

America's race to net zero

Does Joe Biden's climate plan go far enough?

By Adam Tooze

On 22-23 April the Biden administration is hosting a global climate summit to mark Earth Day, named after the largest ever environmental demonstration, staged in the United States 51 years ago. As Joe Biden nears the end of his first 100 days in office, the summit celebrates the re-entry of the US into global climate politics and is a key test for a government that has defined the environmental crisis as central to its programme.

It is also an important shift in focus. So far, the Biden administration's agenda has been dominated by disaster management. Efforts have been devoted to rolling out the vaccine bequeathed by Donald Trump's Operation Warp Speed and delivering a third, huge round of fiscal relief to American firms and households. Ahead of the climate talks, the president has to deliver something more long term: a credible commitment to cutting at least 50 per cent of emissions by 2030 and to achieving net zero by 2050.

The crisis-fighting has worked. After a slow start, the vaccine roll-out has been impressive, transforming America's outlook on the virus. The \$1.9trn Covid relief bill was forced through Congress on 11 March against unified Republican opposition. On top of the previous rounds of economic relief, it adds up to the largest fiscal package in

history – sized at more than 25 per cent of GDP. Provoking fierce criticism from Clinton-era veterans such as Larry Summers, it represents a sharp break with the fiscal orthodoxy defined by the Clinton and Obama administrations.

So decisive is this break that it has encouraged talk of a new age of “Bidenomics”. At the level of economics, this is motivated by a fundamental revaluation of the risk of too much spending leading to the economy “overheating” and inflation. But it is also based on the realisation that the greatest threat to liberal democracy in the US is not macroeconomic instability, but social polarisation and Republican politics. If the Democrats are to steer the US away from the abyss, they must not lose the midterm elections in 2022 as Obama did in 2010 and Clinton did in 1994.

The double shock of Trump's election and Covid-19 has driven centrist politicians like Biden and technocrats including the Treasury Secretary Janet Yellen to take a leap on economic policy. For the Biden team to propel the global transition to clean energy, it must make a similar leap on climate policy. The administration needs to break not only with Trump's climate denialism, fossil fuel enthusiasm and culture war politics, but with the climate legacy of the Obama and Clinton eras as well.

That is a big ask. After all, the Democrats have for a long time been America's party of climate. The Clinton administration helped to negotiate the original Kyoto accords in 1997, the first international treaty committing participant states to binding targets on tackling climate change. Al Gore was the anointed climate president, but was robbed of victory by the Supreme Court in 2000. The Obama administration pumped money into the US's solar energy industry and brokered the 2015 Paris agreement.

But it was also Obama's administration, hemmed in by a Republican Congress, that defined the limits of the Paris accord as little more than the aggregate of more or less adequate national plans. Obama's own energy policy was dominated not by renewables but by the market power of fracked gas – the “cleanest” of the fossil fuels. Given that gas is so much cheaper, even Trump was not able to turn the country back on to coal, but the US now has a large pool of gas assets – fracking wells, pipelines, power plants and associated petrochemical industries – for which there can be no long-term use if it is to meet ambitious emissions targets.

With sights now set on net zero by 2050, there is no longer any room for fudges. The Biden administration needs to change the direction of energy policy radically, from Obama's “all of the above” to a ►