## Chances for a New Transatlantic Commitment to the Global Challenge of Climate Change: the US Perspective

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This paper presents the results of more than 30 meetings the author and his colleague Dr. Friedemann Müller attended during a one week visit to Washington, D.C., and New York in early May 2002 which brought them together with a distinguished group of about 70 experts representing political institutions (Congress, White House, Department of State, Department of Energy, Environmental Protection Agency), academia, think tanks, environmental NGOs, business, and journalism.<sup>2</sup>

## 1. The framing of the climate change problem in the US

Within the US public, climate change appears as an issue of low priority. Though the general understanding of its likely damages and of "how it works" is very good, climate change is not viewed with as much urgency in the United States as in Europe. Most Americans think climate change is unlikely to affect them personally. It was often mentioned that a recently published opinion poll listed climate change last in a ranked list of 12 environmental issues, and that climate change was rated low in an overall list of 20 problems.<sup>3</sup> In addition, one major obstacle to formulating transatlantic strategies for tackling climate change issues is that the majority of the American public tends to see cheap energy almost as a "constitutional right."

In federal politics, the withdrawal of the United States from the Kyoto process was ultimately not as major an event as interpreted by many observers outside America. Though regretted by many, it was also mentioned that the Senate would not have ratified the Kyoto Protocol under its actual conditions anyway. And in spite of all the national and international criticism, the present administration sees its approach of tying greenhouse gas emissions to economic growth as sufficient for the time being. Beyond it, President Bush announced that if the time comes, mandatory measures will come, based on more convincing and clear scientific evidence of the causes and effects of the problem with solutions based on sound, effective technology.

At this point, there is also no majority for any stronger action in either house of Congress. However, Congress finds the United States committed to the UNFCCC. In particular, Article 2 seems to be an important common ground for developing new international strategies. In contrast, Kyoto is seen almost as a dirty word by many in the political elite. Large parts of the public share their view that the provisions the Protocol holds are unfair for the US (7% reduction) in comparison not only to the non-commitment of the developing countries but also compared to the 8% reduction task of the EU, because these countries would have followed this path without Kyoto anyway. Additionally, the moralistic tone of the Europeans is met with incomprehension, among other things because many Europeans seem to be unaware of various initiatives taking place on the state and local level.

<sup>&</sup>lt;sup>1</sup> INTACT – International Network To Advance Climate Talks is a project conducted by the German Institute for International and Security Affairs (SWP) and kindly supported by the German Marshall Fund of the United States. To get more information on the project, please visit the INTACT website at: www.intact-climate.org

<sup>&</sup>lt;sup>2</sup> The authors are very grateful for the given occasions and would like to thank their interview partners for sharing their insightful thoughts and ideas with them.

<sup>&</sup>lt;sup>3</sup> Not to mention the actual threat of terrorism, also other so-called "soft" topics like AIDS in Africa accidentally rank higher.

Very different from that is the way experts on climate from all professional fields frame the problem. First of all, and not necessary unsurprisingly, there was not one single person doubting that the climate change problem is real. Furthermore, there was very little doubt that the ultimate aim to prevent the earth from disastrous consequences of climate change means that net emissions have to stop growing first and then go to zero in the long-run. To achieve this long time aim calls for nothing less than a fundamental change in both the world's energy production and consumption patterns. There was also broad agreement that the immense investment for this technological change has to come mainly from the developed world and predominantly from the United States, the EU, and Japan. It is understood that governments have to set the incentives for change, but that it is in the end industry, and particularly the big companies which have to invest large financial resources. Thus, one consequence would be that the long term aim can only be reached without threatening today's capital stock. Second, due to the fact that capital markets react to rates of return, it was widely agreed that the market would not change without the right price signals in place which was supposed to be the only chance in the long run. No consensus exists yet on how to achieve this.

## 2. What could make a difference within the US?

The time ahead was characterized as one with many uncertainties, but also many chances. For example, take the ratification and entry into force of the Kyoto Protocol which seems to be more and more likely. What will be the effects for the US? At least, it would become obvious that the Kyoto Protocol is not "dead" as it was characterized by the US administration not long ago. Will the US shift the handling and framing of the problem and provide new perspectives?

It might be possible that the US Administration's position will only marginally change before 2004. But little can be said what will happen after 2004. There is no doubt that a president deeply sensitive to the problems of climate change and devoted to a broad vision for the solution would make a big difference. But even if President Bush is re-elected, there is hope for a shift towards a more pro-active stand in climate protection.<sup>4</sup>

Congress too could change its position if leading political candidates (most likely Democrats) find it promising to make climate change a main campaign topic. Take the "four pollutants bill" introduced by Senators McCain and Lieberman. It is expected to start a new discussion on the topic no later than by August of this year. What else could make a difference?

If, for instance, California starts a new round of setting standards or establishes a cap and trade system with regard to carbon emissions, such a state initiative could lead to spill-over effects which might finally arrive at the federal level and then press also for new international agreements. If new persuasive scientific evidence of climate change or the appearance of dramatic weather events are made public and are promoted by the media, this could produce a level of pressure on the political elite that it will be driven to more action.

Political pressure could be fueled by the recent increase in grassroots activism by many NGOs. The general sentiment is that there has been too much concentration on political lobbying in the administration and Congress, and that there has to be a return to the people outside DC (the Midwest seems to be of special interest here). A shift is also possible should the attitude of major industry companies change towards participation in the competition on future carbon free (or reduced) technologies.

<sup>&</sup>lt;sup>4</sup> Motives for such a shift could be that (a) there seems to be a motivation to become a 'historic personality' within the second term, and (b) the former constituencies are not that solid anymore.

The equity discussion (responsibility towards future generations and imbalance between those countries that created the problem and those who are the main victims) is recognized as justified in theory. However, such theories do not have a practical impact that might make a real difference in the United States so far.

While nobody doubts that public education as well as local, state and federal actions are important and indispensable, it seems very unlikely that any US approach alone would be sufficient to entirely solve the global problem of climate change. In fact, there was broad consensus that a global problem ultimately needs global action(s).

## 3. Conditions and options for developing a common strategy

If an international agreement is to be achieved, a clear preference in the United States is given to a cap and trade system. But there are serious problems with the credibility and enforcement of such a market. An emission trading initiative could first of all focus on building institutions which know how to trade emissions.

The contribution of at least the major developing countries is seen as indispensable for any common future strategy. This derives from (a) the feeling that developing countries should at least "give us something", (b) the fear of economic disadvantage, and (c) the conviction that any agreement without their participation would be ineffective for an effective long-time solution. A common European-U.S. initiative towards major developing countries (most urgently China and India) would therefore be very welcomed. In this context, it is important to stress that China is a significant factor in US politics in general and in climate matters in particular. A common initiative could be very valuable for the United States as it has an interest in working with China, but is restricted in some areas by legislation which the EU is not.

In general, many of our conversation partners thought it would make sense to test alternative negotiation patterns to COPs with 180 countries and 180 differing views. Often mentioned was the lack of ideas how the problem can really be solved. Many in the US public and politics feel that there is a real problem but simply do not see any chance at all to solve it and therefore give up any attempt. So first of all, there is a need for the demonstration of a promising path and the necessary strategies. Where are the solutions? How can we make it? What are the most effective measures of implementation? This question could also demand a best measures initiative including an exchange of best practice experience.

Beyond this, a massive joint technology program - resembling to the Apollo Program or the Manhattan Project – for developing alternatives to fossil fuels should be considered.

Finally, a long term target should be fixed, for instance, by defining the upper limit of GHG concentration in the atmosphere. There has to be sincere discussion on (a) where exactly this target should be set, and (b) which logical consequences are to be drawn from this setting.

It was recognized by all that there is a great need for intellectual exchange between both sides of the Atlantic. A fundamental lack of understanding one another was made in parts responsible for the breakdown of the Kyoto negotiations and the resulting US withdrawal. It was pointed out that in the negotiations as well as in the following dialogue rudiments, there was a huge amount of distrust towards each other. In Europe, on the one hand, you find the recognition that the US does not pay its burden and, what is more, even has anti-climate protection attitudes. Obvious shifts in the recognition of many societal actors as well as valuable initiatives and programs on the state and local level are not at all taken into account. Furthermore, European actors are more often than not missing knowledge

about how politics in the United States really work. In the US, on the other hand, you find very little understanding of the path the Europeans want to go, their ultimate aims and motives as well as their methods to get there.

However, we were amazed by the broad readiness we could observe on behalf of all US actors, to solve these tensions. The right strategy to do so has a rather easy starting point: to forget about them and to work out how future cooperation might work. In what way this position is also held by Europeans, remains to be seen.