America and Europe: Conflict and Power

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states sign into international law a treaty with supra-national impositions that would undermine national choice, especially if the theory of climate change is not factual but merely hypothetical if it hurts the existing trade regime? There appears to be four motivations for pursuing Kyoto;

- 1. A desire to redistribute money from wealthier countries to the poorer nations.
- 2. A need to equalize the energy cost advantage enjoyed by the United States which is a significant component of its economic power and potential growth.
- 3. Gain domestic left-liberal environmental support and media approval.
- 4. Allow government to gain more control over economic, industrial and regional policy, and to erect various barriers to external competition.

Kyoto in sum is a very useful means to further centralize and embed state power. Such an increase in power is packaged of course in the guise of a non-conflictual and moral environmental accord which sits well with the voting public. It also has the seemingly intended effect of giving the UNO more supranational control over world wide economic and societal development. Nation states would agree to this, if they believed that by doing so, they would have a more equitable trading regime especially in regards to energy cost advantage enjoyed by energy rich nations in the north and in the Arab world. The perversity of Kyoto is that the agreement poses a veritable danger to the principles that most national states purportedly defend in regards to multi-lateral and fair trade and they may in fact be actually engaged in practices that decrease economic growth, prosperity and trade, which as a derivative, actually reduce environmental friendly policies and technologies.

1. Redistribution of wealth:

As already pointed out Kyoto will have a negligible impact on

temperature.⁷⁴⁶ Most worrisome however is that Kyoto and climate change is being linked to all national policy areas and programs within Western nation states.⁷⁴⁷ Kyoto in effect asks for richer nation citizens to decouple living standards from production.⁷⁴⁸ This entails a remodelling of the world that few citizens have been asked to ponder or think through carefully.⁷⁴⁹ Such a remodelling includes a large transfer from richer northern countries to poorer nations and to nations that ratified the accord but have easier targets to attain.⁷⁵⁰ In fact some models estimate that Russia and Ukraine would collect U\$12-170 billion between 2008 and 2012 by selling their industrial decline to Western nations and without improving the quality of their emissions. Such a wealth transfer actually rewards the FSU for maintaining an undeveloped and dirty environmental policy based on 1990 levels.⁷⁵¹

According to one detailed report, Annex B or Industrial countries will lose significant wealth under Kyoto from 2008 onwards as they must reduce emissions on average by 30 % below 1990 levels. Between 2010-2030 it is estimated that total global costs associated with Kyoto will exceed \$1 Trillion. Only a full participation by developing countries in permit trading would reduce the costs and Kyoto does not allow this.⁷⁵² Due to higher costs trade patterns will be shifted hurting firms that rely on energy in developed countries. Some of these costs will result in higher priced goods which will make imports by developing countries more costly. Energy exporting countries such as Canada or the Arab states will face even higher costs than other nations that do not relay on energy rich nations pass on their costs to their customers.

Such a pronounced shift in trade flows is problematic under the WTO regime. The WTO claims its 'overriding purpose is to help trade flow as freely as possible' by eliminating economic barriers to increased productivity, trade and global economy. Kyoto, on the other hand, restricts energy-use emissions and penalizes parties who refuse to abide by energy-use edicts. Energy use is a solid measure of economic activity and therefore of progress, yet Kyoto would punish energy rich nations and force them to transfer wealth to larger non Annex B

366

367