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TOWARD A PROGRESSIVE INDIAN AND GLOBAL CLIMATE POLITICS

NAVROZ K. DUBASH

Abstract This paper discusses domestic politics around climate change in India as an entry point to understanding India's role in global climate negotiations. I suggest there is broad agreement within India on three issues: India is being unfairly labelled a "major emitter"; India has a considerable ongoing development burden; and India is already moving in the right direction on climate mitigation. However, on each of these issues there is a healthy under-current of domestic debate. Moreover, broad agreement on this perspective does not translate to strategic unanimity. Instead, I suggest there are three divergent positions within India: *growth-first stonewallers*, *progressive realists*, and *progressive internationalists*. For a renewed Indian climate politics, the two progressive groups will have to join forces. However, this will require far stronger signals of good faith from the international community, and industrialized countries in particular. The paper concludes with a discussion of what India and Annex 1 could do to shift the debate.

Contact ndubash@gmail.com

CLIMATE POLITICS IN INDIA

TOWARD A PROGRESSIVE INDIAN AND GLOBAL CLIMATE POLITICS

NAVROZ K. DUBASH¹

In an ironic, and to most Indians, quite disturbing turn, India is increasingly projected as the problem child of the global climate negotiations. That bellwether of mainstream global opinion, the *Economist*, has labelled India “obdurate” and brackets the country with America and Russia as obstacles to a global deal.² In response, the Indian government has launched a counter-offensive to project India as a “deal-maker” rather than a “deal-breaker.”³ How did a country on the frontline of climate impacts, with a vast proportion of the world’s poor, and a reasonably good track record of energy-related policy and performance, end up in this diplomatic *cul de sac*? Part of the answer lies in the past posturing of climate diplomats from India and the efforts of diplomats from industrialized countries to paint India into a corner. But looking beyond the cut and thrust of climate diplomacy, Indian climate policy and the reaction to it are a salutary case study in the failure to build North-South trust in the climate negotiations.

A major objective of the paper is to convey that India, too, has domestic politics around climate change and to communicate a flavour of these politics. While there is considerable convergence within India on the appropriate framing of the climate problem, this does not translate to strategic unanimity on a negotiating position. In particular, I suggest that there is a vocal, if narrow segment that supports a proactive Indian approach to climate negotiations. But I equally find that these voices of global cooperation are being undercut by the increasingly toxic global negotiating context.

I start by briefly summarizing the underlying basis of the Indian stance, and also the degree of support these substantive positions enjoy within India. Second, I examine how these perceptions translate into strategic positions, and describe the range of strategic positions along a variety of axes. In the concluding section, I explore what it would take for India to have more faith in the global process, but also how the Indian government might revisit its own stance to more vigorously support a global collective action solution to climate change.

Climate Change Negotiations through Indian Eyes

While there is growing understanding and acceptance of climate science, few in India believe the global negotiation process can deliver an outcome that is both climate effective and fair. This lack of faith is informed by three views. First, India is being unfairly labelled a “major emitter”. Second, given the unfinished development agenda in India, discussing constraints on India are premature. Third, there is insufficient recognition that India is moving in the right direction on climate mitigation, and is

¹ This paper has benefited from discussions with Girish Sant, Sharad Lele, and MV Ramana, and comments by Lavanya Rajamani. However, all opinions and errors remain the responsibility of the author. I am grateful for funding support from the Ford Foundation.

² The Economist “China, India and climate change: Melting Asia,” June 5, 2008.

³ Financial Express, “India to be Deal-Maker in Climate Pact,” September 23, 2009.

starting from a low base. Since these are well known views, I will only briefly elaborate each theme, stressing what I believe to be debated or under-appreciated aspects of each statement.

India: A major emitter or a disadvantaged latecomer?

Whether India is a “major emitter” or not depends on which of two competing perspectives one brings to the climate problem. If climate change is understood as a problem of controlling current flows of greenhouse gases into the atmosphere, there can be no doubt that India is a “major emitter.” India is the fourth largest emitter in the world and emits about 5% of global greenhouse gas flows.⁴

If however, the problem is viewed as one of allocating responsibility for the accumulation over time of greenhouse gases – a problem of allotting finite “development space” -- India is largely off the hook. By this measure, India has contributed only about 2.3% of global stocks of greenhouse gases while the industrialized countries of Annex 1 collectively account for about 75% of current greenhouse gas stocks and the US alone for 29%.⁵

The 1992 UNFCCC tilts toward the latter view by stipulating that industrialized countries should “take the lead” in combating climate change and its impacts, as an implication of the principle of “common but differentiated responsibilities.”⁶ While there is a legal debate on this point, the basis for differentiating between countries is, at least in part, due to their historical responsibility for the problem.⁷

However, as is widely discussed in India, there is a perception that, with a few honourable exceptions, Annex 1 countries have fallen woefully short of taking the lead. The data substantially back this perception.⁸ Between 1990 and 2005, US emissions increased 16%. Australia had increased emissions by 26%, Canada by 25% and Japan by 7%. The European Community is much closer to being on track, having reduced emissions by 1.5%. But a substantial share of this reduction was likely due to the massive reductions by Economies in Transition of about 39%, due to their economic contraction.⁹ The cost of industrialized country inaction is illustrated by a few numbers. If the US followed the trajectory laid out in the Waxman-Markey bill, its emissions would return to flows supposed to be achieved under the Kyoto Protocol

⁴ Emissions exclude land use change. Figures drawn from wri.cait.org.

⁵ Data drawn from wri.cait.org

⁶ United Nations Framework Convention on Climate Change, Article 3.1.

⁷ For an argument to this effect and helpful summary of this debate see Lavanya Rajamani, *Differential Treatment in International Environmental Law*, Oxford: Oxford University Press, 2006, pp. 138-144. By contrast, Posner and Sunstein offer arguments to show why corrective justice is not a suitable frame for climate change, such as past ignorance of the problem, the difficulty in aggregating individual actions to responsibilities of states, and need to dilute responsibility due to migration. Eric A. Posner and Cass R. Sunstein, “Climate Change Justice,” John M. Olin Law and Economics Working Paper No. 354, August 2007, University of Chicago. Reflecting on these arguments, while there may be a case for tempering the notion of strict liability somewhat, it is hard to imagine a just regime that grants full squatters rights to early emitters, which is what entirely ignoring historical patterns of emissions would do.

⁸ Numbers are from wri.cait.org based on UNFCCC data.

⁹ UNFCCC, “Annual Compilation and Accounting Report for Annex B Parties under the Kyoto Protocol.” FCCC/KP/CMP/2008/9/Rev.1, 27 November 2008, p. 11.

by the early 2020s, and to equivalent level of stocks by the mid 2030s.¹⁰ Asking the developing world, including India, to make up for this delay would be deeply unfair.¹¹

While India is primarily a disadvantaged latecomer, some voices Indian from civil society are increasingly vocal that India cannot long avoid the tag of a major emitter, if it does not take aggressive mitigation limits.¹² For example, through a modelling exercise, they show that even if the industrialized world takes on 40% cuts from 1990 levels by 2030, if the emerging economies only cut the rate of growth of their emissions by 20%, global emissions are likely to well exceed 500 ppm.¹³ They argue that climate-vulnerable countries will increasingly view India with “sullen antipathy” as a growing part of the problem. Indeed, the Government’s own long term planning projections show India’s emissions growing from just above 1 GT CO₂ to about 5.5 GT CO₂ in 2031-2 under a coal based business as usual scenario in 2030, roughly equivalent to current American emissions, while a renewables and low coal scenario could keep it to 3.9 GT CO₂.¹⁴ Based on these sorts of data and views, there is a definite trend toward taking mitigation more seriously, including within the Government.

Equity: Who is hiding behind whom?

According to the UNFCCC, “responsibility” and “capability” are the twin bases for determining who should act and by when.¹⁵ In addition to arguing that its responsibility is not as large as is frequently made out, India also pleads weak capability. As India appears to shift from being a land of tigers and snake charmers to being a land of information technology and the outsourcing revolution, how valid is this claim? Critics, including internal critics, suggest that India is “hiding behind the poor” -- the title of a Greenpeace India study -- by seeking to avoid emission reductions.¹⁶ At the same time, if India is, indeed, still a substantially poor country with a large unfinished development agenda, then making Annex 1 actions conditional on Indian efforts to limit greenhouse gases is equivalent to the industrialized world hiding behind India’s rich.

Within the climate debate, equity discussions have focused on per capita emissions. India’s emissions per capita of 1.7 tons CO₂e per capita in 2005 were but a fraction of

¹⁰ This analysis is based on the Lieberman-Warner bill. However, the results differ only by a year or two for the Waxman Markey bill. Daljit Singh, Girish Sant and Ashok Srinivas, “Developed Countries Response to Climate Change: Separating the Wheat from the Chaff.” *Economic and Political Weekly*, October 2008. Daljit Singh, personal correspondence, August 31, 2009.

¹¹ A number of recent media commentaries also make this point. See, for example, Arvind Subramanian, “Climate change - Winning the narrative,” *Business Standard*, July 29, 2009; Arvind Panagariya, “Say No at Copenhagen” *Economic Times*, July 23, 2009; Sunita Narain, “Climate Lectures don’t make Lessons,” *Business Standard*, February 28, 2009.

¹² D. Raghunandan et. al. “Climate Crisis: Challenges and Options.” New Delhi: All India Peoples Science Network and Centre for Science Technology and Society, Tata Institute of Social Science. December 2008.

¹³ Tejal Kanitkar, T. Jayaraman, Mario D’Souza, Prabir Purkayastha, D. Raghunandan, and Rajbans Talwar, “How Much ‘Carbon Space’ Do We Have? - The Physical Constraints on India's Climate Policy and its Implications,” Seminar on “Towards an Alternative Indian Climate Policy: Copenhagen and Beyond”, organized by Delhi Science Forum and Tata Institute of Social Sciences, Delhi, September 18, 2009.

¹⁴ Planning Commission, Government of India, *Integrated Energy Policy*, August, 2006: p. 50.

¹⁵ United Nations Framework Convention on Climate Change, Article 3.1.

¹⁶ Greenpeace India, “Hiding Behind the Poor,” Bangalore, India: Greenpeace India Society, October 2007.

Annex 1 emissions of 14.1 tons CO₂e per capita or China's emissions of 5.5 tons CO₂e per capita, and only 7% of US emissions of 23.5 tons CO₂e per capita.¹⁷ But averages of this sort, of course, tell us little about the distribution of wealth and poverty.

A look at more disaggregated income numbers suggests that despite recent economic strides, there should be no mistaking the magnitude of the unfinished development task ahead. It is well known that the bottom third or so of India's population are extremely poor – 27.5% are below the official poverty line of about \$ 0.70 a day in rural areas and \$1.05 a day in urban areas (PPP adjusted).¹⁸ Moreover, the bottom half of India, 78 million households, do not have access to electricity. Even if they were provided access, in the short to medium run they would emit emissions equivalent to about 1-5% of US emissions.¹⁹ The Indian poor are unlikely to contribute greatly to global emissions.

Surprisingly, neither are the rest of the population. In 2005, 76% of Indians lived on under \$2 a day (PPP), making them poor by the standards of the developing world.²⁰ By the standards of the Western world, using the US poverty line of \$13 (PPP) a day as an indicator, 99% of Indians are poor.²¹ More precisely, the World Bank finds that only somewhere between 3 and 6 million Indians would be considered “middle class” in American terms in 2005, that is, with incomes higher than \$13 a day (PPP), accounting for between 0.3% and 0.6% of the Indian population.²² This estimate is supported by a McKinsey Global Institute study, which concludes that only 1% of India's population, or 10 million people, lived on more than \$16 a day (PPP) in 2005.²³ Even if these numbers are wrong by an order of magnitude, it still implies middle class consumers number in the low tens, rather than hundreds of millions. From a consumption point of view, India looks, at most, like a large European country.

¹⁷ Data from wri.cait.org. The Government of India has presented studies to show that by 2030-31, estimates of India's per capita emissions range from 2.77 tons to 5.0 tons CO₂e per capita. Climate Modelling Forum, India, “India's GHG Emissions Profile: Results of Five Climate Modelling Studies,” Ministry of Environment and Forests, Government of India, September 2009.

¹⁸ Computed by the author from Government of India, Press Information Bureau, “Poverty Estimates for 2004-05,” New Delhi, March 21 2007.

¹⁹ Navroz K. Dubash and Rob Bradley, “Pathways to Rural Electrification in India: Are National Goals also an International Opportunity,” in Rob Bradley and Kevin A. Baumert (eds.) *Growing in the Greenhouse: Protecting the Climate by Putting Development First*, Washington DC: World Resources Institute, 2005.

²⁰ Specifically, \$2 a day (PPP) is the median poverty line of poverty lines used by developing countries. This is consistent with a widely cited Indian study which finds that 77% of the population lives on less than \$2 a day (PPP). Arjun Sengupta, KP Kannan, J. Raveendran, “India's Common People: Who are they, How Many are they, and How do they Live?” *Economic and Political Weekly*, March 15, 2008.

²¹ Martin Ravallion, “The Developing World's Bulging (but Vulnerable) Middle Class,” Development Economics Group Policy Research Working Paper 4816, January 2009, p. 7.

²² The broad range accounts for some concerns over under-counting of Indian consumption levels. Ravallion suggests that even with a 50% measurement error, the number of Indians above the US poverty line of \$13 a day rises only from 3 to 6 million.

²³ Mc Kinsey counts those households with more than Rs. 500,000 annual income. Assuming a PPP conversion rate of Rs 17 to the dollar, and 5 members to a household, this translates to about \$16 a day per person. Computed from McKinsey Global Institute, “Tapping into the Indian Consumer Market,” Presented at the Indo-European Investment Forum, June 28 2007. Available at <http://www.scribd.com/doc/306245/Mckinsey-The-India-consumer-story>. Accessed 11 September 2009.

These numbers are also consistent with other empirical observations. Indians own about 12 light motor vehicles per thousand (Americans crossed this level of ownership in 1910), or about 12 million in total, consistent with a middle-class of 10 million.²⁴ Only 11% of Indian households consume more than 100KWh of electricity, while the average in the US is five times higher.²⁵ One paper finds that the embodied CO₂ emissions of the top 10% of urban Indian consumers are one-sixth of the per capita emission generated in the US.²⁶ Indeed, even the “Hiding Behind the Poor” study compiled by Greenpeace India finds that the top 1% of Indians emit less than the global greenhouse gas emissions average of about 5 tons CO₂e per capita.²⁷

None of this is to deny that India is getting richer, but it is to note that the overwhelming majority of Indians are doing so starting from a very low base, and that many have not yet seen any of the gains. As a result, even rapid growth in future consumption is likely to only modestly affect global greenhouse gas emissions. For example, an Indian earning \$2 a day (and 75% of Indians are below this level) would take about 24 years to reach the US poverty line of \$13 a day at an ambitious growth rate of 8% a year. The per capita emissions metric resonates so strongly within India because it does, in fact, capture the reality of a low emissions starting point for much of the population.

However, there is growing awareness in India that while all of the above is pertinent to the climate discussion, so also is the larger point at the core of Greenpeace India’s critique: internal equity should matter as much as equity across countries. And for India to credibly place equity arguments at the core of its international position, it cannot continue to sustain gross internal inequalities in greenhouse gas emissions. In addition, this discussion on consumption levels does not capture Indian emissions from infrastructure development that do not fall under a household budget, are likely to be significant, and often do not benefit the poorest. As social justice NGOs critically observe, while India argues that we need to increase our emissions in the name of the poorest and most vulnerable in India, they are often not the beneficiaries of development projects constructed in their name.²⁸ Finally, there are also discussions about whether, in fact, India should benchmark itself against Western consumption lifestyles, although correctly arguing that the choice about whether to do so or not should be a domestic one. These internal debates represent, in my view, a healthy move toward exploring climate change not only as a diplomatic problem, but also as a development challenge.

This debate, however, risks being muffled by those who fear it will undercut India’s negotiating position. Instead, if the international community is to constructively engage India, it is very important to understand that the burden of poverty in India continues to be massive, that this burden extends well beyond those formally classified as poor to encompass the vast majority of Indians mis-labelled “middle-class” but who are poor by industrialized country and even other developing country

²⁴ Girish Sant, Narasimha Rao, and Sudhir Chella Rajan, “An overview of Indian Energy Trends: Low Carbon Growth and Development Challenges,” Prayas Energy Group, Prayas-Pune, August, 2009. Available at www.prayaspune.org.

²⁵ Sant et. al. 2009.

²⁶ Jyoti Parikh, Manoj Panda, A. Ganesh-Kumar, Vinay Singh, “CO₂ Emissions Structure of Indian Economy,” *Energy Policy*, 34 (2009); 1024-1031.

²⁷ Greenpeace, p. 13.

²⁸ Letter from 17 civil society organizations to the Prime Minister of India, “NAPCC and the National Water Mission” July 27, 2009.

standards, and that concerns over an unfinished development agenda deserve to be recognized adequately in the negotiating process. To do otherwise would, indeed, be hiding behind India's rich.

Burden sharing versus opportunity seizing: How much is India doing anyway?

The language of equity and unfinished development frames climate change mitigation as a burden to be shared. Another viewpoint argues that climate mitigation also presents an opportunity.²⁹ From this perspective, concerns over equity or an unfinished development agenda are not terribly salient to national approaches to climate change because there is no real trade-off between poverty alleviation and climate mitigation and there may even be positive interaction between the two. How valid is this perspective?

It is indeed fair to say that not all climate mitigation need come at the cost of growth or even at the cost of poverty alleviation. Some sustainable development policies that particularly benefit the poor – such as promotion of public transport – clearly achieve both objectives. At the same time, there are areas of development where trade-offs may be considerable: it is hard to imagine India upgrading its infrastructure of roads, ports, electricity capacity and urban spaces without increases in emissions. The cost of not doing so is a failure to provide improved living circumstances for millions of India's poor. This observation, combined with little evidence the industrialized world is chasing climate opportunity, leads many in India to dilute the language of opportunity with a heavy dose of caution.

Given these arguments, the Indian approach as articulated in the National Action Plan on Climate Change has been to pursue opportunities, but not to bind ourselves to necessarily realizing those opportunities.³⁰ Put differently, India has chosen to hedge against the possibility that the trade-offs between low carbon development and poverty reduction may, in fact, be considerable. This approach is appropriate for India, but not for the industrialized countries, because the points made above – the appropriation of development space by the North and the low current levels of development of the South – suggest the need to differentiate actions.

However, as Indian negotiators are at pains to point out, India is making considerable progress anyway toward a lower carbon society. And these data are, indeed, impressive.³¹ The energy intensity (energy use per unit of GDP) of the Indian economy is very low, particularly for a developing country, and is on a slight declining trajectory despite rapid growth, including in infrastructure. In fact, India's energy intensity in 2006 was about half that of China's, lower than the US, and only slightly higher than the EU. While part of this performance has to do with the growth in India's service sector, the country has also substantially de-linked industrial growth and energy consumption. While industry has been growing at about 6-7% from 1990 to 2005, energy use for industry has grown at a more sedate 3%. A similar story holds

²⁹ In India, this point of view is most vigorously argued by the Centre for Social Markets, www.csmworld.org.

³⁰ Government of India, *National Action Plan on Climate Change*, July 2008. Available at pmindia.nic.in.

³¹ This information is gleaned from a recent paper summarizing Indian energy trends by a set of independent scholars. See Narasimha Rao, Girish Sant, and Sudhir Chella Rajan "An Overview of Indian Energy Trends: Low Carbon Growth and Development Challenges," Prayas Energy Group, Pune India, August 2009.

true for transport. In other words, India is already increasing the carbon effectiveness of its development.

One reason for this creditable performance are the high price levels of electricity and petroleum products.³² In PPP terms, industrial tariffs for electricity are twice as high as in China and four times as high as in the US. While these prices are driven by the domestic need to cross-subsidize agricultural and household consumers, they also have the salutary effect of encouraging efficient use. Similarly, retail prices of gasoline in India are double those in China and four times the US price. Even in real exchange rate terms, Indian prices of gasoline and diesel are higher than in these other two countries.

Looking to the future, the Government has also taken active steps to accelerate the energy efficiency of the Indian economy, notably through the National Mission for Energy Efficiency. This mission includes a labelling programme for household appliances, energy efficiency targets for large consumers with provision for trading of certificates, concessional financing for energy efficiency projects, and an aggressive programme of training and information around energy audits.³³ Indeed, viewed against this rather impressive record of performance and intent, one can understand the frustration of Indian negotiators who grumble that their northern counterparts must be, as one negotiator put it in an informal meeting, “wilfully blind” if they do not recognize the efforts India is making.

Creditable as this performance is, there are, nonetheless, at least two grounds on which the Indian position is vulnerable to criticism. First, based on its interpretation of 1 (b)(ii) of the Bali Action Plan, India has decided that its domestic mitigation actions are not subject to measurement, reporting and verification (MRV) under the global climate regime, *except* in those cases where mitigation actions are directly supported by technology, finance and capacity building support.³⁴ At the same time, the Indian government is moving aggressively to signal serious domestic attention to climate mitigation. Media reports suggest India is considering new climate legislation spelling out various mitigation actions, the articulation of an indicative target consistent with those actions, and a monitoring authority to ensure implementation.³⁵ This approach would set in place a domestic mitigation regime, but one that is effectively de-linked from the global regime.

This strategy of “everything but global MRV” seems to be informed by a concern that any form of linkage is a first step down the slippery slope toward unwelcome scrutiny of sovereign development actions and arm-twisting into premature binding caps. This is, indeed, a legitimate concern. Yet climate negotiations are, at the end of the day, a global collective action process that requires all states, particularly large states, to be

³² Sant et. al. 2009.

³³ See the National Mission on Enhanced Energy Efficiency, available at <http://indiaenvironmentportal.org.in/content/national-mission-enhanced-energy-efficiency-nmeee-note>.

³⁴ This position is explained in India’s national submission to the UNFCCC compiled as Ministry of Environment and Forests, Government of India, “Climate Change Negotiations: India’s Submissions to the Framework Convention on Climate Change,” August 2009, p. 16. For a close and insightful reading of this text, and an explanation of the context within which it was negotiated, see Lavanya Rajamani, “India and Climate Change: What India Wants, Needs, and Needs to Do,” *India Review*, 8(3) September 2009, pp. 370-374.

³⁵ See respectively: Padmaparna Ghosh, “India mulls law to cap emissions,” *Mint*, September 12, 2009; Amitabh Sinha, “Change on climate: India ready to quantify cuts,” *Indian Express*, September 17, 2009; Nitin Sethi, “National body to set, monitor ‘green’ targets.” *Times of India*, September 19, 2009.

vested in the collective solution. From this perspective, it may behove India to seek creative ways of obtaining diplomatic and political recognition for domestic actions – perhaps through an approach that goes beyond unilateral actions but stops short of an MRV process. Doing so would further deflect charges that India is a naysayer,³⁶ and also add the nation’s weight more squarely behind a global collective action solution.

Second, while the National Action Plan on Climate Change is undoubtedly a positive step, and increasingly so as details emerge, the Plan has been subject to some criticism within India. Specifically, the Plan process has been criticized as relatively closed, thereby failing to fully take on board creative ideas from outside government, rather too driven by the need to market India’s actions to an international audience, leading in places to overblown and ambitious claims.³⁷ This said, the follow-up national “missions” released so far have out-performed expectations and been serious documents with useful ideas. And as described above, recent reports indicate the Government is willing to place political capital behind implementation of these ideas. While there is certainly much room for improvement, particularly in terms of making the process more open and creative, these efforts collectively signal serious domestic engagement with the climate problem.

The Narrative so Far

To summarize the discussion so far, there is considerable agreement within India on the three views laid out above, which by and large reinforce the government’s view. But on each argument, there is also a counter-current that diverges from the official stand with respect to the implications for India.

First, industrialized countries must accept and act on historical responsibility for the climate problem. Yet, as one of the top five emitters, there is growing acceptance that India has to also take on mitigation actions at home, both because of their own poor and their responsibility to the poor in other developing countries. Second, India’s development burden does continue to be immense, and has to be given the “carbon space” with which to focus on poverty alleviation. This view is leavened by an increasing sense that India should not be complacent about internal distribution questions and that any climate position based on moral principles must, to be credible, be accompanied by attention to internal equity considerations. Third, India is on a reasonably low-carbon trajectory, and the National Action Plan is gaining credibility as a mechanism of keeping it so. However, there is robust critique of the Plan on both substantive and procedural terms, accompanied by calls for a more creative perspective on both mitigation and adaptation.

Three Strategic Perspectives

Although there is a great deal of commonality in perspectives within India, these shared perspectives do not translate into unanimity over strategy. To explain the diversity of opinion in India on climate policy, I construct three somewhat caricatured “ideal types”: “growth-first stonewallers,” “progressive realists,” and “progressive internationalists.” While the complexity of real positions seldom corresponds exactly to these stereotypes, these labels may help map the range of views in the Indian

³⁶ These charges are seldom formally made, but are certainly part of hallway discussions among NGOs and delegations, as captured in the *Economist* statement at Note 1.

³⁷ Economic and Political Weekly, “Climate Change: Not Vision, Not Plan,” *Economic and Political Weekly*, July 12, 2008.

climate debate. I construct these types based on personal observation and interaction at a range of meetings over the last two years. These positions vary across four dimensions as summarized in Table 1: political reading of climate change; foundational demand in the negotiation process; domestic agenda; and international strategy. Below, I flesh out these positions, and then draw on them to provide an interpretation of past climate politics and the prospects for future climate politics in India.

Table 1: Three Strategic Indian Perspectives on Climate Change

	Growth First Stonewallers	Progressive Realists	Progressive Internationalists
Political Reading	Geopolitical threat	India as excuse – fatalism	India as excuse – cooperation
Foundational Demand	Equity	Equity	Equity + climate effectiveness
Domestic agenda	Growth first	Co-benefits	Co-benefits
International Strategy	Stonewall commitments	Focus at home, de-link globally	Link domestic and global
Motto	Its our turn!	Its an unfair world!	Seize the moment!

Growth-First Stonewallers: It's our turn!

Growth-first stonewallers are likely to see the climate debate itself as a threat to Indian interests. They are frequently sceptical of climate science, or at minimum, see the threat of reduced growth from pressures to mitigate as more immediate and/or greater than the threat of climate impacts. Stonewallers interpret climate change negotiations as a geopolitical stratagem by industrialized countries to contain new and emergent economic powers, notably China, but also India, Brazil, and South Africa.

Equity across nations is their foundational demand, in part out of principle, but also because it is a strategic device to hold the industrialized world at bay. Growth-firsters priority is to continue India's recent high growth rate, and resist any efforts to modulate or change the growth strategy. They see China's recent two decade long environmentally unconstrained growth spurt as the model for India, and argue that India will be much better placed to bear the costs of both mitigation and adaptation after a similar growth spurt. Consequently, growth-first stonewallers are likely to react negatively to statements about the need for internal equity within India, reinforcing the perception that the support for equity is tilted more to the strategic than the principled.

The international strategy is to stonewall commitments for India. Indeed, given that their concern over climate impacts is muted at best, stonewallers would prefer a weak climate regime that allowed India unconstrained growth over a strong climate regime even if it required industrialized countries to do more. A motto for this group might be: *Its our turn!*

This position has, in the past, been strongly represented within the Government of India, although there have always also always been dissenting voices.³⁸ However, there has also been a discernable shift away from this perspective in recent times, as I discuss further below. The growth-first stance continues to command strong adherence from outside the government as well. Certainly through 2007, Indian business has had a growth first attitude and been in lock-step with the government.³⁹ In addition, economists who feel India has only recently managed to get onto a high growth trajectory worry that this achievement may be compromised.⁴⁰ This group includes those who bring a perspective from WTO negotiations and are deeply sceptical of Western intentions and of India's ability to hold its own in a negotiations process.

Progressive Realists: Its an unfair world!

Progressive realists start from the premise that climate change and its likely impacts pose a serious threat to India. However, they are deeply cynical about the international process, which they see as increasingly inconsistent with addressing historical responsibility or advancing equity. The prospect of a growing India (and China), they suggest, has become an excuse for inaction by industrialized countries. That evidence of Indian poverty and India's low carbon intensity has not served to negate this argument suggests that industrialized countries are hiding behind India, and there is little India can do to affect this situation.

Progressive realists, have long, but largely unsuccessfully, argued that a per capita based burden-sharing architecture is the only equitable way forward for the climate regime. This lack of success, combined with a perception that the North is hiding behind India, have bred a fatalism about the climate negotiations.⁴¹ As a result, progressive realists have increasingly focused their energies on the national debate. They argue for a shift in India's growth strategy in favour of more environmental sustainability and internal equity by pursuing "co-benefits" at home – strategies that are shaped by domestic priorities but also bring climate gains. Given their lack of faith in the international process, this group has increasingly argued for India to do its part, but not to formally or legally link these efforts to the international process. The sense of cynicism regarding the international process informs my choice of motto for this group: Its an unfair world!

³⁸ Understandably, when expressed by Government officials, these views emerge in conversation and informal remarks, rather than in formal, and citable, statements.

³⁹ For example, the Federation of Indian Chambers of Commerce and Industry (FICCI) released a report in late 2007 highlighting the importance of CDM, emphasizing the low energy intensity of the Indian economy, and stressing the potential high costs of any mitigation. Notably, the Chair of FICCI's climate task force at the time was a retired government official with a continued strong role in shaping India's negotiating strategy, perhaps accounting for the convergence. FICCI, "Climate Change Task Force Report," 2007.

⁴⁰ See for example, Arvind Panagariya, "Say No at Copenhagen" *Economic Times*, July 23, 2009. This view is spelled out in detail at Arvind Panagariya, "Climate Change and India: Implications and Policy Options," Paper presented at India Policy Forum, New Delhi, 14-15 July 2009. Available at <http://www.columbia.edu/~ap2231/>.

⁴¹ See for example, Sunita Narain's forceful view that "international negotiations on climate change stink" due to a progressive erosion of differentiated responsibility. Sunita Narain, "The Mean World of Climate Change," *Down to Earth*, July 31, 2008.

The progressive realist view has long been the dominant perspective of Indian environment and development NGOs.⁴² Most remain deeply sceptical of the good faith of the industrialized world in the negotiations process, even while remaining fierce critics of the government. This stance often leads to positions that may seem incongruous from the outside. For example a recent call by a network of civil society groups active on climate change calls for the Government to set national cap on emissions, but not to embed this cap in the international legal process.⁴³ Thus, despite battling the government on several domestic fronts, many Indian NGOs close ranks with the government on international climate negotiations.

There is evidence that the centre of gravity of the Government of India's position is shifting from a growth-first stance to a progressive realist view. India's National Action Plan, for example, aims at a "qualitative shift" in development trajectory toward greater environmental sustainability as a way of realising co-benefits.⁴⁴ It is also consistent with the Indian government's stated position that it will only subject actions that are externally supported to the MRV process of the global climate regime, and that the rest of its policies and measures, which are designed to meet domestic objectives, will remain outside the scrutiny of the international process. And, as discussed earlier, the Government is increasingly signalling the importance it gives to domestic mitigation measures.

Finally, while Indian business has been relatively silent on climate change, they too, would appear to be moving from a growth-first stonewaller position toward a progressive realist position, in that the sense that they increasingly embrace the language of climate as a business opportunity.⁴⁵ But they would rather pursue this opportunity free of the obligations and constraints of an international regime and corresponding domestic constraints.

Progressive Internationalists: Seize the moment!

Progressive internationalists, as the label suggests, share many of the attitudes of the progressive realists. Both groups suggest that the rich world is using India as an excuse for inaction, stress the need for an equitable climate regime, and argue strenuously for the aggressive implementation of actions that bring development and climate co-benefits.

However, where the realists have a fatalistic attitude to the global process, the internationalists believe that India can and should make a difference to global negotiation dynamics by explicitly aligning Indian interests with a strong global climate regime. Since climate impacts will hurt the poor worst, an ineffective climate agreement will, in effect, also perpetuate and exacerbate inequality. Hence,

⁴² This stance has a long history in India. Indeed, a wariness of the international process was apparent even during negotiation of the UNFCCC, as evidenced by the closing line of a highly influential report laying out an argument for an equity-based climate regime: "Those who talk about global warming should concentrate on what ought to be done at home. The challenge for India is thus to get on with the job at hand and leave the business of dirty tricks and dirtying up the world to others." Anil Agarwal and Sunita Narain, *Global Warming in an Unequal World*, Centre for Science and Environment, New Delhi, 1991.

⁴³ Letter from 17 civil society organizations to the Prime Minister of India, "NAPCC and the National Water Mission" 27 July, 2009.

⁴⁴ Government of India, National Action Plan on Climate Change, July 2009.

⁴⁵ See, for example, Confederation of Indian Industries, "*Building a Low Carbon Indian Economy*," Confederation of Indian Industry Discussion Paper, New Delhi, January 2008.

progressive internationalists argue, posing the climate issue as a trade-off between equity and effectiveness is misleading; there is no choice but to strive for both.⁴⁶ Hewing to a purist equity stand, they argue, risks placing principle before the pragmatic considerations of the poorest. Consideration of climate impacts, particularly on the poor, therefore is a defining consideration for progressive internationalists.

Strategically, they argue, as do the progressive realists, for an aggressive national program of co-benefits measures. But they are more likely than realists to emphasize the potential economic opportunities arising from climate mitigation efforts. But, in contrast to the realists, they argue for linkage of those measures to the international regime for two reasons. Doing so will allow India to seize the moral high ground, challenge the industrialized world to take on commensurately more ambitious mitigation at home and throw India's weight behind a global collective action solution. Finally, this group is more likely than the others to see potential economic gains if India is a first-mover in developing low-carbon technologies. Progressive internationalists' motto might be: "Seize the moment!"

Progressive internationalists are a small, but increasingly vocal group, many of whom have made a transition from a more realist perspective, motivated by growing concern with the impact of climate change, and a desire to see a more proactive Indian stance. Most are drawn from civil society and academia, although they certainly include a sprinkling of political figures, former government representatives, and business.⁴⁷ So far, these voices have not coalesced into a larger coordinated position. In one notable exception, a coalition of civil society organizations with roots in the All India Peoples Science Movement has explicitly called for India to offer a commitment to deviate from projected emissions conditional on aggressive mitigation commitments by the industrialized world.⁴⁸

Nonetheless, progressive internationalists continue to be a distinct minority, particularly as compared to the realists. There are few takers for an argument that a shift in India's position can do much to change entrenched global positions. Instead, the mainstream perspective, in government and civil society, and perhaps even in business, is that rich countries are hiding behind India and other emerging economies, and have little independent will to act. Under these conditions, internationalists' calls for a proactive stance are met with charges of naiveté and a prediction that Indian offers will lead only to more constraints and no improvement in the global regime. The larger point is that unlocking progressive climate politics in India will take greater trust in and a perception of a more progressive climate politics globally.

⁴⁶ This argument is elaborated in Navroz K. Dubash, "Changing Climate Policies," *Mint* April 26, 2009.

⁴⁷ See, for example, D. Raghunandan, Prabir Purkayastha, and T. Jayaraman, "Breaking the Climate Deadlock," *The Hindu*, June 23, 2009; Nitin Desai, "Lower the Temperature" *Times of India*, July 22 2009; Arun Shourie, "Changing Course on Climate," *Indian Express*, July 2-3, 2009.

⁴⁸ D. Raghunandan et. al. "Climate Crisis: Challenges and Options." New Delhi: All India Peoples Science Network and Centre for Science Technology and Society, Tata Institute of Social Science. December 2008. Arvind Subramanian also argues for a conditional approach but takes the argument further, suggesting India should threaten trade restrictive actions against industrialized countries that fail to meet their commitments. Arvind Subramanian, "Climate Change – Winning the Narrative," *Business Standard*, July 29, 2009.

Toward Building Trust

The last few years of Indian engagement in the climate debate has led to two problematic, outcomes. First, India has got tagged “obdurate” in the negotiation process. Yet, the discussion above suggests the substantive basis of India’s position – historical responsibility of industrialized countries, attention to equity, and a strong domestic record of low-carbon development – enjoys broad domestic support within India. Climate diplomats from other countries would do well to recognize this reality.

Second, progressives within India are being fractured into two groups -- realists and internationalists – due to differences of opinion about the international negotiation process. This split undermines their collective ability to effect change in India in the direction of environmental sustainability and low carbon development. A more progressive global climate politics will be necessary for progressive realists to shift closer to an internationalist stance in favour of integration with the global climate regime. Until that happens, the mainstream of Indian opinion is still likely to favour keeping the international regime at arms length.

As the discussion above suggests, this deadlock is only partially about substantive positions, and much more about a larger deficit of trust. Below I examine three broad sets of issues around which trust needs to be developed, and potentially could be built. For each, I first reflect (as a self-declared progressive internationalist) on how India could modify its approach and then on the ways in which Annex 1 countries could signal a more constructive attitude. These three issues are by no means intended to be a comprehensive list, but progress on these may well be a pre-condition for meaningful engagement on the host of issues on the negotiating table.

Indicators of Negotiating in Good Faith

India needs to be, and to be seen to be, supporting a strong global climate regime. Too often, India has been associated with defensive stances that focus on narrow national concerns of particular interest, such as the Clean Development Mechanism and REDD+. While these are legitimate concerns for India, an undue focus on these mechanisms without complementary attention to the larger regime creates the impression India has a narrow-minded set of objectives.⁴⁹ India has recently taken welcome steps toward broader engagement. Indian negotiators are now more likely to explicitly declare that India’s interests are served by a strong global regime, and have proposed strong domestic mitigation action, with the intent of embedding these actions in a domestic legislative and implementation framework.⁵⁰ And India has sought to seize the initiative in substantive areas such as technology.⁵¹

Nonetheless, much more could be done. India has yet to shift from a reactive stance on the legal architecture of a climate regime to one that proactively articulates a legal

⁴⁹ In a candid interview, the Indian Minister of Environment and Forest indicated India’s emphasis on these measures, along with technology, as their desired outcomes from Copenhagen. He also indicated that weak Annex 1 pledges currently have the effect of lifting pressure on India. *Indian Express*, “I want to preside over the liquidation of my ministry’s power to grant approvals” September 13 2009.

⁵⁰ Padmaparna Ghosh, “India mulls law to cap emissions,” *Mint*, September 12, 2009; Amitabh Sinha, “Change on climate: India ready to quantify cuts,” *Indian Express*, September 17, 2009; Nitin Sethi, “National body to set, monitor ‘green’ targets.” *Times of India*, September 19, 2009.

⁵¹ For example, India is proactively proposing a network of climate innovation centres and seeking to build support for this agenda. Government of India, “CleanNet: A Network of Climate Innovation Centres,” April 2009.

framework consistent with its national interest and with a strong global regime.⁵² Addressing questions such as these are necessary if India is to shake off the perception that it would be more satisfied with a low equilibrium deal that required little of it and little of Annex 1 countries, than with a high equilibrium deal that required more of India, even if it required a great deal more of other industrialized countries.

While India's position has moved somewhat, many, although not all, Annex 1 countries continue to send signals that they seek to weaken to breaking point the UNFCCC bargain between North and South. This bargain was built around the idea that the industrialized world would play a leading role in the global climate response.⁵³ However, there continue to be several indicators of weak or bad faith from the industrialized countries: weak or non-existent performance with regard to Kyoto targets by Australia, Canada and Japan and substantial increases in emissions from the United States as discussed earlier, consideration of only weak mid-term future targets by the United States,⁵⁴ making Annex 1 future commitments conditional on the commitments by large developing countries most recently by Japan⁵⁵, and efforts at punitive "border adjustments" as part of domestic legislation by the United States⁵⁶ are all seen as indicators of weak, if not bad faith. Collectively, these developments reinforce fears that Annex 1 countries are displacing the burden of their historical emissions onto the developing world, quite in contradiction to the spirit of the UNFCCC.⁵⁷ Annex 1 countries, so far, have failed to signal that they intend to act in a manner consistent with leadership of the global response to the climate threat. To reverse this perception would require Annex 1 countries to truly lead, which requires unwrapping the layers of conditions that surround their current statements.

Climate Change as a Problem of both Equity and Environment

As a responsible nation emerging on the global stage, India needs to accept a framing of climate change as a problem of equity *and* of environment. This will require India, over time, to accept a measure of responsibility for its growing level of emissions, albeit in a manner consistent with low per capita and historical emissions. However, consistency on the issue of equity also requires that India attend to highly unequal levels of per capita emissions within India. While issues of internal inequality have little legally to do with our global obligations, it is equally true that India undercuts its moral stance by arguing that internal inequalities in emissions are irrelevant to the debate.

⁵² For a discussion on this theme, see Lavanya Rajamani, "Exploring Legal Form Options," *Economic and Political Weekly*, August 8, 2009.

⁵³ UN Framework Convention on Climate Change, Article 3.1.

⁵⁴ Estimates suggest that the Waxman-Markey legislation under discussion would require the US to decrease its emissions only 1% from 1990 levels by 2020. A range of other complementary arrangements, would further decrease emissions. John Larsen and Robert Heilmayr, "Emission Reductions under the American Clean Energy and Security Act of 2009," World Resources Institute, May 19, 2009. Available at: http://pdf.wri.org/usclimatetargets_2009-05-19.pdf

⁵⁵ "Japan Emissions Target Hinges on Global Deal," Reuters, September 7, 2009.

⁵⁶ The Waxman-Markey legislation under discussion in the US proposes a border tax adjustment for imports from countries that increase greenhouse gas emissions, although the parameters are not clear. See Stephen Kho, Bernd G. Jansen and Holly M. Smith, "Border Adjustment Measures in Proposed US Climate Legislation," *Sustainable Development Law and Policy*, IX(3) Spring, 2009: 12-20.

⁵⁷ See for example, statements attributed to Connie Hedegaard of Denmark, implying that the fate of Copenhagen hinged on large emerging economies. Tom Bergin, "Climate treaty hinges on China and India: Denmark," Reuters, Sept. 8, 2009.

However, if India has to take the environment side of the story more seriously, Annex 1 countries will have to internalize and address the equity framing of the climate problem. A regime that leads to the emissions of India and other developing countries being capped at per capita levels far below those of the industrialized world -- a recurrent fear -- will be an unfair regime with question marks over its legitimacy. Consequently, an articulation by Annex 1 countries of the idea that sustained divergence in per capita emissions is unacceptable would be an extremely helpful trust-building step. For example, an explicit statement of intent regarding convergence (perhaps to a band to accommodate diverse national circumstances) as part of a shared vision of a Copenhagen outcome would greatly help assure Indians that we will not be trapped at low emission levels.

For industrialized countries, making this statement should not be politically costly. Industrialized countries may be leery of global *entitlements* being allotted on a population basis, conjuring up visions of a never-ending stream of financial payments to the populous South. But industrialized country statements of emissions reductions on the order of 80% reductions by 2020, whether from 1990 or 2005 baselines, already suggest *de facto* convergence. Some effort to appropriately internalize the notion of converging per capita emissions to a reasonable range would help address a problem that has long eroded trust between North and South.

A Leap of Faith on Bottom-up Mitigation Actions:

For far too long, India has approached climate change as a diplomatic rather than a developmental challenge.⁵⁸ With the elaboration of the National Action Plan on Climate Change, the far-reaching measures proposed in at least some national missions, and discussion of national legislation on climate change actions,⁵⁹ this orientation is beginning to change. However, even as it strengthens its domestic actions, India maintains a stance that domestic actions unsupported by international finance will remain outside the purview of the global process. However, because of the threat of severe climate impacts, India's interests lie firmly with a strong global regime. Consequently, rather than a strategy of de-linking, India may be better served by an approach that leverages domestic actions to demand more ambitious commitments from other countries. India could, for example, explore intermediate and creative ways of linking domestic actions to the global regime, conditional on strong mitigation actions by Annex 1 countries. Doing so would win India greater political recognition, exercising its leverage within the process and while remaining attentive to national sovereignty.

Industrialized countries, however, must resist the urge to fan the flames of sovereignty through mechanisms designed to test the ambition and scope of "bottom up" measures. For example, one proposal suggests that financing for mitigation actions in non-Annex 1 countries should be conditional on a satisfactory "low carbon development plan" that encompasses not only funded actions but also unfunded national policies.⁶⁰ It is hard to see how this approach could be productive, other than

⁵⁸ Navroz K. Dubash, "Environmentalism in the Age of Climate Change," *Seminar*, September 2009, pp. 63-66.

⁵⁹ Nitin Sethi, "Now, law to tackle greenhouse gas emissions?" *Times of India*, 12 Sept. 2009.

⁶⁰ See, for example, Commission of the European Communities, "Stepping up International Climate Finance: A European Blueprint for the Copenhagen Deal," Brussels, COM(2009) 475/3. This position also finds expression in non-official advocacy papers. See Project Catalyst, Enshrining Low Carbon

as a selling point to Northern politicians. To be suitably ambitious, such plans would have to encompass the full spectrum of development activities, but if they do so, they are indeed likely to be onerous and sovereignty threatening. They will only be non-threatening if they are restricted in scope, but that would defeat the purpose of the exercise. Equally important, they are likely to be environmentally pernicious by inviting gaming in a variety of ways.⁶¹

An alternative approach would be to take seriously the incentive-based logic at the heart of a co-benefits approach. This logic stresses domestic support and ownership as the surest means of ensuring implementation. Wrapping a bottom-up approach in the garb of a plan could undercut ownership and therefore implementation, not least by reinforcing the tendencies toward centralization of policy-making in India and other developing countries. However, accepting a true bottom-up approach as a reasonable form of developing country actions would require industrialized countries to make a leap of faith.

Conclusion

This tour of Indian climate politics in the context of global negotiations suggests that, almost two decades after negotiations began, cleavages in perception along North – South lines continue to stymie agreement. Economic competitiveness has now joined environmental integrity as the dominating metaphor for many industrialized countries. Fairness, understood in terms of historical and per capita emissions continues to be an important benchmark for India, and perhaps for other developing countries too. Agreement on the details of a climate deal, in all probability, will require further narrowing of these persistent differences in framing of the climate problem.

However, domestic climate politics in India does provide some hope for supporters of a progressive global climate agreement. There is growing acceptance of the need for India to aggressively pursue a lower carbon development trajectory and to do so as part of a global responsibility. There is a more honest discussion beginning about the lifestyle choices that Indians are locking ourselves into, and about internal distributional and equity issues. And there are calls for a more open and transparent domestic policy-making process around climate change, one that will engage with the issue as a developmental challenge and not only as a diplomatic one. However, to convince more Indians that our interests lie in close integration with the global climate regime industrialized countries will have to renew and deliver on efforts at building trust.

Growth Plans in the Copenhagen Agreement,” ClimateWorks and European Climate Foundation. Available at <http://www.project-catalyst.info/>. Accessed Sept 21, 2009.

⁶¹ Navroz K. Dubash, Forthcoming 2009. “Climate Change and Development: A Bottom-Up Approach to Mitigation for Developing Countries?” in Richard Stewart, Benedict Kingsbury and Bryce Rudyk (eds.) *Climate Finance: Regulatory and Funding Strategies for Climate Change and Global Development*. New York: NYU Press.

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