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### Climate change diplomacy

## Fiddling with words as the world melts

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**Global consensus on cooling the planet looks maddeningly elusive—but individual states and regional blocks may be stepping into the breach**



EPA

IMAGINE that some huge rocky projectile, big enough to destroy most forms of life, was hurtling towards the earth, and it seemed that deep international co-operation offered the only hope of deflecting the lethal object. Presumably, the nations of the world would set aside all jealousies and ideological hangups, knowing that failure to act together meant doom for all.

At least in theory, most of the world's governments now accept that climate change, if left unchecked, could become the equivalent of a deadly asteroid. But to judge by the latest, tortuous moves in climate-change diplomacy—at a two-week gathering in western Poland, which ended on December 13th—there is little sign of any mind-concentrating effect.

To be fair to the 10,000-odd people (diplomats, UN bureaucrats, NGO types) who assembled in Poznan, a semicolon was removed. At a similar meeting in Bali a year earlier, governments had vowed to consider ways of cutting emissions from "deforestation and forest degradation in developing countries; and the role of conservation [and forest management]". After much haggling, delegates in Poland decided to upgrade conservation by replacing the offending punctuation mark with a comma.

At this pace, it seems hard to believe that a global deal on emissions targets (reconciling new emitters with older ones) can be reached next December at a meeting in Copenhagen, seen as a make-or-break time for UN efforts to cool the world.

In the background of the Poznan meeting, there was mild optimism (and a reluctance by others to put fresh cards on the table) ahead of an expected change of stance by an Obama administration in America; resentment (among the poor and green) over the refusal of Japan and Canada to promise deeper cuts; and strong demands from China for the transfer of technology from the rich to others. In the final hours of the conference, the governments of small, sinking island nations were delighted to learn that they, and not some global body, would control a fund to help them adapt to a warming world. Their mood changed when it became known that no extra money had been set aside for this purpose.

However hard it looks to put this global jigsaw together, there were some encouraging unilateral moves,

especially from Latin America. Mexico vowed to halve greenhouse emissions by 2050; Brazil said it could reverse a recent rise in deforestation and cut the rate of forest loss by 70% over the next decade; Peru said that with help it could reduce deforestation to zero.

The Brazilian plan rests in part on using satellites, laws and police to combat illegal loggers and ranchers. Guyana's president, Bharrat Jagdeo, made a different argument as he presented a plan for a low-carbon economy designed to suit the interests of all countries at an early stage of developing their natural resources.

Even on the (optimistic) assumption that the police try their best, efforts to stop deforestation may fail unless it becomes more profitable for people who control the forest to leave trees intact than it is to cut them down. Moreover, Mr Jagdeo and his advisers insist, any plan to compensate countries for keeping trees must avoid the trap of rewarding past malefactors while penalising the virtuous. The case is not a moral one—it's merely that rewarding ex-sinners alone could displace deforestation to pristine places like Guyana.

Compensation plans must therefore be based not on past sins, but on current economic pressures (like high palm oil prices). In practical terms, the owners of Guyana's forest need to get at least the \$580m a year which they could earn from exploiting it for logs and agriculture: from the world's point of view, a cheap way to conserve carbon and other desirables like biodiversity.

Whether Mr Jagdeo's vision ever materialises depends not just on the UN's deliberations over punctuation, but also on the willingness of powerful players like the European Union to abide by emissions goals that keep the price of carbon high.

At a summit on December 11th and 12th, the EU's leaders eventually decided to keep their targets intact while also allowing opt-outs which may yet undermine their stated goals. President Nicolas Sarkozy, who chaired the summit, boasted of a "terrific fight" which French diplomacy had managed to finesse. Despite many concessions for heavy industry and poor newcomers to the EU, the final deal (perhaps to its credit) left everybody unhappy. European industry felt too much was being asked of it, while green groups thought industry had gained rather too many concessions.

## **Twenty-twenty vision**

In the background of the EU's wrangling were some goals laid out last year in pre-recession times. By the year 2020, the EU promised three things: to cut overall greenhouse gas emissions by 20% over 1990 levels; to obtain 20% of overall EU energy from renewables like wind, waves and plant waste; and to make efficiency savings of 20% over forecast consumption.

The new EU deal kept the targets, but offered sops to countries that fear an emphasis on the "polluter pays" principle may drive up electricity costs, or push heavy industry away to places, like Asia, that in Copenhagen will oppose big emission cuts. Opt-outs were granted from plans to force large polluters to buy allowances to emit carbon at auction. Poorish ex-communist countries that rely on coal for power will be allowed to dish out up to 70% of the carbon allowances needed by power firms, for no payment, for a few years after 2013.

Heavy industries that face global competition will also get up to 100% of their allowances free, at least initially, if they use the cleanest available technologies. And EU nations will be allowed to buy in credits for emissions reductions far from Europe, and count them against as much as 90% of their national reduction targets.

Eurocrats say a reduced emphasis on auctioning permits won't undermine the benefits of the package; carbon-cutting discipline still comes from the ceiling on the number of allowances issued. That cap will be cut each year after 2013: this should help to support carbon prices in the EU's Emissions-Trading Scheme.

The concessions risk prolonging some follies. For example, big power firms that now get carbon allowances free have been passing on their nominal cost to customers. Handing out free allowances may also reduce revenues available to governments for investment in greenery. Moreover, some pro-market countries fret that using climate-change policies to redistribute money within the EU will cause trouble in global talks. It will make it harder to resist China and India when they seek transfers of money in the name of "solidarity".

Faced with such diplomatic gamesmanship, some greens may now hope that an asteroid-type warning appears on the radar screen. It may already be in view. On December 16th, a scientist from America's National Snow and Ice Data Centre said the shrinking of Arctic ice (and exposure of extra sea to radiation) was warming the world at an accelerating pace.

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