

enjoyed the US, which directly aids US economic growth. This chapter will deal with the protocol and its general challenge to national sovereignty and a liberal model of world trade.

## KYOTO: HISTORY AND THEORY

International climate policy is based on the 1997 Kyoto Protocol, which calls on industrialized nations to carry out drastic cuts in the emission of greenhouse gases (GHG) that stem mainly from the burning of fossil fuels. The Protocol is based on the 1996 Scientific Assessment Report issued by the Intergovernmental Panel on Climate Change (IPCC), a U.N. advisory body. The IPCC's main conclusion, featured in its Summary for Policymakers (SPM), states that, "the balance of evidence suggests a discernible human influence on global climate."<sup>656</sup> This widely quoted and ambiguous phrase has been interpreted by many to mean that climate disasters will befall the world unless strong action is taken immediately to cut GHG emissions.

The Kyoto Protocol is an international treaty designed to limit global greenhouse gas emissions. Many Parties to the United Nations Framework Convention on Climate Change (UNFCCC) have signed the Protocol and about 90 nations have agreed to its ratification. Significantly Australia and the United States have not signed the accord stating that the scientific basis for global warming is insufficient and that Kyoto impinges upon national sovereignty. The EU, Canada, and most Asian and African countries have signed the accord with all developing countries exempted from emissions reduction. Though ratified by a large number of countries, the Protocol cannot enter into force unless it is ratified by nations that account for at least 55 per cent of the total 1990 carbon dioxide emissions of developed countries listed in Annex I to the UNFCCC. Thus far this threshold has not been obtained, and it is necessary that Russia ratifies the accord or it will not pass as an international treaty obligation. Russia is to decide the fate of the accord in 2003 or perhaps in 2004 once it has extracted enough monies from the EU.

Kyoto enforces national commitments to reduce GHG emissions, expressed as a percentage of base year emissions (the base year is

1990), and comprise a target for average annual emissions during the commitment period from 2008-2012. In addition to policies and measures to reduce greenhouse gas emissions, nations can use other Kyoto mechanisms to meet their commitments in a cost-effective way. Such mechanisms include international emissions trading, the clean development mechanism and joint implementation. Annex B of the Kyoto Protocol lists emissions target commitments for developed countries. To demonstrate compliance with their targets, nation states would be required to acquit 'tradable' emissions units against their actual emissions for the commitment period. Countries not included in Annex B (i.e. the developing countries) do not have emissions targets, but may participate in emissions abatement activities through the clean development mechanism [CDM].<sup>657</sup> Kyoto's eventual ratification would force a realignment of national and supra-national power—not destroying the nation state's autonomy but certainly reallocating power over key aspects of socio-economic development to supra-national and UN based bodies.

Kyoto is seen by its defenders to be the safeguard of humanity's future.<sup>658</sup> Environmental groups and many national governments believe that Kyoto is only the first step in a long process to achieve true eco-friendly and sustainable development. Most analysts and supporters believe that Kyoto will not significantly impact the climate but its ratification will importantly signal the start of a new process of environmental protection under the auspices of the UNO. Kyoto is regarded as the first in a long list of agreements over environmental protection and other important factors that affect sustainable development. The protocol affects not only resource development, but also catalyses government interference in economic affairs to ensure that business and especially resource intensive industries meet national targets. Such intervention would include; regulation, tax charges, and redistributing the costs of the protocol nationally across both consumers and all business sectors. As such the protocol would have a dramatic effect on the operations of national economic and political structures.

In philosophical terms Kyoto is viewed chiefly as a means to punish the polluting northern part of the world and transfer money to the