

Has Any One Seen China or the U.S.?

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As we reach the end of the first week on the UN Conference on Climate Change (COP 16) in Cancun, many people are asking, why have the U.S. and China been so quiet? Of course, in the Daily Programme you will find representatives from both China and the U.S. attending various negotiation sessions, and a glance at the Earth Negotiations Bulletin shows that each day a Chinese representative has made some intervention, some of which are quite important. In the December 2, 2010, edition of the Negotiation Bulletin, China reaffirmed its “commitment to the Kyoto Protocol, a legally-binding outcome to strengthen the Convention’s implementation.”

But, thus far, there has been very little noise from either the U.S. or China. During the Presidency of George W. Bush, even though the U.S negotiators were either supporting climate skeptics or obstructing progress in every way possible, they always made themselves heard. Things have changed a little with the election of President Barack Obama. While the President is convinced of the importance of tackling climate change at a global level, getting an energy bill through the U.S. Senate has so far proved impossible. Getting Climate legislation passed will be even more difficult over the next two years with the Republicans in control of the House of Representatives.

Even though Copenhagen took place at the end of the first year of the Obama administration, shrill voices were still emanating from the U.S. camp. Todd Stern, the U.S. chief negotiator told the Copenhagen meeting that he had no time for the notion of the “historic carbon debt,” which had underpinned U.S. and European affluence for the past 100 years at least. On arrival in Copenhagen he said, “Emissions are emissions. You’ve just got to do the math. If you care about the science, and we do, there is no way to solve the problem by giving the major developing countries a pass.”

This remark is aimed at China and India, since both countries have increased their emissions in recent years. China is now the largest emitter of CO₂, but its per capita emissions are only one-third that of the U.S. Furthermore, historically their emissions have been very low, and even now a substantial proportion of their population still lives in poverty.

Many Northern countries were critical of the role played by China, India, South Africa and Brazil in the Copenhagen debacle. Ed Miliband, the UK's climate secretary at the time, in an article in The Guardian, accused China of hijacking the Copenhagen summit and "holding the world to ransom" in order to prevent a deal.

Whether Todd Stern understands what the notion of "common but differentiated responsibilities" means, China has unique problems combating climate change. First, as critics are quick to point out, China is now the world's largest emitter of carbon dioxide. Secondly, China has surpassed Japan as the second largest economy in the world. Thirdly, China's foreign exchange reserves, which in 2010 stands at a staggering US\$2 trillion, is the highest in the world. Fourthly, China has seen rapid economic growth since the early 1980s, which lifted over 300 million people out of poverty.

In response to the above, the Chinese point out that its population is more than four times the population of the U.S. First of all, it is important to state that China's per capita GHG emissions are a third of the U.S. Secondly, for all the economic gains of the past three decades, China is still a relatively poor country. It may come as a surprise to many that China's per capita GDP ranks below the top 100 countries in the world. In terms of social development as judged by the 2009 Human Development Index compiled by the UN Development Programme, China is 92nd on the list. China argues that it must keep moving along the path of economic growth in order to improve the livelihoods for a further 600 million people, some of whom in 2010, live on less than a dollar a day. China claims that there is no similar level of poverty in the U.S., Europe or Japan, so expecting the Chinese to take the same steps today as countries who have built their wealth on fossil fuel is patently unfair.

Speaking during the Tianjin Climate meeting, Xie Zhenhua, China's top negotiator said that for a county that was still developing, it was unreasonable to expect it to set limits for GHG emissions while rich nations failed to cut their emissions. He believed that it was unfair for countries with a

per capita GDP of \$40,000 a year to demand that a country with a mere \$3,000 per annum GDP submit to a common GHG reduction regime¹.

Furthermore, as the work shop of the world, China is subsidizing other countries' carbon budget. Zhao Zhongxiu, head of the International School of Business and Economics, claims that that when a "Made in China" Barbie doll is shipped out, it leaves only one-tenth of its monetary value in China, but three-quarters of its carbon emission budget is picked up by China. So, in fact, the Chinese workshop is now subsidizing other countries which have allowed the manufacturing sector in their own countries to dwindle, because goods are available cheaply from China².

In terms of its energy source, China is also at a disadvantage when compared to richer countries. The energy supplies of these countries come from very different sources. China, on the other hand, is still very much dependent on coal. In 2008, electricity generated from coal accounted for a massive 75% of China's power generation capacity.³ Even though China is investing heavily in clean energy, it still expects coal to provide a significant amount of energy in the next few years. This is why it is keen to develop carbon capture and storage (CCS) technologies. This process could be speeded up if wealthy countries were willing to share new technologies with China.

Still, China has quite a record in alternative energy systems. In 2009, China had the largest hydro-electric capacity in the world, 197 million kW. China produces 40% of the world's photovoltaic cells totalling four million kW. 60% of the world's solar water heating panels, totally 145 million square metres, can be found in China. Wind farms are also springing up in many places. In July 2010³, 4 wind farms began operating at Shanghai East Sea Bridge Wind

¹ Clifford Coonan, "Climate change talks in China generate more heat than light," The Irish Times,

² Zhao Zhongxiu, "Four Obstacles to a Low-Carbon Economy," China Today, Our Hopes for Cancun" page 50

³ Jiao Feng, "Chinese Companies Battle Emissions," China Today: Our Hope For Cancun, page

Farm. The facility will generate 267 million kW a year, which is the equivalent of 100,000 tonnes of coal. It supplied power to the Shanghai Expo in 2010⁴.

According to a recent report from the WorldWatch Institute, a Washington, DC-based environmental NGO, entitled, Worldwatch Report: Renewable Energy and Energy Efficiency in China: Current Status and Prospects for 2020, China has become a leader in renewable energy. At a time when many countries are still struggle with the aftermath of a devastating financial crisis, the Chinese government has used its strong financial position to direct tens of billions of dollars into clean energy— increasing the lead that Chinese companies have in many sectors⁵.

Since 2005, the Chinese government has elevated its energy conservation and energy efficiency efforts to basic state policy. The 11th Five-Year Plan (2006–10), set an energy-savings target of 20 percent, and the country has adopted administrative, legal, and economic measures to achieve this goal. During the first three years of the plan, China’s energy intensity— its energy consumption per unit of GDP—fell by just over 10 percent, saving 290 million tons of coal equivalent (tce) and reducing the country’s greenhouse gas emissions by 750 million tons of carbon dioxide-equivalent. This pace of energy conservation has rarely been achieved by the rest of the world⁶.

Unlike powerful vested interests in the U.S. who are either in denial or opposed to addressing climate change, China knows how vulnerable it is to severe wealth events. In June 2010, floods in China killed over 175 people, displaced 800,000 and destroyed homes and businesses in Guangdong and Fujian provinces. The damage was estimated at \$1.6 billion. In the previous year, much of that area had experienced the worst drought in living memory⁷. Spreading desertification is also a major climate-related issue for China. China, furthermore, is aware that if

⁴ Ibid page 38.

⁵ <http://www.worldwatch.org/renewables-and-efficiency-in-china>

⁶ Ibid

⁷ “China’s floods kill 175 and displace 800,000, The Irish Times, June 22, 2010, page 29.

the glaciers diminish significantly on the Himalayas or the Tibetan plateau, this will have a direct negative impact on the Yangtze and Yellow rivers which are so important to the agricultural and other needs of tens of millions of Chinese.

It will be interesting to see how the U.S. and China interact with each other and the other Parties during the second week of COP 16.