

# Blueprint to avert global disaster

Special report: global warming

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Monday July 16, 2001

The Guardian

In one respect, Tony Blair is like every British prime minister since Churchill - he believes in a unique bond between Downing Street and the White House. The existence of the so-called special relationship is much disputed, but one thing is certain; if London does exert any influence in Washington then next weekend will be the time to wield it.

Today in Bonn talks begin that are designed to keep alive the Kyoto agreement on cutting greenhouse gases. Plan A is to browbeat the Americans into supporting the protocol, even though it has been rejected as fundamentally flawed by the new Bush administration.

Despite complaints from the rest of the world that the US will be held responsible if the continued build-up of greenhouse gases causes irreparable damage to the global environment, the strategy has two big drawbacks. The Americans are unlikely to budge and there's no plan B.

Actually, that's not quite true. There is but for it to have a chance of succeeding the politicians in Genoa this weekend may have to face up to one uncomfortable truth: whatever is cobbled together in Bonn, Kyoto is dead.

It is true that the United States is responsible for 25% of global emissions with only 4% of the world's population. It is true that the developed world (not just the US) has a moral duty to sort out the problem it has created. But it is a fantasy to believe that the Bush administration is going to change its mind on Kyoto.

Only when it is accepted that the Americans are not going to roll over will the way be cleared for some new thinking.



## Better alternative

The desperate attempts to hold Kyoto together with sticking plaster are understandable because the feeling is that the alternative to Kyoto is no deal at all. But the alternative is better and possible, given political will.

Blair is well placed to provide the sort of leadership that is now required. He knows from the Labour party's experience that the moment of total, dismal failure is the moment when new ideas have their greatest potency. He likes thinking "outside the box" and is good in negotiations at seeing the big picture.

Blair also knows the environment is the big challenge facing today's global leaders. As he once said: "If there is one issue that threatens global disaster it is the changes in our atmosphere ... we have to face a stark fact, neither we here in Britain, nor our partners abroad, have succeeded in reversing the overall destructive trend. The challenge continues to grow and become more urgent."

There are, of course, those who argue strongly that climate change caused by CO<sub>2</sub> emissions is a myth, and that the increase in global temperature over recent decades is simply a natural phenomenon that occurs from time to time. But even if the optimists are right, the consequences will be so dire if they are wrong that it is worth adopting a precautionary approach. Insurance companies certainly think so.

The US government has never sought to deny that climate change is a problem, simply that Kyoto is the wrong way of dealing with it. In particular, Washington has argued that a global problem needs a global solution, which means including countries in the developing world, too.

Fortunately, a blueprint exists which not only answers the US objections to Kyoto but offers a coherent strategy for cutting greenhouse gases.

The plan, known as contraction and convergence, is simpler than Kyoto's Byzantine complexity, offers a way of getting the Americans to come on board, has built-in flexibility, and a market mechanism built into it. Although C&C was the brainchild of green activists, the irony is that it would be good for business. It is hardly surprising that it is winning new supporters all the time, including Michael Meacher, the environment minister.

## Contentious issue

So how would it work? Aubrey Meyer, founder of the Global Commons Institute says the plan has three distinct phases.

First, governments get together and, on the basis of the best scientific advice, decide how much further the level of CO<sub>2</sub> in the atmosphere can be allowed to rise before the environmental damage becomes too great. Given the lack of scientific unanimity, this is certain to be a contentious issue, but it need not be insuperable.

Once the overall limit has been agreed, Meyer says the next step is to use an estimate of the proportion of the gas released which is retained in the atmosphere to determine the speed at which emissions have to be cut in order to hit the target.

Finally, once we know by what percentage emissions have to be reduced, there has to be agreement on how to allocate the fossil fuel consumption that lead to those emissions.

In his pamphlet (*Contraction & Convergence*; Green Books, £5), Meyer argues that the correct and fair approach would be to enshrine the right to emit carbon dioxide as a human right "that should be allocated on an equal basis to all of humankind".

Clearly, this would be far more attractive to countries that are consuming smaller quantities of fossil fuels per head (poor countries) than those that have relied on the burning of fossil fuels to grow their economies (rich countries).

One solution would be for over-consuming countries to be allowed an adjustment period - of say 25 years - to reduce their emissions to the convergence level. In addition, those countries that were unable to live within their allocation would be able to buy extra permits from those countries which were more efficient in the use of fossil fuels.

This would have a number of benefits. It would lead to a flow of funds from rich to poor countries that would not be contingent on the willingness of creditor nations to sanction debt relief; it would encourage those countries in the south to run their economies in energy-frugal ways, so that they continued to have pollution permits to sell; finally, it would provide a considerable boost to the development of sophisticated environmental technologies in the north, which could be as important to capitalist development in the first half of the 21st century as was oil in the first half of the 20th.

Considerable thought has been given to the C&C proposal. The green economist, Richard Douthwaite, has developed the idea of a new currency, the emissions-backed currency unit, which would operate rather like a green Gold Standard.

Ebcus would be used for trading in greenhouse gas emissions permits, and if the price of permits started to rise the international body responsible for policing the system would sell more permits and then withdraw the currency permanently from circulation, thereby limiting further damage to the environment.

Are there any objections? You bet. The plan relies on the fact that politicians can focus beyond the next election; it requires a willingness for us in rich northern countries, consumers as well as producers, to change our lifestyle and for developing countries to come off the sidelines; it means facing up to the fact that Kyoto is a barely twitching corpse. C&C, in other words, is no magic bullet.

But crude anti-Americanism is not either; it is the equivalent of firing blanks, since it plays into the hands of those in Washington who want to defend the status quo and drowns out the voices of deeply concerned US citizens who recognise that there is a problem and want their government to be part of the solution.

This is not the time for the blame game but for some fresh thinking.