
**India's Approach
to Climate Negotiations
From the South to the North?**

Lydia POWELL

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Center for Asian Studies

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Executive Summary

India's approach to climate negotiations results from the interplay of two distinct logics, an external one and an internal one. While the external logic is derived from quantitative attributes at the aggregate level, such as the overall size of India's economy, the internal logic is derived from qualitative attributes at the individual level such as per person incomes and productivity.

For three decades, from the early 1970s to the early 2000s, India's internal and external logics overlapped. India saw the global environmental issue as a struggle of the poor against the rich with itself at the forefront, and it strongly opposed any binding mitigation commitment. The endurance of this position rested on the fact that it was consistent with India's traditional bargaining positioning as leader of the developing world in north-south negotiations, which reflected a mixture of domestic pressure and a preference for a certain world order that favoured the poor.

This changed as the size of India's economy grew to match that of large powerful countries. Indeed, by the early 2000s, there was widespread belief that India was on its way to become a "rising power" and the Indian leadership sought to reframe its climate position to suit the new label. From then on, India sought to have a more constructive approach and began a shift toward some form of mitigation commitment. In other words, the signals from India on climate policy positions tended to betray a tilt in favour of its foreign policy positions or its "external logic".

This however led to a growing contradiction with the internal logic, and hence, to a persistent dilemma in India's negotiating posture. But of the two conflicting logics, the internal one is likely to overcome the external one. Immediate concerns such as poverty alleviation, development and the need for economic growth are seen to be more important than the contribution to global climate mitigation action. Thus, there is low probability of India deviating significantly from its insistence on adherence to principles of equity and common but differentiated responsibilities.

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Introduction

India's position in climate negotiations and other multilateral negotiating platforms such as the world trade organization (WTO) is followed with interest across the world as its stand is expected to influence the future of the emerging multilateral world order. There is optimism among some that India would contribute to a stable, rule-based, multi-polar, multilateral world order, but there is also pessimism among many that India would de-stabilize the evolution of a multi-polar world order on account of its preoccupation with narrow domestic interests.¹ Both points of view may be over-simplifications of what is a complex interplay of competing forces. These distort rather than shape in India's position in multilateral negotiating platforms.

Two forces -- an external one and an internal one -- actually drive India's negotiating approach. While the former is derived from quantitative attributes at the aggregate level, such as the overall size of India's economy, the latter is derived from qualitative attributes at the individual level such as per person incomes and productivity. These competing forces can lead to divergent negotiating postures. Indeed, India's "external logic" is seen to have facilitated its evolution from being an "idealist moralizer" in multilateral platforms to that of a "pragmatic dealmaker", as some observers have put it.² On the contrary, its "internal logic" has curtailed the extent to which India can be a pragmatic dealmaker in multilateral platforms. The persistent inconsistency between the external and internal logic characterizes the Indian dilemma rather than India's position in multilateral bargaining environments.

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1. This paper draws from the author's earlier writings. For example, see Powell Lydia, "As Potencias Enias: Eensau E as Mudancas Climaticas: O Caso Da India in Dane", Felia (ed), Potencial Emergentes E Desafios Globais, Cadernos Adenauer, ANO XII/2012.

2. Mukerjee Rohan & Malone David M., "From High Ground to High Table: The Evolution of Indian Multilateralism", *Global Governance*, 17, 2011, pp. 311-329.

From the South: Conceptualising the global environmental challenge as a struggle between the rich and poor

The origins of India's narrative of climate change: the development-environment dyad

The United Nations Conference on Human Environment in 1972 in Stockholm marked the beginning of a shift away from colonial and postcolonial approaches to environmental protection in India. These past approaches over-emphasized state-led management and conservation of the environment to protect commercial returns from natural resources such as forests and water bodies.³ After two decades as an independent country, India began to see the environment not as a source of revenue for the State but as a source of livelihood for millions of poor people. At the UN conference in Stockholm, the Indian Prime Minister Indira Gandhi, who was the only head of State to address the conference apart from the Swedish Prime Minister, brought people and their development into the discourse on environmental protection and posed some inconvenient questions:

Are not poverty and need the greatest polluters? For instance, unless we are in a position to provide employment and purchasing power for daily necessities of the tribal people and those who live in and around our jungles, we cannot prevent them from combing the forest for food and livelihoods; from poaching and from despoiling the vegetation. When they themselves feel deprived, how can we urge the preservation of animals? How can we speak to those who live in villages and slums about keeping oceans, the rivers and air clean when their own lives are contaminated at the source?

3. Umashankar Saumya, *Evolution of Environmental Policy and Law in India*, 2 October 2014. Available at: <<http://ssrn.com/abstract=2508852>> or <<http://dx.doi.org/10.2139/ssrn.2508852> accessed on 27 April 2015>.

*The environment cannot be improved in conditions of poverty nor can poverty be eradicated without the use of science and technology.*⁴

What influenced Mrs Gandhi's speech is not known. But the report on environment and development that emerged out of a seminal meeting of experts and policymakers in Founex, Switzerland, in 1971 and that served as the intellectual basis for the Stockholm conference the following year, may hold some clues.⁵ The Founex Report as it came to be known, clearly differentiated between environmental problems of developed countries and those of developing countries. While the report blamed "development" for the environmental problems of developed countries, it blamed poverty and the lack of development for the environmental problems of developing countries.

Prime Minister Indira Gandhi's speech reflected this conclusion and elaborated on the observation in the Founex report that "not merely the quality of life but life itself was endangered by the poor quality of water, housing, sanitation, nutrition and by sickness, disease and natural disasters".⁶ The overwhelming influence of the views from the global south in the Founex report could be traced to the intellectual and political weight of Gamani Corea, an illustrious economist from Sri Lanka who chaired the panel of experts at Founex.⁷ The Stockholm conference adopted the views of the Founex report and declared that developing countries should direct their effort towards development as a solution to local environmental degradation.⁸ The compelling questions that Mrs Gandhi raised at Stockholm are consistent with the conclusions of the report and they remain at the core of India's narrative on climate change even today.

The Government of India adopted the 26 declaratory principles that emerged out of the Stockholm conference wholeheartedly as it was consistent with its pursuit of nation building through economic development.⁹ A suite of laws such as the Wildlife Protection Act 1972, and the Water (Prevention and Control of Pollution) Act 1974 that took aim at local environmental issues were enacted. These were followed by an amendment of Article 48A of the

4. From the text of Prime Minister Indira Gandhi's speech at the UN Conference in Stockholm, available at: <<http://lasulawsenvironmental.blogspot.in/2012/07/indira-gandhis-speech-at-stockholm.html>> accessed on 28 April 2015.

5. *Founex Report*, 1971, available at:

<www.stakeholderforum.org/fileadmin/files/Earth%20Summit%202012new/Publications%20and%20Reports/founex%20report%201972.pdf> accessed on 29 April 2015.

6. *Founex Report*, 1971, Item 1.4.

7. Stanley Johnson, *UNEP: The First Forty Years*, United Nations Environmental Programme.

8. *Declaration of the UN Conference on Human Environment*, Article 4, available at <www.unep.org/Documents.Multilingual/Default.asp?documentid=97&articleid=1503> accessed on 28 April 2015.

9. Umashankar Saumya, *Evolution of Environmental Policy and Law in India*, op. cit.

Indian Constitution that transferred the “locus of administrative control over environmental conservation from the States towards the Federal Government”.¹⁰ This shift not only meant that environmental conservation would receive higher priority but it also meant that the legal framework concerning environmental protection would be uniform throughout the country. Prime Minister Indira Gandhi also established the National Conference on Environmental Planning and Co-ordination in 1972. When she was re-elected to lead the country, in 1981, she established the Department of Environment and Forests.¹¹ In 1985, this department was elevated to become the Ministry of Environment and Forests (MOEF). These developments were also consistent with the recommendations of the Founex report, which explicitly called for the establishment of a separate Ministry for the protection of the environment.

The formative years of India’s policy on carbon mitigation: opposing binding commitments

The first taste of international pressure on environmental issues on the Indian Minister for Environment & Forests came in the form of the report titled “World Resources 1990-91”.¹² Released by the Washington-based World Resources Institute (WRI) in 1991, this report included emissions from deforestation and agriculture and hence, listed India as the fifth largest emitter of green house gases (GHGs).¹³ In response, the MOEF used arguments from the seminal paper by the Centre for Science & Environment (CSE) -- an activist think-tank based in New Delhi that contested WRI’s data on methane emissions from rice cultivation in India -- and accused WRI of “environmental colonialism”.¹⁴

Later, The Energy & Resources Institute (TERI) -- another New Delhi-based think-tank, which is said to have received funding from the Rockefeller and Ford Foundations in the USA as well as the International Development Research Centre (IDRC) in Canada to set up a research centre on global warming -- also got involved in

10. Ibid.

11. Indian National Science Academy, *Pursuit and Promotion of Science: The Indian Approach*, 2001, available at <www.iisc.ernet.in/insa/> accessed on 28 April 2015.

12. The Indian Minister for Environment & Forests only held a state rank, which was subordinate to the cabinet rank assigned to other Ministers, who headed Ministries such as those for power or oil & gas.

13. Bierman Frank, “Big Science, Small Impacts – in the South? The Influence of Global Environmental Assessments on Expert Communities in India”, *Global Environmental Change II*, 2001, pp. 297-309.

14. Agarwal Anil & Narain Sunita, *Global Warming in an Unequal World: A Case for Environmental Colonialism*, Centre for Science and Environment, New Delhi, 1991.

influencing policy formulation on GHG emissions by the MOEF.¹⁵ This was acknowledged by the Minister for Environment & Forests of the Government of India in the period 1990-95 when he stated that “the CSE and TERI were his two arms when it came to climate negotiations”.¹⁶ TERI is seen to have influenced a small change in India’s position from years of resistance to accepting a pilot phase of Joint Assisted Implementation of a mitigation project in 1996.¹⁷

Despite the strong positions India took in the formative years of its policy on carbon mitigation, no one outside the Government believed that India had a firm policy on climate change. It was said that, “if there was a policy, it existed only in the heads of delegation officials”.¹⁸ Personal interviews of Indian experts who participated in the initial international assessments of global warming and GHG emissions by Frank Bierman show that many of the experts saw these efforts as a “waste of time” because they felt that any response to global warming was the responsibility of industrialized countries.¹⁹ India’s lack of appreciation of efforts to control GHG emissions in the formative years of climate policy may be justified if its position is read in the economic context of the balance of payments crisis that India faced in the early 1990s and the radical reforms that it was forced to undertake.

At the second meeting of the intergovernmental negotiating committee in Geneva in June 1991, India drafted a proposal for a convention that suggested a per person approach to handling of national carbon-dioxide (CO₂) emissions. India also maintained the distinction between developed and developing nations under Article 3 of the United Nations Framework Convention on Climate Change (UNFCCC) ratified in 1994, which stated that:

‘The parties should protect the climate system for the benefit of the present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and their respective capabilities.’²⁰

Under the principle of ‘common but differentiated responsibilities’ (CBDR), developed nations were expected to take the lead in combating climate change and its adverse effects, thus giving adequate space for the development of underdeveloped countries. At the first Conference of Parties (COP 1) of the UNFCCC

15. Jacobson S., “Transnational Environmental Groups, Media, Science & Public Sentiment in Domestic Policy Making on Climate Change”, in Higgot R A, Underhill, G R D & Bieler, A (eds.), *Non State Actors & Authority in the global System*, Routledge, London, 2000.

16. Ibid.

17. Ibid.

18. Ibid.

19. Bierman Frank, “Big Science, Small Impacts – in the South?,” op. cit.

20. UNFCCC available at

<http://unfccc.int/essential_background/convention/background/items/1355.php>

in 1995, India presented a green paper that called for a 20 per cent reduction in emissions from rich countries.²¹ At COP 3 in 1997, India endorsed the Kyoto Protocol as an Annex II member, which carried no responsibility towards emission mitigation.²² In this period, many of the commentaries on India's position by established Indian scientists and economists strongly endorsed India's stand. For example, a 1994 paper by Jyoti Parikh commented that since the global north was using environmental space that was disproportionately large compared to its fair share, any transfer of funds from the north to the south must be treated as rent for environmental space rather than aid.²³ A 1997 paper by Ambuj Sagar and Milind Kandhikar also observed that "India should not be rushing to save the global commons on anybody's terms but its own" and that "global warming was best seen as an additional problem to be managed in an increasingly unforgiving and predatory international economic realm rather than an environmental problem facing the global community of nations".²⁴

However commentaries from western research bodies portrayed India's stand in negative light and labelled India as a 'nay-sayer' in multilateral negotiations. India's stand was looked down upon as one based on "third-world" moral imperatives and India was said to be acting against its own interests in stalling the "progress" of climate negotiations because a large number of its population was exposed to natural calamities such as floods and drought, which are attributed to global warming.²⁵

Despite the criticism, India did not deviate from its negotiating position until the early 2000s. In most negotiating platforms, it argued against binding mitigation commitments and called for financial aid for adoption of new technologies and for adaptation measures. In 2002, India hosted COP 8 and emphasized the need for financial resources to help developing countries adapt to the adverse impacts of climate change.²⁶ The so-called Delhi Ministerial Declaration reflected India's position that adaptation is as important as mitigation and focused on ways to help developing countries to adapt to climate change. It also urged Governments to promote technological advances through research and development, increase renewable energy resources

21. Documents of the Conference of Parties, available at: <http://unfccc.int/cop5/resource/cop1.html>

22. Documents of the Conference of Parties, available at: <http://unfccc.int/cop5/resource/cop3.html>

23. Parikh Jyothi, "North-South Issues for Climate Change", *Economic & Political Weekly*, Vol. 29, No 45/16, 12-15 Nov 1994, pp. 2940-2943.

24. Sagar Ambuj & Kandikar Milind, "Knowledge, Rhetoric and Power: International Politics of Climate Change", *Economic & Political Weekly*, Vol. 32, No 49, 6-12 Dec. 1997, pp. 3139-3148.

25. Michaelowa Katharina & Michaelowa Axel, "India in the International Climate Negotiations: from Traditional Nay-Sayer to Dynamic Broker", *CIS Working Paper*, No 70, 2011.

26. *Delhi Ministerial Declaration*, available at: <http://unfccc.int/cop8/>.

and also promote the transfer of technologies that could potentially help reduce GHG emissions – especially carbon dioxide from the burning of fossil fuels.

The Interplay between the international negotiating context and India's position on climate change

The global negotiating environment favoured India's position in the period of time from the late 1980s to the early 2000s. The European Union had emerged as the driver of progressive policy making on curtailing GHG emissions, while the United States was perceived not merely to be lagging behind but was also seen to be indulging in gaming the international regime building process.²⁷ Within this transatlantic divergence, countries such as India and China, which were yet to be labelled "rising powers", managed to avoid the limelight. The United States' reliance on scientific uncertainties and economic rationality as justifications for delaying action on controlling GHG emissions provided a convenient shield for large developing countries to hide behind. Unintentionally, India's reluctance to commit on GHG emissions also provided a cover for many countries, not least the United States, which was intent on avoiding mitigation action. If India had made a binding commitment to reduce carbon emissions, the moral pressure on the United States to commit to emission reductions would have been significant as its carbon emissions were roughly twenty times that of India on a per capita basis at that time.

India's strong opposition to mitigation commitments also served the interests of other large emerging nations such as China and Brazil, which sought to maintain a relatively low profile in climate negotiations. China relied on the norms of non-interference, sovereignty and the right to development to avoid committing to emission mitigation targets.²⁸ Brazil, which initially saw pressure on environmental protection as "outside interference", shifted to a more open position after it hosted the Earth Summit (United Nations Conference on Environment Development) in 1992.²⁹

While strongly opposing any binding commitment at the international level, internally, India's policy-making elite grew aware of the challenges brought by climate change. Domestic policy reports

27. Carlarne Cinnamon, "The Glue that binds or the Straw that Broke the Camel's Back? Exploring the Implications of US Reengagement in Global Climate Negotiations", *Tulane Journal of International and Comparative Law*, Winter 2010.

28. Heggelund Gørild, "China's Climate Change Policy: Domestic and International Developments", *Asian Perspective*, Vol. 31, No 2, 2007, pp. 155-191.

29. Jacobson S, "Transnational Environmental Groups, Media, Science & Public Sentiment in Domestic Policy Making on Climate Change", op. cit.

such as the five-year plans began to reflect the influence of the reports from the United Nations' Intergovernmental Panel on Climate Change (IPCC). For example, the working group on environment for the 9th five year plan (1997-2002) included in its terms of reference, the assessment of the adverse impacts of climate change on India.³⁰ However, the Indian policy-making elite also instrumentalised the pervasive narrative on climate change to justify its development objectives at the domestic level. The western rhetoric on GHG emission reduction was even used to thwart domestic environmental movements such as the Narmada Bachao Andolan (NBA), which sought to protect the river Narmada and the people that depended on it from the consequences of the construction of large dams across the river.³¹ Delivering a verdict favouring the construction of dams on the river Narmada in 2000, the Supreme Court of India observed that "global warming was a major cause of concern and that hydropower could be termed ecologically friendly as its contribution to GHG emissions was negligible".³² The judgement also reflected India's emphasis on development and the removal of poverty as the means to environmental protection when it observed that "poverty was the cause of environmental degradation and that people would prosper from improved irrigation through the construction of the dam".³³

What is instructive to note in India's case, is that the portrayal of the global environmental conflict as a struggle of the poor against the rich with itself at the forefront sustained its dominance despite the fact that it originated outside the government.³⁴ The endurance of this position lies in the fact that it was consistent with India's traditional bargaining positioning as leader of the developing world in north-south negotiations, which reflected a mixture of domestic pressure and a preference for a certain world order that favoured the poor.³⁵ India's "internal" and "external" logics overlapped in this period and hence there was no major cost or conflict in holding this position. This changed as the size of India's economy grew to match that of large powerful countries.

30. Bierman Frank, "Big Science, Small Impacts – in the South?", op. cit.

31. Save the Narmada River Movement, a coalition of civil society movements set up in 1989 against the submergence of land and relocation of people on account of the construction of a complex set of dams on the Narmada river.

32. Umashankar Saumya, *Evolution of Environmental Policy and Law in India*, op. cit.

33. Ibid.

34. Narlinker A., "Peculiar Chauvinism or Strategic Calculation? Explaining the Negotiating Strategy of a rising India", *International Affairs*, Vol. 82, 2006, pp. 56-76

35. Mohan C. Rajamohan, *Crossing the Rubicon: The Shaping of India's New Foreign Policy*, New York / Basingstoke: Palgrave Macmillan, 2003.

To the North?

Adjusting India's climate position to its status as a "rising power"

A shift towards some form of mitigation commitment

A shift away from India's "leader of the poor" stand became apparent in 2004 when the Ministry of External Affairs (MEA) started sending a member to the climate negotiating team. This was the time when there was widespread belief that India was on its way to become a "rising power" and the MEA sought to reframe its climate position to suit the new label. The issue of global warming was seen to be too important to be left to the MOEF or even the MEA, and so a Council on Climate Change was set up in the Prime Minister's Office (PMO).³⁶ Since then, the signals from India on climate policy positions have tended to betray a tilt in favour of India's foreign policy positions or its "external logic". At COP 11 in 2005, developing countries including India indicated a slight shift in their relative positions and expressed greater willingness to discuss stronger efforts to reduce emissions, subject to the provision of financial resources and technology.³⁷ At COP 12 in 2006, large developing countries including India joined the United States in strongly opposing any discussion on taking on binding commitments and thus were accused of stalling measurable progress toward new agreements on international action beyond 2012 when the Kyoto commitments were scheduled to expire.³⁸

A clear shift in India's position towards offering some form of commitment to reduce emissions became evident at the G8 forum in 2009 at a special climate summit of major industrialized and developing countries convened by President Obama under the aegis of the Major Economies Forum on Energy and Climate. In both meetings, in identical words, India endorsed a statement that the maximum permissible global temperature rise was 2°C above pre-

36. Bidwai Praful, *An India that Can Say Yes: A Climate-Responsible Development Agenda for Copenhagen and Beyond*, Heinrich Boll Foundation, New Delhi, 2010.

37. Details of COP 11 meeting available at <http://unfccc.int/meetings/cop_11/items/3394.php>.

38. Details of COP 12 meeting available at <http://unfccc.int/meetings/cop_12/items/3754.php>.

industrial levels.³⁹ At these meetings, developed nations agreed, for the first time, that their emissions should be cut by 80 per cent by 2050, a precondition to developing countries agreeing to a global reduction of 50 per cent by then. Developing country leaders, including the Prime Minister of India, rejected this global target but India's endorsement of the 2°C target was read as a move towards making mitigation commitments in the future.⁴⁰ The English language media in India, which is seen to reflect the views of the small but vocal urban middle class and elite population with relatively more favourable views towards the West in general and the United States in particular, hailed it as "a sign of India's growing diplomatic heft" and as an "indication of the bigger role that India would play in global governance."⁴¹ As expected, India went on to announce more significant moderations in its negotiating stand in Copenhagen in 2009 and then in Cancun in 2010.

The presence of the MEA and the Prime Minister's Office in the Climate Change negotiating team re-framed India's narrative on climate action and the MOEF adapted quickly to the shift. Prior to COP 15 in 2009, a leaked letter from Mr Jairam Ramesh, the Minister of Environment & Forests to the Prime Minister of India, Mr Manmohan Singh, called for a radical shift in India's position in climate negotiations. The letter asked for India to dissociate itself from the Group of 77 Developing Countries (G 77) so that India can back Australia's or the United States alternative to the Kyoto Protocol.⁴² According to the Minister's letter, this was because India would be seen as "pragmatic and constructive rather than argumentative or polemic."

Early in December 2009, India announced that it was ready to make a voluntary reduction in carbon emission intensity of 25-30 per cent from 2005 levels. This came a week after China announced that it was open to making a reduction of 40 per cent in its carbon emission intensity from 2005 levels.⁴³ In a speech to the lower house of India's Parliament a few days before the Copenhagen summit, the Minister for Environment & Forests who was to represent India at Copenhagen dismissed, for the first time, India's historical stand that per person emissions should be the basis for equitable burden-sharing. Calling India's low per capita emissions an "accident of history", the Minister declared that India's biggest failure was its inability to control population growth and indicated that India would

39. Declaration on 'Responsible Leadership for a Sustainable Future' made at the G 8 summit available at

<www.g8italia2009.it/static/G8_Allegato/G8_Declaration_08_07_09_final%2c0.pdf>.

40. Ibid.

41. "Good G8 Spurs India's Hope for Global Role", *Financial Express*, 14 July 2009.

42. "Will India Change the Climate at Copenhagen?", *Economic & Political Weekly*, Vol. XLIV, No 47, 21 November 2009.

43. Prime Minister's Statement on his departure to Copenhagen on 17 December 2009 available at <<http://pmindia.nic.in/pressrel.htm>>.

accept international scrutiny of its mitigation efforts, a measure India had consistently opposed in the past.⁴⁴ The Minister's speech was also notable for the absence of the argument that the "historic responsibility" of causing climate change rested on developed countries. Coincidentally, the threads of the same argument could be found in an article in the Wall Street Journal (WSJ) by William Antholis of the Brookings Institute, who accompanied Secretary of State Hillary Clinton to India earlier that year.⁴⁵ The WSJ article argued that India should be forced to reduce emissions because it had been "less responsible than the United States in controlling population growth".⁴⁶

The shift away from the per person emission argument was seen as a compromise on India's development agenda and was not well received domestically, with all opposition political parties including those seen to be aligned with global and domestic capitalist interests expressing their disapproval. The Minister for Environment & Forests was forced to retract his earlier statements and reiterate India's commitment to the per person argument in a speech to the upper house of the Parliament the following day.⁴⁷ In the end, the Minister's speech at the Copenhagen summit merely reiterated the statement that India's per person emissions would not exceed global average per person emission levels even by 2030.⁴⁸

Lessons from the Copenhagen and Cancun Conference of Parties (2009 and 2010)

Ironically, the turn of events at Copenhagen revealed that all the effort put into aligning India's narrative with that of the United States was redundant. India along with the rest of the world discovered, to their surprise that the United States had unwittingly ceded its position as the indispensable nation in climate negotiations to China.⁴⁹ The emergence of China as a large emitter and a global economic power that cannot be bullied into an agreement that compromises its

44. "Clarify Position on Climate Change: CPI (M)", *The Hindu*, 6 December 2009.

45. Antholis William, "India & Climate Change", *The Wall Street Journal*, 20 July 2009.

46. This argument becomes invalid when the population growth of the United States and India are compared from the 1770s, when industrialization began. See Powell Lydia, "Climate & the Clash between the Diversely Developed", *Journal of the Indian Ocean Region*, Vol. 6, Issue 2, December 2010.

47. "Experts fear Carbon Cuts will hurt Growth", *Daily News & Analysis*, 5 December 2009.

48. "Speech of the Minister for Environment & Forests, Government of India on 16 December 2009", *Press Release by the Ministry of Environment & Forests*, <<http://moef.nic.in/downloads/public-information/Minister%27s%20speech%20on%2016.12.pdf>>.

49. Carlarne Cinnamon, "The Glue that binds or the Straw that Broke the Camel's Back?", op. cit.

economic interests, ensured that no one country or block of countries would be able to direct negotiations to ensure a unified outcome. India, which had signalled some moderation on its original position, grasped the moment and went along with China and the other rising powers, Brazil and South Africa, in sticking to its long held position. The Copenhagen accord, which emerged from a secretive meeting of 26 countries under the leadership of large western emitters such as the USA and Australia, received reluctant approval from the rest of the group.⁵⁰ The 193 members of the UNFCCC only chose to “take note of” and not “adopt” the three-page document, which did not mention any figures for emission reduction for developed countries after the expiry of the Kyoto Protocol. Though the western media chose to project the Copenhagen accord as a positive outcome, the more informed sections of the press concluded that Copenhagen had failed to forge a Global alliance on climate change. The ‘rising power’ of China, India and other developing countries in global negotiations was blamed for the ‘failure’ in consolidating a multilateral world-order.⁵¹

The collapse of the attempt by the Danish Presidency to impose the Copenhagen accord drafted secretly by a small group of nations on a multilateral platform of 193 nations also signalled the uncertain beginning of a more ‘inclusive’ multilateral world order. In this new multilateral order, nations other than the small group of industrialised countries were able to raise a ‘voice’. While it is true that the ‘voice’ would not have been heard but for the fact that it was from the large economic shoulders of China, it was a hitherto unheard voice. The unexpected birth of a more inclusive multilateral world in Copenhagen was received with understandable fear by the industrialised west and was forcefully challenged at Cancun the following year.⁵²

In the run up to COP 16 at Cancun in 2010, the rhetoric in the western media was framed in such a way that making a ‘deal’ at the end of the summit was more important than the contents of the deal or solving the problem at hand, which was to limit carbon emission. This meant that it became more important for countries like India not to be seen as ‘deal breakers’ than it was for countries like the United States to be seen as ‘large emitters’. Consequently, the Cancun deal overlooked the objective end of limiting carbon emissions and instead focussed on the supposed means to achieve that goal – finance and technology. The compromises in the Cancun deal came mostly from India and other large developing countries, while the developed

50. Text of the Copenhagen Accord available at: <http://moef.nic.in/downloads/public-information/Minister%27s%20speech%20on%2016.12.pdf>.

51. Khor Martin, “The Real Tragedy of Copenhagen”, *Economic & Political Weekly*, Vol. XLV, no. 1, 2 Jan. 2010.

52. Powell Lydia, “As Potencias Enias: Eensau E as Mudancas Climaticas: O Caso Da India in Dane”, op. cit.

countries held their positions. Voluntary targets for significant emission cuts were mentioned, but the document contained no meaningful legal framework for achieving those targets or enforcing regulations at a global level.

India's renewed emphasis on equity and fair distribution of responsibility

By this time, developed nations realised that the aggregate economic size of countries that was the basis of the division of labour between Annex I countries and non-Annex I countries in curtailing carbon emissions under the Kyoto Protocol was no longer valid and sought to re-interpret the “common but differentiated responsibilities and respective capabilities” (CBDR-RC) principle.⁵³ This attempt at diluting the CBDR-RC principle became a concern for India and other developing countries.⁵⁴ In the light of this concern, India requested the inclusion of an agenda item, which included “equitable access to sustainable development” before the COP 17 meeting at Durban.⁵⁵ This brought equity and fair distribution of responsibility back on the negotiation table. At Durban, the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) launched to develop a new global compact that would come into force by 2015 to replace the Kyoto Protocol contained the legally ambiguous phrase “agreed outcome with legal force” in its final declaration.⁵⁶ Many observers saw this as a compromise between India that had the redline of equity that it could not cross and the EU that had the red line of coming up

53. According to the definition of UNFCCC, Annex I parties include the industrialized countries that were members of the OECD (Organisation for Economic Co-operation and Development) in 1992, plus countries with economies in transition (the EIT Parties), including the Russian Federation, the Baltic States and several Central and Eastern European States. Annex I parties (excluding EIT parties) are required to provide financial resources to enable developing countries to undertake emissions reduction activities and to help them adapt to adverse effects of climate change. In addition, they have to take all practicable steps to promote the development and transfer of environmentally friendly technologies to EIT Parties and developing countries. More details available at: http://unfccc.int/parties_and_observers/items/2704.php.

54. See for example the speech by India's Environment Minister in 2011, available at: <http://envfor.nic.in/downloads/publicinformation/MEF%20Remarks%20Indaba%20Session%20Dec%2009%201800%20hrs.pdf>, accessed on 12 May 2015.

55. UNFCCC COP 17 agenda items, available at: <http://unfccc.int/resource/docs/2011/cop17/eng/01.pdf> accessed on 12 May 2015. India also requested the inclusion of two other items related to access to technologies and trade issues.

56. UNFCCC, Draft Dec. -/CMP/7, Outcome of the Work of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol, 16th session.

with a “legally enforceable mandate applicable to all” that it could not cross.⁵⁷

COP 18 at Doha and COP 19 at Warsaw saw India defending the CBDR-RC principle along with other developing countries including China.⁵⁸ Participants (including some who were part of the Prime Minister’s advisory council on climate change) at an informal roundtable held in New Delhi prior to COP 20 at Lima categorically reiterated the view that India’s redline would remain equity (in terms of responsibility in sharing the burden of limiting carbon emissions as well as in terms of the right to economic growth) and that it would call for adherence to the CBDR principle enshrined in the UN convention.⁵⁹ There was little optimism among participants over a legally binding agreement in Paris in 2015. Indeed, almost all participants were confident that developed countries would not agree to a binding commitment on offering technology and finance to developing countries.⁶⁰ The reluctance of developed countries on the technology and finance front is probably the ‘get out of agreement free card’ that India (and other developing countries) is likely to play in Paris.

India’s low carbon growth initiatives at the domestic level

Though India has been relentless in not committing to carbon mitigation targets, it has voluntarily embarked on policies to reduce carbon emissions and adapt to changes in the climate. Among India’s many policy announcements, the declaration by the new Government that came to power in 2014 that it will increase renewable energy capacity five times the current level to 175 GW by 2022 has captured the attention of observers in the west.⁶¹ The presumption is that such a large increase in renewable energy generation will displace fossil fuels. What has got less attention is that the new targets for renewable energy came along with the target for doubling coal

57. Moncel Remi, “Unconstructive Ambiguity in the Durban Climate Deal of COP 17 / CMP 7”, *Sustainable Development Law & Policy*, Vol. 12, no. 2, 2012, pp. 6-11, 52-56.

58. Sethi Nitin, “India Defends Firewall between Rich and Poor Countries”, *The Hindu*, 20 Nov. 2013.

59. “UNFCCC COP 20 Meeting in Lima: Road from Lima to Paris”, *Observer Research Foundation Briefing*, January 2015, available at: <www.orfonline.org/cms/export/orfonline/documents/Energy/lima-briefing.pdf>.

60. Personal conversations with experts at the event on “Road from Lima to Paris”, held in January 2015 at the Observer Research Foundation, New Delhi.

61. See website of India’s Ministry for New & Renewable Energy for details at: <www.mnre.gov.in/>.

production to 1 billion tonnes by 2020.⁶² Many within India, including those who are strongly in favour of increasing renewable energy capacity, see the target for renewable energy as ‘aspirational’ and the target for coal as achievable.^{63,64} If India were to meet the target it has set itself for solar energy, it would have to set up, in just five years, the photo voltaic (PV) capacity that the entire world managed to set up until 2013.⁶⁵

The reduction of subsidies on petroleum has also been seen as a low carbon growth measure as it is projected to reduce consumption.⁶⁶ But this policy move was pushed more by the desire to limit fiscal deficit arising from growing subsidy allocations, which has been a long-term concern, than by the desire to reduce carbon emissions. Even with subsidies, Indian petroleum product prices are comparable to those in the EU on the basis of purchasing power parity (PPP) prices because India taxes petroleum products heavily.⁶⁷ The implicit tax on diesel is \$42 per tonne and that on petrol is \$64 per tonne, which is above the \$25-35 per tonne tax considered to be a reasonable initial tax on CO₂ emissions.⁶⁸ The tax on petrol and diesel is estimated to reduce consumption and result in 11 million tonnes of carbon reduction, which is equal to the annual emissions of Luxembourg in 2012.

India doubled the tax on coal to \$3 per tonne in the budget for the financial year 2014-15, but this is low compared to the \$50-60 per tonne tax required to account for the health care costs imposed by coal use.⁶⁹ Low coal prices do not automatically lead to low electricity prices on account of various commercial and technical losses in India’s electricity system. This means that electricity prices at the retail end remain higher than average levels in rich countries. High tariff along with low income levels ensures that electricity consumption at the household level remains very low at an average of about 50 kilo watt hour (KWh) per household per month in rural

62. See website of India’s Ministry of Coal for details at: <www.coal.nic.in/coal/index.html>.

63. Navroz Dubash in an interview to David Rose of the Guardian, available at: <www.theguardian.com/news/2015/may/27/why-india-is-captured-by-carbon>.

64. Former Secretary, Ministry of Coal, Gol, at a meeting at the Observer Research Foundation in February 2015.

65. Calculations based on figures for solar PV capacity in 2013 by the International Renewable Energy Agency (IRENA).

66. Ministry of Finance, Gol, “Chapter 9: From Carbon Subsidies to Carbon Taxes”, in *Economic Survey, 2014-15*, 2014.

67. Calculated from OECD electricity tariffs and average Indian electricity tariffs.

68. Ministry of Finance, Gol, “Chapter 9: From Carbon Subsidies to Carbon Taxes”, op. cit.

69. Ibid.

areas, and 100 kWh per household per month in urban areas, which is far below what is required for decent living standards.⁷⁰

India is likely to highlight these and other low carbon growth measures that it has elaborated in its 12th five-year plan in its Intended Nationally Determined Contribution (INDC) report to be submitted before COP 21 in 2015.⁷¹ India's INDC may also contain elaborate details on its adaptation missions given that it spends more than 4 per cent of its GDP (which is higher than what it spends on defence and higher than climate funds made available by rich countries) on adapting to natural disasters such as floods and drought that are attributed to global warming.⁷²

India's 12th plan lists 12 action plans for "green and inclusive growth" based on the concept of co-benefits (such as carbon mitigation leading to better health outcomes) but carefully qualifies each with its impact on inclusiveness.⁷³ Most of the actions listed for reducing carbon emissions such as increasing efficiency of coal-based power plants or increasing the share of renewable energy may result in higher electricity prices that could potentially have an impact on inclusive access to energy for the poor.⁷⁴ This is an important concern that cannot be wished away.

70. United Nations, *Energy for a Sustainable Future, the Secretary-General's advisory Group on energy and Climate change*, 2010, available at: <[www.un.org/millenniumgoals/pdf/AGECCsummaryreport\[1\].pdf](http://www.un.org/millenniumgoals/pdf/AGECCsummaryreport[1].pdf)>.

71. Planning Commission, *Twelfth Five-Year Plan (2012–17), I*, New Delhi: Sage Publications, 2013, pp. 141–42.

72. "UNFCCC COP 20 Meeting in Lima: Road from Lima to Paris", op. cit.

73. Planning Commission, *12th Five-Year Plan (2012–17), I*, op. cit.

74. Ibid.

Conclusions

The joint statement issued by India and China on the occasion of Indian Prime Minister Narendra Modi's visit to China in May 2015 indicates that there is low probability of India deviating significantly from its insistence on adherence to principles under the UNFCCC at COP 21. In their joint statement, the two countries emphasized that the UNFCCC remained the "most appropriate framework for international cooperation" to address climate change.⁷⁵ The two countries reaffirmed the principles of equity and common but differentiated responsibilities and demanded that developed countries reduce GHG emissions and provide finance, technology and capacity building support to developing countries. They also said that the 2015 agreement should address all the pillars: "mitigation, adaptation, finance, technology development and transfer, capacity building and transparency of action and support in a comprehensive and balanced manner".⁷⁶ Speaking at the African Ministerial Conference on Environment in Cairo, Egypt, in March 2015 India's Minister for Environment, Forests and Climate Change commented that⁷⁷:

The developed world, which has occupied large carbon space today, must vacate the space to accommodate developing and emerging economies. We need to understand that ultimately the per capita emission of both developed and developing countries need to move towards a convergent path.

The insistence on adherence to the CBDR principle and the call to rich nations to vacate carbon space reflected in the statements above cannot be interpreted as signals of significant moderations on India's traditional negotiating positions at COP 21 by any stretch of imagination. Some observers, including those from India, think that India's reluctance to sign on to mitigation agreements is understandable and legitimate, but not wise.⁷⁸ They point out that as India could potentially have the largest number of victims of disasters such as floods and drought supposedly caused by global warming, it would be wise to join an agreement to curb carbon emissions. While

75. Third World Network, available at:
<www.twn.my/title2/climate/info.service/2015/cc150502.htm>.

76. Ibid.

77. Mohan Vishwa, "India Appeals Rich Nations to Vacate Carbon Space for Emerging Economies", *Times of India*, 4 March 2015.

78. See for example Rajamani Lavanya, "India's Negotiating Position on Climate Change: Legitimate but not Sagacious", *CPR Issue Brief*, November 2007.

this sounds logical, it becomes less so when temporal, spatial, social and political scales are taken into consideration.

Carbon emission reduction is a global public good and each country has a built-in incentive to free ride on the efforts of other countries. It is also non-rivalrous and non-excludable, in the sense that one country's mitigation action can benefit the whole world and no country can be excluded from appropriating the benefits. Game theory models see the current climate negotiations as a 'public-goods' game in which incentives for cooperation are lower than that of other well-known games such as the prisoners' dilemma.⁷⁹ In a world with identical countries (say in terms of size and wealth), the emission reduction provides little or no incentive for free riding, but problems arise when countries differ in terms of size and wealth (geographic conditions, habits, resource endowments, governance structures etc., could be other differences not accounted for in game theoretical models).⁸⁰ As per these models, if size is the only difference between countries, then large countries will place a higher value on mitigation while smaller countries will place a proportionally lower value. If wealth is the major difference, then poor countries will place a much lower value on mitigation compared to rich countries and will tend to free ride.⁸¹ The current global climate-negotiating framework assumes that all countries will assign the same value on mitigation efforts and that the differences between countries, if any, can be addressed through an appeal to scientific knowledge and moral sentiments.⁸²

India, which is a curious combination of large size (population numbers) and relative poverty (low per capita incomes), stands testimony to some of the predictions of game theory models. As a poor country, India evidently has low incentives for mitigation action but, as a large country, it has relatively larger incentives for mitigation action (more victims of climate change and consequently more gains from mitigation action). However the incentives to free ride as a poor country far outweigh the incentive to seek greater mitigation as a large country because its domestic logic is consistent with the former rather than the latter position. Immediate concerns such as poverty alleviation and consequently the need for economic growth are seen to be more important than the distant possibility of benefitting from climate mitigation action.

For the first time in nearly two centuries, major 'emerging powers' such as India are actually very poor. The so-called 'economic power' of India is driven by quantitative factors (size measured in terms of population numbers) rather than qualitative factors such as economic efficiency and productivity, which define the economic

79. Rand D G, Dreber Ellingsen T, Fudenberg, D & Nowak M A, "Positive Interactions Promote Public Cooperation", *Science*, Vol. 325, 4 Sept. 2009.

80. Cramton P & Stoft S, "International Climate Games: From Caps to Cooperation", *Global Energy Policy Center Research Paper*, No 10-07, 2010.

81. Ibid.

82. Ibid.

power of industrialised countries. India's gross national income per person (GNI per person) of \$1570 in 2013 (at current US dollars) is comparable to that of Sudan at \$1550⁸³. When qualified by a population of over 1.2 billion, it grows into an aggregate GNI of roughly \$2 trillion⁸⁴ and puts India close to Canada in terms of aggregate GNI. But the GNI per person of Canada is roughly 50 times that of India.

While the rest of the world chooses to look at the quantitative attributes (reflected in national aggregate figures) of the Indian economy and assign blame and responsibility, it is the qualitative attributes (reflected in individual or per person figures) that will underpin India's position in Paris. Belief that India's qualitative attributes can be improved by economic growth is so pervasive in India's thinking that it has become, in effect, a solution for all its social and political problems such as poverty, social exclusion and, surprisingly, even environmental degradation. 'Economic growth rate' is the only indicator of 'progress' to which politicians of every political party pay homage. Even extremes in the political spectrum, whether right or left, are predicated on the notion that, however progress is defined, it must be realized through continued 'economic growth'.

Reluctance on India's part to slow down or reverse this course over concerns of global warming is not wholly irrational. The trauma of passing from a predominantly religious feudal society to a more secular, egalitarian and industrial society requires moderation by a strong dose of optimism in the future. The belief that growing wealth and technological sophistication would guarantee power and prestige in the future appears to serve this purpose well. If India is asked to look inward and observe the cost of that growth in terms of environmental degradation and social exclusion, it is likely to respond that the solution is more growth and more technology, just as it did in 1970 when the debate began.

83. World Bank, *World Development Indicators Database*, available at: <<http://data.worldbank.org/indicator/NY.GNP.ATLS.CD/countries>> accessed on 19 May 2015.

84. Ibid.