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Energy and Global Warming: Catch-Up Countries against Mature Economies

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Abstract: At the big reunions of the UNCC, two groups stand against each other. On the one hand, there is the catch-up set of countries that have recently taken off economically and that will not accept a trade-off between economic development and environmental need of cutting emissions. On the other hand, there is the set of mature economies that grow sluggishly and have started to cut back on fossil fuels, especially coal. The first set of nations want the second set to pay for their gigantic energy transformation in a few decades – decarbonisation. The first set claimed that had not created the big problem originally, and that fairness requires that the rich help the poor. At the COP21 summit, a deal was struck, worth 100 billion dollars per year to fund a [Stern \(2007\)](#) like Super Fund. But will it really be put in place and made operational?

Keywords: Early against late industrialisers; Catch-up; Take-off; Energy; GDP; Emissions (GHG or CO₂); Super Fund.

1. Introduction

The UNCCC is on its 22nd general meeting about climate change and what to do against it. The COP21 resulted in a major deal among the governments of the world, or 193 of them signing on. But the COP22 has now had to establish that promises are not enough. As a matter of fact, the UNCCC runs with extremely high transaction costs, because delay is a basic strategy in collective choice. What is at stake is energy and its implications for jobs, economic growth and income or wealth.

The logic of globalization is the links between GDP – energy consumption – greenhouse gases. The last decades have witnessed an enormous increase in energy consumption, mainly fossil fuels, that have been accompanying the expansion of global GDP and the “catch-up” processes in emerging market economies. The outcome has been the rise of the level of CO₂ in the atmosphere to record levels with attending temperature rise, among other things like droughts, ocean heating and acidification, water shortages, etc.

This paper examines the expansion in energy consumption among the big GHG or CO₂ polluters.

2. Theory: Population, Energy Sources and Emissions

More of people mean more *anthropogenic* emissions every day. They breathe carbon dioxide, which necessarily entails that huge countries pollute more than small ones, speaking to total CO₂s. But the additional causes for GHG:s include economically relevant factors, especially energy consumption. To understand the debates within the UNCCC conferences and the call for a Super Fund, one must separate between catch-up countries on the one hand and mature economies on the other hand. They face entirely different conditions for implementing the COP21 goals:

- Halting CO₂s by 2020
- = Reducing CO₂s by 40 per cent
- Complete decarbonisation by 2075.

Kaya's Model

The best model of carbon emissions to this day is the so-called Kaya model. It reads as follows in its standard equation version – *Kaya's identity*:

(E1) Kaya's identity projects future carbon emissions on changes in Population (in *billions*), economic activity as GDP per capita (in *thousands of \$US(1990) / person year*), energy intensity in *Watt years / dollar*, and carbon intensity of energy as *Gton C as CO₂ per TeraWatt year*.” (<http://climatemodels.uchicago.edu/kaya/kaya.doc.html>)

Concerning the equation (E 1), it may seem premature to speak of a law or identity that explains carbon emissions completely, as if the Kaya identity is a deterministic natural law. It will not explain all the variation, as there is bound to be other factors that impact, at least to some extent. Thus, it is more proper to formulate it as a stochastic law-like proposition, where coefficients will be estimate using various data sets, without any assumption about stable universal parameters. Thus, we have this equation format for the Kaya probabilistic law-like proposition, as follows:

(E2) Multiple Regression: $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_tX_t + u$

Note: Y = the variable that you are trying to predict (dependent variable); X = the variable that you are using to predict Y (independent variable); a = the intercept; b = the slope; u = the regression residual.
Note: <http://www.investopedia.com/terms/r/regression.asp#ixzz4Mg4Eyugw>

Thus, using the Kaya model for empirical research on global warming, the following anthropogenic conditions would affect positively carbon emissions:

(E3) $CO_2:s = F(\text{GDP/capita, Population, Energy intensity, Carbon intensity})$, in a stochastic form with a residual variance, all to be estimated on most recently available data from some 59 countries.

Empirical Findings

I make two empirical estimations of this probabilistic Kaya model, one longitudinal for 1990-2014 as well as one cross-sectional for 2014.

a) Longitudinal analysis

I make an empirical estimation of this probabilistic Kaya model - the longitudinal test for 1990-2014, World data 1990 - 2015:

(E4) $\ln CO_2 = 0,62 * \ln \text{Population} + 1,28 * \ln(\text{GDP/Capita}) + 0,96 * \ln(\text{Energy/GDP})$; $R^2 = .90$.

b) Cross-sectional analysis

In a stochastic form with a residual variance, all to be estimated on data from some 59 countries, I make an empirical estimation of this probabilistic Kaya model - the cross-sectional test for 2014:

(E5) $k_1 = 0,68, k_2 = 0,85, k_3 = 0,95, k_4 = 0,25$; $R^2 = .80$.

Note: $\ln CO_2 = k_1 * \ln(\text{GDP/Capita}) + k_2 * (\text{dummy for Energy Intensity}) + k_3 * (\ln \text{Population}) + k_4 * (\text{dummy for Fossil Fuels/all})$ Dummy for fossils 1 if more than 80 % fossil fuels; k_4 not significantly proven to be non-zero, all others are. (N = 59).

These two tests of the Kaya model shows that the key factors in anthropogenic climate change are the size of the economy, energy consumption and the carbon content of energy.

3. Total Emissions and Per Capita Emissions

The more a country has passed its “take-off” stage, hunting the “catch-up” option of strategy, the larger the energy-emissions effects. Similarly, the more the country in its “catch-up” strategy relies upon fossil fuels, especially coal, the larger the impact upon $CO_2:s$.

Kaya’s model explains total $CO_2:s$ by means of the huge country factors, such as GDP and population as well as energy mix. This is all about total emissions, which makes a set of 10-15 countries mainly responsible for the energy-emission conundrum, with some 70 per cent of $CO_2:s$. If one adds global transportation on sea and in air, one arrives at almost 80 per cent of aggregate emissions. Of course, these are the countries whose governments should conduct anti global warming policies, not an unwieldy set of 200 countries, running up transaction costs.

However, taking emissions per capita into account and speaking of fair contributions to halt climate change alters the debate fundamentally. The high per capita emissions are to be found with the rich countries, i.e. the mature economies and the Gulf States as well as the newly rich Asian Tigers. They should take their fair share of the burden, even if huge poor nations pollute more.

In principle, there are two ways for rich countries to do more than poor countries within the COP21 project of decarbonisation:

- Cut GHG:s proportionally more than COP21 Goals;
- Pay much more to the Super Fund.

Let us examine a few countries from the point of view of energy and emissions. These countries play a major role in the global warming debate, as the huge populous countries – the G20 – are responsible for almost 80 per cent of emissions. If they could coordinate an adequate response, one would not need the cumbersome UNCCC and its transaction costs heavy conferences.

Yet, besides aggregate emissions we have emissions per person. The Third world will always remind the first world that emissions per capita tends to be higher in rich countries than in poor countries. What are the implications for the goals of global decarbonisation?

If indeed energy is the missing link between GDP and emissions, then we expect to find increasing emissions in rapidly expanding economies, driven by the consumption of more and more energy resources. Similarly, one would expect decreasing emissions in countries where energy consumption has stalled. The type of energy used must also be taken into account, as nations with considerable renewable energy sources or atomic power would have less emissions.

After the Second World War, the global economy was divided into three world, of which the Second world now has disappeared with the exception of North Korea. Thus, we:

- Set I: Rich countries, mature economies;
- Set II: Poor countries, emerging economies.

The general trend is for countries in set II to “catch-up” with set I, closing the gap in GDP. Not all countries in set II succeed in doing so, as several Third World countries fall even more behind. But enough countries in set II has managed to stage a “take off” point from which they catch up with the First World. First East Asia did so, then South

East Asia and finally South Asia. Catch-up strategies are to be found also in the Arab World – Gulf States – and Iran besides Latin America – Brazil, Chile and Mexico for instance. The emerging economies bet upon one factor to succeed in closing the gap, namely access to massive amounts of energy.

4. Countries With Strictly Increasing Curve

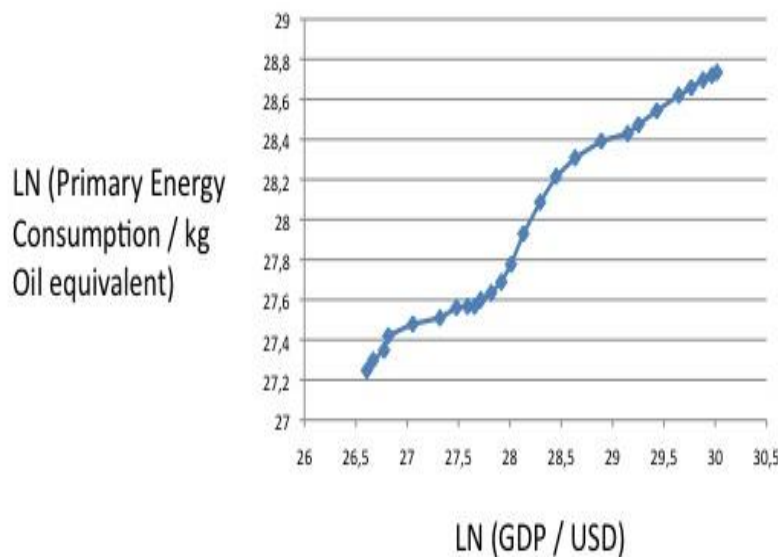
I will examine the development of total energy in a few countries during the recent decades to get a grip upon this driving factor in the global warming process, speaking of anthropogenic causes of climate change. These countries constitute the heavy polluters, when it comes to aggregates. We start with Number 1: China.

CHINA

In a uniquely rapid economic development over a few decades, China has moved from the Third World to the First World with stunningly new giant cities cropping up and modern infrastructure being introduced to its old cities. With economic growth rates hovering around 10 per cent, China is no longer a poor nation. The trick has been to employ market incentives a la Hayek (1991), resorting to a massive mobilisation of energy, partly imported from Australia among others. Figure 1 has the colossal step forward towards a mature economy.

Figure-1. Energy and GDP: $y = 0,46x$; $R^2 = 0,97$

GDP – Energy Consumption China 1990 - 2015

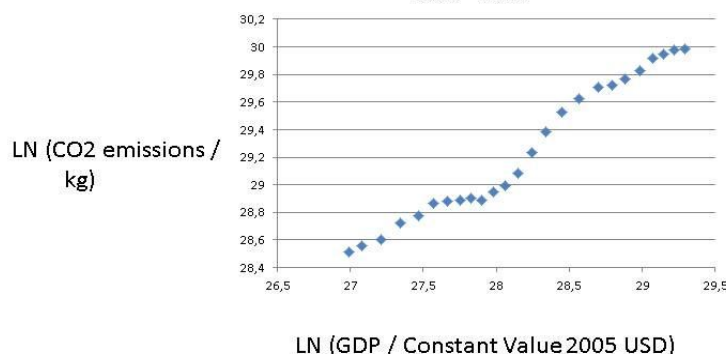


China has multiplied its energy usage several times over, drawing upon internal and external resources, mainly fossil fuels. It used to rely upon internal oil and natural gas, but now it is a major global importer. Its exports are gigantic to the US and the EU, and it is tying other Third World countries into patterns of cooperation, or some would say dominance economically, like African nations and Pakistan. However, the price is not only overall environmental deterioration but also the world's largest CO2 emissions (Figure 2).

A few nations do not depend upon any foreign assistance, because they are highly developed technologically and can draw upon own substantial financial resources. One may find that the emissions of GHG:s follows economic development closely in many countries. The basic explanation is population growth and GDP growth – more people and higher life style demands. Take the case of China, whose CO2 emissions are the largest in the world, totally speaking . China was a Third World country up until yesterday.

Figure-2. CHINA: GDP-CO2 link: $y = 0,70x$; $R^2 = 0,97$

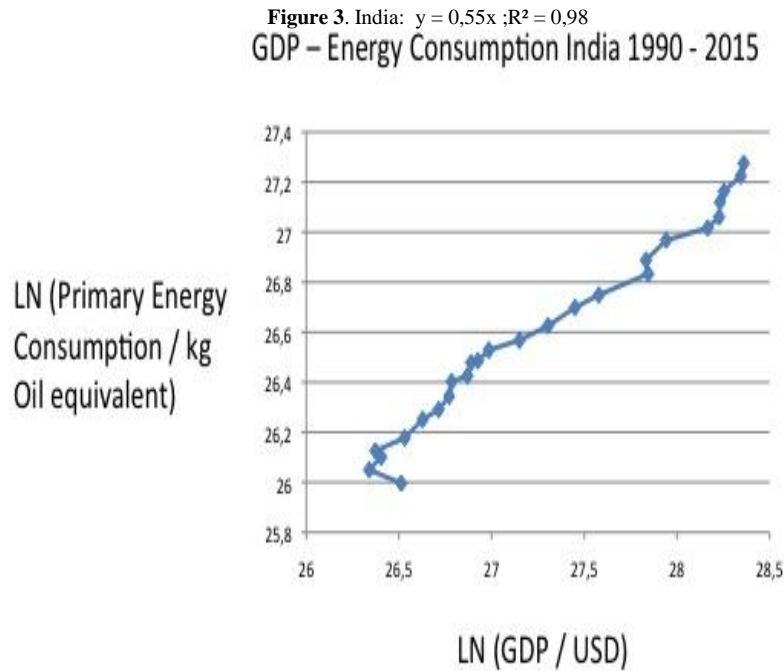
GDP-CO2 emissions China
1990 - 2014



The sharp increase in CO₂s in China reflects not only the immensely rapid industrialization and urbanization of the last 30 years, but also its problematic energy mix.

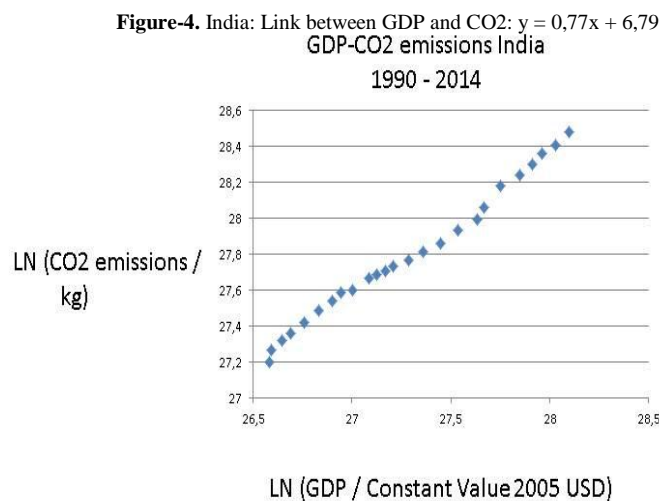
INDIA

Energy consumption in India is planned to augment over the coming decade, as the ambition is to provide electricity to the whole population. Some 300 million people are today without electric power, and the population of India is growing fast. Mass poverty is the only outcome of this imbalance between total energy and total population, where India is heading for becoming the largest country in the world soon population wise. Public intellectual and former minister [Ramesh \(2015\)](#) states that India has no alternative but to build more coal fire energy plants. Thus, we may expect that Figure 3 will show more of an upward trend in the decade to come.



Besides burning lots of fossil fuels, Indian households rely much upon wood coal in its various forms, uch as charcoal, peat and dung. Wood coal is detrimental to people and the environment. As wood coal releases CO₂s, the use of biomass is typically defended by the argument that it also stores CO₂, meaning that biomass would be basically carbon neutral. However, this argument completely bypasses that wood coal in poor nations is conducive to deforestation and desertification, which is what happens on a large scale in India. Figure 6 shows the constant increase in emissions.

India will certainly appeal to the same problematic, namely per capita or aggregate emissions. The country is more negative than China to cut GHG emissions, as it is in an earlier stage of industrialization and urbanization. Figure 4 shows the close connection between carbon emissions and GDP for this giant nation.



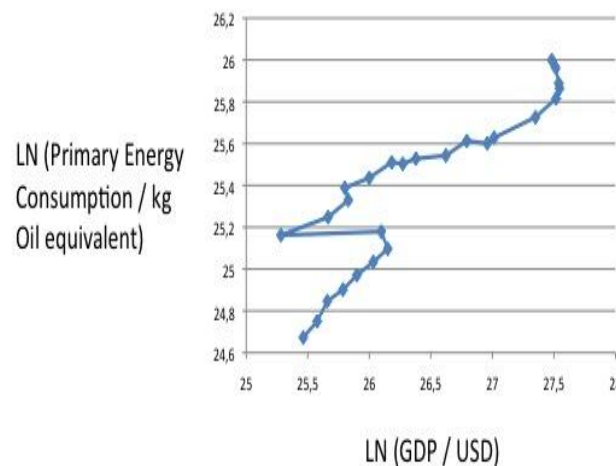
India needs cheap energy for its industries, transportation and heating as well as electrification. From where will it come? India has water power and nuclear energy, but relies most upon coal, oil and gas as power source. It has strong ambitions for the future expansion of energy, but how is it to be generated, the world asks. India actually has

one of the smallest numbers for energy per capita, although it produces much energy totally. In its energy mix traditional renewables – wood, charcoal and dung - play a bigger role than in for instance China.

INDONESIA

Indonesia has rapidly moved up as a major consumer of energy in the early 21st decade., reflecting growth in political stability and a strong effort to catch-up with the other Asian miracles. It has definitely passed its "take-off" point, but interestingly its enormous consumption of energy has not been accompanied by high economic growth in most recent years.

Figure-5. Indonesia: $y = 0,46x$; $R^2 = 0,79$
GDP – Energy Consumption Indonesia 1990 - 2015

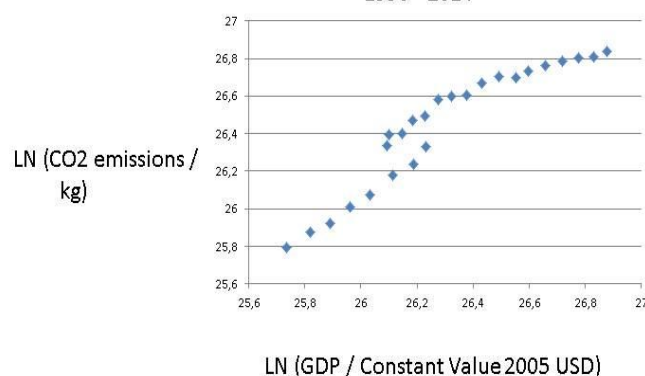


The inward and upward sloping curve for Indonesia must be of concern to the elite in the country, because Indonesia has become a major contributor to CO₂ emissions. If economic growth stalls due to inflation, then how to defend the enormous emissions?

The bad CO₂ emissions stem partly from the burning of rain forests and adjacent land on Kalimantan and Sumatra, which the government is too weak to control. The illegal fires affect other neighbouring countries but little is done to stop them. The search for more agriculture, especially soya plantations, drives the externality. Emission even outpaces energy consumption.

One may guess correctly that countries that try hard to "catch-up" will have increasing emissions. This was true of India. Let us look at three more examples, like e.g. giant Indonesia – now the fourth largest emitter of GHG:s in the world (Figure 6).

Figure 6. Indonesia: GDP-CO₂ link: $y = 0,95x + 1,58$; $R^2 = 0,89$
GDP-CO₂ emissions Indonesia
1990 - 2014

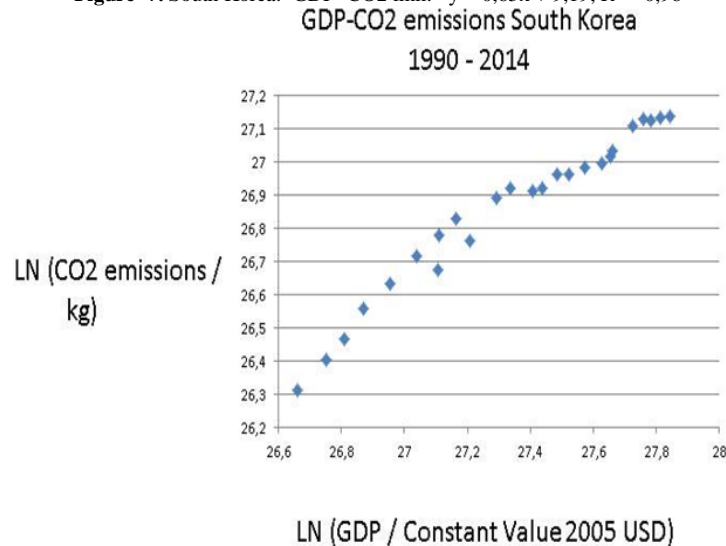


Indonesia is a coming giant, both economically and sadly in terms of pollution. Figure 6 reminds of the upward trend for China and India. However, matters are even worse for Indonesia, as the burning of the rain forest on Kalimantan and Sumatra augments the GHG emissions very much. Only 4 per cent comes from hydro power with 70 per cent from fossil fuels and the remaining 27 per cent from biomass, which alas also pollutes.

SOUTH KOREA

A major industrial country in East Asia is South Korea with an advanced economy and large population. It deviates from the pattern of mature economies to display a slowing down in the CO₂:s.

Figure -7. South Korea: GDP=CO2 link: $y = 0,65x + 9,19$; $R^2 = 0,96$

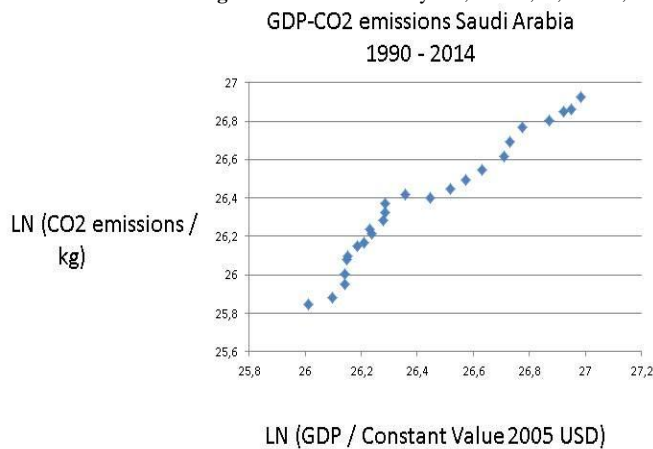


Lacking much hydro power, South Korea has turned to fossil fuels for energy purposes, almost up to 90 per cent. Now, it builds nuclear plants, but South Korea needs to move aggressively into solar power to reverse trends. It differs from China only in the reliance upon nuclear power, where the country is a world leader in plant constructions. Reducing its GHG emissions, South Korea will have to rely much more upon modern renewable energy sources, as well as reducing coal and oil for imported gas or LNGs.

SAUDI ARABIA

The upward sloping curve for GDP and CO2:s is characteristic for the oil and natural gas producing countries. Some of them have already caught up, but remains committed to keep expanding their wealth, like giant Saudi Arabia (Figure 8).

Figure-8. Saudia Arabia: $y = 1,03x - 0,77$; $R^2 = 0,95$

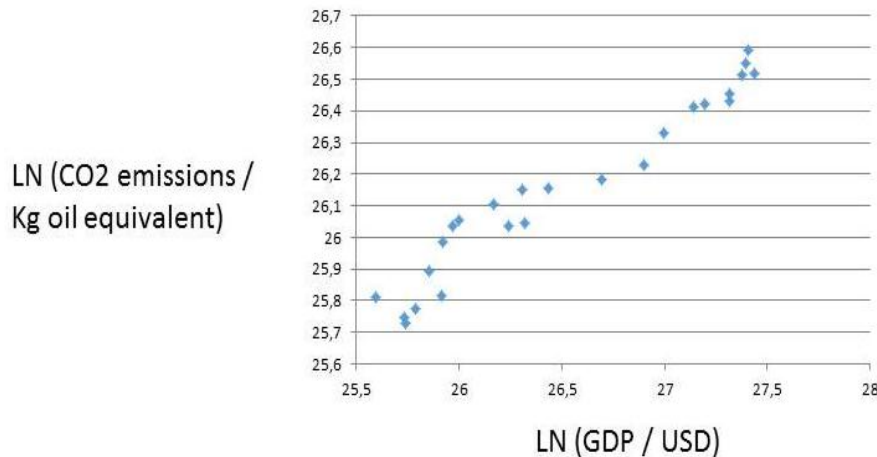


The drop in the oil price during 2016 has hurt Saudi Arabia badly, as it is now considering a new economic policy to maintain its affluence. Does it have enough resources for decarbonisation according to the COP21 scheme. As long as the oil price stays low, the incentives for decarbonisation must be weak.

TURKEY

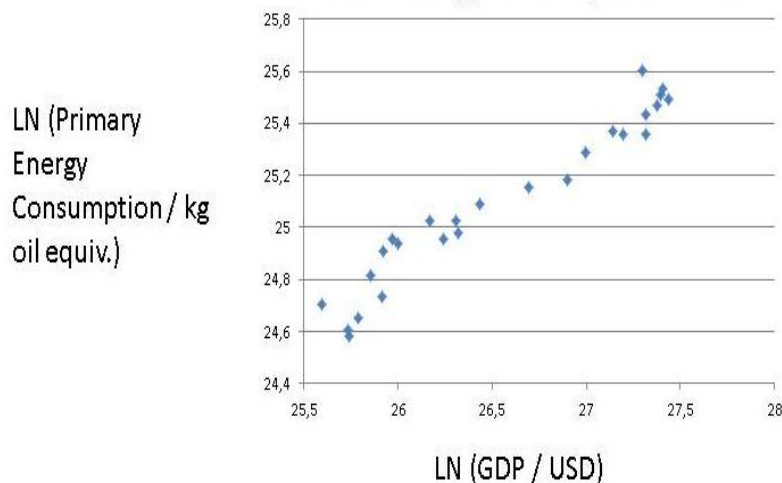
Turkey is a giant country that has experienced its take-off some decades ago and is now pursuing a firm strategy of catch-up. It needs massive amounts of energy that results in the typical upward slope in Figure 9

Figure-9. Turkey GDP=CO2 link: $y = 0,41x$; $R^2 = 0,95$
GDP – CO2 Emissions Turkey 1990 - 2014



Turkey has become a heavy-weight in the Asia Minor thanks to a rapid economic development of the country with huge population. Figure 10 supports this picture of Turkey as no longer a developing country.

Figure-10. Turkey: energy-GDP link
GDP – Energy for Turkey 1990 – 2015



Comparing the picture for Turkey with that of France and Germany, one may state that Turkey has the most typical curves. Strong economic development is combined with heavy emissions increase. Since the world organisations – the UN, WB and IMF – opt for more of economic growth, one must ask whether emissions growth really can be halted.

Summing Up: The above countries are responsible for a huge part of the CO2 emissions. As they pursue the "catch-up" strategy in relation to the advanced capitalist countries, they are not very eager to take on the burden for global decarbonisation, especially if it hurts economic development. They would demand compensation from the promised Super Fund.

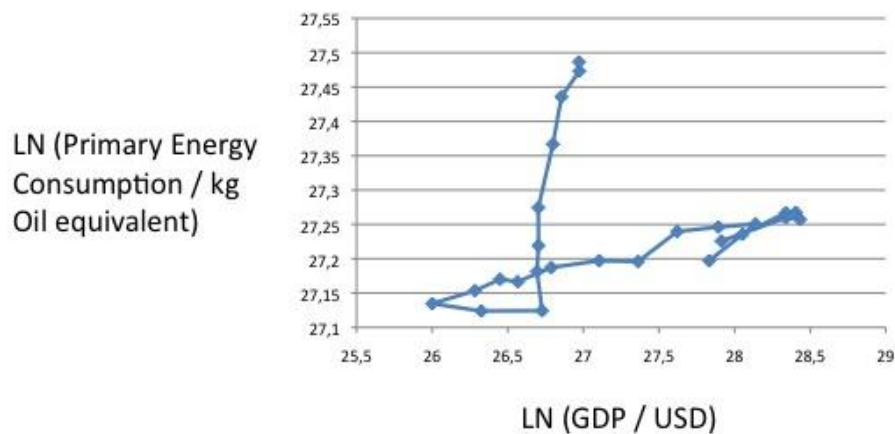
5. Countries With Volatile But Upward Curve

Besides the above countries, one must mention Russia and Brazil with heavy emissions and an ambition not to lag behind. Yet, their energy consumption curves are somewhat erratic, reflecting the lack of both economic and political stability in these two nations.

RUSSIA

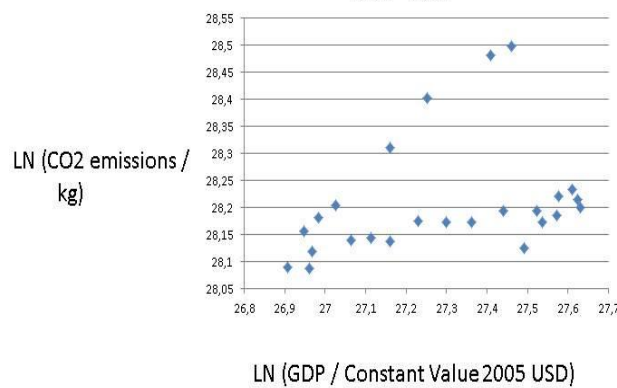
Concerning emissions, Russia comes very high, reflecting not only its past but also its economy geared towards natural resources. In terms of energy, Russia is on an upwards trend, although it used more in the 1990s before the "dirty" industries were dismantled. Figure 11 has the erratic GDP-energy link for this country.

Figure-11. Russia: $y = 0,024x$; $R^2 = 0,036$
GDP – Energy Consumption Russia 1990 - 2015



The statistics for Russia is erratic, but recently the trend is up. The country could never fulfill the three decarbonisation goals above. It runs on fossil fuels to 90 per cent. Russia has accepted that its hope for a major industrialization failed, concentrating its ambitions on the hope of being a global resources based economy. Energy wise, Russia is a fossil fuel country that when faced with the implications of decarbonisation a la CO21 will renege. Its global power ambitions can only be promoted by the employment of its fossil fuels. When challenged in the future, it falls back on its energy rich economy. The emissions curve shows the changes in energy consumption.

Figure-12. Russia: $y = 0,14x + 24,3$; $R^2 = 0,11$
GDP-CO2 emissions Russia
1990 - 2014



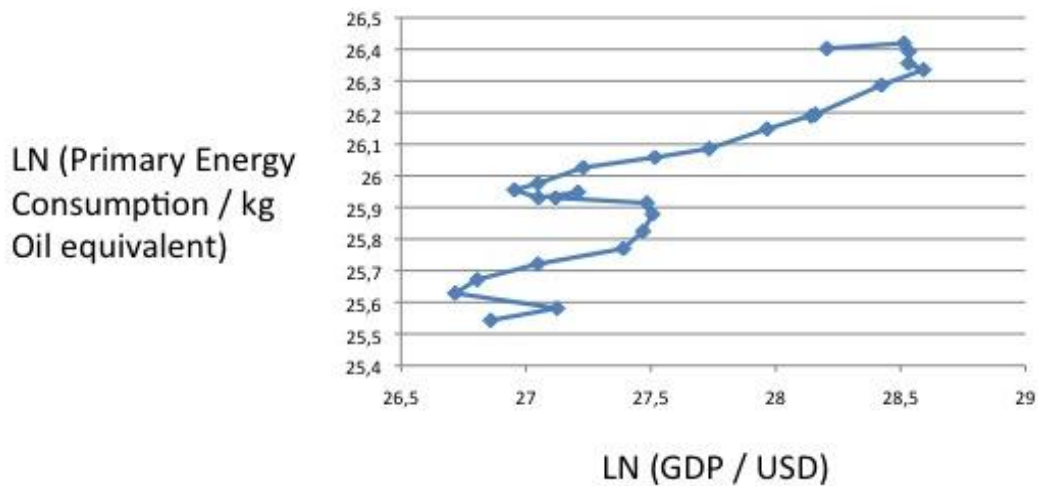
We find a sharp reduction in CO2:s for Russia, which is a major polluter. It reflects the de-industrialisation of the Soviet Union. No countries treated their environments as badly as the Communist regimes. But Figure 32 also shows that emissions are no longer falling.

BRAZIL

As the largest economy in SOUTH America with a swelling population, Brazil is in need of energy resources. It may tap several domestic sources like oil and gas, ethanol and hydro power. The energy needs increase rapidly when there is positive economic growth (Figure 13)

Figure-13. Brazil GDP-energy: $y = 0,37x$; $R^2 = 0,81$

GDP – Energy Consumption Brazil 1990 - 2015



Brazil employs the most biomass in the world - ethanol, but the emissions stay at a very high level, which is a reminder that even modern renewables may lead to CO₂s. One advantage for Brazil is its large component of hydro power, but the overall picture for the largest Latin American country is not wholly promising, when it comes to reduction of emissions. Will it accomplish GOAL I – maybe! But hardly GOAL II. Two caveats:

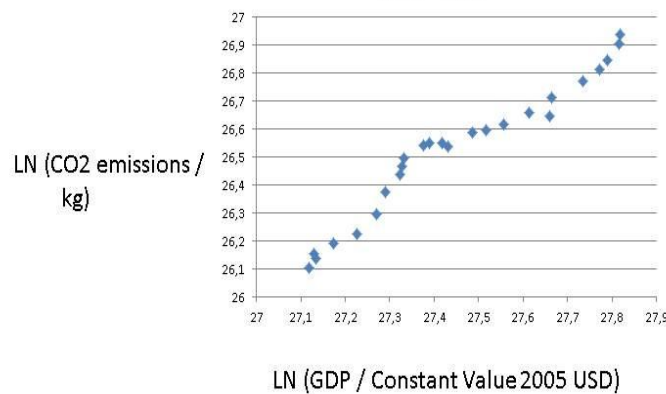
Global warming reduces the potential for hydro power – water scarcity, and Brazil has very little nuclear power. There are plans for mega hydro projects in the Amazon basin, but Brazil has first and foremost to come to terms with the extensive deforestation of this huge rain forest, contributing a lot to global warming. And other nations are involved here.

Biomass and waste only contribute to decarbonisation when there is a sequence of harvesting and build-up of new carbon consuming entities. When the rain forest is cut down once and for all, or poisonous waste burnt, then there is carbonization. Brazil pollutes a lot (Figure 14).

Figure-14. Brazil GDP-CO₂: $y = 1,03x - 1,7$; $R^2 = 0,95$

GDP-CO₂ emissions Brazil

1990 - 2014



To Sum Up: I believe most “*emerging economies*” will rely much upon fossil fuels, like the examples above. One finds no example of declining GDG-CO₂ (GHG) links in Latin American nations, nor in Africa or Asia, meaning that COP21 management will struggle to get GOAL I implemented. Again the Super Fund may be invoked.

6. Countries With Decreasing Curves

Only mature economies have the opposite curve for GDP and energy or emissions. This is due to two different factors. On the one hand, several of these countries have recently experienced close to zero economic growth, or at least meagre growth rates. On the other hand, some of them have been anxious to move away from the dirtiest energy source, i.e. coal. However, reductions in this of natioes do not cancel out increases in the first set above. Let us look at a few mature economies that deliver much emissions.

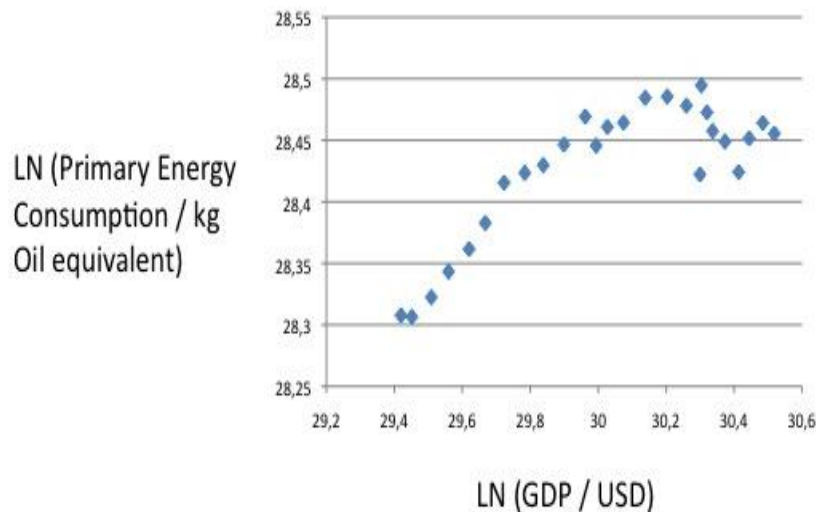
USA

Energy consumption is almost as high in the US as in China, despite a much smaller population, meaning that per capita energy consumption is the highest in the world, outside of the Gulf States. Energy and affluence is basically the same, viz capacity to do work.

Figure 15 indicates that the upwards trend has recent stalled. This may be due to the financial recession starting in 2007-2008, but it may also be related to the ongoing energy transformation in the US.

Figure-15. US: Energy and GDP: $y = 0,46x$; $R^2 = 0,97$

GDP – Energy Consumption United States 1990 - 2015



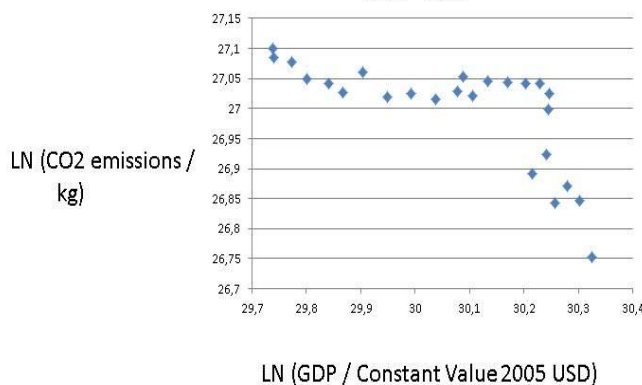
The plans of the EID for future energy needs in the US include a heavy augmentation, but one cannot tell whether it will come about from renewables or fossil fuels like fracking. The market for energy is somewhat bewildering in the country with the start of oil and natural gas exports again as well as the shut down of atomic power plants. Yet, fracking is not environmental friendly. Lots of solar plants are coming up, but their efficiency is low compared with nuclear plants.

Figure 16 shows that carbon emissions have peaked for the US.

Figure-16. The US: $y = -0,32x + 36,7$; $R^2 = 0,49$

GDP-CO2 emissions United States

1990 - 2014



Recently, the level of CO₂ emission has been reduced significantly in the US. It reflects partly the economic crisis that began 2007, but the entire energy pattern is undergoing change, from coal towards modern renewables. Yet, the US remains the second largest polluter in the world. This CO₂ reduction reflects that the US can draw upon a mixed bag of energies, including nuclear and hydro power, with solar power expanding rapidly (Figure 16).

The US is still heavily dependent upon fossil fuels, as some 80 per cent comes there from, facing a challenger of reaching GOAL II. What is changing is the shale rock innovation, as more and more of energy is produced within the US, allowing even for considerable export of petroleum. The *shake oil and gas* revolution may though not promote decarbonisation. Further reduction of CO₂s may meet with firm resistance from the Republican House of Congress, which may oppose the COP21 Agreement, like president elect Trump. However, solar power should be attractive in many US states, both in micro use in households and large plant use.

Not only coal consumption is being decreased but also atomic power is cut back, as it cannot compete with energy from shale rock. Yet, when solar and wind power falters, natural gas enters the picture. Solar plants take enormous amounts of space. Energy policy-making is most active in Washington, involving a complex system of tax

deductions and returns.

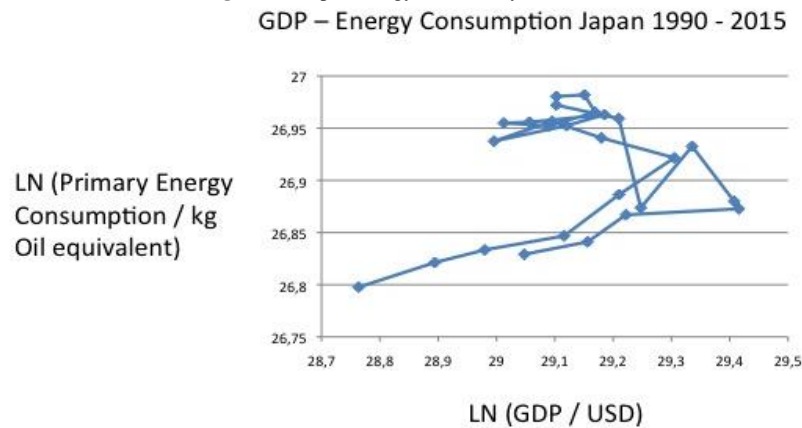
The advent of shale oil and gas has changed the entire energy markets, lowering the price of oil most substantially. This implies not only that there will be no Hubbert peak oil for the world, but also that switching to renewable energy source will be extremely expensive, relatively speaking compared with shale oil and gas. When petroleum is abundant, then investments in carbon neutral power sources may be non-lucrative and require massive state subsidies.

Energy is extremely vital to the entire US society, including for its superpower position. When further reductions in CO₂s threaten vital national interests, the US like other nations will no doubt employ fossil fuel. This is what the new President-elect and his administration plan at least.

JAPAN

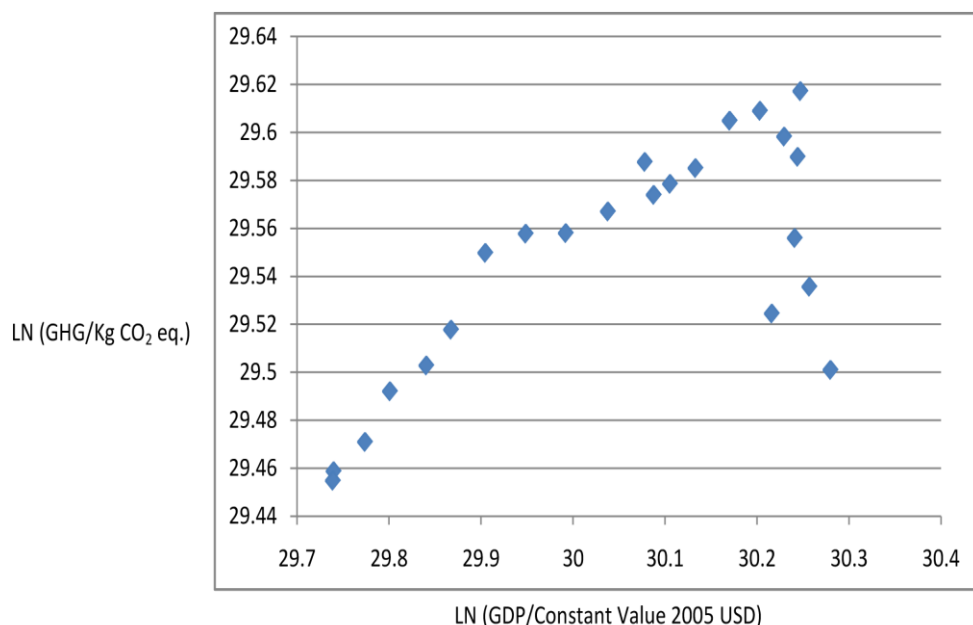
Japan has a huge energy consumption, but it hovers from year to year, reflecting not only the stagnation of the economy but also the occurrence of natural disasters. Japan has been forced to increase fossil fuel imports to compensate for the close down of several nuclear plants (Figure 17).

Figure-17. Japan energy and GDP: $y = 0,092x$; $R^2 = 0,056$



It is hardly a daring guess that the nuclear plant disaster in Japan together with the decision to close most such power plants has further increased emissions, as the country now relies upon fossil fuels much more. Governments make plans, but they may not hold for unforeseen developments. Japan is today more dependent upon fossil fuels than earlier due to the debacle with its nuclear energy program. Is really solar, wind or atomic power realistic in Japan on the scale needed for massive decarbonisation? When forced, governments renege, i.e. they will turn back to the fossil fuels, as for them economic growth trumps the environment. After all, nations are brutally egoistic, at least according to standard teachings in international relations.

Figure-18. Japan's GDP-CO₂ link: $y = 0.2648x$; $R^2 = 0.194$.

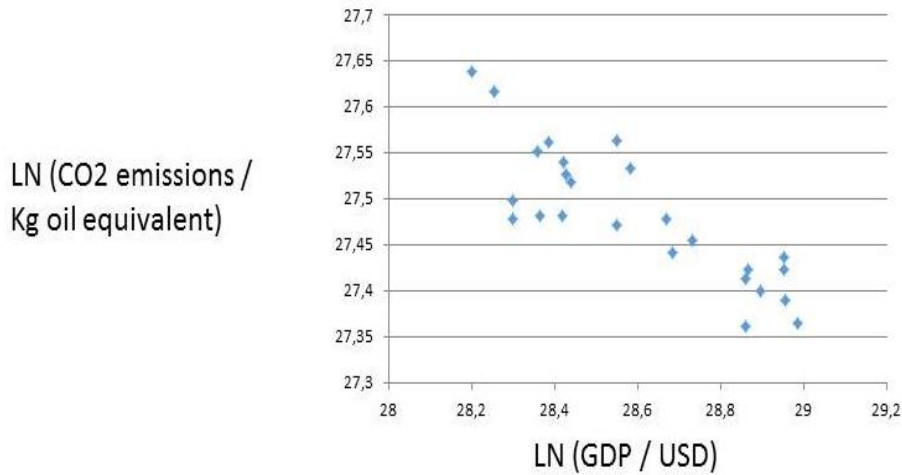


GERMANY

For the EU as a whole, one would certainly expect that emissions are down, given the economic decline of the EU, and especially the EURO-zone. However, there is also another factor to be taken into account, namely energy

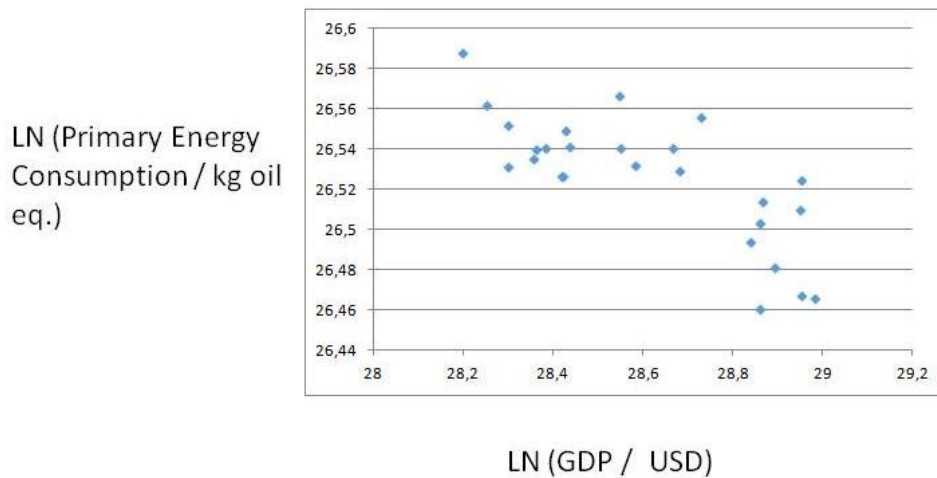
policy. Take the case of Germany, which has not experienced economic decline but still shows a downward sloping curve for emissions (Figure 19).

Figure-19. FRG GDP- CO2:s: $y = -0,24x$; $R^2 = 0,73$
GDP – CO2 Emissions Germany 1990 - 2014



What is interesting with regard to Germany is that it has managed to do well economically with reasonable growth rates, despite consuming less energy (Figure 20). Not only is Germany engaged in *ENERGIWENDE*, involving a move towards modern renewables away from fossil fuels, but the country is also on the way to closing down its nuclear power plants. This may be a negative for decarbonisation hopes.

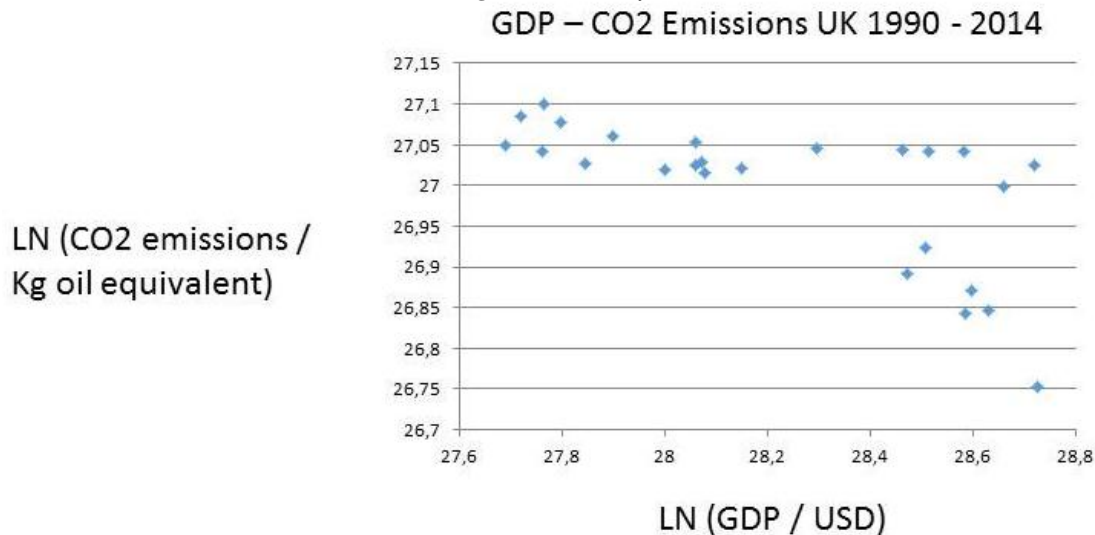
Figure-20. FRG energy and GDP: $y = -0,095x$; $R^2 = 0,59$
GDP – Energy 1990 – 2014 for Germany



THE UK

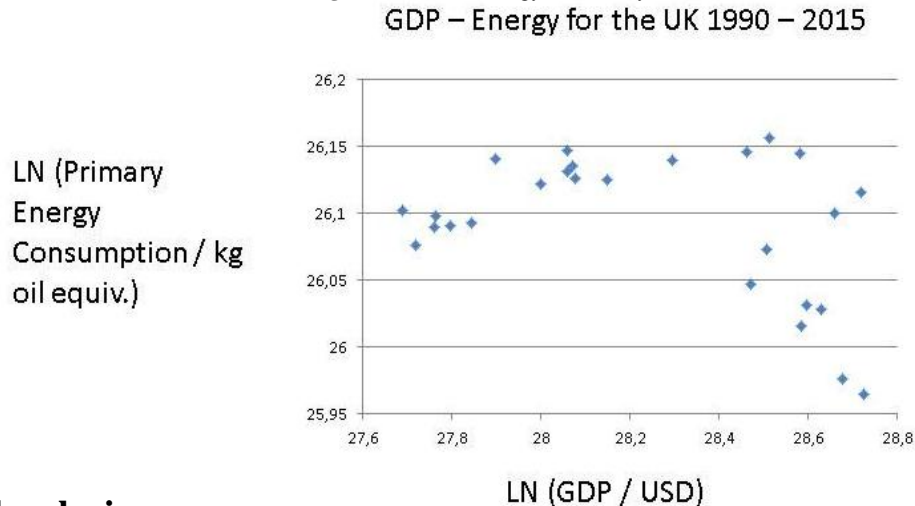
The economic stagnation of the UK can be seen in its emissions curve, which is slightly downward sloping (Figure 21). The BREXIT will probably strengthen this trend. At the same time, the UK is pursuing its own policy of decarbonisation.

Figure-21. The UK: $y = -0,17x$; $R^2 = 0,45$



The outcome of decarbonisation policy and economic slowdown is a downward sloping energy curve (Figure 22). This is most promising, but the UK must do more in relation to the COP21 goals. Massive wind power installations and new giant nuclear plant will promote the capacity to live up the COP21 expectations.

Figure-22. The UK energy and GDP: $y = -0,06x$; $R^2 = 0,16$



7. Conclusion

The struggle between the Third World and the First World at the UNCCC meetings appear to be fully understandable against the background of the information rendered in the above Figures. The catch-up countries will never accept that decarbonisation reduces their capacity to close the giant gap in the world economy. As their dependence upon fossil fuels and often wood coal too is enormous, shifting to modern renewables will be costly. But they will not reduce their demand for energy. The mature economies can do so, turning to modern renewables while also using energy more efficiently, unless they decide to renege upon the COP21 project for national reasons.

Economist [Stern \(2007\)](#) suggested the creation of a Super Fund as a way out of this confrontation between the catch-ups and the mature economies. But there is no real plan yet for it, neither its financing nor its expenditure items.

The proposal to combine decarbonisation with sustainable development and poverty reduction is utopian Take the example of Jeffrey Sachs, stating about SDG (sustainable development goals):

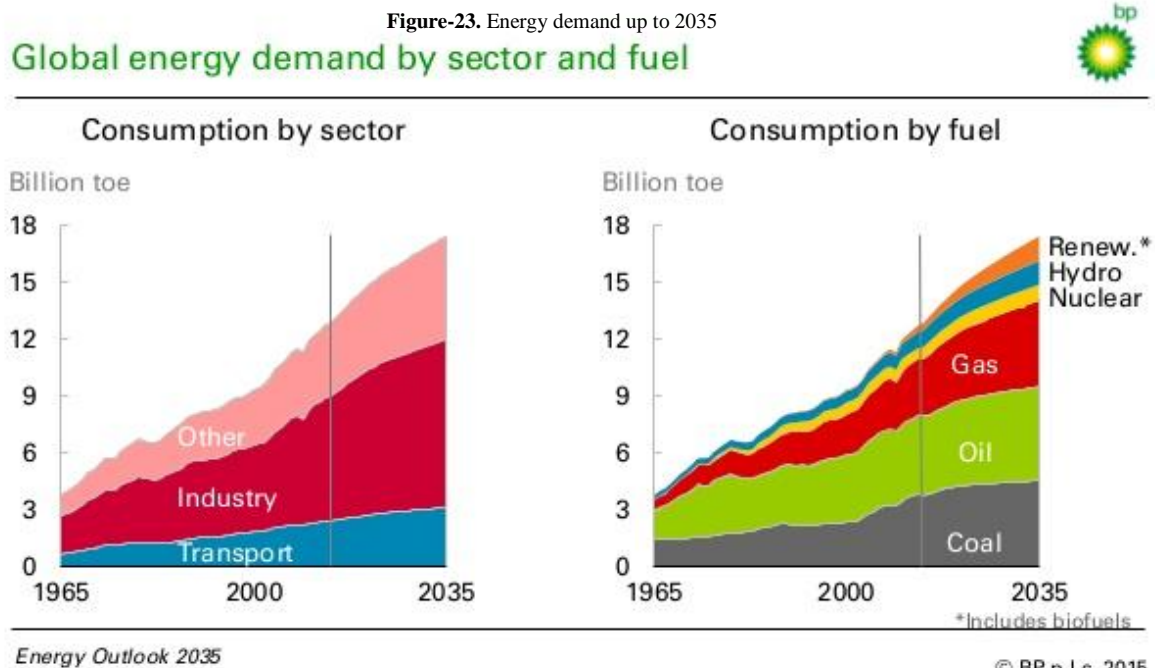
+... the SDGs need the identification of new critical pathways to sustainability. Moving to a low-carbon energy system, for example, will need an intricate global interplay of research and development, public investments in infrastructure (such as high-voltage direct current transmission grids for long-distance power transmission), private investments in renewable power generation, and new strategies for regulation and urban design.” Source: 2210 www.thelancet.com Vol 379 June 9, 2012 of course, but what is the likelihood that a carbon tax can be put in place (where, how much) as well as how large is the probability that planning works? How is this beneficial cooperation to be forthcoming? What are the incentive mechanisms?

Sachs realizes the gap between desirability and feasibility, but he confronts the gap by almost religious make beliefs

“The SDGs will therefore need the unprecedented mobilisation of global knowledge operating across many sectors and regions. Governments, international institutions, private business, academia, and civil society will need

to work together to identify the critical pathways to success, in ways that combine technical expertise and democratic representation.” Source: p. 2210, www.thelancet.com Vol 379 June 9, 2012

Again, how is this enormous mobilization to come about? What is at stake for most people who understand the risks with climate change is not the desirability of decarbonisation in some form or another, but feasibility. The crux of the matter is: How to promote decarbonisation so that real life outcomes come about? Consider the planned demand for new energy:



These plans do not conform to the COP21 goals. To succeed with decarbonisation, the countries of the world and the UN must come up with more ambitious, concrete and realistic plans to cut CO₂ emissions. And no government can be allowed to renege.

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