Beware of the Climate Trap

Written by Gal Luft Thursday, 20 November 2014 15:56

The recent agreement between President Xi and President Obama in which the U.S. committed to reduce greenhouse gas emissions up to 28 percent below its 2005 levels while China committed to have its emissions levels peak by 2030 was one of the trumpeted announcements of the recent APEC Summit. The details on how this will exactly be done are fuzzy and will be left to negotiations in the United Nations Climate Change Conference in Paris next year. But the 2030 goal means that in the coming months China will be subjected to international pressure to turn words into deeds by accepting CO2 reduction measures which may be detrimental to its economic development. To this it should not agree.

When it comes to fighting air pollution China has all the reasons to act decisively. The growing number of days with haze pollution in the big cities and the rise in pollution related illnesses require meaningful action in reducing the emissions of substances that are actually detrimental to health such as sulfur, nitrogen oxide, mercury, and particulate matter. Carbon dioxide is not one of them. Contrary to the attempts by many in the West to label carbon dioxide as "pollution" its emissions have no direct impact on our health. It is also far from clear that increased CO2 levels and the warming they supposedly cause have a net negative impact on humanity. Since 1950, while the average global temperature increased by 0.2 percent, global per capita GDP has increased by 400 percent and global wild plant growth, enabling more people and animals to thrive, has risen by 15 percent. In China, life expectancy has increased by almost 20 years due to the improvement in quality of life enabled by the use of fossil fuels. All of this should be weighed against the negatives of climate change.

The suggestion of the Obama Administration that greenhouse gas reduction is essential to global economic growth also deserves some scrutiny. One can argue - as Washington has - that changes in global temperature can lead to natural disasters which can slow economic growth. But climate policies that force entire nations to shift from cheap fossil energy to expensive low-carbon energy can dampen growth even more. Any policy that directly or indirectly denies access to cheap energy would worsen the economic conditions of the 3.6 billion people who suffer worldwide from energy poverty.

Now that China has made a commitment to cap its emissions it should proceed with caution and ensure that the fulfillment of its side of the bargain is in lockstep with America's. This would be the prudent thing to do in light of President Obama's track record of empty promises and lofty goals. One example are his mandatory fuel economy standards for vehicles - 54.5 miles per gallon by 2025, meaning double the current efficiency in just ten years - which were unachievable from day one.

Obama's commitment to a deep cut in U.S. emissions is even less plausible especially with the backdrop of the Republican takeover of the Senate. With a Senate Majority Leader, Mitch McConnell, from the coal producing state of Kentucky and an incoming chairman of the Senate Environment Committee, James Inhofe, calling the Obama-Xi agreement a "non-binding charade" the chance of implementation from America side is close to nil.

Furthermore, China should neither agree to be treated as the main obstacle to reducing greenhouse gas emissions nor should it accept allegations that it has not lived up to its

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responsibilities as the world's top emitter. A recent survey by the Economist magazine shows that the exact opposite is true.

The Economist ranked the 20 policies implemented around the world - both nationally and internationally - according to their contribution to greenhouse gas reduction. Of the 14.3 billion tons of CO2 equivalent cut annually, only four policies cut more than a billion tons per year: The Montreal Protocol designed to phase out the production of chemicals that are responsible for ozone depletion (5.6bn), the use of hydropower (2.8bn), the use of nuclear power (2.2bn) and China's one child policy (1.3bn).

Interestingly, the rest of the policies in the Economist survey, including greater use of solar and wind power, adoption of building standards, efficiency and forest preservation programs - most of which get more media attention than they actually deserve - collectively make only 17 pct of the total reduction.

In reviewing the policies that really made a difference in curbing carbon dioxide emissions, China's contribution is much more significant than commonly believed. As the home to one fifth of the world's hydroelectric power capacity China can claim credit for a reduction of 0.7 bn tons a year, almost ten times the impact of the high profile EU renewable energy program and the U.S. vehicle fuel economy standards combined.

In nuclear power China's commitment is second to none. While climate champions like Germany, Japan and even nuclear powerhouses like the U.S. and France are turning their back on this carbon free source of 24/7 electricity, China is moving swiftly toward its nuclear future. Almost half of the 72 reactors currently under construction worldwide are in China.

Summing all of the above shows that China should not feel defensive about greenhouse gas emissions. To the contrary, considering its size and developmental stage it has done its fair share, certainly more than many other countries in the industrialized world. The efficiency targets of China's state owned enterprises alone would reduce emissions twice as much as the efficiency programs of the entire European Union.

As it begins its preparations for Paris China should reject the notion widely held in the West that it is a climate spoiler, and resist hypocritical Western pressure to enact policies that would be detrimental to China's economy.

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