

Now for the twist in the devil's tail. Firstly, critics believe it is almost impossible to guarantee the environmental effectiveness of the regime, considering that the exact amount of emission cuts will become apparent only after the commitment period. This also makes the problem of compliance even more difficult. Second, emission intensity growth rates are highly sensitive to the measuring tape of economic output (exchange rate or purchasing power parity measures). Given the protean nature of an increasingly globalised economy, putting a price tag on a unit of carbon emission would become an economist's nightmare.

Finally, even though it may not be right to stifle the much-needed economic growth of poor countries, critics like Müller, however, contend that the trade-off between risks to economic growth and mitigation risks can only be morally justified in terms of poverty eradication. If applied uniformly across countries, he believes, "they would almost inevitably be regressive in the North-South context and also could lead to considerable inequities between developing countries." ■



RINGSIDE VIEW

ROSS GELBSPAN



Our future is history

By withdrawing from the Kyoto process, President Bush has insulted the international community, jeopardised the US' traditional leadership position and turned his back on a major tool to address international terrorism.

The White House is increasingly viewed as the east coast branch office of ExxonMobil and Peabody Coal. Last year, the president reneged on his campaign promise to cap emissions from power plants. He then released his energy plan — basically a fast track to climate hell. He then withdrew the US from the Kyoto Protocol. Today the administration tells us we'll just have to live with the impacts of an increasingly unstable climate.

The president withdrew from the protocol because he sees it as too costly and unfair because it exempts the developing countries from the first round of cuts. At some point he might learn it was his father who approved that exemption. And for good reason. We in the North created the problem. We in the North should take the lead and the rest of the world will come along. The truth is that if we in the North don't get this right, we will suffer severe environmental and economic consequences whether or not we succeed in imposing energy restrictions on developing countries.

Because most of the EU recognises this fact, there are a growing number of commentators who believe that global political leadership will be passing away from the US over the climate issue. This loss of political leadership seems likely also because of the US withdrawal from a number of other significant international conventions, eg, agreements on landmines, biological weapons and an International Criminal Court.

Moreover, while President Bush has made national security his signature issue, he seems not to understand that national security depends, first and foremost, on natural security. Consider the need for a global and appropriate solution to the climate crisis — worldwide carbon emissions of 70 per cent or more. Creating a renewable energy economy would dramatically reduce US dependence on oil — and with it our exposure to the political volatility in the Middle East. A renewable energy economy — with its home-based fuel cells, stand-alone solar systems and regional wind farms — would make the nation's electricity grid a far less strategic target for terrorists.

What is really required is a major change in the US posture towards developing countries. A properly-funded global transition to clean energy would create millions of jobs and raise living standards in the developing world. Diplomatically, it would be the kind of proactive policy needed to begin to address the economic desperation that underlies anti-US terrorism. Conversely, continuing indifference to climate change will most likely spawn more guerrilla attacks from people whose homelands are going under from rising seas and whose crops are destroyed by weather extremes.

US recalcitrance — and escalating climate change — is quickly making the Kyoto goals (but not the Kyoto process) obsolete. We will soon need to begin to go for the 70 per cent reductions nature requires to keep this planet hospitable. An effort of that magnitude would create millions of jobs, especially in developing countries. It would allow developing economies to grow without regard to atmospheric limits — and without the budgetary burden of imported oil. And in a very short time, the renewable energy industry would eclipse high technology as the central, driving engine of growth of the global economy. (For one specific proposal for such a plan, please see *Toward A Real Kyoto Protocol* at www.heatisonline.org.)

The climate threat holds an extraordinary promise. Ultimately, its solution has the potential for reversing some very destructive dynamics in today's world. In urging us all to adapt to these changes, President Bush is condemning the world to environmental and economic disintegration.

His potential for real statesmanship lies not in his coalition against terrorism. It lies in mobilising the whole world around a common global project which would expand the overall wealth of the global economy as it expands the baseline conditions for peace — peace among people and peace between people and nature.

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