

**RESPONDING TO THE GLOBAL WARMING PROBLEM:
Climate Change: Present and Future**

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SUMMARY:

Although some continue to argue, like Tweedledum and Tweedledee, that "it isn't so, no-how," it is becoming much harder to brush aside the issue of global climate change. ... Our national leaders are virtually alone in their inability to agree that global climate change is serious and that it demands our focused attention. the growing consensus among the general public that global climate change is something that demands our attention as a nation; the implications global climate change has on everything from agriculture to our ability to live in coastal areas; ... The CBS Evening News is not alone in drawing fresh attention to the threat of global climate change. ... It is not only the "liberal news media" that is making global climate change a front-page concern. ... Accept the science of global climate change; ... What is driving our elected leaders' reluctance to meet the challenge of global climate change? There are two issues at the heart of this debate. ... For example, our ability to quantify the risks of not acting to address global climate change is still in its infancy. ...

TEXT:

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INTRODUCTION

"I know what you're thinking about," said Tweedledum, "but it isn't so, no-how."

"Contrariwise," continued Tweedledee, "if it was so, it might be; and if it were so, it would be; but as it isn't, it ain't. That's logic." n1

Although some continue to argue, like Tweedledum and Tweedledee, that "it isn't so, no-how," it is becoming much harder to brush aside the issue of global climate change. Yet, when the topic turns to what the United States can and should be doing to meet this global challenge, our nation's political leaders vanish like the Cheshire Cat.

Our national leaders are virtually alone in their inability to agree that global climate change is serious and that it demands our focused attention. Their inaction on this issue runs counter to a number of significant trends, such as:

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- . the growing consensus among the general public that global climate change is something that demands our attention as a nation;
- . the news media's increasing coverage of climate change as an issue that warrants our concern;
- . the implications global climate change has on everything from agriculture to our ability to live in coastal areas;
- . the business sector's growing willingness to acknowledge and work on this issue;
- . the increasingly focused work of other nations around the world who, since the negotiation of the Kyoto Protocol, have been attempting to deal with this issue.

I THE NEWS MEDIA TUNES IN

Based in part upon the growing consensus among scientists, and in part on the fact that 1997, 1998, and 1999 were the three hottest years on record, the American news media has "warmed up" to the issue of global climate change over the past two years.

In March 1999, CBS Evening News correspondent Jim Axelrod reviewed some of the likely effects of global climate change, including rising sea levels, shifts in water resources, and an increase in global temperatures. n2 The correspondent concluded his report with this observation:

Such thoughts used to be called "doom and gloom" by many. Now, however, a growing number of scientists are hearing the critics, looking at the data, and saying it's a forecast that can't be ignored. n3

The CBS Evening News is not alone in drawing fresh attention to the threat of global climate change. The Washington Post, in a January 2000 editorial entitled Warming to Reality, issued its own warning that "reckless inaction in the face of global warming is the costliest of all options." n4

It is not only the "liberal news media" that is making global climate change a front-page concern. No less a conservative voice than the Wall Street Journal also weighed in on the urgency of the issue. In an October 1998 story, the Journal portrayed the risk of human-induced climate change as a probability accepted [*1375] by "many scientists" and reported that the obstacles to global action on this issue are political rather than scientific in nature. n5

II THE VIEW FROM MAIN STREET, U.S. OPINION LEADERS

No doubt in response to the news media's increasing attention to this issue, the American public is more willing than ever to accept the fact that global climate change poses a real threat and that action is needed to avert a crisis.

An August 2000 survey conducted for the World Wildlife Fund revealed that nearly 73 percent of Americans believe global warming is a serious threat. n6 According to the survey, 80 percent of the voting public wants the United States to address the problem by taking action to reduce emissions of carbon dioxide. n7

However, there is a difference between caring about this issue and actually doing something to address these concerns. When confronted with product choices, the American public often opts for products that are not "climate friendly." For example, more than 50 percent of all new car owners choose to buy four-wheel drive sport utility vehicles (SUVs). n8 One of the only places right now where we see the combination of caring and commitment that is needed to move this issue forward is in the American business community.

III BUSINESS ACCEPTS THE CHALLENGE

In late 1999, Ford Motor Company announced that it was resigning from the Global Climate Coalition, a group of oil companies, auto makers, electric utilities, and others who stubbornly argue that we still do not have enough evidence to know whether global warming is real and that we should not do anything serious about the issue until more is known. Word of Ford's decision was followed closely by the news that Daimler Chrysler would also be leaving the coalition. The companies' [*1376] moves were seen as an indication of the growing acceptance of the reality of global warming and the urgency of this issue in the nation's corporate boardrooms. It was yet another sign of a growing consensus supporting rational actions to reduce U.S. greenhouse gas emissions.

In fact, many American businesses have long been substantially ahead of our government in

their willingness to acknowledge and work on this issue. This progressive stance became obvious when a large group of mostly Fortune 500 companies became affiliated with the Pew Center on Global Climate Change to help forge a consensus response to the problem. n9 The Pew Center's Business Environmental Leadership Council includes a diverse group of companies with combined annual revenues approaching \$ 600 billion, including household names such as American Electric Power, Boeing, BP, Amoco, Lockheed Martin, Shell International, Sunoco, Toyota, United Technologies, and Whirlpool. Working together, these companies developed a joint statement asserting that in the new millennium, "one of our most important challenges at home and abroad will be addressing global climate change as we work to sustain a growing global economy." n10

This is an enormously powerful statement. In making this statement, these companies announced publicly that they:

1. Accept the science of global climate change;
2. Will establish their own emission reduction targets - and meet them;
3. View the Kyoto Protocol as a first, although incomplete step toward addressing the issue internationally; and
4. Believe that addressing climate change can be compatible with sustained economic growth in the United States. n11

Several of the member companies of the Pew Center's Business Environmental Leadership Council have announced their emission reduction targets, all of which are at least as stringent as those in the Kyoto Protocol. DuPont, one large company affiliated with the Pew Center, established a goal of reducing emissions to 65-percent below 1990 levels by 2010, with an additional commitment to obtaining 10 percent of their [*1377] energy needs from renewable sources. n12 This is a stunning target, far in excess of the 7-percent reduction the Kyoto Protocol requires for the United States as a whole.

The commitment of DuPont and these other companies is an important reminder that there are many steps industry can and should be taking now to reduce greenhouse gas emissions. Unfortunately, however, the fact that these forward-thinking companies are acting of their own volition and without a clear sense that their actions will be rewarded in the marketplace is a reminder of the United States' lack of leadership in this area.

IV ACTIONS ABROAD

The Kyoto Protocol was negotiated in December 1997 as an international framework for reducing global greenhouse gas emissions. The Protocol, which has not been ratified by the United States, essentially requires developed countries to reduce or limit their emissions of greenhouse gases in relation to their emission levels in 1990. It permits the use of various "flexible mechanisms" to assist these countries in reaching their legally binding targets in a cost-effective manner. These mechanisms include: international emissions trading; joint implementation, which allows countries to receive credit for emission-reduction projects undertaken in other developed countries; and the Clean Development Mechanism, which allows trading in certified emission reductions between industrialized and developing nations.

The international negotiations that produced the Kyoto Protocol are still under way. Many terms in the original Protocol were left undefined, just as many of its provisions were not adequately explained. Issues that remain "up in the air," so to speak, are: (1) the structure and definition of the flexible mechanisms mentioned above; (2) the means for handling the issue of carbon sequestration, or the application of land use and forestry practices to help reduce atmospheric carbon dioxide; and (3) a method for establishing a compliance regime defining how the world will police this enormously complex agreement.

Despite the continuing negotiations, work is under way to move forward with the emission

reductions required under the Kyoto Protocol. For example, the United Kingdom is now in the process of planning a domestic emission-trading experiment. The [*1378] Danish government recently secured legislative authority to implement a trading program of its own; similar programs are under development in Norway and Sweden. Looking elsewhere, the Germans are implementing a modest tax program, and the parliament in the Netherlands approved a more traditional program that draws on a variety of policies and measures in an effort to curb emissions. Last but not least, Japan, as a major player in the development of the Kyoto framework, is viewing this issue from a competitiveness standpoint and is developing strategies for its own emission reduction programs.

Whether any of these programs will work, or how well they will work, is uncertain. They do, however, reflect serious attempts to experiment and move forward, to take necessary risks, and to determine which approaches will ultimately be successful.

V THE U.S. GOVERNMENT: AWOL ON WARMING

What is the United States, a country that is home to less than five percent of the global population but is responsible for twenty-five percent of global emissions of greenhouse gases, n13 doing to ensure that the necessary emission reductions are made?

The answer is that it is rare, both in Washington and on the recent presidential campaign trail, for discussions about this issue to get past the question of whether the United States should support the Kyoto Protocol or declare it dead. What the discussions have not touched on - and should - is the further development and implementation of programs that would change the expected trajectory of our nation's greenhouse gas emissions. Congress, in particular, appears determined to allow absolutely nothing to happen that would even remotely suggest that the United States is concerned about this issue. For example, while there have been several climate change bills introduced in Congress, the prevailing view is that any effort to move forward on this issue is a "backdoor" attempt to implement the Kyoto Protocol and therefore it should be blocked.

President Clinton's February 2000 budget proposed spending \$ 2.4 billion on various clean energy and energy conservation projects designed to "combat global climate [*1379] change." n14 However, while important and politically safe, this proposal was clearly not enough.

The reality is that the White House has done very little since signing the Kyoto Protocol to make the treaty's goals and emissions-reducing mechanisms a fundamental part of U.S. policy. Instead, the Clinton Administration regularly cited the leadership of U.S. businesses and local governments as evidence of our nation's commitment on this issue. The White House has simply failed to do what must be done to make this issue the national priority it should be.

VI U.S. STUMBLING BLOCKS: ECONOMICS AND FAIRNESS

What is driving our elected leaders' reluctance to meet the challenge of global climate change? There are two issues at the heart of this debate. While these issues are significant, they have not been framed in ways that are honest or open to solution.

The first issue relates to the economic costs of taking actions to reduce emissions. There are varying predictions about the potential impacts of achieving the Kyoto targets to the U.S. economy. Interest groups across the ideological spectrum have suggested markedly different results. The only result that is truly achieved is confusion.

In order to move beyond this confusion we must admit that the models used, even when stripped of unrealistic assumptions, are not infallible. For example, our ability to quantify the risks of not acting to address global climate change is still in its infancy. In addition, we have yet to meet the challenge of modeling technological innovation. What models, for example, would have predicted the information technology or communications revolutions that we are now witnessing?

This is not to suggest that there will be no costs to the United States should we act decisively to reduce emissions. There is almost always a cost associated with major changes to the economy. However, we miss the mark by relying on 10-year-out predictions of increases or decreases in the U.S. GDP. Rather, the United States should be concerned about the impacts that are likely to occur in certain industries, certain labor categories, and certain regions of the country. The questions we should be asking are: how we can minimize these [*1380] impacts, and what we can do to deal with those impacts that we are unable to minimize?

The second issue that has become a roadblock to progress in the United States is the issue of developing country commitments. Is it fair for the United States to have to abide by the Kyoto targets while competitors without targets, such as China, India, and Mexico, receive a "free ride"?

The reality is that most developing countries are unlikely to agree to binding emission reduction targets that are scheduled to take effect in this decade. The primary reason for the reluctance of these countries to "join in" is concern about their economic growth and its relationship to energy use, at least in the early stages of development. There is also a prevailing view in these countries that those who bear the historic responsibility for the problem of mounting atmospheric concentrations of greenhouse gases should act first.

But the developing world's opposition to targets cannot be allowed to hide the fact that there is movement on this issue among these countries - movement that many of the opponents of the Kyoto Protocol prefer to ignore. For example, China, which has dramatically lowered its energy consumption per unit of output over the last decade, is on a path to continue making significant energy-saving improvements in the coming decade. Privatization of the electricity sector is moving forward in India, where competition is expected to increase the use of natural gas and lower greenhouse gas emissions. Lastly, Korea is beginning to plan for opening up its power sector to competition, again with a projected increase in the use of natural gas. n15

In these and other developing nations, investment decisions made in the power and transportation sectors over the coming years will significantly impact global greenhouse emissions for decades to come. And the reality is that many opportunities exist for lowering these countries' emissions. n16 In other words, binding commitments for these countries may not be possible, but significant action to lower emissions from their expected path may very well be. That, in turn, would lay the groundwork for environmentally sustainable economic growth, which is in everybody's interest.

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VII MOVING FORWARD: A U.S. AGENDA

The question therefore remains: How can the United States government get back on track and assume its rightful leadership role in meeting the challenge of climate change? The answer is by forging a national policy designed to deal seriously and responsibly with this issue. There are four items that should be placed at the top of the U.S. agenda.

The first item should be to depoliticize and depolarize this issue in Washington. American businesses need to know what will be expected of them in the **future**. If we can move beyond political agendas and focus on economically sound, stable, and serious actions to reduce greenhouse gas emissions, we will provide a platform for business planners to look ahead.

Our second agenda item should be to design a straightforward system that will legally recognize the contributions of corporations that take early action to reduce greenhouse gas emissions. Put very simply, companies need to know that reducing their emissions now will not put them at a competitive disadvantage down the line.

Our third agenda item for the next decade should be to include some serious planning as to how we, as a nation, will reduce our greenhouse gas emissions over the long haul. What we

need is not a debate about Kyoto - a prospect that delights the opponents of serious U.S. action on this issue because they believe they will win. Rather, we need to start discussing what must happen to address the challenge of global climate change in ways that are smart and fair and that give us a competitive edge.

Finally, as our fourth agenda item, we need to continue to work abroad to make the Kyoto Protocol into an instrument that is worthy of U.S. ratification, and that is a step along the path toward a genuinely global solution to what is clearly a global problem.

Unfortunately, the current discussion of global climate change and what to do about it too often resembles the chaos and unruliness of the queen's croquet game in Alice and Wonderland. When Alice is playing on the Queen's croquet ground, she becomes very uneasy about the game and her fellow players. The story continues:

"I don't think they play at all fairly," Alice began, in a rather complaining tone, "and they all quarrel so dreadfully one can't hear oneself speak - and they don't seem to have any [*1382] rules in particular; at least, if there are, nobody attends to them. n17

On the issue of climate change, we can clearly do better. Our priority in the months and years ahead, both in the United States and internationally, should be to provide some rules and direction to guide the players as we all work together to meet this global challenge.

FOOTNOTES:

n1. Lewis Carroll, *Through the Looking Glass, and What Alice Found There* 229-30 (Bromhall House 1960) (1872).

n2. CBS Evening News Report (CBS television broadcast, Mar. 24, 1999).

n3. *Id.*

n4. *Warming to Reality*, *Washington Post*, Jan. 9, 2000, at A32.

n5. John J. Fialka, *Kyoto Treaty's Foes in U.S. Could Kill Pact Around the World*, *Wall St. J.*, Oct. 19, 1999, at B1.

n6. *Global Warming is a Serious Threat Say 73% of American Voters*, *World Wildlife Fund* (Aug. 2, 2000), at <http://www.worldwildlife.org/news/headline.cfm?newsid=176>.

n7. See generally *Pew Cntr. on Global Climate Change*, at <http://www.pewclimate.org> (last visited Sept. 28, 2000).

n8. *Environmental News Network, In Search of the Perfect Truck* (June 12, 2000), at <http://www.enn.com/enn-features-archive/2000/06/06122000/futuretruck<uscore>13671.asp>.

n9. See *Pew Cntr. on Global Climate Change supra note 7*.

n10. *Pew Cntr. on Global Climate Change, Joint Statement of the Business Environmental Leadership Council* (Sept. 21, 2000), at <http://www.pewclimate.org/belc/statement.html>.

n11. *Id.*

n12. *E.I. Du Pont de Nemours and Co., Sustainable Growth: 1999 Progress Report on Safety, Health and the Environment* (2000).

n13. *U.S. Energy Info. Admin., Issues in Focus*, at <http://www.eia.doe.gov/oiaf/aeo/issues.html#kyo>.

n14. *White House Council on Env'tl. Quality, President Clinton's FY 2001 Budget: Protecting Our Environment and Public Health* (Feb. 7, 2000), at <http://www.whitehouse.gov/CEQ/overview<uscore>2000-2-7.html>.

n15. See *Pew Cntr. on Global Climate Change, Report on Developing Countries and Global Climate Change: Electric Power Options in Korea* (Oct. 26, 1999), at <http://www.pewclimate.org/projects/pol<uscore>korea.pdf>.

n16. See *Pew Cntr. on Global Climate Change, Report on Developing Countries and Global Climate Change: Electric Power Options for Growth* (June 16, 1999), at <http://www.pewclimate.org/projects/pol<uscore>countries.pdf>.

n17. *Carroll, supra note 1*, at 113.