

In Paris, abandon the status quo

India's *status quo* position with respect to climate change negotiations appears to have three important "red lines". First, a uni-focal emphasis on adaptation, with mitigation being addressed rather defensively and minimally; second, a static political alignment focusing on the BASIC grouping, and a reluctance to engage with fresh coalitions cutting across rich-poor dividing lines; and third, a focus on hectoring rich countries to provide climate finance to poor countries.

I believe the *status quo* does not serve India well, and we need different thinking that better serves our interests.

No sane person would argue against adaptation given the clear and present danger presented by global warming. However, I think this should not be the sole focus of

India's negotiating interventions. The old-fashioned uni-focal emphasis on adaptation has meant that India's impressive track record on mitigation has been ignored.

India has quietly risen to the challenge of being the first country in the world to commit to economic transformation without substantial additional recourse to fossil fuels. That, in essence, is what generating 100 gigawatts of renewable electricity by 2025 means. India now effectively and significantly taxes fossil fuel consumption. Revenue rewards to states from afforestation in India, at ₹36,000 crore, are much greater than those paid by any emerging economy. India is also the only G20 country to use significant renewable energy for lifeline (think lightbulbs), as opposed to lifestyle (think central heating) consumption.

These are significant actions to mitigate climate change. We have not used these achievements to assert our interests at the negotiations, because we "sell" our climate change focus as being almost exclusively on adaptation. Ramping up our mitigation focus is therefore the smart thing to do.

India should also explore alliances that cut across rich-poor lines, in our own interests, and that of developing countries more generally. Take the case of coal.

Our coal production and thermal power stations are appallingly dirty. The dirty vintage technologies used in both result in abysmally low productivity of both coal production and thermal energy. Deploying modern technology to improve productivity will automatically provide a low-carbon dividend. Conversely, anything we do to reduce carbon emissions will significantly improve the productivity of our coal-based energy ecosystem.

So, unlike China, which has to reduce its coal-based energy production to reduce emissions, India can maintain, and even increase, its coal-based energy output and still reduce emissions. The barriers here, which should be the centerpiece of aggressive negotiation in Paris, are the sweeping prohibitions being imposed across the international system against financing fossil fuel activities. There

are also barriers imposed on accessing the necessary technologies to improve productivity and lower emissions. The catalytic converter emerged as a significant innovation lowering vehicular pollution in response to rich country needs in the 1980s, and a lot of productive money and research has gone down that route since then. But similar research into coal has ceased. Is this equitable or fair?

To argue against this deliberate bias against developing countries, we must seek allies — and a clean coal coalition is, in this context, a perfectly respectable idea that furthers the interests of India and other developing countries.

India is the first among developing countries that is expected to complete its development transformation without recourse to fossil fuels; but the majority of developing countries are in the same situation. To be sure, the world owes a responsibility to provide grant finance and concessional assistance to countries that are in extreme poverty, and in special situations (especially small island and landlocked states). But development transformations require equal, even preferential access to global financial resources, not just aid or concessionality.

In this context, the distinction between rich and poor countries is important but insufficient. With the rules of global finance stacked against developing countries, we

must aggressively use the opportunity of Paris to call for a change in these rules that discriminate against developing country efforts to secure the financing and technology needed for sustainable development.

Note that China and some other middle-income countries have already parted company here as their interests no longer align with poor developing countries. Thus, the People's Bank of China and the Bank of England are exploring possible environmental sustainability conditionalities in Basel-III, further restricting the ability of developing countries to secure development financing.

So the old fault-lines are not all relevant today — a fact India would do well to heed. We have historically been punished in many contexts for making similar lazy assumptions.

The climate negotiations focus on how energy is produced, not how much is consumed and for what purpose. The right of a Canadian to sit in a centrally heated room in temperate clothing in December, consuming energy that would power a dozen schools in Bangladesh, is not questioned. The reduction in carbon emissions that would accrue by the rich reducing lifestyle energy consumption is not on the negotiating table.

A net reduction in lifestyle energy consumption, and a carbon neutral (at least) increase in lifeline energy consumption by the poor would be a sustainable development gain. But negotiations are not structured around these issues at all. An aggressive approach on this front would make for more effective solidarity than nibbling away at the margins of an established, unequal balance of access to carbon that maintains the lifestyles of the global rich at the expense of the lifeline necessities of the global poor.

A basic rule in economic diplomacy is that negotiations occur around interests, not positions. Arguing for status quo essentially means negotiating around fixed positions, an error that nations with great interests at stake would do well to eschew. The interests of India and the rest of the developing world that face a historically unprecedented challenge in completing their development transformations, need to be directly addressed in these climate negotiations. So, to our negotiators, I say: *Yeh dil maangemore.*



PUBLIC INTEREST

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