

The Transatlantic Climate Change Challenge

The U.S.-European relationship has evolved into a partnership that stretches well beyond the Atlantic area to address global challenges such as the proliferation of weapons of mass destruction, radical extremism, the rise of China, global poverty, and health issues. Climate change is becoming a part of that list as well, although this phenomenon is fairly new. The difficulty in forging transatlantic cooperation on this issue is that Europe and the United States are addressing it at different speeds and in different ways.

Europe is often portrayed as the global leader that has placed its faith in national and international regulation. By contrast, the United States has assumed the image of the global laggard unwilling to make sacrifices and much more interested in supporting technological solutions than regulatory ones. Although elements of these stereotypes ring true, the transatlantic landscape on this issue is changing, with an increasing recognition on both sides of the Atlantic that cooperation in this area is possible and critical. The question is, can it come together quickly enough to help forge a framework to replace the Kyoto Protocol before the agreement expires in 2012?

Europe's Track Record on Climate Change

Europe is rightly perceived as a global leader when it comes to climate change policy. The European Union was a central actor in the formulation and adoption of the UN Framework Convention on Climate Change (UNFCCC), the first intergovernmental framework for addressing the issue, from 1992 to 1994.

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Over the next three years, the EU again played a crucial role in negotiating the Kyoto Protocol.

Having come into force in 2005, the Kyoto Protocol sets mandatory and legally binding targets for participating industrialized countries to reduce their greenhouse gas emissions by an overall total of five percent from 1990 levels

Transatlantic cooperation on climate change is possible and critical.

by 2012. The protocol incorporates a number of flexibility mechanisms to allow countries to meet their emissions reduction goals. These include national or regional emissions trading schemes and credits for sponsoring clean development projects or increasing carbon sinks, such as forests, either at home or in developing countries. By the time the Kyoto Protocol came into effect in early 2005, an internal EU Emissions Trading Scheme (ETS), the first international carbon-trading system, had already been set up. The ETS was established in October 2003 and came into operation in January 2005.¹

The new Energy Policy for Europe (EPE), presented by the European Commission in January 2007 and approved by the European Council in the spring of 2007, makes it clear that addressing climate change is a top EU priority. The EPE commits the EU to independently reducing its greenhouse gas emissions by 20 percent by 2020 (compared to 1990), with a pledge for a 30 percent reduction, should other developed countries follow suit.² The Action Plan for the EPE calls for the EU, already the global pacesetter in renewable energy with, for example, nearly two-thirds of the world's wind energy market, to triple its use of renewable energy sources by 2020 to provide for 20 percent of overall consumption. The plan additionally sets out, albeit in general terms, new regulatory measures to improve energy efficiency, including by leveraging the internal European energy market while pointing out the importance of the use and development of energy-saving and low-carbon technologies.³

The awareness and concern of European policymakers regarding climate change are reinforced by European public opinion, with more than four-fifths of respondents to a Gallup poll released in March 2007 "aware that the way they consume and produce energy in their country has a negative impact on climate" and 87 percent either "very much concerned" or "to some degree concerned" about the effects of climate change and global warming.⁴

Within the overall goal of a 5 percent reduction in emissions by 2012, commitments under the Kyoto Protocol by individual countries vary. The then-15 EU member states and eight of the 10 central and eastern European states that joined the EU in 2004 and 2007 committed to the greatest reduction (8 percent) of any Kyoto protocol participants. In deciding how the overall 8 per-

cent reduction could be achieved, the EU-15 states in turn distributed widely varying targets among themselves. On one end, Germany and Denmark each committed to a 21 percent decrease in greenhouse gas emissions, while Greece and Portugal have ceilings under which emissions may increase no more than 25 percent and 27 percent, respectively.⁵

AT THE NATIONAL LEVEL

Although the European continent deserves kudos for its ability to match its rhetoric on climate change to tangible action, not all European countries perceive the challenge in the same way. There are differences within Europe on how countries have chosen to address the challenge. The size and composition of national industrial and transportation sectors, for example, make for greenhouse gas emissions-level differences in the type and level of adjustments a national economy can tolerate in the name of protecting the environment.

Similarly, individual countries have their own unique mixture of energy dependencies, in terms of what their core sources are and where they come from. Thus, although an EU-wide consensus on the issue of climate change and the need to address it does indeed exist, there are also 27 underlying national perspectives, not to mention those of non-EU members such as Norway, on the importance of and best solution to the problem.

Germany is an important leader of the European charge on climate change policy and shoulders a substantial part of the burden. As Europe's largest economy, Germany's planned 21 percent reduction of carbon dioxide (CO₂) emissions by 2012 under the Kyoto Protocol accounts for nearly three-quarters of the overall 8 percent EU reduction. With the ambitious commitments of the EPE, Europe is faced with the challenge of achieving a further 12 percent reduction between 2012 and 2020, and with its weighted portion factored in, Germany is looking at a total 40 percent reduction in CO₂ generation over a 15-year period.

Achieving such an ambitious goal requires a nearly holistic approach, linking a gradual overhaul of the way German industry operates and a society-wide commitment to changes in everyday lifestyle. This philosophy means a strong emphasis on energy efficiency from the industrial level all the way down to household electrical appliances, including lamps and light bulbs. A nationwide switch to such products, combined with greater use of renewable energy sources and possibly such controversial measures as a 130-kilometers-per-hour speed limit on the autobahn, which in some stretches has no limit at all, have the potential to drastically reduce German CO₂ emissions even beyond Kyoto Protocol targets, as research on new technologies for environmentally friendly CO₂-free power plants and fuels continues.⁶

Germany shoulders a substantial part of the European burden.

Supplementing its own national vision, Germany has put considerable effort into garnering more international support for climate change initiatives at a regional and global level. Following the first-ever European government to include a Green party, the grand coalition government of Chancellor Angela Merkel opted to push climate change and environmental issues as a key part of its agenda during its 2007 presidencies of the EU and the Group of Eight (G-8). The focus, as witnessed during the G-8 summit in Heiligendamm, has

been on turning global concern into action. In Merkel's eyes, recognizing the severity of the problem is only the first step. The next step, which she continues to pursue with great enthusiasm, is getting international actors, including the United States, China, and India, to agree to binding targets.

Under Prime Minister Tony Blair, the United Kingdom set about achieving its Kyoto Protocol commitment of a 12.5 percent emissions reduction by raising emissions standards for automakers, introducing a graduated auto tax based on fuel efficiency, and aiming to increase national use of biofuels. In March 2007, Blair also set a long-term national goal of a 60 percent CO₂ emissions reduction by 2050, which will be implemented through a series of five-year "carbon budgets."⁷ Although it is debatable whether the United Kingdom is currently on pace to meet the target for 2050, it is on track to fulfill its Kyoto Protocol commitment.

Yet, the tactics of British climate change policy do split along party lines. The Labour Party stance emphasizes the importance of international agreements and the role of positive incentives to change behavior, such as lower taxes for environmentally friendly vehicles and buildings. The Conservatives, however, advocate managing the issue through higher national taxation on emissions-causing behavior, such as emissions taxes on airline passengers and airplane fuel. Although a consensus on the need to address climate change thus exists across the British political community, the governing party has a firm grasp on the reins of policy implementation in the British parliamentary system. Thus, Labour is free for the time being to work for emissions reduction within the strategy that the party has laid out. The opposition Conservatives, however, can be expected to continue to present alternative visions of how to combat climate change as they seek to differentiate their policies from those of Labour ahead of the general election expected in the spring of 2009.

In general, the French government and public are in line with the European consensus regarding the importance of countering climate change. Initially, however, France did oppose the EPE because its nuclear power industry, which

provides for more than three-fourths of France's power needs, was excluded from national calculations of emissions responsibility. Once the EU agreed to take the French nuclear sector fully into account as a low-carbon energy source, France threw its complete political backing behind the EPE.

Today, France can boast that its emissions have actually slightly decreased even though the French assignment under the Kyoto Protocol was simply to maintain emissions at 1990 levels. France is expected to play an even larger role in Europe's climate policy with the arrival of President Nicolas Sarkozy, who has already made a number of pledges to strengthen his country's commitment to combating global warming. In his acceptance speech, Sarkozy also urged the United States to show more leadership on tackling global warming.⁸

SHORTCOMINGS AND DIVISIONS

Despite Europe's laudable focus on climate change at the regional and national levels, fruitful action has not always followed the rhetoric. Countries such as France, Sweden, and the United Kingdom are on track to meet or even exceed their Kyoto Protocol targets for CO₂ emissions reduction; others, such as Spain, Portugal, and Ireland, are badly off pace.⁹

Although the ETS carries real symbolic importance, the first phase (2005–2007) has witnessed a number of serious shortcomings. At the start of the ETS, many targets for major emitters were set too high, and the allocation of carbon credits was conducted far too generously. As a result, many large polluters were not required to reduce emissions, nor did they ever have to purchase credits because many were already sitting on a surplus. When news of the credit hoards became public in the spring of 2006, the ETS market price for carbon credits collapsed.

Furthermore, under the Kyoto Clean Development Mechanism, European companies can trade credits outside of Europe, paying large sums to cash-hungry polluters in the developing world, especially China and India, for their carbon credits. This influx of cash spurs expansion and new operations in the developing world, generating new emissions. Critics also argue that the money spent in the global emissions trading market—\$30 billion in 2006—would have made a much greater difference had it instead been invested in emissions-reducing technologies.

In fact, the very existence of the market acts as a disincentive to many companies to change their polluting ways and move away from fossil fuels toward renewable energy sources and new technologies. With this first phase of the ETS admittedly a learning phase, the EU will need to apply its lessons vigorously to the second phase in 2008–2012, including setting stricter emissions limits and auctioning credits off, rather than handing them out.¹⁰

Beyond emissions trading, it is widely expected that Europe will continue to be a global leader in climate change policy. Yet, internal divisions on the continent do pose a number of potential problems. Intra-European east-west tensions flared during the European Council negotiations of the EPE. The economies of the new member states of central and eastern Europe are generally far more dependent on coal, gas, and CO₂-generating manufacturing than their western counterparts. Poland, for example, derives 90 percent of its energy from coal.¹¹

These countries also have a much lower portion of renewable sources in their energy mix. Estonia's renewable energy sources account for 1 percent of energy sources, whereas Austria's account for 60 percent. These facts led the Czech Republic, Hungary, and Poland to oppose the EPE. They felt that the potential economic burdens of emissions reduction would be too great and the difficulty of meeting the renewable energy targets too extreme. In the resulting compromise, the implementation of the EPE will mean more permissive emissions targets for the new members and possibly west-to-east subsidies of technology and energy supply.¹²

The tactics of British climate change policy split along party lines.

Intriguingly, diversification of energy supply through the development of renewable, alternative energy sources would be of greatest benefit to the central and eastern EU members because of their current energy dependence on Russia. With many of these states highly dependent on Russian oil and gas for their energy needs, they find the affordability and availability of their energy sources increasingly vulnerable to the political aims of a Kremlin that boldly wields energy as an instrument of foreign policy. Thus, those countries with the least realistic capacity to diversify their energy and where economics still outweigh environmental concerns ironically have arguably the greatest political rationale for seeking alternative sources.

Energy dependence is also an issue for western Europe, with the EU-15 accounting for nearly 90 percent of an EU-25 gas market that relies on Russia for 24 percent of its supply.¹³ In addition, western Europe stands at the end of a pipeline infrastructure that runs out of Russia through eastern Europe, making it subject to disruptions anywhere along the way. Yet, the western European countries are seemingly more inclined to diversify out of environmental rather than political concerns. One can only hope for the gradual evolution of a state of affairs wherein all member states find it in their interest to pursue the same ends of emissions reduction and energy diversification seriously, even if it would be for widely differing reasons.

The desirability and acceptability of nuclear power as a carbon-free energy source is another persistent topic of passionate debate in Europe. This issue has

led to the creation of unlikely coalitions of interest, with pro-nuclear energy countries such as the Czech Republic, Finland, France, and Slovakia on one side and countries with broadly antinuclear publics, such as Austria, Denmark, and Ireland, on the other. Despite its appeal, some countries have already taken dramatic steps to reduce their reliance on nuclear energy. In a decision made under the Red-Green government of Chancellor Gerhard Schroeder, Germany plans to do away with its nuclear plants, which currently provide one-third of the country's power, by 2020. This power supply will have to be replaced mainly by coal, which already accounts for more than one-half of Germany's electricity.

Finally, business leaders have predictably expressed concern that the EPE will hurt competitiveness and that it is unclear how the targets can be met. In January 2007, the heads of BMW, DaimlerChrysler, and Volkswagen sent a joint letter to the European Commission complaining that the EPE would unduly burden and harm the German auto industry. Although German carmakers have introduced some new technologies that reduce auto emissions and are gradually introducing hybrid vehicles, the very foundation of German auto engineering and profit remains power and luxury. Manufacturers often argue that significantly lower emissions limits simply cannot be met by most of the car models currently made by companies such as Audi, BMW, Mercedes, and Porsche.

EUROPE'S PIVOTAL ROLE

The many shortcomings of the Kyoto Protocol are well known. As is the nature of international agreements, there is no real enforcement mechanism to make the targets truly legally binding. Moreover, with the Kyoto Protocol limited to countries that are defined as industrialized, key developing countries are not covered. This factor led the United States, the world's largest generator of CO₂, to refuse to ratify the agreement. Whereas the EU appears likely to meet its emissions reduction targets by 2012, growth in greenhouse gas emissions remains strong among Brazil, Canada, China, India, and the United States.

The future of managing climate change nevertheless rests with the next round of international agreement. With the Kyoto Protocol set to expire in 2012, the details of a regime to replace and build on it remain unclear. Many look to the EPE as setting the bar for a new international accord on climate change, which means European credibility is now on the line. Even if Europe achieves its internal goals on greenhouse gas emissions, which it may very well do, it will only address a small portion of the problem.

With Europe's share of global pollution and energy consumption set to decline significantly over the next 30 years, the vision of the EU must now turn outward. In scenarios projecting decades ahead, the effects of climate change in Africa, the Middle East, South Asia, and elsewhere will radically impact

Europe at home. As a result, European policymakers need to set a broad international negotiating strategy and get started on the far-ranging diplomacy needed to bring an aggressive post-Kyoto Protocol treaty into being. This means engaging the United States and focusing on developing an understanding with China and India to bring these key players into the fold. Europe must embrace its pivotal role and maintain its will to play it.

The U.S. Track Record

The global perception of the United States vis-à-vis climate change is that of a laggard. Given its size and large contribution to global emissions, many countries around the world believe the United States could and should be doing more to combat climate change. Data from the Pew 2007 Global Attitudes project show that, in 34 of the 37 countries surveyed, the United States is named by a majority or a clear plurality as the country “hurting the world’s environment the most.”¹⁴ That sentiment is shared by many Americans as well, with one-third of those surveyed rating their own country as the world’s biggest polluter. For almost three decades, small groups of Americans have worked to promote climate policies; but to date, the United States has shown very little leadership on this global challenge.

U.S. awareness of the potential problem of climate change first became widespread in the late 1980s. In 1986–1987, climate expert James Hansen began expounding the view that global warming due to the greenhouse effect was to become a serious issue over the next 20 years.¹⁵ Hansen’s congressional testimony on the topic in the summer of 1988—a summer featuring severe droughts and heat waves—catalyzed the attention of the media, environmental groups, and the scientific community.

Hansen’s efforts, however, were countered in 1989 when corporations from big industry, notably petroleum and automobile companies, founded the Global Climate Coalition. The sole purpose of this coalition was to refute any suggestion that action against the greenhouse effect was needed. The coalition’s views on the subject found a largely receptive audience within the administration of George H. W. Bush. Yet, just before leaving office, Bush did sign on to the UNFCCC to counter his bad environmental reputation. Of course, the UNFCCC was not binding in any way, which made it easier for groups such as the Global Climate Coalition to accept.

From the release of the first Intergovernmental Panel on Climate Change (IPCC) report in 1990 to the second report in 1995, international consensus on the severity of global warming gradually solidified and gained strength, particularly within the scientific community. Spearheaded by Vice President Al Gore, the Clinton administration pushed strongly for the Kyoto Protocol

in 1997. Ironically, the United States fought to have a cap-and-trade system, something the United States first developed as part of the 1990 Clean Air Act, inserted into the protocol. In the face of mounting congressional opposition, however, the Clinton administration refused to sign it.

The conservative-led Congress, fueled by groups such as the Global Climate Coalition, argued that adherence to the Kyoto Protocol would raise U.S. energy and gas prices and give other countries, such as India and China, an unfair economic advantage. Following a Senate declaration passed 95-0 that Congress would not ratify the Kyoto Protocol unless developing countries were included, the Clinton administration did not bother submitting the treaty for ratification. Subsequently, the administration of George W. Bush has been pointedly skeptical on climate change, introducing no legislation to address it.¹⁶ In advance of the G-8 summit in June 2007, during some tense negotiations on whether or not the summit communiqués

would include binding targets, Bush did invite the top 15 emitters to attend a climate conference in Washington in late September 2007, following a UN meeting in New York on the same issue earlier that week.

The Washington meeting represented a significant breakthrough in the U.S. approach, as Bush acknowledged the importance of the issue, calling for the world's leading emissions producers to work together and set long-term emissions reduction goals in the context of a Kyoto Protocol successor treaty for 2012. Yet, the presentations made by Bush and Secretary of State Condoleezza Rice also served to reillustrate the wide gap between the thinking of policymakers in the United States and much of the rest of the international community, with the United States continuing to oppose binding international treaties that contain minimum requirements and penalties for noncompliance. Rather, without suggesting concrete numbers, the administration proposed that each country should determine its own goals, to be pursued voluntarily, and that developing countries bear as much responsibility as developed ones. From the perspective of European policymakers, this episode represents an important shift in a positive direction for the United States, while demonstrating that U.S. policy on climate change remains largely isolated and out of step with the worldview of Europe.¹⁷

France is expected to play an even larger role in Europe's climate policy under Sarkozy.

SIGNS OF PROGRESS

Although the U.S. government has been dragging its feet on addressing climate change, there have been some positive shifts in U.S. policy in recent

months. As one U.S. climate expert put it, “[T]he United States is lacing up its running shoes and preparing to join the race.”¹⁸ Scientific evidence, support from businesses and industry, the promotion of climate-friendly policies as an element of faith, state and local initiatives, and the Democratic majority in Congress are enabling progress on this contentious issue.

There have been some positive shifts in U.S. policy in recent months.

First, the science has become both stronger and more visible. The Third Assessment Report of the IPCC, published in 2001, provided the media, policymakers, the general public, and academics with much stronger evidence of a warming Earth, even though parts of the report were strongly contested. It also highlighted the role of greenhouse gas emissions. Perhaps most striking was the observable evidence, often through satellite imaging, that the

report provided on the impacts of warming on the biosphere and on human societies. The Fourth Assessment Report in 2007 had an even greater impact, confirming with near certainty that carbon dioxide and other greenhouse gases from human activity are the main cause of global warming. Various extreme climate incidents, ranging from the European heat wave of 2003 to destructive storms such as Hurricane Katrina in 2005 to severe droughts and dwindling water resources in eastern Australia, have also provided skeptics in the United States and elsewhere with troubling firsthand accounts of the impact of warming on their societies.

Second, increasing numbers of business leaders have gradually come to consider action on global warming as imperative for the sake of energy security, economic growth and trade, and U.S. global leadership. Industry has also discovered that “going green,” however vaguely defined, has considerable appeal among the public. Furthermore, businesses now see economic opportunities in new “green” technologies. Therefore, as the science of climate change advanced and grew in scope in the 1990s and the indirect and direct benefits of becoming environmentally friendly became more apparent, corporations began pulling out of the Global Climate Coalition, reducing the threat of the business veto on U.S. government action. In fact, many U.S. corporations are now serving as agents of change on this issue through efforts such as the U.S. Climate Action Partnership, which is a joint endeavor among large corporations such as Alcoa, BP America, Caterpillar, Duke Energy, DuPont, and GE and environmental groups to press for urgent action.

Third, many evangelical Christian groups have come to view combating climate change to be an obligation of faith. At first, these groups promoted individual responsibility to conserve.¹⁹ Some prominent church leaders have

recently taken their cause to Washington, however, urging the federal government to take a more aggressive stance in addressing the problem. In early 2006, for example, a coalition of evangelical leaders issued “An Evangelical Call to Action,” asking Congress and the Bush administration to restrict CO₂ emissions.²⁰ That call triggered some fierce debates inside the evangelical community, but the increased attention on this issue among evangelicals and a wide array of other religious groups, including Roman Catholics and Jews, has heightened awareness among the general public and caught the ears of Republican leaders in Congress and the administration.

Fourth, absent federal-level participation in the Kyoto Protocol, the United States has witnessed a number of innovative approaches at the local and state levels. The best known model is California, which has established a state Climate Action Team to devise greenhouse gas emissions–reduction strategies based on technology and regulation. Numerous businesses in California, including DuPont and IBM, have voluntarily agreed to state emissions-reduction targets. The state’s motor vehicle plan aims to reduce car emissions, the greatest source of greenhouse gas emissions, by 30 percent by 2016. If the entire United States reduced its per capita emissions to California’s level, U.S. pollution would be significantly lower than that outlined in the Kyoto Protocol.²¹

California is not the only state in the union showing muscle on this issue. Twelve other states have adopted caps on auto emissions, and 435 U.S. mayors, Republicans and Democrats alike, have signed the U.S. Mayors Climate Protection Agreement, committing their cities to meeting Kyoto Protocol emissions targets.²² In another sign that climate change is no longer associated with those on the Left, Jon Huntsman Jr. (R), the governor of conservative Utah, has become a cap-and-trade advocate and committed himself to working with California on reducing carbon emissions. Dan Schnur, a Republican political analyst, called that shift “the energy equivalent of Nixon going to China.”²³

Finally, the Democratic takeover of Congress in 2006 has also advanced climate change debates in Washington. According to a recent Zogby International postelection survey, one-half of Americans who voted in the 2006 midterm elections said concern about global warming made a difference in whom they supported.²⁴ A handful of global warming skeptics lost influential posts in that political transition, including the chairman of the Senate Environment and Public Works Committee, James Inhofe (R-Okla.), who has called global warming “the greatest hoax ever perpetrated on the American people.”²⁵ He

Americans simply do not feel the same sense of urgency as others around the world.

was replaced as committee chair by Senator Barbara Boxer (D-Calif.), an outspoken critic of the Bush administration, particularly on climate issues.

To date, however, concrete progress in Congress on climate change has been slow. Mandates for more energy efficiency in federal buildings and a \$2 million program to measure greenhouse gas emissions better have been approved, but major climate legislation has yet to surface. Democrats blame the White House and continuing opposition from industry but claim that they will push for a major bill in late 2007 to reduce emissions.

Many Democrats and some Republicans, including Senators John Warner (Va.) and John McCain (Ariz.), now support a cap-and-trade system that would allow those industries that fall under a mandated emissions cap to trade credits to those that do not.²⁶ Some hope that as Bush looks to build a legacy that reaches beyond Iraq and the war on terrorism, he will become increasingly accommodating on adopting mandatory controls. Environmentalists are also hopeful that the 2008 presidential election will bring increased attention to climate issues, as many of the presidential candidates appear to be making climate a core part of their political platforms.

EVOLVING PUBLIC OPINION

These scientific, business, political, and religious shifts have been accompanied by shifts in public opinion. According to a survey conducted in February 2007, the percentage of Americans who say global warming is a serious problem has risen to 83 percent from 70 percent in 2004.²⁷ Some argue that the success of Al Gore's *An Inconvenient Truth*, which won the Oscar award for best documentary in 2007, has also heightened awareness of the dangers of climate change.

A number of skeptics, however, continue to question the science and oppose policy changes regarding climate change. Some claim that climate change is not taking place at all and that warming is simply a natural cycle of change that is not due to human activity. If Hurricane Katrina forced some skeptics to rethink their assumptions about the severity of the threat, the unusually cold winter in 2006–2007 was cited as further evidence of the uncertainty of the problem. A sizeable portion of the U.S. population continues to believe that changing human behavior will have no effect on the process whatsoever. Instead, humans must simply adapt to changing circumstances.

Caught between climate change advocates and the skeptics are those that admit that warming is occurring but oppose any initiative that might hurt the U.S. economy. These individuals, recognizing that the United States is the world's largest per-capita source of greenhouse gases, argue that the United States will pay the highest price for change. If the United States were to put in place a cap-and-trade system, for example, operating costs for U.S. firms

would rise, making imported goods, especially from India and China, even more competitive and possibly driving U.S. companies out of business. Any solution must therefore include China and India.

BRIDGING THE GAP

The challenge for the United States in the coming years will be to find a way to bridge the gaps between those that support mandatory cap-and-trade programs and those advocating alternative solutions, such as voluntary targets, while persuading as many skeptics as possible to alter their views on the science. This will be difficult for many reasons. First, time is short. With the Kyoto Protocol expiring in 2012, the United States and the broader international community do not have much time to begin the arduous task of reaching a global consensus on a post-Kyoto Protocol agreement. Many believe that, at the very latest, negotiations would need to start in 2009 as a new U.S. president will be coming into office. Yet, climate experts also often concede that the United States is unlikely to sign an international treaty before domestic legislation is in place, which will certainly take more time than the pending Kyoto Protocol deadline provides.

Second, although U.S. public concern about this issue appears to be growing, Americans, even those that support the science, simply do not feel the same sense of urgency as others around the world. A common but false assumption is that the impact of climate change will spare the industrialized world, especially the United States, Europe, and Australia.²⁸ This makes building and maintaining the required momentum on this issue perhaps more challenging on U.S. soil than in other corners of the world.

In reality, a U.S. commitment to future climate change regimes will be essential to the regimes' success. As the world's greatest producer of greenhouse gases and the world's largest consumer of energy, any solution to this challenge must include the United States. Without it, any hope of bringing China and India on board is futile.

Crafting a Transatlantic Agenda

Transatlantic cooperation on the issue of climate change over the last two decades and outside the climate community has been quite limited. It would be unfair, however, to assume that no progress has been made. Small-scale but ambitious initiatives, often stemming from city-to-city or state-to-state partnerships, are spreading across Europe and the United States at a fairly rapid pace.²⁹ Both sides of the Atlantic appear to be moving away from their disparate steadfast convictions on the best means to address climate change. Political elites are increasingly promoting a hybrid approach that will draw on technological

advances and some international regulation. Despite such achievements, Europe and the United States have much more to do in and out of government to tackle the problem, especially if they have hopes of launching a major effort for an effective successor to the Kyoto Protocol in any form.

Binding international limits are unlikely to attract the support of any U.S. government.

First and foremost, Europeans will need to accept that the most viable post-Kyoto Protocol regime in the eyes of Americans will probably be the one that resembles the protocol the least. Americans might be warming up to the idea of caps, but binding international limits are unlikely to attract the support of the U.S. government, regardless of which presidential candidate wins the next election. William Pizer, a senior fellow at Resources for the Future, outlines five characteristics of a future climate regime that

would win the support of a wide variety of policymakers, especially those in the United States: it must defer to domestic interests, need not focus on all countries, must include technology development, must engage the developing countries, and must stress evaluating action after the fact.³⁰

On the other side of the Atlantic, Americans need to find ways to capitalize on the momentum that is starting to build on this issue. One of the unique ways to do this is to pull non-climate change communities into the debate to make this challenge a key component of U.S. foreign policy. To date, a handful of studies have worked to bridge the gap between the national security and climate change communities so that global warming receives the same attention that other global challenges receive. Climate change will have major ramifications for migration, force posturing, failed states, and federal resource allocation. The sooner national governments treat climate change as a national security issue, the faster it will receive the intellectual and financial resources it merits.

The two sides of the Atlantic must also jointly examine the economic implications of a failure to act. Most American skeptics argue that the United States will risk economic damage by cutting its carbon emissions, particularly if others do not follow suit. Others, such as Sir Nicholas Stern, author of the infamous “Stern Review on the Economics of Climate Change,” make the exact opposite point, that the economic costs of acting on global warming are far lower than the cost of inaction.³¹ Although Stern’s report has been criticized for its methodology (using an incorrect discount rate in its calculations), its overarching thesis merits more discussion and research, particularly if Europeans have hopes of shrinking the pool of U.S. skeptics.

Any viable solution to the challenge of climate change rests on the ability of Europe and the United States to combine their strengths, experiences, and

positions into a post-Kyoto Protocol framework. Ultimately, the United States will eventually need to agree to some form of emissions caps. Because that appears unlikely in the remaining months of the Bush administration, Europeans will need to focus on short- and medium-term strategies. In the coming months, Europeans and Americans should work to increase the tempo of their dialogue, bring in new communities, continue to dissuade the skeptics, and capitalize on the fact that public opinion is primed for action. In the medium term, Europeans should be preparing to engage the next U.S. president on this issue, with the hope of putting it at the top of the transatlantic agenda within the first 100 days in office.

Notes

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