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# The Road not Taken: Climate Change Policy in Canada and the United States

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## Introduction

In March 2001, President George W. Bush confirmed that the US would not ratify the Kyoto Protocol. Despite the US' withdrawal, its neighbor Canada chose to ratify the Protocol the following year. That two similar and closely integrated countries should choose divergent paths on a policy issue with such far-reaching consequences is surprising for a number of reasons. First, Canada and the US negotiated roughly similar commitments under the Kyoto Protocol, with Canada committing to a 6% reduction and the US to 7% below their 1990 baselines by the 2008 to 2012 compliance period. Arguably more significant, the anticipated reductions below the business-as-usual trajectory were very demanding in both cases, at 29% and 31% below projected "business as usual" emissions in 2010 for Canada and the US, respectively.<sup>1</sup> Second, the greenhouse gas-intensive nature of the US and Canadian economies, which rank third and fourth in per capita emissions among industrialized countries (after Luxembourg and Australia) suggests that the costs of meeting those targets would be relatively high for both countries.<sup>2</sup>

Viewed in that light, it is surprising that either country should ratify the Kyoto Protocol. Indeed, if anything, one might expect Canada to be less inclined than the US to ratify since, as a net oil and gas exporter, compliance will not only impose costs on an economically and thus politically significant domestic industry, but other countries' efforts to comply would also hinder Canadian exports. In contrast, the US could benefit from reduced reliance on foreign oil. Finally, the close integration of the Canadian and US economies under the North American Free Trade Agreement implies high stakes for divergence, since a trading partner that ratifies unilaterally would expect both that its manufacturing sector would become less competitive and that its economy would be less attractive to foreign investment. Again, given the imbalance in the trading relationship—in which the US market and US investments are much more significant to the Canadian economy than vice versa<sup>3</sup>—it is surprising that Can-

1. Government of Canada 2002; and US 2002.

2. Weyant and Hill 1999.

3. Over 80% of Canada's exports are to the US, which also accounts for 2/3 of foreign direct in-

ada would ratify the Kyoto Protocol *after* it was clear that the US was not going to ratify.

A strong normative commitment to protecting the global commons was needed to overcome political opposition from those who stand to pay the price of greenhouse gas abatement in both countries. However, the influence of *ideas* over politicians' electoral *interests* was necessary, but not sufficient, for ratification. The *institutional* setting was conducive to the victory of norms over material interests in Canada, but not in the United States. In particular, while both Canadian Prime Minister Jean Chrétien and US President Bill Clinton expressed personal support for ratification, only Chrétien had the institutional capacity to deliver on his values.

## Theoretical Framework

Previous work has considered the impact of both international and domestic factors on individual countries' positions in *international* negotiations. The emphasis here is on explaining *domestic* policies, that is, decisions whether or not to ratify the Kyoto Protocol and to adopt concrete measures to mitigate greenhouse gas emissions. Three broad domestic variables are considered: politicians' electoral incentives, politicians' ideas, both causal and normative, and the institutional context. While the focus is on the impact of these variables on domestic decisions with respect to the Kyoto Protocol, the article also seeks to identify the direction and degree of international influence on policy-makers' electoral incentives and ideas.

## Electoral Incentives

Policy-makers motivated by re-election will be concerned first and foremost with voters' preferences. In that regard, the level of concern about climate change appears to have been somewhat higher in Canada than the US. An international survey conducted in 1992 found that 47% of Americans compared to 58% of Canadians considered global warming to be "very serious." However, the combination of those who considered the issue either "very serious" or "somewhat serious" was high in both countries: 78% in the US and 85% in Canada.<sup>4</sup> Similarly, a 2003 survey found that 31% of Americans compared to 40% of Canadians considered global warming to be "very serious," while the combination considering the problem to be "serious" or "somewhat serious" was 71% in the US and 81% in Canada.<sup>5</sup> Public opinion in the US also seems to have been somewhat less supportive of ratification than in Canada. Lisowski re-

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vestment in Canada. Statistics Canada, *The Daily*, 24 May 2006, available at <http://www.statcan.ca/Daily/English/060524/d060524a.htm>.

4. Dunlap 1993.

5. 30-Country Poll Finds Worldwide Consensus That Climate Change is A Serious Problem, *World Public Opinion*, 25 April 2006, available at [worldpublicopinion.org/pipa/pdf/apr06/ClimateChange\\_apr06\\_quaire.pdf](http://worldpublicopinion.org/pipa/pdf/apr06/ClimateChange_apr06_quaire.pdf).

ports that 61% of Americans polled in early 2001 supported ratification.<sup>6</sup> In contrast, in the lead-up to ratification in Canada, 73 to 79% of Canadians supported ratification.<sup>7</sup> Greater concern and stronger public support for ratification in Canada than the US are consistent with Canada's greater willingness to ratify the Kyoto Protocol. However, the fact that a majority of voters in *both* countries supported ratification suggests that the explanation for divergence lies elsewhere.

Public opinion with respect to the environment is typically characterized by a high level of support for action but low levels of attention.<sup>8</sup> After a surge in public attention to the environment in the late 1980s, neither the environment nor climate change was particularly salient in either Canada or the United States by the time of their ratification decisions. Gallup reports that the percentage of Americans volunteering the environment as the "most important problem" facing their country fluctuated between 0 and 5% from 1995 to 2007.<sup>9</sup> Similarly, the percent of Canadians citing the environment as the most important problem in that country varied from 0.6 to 6% between 1995 and 2006.<sup>10</sup> Thereafter the environment surged to the top of opinion polls, with 26% citing it as the "most important problem" facing Canada in January 2007.<sup>11</sup> Recent developments aside however, the message is one of public inattention in both countries until quite recently. Consistent with this, three years after the US withdrew from the Kyoto Protocol, 42% of Americans still believed President Bush supported the treaty and fewer than half of Americans (48%) were aware of the President's opposition to the Protocol.<sup>12</sup> Similarly, despite a high profile debate over Canada's ratification in the fall of 2002, only half of Canadians polled in the spring of 2003 were aware that Canada had already ratified the Kyoto Protocol.<sup>13</sup> Politicians in both countries would have had ample reason for scepticism that the public's professed support for ratification and climate change mitigation would translate into votes come election time.

In the absence of strong incentives from voters at large, one would expect politicians to be attentive to organized interest groups, both because their members *are* paying attention, and because such groups may be able to mobilize the inattentive public. Given the fossil-fuel intensive nature of both economies, it is not surprising that strong opposition emerged from fossil fuel producers and manufacturers that rely on inexpensive energy in both Canada and the United

6. Lisowski 2002, 114.

7. EKOS Research Associates 2002.

8. Dunlap and Scarce 1991.

9. Quarterly Gallup Poll (1995–2000) and monthly Gallup Poll (2001–2007), via Roper Center iPoll.

10. Quarterly Environics Focus Canada survey (1995–2006), via Canadian Opinion Research Archive.

11. *Globe and Mail*, January 26 2007, A1.

12. Program on International Policy Attitudes. 2004. Americans on Climate Change. June 25. Available at [http://www.pipa.org/OnlineReports/ClimateChange/ClimateChange04\\_Jun04/ClimateChange\\_June04\\_rpt.pdf](http://www.pipa.org/OnlineReports/ClimateChange/ClimateChange04_Jun04/ClimateChange_June04_rpt.pdf)

13. EKOS Research Associates 2003.

States. In the US, the American Petroleum Institute, the Global Climate Coalition, and American Chamber of Commerce led the charge, while in Canada, the Canadian Association of Petroleum Producers, the Canadian Manufacturers and Exporters, and the Canadian Chamber of Commerce played the same role. One difference in the opposition coalitions, however, was the visible presence of trade unions in the US but not Canada. On the other side was a range of well-established environmental groups in both countries supporting both ratification of the Kyoto Protocol and adoption of stronger domestic greenhouse gas reduction policies.

Given the logic of collective action,<sup>14</sup> one would expect those who stand to pay the price of climate change abatement measures, the business community, to be better informed and organized than the beneficiaries of climate policy. Consistent with this, environmentalists were not in a position to match the resources brought to bear by firms and trade associations opposed to ratification in either country. Moreover, one would expect industry's claims that climate policy will increase prices and sacrifice jobs to resonate with politicians given the greater salience of economic than environmental issues with voters. Voters may not have closely followed climate policy debates, but they are keenly aware of the price of gasoline. The question remains, however, whether the dominance of the business coalition was greater in one country than the other. On one hand, the oil industry is a larger contributor to the Canadian economy. On the other hand, the oil industry enjoyed unprecedented access to the White House, albeit only after the election of George W. Bush.

In summary, it is by no means obvious that electoral incentives with respect to climate change can explain divergence between Canada's and the US' decisions with respect to ratification. While there were subtle difference in public opinion polls and the balance of interest group pressures, the combination of public inattention and strong business opposition presented formidable challenges to ratification of the Kyoto Protocol in *both* countries.

The partisan composition of the legislature is determined by voters' views on a broad range of issues unrelated (at least in most voters' minds) to climate change. To what degree are Canada-US differences with respect to the Kyoto Protocol explained by partisanship? One would expect right-wing parties, which are more closely allied with business and also generally less supportive of government intervention in the economy, to be less sympathetic to ratification and adoption of mitigation policies than centre and left-wing parties. While that is generally borne out in the cases presented below, partisanship offers at best a partial explanation for Canada/US divergence. In the US, Democratic President Bill Clinton certainly was more supportive of the Kyoto Protocol than his Republican successor, George W. Bush. However, Clinton faced strong opposition from a Democrat-controlled Congress to his first term proposal for a BTU tax. Moreover, although the Republican Party held majorities in both chambers in

14. Olson 1965.

Clinton's second term, opposition to ratification of the Kyoto Protocol was decidedly bipartisan. Partisan effects are more evident in the Canadian case, however. As discussed below, a Liberal majority government under Jean Chrétien negotiated and ratified Kyoto, while a Conservative minority government elected in 2006 beat a hasty retreat from their predecessors' climate commitments.

## Ideas: Knowledge and Values

Regardless of electoral incentives, politicians may choose to follow their own ideas. That is not to suggest that politicians' ideas are by any means unique. Norms such as environmental protection and international cooperation are of course widely shared. The question is how important those norms were to the *particular* individuals who were in a position to make authoritative decisions with respect to ratification and policy adoption. Keohane and Goldstein distinguish between ideas in the forms of causal knowledge and principled beliefs.<sup>15</sup> With respect to the former, it is obviously critical that policy-makers accept that an increase in atmospheric concentrations of greenhouse gases caused by human activity is resulting in climate change. The Canadian and US scientific communities are highly integrated, and as such there is no significant difference between Canadian and US climate science. Despite that, however, there has been much greater *political* debate about climate science in the United States than Canada. While political debates about science tended to undermine climate policy-making in the US, the authority of consensual science reinforced Canada's decision to ratify, a point discussed further below.

Even if a policy-maker accepts that there is an adequate causal basis for action, however, he or she would be expected to face an uphill political battle as a result of the perverse electoral incentives discussed above. A critical question, then, is whether policy-makers are willing to act on their values when electoral incentives do not support climate policy. This paper argues that a combination of causal knowledge and normative commitments was necessary but not sufficient to ensure ratification. Both Canadian Prime Minister Chrétien and US President Clinton favoured ratification, yet only one of them succeeded. The critical difference lies in the institutional capacity of the two leaders to pursue their "good policy motives," a question to which we now turn.

## Political Institutions

The contrast between Canada's Westminster parliamentary system and the US separation of powers is relevant in at least two respects. First, the "checks and balances" of the US system diffuse authority and thus present multiple veto points to policy change. In contrast, the fusion of executive and legislature functions in Canada's parliament concentrates authority in the hands of Cabi-

15. Goldstein and Keohane 1993.

net and especially the Prime Minister. Thus, while President Clinton approved the US' Kyoto commitment, he did not have authority to ratify the treaty without support of two thirds of the Senate. In contrast, with a disciplined majority in the Canadian House of Commons, Prime Minister Chrétien had the institutional capacity to deliver on his personal commitment to the Kyoto Protocol.

A closely related, second factor concerns the implications of party discipline for the emergence of opposition to ratification. The logic of parliamentary government, in which the governing party must maintain the confidence of the House, yields strong party discipline. In contrast, with fixed elections, US members of Congress are less constrained by their parties and freer to defend the particular interests of their constituents. At the same time, US members of Congress are more accountable for defending local economic interests. This may help to explain why, even though compliance with the Kyoto Protocol would have had significant regional impacts in both countries, there was greater opposition to ratification in the US Congress than in Canada's House of Commons. Although there were reports of dissent within the Liberal caucus, individual Liberal Members of Parliament were not only required to toe the party line, but at the same time shielded by a collective "circling of the wagons."

While regional dissent thus is expressed more clearly in the US Congress than Canada's parliament, regional differences tend to find greater expression in Canada's more decentralized federation for two reasons. First, the interstate commerce clause has provided the basis for a relatively centralized system of federal-state relations in the US, in which the federal government sets national environmental standards, which are for the most part implemented by state governments. In contrast, in Canada the courts have granted presumptive regulatory authority under the "property and civil rights" clause to the provinces, which thus exercise greater autonomy in Canadian environmental policy. Finally, and arguably most significant, Canadian provinces own publicly-held resources within their borders. With some 90% of Canada's land mass still in public hands, the provinces thus control the natural resources most relevant to climate policy: oil, gas, and coal on the one hand, and forest sinks and hydro-electric potential on the other. Although the federal government has indirect means to influence resource use, any such incursions are guaranteed to provoke opposition from the provinces, which jealously guard their control of natural resources and thus their local economies.<sup>16</sup> In contrast, public lands constitute a smaller fraction of the US territory, and are mostly owned by the federal government.

While the contrast between parliamentary and presidential institutions suggests that it would have been easier for Canada to ratify the Kyoto Protocol, the greater decentralization of Canadian federalism suggests the opposite. In many respects the US Senate and Canadian provinces play a similar role in giv-

16. Harrison 1996.

ing voice to regional economic interests. However, opportunities to obstruct the outcome emerge at different points in the process in the two countries. In the US, the Senate has formal authority to block ratification. Canadian provinces do not have a similar veto over ratification. However, the combination of their extensive jurisdiction over natural resources and the Canadian federal government's weak treaty power, which authorizes ratification but not necessarily implementation of international treaties, would make it be very difficult for the federal government to implement the Kyoto Protocol without provincial cooperation.

### The Shared Road to Kyoto

Canada and the US were on roughly the same path from the emergence of climate change on the political agendas of both countries in the hot summer of 1988 to negotiation of the Kyoto Protocol in December of 1997. In the US, the decisive event was testimony by Dr. James Hansen, Director of NASA's Institute for Space Studies, that he was "99 percent certain" that global warming was occurring as a result of human activity.<sup>17</sup> Just days later, Canada hosted the International Conference on the Changing Atmosphere in Toronto, where a keynote address by Prime Minister Brian Mulroney ensured media attention to the conference's recommendation that global greenhouse gas emissions be reduced 20% by 2005.

The Canadian government initially embraced the "Toronto target," but reverted to a more modest goal of stabilization of national emissions at the 1990 level by the year 2000 in its 1990 Green Plan.<sup>18</sup> When the same goal was incorporated in the UN Framework Convention on Climate Change (FCCC), Canada readily ratified the treaty in December 1992. That the Convention's goal of stabilization at 1990 levels was non-binding "bore the unmistakable imprint of US negotiators, who succeeded in keeping emissions targets and timetables for greenhouse gas abatement out of the initial agreement."<sup>19</sup> With that concession, the US Senate unanimously ratified the FCCC just three months after the Rio Earth Summit.<sup>20</sup>

While the FCCC commitments were negotiated by parties on the right of the political spectrum in both Canada and the United States, centre-left parties were elected in both countries soon after. In 1993, Democratic President Bill Clinton assumed office with a Vice-President, Al Gore, who had sponsored the first Congressional hearings on climate change and built his public reputation on environmental issues. In Canada, the Liberal Party, with Jean Chrétien as leader, won the first of three parliamentary majorities later the same year.

17. *New York Times*, 24 June 1988, A1.

18. Government of Canada 1990.

19. Hempel 2002, 308.

20. Kolbert 2006, 51.

Though both pledged to outdo their predecessors on environmental issues, no dramatic shifts in climate policy were realized in either country.

That the Clinton White House did not have a greater impact on US climate policy is attributable in no small part to resistance from Congress. President Clinton reiterated his support for the FCCC target on Earth Day 1993.<sup>21</sup> Thereafter, the Administration proposed a broad ranging “BTU tax” on fossil fuels as an energy conservation measure. Hempel reports:

Critics argued that the tax would unfairly hamper US firms competing in the global market. Congress, bowing to pressure from the fossil fuel lobby and energy-intensive industries, not only discarded the broad-based tax proposal in favor of a much narrower gasoline tax but also reduced the tax rate by about 50 percent (to 4.3 cents per gallon). Framing the energy tax proposal as a large, new, and additional burden on the economy—an economy designed to run on cheap energy—ensured congressional opponents a victory in terms of public opinion.<sup>22</sup>

It is noteworthy that the Administration’s proposal failed even though the Democrats controlled both the Senate and House at the time. On the heels of the failed BTU tax, the Administration’s Climate Change Action Plan, released in October 1993, relied exclusively on voluntary programs that did not require legislative action.

By the mid-1990s, it was already clear that Canada and the US, like most other FCCC signatories, would not meet the goal of stabilization at 1990 levels by 2000. Although the JUSCANZ coalition (Japan, US, Canada, Australia, New Zealand) conceded at the first Conference of the Parties to the FCCC (COP-1) to negotiate binding targets for industrialized countries, with a goal of finalizing an agreement at COP-3 in Kyoto, they continued to press for flexibility mechanisms, including international emissions trading and credit for carbon sinks.

Domestic opposition in the US strengthened with the approach of the critical meeting in Kyoto. The Global Climate Coalition, described by Lutzenhiser as “a *Who’s Who* of American manufacturers,”<sup>23</sup> spent \$13 million on a print and broadcast media campaign arguing that energy prices could rise by 20% and urging the President not to “rush into an unwise and unfirm United Nations agreement that’s bad for America.”<sup>24</sup> The coalition, which included the oil, gas, and coal industries, automobile and other manufacturing industries, some farm organizations, and the American Chamber of Commerce, found a receptive audience in the business-friendly Republican Party, which had assumed control of both chambers of Congress in the 1994 election.<sup>25</sup> However, the opposition also resonated with Democrats concerned about the potential impact of a climate agreement on employers in their constituencies—oil in Louisiana, coal in

21. *New York Times*, 22 April 1993, A1.

22. Hempel 2002, 319.

23. Lutzenhiser 2001, 514.

24. Lopez 2003, 295.

25. Skolnikoff 1999, 20.

West Virginia, and automobiles in Michigan.<sup>26</sup> Opposition from trade unions, including mining and auto workers, further solidified Democratic opposition.<sup>27</sup>

The science of climate change also was increasingly challenged by the Republican Congress. McCright and Dunlap document that the fraction of scientists testifying at Congressional hearings who sided with the views of the Intergovernmental Panel on Climate Change (IPCC) declined from 100% at the time of the Earth Summit in Rio in 1992, to 50%, evenly balanced with climate change skeptics, in 1997 in the lead up to Kyoto,<sup>28</sup> even as an increasingly strong consensus emerged within the scientific community.<sup>29</sup>

In July 1997, in the lead-up to the Kyoto meeting, the Senate drew a line in the sand by unanimously passing the Byrd-Hagel resolution, which stated that the Senate would not ratify any international treaty that:

(A) Mandate(s) new commitments to limit or reduce greenhouse gas emissions for the Annex I Parties, unless the protocol or other agreement also mandates new specific scheduled commitments to limit or reduce greenhouse gas emissions for Developing Country Parties within the same compliance period, or (B) would result in serious harm to the economy of the United States.<sup>30</sup>

Such a strong display of bipartisanship is rare in the US Congress, suggesting at minimum White House indifference if not actual support for the resolution.<sup>31</sup> In any case, that the US Senate was *on record* as opposing ratification of any treaty that did not include binding commitments for developing countries would present a formidable obstacle for the Administration in years to come.

The Clinton administration announced in late October 1997 that it would seek an agreement in COP-3 in Kyoto to return emissions to 1990 levels by 2010 with unspecified further reductions thereafter, a far cry from the European Union's call for a 15% reduction below 1990 emissions. The Administration also indicated that it would seek "meaningful participation" from developing countries, the latter apparently prompted by the Byrd-Hagel resolution but seemingly incompatible with COP-1's call for leadership in the first round from industrialized countries.

During this period, the Canadian government faced its own domestic challenges, from fossil fuel and energy-intensive manufacturing industries, from the federal government departments representing them and from provinces whose economies rely most heavily on those sectors. Chrétien's first Environ-

26. Sussman 2004.

27. Wirth 2002.

28. McCright and Dunlap 2003.

29. Oreskes 2004.

30. S. Res 98, 105th Congress (1997).

31. In confidential interviews with the author, two former US officials suggested that the White House, knowing that it could not block the resolution, instead quietly supported it as a strategy to dismiss it as uncontroversial.

ment Minister, Sheila Copps, recalled, "it became clear that the rule of [federal-provincial] 'consensus' in the environmental agenda would mean moving to the lowest common denominator. There was no way that Alberta would agree to *any* reduction in fossil-fuel emissions."<sup>32</sup> However, with the US position on record, in November 1997 the federal and provincial Ministers of Energy and Environment agreed, with the exception of Quebec (which sought a more ambitious target), that Canada also would "seek to reduce" its emissions to 1990 levels by 2010.

To the provinces' consternation, however, the federal government unilaterally announced a more aggressive position that Canada would reduce its emissions to 3% below 1990 levels by 2010. Bernstein and Smith and Macdonald speculate that the Prime Minister's motive was to "beat the US."<sup>33</sup> However, little-noticed press accounts at the time offer an alternative explanation. Prior to his decision, Prime Minister Chrétien is said to have received a phone call from President Clinton urging Canada to "push the envelope" in order to bridge the gap between the polarized US and EU positions,<sup>34</sup> a logic consistent with Canada's press release announcing its position.<sup>35</sup>

The agreement reached in Kyoto after a marathon 24-hour negotiating session essentially split the difference between the reductions proposed by the EU and US, with resulting targets for the EU, US, and Canada of -8%, -7%, and -6% respectively relative to 1990 levels to be achieved by 2008 to 2012. The arrival in Kyoto of US Vice-President Al Gore and his direction to the US delegation "to show increased negotiating flexibility" was critical to breaking an impasse between the negotiating blocs.<sup>36</sup> The US' chief negotiator, Stuart Eizenstat, reflected at the conclusion of the Kyoto meeting that, "The Vice President's visit clearly changed the entire atmosphere and direction of the talks." Eizenstat also stressed the level of engagement of the President and Vice-President, noting that President Clinton "personally signed off on each percentage point that was offered."<sup>37</sup>

The formal targets in the Kyoto Protocol do not necessarily reflect the magnitude of effort required to achieve them, however. In that respect, it is noteworthy that going into the Kyoto meeting, the US anticipated significantly greater emissions growth by 2010 than did the EU.<sup>38</sup> Seemingly comparable targets thus demanded deeper cuts below the "business-as-usual" trajectory for the US. In part, this was a consequence of the particular compromise reached in

32. Copps 2005, 93.

33. Bernstein 2002, 222; and Smith and Macdonald 1999–2000.

34. *Vancouver Sun*, 31 October 1997, A9; and *Charlottetown Guardian*, 7 November 1997, A6.

35. Bernstein 2002, 223.

36. Oberthür and Ott 1999.

37. Eizenstat 1997.

38. In 1997, the US anticipated a 29% increase in US emissions and a 20% increases in Western Europe's emissions between 1990 and 2010 (EIA 1997). The EU itself in 1996 anticipated an increase in CO<sub>2</sub> emissions of between -11.5% and 17% over the same period (EU 1996).

Kyoto, which had the effect of increasing the disparity between the costs faced by the US and EU. In response to normative arguments, the US accepted a target closer to the EU position with correspondingly greater costs.<sup>39</sup> In turn, the EU withdrew its normative objections to the various flexibility mechanisms proposed by the US, including emissions trading, joint implementation, and the clean development mechanism.<sup>40</sup> However, in so doing, the EU gained materially—both because it reduced its own commitment to roughly match that of the US and because it too could benefit from international flexibility.

While the US was preoccupied with its position relative to the EU and Japan,<sup>41</sup> Canada was focused exclusively on the US position. Canadian negotiators were directed by the two federal Ministers leading the delegation to stay 1% behind the US. Canada's Environment Minister, Christine Stewart, later reflected, "We didn't do any negotiating or set any benchmarks in Kyoto without talking to the Prime Minister. He wanted regular briefings. . . [But] I was so pleasantly surprised that our Prime Minister was willing to up the ante each time we talked to him."<sup>42</sup> Canada's target represented a careful balancing of normative and material concerns. On one hand, most of those interviewed explained that Canada's desire to keep up with the US was "highly political." A member of the Canadian delegation asked rhetorically, "Being good Canadians, can you imagine us letting the Americans get too far ahead of us?"<sup>43</sup> On the other hand, Canada was cognizant of the need to remain economically competitive with its largest trading partner. Contrary to the "one-upping the Americans" hypothesis, Canada not only did not try to beat the US but instead claimed a 1% concession on the grounds that US emission reductions would be achieved through increased exports of, and thus emissions associated with, Canadian natural gas. Environment Minister Stewart explained, "As long as the US was with us, or 1% ahead as it turned out, Canada wasn't going to lose. . . Politically it was a win for Canada, and economically we wouldn't be in a bad way." It is striking, however, that while the Canadian commitment was predicated on the US position, the US was relatively oblivious to Canada. US negotiator Jonathan Pershing recalled:

The US is kind of parochial about its examination. Yes, [Canada] is the largest trading partner, but . . . people at that point assumed the Canadians would come along and in fact they did. . . The US expectations of Canadian performance and behavior are quite different from the capacity of Canada to influence US performance and behavior.<sup>44</sup>

39. The Administration indicated that, after taking into account the flexibility mechanisms it won in Kyoto, it moved 3% from its original position. Eizenstat in US Congress 1998, 57.

40. Breidenich, Magraw et al. 1998.

41. Author's interview with Stuart Eizenstat, 2006.

42. Author's interview with Christine Stewart, 2006.

43. Author's confidential interview, 2006.

44. Author's interview with Jonathan Pershing, 2006.

## The Fork in the Road: US Withdrawal from Kyoto

The Kyoto Protocol clearly did not satisfy the terms of the Byrd-Hagel resolution calling for binding commitments from developing countries.<sup>45</sup> In response, the morning after the Kyoto agreement was announced, “Republican Congressional leaders held a news conference declaring the Protocol ‘dead on arrival’ in the US Senate.”<sup>46</sup> Lest there be any doubt, the Senate passed another resolution affirming that the Kyoto agreement did not satisfy the provisions of the Byrd-Hagel Resolution.<sup>47</sup>

In the face of Senate resistance, the Administration’s strategy was to continue to seek a “meaningful commitment” from developing countries.<sup>48</sup> Although often depicted as a demand for emissions *cuts* from the developing world, the Administration only sought to convince key developing countries to commit not to exceed their projected emissions *growth*. Developing countries’ acceptance of such a baseline would have had the effect of authorizing emissions trading between developing and industrialized nations, which the Administration anticipated would reduce US compliance costs by as much as 60% compared with trading only among Annex 1 countries.<sup>49</sup> In addition, the newly formed “umbrella group,” which was an expansion of the JUSCANZ coalition to include two potential trading partners, Russia and the Ukraine, continued to pressed for maximum flexibility. Although the US was in a strong bargaining position, since it accounted for 36% of 1990 Annex 1 emissions and the Protocol could not come into force until it was ratified by countries comprising at least 55% of Annex 1 1990 emissions, it nonetheless faced opposition on each of these issues from the EU.

In the meantime, Congress defeated “virtually every budget item and bill that so much as mention[ed] the possibility of climate change.”<sup>50</sup> Congress also attached “anti-climate-policy riders” to various other bills to tie the administration’s hands.<sup>51</sup> Similarly, riders routinely prohibited any effort to review corporate average fuel efficiency standards for automobiles.<sup>52</sup> Thereafter, the administration’s, and the public’s, attention was consumed by the Presidential impeachment scandal throughout 1998. During the 2000 election campaign, Republican presidential candidate George W. Bush stated his opposition to the Kyoto Protocol, but at the same time countered his Democratic opponent Al Gore’s strong environmental record by proposing legally binding CO<sub>2</sub> reductions from electric utilities, which account for roughly 40% of US greenhouse gases.<sup>53</sup>

45. Eizenstat 1997.

46. Wirth 2002, 72.

47. S Res 86, 105th congress, Report no 105–170.

48. Lisowski 2002, 111.

49. US Congress 1998, 297.

50. Claussen 2001.

51. Steurer 2003.

52. Lutzenhiser 2001, 512.

53. Whitman 2005.

The 6<sup>th</sup> Conference of the Parties took place in The Hague in November 2000, before the US presidential election, mired in recounts and litigation, could be resolved. Faced with a very real possibility of a Bush presidency, the Clinton administration and its umbrella group partners “launched a last-minute push to resolve in two weeks a host of issues that had been left unsettled for three years.”<sup>54</sup> However, they were again rebuffed by the EU. Vice-President Gore, who had been so influential in breaking the deadlock in Kyoto, remained at home preoccupied with his own battle for the presidency.<sup>55</sup>

The Supreme Court’s declaration of George W. Bush’s victory heralded a dramatic change in the White House’s perspective on climate change. Not only is the Republican Party traditionally closer to the business interests that oppose the Kyoto Protocol, but the President himself was a former Texas oil man and his Vice-President, Dick Cheney, was previously CEO of the world’s largest oilfield support company. In March 2001, just two months after his inauguration, President Bush wrote a letter to four Republican Senators restating his opposition to the Kyoto Protocol and repudiating his earlier pledge to regulate emissions. In his letter to the Senators, the President offered three arguments for the US’ withdrawal from Kyoto.<sup>56</sup> First, the President opposed “the Kyoto Protocol because it exempts 80 percent of the world, including major population centers such as China and India, from compliance.” Second, he emphasized the potential for “serious harm to the US economy,” particularly in light of the US’ reliance on coal for more than half of its electricity. Third, the President cited “the incomplete state of scientific knowledge of the causes of, and solutions to, global climate change.” In reversing his campaign pledge, the President undermined his newly appointed EPA Administrator, Christine Todd Whitman, who had reiterated the administration’s commitment to cap emissions from power plants to her G8 counterparts just days before.<sup>57</sup> Later that month, the President explained, “I will not accept a plan that will harm our economy and hurt American workers. Because first things first are the people who live in America. That’s my priority.”<sup>58</sup>

The extent of scientific uncertainty concerning anthropogenic causes of climate change has been a recurring theme in the Bush White House. When the President announced that the US would not ratify the Kyoto Protocol, he asked the National Academy of Sciences to review the state of climate science. The NAS report subsequently affirmed the recent conclusion of the second IPCC assessment that “There is new and stronger evidence that most of the warming observed over the last 50 years is attributable to human activities.”<sup>59</sup> However, the

54. Wirth 2002.

55. Jacoby and Reiner 2001, 301.

56. “Text of Letter from the President to Senators Hegel, Helms, Craig and Roberts” *Office of the Press Secretary*, 13 March 2001, available at <http://www.whitehouse.gov/news/releases/2001/03/20010314.html>.

57. Whitman 2005.

58. *Los Angeles Times*, 30 March 2001.

59. NAS 2001.

report also concluded that “a causal linkage between the buildup of greenhouse gases in the atmosphere and the observed climate changes during the 20<sup>th</sup> century cannot be unequivocally established,” a statement that the White House and the Republican leadership selectively embraced time and again.<sup>60</sup> In 2003, an internal EPA memo was leaked to the press in which EPA staff complained of heavy-handed White House editing of the climate chapter of EPA’s “Report on the Environment” to the extent that the text “no longer reflect[ed] scientific consensus on climate change.”<sup>61</sup> The report was later released with the climate chapter excised entirely. In 2005, it came to light that the White House editor was Philip A. Cooney, a lawyer with no scientific credentials whose previous job had been as a lobbyist for the American Petroleum Institute. Cooney promptly resigned and accepted a position with ExxonMobil, the company leading the charge against greenhouse gas abatement in the US.<sup>62</sup> The White House’s emphasis on the uncertainty of climate science paled, however, in comparison to statements by the Senator James Inhofe, Chair of the Senate Environment and Public Works committee from 2002 to 2006, who likened global warming to “the greatest hoax ever perpetrated on the American people.”<sup>63</sup>

## The Canadian Road to Ratification

Canada’s commitment to a 6% reduction below 1990 emissions also met with strong opposition at home. If the Prime Minister’s unilateral announcement of a –3% target had not done enough damage to federal-provincial relations, provincial officials and Ministers were outraged by Canada’s acceptance of a final target of –6%.<sup>64</sup> Fortunately, a First Ministers Conference was scheduled to begin in Ottawa just as the meeting in Kyoto concluded. The Premiers emerged from the meeting placated by three reassurances from the Prime Minister.<sup>65</sup> First, the Prime Minister committed that “no region [would be] asked to bear an unreasonable burden,” a phrase that would become something of a mantra for the provinces in the years to follow. Second, the leaders agreed to undertake a study of the costs and benefits of implementation before proceeding to ratification. Third, the First Ministers agreed that development of an implementation plan would be done in partnership with provincial and territorial governments, a concession Alberta Premier, Ralph Klein, enthusiastically declared equivalent to a “provincial veto” over implementation.<sup>66</sup>

60. Mooney 2005, 92.

61. “Issue Paper: White House Edits to Climate Section of EPA’s Report on the Environment,” 29 April 2003; also *New York Times*, 19 June 2003, A1.

62. Kolbert 2006; also *New York Times*, 8 June 2005.

63. “Climate Change Update,” *Senate Floor Statement by US Sen. James M. Inhofe*, 4 January 2005, available at <http://inhofe.senate.gov/pressreleases/climateupdate.htm>.

64. Smith and Macdonald 1999–2000.

65. *Canadian Intergovernmental Conference Secretariat press release*, 12 December 1997, available at [http://www.scics.gc.ca/cinfo/80003606\\_e.html](http://www.scics.gc.ca/cinfo/80003606_e.html).

66. *Vancouver Sun*, 13 December 1997, A4.

In early 1998, the federal and provincial energy and environment Ministers established the National Climate Change Process, co-chaired by Alberta and the federal government. A massive public consultation exercise ensued involving some 450 experts and 225 stakeholders in 16 “issue tables.” For four years after the Kyoto meeting there with few outward signs of federal-provincial discord, largely reflecting that, although there was much discussion, little progress was being made toward a realistic plan to meet Canada’s Kyoto Protocol commitment.

The nature of the challenge Canada faced changed dramatically in the spring of 2001 when President George W. Bush confirmed that the US would not ratify the Kyoto Protocol. As discussed above, Canada’s commitment in Kyoto was predicated on the US accepting a comparable target. The US withdrawal thus had implications for the competitiveness of Canadian industry. The US’ withdrawal from the Protocol also meant that the international community needed both Japan and Russia to ratify in order to reach the 55% hurdle for the treaty to take effect. In that context, the European Union adopted a more generous stance toward the remaining members of the umbrella group at COP-6bis in July 2001. Riding on Japan’s coat tails, Canada received credit for 30 MT for business-as-usual forestry practices, which was *more* than it asked for going into the negotiations, as well as authorization for unlimited reliance on carbon sinks and international mechanisms. However, the gains made at COP-6 satisfied neither critics within the federal government nor among the provinces. Thus, after the Bonn deal was finalized at COP-7 in Marrakesh, Canada renewed an argument, already many times rebuffed by the international community, that it should receive credits for exporting natural gas to the United States, on the grounds that Americans would otherwise be burning more greenhouse gas-intensive oil or coal.

To understand the events that followed, it is critical to situate the Kyoto issue within the context of a leadership struggle ongoing in the federal Liberal party in the summer of 2002. Tensions between the Prime Minister and his long-time rival, Finance Minister Paul Martin, came to a head in June 2002, when Mr. Martin either resigned or was fired from Cabinet, depending on whose account one accepts. There was increasing pressure on the Prime Minister from the Liberal caucus, a majority of whom supported Mr. Martin’s leadership bid. In response, Mr. Chrétien promised both a bold policy agenda in the months to come, and that after completing that agenda he would retire in early 2004.

In the lead up to the “Rio + 10” Conference on Environment and Development in Johannesburg in late 2002, there was speculation that the government would use the occasion to ratify Kyoto, spurring an increase in lobbying from both sides. The business community released estimates that ratification of the Kyoto Protocol would cost Canada 450,000 jobs.<sup>67</sup> In response, over half (96

67. Canadian Manufacturers and Exporters 2002.

out of 172) of Liberal members of Parliament and 23 Liberal Senators signed a letter to the Prime Minister calling on the government to ratify the Kyoto Protocol, with or without “clean energy export credits.”<sup>68</sup> Ultimately, Prime Minister Chrétien announced in his plenary speech in Johannesburg that a resolution to ratify Kyoto would be placed before Canada’s Parliament by the end of the year. Although the Prime Minister’s speech was widely reported as a commitment that Canada would ratify, that was not in fact what Mr. Chrétien promised. In Canada, the decision to ratify international treaties rests with Cabinet, not Parliament. At the time of the Prime Minister’s speech, no decision on the Kyoto Protocol had been made by Cabinet, which senior officials interviewed recalled was “evenly divided” on the issue. However, with the receipt of the backbenchers’ letter, and the knowledge that ratification would be guaranteed support from both the Bloc Québécois and New Democratic Party, the Prime Minister was confident that a resolution would pass, in turn forcing Cabinet’s hand. The plan to place a resolution before Parliament thus was not an announcement of a decision on ratification so much as a strategy to circumvent dissent within Mr. Chrétien’s own Cabinet.

In the fall of 2002, the business community formed the Coalition for Responsible Energy Solutions, which, among other activities, placed a series of full-page newspaper ads across Canada, arguing that ratification of Kyoto would “place Canadian business at a severe disadvantage relative to the United States” and require Canada “to make payments to countries with no targets.” Federal-provincial relations concerning ratification also remained contentious. Only two of ten provinces, Quebec and Manitoba, supported ratification. In contrast, the Premier of Ontario, representing almost 40% of Canadians, stated that his province would not support Kyoto if it killed “even one job.”<sup>69</sup> When the federal government released its much anticipated “Climate Change Plan for Canada” in late November, *all* provincial premiers signed a statement declaring the federal implementation plan “inadequate” and calling instead for a jointly devised national plan.<sup>70</sup> Negotiations between the provinces and the federal government ground to a halt, effectively terminating the joint National Climate Change Process.

What is most striking about the federal implementation plan is its lack of specifics. There was a call to negotiate covenants with industrial sectors but no details as to which facilities would be asked to reduce their emissions by how much. There were promises of public spending but no budgetary commitments for particular projects. There were proposals for measures such as revisions to building codes that could only be undertaken by provincial governments, but no commitment to do so by the provinces. Almost five years to the day after Canada agreed to the Kyoto Protocol, and after a massive national consultation

68. *Ottawa Citizen*, 26 August 2002, A12.

69. Frank 2002.

70. *Canadian Intergovernmental Conference Secretariat press release*, 28 October 2002, available at [http://www.scics.gc.ca/cinfo02/830767004\\_e.html](http://www.scics.gc.ca/cinfo02/830767004_e.html).

exercise, the federal government released what was essentially a plan to develop a plan.

In the lead-up to the House resolution, even federal Cabinet Ministers were remarkably open in their reservations concerning ratification.<sup>71</sup> Fearful of risking support for his leadership campaign in Western Canada, Prime Minister-in-waiting Paul Martin maintained a position of “studied ambiguity” on the question of ratification.<sup>72</sup> With the position on Kyoto not only of many backbenchers but of several of his key Cabinet Ministers uncertain, the Prime Minister declared the Kyoto resolution to be a matter of confidence, an unusual measure given that non-binding resolutions are normally free votes. The Liberal caucus duly fell into line, and on December 10, 2002, the House of Commons passed a resolution calling “upon the government to ratify the Kyoto Protocol on climate change” by a vote of 195 to 77, with all Liberal members present voting in favour. The motion was passed by the Senate two days later, and the day after that the decision to ratify the Kyoto Protocol was made by Cabinet without debate, all Ministers having already publicly supported the resolution in the House. The Environment Minister personally delivered Canada’s ratification papers to the United Nations on December 17, 2002.

## Climate Change Policy in the United States

Victor has described the Bush Administration’s Global Climate Initiative as “a series of voluntary measures and underfunded technology programs designed mainly to give the appearance of a credible response.”<sup>73</sup> The Administration called for a reduction in greenhouse gas *intensity* relative to GDP by 18% by 2008–2012, relying exclusively on tax incentives, public spending on research and development, and a voluntary greenhouse gas registry, a package of “relatively painless and ineffective policies” similar to those proposed by the Clinton Administration.<sup>74</sup> The administration’s proposal offers little more than the projected business-as-usual reduction in intensity of 14% over the same period.<sup>75</sup> Moreover, since the rate of GDP growth is expected to exceed the reduction in intensity, the White House plan, even if successful, is expected to yield a 12% *increase* in greenhouse gas emissions over the decade.<sup>76</sup>

The federal government is not the end of the US story, however. Rabe has documented the tremendous innovation occurring in US climate policy at the state level.<sup>77</sup> Among the most noteworthy developments is the Regional Greenhouse Gas Initiative through which 8 Northeastern and mid-Atlantic states have

71. See, for instance, *Ottawa Citizen*, 29 November 2002, A12; and *National Post*, 18 November 2002, A15.

72. Author’s confidential interview with member of Mr. Martin’s campaign team, 2006.

73. Victor 2004, 130.

74. Aldy 2004.

75. *Ibid.*

76. Kolbert 2006, 159.

77. Rabe 2004.

agreed to cap greenhouse gas emissions from power plants at 2009 levels by 2015, and to mandate a 10% reduction by 2018.<sup>78</sup> In addition, the state of California promulgated a regulation requiring that greenhouse gas emissions from new vehicles be reduced by 30% by the 2016 model year. Under the federal Clean Air Act, California can only depart from national vehicle emission standards with approval of the Environmental Protection Agency, which has yet to make a determination. However, as of July 2007 fourteen other states, which together with California comprise almost half of the US vehicle market, have indicated that they will match the California standard if it is approved.<sup>79</sup> Finally, in 2006 California passed the Global Warming Solutions Act, which mandates that the Air Resources Board adopt regulations as necessary to return the state's total emissions to 1990 levels by 2020. Several other states have since followed California's lead in setting comparable targets.<sup>80</sup>

Although the federal government has yet to match the innovation occurring at the state level, a flurry of energy and climate bills has emerged since the Democrats won majorities in both houses of Congress in the 2006 midterm election. Moreover, leading contenders for the Presidential nomination of both parties are staking out more aggressive positions on climate change than reflected in past federal policies. The US federal government is thus posed for change on climate policy, though only time will tell what measures are adopted.

## Canadian Climate Policy

When the high drama of ratification subsided, the Canadian government issued a low-key announcement that it had committed to industrial sources that they would not have to pay abatement costs of more than \$15/tonne CO<sub>2</sub> nor make reductions greater than 15% below business as usual projections for 2010.<sup>81</sup> The magnitude of these concessions is evident if one considers that a study conducted for the National Climate Change Process estimated a marginal abatement cost of \$250/tonne to achieve domestic reductions of just 200 MT, less than needed to achieve compliance.<sup>82</sup> The 15% guarantee also did not jibe with estimates that Canada would need to make at least a 30% reduction below projected 2010 emissions to meet its Kyoto target, especially if one considers that industry accounts for half of Canada's emissions. The implication of the concessions to industry thus was that if Canada was to meet its Kyoto Protocol target, the federal government would have to spend significant sums of taxpayers'

78. For further information, see the Regional Greenhouse Gas Initiative website, available at <http://www.rggi.org/about.htm>.

79. Pew Center on Global Climate Change, press release, July 2007, available at [http://www.pewclimate.org/what\\_s\\_being\\_done/in\\_the\\_states/vehicle\\_ghg\\_standard.cfm](http://www.pewclimate.org/what_s_being_done/in_the_states/vehicle_ghg_standard.cfm); and US Census Bureau, 2006 Population Estimates.

80. "A Look at Emissions Targets," Pew Center on Global Climate Change, available at [http://www.pewclimate.org/what\\_s\\_being\\_done/targets](http://www.pewclimate.org/what_s_being_done/targets).

81. See Dhaliwal 2002; and Chrétien No Date.

82. Bataille, Laurin et al. 2002.

money either to subsidize domestic reductions or to purchase credits on international markets.

When Jean Chrétien retired in December 2003, the government of his successor, Paul Martin, introduced a new plan in April 2005.<sup>83</sup> Although “Project Green” proposed a cap and trade program for industry, that regulatory approach would have accounted for just 13% of the reduction Canada needed to meet its Kyoto Protocol commitment. In contrast, three quarters of proposed reductions were to be delivered through public expenditures. Project Green was conspicuously silent on the extent to which the new Climate Fund would rely on spending on *international* emissions credits, though an early draft suggested that purchases of at least 40% of Canada’s commitment were anticipated.

Canada’s effort to fulfill its commitment under the Kyoto Protocol, while faltering at best under the Liberals, ground to a halt with the election in January 2006 of a Conservative minority led by Stephen Harper, who had previously described the Kyoto Protocol as a “socialist scheme to suck money out of wealth-producing nations.”<sup>84</sup> Within months, the new Environment Minister announced that it was “impossible for Canada to reach its Kyoto target,”<sup>85</sup> a claim that conveniently ignored the Kyoto Protocol’s international mechanisms. The Conservatives cancelled many of their predecessors’ climate programs, and declined to implement the expenditures on domestic offsets and international credits proposed in Project Green.

The Harper government released its own “Made-in-Canada” plan in October 2006. The plan proposed to begin yet another round of consultations on regulations for automobiles and industry, with targets to be guided by a goal of ending emissions *growth* by 2025. However, the government apparently had not anticipated the dramatic surge in attention to the environment that occurred among Canadians in late 2006. With climate change voters’ top-of-mind issue by year-end, and the opposition parties united in their rejection of the minority government’s plan, the Conservatives followed their Liberal predecessors’ lead in announcing public expenditures on biofuels, public transit, and climate research. The government also revised its target, proposing to end emissions growth “as early as 2010,” to be followed by a reduction of 150 MT by 2020, though that would still leave Canada roughly 20% above its Kyoto Protocol target a decade after the deadline.

In contrast to US states, Canadian provinces not only have been slow to innovate, but spent the last decade either resisting federal efforts or demanding federal money for climate programs.<sup>86</sup> However, provincial governments also have begun to respond to the rise in public interest in the environment.<sup>87</sup>

83. Government of Canada 2005.

84. *Globe and Mail*, 30 January 2007.

85. *Globe and Mail*, 8 April 2006, A5.

86. Rabe 2005.

87. *Vancouver Sun*, 14 February 2007, A1.

## Explaining Canadian and US Divergence with Respect to Ratification

That Canada and the US undertook comparable commitments at COP-3 in Kyoto is not surprising, since Canada's position was predicated on that of the US. Thereafter, however, the two countries' paths diverged. President George W. Bush announced that the US would not ratify the Kyoto Protocol, while Canada proceeded to ratify in December 2002. To be sure, the Kyoto commitment Canada accepted in 2002 was less demanding than the one the US rejected in 2001, since the US' withdrawal prompted concessions to remaining umbrella group members from other Kyoto signatories. Yet it remains the case that Canada accepted a very demanding target in ratifying the treaty, well beyond the plan advanced by its neighbor. How can we account for this divergence in light of the two countries' similar circumstances and close economic integration?

Steurer has argued that "the Bush administration's retreat from the Kyoto Protocol must be seen against the background of weak public support for climate policy and the political power of numerous well organized special interests."<sup>88</sup> While that is undoubtedly true, the same could be said of Canada. Electoral and interest group politics cannot account for the divergence between Canada and the US with respect to the Kyoto Protocol. The electorate's partisan preferences, largely based on issues other than climate change, arguably had some influence—it is inconceivable that a Conservative government led by Stephen Harper would have ratified Kyoto in 2002 after the US withdrawal. That said, opposition to ratification in the US Senate was bipartisan. And although the demise of the Kyoto Protocol in the US is popularly attributed to the election of Republican President George W. Bush, Democratic President Bill Clinton also did not succeed in securing ratification.

In the face of political disincentives for ratification in both countries, we turn to the influence of ideas, both causal and normative. The forgoing accounts of climate policy-making in Canada and the US reveal greater political debate concerning climate science in the US. While Congressional leaders and President Bush himself have questioned prevailing climate science, by the time of Canada's ratification in 2002 neither the governing Liberals nor the opposition parties seriously challenged the scientific rationale for action. Does the US decision not to ratify the Kyoto Protocol reflect the fact that Canadian and American policy-makers simply had different causal beliefs? While one cannot rule that out definitively, the White House's selective citations and Congressional leaders' efforts to give equal time to the minority perspective of skeptical scientists are suggestive of a deliberate strategy to "manufacture uncertainty."<sup>89</sup> Indeed, a leaked memo sent to all House Republican press secretaries in advance of the 2002 congressional election by a party strategist stated, "You need to continue to make the lack of scientific uncertainty a primary issue in the debate. . . The scientific debate is closing but not yet closed. There is still a window of opportu-

88. Steurer 2003.

89. Mooney 2005, 82.

nity to challenge the science."<sup>90</sup> Viewed in that light, differences in the degree of political debate about climate science in Canada and the US seem less a matter of genuine disagreement on the facts than of the economic interests so closely guarded by members of Congress masquerading as scientific debate.

While norms are, by definition, broadly shared, in the end policy decisions are made by individuals, who vary in the weight they assign even to widely shared values such as environmental protection. The question thus becomes how willing key individuals are to accept political risks in pursuit of their personal values. There was evidence of normative commitments to protect the global commons at the highest levels in both countries. Al Gore and Bill Clinton were both engaged in the Kyoto negotiations and later persisted in trying to salvage US participation in the Kyoto Protocol despite Senate opposition. Similarly, Prime Minister Chrétien was highly engaged at critical moments, including the Kyoto negotiations, COP-6, and the lead-up to ratification, though apparently less engaged with the details of how to fulfill that international commitment. When asked what motivated Mr. Chrétien to support ratification despite significant opposition from business and the provinces, to a one Cabinet colleagues and senior officials interviewed pointed to principled beliefs, offering remarkably close variations on the words of one of Mr. Chrétien's Cabinet colleagues that, "he believed it was the right thing to do." It is telling, however, that Mr. Chrétien's apparent conversion to environmentalism came at the end of his political career, when a tradeoff between personal values and electoral interests would have been easier to make. That said, Bill Clinton was also a "lame duck," but simply did not have the institutional wherewithal to leave a comparable legacy.

That Canadian Prime Minister Chrétien's values prevailed with respect to ratification of the Kyoto Protocol, while US President Clinton's did not, reflects the very different institutional context of these two leaders. Walsh has argued that politicians' ideas will have a greater impact when institutions concentrate authority to implement those ideas.<sup>91</sup> Consistent with this, Mr. Chrétien was able to take advantage of strong party discipline in Canada's parliamentary system to convince sceptics within his own Cabinet to ratify Kyoto. In contrast, while much has been made of the Bush administration's announcement that the US would not ratify the Kyoto Protocol, Vice President Dick Cheney has accurately observed, "Kyoto was a dead proposition before we ever arrived in Washington."<sup>92</sup> It was the US Senate, not George Bush, that was responsible for the US' non-ratification of Kyoto.

The discussion thus far has focused primarily on domestic factors. However, international forces can influence both material interests and ideas in domestic debates. With respect to the former, the prospect of losing competitiveness with other countries was central to business opposition to ratification in

90. Luntz Research Companies (ND).

91. Walsh 2000.

both countries. Competitiveness with developing countries was prominent in both the Senate's Byrd-Hagel resolution and President Bush's justification for US withdrawal from the Kyoto Protocol. In the Canadian context, the central consideration was trade *with the US*. That explains why the Canadian government so closely tracked the US in negotiating its original commitment in Kyoto, and also why the US' withdrawal from the treaty greatly strengthened opposition to ratification from Canadian business, provinces, and even some Cabinet Ministers. However, in the end Canada's decision to ratify is not consistent with this factor.

In that respect ideas clearly prevailed over material interests. Bernstein has emphasized the influence of the international norm of "liberal environmentalism" on both the Kyoto Protocol and Canadian climate policy.<sup>93</sup> While the premise of liberal environmentalism that free trade and environmental protection go hand in hand may have been influential when the Kyoto Protocol was negotiated, it is hard to reconcile with the heated debate about the implications of ratification for competitiveness that took place in Canada after the US' withdrawal from the treaty. There is, however, another respect in which international norms mattered. Many of those interviewed stressed Mr. Chrétien's personal commitment to multilateralism as another factor explaining why the Prime Minister made the call in favour of ratification.

## Comparing Canadian and US Climate Policies

Although Canada and the US opted for different paths with respect to ratification, it is questionable how closely Canada has adhered to its chosen path. To date, the federal governments of both countries have relied exclusively on voluntary programs and relatively minor public expenditures, rather than more effective, but politically contentious, taxes or regulations. The more significant expenditures on domestic offsets and international credits proposed by the Liberal government in 2005, which would have set Canada apart from the US, were cancelled by their Conservative successors. The current Canadian government has departed from the US in committing to development of regulations for greenhouse gas emissions from industry. However, a number of US states also have committed to regulating industrial emissions, and with more aggressive targets.

The limited impact of both countries' abatement policies is evident when one considers emissions trends. As indicated in Table 1, emissions increased by 16% from 1990 to 2005 in the US, but by 25% over the same period in Canada. With emissions growth projected to continue until at least 2010, there is virtually no chance that Canada will meet its Kyoto Protocol target. The difference in the rate of emissions is noteworthy since the two countries have ex-

92. Kahn 2003, 564.

93. Bernstein 2002, 230.

**Table 1**

Comparison of US and Canadian Emissions and Emissions Trends

	USA	Canada
2005 greenhouse gas emissions, excluding LULUCF (t CO <sub>2</sub> eq)	7260	747
2005 per capita greenhouse gas emissions, excluding LULUCF (t CO <sub>2</sub> eq)/person	24.6	22.8
2005 Emissions intensity (Mt CO <sub>2</sub> eq/B\$US GDP)	0.58	0.58
Population Growth, 1990 to 2005	18%	18%
GDP growth, 1990 to 2005	55%	52%
Emissions increase, 1990 to 2005	16.3%	25.3%
Decrease in emissions intensity relative to GDP, 1990 to 2005	-25%	-18%

Sources: Emissions from national reports to FCCC ([http://unfccc.int/ghg\\_emissions\\_data/items/3954.php](http://unfccc.int/ghg_emissions_data/items/3954.php)); population from US Census Bureau (<http://www.census.gov/ipc/www/idbrank.html>); GDP from UN Statistics Division (<http://unstats.un.org/unsd/snaama/selectionbasicFast.asp>).

perienced comparable population and economic growth over the relevant period (Table 1). However, closer inspection of the Canadian inventory reveals that increased production of the oil and gas industry accounts for about one third of the increase in Canadian emissions. If one assigns to the US rather than Canada the 45 MT of new emissions associated with increased exports of oil and gas to the US,<sup>94</sup> emissions growth in the two countries has actually been comparable: 17.0% in the US and 17.8% in Canada.

While climate policies have been relatively ineffectual in both countries, it is nonetheless striking that Canada has not made greater progress than the US given its ratification of the Kyoto Protocol. Three possible explanations are suggested by the forgoing discussion. First, while normative commitments may prevail concerning ratification, opposition from domestic interests looms larger as countries confront the challenge of actually delivering on their commitments. As Smith has observed, "norm-building is cheap and implementation is not."<sup>95</sup> Second, different institutions can have impacts at different stages. While the concentration of authority in parliamentary government facilitated Canada's ratification, its decentralized federal system has been a significant obstacle to implementing that commitment. Finally, an ideational commitment that turns on an individual politician's values is a fragile one indeed. While Jean Chrétien's Liberal successor, Paul Martin, merely dithered, Conservative Prime Minister Stephen Harper simply pulled the plug on Canada's Kyoto Protocol commitment when he was elected in 2006.

94. Government of Canada 2007.

95. Smith 2001.

## Conclusion

This paper has illustrated the utility of shifting from the lens of international relations to comparative politics in understanding individual countries' climate policies. Others have noted the impact of ideas on Canada's ratification. Similarly, other scholars have emphasized the role of institutions in explaining the US' non-ratification. However, the juxtaposition of the Canadian and US decisions reveals that it is the interaction of ideas and institutions that explains the outcome. An ideational commitment to protection of the global commons was necessary, particularly in the face of opposition from the business community, yet not sufficient to ensure ratification in the absence of supportive institutions.

That said, the contrast between the divergence of Canada and the US with respect to ratification of the Kyoto Protocol and the similarity of their actual climate policies suggests that it may be easier for domestic and international norms to exert greater influence on the international stage, where the prospect of domestic winners *and* losers is merely an abstraction. As one proceeds from international negotiations to ratification, and especially on to adoption of concrete policies needed to achieve compliance, the domestic political challenges loom larger. While Canadian politicians' own values carried the day with respect to ratification, in the absence of a meaningful commitment from the electorate, that normative impulse could not be sustained in the face of institutional obstacles and persistent business opposition.

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