

# ISAS Brief

No. 144 – Date: 10 December 2009

469A Bukit Timah Road  
#07-01, Tower Block, Singapore 259770  
Tel: 6516 6179 / 6516 4239  
Fax: 6776 7505 / 6314 5447  
Email: [isassecc@nus.edu.sg](mailto:isassecc@nus.edu.sg)  
Website: [www.isas.nus.edu.sg](http://www.isas.nus.edu.sg)



## Climate Change Challenges: Leading up to Copenhagen

Shahid Javed Burki<sup>1</sup>

### Abstract

The climate change summit began in Copenhagen on 7 December 2009. The climate in which it began was somewhat better than most analysts and observers had believed would be the case. There was greater optimism as the opening ceremony was held. This was largely the result of the announcements made by the United States, China and India – three of the four largest polluters of the atmosphere – a few days before the summit was convened, that they will be willing to take a number of important steps to control the amount of carbon their economies were putting out in the atmosphere. While in Singapore on his visit to Asia, United States President Barack Obama met with a number of world leaders and agreed that there was not enough time to produce an enforceable international treaty at Copenhagen. There will, instead, be a focus on developing political consensus to produce such a treaty in 2010, possibly as soon as the summer of next year. President Obama also indicated that he would be addressing the summit at the beginning of the week-long session. This brief discusses the lead up to the summit and the positions taken by some of the more important players. The second brief will examine the outcome of the summit.

### Leading up to Copenhagen

The global community is now gathered at Copenhagen where the leaders will attempt to negotiate an international treaty on climate change this month. The hope is that these talks will produce commitments from each nation that, collectively, would keep temperatures from rising two degrees Celsius above pre-industrial levels. That will require deep cuts in emissions – as much as 80 percent among industrialised nations – by mid-century. In order to reach an agreement, two countries – the United States and China – will have to show great political resolve. Together, they produce 40 percent of the world's greenhouse gas emissions. As *The New York Times* editorialised recently, “together they can lead the way to an effective global response. Or together they can mess things up royally.”<sup>2</sup> As noted below, these two countries were prepared to work responsibly. This was indicated by the pre-conference commitments made by Beijing and Washington.

---

<sup>1</sup> Mr Shahid Javed Burki is a Visiting Senior Research Fellow-designate at the Institute of South Asian Studies, an autonomous research institute at the National University of Singapore. He was the Former Vice President of the World Bank, and the Former Finance Minister of Pakistan. He can be contacted at [sjburki@yahoo.com](mailto:sjburki@yahoo.com).

<sup>2</sup> *The New York Times*, “Mr. Obama and Mr. Hu on Warming”, 23 September, 2009, p. A34.

In an op-ed article contributed to *The New York Times* as the first week of the United Nations General Assembly got under way, British Prime Minister Gordon Brown identified climate change as one of the five major issues that confronted the world and on which urgent action was needed. “The next six months will test international cooperation more severely than at any time since 1945”, he wrote. “That may seem strange to say after a year of global crisis that has demanded unity on an immense scale, yet five challenges confront us and we cannot delay our responses.”<sup>3</sup> Of these five, halting climate change was perhaps the most important one. “This week starts with efforts to reinforce talks to secure a new international agreement on climate change in Copenhagen this December. Progress is too slow and a deal now hangs in the balance. But failure will increase the threat not only of humanitarian and ecological catastrophe but also of economic decline. Investment in energy efficiency and low-carbon energy resources will help drive economic growth over the next decade – as well as reduce dependence on imported oil and enhance energy security. Millions of jobs stand to be created as this investment expands – the low-carbon sector is now larger than defence and aerospace combined. But it is vital that we give confidence to such investment through a new international climate agreement.”<sup>4</sup>

The previous treaty negotiated at Kyoto, Japan could not be put into effect because the United States, under the leadership of then-President George W. Bush, turned away from it. Kyoto was negotiated in 1997 by the administration of President Bill Clinton with Al Gore, the Vice President, taking the lead. Bush, who succeeded Clinton, was not persuaded that there was sufficient scientific evidence to support the view that human activity was leading to a change in climate. However, science continued to provide data and information that the globe was getting warm, very warm. Many scientists have argued that if the change is not arrested and ultimately reversed, economic and social catastrophe will be the result.

South Asia is one of the many world regions that will be seriously affected. Rise in the level of the seas will inundate large parts of Bangladesh. Under this scenario, as many as 20 million Bangladeshis could be displaced. They will seek refuge on higher ground of which there is not much available in Bangladesh. They will, thus, need to go to neighbouring India, posing serious problems for that country. That such an eventuality is not only likely but also not very far, was underscored by Mr Abul Maal Abdul Muhith, Bangladesh’s finance minister in an interview with *The Guardian*. “Twenty million people could be displaced [in Bangladesh] by the middle of the century. We are asking all our development partners to honour the natural right of persons to migrate. We can’t accommodate all these people.”<sup>5</sup> He called on the United Nations to redefine international law to give climate change refugees the same protection as people fleeing political repression. He stated that, “The convention on refugees could be revised to protect people. It’s been through other revisions, so this should be possible.”<sup>6</sup>

However, that would not be the only problem that climate change would bring to the countries of South Asia. India and Pakistan will have to deal with the ultimate reduction in river flows that draw most of their water from snow and glacier melts in the mountain ranges. Melting glaciers will initially produce enormous floods endangering the irrigation systems

---

<sup>3</sup> The United Nations set aside a few days at the start of the General Assembly meeting in September 2009 to build some momentum as the date for the climate summit to be held in Copenhagen approached. The summit is being held in the Danish capital from 7 to 18 December 2009.

<sup>4</sup> Gordon Brown, “All together now”, *The New York Times*, *op. cit.*, 22 September 2009.

<sup>5</sup> [http://www.southasianmedia.net/index\\_opinion.cfm?category=Environment&country=WORLD](http://www.southasianmedia.net/index_opinion.cfm?category=Environment&country=WORLD).

<sup>6</sup> Harriet Grant, “Now climate refugees”, *The Guardian*, 6 December 2009, p. 13.

that were built over centuries in these two countries. Once the glaciers reduce in size, these mighty rivers will begin to dry up. Much of Pakistan will revert to being a desert once again.

While there were advances in the science supporting the view that climate change produced by the emissions of greenhouse gases posed a real threat to the global economy, President Bush refused to budge. This gave Al Gore, now a private citizen, the opportunity to educate the American public. His efforts won him a Nobel Peace Prize. While campaigning for the presidency, President Obama promised that, if elected, he would put his country in the lead of this effort that needed to be made on climate change issues. Once in office, he developed what he began to call the “green agenda” for his administration. A number of regulatory steps have been taken by his administration to reverse the decisions taken by his predecessor. However, even with this change of heart in Washington, a new treaty on controlling climate change does not seem to be anywhere near the capacity for delivery by the global political system. On the eve of the United Nations meeting devoted to clearing the air before the world met again at Copenhagen, Dr Rajendra Pachauri, the Indian scientist who had chaired the Intergovernmental Panel on Climate Change, warned that “science leaves us no space for inaction”. Along with this panel of scientists report, a report written by a group of economists chaired by Britain’s Lord Nicholas Stern, had presented the costs and benefits of actions taken at this time. The calculus was clearly in favour of immediate action but international agreement did not seem to be in sight.

There were two reasons for this. It was by no means certain that the United States Congress would be prepared to pass the needed legislation to move in that direction. Any international treaty that meant higher costs for United States industries would be a hard sell. Second, a number of large developing countries – most notably China and India, and possibly also Brazil – were opposed to a treaty that would slow down the pace of their economic growth. It was the second resistance that Prime Minister Gordon Brown addressed in his article. A new treaty “will not be possible without the cooperation of developing countries”, he continued. “For this reason, Britain has suggested a program of US\$100 billion a year by 2020, financed by wealthier countries and the private sector, to help poorer nations develop low-carbon economies”.

On 22 September 2009, the United Nations General Assembly was addressed by Presidents Hu Jintao and Barack Obama indicating their respective country’s approaches to the problem that could not remain unaddressed. It was President Hu’s speech that surprised the climate community. He promised to reduce the rate of growth in carbon dioxide by a “notable margin” – at which he implied that China would seek to reduce them in absolute terms. Among the promised actions is a government programme that would bring millions of acres of new land under forests. This is a small step, but in the right direction. The question remains whether India will also go the same way.

### **What Copenhagen may produce**

Now that the global community is assembled in Copenhagen and that some initial commitments have been made by America and China – with the indication that India may also adopt the approach China is taking – some agreement on climate change may be a bit nearer than was the case in late September when I first explored this subject in these pages. A number of political advances have been made since then. The United States, China and India are now among the four largest emitters of carbon into the atmosphere. All three have declared their intention to act. China became the largest polluter in 2008, passing the United

States. India is in the fourth position. No international agreement could be made unless these countries are on board with serious commitments to act. The change of administration in Washington has made a great deal of difference. The United States is now led by an individual who has identified climate change as one of his top priorities.

Each capital seems to have influenced the other two to move in the direction in which the world needs to go in order to avert disaster. Climate change was high on the agenda during President Obama's visit to Asia in November 2009.<sup>7</sup> He appeared to have motivated the Chinese to announce their targets before they sent their negotiating team to Beijing. After returning from the Asian trip, President Obama, using the provisions in the bill passed by the House of Representatives of the United States Congress as the basis, announced a set of targets for his government. He said that his administration would work towards reducing carbon emissions by 17 percent from the level reached in 2005. This target would be achieved by 2020. A more significant reduction was promised for the year 2050.

The Chinese made some pledges of their own, using a different criterion for indicating the kind of effort they are prepared to make. They based their commitments on what is called "carbon intensity", the amount of carbon emitted per unit of gross domestic output. China said it would lower the intensity by 40 percent by 2020. This means that China will work on new technologies to reduce the consumption of energy for producing additional output. These announcements propelled India to make its own commitment to slow the emission of greenhouse gases. This is a significant shift for India, which until recently, has insisted that the brunt of adjustments in making carbon cuts should fall on developed countries rather than emerging nations. Any cut on the part of emerging economies would slow down their rates of economic growth.

India has indicated that it will follow the Chinese approach and adopt a target of its own for carbon intensity. According to a senior Indian official, the announcements made by the United States and China "signalled to us that the global politics has moved beyond everybody sitting behind their tables and doing nothing. So a lot of number crunching is going on now." When the number crunching is done, the Indian position will be presented at Copenhagen as a domestic initiative, not dependent on international financial or technological support. However, "we have to be very careful that we are not hustled into a position, inadvertently, where our interest is harmed", said Mr Shyam Saran, India's top climate change official in an address to the powerful Conference of Indian Industry.<sup>8</sup>

India, in other words, was taking the position that it would not be bound by an international agreement on climate change. It had taken the same position when it refused to sign the Non-Proliferation Treaty to prevent the spread of nuclear weapons. That left it with the wiggle room to develop nuclear weapons. Once again, it is not prepared to surrender its national sovereignty to an international body implementing an international treaty.

The real issue at Copenhagen is the role emerging markets are prepared to play. The International Energy Agency pointed out in its *World Energy Outlook* report that the commitments announced by the large polluters will fall well below the minimum needed.

---

<sup>7</sup> This visit was covered by me in two publications by ISAS. See Shahid Javed Burki, "President Obama's First Asian Visit", Brief No. 138, 9 November 2009 and Shahid Javed Burki, "President Barack Obama in Asia – Searching for the Basis for a Partnership", Working Paper No. 102, 7 December 2009.

<sup>8</sup> Quoted by Rama Lakshmi, "Moves by U.S., China induce India to do its bit on climate", *The Washington Post*, 2 December 2009, p. A9.

Atmospheric concentrations of carbon dioxide equivalent to 450 parts per million are consistent with two degrees Celsius global temperature increase. The agency notes that energy related carbon dioxide emissions have increased from 20.9 gigatons (Gt) in 1990 to 28.8 Gt in 2007. This is expected to go up to 34.5 Gt in 2020 and 40.2 Gt in 2030. This is equivalent to an average increase of 1.5 percent a year over the period. Emerging countries account for all the projected growth in energy-related emissions to 2030, with 55 percent of the increase coming from China and 18 percent from India. The issue therefore is whether emerging markets such as China and India are prepared to come up with more aggressive targets.

In debating this issue, emerging economies will emphasise the role trade-offs can play. One example of the kinds of trade-offs that can be made is provided by the World Bank in its latest *World Development Report*.<sup>9</sup> “Poor people emit little”, says the Bank. For instance, reductions in emissions secured by switching the automobile fleet in the United States of just sports utility vehicles (SUVs) into cars with European Union fuel economy standards would provide a cushion for the development of the world’s poorer areas. It would, for instance, cover the emissions from providing electricity to 1.6 billion people in the developing world who currently do not have access to electrical power. This example suggests a number of areas for public policy. A tax on fuel consumption on cars in the United States would encourage drivers to switch from high consumption SUVs to low consumption hybrid, and eventually electric cars which are already available in the market. A large proportion of the resources generated by the tax could be given in the form of grants to the less developed countries for building fuel efficient power plants and for investing in green technologies. At the same time, some of the tax on fuel could be used to subsidise research in producing low fuel consumption engines.

## Conclusion

According to Martin Wolf of the *Financial Times*, “tackling the risk of climate change is the most complex collective challenge humanity has ever confronted. Success requires costly and concerted action among many countries to deal with a distant threat, on behalf of people as yet unborn, under unavoidable certainty of the costs of not acting. We have reached the point, however, where a broad consensus exists on the nature of the threat and the sorts of policies we need to follow to deal with it.”<sup>10</sup> As some of the world leaders recognised when they met with President Obama in Singapore, there is not enough time to work out an international treaty at Copenhagen. While some of the major polluting countries have come up with some targets that they could factor in their own economic and environmental programmes, it would take much longer to arrive at a consensus on a document that would have the force of an international treaty. Copenhagen could help to arrive at a political consensus with a detailed treaty to be worked out later.

oooOOOooo

---

<sup>9</sup> The World Bank, *World Development Report, 2010: Development and Climate Change*, Washington DC, 2009.

<sup>10</sup> Martin Wolf, “Why Copenhagen must be the end of the beginning”, *Financial Times*, 2 December 2009, p. 9.