

Climate change: the two who matter the most

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As the government's carbon tax finally goes to a vote in Parliament this week, remember two tough truths. First, nothing Australia does by itself will materially affect carbon emissions or the trajectory of the world's weather. Only concerted global action will make any difference.

Second, the chances of concerted global action are low and trending lower. Two years after the collapse at Copenhagen, momentum for a global plan is stalled. As the global economy teeters, this year's Durban follow-up meeting is expected to mark time. So, is there anything we can do? Perhaps there is.

Carbon tax supporters say that its introduction still matters, because it shows our willingness to support a global deal eventually. But that is all it will be: a symbol of Australia's commitment to a global plan which is, on present trends, not going to happen. So to do anything effective about climate change, the government will have to do something to help bring about a global agreement to reduce carbon emissions.

Last month, with Norway, Australia launched a low-key initiative to do just that. In a joint submission to the Durban talks the two countries laid out a tidy schedule for all countries towards a new agreement in 2018. It has been respectfully received and will most probably be respectfully shelved. Little matter, because it does not get to the heart of the problem.

The heart of the problem is the world's most complex, important and dangerous relationship — the edgy mix of implacable rivalry and mutual dependence between the US and China.

They are not just the world's two biggest economies, and the world's two biggest carbon emitters. They are also the world's most powerful diplomatic players. If they can agree together on a carbon emissions plan, they can make it happen. If they cannot agree, nothing will happen. It is as simple as that.

The problem is that they are also the world's two biggest rivals for political influence and prestige. That means getting them to agree is getting harder — not just on carbon emissions, but on anything — because every issue is increasingly seen through the lens of their rivalry.

The differences between the US and China on the shape of a global carbon emissions plan go very deep. China, though now the world's biggest carbon emitter overall, believes that as a developing country it should not be required to cut emissions as fast as developed countries that emit more carbon per capita. It also resists intrusive monitoring of mandatory targets. The US takes the opposite view on both these key issues. Both countries' positions reflect not just their concrete interests in the issue, but abstract questions of justice, sovereignty and the nature of the global political order.

This means that it will be very hard for them to agree on an approach to carbon reduction. Neither side will agree to an outcome that looks like a win for the other. Any deal will therefore involve both sides giving up things they would much rather not concede, and not just about carbon emissions.

In these circumstances, it is no good hoping that the US and China will come to an agreement around a huge conference table in Durban. No one likes to negotiate in front of an audience. The theatre of big international summits means that they become opportunities for competing leaders to display their power, not to admit its limits. They are the last place to look for real compromise between the biggest players. Remember Copenhagen?

Nor is there much point in waiting for the two countries to agree to sit down in private and thrash out a deal bilaterally. To start that process each side would have to indicate a willingness to meet the other halfway. Like two neighbours talking about the sale of a lawnmower, neither side wants to be the first to name a price, for fear of conceding too much at the start.

So how could a carbon deal between America and China be reached?

The key is to see the process in two stages. First, Washington and Beijing need to be brought together to the conference table with a sketch draft agreement as a starting point. Then they must be left to thrash out the deal between themselves.

That first step is where Australia could help. Someone needs to kick-start a bilateral US-China negotiation by sketching the basis for a compromise on the most difficult sticking points. This is much easier for a third party than for either of the two principals, because it avoids the need for them to make concessions before the haggling begins.

Why Australia? Well, we have a big stake in the issue, as a big per capita carbon emitter and a major coal exporter. We are close to both the US and China. And we have a tradition of this kind of diplomacy — think of Gareth Evans and Cambodia. In fact it is just the sort of thing Rudd had in mind back in 2007 when he committed his new government to "activist middle-power diplomacy". And we need not do it alone. In fact it would be best to assemble a small group of middle-sized countries to work together on the project.

Even so it would be a lot of work, and not just for the diplomats in Foreign Affairs. An initiative like this will only succeed if it gets unrelenting high-profile commitment from both the Foreign Minister and the Prime Minister, and close co-operation between them. Hmm.

But we have a lot at stake, and not just in the atmosphere. Next to climate change, the biggest threat to Australia's future well-being is the risk of escalating rivalry and hostility between our major ally and our major trading partner. Helping Washington and Beijing do a deal on carbon would not only make a vital contribution to stopping global warming. It might also help the world's two strongest countries escape the spiral of escalating competition in which they are becoming trapped, and which threatens to engulf us all.

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