Center for American Progress

SPECIAL PRESENTATION

"TODD STERN ON CHINA AND THE GLOBAL CLIMATE CHALLENGE"

INTRODUCTION BY:

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FEATURED SPEAKER:

TODD STERN, U.S. DEPARTMENT OF STATE, SPECIAL ENVOY FOR CLIMATE CHANGE

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MR. JOHN PODESTA: Good morning everyone. I'm John Podesta, the president of the Center for American Progress, and I want to thank you all for coming today. We obviously have a full house. It's terrific to see so many people gathered to hear Todd Stern, the State Department's special envoy for climate change. I'm pleased to have the honor this morning of introducing Todd, a longtime colleague and quite a good friend of mine. For any of you happened to see "The End of the Earth" on ABC last night, I have to say that Todd's presence at the State Department actually makes me optimistic about our collective ability to meet the challenges of climate change.

I used "our" in the most inclusive sense of the word in reference to the global community for two reasons. First, the president could not have chosen a more knowledgeable, more dedicated, more politically astute person to direct international climate policy at this critical point in time for the United States. As most of you know, Todd is responsible for U.S. negotiations in Copenhagen this December and he is also tasked with leading broader efforts to engage with a number of countries, especially China, which he's going to discuss this morning, through a variety of other diplomatic channels.

Prior to Todd's appointment at the State Department, he was a partner at Wilmer and Hale and I'm proud to say he was a senior fellow here at the Center for American Progressm, where he was a leading voice and influential author both on the economic opportunity of moving the U.S. towards a low carbon future and how to craft an international consensus among the geographically, politically, and culturally diverse countries that must act in concert if we are to avoid the worst effects of climate change.

Todd's substantive expertise is complemented by his extensive understanding of the U.S. political system. As part of his service in the White House from 1993 to 1999, he coordinated former President Clinton's global climate change initiative and acted as the administration's senior negotiator at the Kyoto and Buenos Aires negotiations.

Todd's also worked in the Treasury Department as an advisor to the secretary and on Capitol Hill as a senior counsel to Senator Leahy, the chairman of the Judiciary Committee.

His new role at the State Department is one that quite literally seems to be made for him. Todd's appointment and the very creation of this position as special envoy for climate change also gives me optimism because it demonstrates the president's seriousness about confronting the complex scientific and diplomatic challenges that climate change presents.

After eight years of an administration that was not only content to do nothing at home, but also tried to stall progress internationally, the new Obama administration is following up on its campaign pledge to make climate change a top priority.

Todd's appointment was the earliest of several prominent examples of that, which I think include the trip to China that he accompanied Secretary Clinton on, where climate change received top billing on the diplomatic agenda despite the worldwide economic crisis. The president's new fuel economy and tailpipe emissions standards, which will achieve emissions reductions equivalent to taking 170 million cars off the road, new appliance efficiency standards that will save $500 billion in energy costs over the next three decades, and a substantial upfront investment in clean energy as part of the recovery package that passed in February that equals $800 per American household. I've long believed that climate change demands and all-hands-on-deck, all-in response across many areas of government.

Now with a variety of emissions reductions policies and an administration that believes in the necessity of American leadership, I believe we're seeing that response. I think this is a moment to reevaluate old assumptions about what is possible and hope that events like this one today can assist in that process.

Todd, thank you again for coming over to your old haunt and speaking with us today. Everyone, please welcome the special envoy Todd Stern. (Applause.)

MR. TODD STERN: Hello everybody. Thanks, John. It is a great pleasure to be back at CAP. I am one of, I would say, only, say, maybe three or four hundred people in this town who owe more than they can say to John Podesta, although I probably have a longer and richer pedigree in that department than most.

In a nutshell, when it comes to commitment, integrity, toughness, and smarts, John simply writes the book and the rest of our do our best to keep up. I'm honored to be here.

John and the CAP team has been at the forefront of the climate and clean energy debate for years, taking the fight to those who say we can't, we shouldn't, we don't need to, it will cost too much, we should go slow. And they have been promoting a comprehensive vision of a low carbon future that will strengthen the U.S. economy and protect our security and environment. It might seem second nature to many of us now to think of climate change as the spiritual low carbon transformation of the global economy, one that is rich with economic opportunity, but it wasn't always so and it was CAP that led the way toward this new understanding.

Of course, the need for action could hardly be more evident. With every passing month, the news from the natural front seems to be getting worse and worse. Broadly speaking, I think we're seeing a convergence of two problematic sets of numbers: those showing global CO_2 concentrations rising substantially faster than even the worst-case

scenarios of a few years ago and those indicating that dangerous climate impacts are likely to happen sooner than scientists used to think.

And we are all too familiar with the accumulating evidence of change. Among many other things, Arctic sea ice is disappearing faster than expected, the melting of permafrost in the tundra, which raises the risk of a huge methane release with dangerous feedback potential. The Greenland Ice Sheet is shrinking. Sea level now threatens to rise much more – much quicker than previously anticipated, and water supplies are increasingly at risk with the melting of glaciers in Asia and the Western Hemisphere.

These facts on the ground send a simple and a stark message: the status quo is unsustainable. That may seem obvious, but you'd be surprised how often the obvious is resolutely overlooked. It seems to me that anyone who wants to argue about how policy measures – such as the Waxman-Markey Bill – are in some way too onerous should be required to explain what they would propose instead because the unspoken assumption of these critics that we can carry on as we are is simply not so.

Let me turn now to our diplomatic challenge, which is the thing that occupies most of my time and attention. Climate change, of course, is a quintessentially global issue that demands a global solution. So while the critical first step must be for us to put our own house in order with a comprehensive, mandatory national program – and that's exactly what the president and his congressional allies are trying to do right now – the problem can only be solved globally.

Broadly speaking, we at the State Department are pursuing our strategy on three related fronts. First, we are fully engaged in the framework convention process itself. We have a team in Bonn right now for the second of several negotiating sessions this year. You certainly can't get a deal done relying only on the framework convention process, but you also can't get it done without that process. It's an essential part of the whole.

Second, we have established an invigorated dialogue among 17 of the largest economies in the world, including China, India, Brazil, Mexico, South Korea, South Africa and Indonesia, through our Major Economies Forum on Energy and Climate that will meet in July at the leaders' level immediately following – in Italy immediately following the G-8.

I have long been persuaded, and I actually wrote about it back in my CAP fellow days, that it is crucial to have a small forum of the major economies that can meet on a more intimate basis, at a higher level than is possible in the Framework Convention. These meetings can't pull a rabbit out of a hat, but they do allow for important and candid dialogue.

Third, we are focusing on key bilateral relationships, and none of course is more important than China. China may not be the alpha and omega of the international negotiations, but it is close. Certainly no deal will be possible if we don't find a way

forward with China. And here as in so many aspects of climate change we are faced with both great challenge and great opportunity.

This year marks the 30th anniversary of normalization of US-China relations, and since President Carter and Vice Premier Deng Xiaoping signed that historic document, China has undergone an astonishing, world-changing transformation.

Over the past 30 years the Chinese economy has grown at 10 percent per year, raising per capita income from just $400 to some $5,000 and lifting 600 million people out of poverty.

Beijing and Shanghai each now have per capita incomes topping $10,000, which rivals or exceeds that of many East European countries.

China is now the second largest economy in the world and the second largest trading power after the United States. And of course, as we hear all too often, it is America's largest foreign creditor, with some $2 trillion in foreign exchange reserves.

This burst of economic activity has been driven by the largest domestic migration in human history. Every year 15 to 20 million rural residents move to the city in search of a better way of life. Housing these people has made China the locus of fully half – half of all global construction with China building two Bostons' worth of new housing every month.

Urbanization also creates massive employment needs and a strong commitment among Chinese leadership to maintain economic growth. Yet in recent years, Chinese growth has become less sustainable, both environmentally and economically, and Beijing's ability to meet its long-term development goals pursing a business-as-usual strategy is now very much in doubt. And of course, all this economic growth has had far-reaching consequences for China's greenhouse gas emissions. In 1992, when China signed the Framework Convention, it emitted 2.5 gigatons of CO_2, half of the then U.S. total. Today, China emits over seven gigatons of CO_2 per year, surpassing the U.S. as the world's largest emitter. And China is rocketing up the emissions curve while the United States is flattening out. Based on recent trends, the International Energy Agency, IEA, predicts Chinese CO_2 emissions will reach 12 gigatons by 2030, a 60 percent upward revision from their estimates of just a few years ago.

And these numbers are so large that they will profoundly affect the world's capacity to come even close to the global concentration of greenhouse gases that most scientists are now advising. Consider this: according to recent modeling done for Project Catalyst, even if every other nation in the world besides China reduced its emissions by 80 percent between now and 2050 – and that is a thoroughly unrealistic assumption – Chinese emissions under a business-as-usual curve would alone be so large as to put us on track to global concentrations of some 540 parts per million and a 2.7 degree centigrade temperature increase, which is way above what scientists recommend as safe.

And this energy intensive, coal-driven growth has had toxic consequences for China's environment and public health. Sixteen of the world's 20 most polluted cities are in China, particulate pollution in Beijing is six times higher than in New York, and premature deaths from respiratory disease are estimated in a joint World Bank-China research project at some 750,000 per year. Water pollution is just as bad. Ninety percent of the aquifers in China's cities are polluted. Some 75 percent of river water in urban areas is unsuitable for drinking or fishing. And on any given day, 25 percent of the particulate pollution in Los Angeles is made in China, as is the acid rain problem in both Korea and Japan. Pan Yue, a former vice minister of the Ministry of Environmental Protection in China famously said a few years ago, quote, "The economic miracle will end soon because the environment can no longer keep pace."

Now, Chinese leadership has increasingly come to recognize the importance of changing course for many reasons, on account of climate change, energy security, the pressing need to clean up its environment, but also because of the country's daunting employment needs. With U.S. consumers and many others tightening their belts and Chinese exports declining, Beijing needs a new engine for job growth. And the industries responsible for most of China's emissions growth actually don't create many jobs. The five most energy-intensive industries in the country account for nearly half of China's CO_2 emissions but employ only 14 million people combined and that's out of a labor pool of over 770 million, so just a drop in the bucket.

And so China has taken significant steps recently to rebalance its economy toward labor-intensive services and manufacturing, to improve its energy efficiency and to reduce its emissions. For example, its current five-year plan includes the goal of reducing energy intensity by 20 percent. It also has a goal of improving – increasing the share of renewable energy in the primary supply by 15 percent by 2020. And China has implemented increasingly stringent auto standards, stronger than our own, and has included in its own stimulus package a substantial investment in clean energy. And they have many other initiatives underway as well, including an intensive focus on producing electric vehicles, and a new commitment to develop solar power. Already China is one of the world's leading producers of both solar and wind technology.

Thus, the impression that China refuses to take action is both inaccurate and unfair. Yet China can and will need to do much more than it has done yet if we are to have any hope of containing climate change.

In essence, thus, China faces a choice. It can stick to its time honored talking points and cite provisions of the Framework Convention, the Kyoto Protocol, the Bali Roadmap to support the proposition that as a developing country it isn't required to commit to significant measures to bring down its greenhouse gas emissions. This approach, indeed, was at least partly reflected in the recent submission China made to the secretariat of the Framework Convention in late April. Or alternatively, China can take a new path, recognizing the need to make significant international commitments against the backdrop of a robust, productive collaboration with the United States, among others.

While I think, my view, the right choice is clear, we shouldn't underestimate the dilemma for China. Though China now, in effect, straddles the developed-developing country divide – a developed country and the big cities, a much poorer, developing country in the far-flung countryside – it has always been and it has always seen itself as a developing country. The developed-developing country divide, as well, is deeply woven into the fabric of climate change diplomacy, much more so I think than in many other places. The Montreal Protocol, for example, on ozone depleting substances provided that developing countries would assume the same kind of obligations as developed countries, just with a 10-year time lag. The working assumption of even the most advanced developing countries in the world of climate change has been that they should enjoy at the least a decades-long exemption from the kinds of obligations accepted by developed countries and maybe even more than that.

In addition, I think many in China fear that limits on emissions would constrain economic growth, job creation, and the country's capacity to continue its impressive rise. And yet the choice of clinging to the old principle of assuming no obligations is not fundamentally sustainable. It is not sustainable environmentally because China and the other major developing countries are on a track to produce more than 80 percent of the growth in emissions over the next several decades. If they don't develop genuine low-carbon pathways for growth, the climate change problem will simply spin out of control.

It is not sustainable economically because the economic race in the years and decades ahead will be won by those who have reacted nimbly to the imperatives of the low-carbon transition. Those who seek to hold back the tides will lose out in the end. As the evidence of climate change grows increasingly dire, high-carbon goods and services will, before too many passing years, become untenable, replaced by the low-carbon alternatives of a new era.

And it is not sustainable politically because developed countries who do agree to take strong action won't long accept a world in which economic competitors are allowed to free ride with respect to CO_2 emissions.

China and other developing countries do not need to take the same actions that developed countries are taking, but they do need to take significant national actions that they commit to internationally that they quantify, and that are ambitious enough to be broadly consistent with the lessons of science.

While this choice may be the more difficult one in the immediate term for China, it is in fact the road to prosperity and success. China has abundant opportunities in the short term to reduce energy demand through improving efficiency and rebalancing its economy. Right now, China emits about four times as much CO_2 as the United States and six times as much as Japan or the EU for every unit of GDP that they produce. Partly this reflects an economy, as I've noted, that's more heavily weighted to energy intensive manufacturing. Partly it reflects just simple inefficiency and partly an over-dependence on coal.

What China can do and what many in the Chinese leadership clearly recognize is not to stop growing, but to grow smarter. The only way China will meet its development needs in the long run is to rebalance its economy away from polluting industry, increase the efficiency with which industry and buildings consume energy, and find alternatives to coal or ways to use it cleanly. In short, this is not a tradeoff between economic growth and environmental protection. China must do both.

And what about the United States? What the United States must be willing to do for its own sake, as well as for China, is to meet China halfway and develop a genuine, collaborative partnership on climate change and clean energy.

If the two goliaths on the world stage can join hands and commit each other at the highest levels to a long-term, vigorous climate and energy partnership, it will truly change the world.

So we need to press forward with our own efforts to enact a broad based, mandatory program to drive the clean energy transition and limit our emissions. And that includes promptly enacting strong legislation to cap carbon pollution. We also need to listen and not just lecture. We need to make clear that we support China's growth and development and have no desire to constrain it, whether it's through climate change commitments or in any other way. We need to acknowledge the impressive steps the Chinese have already taken to promote low carbon development and the new ones that will be coming off the drawing boards soon. We need to set our minds to joining China in an active, real partnership, on the principle of mutual benefit. And we need to recognize that if we aren't careful, we may spend the next few years pushing China to do more, but will then spend all the years after that chasing them as they hurtle profitably down the road to the low-carbon transformation.

On Saturday I will be leaving for China with John Holdren, the president's science advisor, David Sandalow, the DOE's leading international official, and others from both Treasury and EPA. We aim to get just this kind of partnership started. It's the kind of partnership that Secretary Clinton discussed with the Chinese during her trip in February, on which I joined her. It's a partnership that can form the basis of a global transition to clean energy. And it is a partnership that can become a constructive, positive anchor in our long-term bilateral relationship with China.

There is much work to be done. China has an important choice to make and so, in different ways, do we.

Thank you very much. (Applause.)

MR. PODESTA: Thank you, Todd, that was excellent. I'm going to take the prerogative in asking the first question and get you to expand a little bit and then we'll going to open it up and try to take questions from the press first and then open it up more broadly to the audience for a few minutes. But your trip on Saturday, you will be accompanied by John Holdren. You didn't really speak too much about the opportunity

to do joint R&D with the Chinese and how do you assess their capacity to bring forward the kind of new technologies, the breakthrough technologies. And particularly you might want to comment on carbon capture and sequestration.

MR. STERN: We actually we have a whole suite of potential areas that we want to talk to the Chinese about, see where they're interested in collaborating and go from there. But joint R&D I think is going to be a critical piece. We are looking at everything from building efficiency to various aspects of industrial efficiency, promoting solar energy, definitely carbon capture, and also the idea of trying to develop, even apart from a specific initiative area, a broader collaboration on R&D. And we're talking about different ways to try to package that. But we have all of that on our agenda.

MR. PODESTA: Start up here. Could you please identify yourself?

Q: Sure. Thanks, Lisa Friedman from *ClimateWire*. Thanks for doing this. This is great. I have a question. You said China and other developing countries need not take the same actions that developed countries are taking. Could you lay out as specifically as you can what the United States would like to see China agree to? If it's increasing energy efficiency, is it getting dirty more slowly? How long do you see China emitting before we ask them to take absolute emissions?

MR. STERN: Thanks, Lisa. What I mean by not expecting the developing countries – the major developing countries to do this exact same thing, the developed countries are talking about national targets that would be for absolute reductions below levels where we are now – we're indeed below 2005 or some countries 1990. What we really have in mind, and this is embedded in the submission that we made to the secretary several weeks ago, is that the major developing countries need to define a robust set of actions that they commit to in an international context, that are quantifiable, and that are consistent with what science is telling us.

Now, that isn't – that doesn't translate in my head into saying to the Chinese: you need to do this, or you need to do that, or you need to do the other. We want to talk to them about what they have in mind to do and that might well include further energy or emissions intensity goals. It might include further goals on renewables. It could include sectoral targets. It could include any number of things.

The thing that I care about or that we care about a lot is that it not simply be a bunch of things which look good, but then when you actually add it up has bent you off the business-as-usual curve by two millimeters and you're really not where you need to go. So I think we need to be mindful of what the science is telling us. And my line all the way through this experience so far has been science and pragmatism. You've got to have both. You've got to be – you can't just cut a political deal for the sake of cutting a political deal, but you've also got to be mindful of the art of the possible. So you've got to put those two things together.

Q: I'm Deborah Zabarenko. I work for Reuters. Thanks again for doing this. You've talked a lot about two goliaths holding hands and a partnership between them. I just want to make sure I understand the dimensions of this. Are we looking for a bilateral agreement between the United States and China springing from this trip or just bringing them into the fold globally?

MR. STERN: Springing from our immediate trip? Well, from the immediate trip we're just – we are looking to deepen the dialogue to have a – we've already had a fair amount of discussion with them, but to go – to drill down deeper on the climate change side and to start, as I said, talking about the areas of significant cooperation and partnership that we can get going on with respect to clean energy. Yes, bilateral – I'm not – the distinction I make is I'm not expecting to have a big deliverable or a big agreement that we're waving around at the end of this trip, but this is – this trip forms one piece of what is going to be an extended set of interactions with the Chinese at all levels. So, yes, the vision that we have is of a clean energy and climate partnership bilaterally with the Chinese, although there will certainly be – EU and others and Japan are going to have their own interactions as well.

Q: Hi, I'm John Broder with the *New York Times*. Thanks, Todd. The Chinese and other developing nations have talked about a level of financial and technical support from the developed countries, ranging from a half a percent of GDP to 1 percent. That's way higher than anything envisioned in the Waxman-Markey Bill. What do you say to them when they say that the developed world, responsible for 90 some percent of the emissions already in the atmosphere, have to essentially pay the develop world to come along?

MR. STERN: Look, I don't think that there's any question that the developed countries are going to have to provide financial and technical resources to many countries in the developing world to help them develop a low carbon path and help them deal with both issues of mitigation and adaptation. We completely agree with that. We're fully on board with that concept. We're doing a lot of discussing – both internal working and a lot dialogue with others on the developed countries side on that subject. The numbers that have been tossed around of the kind that you just noted I don't take seriously because they're not serious and they're not intended to be serious. In my judgment, they're intended to put some marker down, but I don't think anybody seriously thinks that those numbers are in the cards. But there are some quite useful and good suggestions and proposals that have been put down.

There is actually, if you look at what is in the Waxman-Markey Bill, which actually that would be an engine of a fair amount of financial flows to various countries around the world, if that goes forward as is.

So yes, there's got to be a good amount of money and there's got to be – and by the way, it's not just money, but it's also – we've got to think a lot about the way to structure this. What institutions to use, what sources should be – the funding should come from and issues like that. So, yes, funding not at the level they're talking about.

Q: Renee Schoof, McClatchy Newspapers. Could you elaborate a little on what areas of potential partnership Chinese officials have been most interested in so far? Any specifics?

MR. STERN: I think that we're going find out in more detail on this trip, but based on things that have been said in the past, I think that they have expressed a lot of interest in the area of building efficiency, which might sound boring, but it's actually a huge source of emissions; electric vehicles, where they're making the big push and where we need to frankly make a big push. They have been interested in carbon capture. It depends on who you talk to, the interest is greater or not as great depending on kind of who you talk to, but it's – but I think that carbon capture is just a vital area to explore. Hopefully this is a technology that can work, but we've – I think we've just got to get going on it, get demonstration projects full-scale up and running here and in China and in other places. There's a number of countries that are very interested in this – Australia, U.K., Norway, Canada. And we've got to kind of figure out whether it's going to work or not and we've got to get going because it's obviously tremendous potential if it could work.

Q: Margaret Ryan, CleanSkies News. You mentioned earlier other large emitters in the developing world, such as India and Indonesia. How are these China talks interacting with those countries? How are you going to – are you talking to those countries separately from China or you're waiting to do something with China and then go to them?

MR. STERN: Two things, we, first of all, in our major emitters – Major Economies – sorry – Major Economies Forum – (laughter) – correction, Major Economies Forum – so they've been participating and we've been talking with them. I actually was in Indonesia in February because it was one of the four stops that Ms. Clinton made on that first trip. And I expect to be – I don't know – I don't have a date yet, but there's going to be a bunch of India diplomacy kind of coming up on the horizon before too long. So I don't – China's China. It's not – we're not doing India or Indonesia in the China trip, but we will be – we will certainly be – and Brazil as well. There's a number of other players and there's just – it's a kind of a time and bandwidth issue in terms of where you get to, but I would expect to be following up in some of those countries pretty soon.

Q: I'm Kate Sheppard. I'm with grist.org. The question is – obviously China's put forward this goal of a 40 percent emission reduction for 2020. Waxman-Markey is 17 percent for that date. Is that enough – is Markey-Waxman enough to get us to a point where we can come to agreement with China? And the second part of that in Markey-Waxman is the funding for international projects enough to bring along not just China but other developing nations. Is this bill adequate I guess is the real question?

MR. STERN: Well, first I'm going to make a factual correction which will make you think it's less adequate but then I'm going to tell you why it is adequate, which is

that Waxman-Markey is 17 percent below 2005 levels – and if you put it in terms of 1990 levels, about 4 percent. Now, there are any number of countries who say you need to do 25 percent or you need to do 30 or 40 percent below 1990 by 2020. I guess my view on this is a couple of things. First of all, the Waxman-Markey legislation is enormously ambitious. What you're talking about – just think about this, when it goes into effect – if it gets passed, regulations get done, probably starts actually operating around 2012 or so. And by that time there will probably be about a 20 percent reduction from where we are at that point. So that's in eight years. That's a seismic turn in the U.S. economy.

It also unlike – really unlike anything than anybody else is talking about around the world, there is not just an aspirational goal out to 2050, there's actual policy. The cap ratchets down year by year. It gets to I think 40 percent below 2005, which is about 30 percent below 1990 in 2030 and it goes on and on and on to 2052, to over 80 percent reduction. So that is a tremendously ambitious policy. Now if you look at what – for example, the EU talks about 25 percent or more reduction against 1990 by 2020. If you look at what the EU is talking about as compared to where we are going forward, kind of what Barack Obama could be doing going forward from when he comes in, we're pretty close. We're just about the same as EU.

So to talk about numbers like 40 percent below 1990, again, it's about as realistic as the half point of GDP for financing. It's not real. But on the other hand, what we're doing is very, very significant. And if you match – because we've done this – if you match what the effect on concentration would be globally by doing what Waxman is talking about, or what the president originally proposed, versus what EU is talking about, it probably moves a needle by about one part per million or two. So again, science and pragmatism, let's get this damn thing started. That's what's important – not to engage in as much conversation as I've already engaged in – (laughs) – with the EU about small differences. The much, much, much larger differences, the much larger piece of this equation is what the major developing countries are going to do and that's what we ought to be focusing on.

With respect to money, I think the Waxman Bill would include a lot, but it wouldn't be the whole answer.

Q: Hi, thanks for doing this. I'm Nick Juliano. I'm with Carbon Control News. You mentioned this perception that still exists that China isn't doing enough. And there was a congressional delegation last week spent some time in China and they came back with Speaker Pelosi and the rest of the Democrats on this trip expressing optimism, but Representative Sensenbrenner, the lone Republican, saying China still isn't doing enough. So is there anyone that you can point to that has held that position that is changing it that used to say China isn't doing enough and now says oh, they are doing a lot, and how do you change that position in terms of trying to get something through Congress?

MR. STERN: Well, look, I think that there's two things. I think that people need to talk about and acknowledge what they're actually doing. They need to do a better job

of that frankly themselves here in making clear what they're doing because it is significant. But it's also true that it is not nearly enough. I saw a very interesting graph a few weeks ago that somebody internally had prepared, which showed two lines. There was like an X. It was a line going down for Chinese energy intensity over the last X years. And there was a line going up right through it for the increase in their overall emissions. So reducing their energy intensity 20 percent over five years, that's really good. It's also really not enough because the economic juggernaut is so powerful that the emissions are still going way up. So they've got to – so both of those things are right. They are doing a lot. And they really are doing a lot. And they've got a lot more on the drawing board if you talk to officials there, but they've got to do more.

MR. PODESTA: Todd's a diplomat, so he can't say this, but I can, which is of course, Congressman Sensenbrenner would have us do nothing, so his criticism is particularly, I think, subject to questioning, but I agree with the sentiments that he just raised. Last comment.

Q: Marisa Lino from Northrop Grumman. I wonder if you might comment, in talking to Chinese officials, do you feel you're speaking on the basis of the same science? And beyond that I wonder if you might also comment on how the policy with respect to climate change fits into the larger picture of our complex relations with China, which includes the economy, North Korea, et cetera, et cetera? Thank you.

MR. STERN: I think so on – we haven't had – actually, we'll have a lot more conversations about kind of nitty-gritty science on this trip because we're going with John Holdren. And – but I have not had a sense that they're in some completely different place with respect to what the underlying science is. I think that their own published estimates of their own emissions tend, as I've seen them, to be lower than what a lot of independent people might say. But in terms of the overall kind of dynamics – where we're going, where need to go – I don't think it's a dramatically different assessment, but we will actually kind of learn more about that on this trip.

And in terms of the overall – I think that this – I think this issue, this area – energy and climate change, clean energy and climate change – has the potential to be – as I said in my talk – has the potential to be a kind of positive anchor in a relationship which is enormously important, but will always have lots of difficult issues. And this is something – it's not a thing for a year or 18 months. It's something for decades that could be a real anchor to a positive, collaborative relationship. This should all be good. We should all be working together and helping each other and we're the two gorillas in the rooms. And if we can get this going, it'd be very positive.

It also has a potential to be negative if we can't get anything going, but I think it can be quite a positive anchor.

MR. PODESTA: So please join me in thanking Mr. Stern and on behalf of CAP, we wish you well on the upcoming trip. Thank you for being here.

(Applause.)

(END)