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Will the Sino-Indian Climate Alliance Hold?

by

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Abstract

Over the past one year or so India and China have been working together closely during climate negotiations. Were these short term tactics or longer term strategic alignment of Indian and Chinese interests in the field of climate change mitigation? Strategic collaboration of this serious nature occur when atleast the medium and long term economic and strategic needs of nations converge even if the immediate is divergent. Without such convergence the alignments can only be tactical and short term. The article examines its various facets.

Key words: China, India, Climate Change, Tactical Alliance

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Indian Environment Minister Jairam Ramesh is known to deeply admire China, his recent travails notwithstanding, and would perhaps like to run his Ministry the way Chinese do, with speed and unidirectional force, even if it means stepping on powerful toes along the way. The Chinese plan well, sometimes a bit hurriedly, and then begin execution quickly, correcting course as they move. Indians plan to perfection and when they are ultimately ready to begin it is often too late in the day for the government that planned - the governments have a way of disappearing here, an event Chinese may know little about.

During the two years between Bali and Copenhagen and during the long noisy deliberations there were many arguments why China and India should stick together during the negotiations and on the whole approach to tackling climate change. Not much happened in this direction till Jairam Ramesh descended with his energy and single minded focus. Under his watch the interactions with the Chinese climate delegations became more frequent and by the time of Copenhagen, Jairam, if not India, was already in intricate tango steps with the Chinese. If President Obama was a bit miffed to see Indian Prime Minister Manmohan Singh already in the room when he went visiting the Chinese Premier Wen Jiabao he could have easily spotted the villain in Jairam.

How did this happen and what exactly did Jairam Ramesh do? Were these just short term tactics or longer term strategic alignment of Indian and Chinese interests in the field of climate change mitigation? Strategic collaboration of this serious nature occur when atleast the medium and long term economic and strategic needs of nations converge even if the immediate is divergent. Without such convergence the alignments can only be tactical and short term. We should thus see whether there could be deeper long term coalition of interest in the climate change between India and China.

Let us examine where India really stands in relation to China. China has overtaken the US as the largest emitter of greenhouse gases recently while India is the fifth largest at 1.92 billion tons in 2007 which is barely one fourth of the Chinese and US emissions in that year. Taking the large population into consideration, on per capita basis, India's emissions are just about 1.5 tons per capita compared to the US emissions at a stable 20 tons of carbon dioxide per year while China's are roughly 5 tons rising rapidly.

Both have large reserves of high carbon energy resource, coal, to meet the demand for another 50 years and both are competing around the world to access secure oil supplies over long time horizon. China is investing in hundreds of coal-based powerhouses across that vast country and scouring oil from all corners of the world. India has the same ambitions even if there is far less to show as achievement.

It is the broad similarities of large aggregate emissions, our large populations, and our bottomless demand for energy that have persuaded some to put much faith in fashioning a common China-India strategy in seeking a fair deal in climate change negotiations. But when we look at the details the similarities appear far fewer than the mismatch. Climate change mitigation can be

caused both by reducing emissions of carbon dioxide and by taking it away from the atmosphere through sequestration in trees. And it is in both these areas that China has strategies in action that Indians can hardly hope to come anywhere near.

First, for reducing the rate of increase of emissions, China is relying on its evident demographic success in curbing its population growth drastically that is without parallel outside the developed world and can thus afford to be relaxed in moving towards cleaner fuels. It has remained resolute even when the many social and economic negative impacts of one child policy have become clear because its commitment to raising the remaining 11% of its population out of the poverty trap, and making China the strongest country in the world, has an extraordinary consensus across the country. With this resolve firmly in place, China's case before the global community is that since the country has put into place the most effective population control measures the world has ever seen while maintaining low per capita emissions having halved energy intensity of its GDP between 1991 to 2005 it should be considered a positive contributor to the world's climatic health.

In order to curb greenhouse gas emissions China is also banking heavily on nuclear energy that emit no greenhouse gases. Its current nuclear power capacity of 8700 MW from nine reactors meeting about 2% of its energy needs is proposed to be scaled up to 40000 MW by 2020 and 150000 MW by 2050. In order to achieve this they plan to have atleast two nuclear reactors added every year and be in the forefront of R&D in nuclear technology if not the nuclear sciences.

Another pillar on which China's climate strategy stands is its spectacular success in sequestering carbon. China has been expanding its forest cover relentlessly for the past many decades and today it has 22.4 billion tons of carbon dioxide sequestered and stored over 197.29 million hectares of its largely young forests that are expanding at a phenomenal 4.1 million hectares or 2.2% per year. Estimated annual carbon dioxide sequestration in these forests is 800 million tons which, to get an idea of what it means, is larger than the total greenhouse gas emissions of United Kingdom in 1990.

Now contrast it with India. It has no population growth reduction programme to hang its emission reduction strategy on. Fifty years back China and India had the same total fertility rate of six children per woman but today China's population growth rate is less than half of India. And there is nothing to suggest that India is serious about tackling this problem in the coming years. It is claimed that population control follows economic development as it did in West. While this is true it is merely a business-as-usual position and there are many examples, among them the states of Kerala and Tamilnadu in India, which show that with efforts and proper direction, it is possible to sharply reduce population growth without waiting to become developed first. This is well known but after the population control fiasco of the 1970s even the hardiest of Indian political leadership is afraid of taking up the challenge. Even a mere mention of it attracts accusations of following a Malthusian approach to climate change mitigation. There

is even a sense of self-congratulation on the "population dividend" in some circles though there is little to show what this dividend has brought to India as a nation so far.

In removing carbon dioxide from the atmosphere also India is simply not in the same league. In the decade between 1995 to 2005 carbon stocks in the Indian forests and tree cover increased from 6245 to 6622 million tons with an annual increment of 38 million tons of carbon or about 138 million tons of CO2-e as compared to about 800 million tons for China. Even the latest ambitious forestry component of India's National Climate Change Action Plan hopes to additionally sequester only 43 Mt CO2-e annually to the baseline by the year 2020 amounting to just about 1.5% of India's projected emissions in that year.

These are sharp differences between the two Asian giants but still not reason enough to deter them from collaborating on climate negotiations. The central cause for divergence in the Chinese and Indian approaches lies in what these two countries really want, and fear, from climate negotiations. With an economy centered on producing goods for the world China's one great fear is the very real possibility of imposition of carbon tax linked to production linked emissions and on emissions in shipping of both the raw material used in production and of the finished goods for consumption. The latter would be even more serious because while production linked carbon tax would reward more energy efficient production (and may thus work in favor of China after initial shock) shipping linked carbon tax would punish distance from raw material source and from consumers. For a country that sources a large part of its raw material from across the world for making goods for consumers everywhere this would be disastrous.

China's negotiating strategies should thus essentially focus at preventing the developed countries from forming carbon barriers around their economies. But for the rest of the developing world this would be an opportunity for attracting investments away from China, creating new employment avenues and getting a larger pie of the benefits of global trade. And most of it would be at the cost of China. In this India is no different from other developing countries, only slightly better off. India's dependence on exports is much lower and its exports are also less energy intensive so carbon tax is not only a lot less worrysome for them it might actually make India's exports, and that of many other emerging economies, more competitive by creating a level playing field.

To India technology and money transfer to adopt low carbon path of development and for adaptation to the climate change is far more crucial. In a notable recent study Chandra Bhushan of Center for Science and Environment has shown for India a low carbon path is impossible of achievement on account of deterrent costs unless it is backed by massive financial support and very liberal technology transfer from the developed countries. China, on the other hand, can hardly expect either money or technology given its dominant economic position.

There is an increasing realization that there are, in reality, only two warring camps in climate negotiations, the US-EU-Japan we could call West, and China. Both these camps want the

climate negotiations to help their pursuit of world domination with the West wanting to preserve its status and China seeking to overthrow them. And while some in India would like to join the China camp, the ground reality of being nowhere near them on any significant indicator, and having almost three fourth of its population living on less than $ 2 per day, makes it an entirely untenable position for atleast one decade and more. This extensive poverty would never permit the development of a larger political consensus needed for making tough choices in pursuit of a place at the high table.

As the developed countries and China negotiate to guard their gains the developing must protect their interest by demanding equity wherever it is legitimate under accepted international principles. Two basic principles are indisputable today. One is that every human being on earth is equal and the other that while the land (except the two poles) is sovereign property, the atmosphere and the seas (except continental shelves) belong to the humanity. This is the foundation of equity and equity linked to sustainable living is the only principle that can allow climate space to the developing countries under the existing international order.

But equity would be of interest to neither West nor China as it runs counter to their primary objective of the pursuit of power and domination. About a decade back China would have been interested in pursuing negotiations with equity as a goal but by now its economic and political muscle has earned it a place where the principle of equity is no longer its ally. India's natural partners in this great climate negotiations can, therefore, only be other developing economies trying to find place for themselves under a sky, and land, that is increasingly been dominated by China as West cedes more and more ground to it.

G77-India should use this opportunity to open negotiations on two fronts rather than only with the West. With West it must negotiate for repair of the damage done to the common atmosphere and the oceans through large infusion of money and technologies and with China it must negotiate for creating better trade conditions for developing countries in return for support on carbon fencing by developed countries. An appropriate strategy would be to open informal tiered discussions first with China at the conclusion of which broad contours of agreement with China on climate should emerge. Following this negotiations with the West could be undertaken. This would force both to accommodate the interests of G77-India.

More importantly these triangular negotiations would force equity to the centerstage. Till today, for some ideological reasons, or perhaps the shared pain of having been the trampled poor together in the past, G77-India has not thought of negotiating with China as it would imply adversarial positions. Their focus has been on keeping China happy with good conduct and hoping it will do them good in return.

On the surface Jairam's tango with the Chinese appears to be a part of wooing the powerful. Which is not the best negotiating strategy, unless there is something else to it, hidden as of now. India and China can work together on climate issues for long only by first accommodating the

central concerns of each other, and that of other developing countries, in their negotiating stances. One hopes they do. Because only then four-fifth of humanity residing outside the West can hope to get justice.

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