

## The Scouting Report: Can the World Stop Global Warming?

President Barack Obama has made energy and climate policy top priorities for his administration as expectations for U.S. leadership in ongoing international climate negotiations run high. As the Senate moves to consider the narrowly passed House climate and energy measure, the economic effects of the cap-and-trade legislation remain in dispute and could be a significant hurdle to passage.

Brookings Managing Director William Antholis, who served at the National Security Council during the Kyoto Protocol negotiations, and Fred Barbash, senior editor of *Politico*, took questions on the domestic and international implications of climate change and the outlook for international cooperation on addressing global warming in the July 22 edition of the Scouting Report.

The transcript of this web chat follows.

**Fred Barbash-Moderator:** Welcome everyone. And welcome Bill. Let's get started.

**12:31 [Comment From Jason]** Advocates for action on climate change had high hopes when Obama came into office, but I think those hopes may be fading. Do you think that's true domestically, that things like health care and the economic crisis have eclipsed it?

**12:31 William Antholis:** Cheer up!! The Obama administration has already done more on climate change than any previous administration.

**12:32 William Antholis:** First, the stimulus package had almost \$50 billion of tax credits and spending for renewable and other clean energy technology.

**12:33 William Antholis:** And it worked with the House of Representatives to pass the first comprehensive bill to address greenhouse gas emissions. While that bill is not all that some environmentalists wanted -- and while it still has to pass the Senate -- it is quite a start.

**12:34 William Antholis:** The real action lies ahead -- in the Senate and in the international negotiations in Copenhagen this coming December. But climate action is just starting, so I think those who are disappointed need to see the glass as half full.

**12:34 [Comment From Gary]** What are realistic expectations for Copenhagen later this year?

**12:35 William Antholis:** I think we need to see Copenhagen as a next big step, but not the top of the staircase. The best case scenario is that industrial countries all agree to take emissions cuts, and that the US has already turned their pledge into domestic legislation (that is, the Senate passes, and the President signs) a comprehensive bill.

**12:37 William Antholis:** On the developing country side, Copenhagen would be successful if developing countries acknowledge that they need to start slowing and then eventually cutting their emissions. What form these developing country pledges take -- when they might become "legally binding" and what the international community means by "legally binding" -- are still very much to be worked out.

**12:38 William Antholis:** My own sense is that it's about 50-50 on the Senate passing climate legislation, and that that will have some effect on whether developing countries step forward at Copenhagen. But there's a lot that can (and probably will) happen between now and December.

**12:39 [Comment From Andrea]** Many agree that an agreement with India and China on the way forward before Copenhagen will be critical. India's Environment Minister Jairam Ramesh last week put forward the argument in his meeting with Secretary Clinton that any agreement should be based on per capita consumption. Do you see that viewpoint as damaging to the broader objectives of cutting emissions or do you think it can serve as a foundation to a broader agreement?

**12:40 William Antholis:** China and India are certainly critical to this challenge. China right now is roughly tied with the US as the two leading emitter nations -- each is responsible for 20% of global emissions. India is in the top 5, responsible for 5%.

**12:41 William Antholis:** And per capita emissions are an important part of the story. Because China has four times as many people as the US, its per capita emissions are about one quarter of ours. India has about three times as many people, yet has about one quarter our emissions. Therefore, their per capita emissions are about 1/12 of ours.

**12:43 William Antholis:** That said, a per capita standard is -- BY ITSELF -- an imperfect answer. First, if you had a per capita standard but a nation doubled its population, it would in effect double its climate emissions. And since we are negotiating emissions targets for 2050, if we set a per capita standard, we then need to implicitly or explicitly set a target for the number of people in each country. That can be pretty tricky, as you might imagine.

**12:44 William Antholis:** So I'm open to considering per capita as part of an eventual target, but not as the only standard.

**12:44 [Comment From Lester T (Chicago)]** Was Hillary Clinton's failure to broker any kind of deal with India a major setback?

**12:46 William Antholis:** I did not view it as a major setback at all. This was her first bilateral conversation with the Indians. It would have been amazing if she had come home with an agreement. In fact, the very idea that she put this at the top of her agenda was a very promising sign. That doesn't mean she will get an agreement from them by Copenhagen. But it does mean that a strong US-Indian partnership will have to have climate change as part of the conversation.

**12:46 [Comment From Yannis]** How great a role can financing of renewable energy and other green technologies by the West for developing countries play in resolving the dispute between the

developed and the developing world regarding the distribution of burdens in combating climate change?

**12:48 William Antholis:** This is potentially a real avenue forward. As we saw in Hillary Clinton's trip to India, nuclear power is potentially a real help in the fight against climate change. The Indians are quite happy about an agreement, negotiated with President Bush, to have US companies sell civilian nuclear technology to India. Secretary Clinton demonstrated that the U.S. will follow thru on that, which is a positive sign.

**12:50 William Antholis:** One other climate change area where I think the US can help transfer technology to developing countries is in the world of "black carbon" or soot. Many people focus only on carbon dioxide, but there are several other greenhouse gases, and soot is a major culprit. A recent study, for instance, said that soot could be about half of India's contribution to climate change. Industrial countries have, by and large, solved their soot challenges. There are off-the-shelf technologies that can be transferred to developing countries at a fraction of the cost of carbon-capture or nuclear technologies. We should pursue these aggressively.

**12:51 [Comment From Dave (NJ)]** Why doesn't the U.S. rely more on nuclear energy like France?

**12:55 William Antholis:** In the US, we haven't built a new nuclear power plant in over thirty years. There have been three big concerns domestically: 1) local opposition (based on memories of the Three Mile Island incident and then Chernobyl); 2) what to do with storing the waste; 3) the reactor manufacturer's liability should something go wrong. But a sign that these are being addressed is that the Nuclear Regulatory Commission has received at least two new permit applications, and expects to get another 20 in the next five years. That doesn't mean that these issues above will be resolved. But it does mean that, in a "carbon constrained world", people see a promising future for nuclear energy.

**12:56 [Comment From Javier (Detroit)]** I agree we need to reduce our dependence on foreign oil, invest in renewables and move towards a green sector, but at what cost? I know long term, cap-and-trade will be good for our country, but is now the time to increase the burden on American families who are already struggling to pay their bills, mortgages and kids college tuition? We need to do everything to combat climate change and global warming and have more stringent emission targets, but how do we balance those long term needs with the recession we are experiencing and are likely to experience over the next few years?

**12:57 William Antholis:** Javier has asked the critical question as the climate legislation moves from the House to the Senate.

**12:59 William Antholis:** But part of the answer, embedded in the Waxman-Markey Bill, is that the best way to cut emissions is to have an ambitious long-term target, but give companies and individuals enough time to adjust to it so that we are replacing expensive power plants, automobiles, home heating systems, etc. as their productive life ends. If we had to cut our emissions by 40% in the next twelve years -- as developing countries have asked -- we could not do it without shutting down industries that are still paying off their capital costs.

**1:00 William Antholis:** But if we take a longer-term view -- which in my view, Waxman-Markey does -- we can start getting those technologies in place so that they're not that expensive.

**1:02 William Antholis:** But don't just take my word for it. The Congressional Budget Office estimates that Waxman-Markey will cost the average family less a little more than \$10/month when it kicks in a few years from now. And remember, the CBO was happy to tell Congress that health care legislation was more expensive than congressional leaders were saying.

**1:02 Fred Barbash-Moderator:** The Chamber and other opponents of the bill as it stands now claim, among other things, that it's based on a model—Europe's—that already failed. Is that true?

**1:02 William Antholis:** I think it is a stretch to say that either it is based on the European model, or that the European model has failed.

**1:03 William Antholis:** First, the European model is more complicated. It was not across the entire economy, but instead was restricted just to the electric power sector.

**1:03 William Antholis:** Second, the European model worked across a number of sovereign nations, each of which had a different national target.

**1:04 William Antholis:** Third, the Europeans by and large will meet their Kyoto targets. I think right now only three or four European nations won't meet those targets.

**1:05 William Antholis:** Now, as I've argued elsewhere, Europe's Kyoto targets were not as ambitious as Europeans like to say. Many of their emissions cuts have come from actions taken well before Kyoto that had nothing to do with climate change (e.g. Maggie Thatcher shut down coal mining, and switched to natural gas, in part to break the mining unions). But the comparison with Europe is a bit of apples and oranges.

**1:06 [Comment From Jake]** The government seems to have made a living off of "solving" problems that persist to this day. In light of that, why do people think that this issue will be any different? Are there private market solutions which can be pursued without government intervention that can address the issue of climate change?

**1:08 William Antholis:** Cap and trade, as a regulatory system, is designed to try to do just that. It says to businesses, "We the government don't really know how to cut emissions. You do. We're going to hand out and auction a number of permits allowing people to emit. If you can figure out a way to cut emissions deeper and faster than the permits we've given you, you can sell them to slower/less ambitious companies."

**1:09 William Antholis:** It happens to be based on a model that George Bush -- the father -- passed to address sulfur dioxide emissions in the 1980s. And that cap and trade system cut the cost of SO2 emissions at one tenth the cost of what industry opponents projected it would cost.

**1:09 [Comment From Sam (DC)]** Is there any chance that the US would ratify the Kyoto Protocol? And if the US did ratify, what effects would that have on the efficacy of Kyoto and the future of climate change conventions?

**1:12 William Antholis:** Kyoto is Dead! Long Live Kyoto!!

In all seriousness, the Copenhagen negotiations are an attempt to try to hammer down the successor to Kyoto. Kyoto had a number of elements that need to be revised. For instance, Kyoto not only did not include developing countries, but said that developing countries could NOT take on a binding commitment. That would never make it through the Senate. So rather than go

back to Kyoto, the US negotiators are hoping to hammer out an agreement that has its strengths, but gets around its weaknesses.

**1:12 [Comment From Amy (DC)]** Do you think that work toward an international agreement would be advanced if the US were to pledge to support international mitigation efforts - ie giving a portion of the revenue accrued under a cap and trade system to efforts that will help the developing countries in the areas expected to be hardest hit adapt to a world with even less water and even more desert?

**1:13 William Antholis:** Amy has put together the two keys to getting developing countries into this agreement -- "mitigation" and "adaptation". They are separable but not separate issues.

**1:13 William Antholis:** Mitigation is what most people think of as cutting emissions ... or with respect to many developing countries, bringing their emissions growth below what it would have been otherwise.

**1:15 William Antholis:** Adaptation is helping countries deal with the effects of climate change, with respect to the speeding up of the planet's hydrological cycle (i.e. a warmer world evaporates water faster in some areas, and then produces faster and harder rainfall in others; melts the ice caps and glaciers, and then produces coastal or river flooding. Developing countries are often hard hit from that.

**1:16 William Antholis:** The way they come together is in a country like India, which is expected to be hit hard in its poor areas by either flooding or drought or both. But if India adopts solar-powered irrigation systems, for instance, it can both adapt and mitigate at the same time. And that's the kind of support the US and other industrial nations should help with.

**1:17 [Comment From Tom]** I know this is important, but fixing the economy and solving the health care crisis seem more urgent. Given Congress can't do everything, can this wait until next year?

**1:18 William Antholis:** That's a big question that Democratic strategists have been asking for the last two or three years in anticipation of a Democratic administration: can you do both things at the same time?

**1:20 William Antholis:** A classic reason for why it is hard to do both is that you have to have clear, concise arguments that you are projecting into the public debate -- competing not just with the other policy priority, but with a global economic crisis, with Sarah Palin's latest headline, with whatever other scandals happen to be in the press, and then whatever celebrity has just passed to the hereafter.

**1:21 William Antholis:** That said, the reason the Administration has tried to take on both challenges starts with the assumption that the President may never have this much political capital: high public approval ratings, big majorities in both houses of Congress, and another year until mid-term elections will try to frame the debates. If he waits until January on either priority, any small issue will start appearing in TV ads.

**1:23 William Antholis:** Moreover, there is the Copenhagen meeting staring the Administration in the fact. George W. Bush is known, for among other things, as the American president who told the world he didn't care about cooking the planet. Barack Obama ran against that. He wants to come back to the world stage and say, with as strong a case as possible, that he's committed to being a world leader.

**1:24 [Comment From Ken (NY)]** What is your view on authors such as Bjørn Lomborg who fully support the view that global warming is indeed real and man made, however argue that focusing on CO2 is not the solution? If we agree the world has limited financial resources to use in solving problems, does CO2 emissions cuts provide the greatest return on investment? Or could the resources be invested better?

**1:25 William Antholis:** Ken is asking a good question. I share the view that there are other investments that, in the short term, are more cost effective than CO2. As I noted above, I think that black carbon is a real and relatively cheap short term target of opportunity that has real benefit in developing countries, not just for slowing global warming, but also for helping with local health issues. But in the long term, it's almost all about the carbon. That's why I think the emphasis should be on the 2050 target.

**1:26 [Comment From Frank]** Politically, how does President Obama's approach differ from President Clinton's? Has the appointment of a climate change czar made any difference internationally?

**1:27 William Antholis:** I've seen reference to people who have criticized President Clinton for not being ambitious enough on climate. Now I served in the Clinton Administration, and was at Kyoto. So I may sound defensive on this point. But I think the Administration went as far -- if not farther -- as it could have gone.

**1:28 William Antholis:** Keep in mind, back in 1997, the Senate voted unanimously BEFORE Kyoto, that the US shouldn't take on commitments at Kyoto that would not damage the US economy and did not include similar commitments from China and India.

**1:29 William Antholis:** In fact, in the run-up to Kyoto, President Clinton succeeded in doing one thing that he always said he wanted to make a hallmark of his administration: uniting labor and industry. In this case, we united them all right: they all hated us for our climate change policies!

**1:31 William Antholis:** Now fast forward to 2009. The current cap and trade legislation really is a return to Clinton-era proposals. Most of the policy team in the Administration are Clinton-era people: Larry Summers, Peter Orszag, Carol Browner, Todd Stern, etc. What they have going for them now is Democratic control of both houses of Congress, increased public awareness of the problem, and a number of industries (like General Electric and Ford Motor Company) that want to be industry leaders in clean energy.

**1:32 Fred Barbash-Moderator:** Thanks Bill for all your great answers. And thanks readers for the great questions. We'll be back here next week, same time same place. Thanks to all of you.