

## **International Energy Situation and Key Elections in 2024**

Ken Koyama, PhD  
Chief Economist, Senior Managing Director  
The Institute of Energy Economics, Japan

The year 2024 is referred to as “an election year” studded with important elections around the world. First of all, there will be Taiwan's presidential election on January 13. After the publication of this essay, Taiwan will have a new leader. This will be followed by a presidential election in Indonesia in February and a similar one in Russia in March. General parliamentary elections will be held in South Korea in April and in India in April/May. June will see a European Parliament election and a Mexican presidential election. Coming in November will be a U.S. presidential election. In Japan, the ruling Liberal Democratic Party may hold a presidential election in September. This year will thus see key elections to determine the next administrations or have a great influence on policy decisions in major countries. Depending on the results of these elections, the international situation in and after 2024 will change dramatically.

In this essay, I would like to focus on the Taiwanese and U.S. presidential and the European Parliament elections that may have a great influence on the international energy and climate situation and the relevant geopolitical situation, discussing these elections from a Japanese perspective on the international energy landscape.

The Taiwanese presidential election is contested between Lai Chingde from the ruling Democratic Progressive Party (DPP), Hou Youyh from the Nationalist Party of China known as Kuomintang, and Ke Wenje from the Taiwan People's Party. Opinion polls indicate that Lai is one step ahead of the others. Given that it has been pointed out that young and other undecided voters will be influential, the election outcome is still unpredictable. Although various election issues are attracting attention, how to deal with China is cited as the most important issue. While DPP candidate Lai gives priority to relations with the United States and plans to appropriately manage and coordinate ties with China, the other two indicate plans to prioritize and deepen ties with China. The world is paying attention to which policy Taiwanese voters will choose.

Beijing may be watching the election results with the utmost interest. For Beijing, which regards "the reunification of the motherland" as “an inevitability of history,” the next Taiwanese leader's stance toward China is an extremely important matter of concern. According to media reports, Beijing has criticized Lai and his DPP as pro-independence or separatist forces. In Taiwan, since the introduction of the direct presidential election system in 1996, the Kuomintang and the DPP have won the presidency almost alternately. If Lai is elected after the DPP's Tsai Ingwen serves two consecutive four-year presidential terms, however, the DPP will become the first Taiwanese party to retain the presidency for three consecutive terms. How Beijing will view Taiwan's foreign policy under the new president and what will happen after the election will be of great interest to the world.

Interest is growing in whether Beijing will increase pressure on Taiwan in response to the election results, whether the status quo will be maintained, and whether the Taiwan Strait issue will

remain stable. If any contingency comes regarding Taiwan, the geopolitical situation in East Asia may become very tense. The Ukraine crisis occurred in 2022, followed by the Gaza crisis in 2023 that destabilized the Middle East. Although East Asia is not an important energy producing region for the international energy market like Russia or the Middle East, tensions in the Taiwan Strait could pose a problem regarding energy trade for major energy importers such as Japan and South Korea. In addition, such tensions could further deepen the division of the world and significantly escalate geopolitical tensions to destabilize the international energy situation. In this sense, it is extremely important to pay the utmost attention to the outcome of the Taiwanese presidential election and the subsequent geopolitical situation.

Next, I would like to cite the European Parliament election in June as an important election that will exert an influence on the global energy situation. Last year's major European election results indicated growth in far-right, right-wing, or conservative forces as seen in the Netherlands, Spain, and Poland, although such a trend was not necessarily dominant. In a general trend in Europe, security, the economy, and livelihoods have been emphasized more than ever due to the Ukraine crisis. Against this backdrop, governments have made decisions to postpone policies that could lead to an increase in energy costs (like a ban on the sale of new internal combustion engine vehicles and on the introduction of new petroleum-based boilers). It seems that as society becomes more sensitive to rising energy costs and prices, governments are increasingly required to respond to such social change.

At present, it is uncertain how the European Parliament election will unfold. If conservative forces grew, however, it could affect European energy and climate change policies in various ways depending on the extent of such growth. Of course, Europe has a strong political base that puts climate change policy at the forefront. It is unlikely that there will be an easy climate policy setback. However, there may be future changes in the intensity and momentum of energy and climate change policies. It is also important that the European Parliament election will lead to the election of a candidate for the European Commission president who will lead European Union policies. In Europe, which has been closely watched in the global energy market and has led the world in climate change policy amid the Ukraine crisis, it would be significant if any notable changes were to appear in the policy. Furthermore, the expansion of conservative forces could intensify the inward-looking attitude of European countries and lead the centrifugal force of the EU to work, becoming worthy of attention from the perspective of the international situation as a whole.

The U.S. presidential election in November is a momentous event that could be the biggest turning point to determine the fate of the world in 2024 and beyond. The world will be waiting with bated breath to see who will be the next leader of the United States, the world's most influential superpower. In the United States, the change of the president from Democrat Barack Obama to Republican Donald Trump and then to Democrat Joe Biden has been accompanied by major policy revisions that have shaken the world. In a symbolic case, the Trump administration withdrew the United States from the Paris Climate Accord reached under the Obama administration. Then, the Biden administration reversed the withdrawal immediately after its inauguration and elevated climate change policy to the top priority. Furthermore, the Biden administration has made great contributions to the acceleration of the global trend towards carbon neutrality that came rapidly in 2020.

As there are great uncertainties about the outcome of the U.S. presidential election, it is impossible to predict the outcome at present. As the election outcome has the potential to determine whether the United States will maintain and enhance the current U.S. climate change policy or dramatically change the direction of the policy, it will exert a great influence on U.S. and global climate change policy. Among other energy policies, the fate of fossil fuel-related policies will attract attention.

While understanding and being aware of the importance of fossil fuels as a practical matter, the Biden administration has a strong stance of emphasizing the transition from fossil fuels, indicating ambivalence. Depending on the outcome of the election, it cannot be ruled out that policies to take advantage of fossil fuels for maximizing U.S. energy dominance, as seen under the Trump administration, will resurface. What will happen to the promotion of clean energy investment through the Inflation Reduction Act, which is considered one of the Biden administration's greatest achievements, will also attract attention after the election.

Of course, whether the United States will maintain international cooperation or become unilateralistic and inward-looking in regard to not only energy and climate policies but also other policies will have a decisive influence on the overall international situation. Amid the division of the world, the outcome of the election may have a significant impact on U.S. allies, as well as China, Russia, and the Global South. The impact on the Middle East will not be insignificant. In some cases, the international situation as a whole may become more uncertain. So, the outcome of the U.S. presidential election will determine the future course of the world.

Contact: [report@tky.ieej.or.jp](mailto:report@tky.ieej.or.jp)

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