

By SIMON DONNER
Woodrow Wilson School of Public and International Affairs
Princeton University

The Conservative Government claims it will be impossible for Canada to meet its commitment to the Kyoto Protocol. Instead, the government plans to launch a new “Made in Canada” climate policy.

This new policy could prove even more destructive, and even more embarrassing, than Canada’s decision to ignore the internationally binding Kyoto accord.

Since the days of the Canadian Alliance, Stephen Harper and colleagues have opposed the Kyoto limits on greenhouse gas emissions. They preferred the approach of the United States, which refused to sign any international climate agreement under the pretense that it could hurt the economy.

The new “Made in Canada” plan is expected to be based upon the current U.S. government policy that the Bush Administration adopted in 2002 after rejecting the Kyoto Protocol. In other words, the new emissions plan is not really being made in Canada. Even the title is an uncreative copy of the “Made in America” label used by President Bush.

It is worth examining the problem with a US-style policy.

In 2002, the Bush Administration called for a reduction in the greenhouse gas *intensity* of the U.S. economy by 18% by 2012. The greenhouse gas intensity is not the total emissions. It is the greenhouse gas emissions per dollar of GDP.

At first glance, the intensity concept is logical and appealing. It appears to address both economic growth and the climate by making the economy more greenhouse gas “efficient” over time.

A couple minutes with a calculator, or a morning of Economics 101, will reveal a hole in the intensity plan so big you can drive a Hummer through it.

The economy, expressed as GDP, grows at roughly 3% a year. The compound interest function on your calculator will show that this average annual growth rate works out to 34% growth over a ten year period.

The stated target is to have the GHG intensity – the emissions divided by the GDP – be 18% lower in about ten years. Since the GDP will have increased by 34%, the greenhouse gas emissions can actually increase by 10% over those ten years. The proposed reduction in “intensity” is actually an increase in total emissions.

Proponents will argue that this is still an improvement over business-as-usual. If the greenhouse gas intensity remains constant over the ten years, the total emissions would increase by 34%. In that sense, the reduction in intensity could represent some progress. It would not save the planet from the disastrous implications of climate change but it would be better than nothing.

Actually, no. The catch is that the greenhouse gas intensity of the US, of Canada, and of virtually every industrialized country has been decreasing for years as our economies become more productive and our technology improves.

How much? Here’s the funny coincidence. In the US, the greenhouse gas intensity decreased by about 18% between 1990 and 2000.

In other words, the Bush Administration climate policy is just a statement about staying the course. It does absolutely nothing to address climate change.

Canadians should be wary of any similar Conservative policy that uses words like greenhouse gas intensity and claims to address both economy and the climate. When the announcement is made, have a calculator handy.

A real emissions policy is one that addresses emissions. Canada may have failed to date in the implementation of Kyoto. But it is not too late to try.

There is still over five years to reduce emissions at home, to negotiate investments in emissions reductions in other countries and to purchase emissions credits from overseas. The other Kyoto signatories and the rest of the world will respect a concerted effort that comes up short more than a plan that can be debunked in two minutes with a \$10 calculator.

The irony is had the Alliance-Conservatives not strongly opposed controls on greenhouse gas emissions over the past decade, the current Conservative government may not be in what they term an impossible position.

That is the lesson of climate change: we all need to think ahead.