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[Looking West](#)

America Alone

Transatlantic Challenges with Regard to
Climate Change and Energy Policy

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The Trump administration's announcement in June 2017 that it was pulling out of the Paris Climate Agreement was one of its first specific decisions that dealt a blow to transatlantic relations. For Donald Trump, preventing climate change is often synonymous with job cuts and over-regulation. The US president's anti-environment policy has a negative impact upon transatlantic relations, in terms of foreign policy, and possibly also as regards economic matters. The good news is that despite the attitude of the US administration, there are still many stakeholders in the US who are committed to the goals of the Paris Agreement, so avenues remain open for international cooperation.

Different Objectives

Europe and America are currently drifting apart with regard to their climate and environmental policy goals. While European leaders agree with the scientific consensus that today's global warming is man-made and should be taken seriously, many members of the US administration – not least Donald Trump himself – are climate sceptics. In an interview in October 2018 with the US station CBS, the US president somewhat softened his climate denier rhetoric, declaring: "I don't think [climate change] is a hoax". During the broadcast, however, he once again expressed his doubts about whether climate change is man-made, saying that climate change "could very well go back". Accordingly, the current US administration takes the view that pursuing ambitious climate change goals is too expensive, puts jobs at risk and damages the US economy. It is in the process of diluting or reversing the Obama administration's efforts in this area.

Pittsburgh, Not Paris

At the transatlantic level, the gap between the American and European perspectives became particularly clear on 1 June 2017, when the US president announced that he would keep his campaign promise and pull the US out of the Paris Agreement. Trump's comment, that he had been elected to represent the citizens of

Pittsburgh, not Paris, sparked outrage in Europe. This was particularly the case in France, especially since President Macron had made enormous diplomatic efforts in the run-up to the announcement to avoid such an outcome.

The US exit process will not be completed until 4 November 2020 at the earliest (one day after the next US presidential elections!) due to the long notice periods that are locked in to the treaty. However, on 1 June 2017 Donald Trump made it clear that the US government would immediately suspend all measures to implement the climate agreement, along with US contributions to the Green Climate Fund, the funding mechanism set up by the United Nations Framework Convention on Climate Change (UNFCCC).

The fact, however, is that environmental concerns have been caught up in the partisan conflicts of America's increasingly polarised political climate. In 2016, for instance, many Republicans campaigned against the Democrats' environmental regulations and President Obama's strategy and objectives during negotiations on the Paris Climate Agreement. Donald Trump won the presidential election with an extremely critical position of the Obama administration's climate policy. Now that he is in the White House, he continues to ignore the alarming reports of scientists, even when they are produced by US federal authorities, such as the

National Climate Assessment (NCA, last issue November 2018). His strategy has the support of many voters, Republican politicians, conservative think tanks such as the Heritage Foundation, and parts of industry (particularly the oil and gas sector). It consists of playing down the scale of climate change and saving businesses and consumers from expensive environmental and climate policy commitments.

Unlike Europe, the current US administration does not see “green” growth as a serious strategy for creating new jobs, encouraging investment and strengthening US global competitiveness. Instead, the Trump administration sees the relationship between growth and environmental protection as a zero-sum game. According to such a strategy, environmental standards should be lowered in order to boost the US economy. Moreover, US contributions to international organisations such as the UN – which fund international projects to reduce greenhouse gas emissions and improve the lives of local people – are seen as generous gifts. Washington desires to invest this money domestically, where, according to the Trump administration, it will really benefit Americans.

Strategic Risks

It follows naturally from the above that Europe and the US hold widely differing views on the security policy dimension of climate change and environmental issues. The European Union (EU) perceives the consequences of global warming as an acute threat. The EU’s Global Strategy of June 2016 sets out a course for the Union’s foreign and security policy. Alongside terrorism, hybrid threats and energy insecurity, it identifies climate change as a current and future threat to the people of Europe.

But, on the other side of the Atlantic, climate change is no longer considered to be one of the top strategic risks for US interests. Indeed, the words “climate change” are not even mentioned in the latest National Security Strategy published by the Trump administration in December 2017. Climate policy is only referred to in

the context of energy issues: “Climate policies will continue to shape the global energy system. US leadership is indispensable to countering an anti-growth energy agenda that is detrimental to US economic and energy security interests. Given future global energy demand, much of the developing world will require fossil fuels, as well as other forms of energy, to power their economies and lift their people out of poverty”. The US Department of Defense is currently concerned about climate-related risks in the Arctic, but primarily from the perspective of US military interests, not due to their environmental consequences. The fact that the US administration approved initial offshore drilling off the coast of Alaska on 24 October 2018 also underlines how its priority in the Arctic is energy production rather than combatting climate change.

Industry-Friendly Agenda

Against this backdrop, the Trump administration has taken a number of steps since January 2017 to “unleash” the US coal, oil, and gas industries, and roll back existing environment and climate change regulations. The extension of the controversial Keystone XL pipeline, for instance, has been approved. Two national monuments in Utah (Bears Ears and Grand Staircase-Escalante) have been reduced in size in order to open them up to mining and fracking. A total of 27 national parks are to be reviewed. In April 2017, the president also signed an executive order approving offshore drilling for oil and gas in federal waters. The justification claimed that the strict safety requirements imposed by the Obama administration following the oil spill in the Gulf of Mexico in 2010 are an unnecessary burden for the industry. In addition, the US government terminated NASA’s Carbon Monitoring System in May 2018. This programme made it possible to monitor whether the signatory states to the Paris Agreement were meeting their commitments and reducing their carbon emissions.

The US government is also taking other steps that could have far-reaching consequences. On 2 August 2018, it presented a plan to weaken the



Trump digs coal: In the last two years, the Trump administration has taken a number of steps to “unleash” the US coal, oil, and gas industries. Source: © Leah Millis, Reuters.

Obama administration’s strict vehicle emission standards. States that impose higher standards, such as California, will no longer be allowed to set their own rules. The administration stresses that the aim is to make vehicles cheaper so that American families can once again afford to buy new, safe cars.

In addition, on 21 August 2018, the administration announced that it would be easing emissions rules for coal-fired power plants. The Affordable Clean Energy (ACE) Rule will replace the Clean Power Plan (CPP) of 2015. This is one of the key environmental achievements of the Obama era, and the cornerstone of the previous administration’s plans to meet the targets set by the Paris Agreement. According to the Environmental Protection Agency (EPA),

the new strategy aims to reduce carbon dioxide emissions from coal-fired power plants by up to 1.5 per cent by 2030 (compared to 2005). Obama’s CPP – which has not yet entered into force due to legal challenges – aimed to reduce CO₂ emissions by 32 per cent over the same period. Donald Trump hopes that his initiative will end the “war on coal” in the US and save jobs in the coal industry.

Challenges for Transatlantic Relations

The US administration’s denial of climate policy challenges or its fatalistic approach towards climate change is causing frustration in Europe. The Trump administration’s decisions in this area have a political impact on transatlantic relations and may lead to economic consequences.

The EU is extremely concerned that Donald Trump's announcement of the US's withdrawal from the Paris Agreement sends the wrong signal to the world and jeopardises the results of many years of hard diplomatic effort. In September 2018, the Center for Strategic and International Studies (CSIS) concluded that these concerns are justified. Criticism of the Paris Agreement has been voiced by leading politicians as far afield as Ontario in Canada, Australia and Brazil over recent months, some of it directly inspired by the American example.

The difficult negotiations at the UN Climate Change Conference in Bangkok in September 2018 also revealed how solidarity among transatlantic partners is no longer a given. It was particularly problematic that the Americans refused to grant financial aid to developing countries to implement the climate agreement, despite the fact that this had been promised for a long time. This placed additional pressure on the other countries of the Global North, above all the EU.

As far as climate change is concerned, the US no longer feels any sense of community with other nations.

In this respect, the US administration's gradual disengagement from climate policy at home and abroad confirms the fears voiced by US experts in the summer of 2017: As far as climate change is concerned, the US no longer feels any sense of community with other nations. In June 2017 Max Boot of the Council on Foreign Relations (CFR) wrote that Donald Trump was sending a provocative message of political unilateralism to Europeans with his withdrawal from the Paris Agreement. Security experts at the RAND Corporation and the Atlantic Council have called the US withdrawal a strategic mistake that will

make it more difficult for the United States to work with its allies on many critical issues of foreign policy and national security.

What is certain, however, is that Washington's climate policy decisions represented the first concrete setback for transatlantic relations in the Trump era. These relations were then put under further strain by the transfer of the US embassy in Israel to Jerusalem, the review of the Iran deal (JCPOA), the North Korea crisis, punitive tariffs on steel and aluminium, and, last but not least, the issue of European defence spending. These are all specific issues that require specific responses from both sides of the Atlantic. However, the US's withdrawal from the Paris Agreement has by no means helped to strengthen confidence and willingness to cooperate between the US administration and European governments in all these areas of foreign and security policy.

The Next Stage – Tariffs on Carbon Emissions?

The US administration's current climate policy could also have a negative impact on future US-EU trade relations. American think tanks regularly moot the idea that foreign governments could react to the US administration's environmental policy with retaliatory measures. The aim of such a measure would be to prevent the United States from gaining a competitive advantage by ditching climate targets. Thus, the US's trading partners – not least the EU states – could introduce balancing mechanisms, possibly in the form of punitive tariffs. David Livingston of the Atlantic Council says there is a risk of "green protectionism". For CSIS experts, non-compliance with the rules of the Paris Agreement could lead to a situation in which environmentally friendly countries turn against environmentally hostile countries using foreign trade instruments. For example, delegates at the UN climate summit, held in Katowice in December 2018 (COP24), discussed whether countries that failed to comply with the Paris Agreement should be excluded from international carbon emissions trading. Such a development at the transatlantic level would be a desirable outcome

neither for the US, nor for its transatlantic partners. It would be particularly awkward for Germany in the wake of the diesel scandal.

In addition, the reduction of public subsidies for research, innovation, and patents in the field of clean energy could lead to a competitive disadvantage for the US energy industry as compared to international competitors. According to Richard Morningstar of the Atlantic Council, the withdrawal from the climate agreement will mean the US is left behind by China and Europe in the area of climate research and new technologies. For example, some observers think the EU will soon take the lead on a satellite system to monitor global carbon emissions. This could lead to further tensions between the US and Europe with regard to climate research and innovation.

Potential for Cooperation between Europe and the US

However, this gloomy view of the transatlantic situation is not the whole picture. Despite the recent decisions taken by the US administration, the end of an active climate and environmental policy in the US is not in sight. Americans and Europeans may, thus, continue to work towards common goals to reduce greenhouse gas emissions. The glass can be considered half full for the following reasons:

The Trump Agenda Is Not Yet a Reality

Dramatic announcements alone do not constitute policy. US experts believe that many of the initiatives on Donald Trump's environmental and energy agenda are ineffective or difficult to implement. This applies, among other points, to the revival of the coal industry. In January 2017, experts from the Breakthrough Institute stressed in *Foreign Affairs* that cheap natural gas, particularly as a result of the "shale gas revolution", is killing off the US mining industry. This trend is set to continue, with or without the Clean Power Plan. Coal is no longer competitive in the US. According to the CSIS, natural gas and renewable energies are the fastest

growing energy sources. According to the World Resource Institute, solar and wind industries alone are creating jobs twelve times faster than the rest of the US economy. These economic trends – which have nothing to do with strict environmental regulations – have led to the closure of more than 200 coal-fired power plants since 2010. Energy experts are united in their belief that this trend will continue over the years to come, and will automatically lead to reductions in greenhouse gas emissions in the coal sector.

In addition, many of the deregulation measures announced by the Trump administration are currently facing legal challenges, delaying or potentially even halting their implementation. For example, on 9 August 2018, an American federal court of appeals ordered a ban on Chlorpyrifos after the EPA attempted to enforce the continued use of this pesticide in agriculture (Chlorpyrifos is linked to neurological and other developmental problems in children). In July 2017, another federal appeals court prevented the EPA from suspending an Obama-era law limiting methane emissions from new oil and gas wells. Back in spring 2017, the US Senate also rejected deregulation measures regarding methane emissions, and funding cuts to clean energy research. Legal challenges are already underway against the US government's latest initiatives on carbon dioxide emissions from vehicles and coal-fired power plants, and on how to handle methane leaks from wells. It is, therefore, currently still uncertain whether these policies will actually be implemented in the long run. Experts believe these court cases could take years to resolve.

Rulings made by the US Supreme Court mean that the US administration is bound to adhere to the climate policy goals set out in the Clean Air Act. Legal experts have made it clear that the Trump administration cannot simply repeal existing air quality laws without proposing other climate protection rules. In general, US courts have the power to at least temporarily halt executive decisions if they consider them to be illegal. For example, the construction of

the Keystone XL pipeline could be delayed by months or even abandoned after a federal judge in Montana once again blocked the project, on 8 November 2018.

Americans Are Greener than Their Government

The Trump administration could score political points beyond its core electorate if it were to adopt an active environmental policy. A study by Yale University in August 2018 showed that 70 per cent of Americans believe climate change is happening, and 57 per cent believe that global warming is man-made. 61 per cent of people surveyed said they were concerned about global warming. The survey revealed a broad consensus on the question of whether global warming will harm future generations, with 70 per cent of US citizens believing this to be the case. 85 per cent of respondents agreed that funding should be provided for research into renewable energy sources, and 77 per cent supported a general regulation of carbon emissions. In addition, 68 per cent of respondents believed that companies in the fossil fuels industry should pay a carbon tax. And finally, according to this survey, 70 per cent of Americans think that protecting the environment is more important than economic growth.

The majority of people in the United States are also keen to be involved in the international fight against global warming. Despite the US's withdrawal from the Paris Agreement, 81 per cent of respondents to a July 2018 Stanford University survey believe the US should try to reduce its greenhouse gases in order to meet its targets. In general, surveys conducted over recent years have shown increasing support amongst the US population for global action on climate protection, according to experts from the Brookings Institution.

The Private Sector Supports Clean Technologies

In the spring of 2017, many major corporations such as Walmart, Google and Unilever, along with energy giants such as BP, Shell, Exxon Mobile and General Electric, spoke out in favour

of the US remaining in the Paris Agreement. Many experts have pointed out that, despite the US administration's current course, the energy industry in particular is standing by its low-carbon investments and continuing to advocate for renewable resources.

There are also economic incentives for this: analysts at Brookings stress that clean energy technologies, such as solar plants, are now in a better position to compete with fossil fuels thanks to innovative new technology and mass production. According to the Carnegie Endowment for International Peace, in 2016, more than half of all global energy investment went into clean energy. The University of Texas has also calculated that natural gas and wind energy are now the cheapest sources of additional energy in most US states. According to Brookings, more than half of the US's fifty states have already decoupled their GDP from increases in harmful greenhouse gas emissions. Consequently, increased growth and employment will not lead to higher emissions. This implies that even if the US government fails to act, economic and technological developments in the US economy could help to reduce the country's greenhouse gas emissions.

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The Rebellion of US States and Cities

In addition to the private sector, many US states and individual cities provide hope that the Paris Agreement will still be implemented in the US. This is because many energy regulations are set at state and city level. The current initiatives of the Trump administration to redistribute certain decision-making powers in this area in order to gain more influence have met with little success. It should therefore be difficult for the federal government in Washington to block



regional and local authorities from pursuing an active climate policy in the coming years. These states and cities are potential partners for Europe in the international effort to combat global warming.

Experts such as William W. Buzbee, Professor of Law at Georgetown University, stress that the majority of the reductions in greenhouse gas emissions and innovations in clean energy and energy efficiency are linked to initiatives undertaken by individual US states. Their leadership role should become even stronger in the coming years, as the announcement of the US withdrawal from the Paris Agreement triggered

a storm of protest across America and boosted the motivation of local actors. Many states and cities – mainly Democrat, but also several Republican – have responded to the direction being taken by the US administration with new initiatives to reduce greenhouse gas emissions.

For example, the governors of several states came together to form the U.S. Climate Alliance in June 2017. Today, 16 US states, plus Puerto Rico, hundreds of cities, and almost 2,000 companies are involved in this initiative. Together they represent 40 per cent of the US population and an economic output of nine trillion US dollars. They have particularly ambitious plans in



Devastations: Time and again, the US experiences extreme weather events that are connected to global warming.
Source: © Carlo Allegri, Reuters.

the area of solar energy, energy efficiency, carbon storage and zero-emission vehicles. At the UN Climate Change Conference held in Bonn in November 2017 (COP23), the U.S. Climate Alliance also pledged to work with Canada and Mexico, in order to ramp up its efforts to achieve an ambitious climate agenda in North America. In September 2018, the Governor of California also organised a Global Climate Action Summit in San Francisco with the support of the United Nations and others. This summit brought together state and non-state actors from the US and around the world. Four billion dollars were raised to finance projects to combat global warming over the next five years.

Tackling climate change and protecting the environment may not be a priority for the current US administration, but it brings many opportunities for the future.

US cities are also currently working together in order to counteract the climate policy decisions of the Trump administration. For example, the Mayors National Climate Action Agenda (Climate Mayors for short) has attracted strong support since June 2017. The network was founded in 2014 to support cities in implementing the Paris Agreement. It had 61 members before Trump's announcement of the US withdrawal. Today it represents over 400 cities, which together account for 70 million Americans – around 20 per cent of the US population. From Seattle to Miami, Minneapolis to Dallas and New York to Los Angeles, most of the country's major cities are represented. In addition to local activities and networking within the US, the members of the association are also keen to work with international partners: "We will build and strengthen relationships around the world to protect the planet from devastating climate risks."

Conclusion

Tackling climate change and protecting the environment may not be a priority for the current US administration, but it is a promising field for the future. Some positive aspects should here be highlighted: the competitiveness of clean energy technologies; the support of a majority of the population and a large part of the private sector; the commitment of many US states and cities; and, last but not least, the limits of the executive power. These points being considered, most experts agree that the United States will be unable to achieve the long-term goals of the Paris Agreement without government support.

Taken overall, the US withdrawal from the Paris Agreement and the industry-friendly agenda of the Trump administration have led to political tensions in the transatlantic relationship. These tensions go far beyond environmental policy and have contributed to the fact that the US and Europe are currently drifting apart on many issues of foreign and security policy. New challenges in the areas of trade and innovation may also arise. This is particularly likely if the US administration decides to abandon its long-term targets for reducing greenhouse gas emissions.

For Europe, the best way forward on climate change is not to give up on the US, but to focus more strongly on working with local stakeholders and private companies. There are many opportunities to do so via numerous international platforms in conjunction with the United Nations, as well as by means of initiatives such as, for instance, the Global Climate Action Summit held in San Francisco in September 2018. In this transatlantic context it is also vital that European countries take a leading role in all international bodies that are involved in tackling climate change: the UN, G7, G20, and the COP. Finally, Europe should pursue a long-term strategy with regards to the US. American investors currently show little interest in environmentally harmful technologies and seem to be speculating that future US administrations will return to lower-emission strategies. Therefore, Europe should not rule out the prospect of better

times ahead for transatlantic intergovernmental cooperation on climate change and the environment. A first small step in this direction was taken in December 2018. The Trump administration participated in the UN Climate Change Conference (COP24) right to the end, despite voicing loud criticism of the Paris Agreement, clear support for the further promotion of fossil fuels, and major differences of opinion relating to the results of the latest report of the Intergovernmental Panel on Climate Change (IPCC). US diplomats have also been engaged in background negotiations to help draft the regulations for the implementation of the Paris Agreement – the main challenge tackled at COP24. Washington made a key contribution to achieving better transparency rules on greenhouse gas emissions that apply to all signatory states. This discreet, constructive cooperation on the part of the US government is a positive sign for further multilateral engagement on climate issues and, not least, for transatlantic intergovernmental cooperation.

-translated from German-

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