

International policies to address the greenhouse effect: Encouraging developing country participation in global greenhouse control strategies

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Abstract

This article outlines in brief the conditions under which developing country governments are likely to feel motivated to take real action in addressing the greenhouse gas problem and the international mechanisms that are likely to succeed.

1. INTRODUCTION

Although the industrialised countries (ICs) are mainly responsible for past and present greenhouse gas (GHG) emissions, it is expected that developing country (DC) emissions will increase in the future. ICs emphasize that the future emissions of DCs might render their GHG reduction efforts negligible. They do this, either out of a genuine concern or to divert attention from themselves. DCs, on the other hand, perceive climate change as one event in a sequence of problems in North-South relations. Assuming that climate change ultimately calls for the global stabilization of emissions, they are negotiating with the hope (the 'hope scenario') that they will be allowed to emit a 'fair' share on the basis of per capita equity. They are, however, afraid that extrapolation of historical trends and *realpolitik* might instead imply that IC governments will try and prevent the growth of their emissions and, hence, development (the 'angst scenario'). They see climate change as a test case for Northern sincerity in global partnership.

This paper presents a few highlights of our research which focuses on the conditions under which DC actors will take real action to address the climate change problem. It analyzes how the international mechanisms can be tailored towards that end, while keeping the perspectives of ICs in mind.

The implementation of the Framework Convention on Climate Change (FCCC) calls for a reduction of GHG emissions in the North and a reduction of the growth of the emissions in the South. In order to achieve the latter, the FCCC recommends the transfer of appropriate technologies, through a funding mechanism (Global Environment Facility) and through the

market (Joint Implementation). ICs have agreed to provide "new and additional" funds to finance the "agreed full incremental costs" (article 4.3) of DCs in implementing national commitments.

2. CASE STUDIES OF DEVELOPING COUNTRIES

There are differences in the way climate change is perceived in the four developing countries (India, Indonesia, Kenya and Brazil) studied. However, this article focuses on the similarities underlying the bottlenecks in international cooperation:

- 1) DCs perceive climate change as symptomatic of the malaise of the international economic and political order, past and present. It is seen in terms of a global inequitable economic order, adverse (non-liberal) terms of trade, etc.
- 2) Although ICs invited DCs to cooperate on climate change, DCs are alienated by the way ICs conceptualize the problem of climate change. This is because:
 - a) DCs perceive ICs as making an artificial distinction between global (read: Western) and local problems and benefits. For example, desertification is not treated as a climate priority but rather as a separate regional issue.
 - b) DCs perceive that the focus on cost-effective measures in relation to incremental costs in the FCCC and GEF leads to the externalization of social and local costs. This could lead to lop-sided development and social unrest.
 - c) DCs are especially vulnerable to climate change. Hence, they want assistance with adaptation measures in addition to GHG limitation measures. The IC preference for funding only limitation measures is perceived as negative.
 - d) DCs perceive ICs as not taking their responsibilities seriously as they are looking for ways of exporting sacrifices through mechanisms like Joint Implementation and as there are very limited "new and additional" funds.
 - e) DC actors perceive that they receive contradictory messages from related international regimes such as the forest/timber regimes. These messages are inconsistent if environmental objectives are important, but consistent in that ICs use different regimes to promote their own economic interest at the cost of DCs and the environment.
- 3) The policies of DC governments are more a reaction to international developments than a reflection of societal consensus. Hence, the emanating policies are likely to be symbolic in the hope of meeting both foreign and domestic obligations.
- 4) Despite the dismal picture painted above there are several policies in climate related fields in these countries and there is considerable space for policy measures that are also likely to address the climate change problem.

3. CASE STUDIES OF INDUSTRIALISED COUNTRIES

As in the DCs, critical differences in the way climate change is perceived in the ICs exist. These differences are expressed in the approach adopted by to deal with climate change issues, ranging from a legalistic approach in the UK (we do what we are obliged to do; but nothing more), via a commercial approach in the USA (climate change will offer industry

business opportunities) to a more development oriented approach in Germany (emphasising the development cooperation aspect of JI). However, we focus here on the similarities underlying the bottlenecks:

- 1) All three ICs emphasize the need to involve DCs in global climate policies because of the perceived need a) for cost effective solutions, b) to ensure that emission increases in the South do not offset decreases in the North, and because of c) perceived opportunities for mutual economic benefits of such cooperation.
- 2) ICs tend to focus on the role of DCs that are or will become large GHG emitters. They state that there is a need to stop ideological discussions in multilateral fora and start to work pragmatically.
- 3) ICs perceive DCs as uninterested in environmental issues and interested only in the funding. Although inter-linkages between climate change and other environmental issues are recognized in principle, ICs want to make sure that money spent by them on climate change is really used to reduce GHG emissions. There seems to be consensus that DCs have to pay their share of the costs of climate policies.
- 4) IC actors are losing interest in climate change and development cooperation partly because of the economic recession. It is unclear whether the countries analyzed will realise their diverging emission reduction targets.
- 5) ICs perceive that a liberal economic ideology should underlie international climate change and development cooperation policies, in which market forces and trade liberalisation are emphasized. Most actors agree that there is a need to involve industry in addressing the climate change problem.

These aspects shape IC positions on the various instruments. They favour JI because of its perceived cost effectiveness and its potential to involve DCs. They also support the GEF and its focus on 'global' as opposed to 'local' benefits. They disapprove of stricter rules for technology transfer, greater financial burden for ICs through a new cost-sharing protocol, and global emissions trading in practice.

4. CONCLUSION

If ICs want DCs committed to the problem, they need to modify their strategy by:

- 1) *Matching local priorities with global priorities:* If DC actors are to be convinced of the need for climate relevant policies, then such policies have to be linked with their priorities. Climate change affects local as well as global priorities and linking the global priorities to the local ones is possible. However, the dominant international initiatives are artificially differentiating between global and local problems and benefits, thereby sending the message that climate policy is not a priority for the South. This is counter-productive.
- 2) *Making explicit sacrifices:* DCs believe that ICs have caused the problem and should take measures to address it. However, it now appears to them that ICs are not serious about the problem. So why should they be serious?
- 3) *Addressing linkages - making regimes consistent:* Most issue-linkages (associations with other issues) made by DC actors are in relation to other international regimes that are perceived as inconsistent with the FCCC regime. These include forest related regimes, trade in natural resource regimes, etc. An effort to synchronizing these regimes is necessary.

The above policies are also in the interest of ICs and their criteria, because ICs should:

- 1) *Take real economic cost-effectiveness into account:* We believe that it is possible to generate cost-effective measures, a) by reducing the inconsistencies between different regimes, b) by identifying solutions to those global problems that are also relevant for local problems as the first priority options, (which would in a business as usual approach not be undertaken in DCs because of financial and institutional bottlenecks); c) by funding global benefits but not at social costs.
- 2) *Consider political cost-effectiveness:* ICs should take not only economic but also political cost-effectiveness of climate change policies into account. Short term viable policies, that are in contradiction with DC priorities and positions, even if implemented, might turn out to be political costly in the future (reducing opportunities for consensus formation). On the other hand, policies that are politically efficient may bring larger economic returns in the future.
- 3) *Show the political courage necessary for sustainable development:* The ICs are reluctant to fund additional global measures because economic concerns dominate over environmental concerns. This approach is not consistent with a global sustainable development approach which requires political courage, as well as societal support.

Recommendations for instruments:

1. As there is a decline in the concern for climate change and the issue has become politicised, related fields/fora need to be used to address the climate change issue.
2. Different but related regimes such as on forestry need to be harmonised to ensure that their message and effect is consistent and, hence, cost-effective.
3. Imperfect market conditions leading to the dumping of outdated technology needs to be corrected through some means (regulations, guidelines, etc.).
4. Joint Implementation would be acceptable to DCs if the fear that it is neo-colonialistic (the angst scenario) is addressed.
5. DC actors feel marginalised by the international trends in trade, forcing them to denude their natural resource base while reducing their financial surpluses.
6. The international debt problem requires serious re-thinking. It is, in combination with the trade regime, one of the major causes of environmental degradation in DCs, as it reduces the surpluses that could be invested in environmental measures.
7. Innovative ways of raising money, building on human nature, such as using lotteries to generate funds for climate change need to be considered.
8. The decline in public interest is counter-productive. There is a continual need for global public awareness programmes.
9. NGOs need to stimulate discussions on global/local sustainable development to make the link between development and environmental problems explicit.

In the final analysis, where the commitment at the level of domestic actors is limited, national policy tends to become rhetorical; where national commitment is limited, the foreign policy becomes symbolic; and where foreign policy is symbolic, the international regime becomes a farce.