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US-China Relations and Climate Change: Tackling the Global Agenda

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Can the United States and China work together to demonstrate global leadership in mitigating and adapting to climate change, one of the major global issues of the twenty-first century? China was the greatest contributor of carbon dioxide emissions from fossil fuel combustion in 2011, accounting for 25.5% of the global total, followed by the United States at 16.9%. While the G20 countries—consisting of major and emerging economies—together emitted over 80% of the total over that period, China and the United States alone were responsible for more than 40% of worldwide emissions, giving the global community no choice but to rely on the leadership of the two countries.

Looking at bilateral relations with regard to the issue, the United States and China were frequently at odds over international negotiations on climate change from the 1990s through the first decade of the 2000s, particularly between the administrations of US President George W. Bush and President of the People’s Republic of China Hu Jintao. In the 2010s, however, President Barack Obama and President Xi Jinping have both been seeking to build a cooperative relationship regarding climate change.

To mitigate climate change, it goes without saying that the United States and China must significantly reduce their emissions of greenhouse gases (GHGs). Achieving this will require a variety of measures, including domestic energy policies. They will need, for instance, to make use of large-scale renewable energy. China had the world’s greatest wind power capacity in 2010, with the United States coming in second place. As for solar power, Germany topped the world in cumulative capacity as of the end of 2010, and China, Japan, and the United States trailed behind in that order.

As these data show, the United States and China are world leaders in wind power use; their solar power capacity is likewise comparable to that of other major countries. Thus, while the United States and China are often popularly construed as countries exercising veto power

on the issue of climate change mitigation, it is important that we examine the international behavior of both countries in a manner that is more in line with reality. To that end, we need to consider how each country's domestic energy policy and domestic politics and foreign diplomacy involving climate policy relate to one another.

When analyzing US foreign policy on climate change, as with the issues of security and the global economy, it will be effective to draw on the theoretical framework of the two-level game of international and domestic politics in negotiations toward an international agreement.¹ The US head of international negotiations engages in talks with other countries while constantly receiving both pressure and support from Congress, domestic interest groups, and other parties and taking into account political developments and responses at home. A prime example of a two-level game is the so-called Kyoto Conference that took place during the Clinton-Gore administration, under the vice presidency of environmentalist Al Gore. In July 1997, ahead of the Third Conference of the Parties to the United Nations Framework Convention on Climate Change (COP3) that would be held in Kyoto in December, the US Senate unanimously passed (with a vote of 95-0) the Byrd-Hagel Resolution opposing the signing of the Kyoto Protocol, narrowing the US delegation's room for negotiation.

In March 2001, after George W. Bush became president, the United States declared that it would not ratify the Kyoto Protocol, a framework for international cooperation on climate change. The primary reasons were that it was an unfair international treaty exempting large developing countries (implying China) from international obligations to reduce GHG emissions and that fulfilling US reduction obligations under the protocol would have unavoidable negative consequences for the domestic economy.

Following the start of the Barack Obama administration, the House of Representatives passed the American Clean Energy and Security Act (ACES Act) in June 2009. Also known as the Waxman-Markey Act, this represented a comprehensive energy policy encompassing the promotion of clean energy development, the improvement of energy efficiency, the reduction of GHG emissions (including use of a cap-and-trade system of emissions trading), and a transition to a clean energy economy. Similar bills were proposed in the Senate as well, culminating in the October 2009 submission of the Kerry-Boxer bill. However, the bill never saw a vote in the full Senate, where deliberations on health insurance reform—President Obama's other key policy agenda item—took up all the time, and was discarded due to unfinished deliberations. Still, the Obama administration has not only been keen on tackling climate change but has shown enthusiasm for domestic initiatives that are within its power as the executive branch of government and for international cooperation in frameworks led by the United Nations.

¹ Putnam, Robert D. 1988, "Diplomacy and Domestic Politics: The Logic of Two-level Games," *International Organization*, Vol. 42, No. 3, pp. 427–460.

In its second term, the Obama administration has continued to take interest in the issue of climate change and maintained a willingness to play an active role in international negotiations. It has expressed its intention to engage in the issue through its June 2013 announcement of the Climate Action Plan, as well as in the president's State of the Union address of January 28, 2014. In the US-China Joint Announcement on Climate Change released on November 12 of that year, moreover, the two countries promised that (1) they will be mindful of the international community's longer-term goal of limiting the rise in the average global temperature to within 2°C of pre-Industrial Revolution levels, (2) the United States will strive to reduce GHG emissions to 26%–28% below their 2005 level by 2025 and make best efforts to achieve 28% reductions, and (3) China will aim to peak out its CO₂ emissions by around 2030 and make best efforts to peak early, as well as increase the share of non-fossil fuels in its primary energy consumption to around 20% by 2030.²

As of yet, no comprehensive energy and climate policies exist at the US federal level. Nonetheless, under the current conditions, it seems likely that the United States will be able to achieve the emissions reduction target noted in the joint announcement through administrative means, state-level efforts, and the impacts of economic stagnation and the shale gas revolution. Moreover, the public's growing sense of crisis fed by the frequency of extreme weather events in the country, as well as the climate security discourse taking place within the military, appear to be helping to increase national interest in the issue of climate change. It is safe to assume, then, that we can expect US leadership in tackling the global agenda of climate change. However, if Republican candidates skeptical of climate change were to win the next presidential election or gubernatorial elections, administrative measures and state-level initiatives could be suppressed, setting back US climate policy—although just how far-reaching the repercussions might be is difficult to predict.

Shifting our attention to the world's biggest emitter of CO₂, what is the situation in China? The crux of energy and environmental problems in China is coal. The energy diversification policy of the government notwithstanding, the share of coal in the country's total primary energy consumption in 2011 was 69%, far surpassing the 18% share of petroleum. Much like Japan in decades past, China's current rapid economic growth is powered by heavy, energy-intensive industries: iron and steel, petrochemicals, machinery, cement, and electricity. Low energy efficiency is also a problem.

The United Nations Framework Convention on Climate Change (UNFCCC) was signed at the UN Conference on Environment and Development held in Rio de Janeiro, Brazil, in June 1992, and entered into force two years later. This paved the way for negotiations toward a protocol, which began in 1995 at the first Conference of the Parties to the UNFCCC (COP1) in Berlin, Germany. Based on the UNFCCC's principle of "common but differentiated

² White House, Office of the Press Secretary, "U.S.-China Joint Announcement on Climate Change," Beijing, China, 12 November 2014.
<https://www.whitehouse.gov/the-press-office/2014/11/11/us-china-joint-announcement-climate-change>

responsibilities and respective capabilities,” the Berlin Mandate adopted at COP1 affirmed that the eventual protocol would not impose GHG reduction obligations on developing countries. China exhibited opportunistic behavior in the decade-long talks leading up to the Kyoto Protocol’s entry into force, holding fast to the principle of “common but differentiated responsibilities” while engaging in conditional negotiations with advanced industrial countries.

The international community has come to watch China, now the largest contributor of carbon dioxide worldwide, more closely than ever. China’s stubborn resistance to legally binding reduction obligations coincided with the surge in its CO₂ emissions during President Hu Jintao’s time in office, inviting scorn not only from the industrialized world but also from developing countries that are vulnerable to climate change and from environment-related nongovernmental organizations. During this period, moreover, not only China’s national total CO₂ emissions had become the world largest, its per-capita CO₂ emissions became far exceeding the global average.

While international criticism of China is growing under these circumstances, counterarguments have also been made in its defense. The gist of the argument is that industrial and other goods exported from China—particularly to industrialized countries—are manufactured based on outsourcing contracts with companies of the latter, so that these countries are in effect emitting large amounts of GHGs in China by importing cheap products made there.

China’s climate policy, led by the National Development and Reform Commission (NDRC), is that it will support international cooperation frameworks insofar as they serve national interests. The essence of NDRC policy, meanwhile, is to balance energy security with economic growth and to take some degree of action on climate change issues to the extent that is compatible with this objective. Thus, for instance, China promotes the development of renewable energy as domestic policy not primarily to mitigate climate change; rather, its true motive lies in its energy security strategy of cutting back on fossil fuel imports, as well as its strategy of developing new industries for continued economic growth. Huge domestic markets for solar thermal and wind energy have taken shape in China. While the domestic market for solar power is still in a stage of development, solar panels exported from China are taking the world by storm and causing trade frictions with the United States and countries in the European Union. To avoid further trade friction with the United States in this area, China will need to expand demand at home.

Together with US President Obama, Chinese President Xi Jinping released the US-China Joint Announcement on Climate Change on November 12, 2014, in Beijing. The two presidents stated that their countries “have a critical role to play in combating global climate change, one of the greatest threats facing humanity.” To that end, they “reaffirmed the importance of strengthening bilateral cooperation on climate change” and stated that they

“will work together, and with other countries, to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties at the United Nations Climate Conference in Paris in 2015.”³ Furthermore, they promised that they would achieve the aforementioned “ambitious” GHG emissions reduction targets based on the principle of common but differentiated responsibilities and respective capabilities,” in light of different national circumstances.”

³ The United States and China have agreed that, through the existing US-China Climate Change Working Group (CCWG) and other channels, they will engage in dialogue and carry out initiatives on, inter alia, vehicles, smart grids, carbon capture and storage, energy efficiency, the global phasedown of hydrofluorocarbons (HFCs)—which are very potent greenhouse gases—and nuclear energy. They have also created the US-China Clean Energy Research Center to facilitate collaborative work in carbon capture and storage technologies, energy efficiency in buildings, and clean vehicles. (The White House, 2014, op. cit.)