

Environmental Treaties: Inconvenience or Opportunity?

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December 20, 2006



Hurricane Floyd. Photo by [NASA](#)

This article was originally published by Carnegie Council's online magazine, [Policy Innovations](#).

The [Kyoto Protocol](#) took effect on February 16, 2005, as the first legally binding environmental treaty committed to reducing greenhouse emissions. But the United States, the world's largest polluter, continues to boycott the agreement.

Parties to the convention recently started debating [how the system will be extended](#) after it expires in 2012. President Bush has said he does not intend to submit the treaty for ratification because of the exemptions granted to developing countries such as China, the world's second biggest emitter of atmospheric carbon. Bush also cites potential strain that he believes the treaty would put on the U.S. economy.

The United States has also failed to adopt two other treaties: the [Stockholm Convention on Persistent Organic Pollutants](#), and the [Rotterdam Convention](#), which governs the international trade of pesticides and industrial chemicals that have been banned or severely restricted for health or environmental reasons.

The [Federal Insecticide, Fungicide and Rodenticide Act](#) permits chemical manufacturers to export pesticides that are banned domestically. According to American University's Trade and Environment Database, up to 150 million pounds of those pesticides—worth more than \$800 million and constituting approximately one fourth of U.S. pesticide production—are [marketed overseas](#).

Critics, such as Pesticide Action Network North America, say Washington's inability to adopt these treaties constitutes a failure not only of U.S. leadership, but also of [responsible participation](#) in global efforts to protect human health.

"No single nation has more to lose by refusing to confront our current environmental problems—or more to contribute toward solving them—than does the United States," writes Natural Resources Defense Council attorney S. Jacob Scherr.

Others point out that better environmental regulation is actually compatible with economic growth, and that sound economic management requires better environmental management. As argued in the United Kingdom's [Stern Review Report on the Economics of Climate Change](#), action on climate change will create significant business opportunities, as new markets are created in low-carbon energy technologies and other low-carbon goods and services.

These markets could grow to be worth hundreds of billions of dollars each year, and employment in these sectors will expand accordingly. Changes in energy technologies and in the structure of economies could increasingly create opportunities to decouple growth from greenhouse gas emissions.

Some politicians are taking action to set an example for the country. California Governor [Arnold Schwarzenegger signed a bill](#) in September pledging that his state will cut its greenhouse gas emissions by 25 percent by 2020. Former president Bill Clinton helped launch an international [Large Cities Climate Leadership Group](#) to curb greenhouse gases.

Meanwhile, the Sierra Club's [Cool Cities campaign](#) is helping U.S. mayors who have independently [pledged](#) to reduce greenhouse gases in their jurisdictions. Collectively these cities represent more than 50 million Americans.

Graph by [Global Warming Art](#). [Creative Commons](#) usage.

[Fossil fuel efficiency graph by Global Warming Art](#)

Rising coal consumption in China is also a worry as dozens of

new power plants come online without advanced technologies for capturing and sequestering the carbon emissions. China now burns almost twice as much coal as does the United States. According to the World Energy Outlook 2006, [Chinese carbon dioxide emissions](#) could surpass U.S. emissions by 2009. This timetable is about ten years ahead of earlier predictions.

China's leaders recognize this emerging ecological disaster and are inviting outside help to avert it. Under the Kyoto Protocol, industrialized and transition-economy countries must reduce their greenhouse gas emissions by, on average, 5.2 percent below 1990 levels. The Clean Development Mechanism (CDM) is a market-based mechanism that allows these countries to lower the cost of compliance by offsetting their emissions through investment in clean energy projects in developing countries.

In addition, the [Asian Development Bank](#) will grant China \$600 thousand in aid to help the country maximize revenue potential under the CDM. The sale of certified emission reductions credits could yield more than \$2 billion annually.

China and the European Union (EU) vowed in September at the EU-China Summit to further strengthen cooperation on climate change issues and to promote further development of international climate change policies. The statement welcomed closer cooperation by the two sides on implementation of the Kyoto Protocol and the start of cooperative research on power generation with carbon dioxide capture and storage.

The Clean Development Mechanism, however, may not be operating as originally envisioned. The *New York Times* reports that [concerns are emerging](#) with regard to the effectiveness, accountability, and equity of the process. At the heart of the issue is a conflict between the CDM and the [Montreal Protocol](#), an earlier treaty that protects the ozone layer and is largely viewed as an international climate-policy success.

The CDM has been used to finance the clean-up of trifluoromethane (HFC-23) at Chinese factories that manufacture a refrigerant that will soon be banned in the developed world due to its depletive effect on the ozone layer. HFC-23 is a waste gas produced during the manufacture of this refrigerant and is harmful to the ozone layer and a significant greenhouse gas. Large profits from the sale of the emissions credits go to the factory owners, deal brokers, and a Chinese government clean-energy fund, in essence subsidizing damage to the ozone.

Moreover, countries such as those in sub-Saharan Africa are not greatly involved in the CDM. China, India, Brazil, and South Korea constitute 80 percent of the emissions trading, and two thirds of the projects deal with HFC-23.

Philosopher Peter Singer points out in *One World* that a common sense of fairness must be established to change the policies that are leading the United States to block international cooperation on environmental treaties. Singer argues that a well-regulated system of per capita entitlements, combined with global emissions trading, would internalize the true costs of production and lead to a solution that is both fair and efficient.

Globalization can help generate wealth, but there will be losers as well as winners. Ways have to be found to compensate the losers in both rich and poor countries. Joseph Stiglitz argues in his latest book, *Making Globalization Work*, that transfers are needed from the winners to the losers of globalization. For the developing countries, doing something about the environment is in their interest. For the United States, there is a moral imperative to join the rest of the world in addressing the global problem of climate change.

[Kyoto Protocol participation map 2005](#)

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