Special Bulletin

A Japanese Perspective on the International Energy Landscape (14)

Confusion of Global Governance and International Energy/Environment Problems

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There are various viewpoints for analyzing international energy problems. In terms of international political and economic keynotes or trends at present, "the world going in the direction of multipolarization or depolarization," "the rise of China and other emerging countries," and "major (industrial) countries plagued by the economic crisis and deflation" may be particularly important viewpoints. The three are not independent from each other but are rather mutually and closely related to each other. Through these three viewpoints, I would like to look at arguments and conclusions at a meeting of a working group for the United Nations Framework Convention on Climate Change, which took place in China's Tianjin on October 4-9.

As is well known, international discussions have continued on a framework of global warming measures after the expiration of the Kyoto Protocol in 2012. The 15th Conference of Parties to the UNFCC, known as COP15, in late 2009 produced the "Copenhagen Agreement" but indicated how difficult it would be to form a new international framework. The fate of discussions on the post-Kyoto framework then grew even more uncertain. Negotiations will continue through the COP16 meeting to be held in Mexico's Cancun in December 2010 (and through the COP17 meeting in 2011). But at this moment it may be difficult to expect any agreement on the post-Kyoto framework. As the Tianjin working group meeting came in a run-up to the COP 16 gathering, global attention focused on whether any progress would be achieved toward an agreement. As indicated by many media reports, however, gaps between major countries and between industrial and developing countries have not been resolved. The working group meeting has reportedly made little effective progress. As a result, a view that any agreement at the COP 16 meeting would be almost impossible has been reaffirmed (as expected before the working group meeting).

Responses to the global warming problem are directly linked to global interests including global environmental conservation and the survival of mankind and ecological system. When discussing how to respond to the problem, however, countries have found serious conflicts of their national interests over greenhouse gas emission reduction amounts and methods. In this sense, the

global governance system or order to coordinate between global and national interests or the real leadership in the international order may be indispensable for resolving the global warming problem. However, the present international politics features the absence of such global governance system or leadership. The lack of global governance has become a significant problem. International politics experts now point out that the world is going in the direction of multipolarization or depolarization after a shift from a bipolar world under the Cold War to a mono-polar world led by the United States. The world is searching out or considering new systems such as the Group of 20 into which the Group of Two (the United States and China) or the Group of Eight has been expanded. But the world has yet to form any effective governance or order. Under such situation, we may conclude that international negotiations on the global warming problem include the complex coordination of national interests and are naturally difficult.

A large factor affecting the global warming problem is the rise of emerging countries including China. China and other emerging countries, with growing influences on and presence in the world economy and international politics, have emphasized industrial countries' responsibility for global warming and have refused to take part in any mandatory or binding international framework, even though they have offered to voluntarily hold down GHG emissions. The refusal has reduced the world's flexibility toward forming an international agreement. The Tianjin meeting was symbolic as the first meeting of the UNFCC working group in China. But China's basic stance on the global warming problem has made no change. On October 10 and 11 just after the working group meeting, relevant ministers from China, India, Brazil and South Africa (BASIC 4) met in Tianjin and issued a joint statement emphasizing that industrial countries should assume the responsibility for cutting GHG emissions and promote financial support and technology transfers to developing countries over a long time. This also indicates the growing influences and presence of emerging countries.

In contrast, industrial nations are still struggling to overcome the economic crisis and the ensuing deflation. Their relative presence and influence have declined. The current deterioration of economic and employment situations has affected their global warming measures. In the United States just before the midterm Congressional elections, it is very difficult to consider or decide on global warming measures that are considered as negatively affecting economic growth, income and employment. At our IEEJ joint seminar with the Massachusetts Institute of Technology in Tokyo last month and at an earlier workshop of Rice University's Baker Institute in Houston, U.S. experts in this respect provided interesting arguments on the difficulties faced with regard to global warming measures in the United States. We may have to take note of the possibility that some constraints could be imposed on discussions about global warming measures in industrial countries until an economic recovery allows them to straightforwardly discuss policies expected to cost much for their economy.

Under such international political and economic trends, future international discussions and negotiations on the global warming problem are likely to grow more difficult. In the context of the above-noted international political and economic situations, we pay attention to (1) whether measures to hold down GHG emissions could be promoted through bilateral negotiations and agreements and (2) whether arguments could grow for extending the Kyoto Protocol. The latter point is worthy of attention for Japan. We may have to accurately analyze future developments including these possibilities and consider responses amid the broader international political and economic trends.

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