

## The U.S. Climate is Changing

But where was Canada at Davos?

By David Runnalls

The talk at the World Economic Forum Annual Meeting in Davos, Switzerland, this year (January 24–28) was all about climate change. This was not unique. The annual conference of the world's financial and political elite is supposed to be about “improving the state of the world” according to its motto. The 2005 summit was highlighted by Tony Blair's announcement that he intended to invite the leaders of five major developing countries to that year's G-8 summit to heighten the urgency for action, and by discussions among European CEOs who were experiencing the EU carbon market for the first time.

The big difference is that this year's summit saw some astonishing about faces by the Americans. Al Gore's film, *An Inconvenient Truth*; the strange non-winter experienced in most of the U.S.; and a plethora of state actions have awakened the U.S. business community and a surprising number of federal politicians to the threat to the earth's climate. The report of the Intergovernmental Panel on Climate Change released in Paris on February 2, can only add to this alarm. As former Senator Tim Wirth pointed out, all of the announced Presidential candidates—Democrats and Republicans alike—are capable of extended discussions on climate change, without resorting to three-by-five index cards. Senators John McCain of Arizona, long an advocate of action on climate change, and Maria Cantwell of Washington, led a strong and knowledgeable Congressional delegation.

Climate change is also on the horizon of an increasing number of U.S. companies. A week before Davos, a number of leading CEOs, together with the heads of environmental groups, called for mandatory controls on U.S. emissions of CO<sub>2</sub>. During the Davos discussions, Jim Rogers, the CEO of Duke Energy, called upon the government to cap the emissions of coal-fired power plants and for the development of an emissions trading system to stimulate innovation among Duke and its competitors. Duke Energy is one of the four largest coal-burning utilities in the U.S. Not your typical high-tech company with an enlightened CEO who has nothing to lose by jumping on the bandwagon. Add to this commitments by a range of other U.S. industrial heavyweights like ALCOA, DuPont, GE and Chevron oil and it is clear that the United States is on the move.



On the edge of Davos: Canada's presence at the WEF Annual Meeting was underwhelming. (iStock photo)

Where was Canada in all of this? Davos may well be an elite talk shop, but it is a place where countries put forth their best cases for foreign investment and for the quality of their products. Germany sent its Prime Minister, as did the U.K. Many other countries sent ministers and other senior political leaders. As far as I could tell, no MPs attended Davos. No minister with responsibility for climate change was in evidence. Fortunately, Premier Charest of Quebec was very active in the debates or we would have had no political representation whatsoever.

I think that the U.S. is at a tipping point on climate change. Europe has long since committed itself to strong action.

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Canadian climate policy has long suffered from the reluctance of the U.S. to take action on the issue. Our endorsement of Kyoto assumed that the U.S. would ratify also. Since our economies are so closely intertwined, it has always been difficult for Canada to make progress on reducing CO<sub>2</sub> emissions without similar U.S. efforts. The climate south of the border is changing fast. This offers real opportunities for government, business and civil society in Canada to cooperate and to get on with creating an effective policy in this country for substantial reductions in our emissions of CO<sub>2</sub>.

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