

## **CLIMATE CHANGE AND THE PURPOSE OF GROWTH**

The Energy crisis is looming across the globe and so are the issues of pollution, environmental hazards, weather imbalance more commonly the dreaded word GLOBAL WARMING!

Recently, we had some interesting comments from a prominent leader in the US on India. In the context of curbs on emissions, it was said “no one will get a free ride”. Thereby implying India too will have to accept curbs on emissions.

Further echoing that one of the main reasons for food shortages being the spurt in Indian and Chinese dietary habits. “Better dietary habits” incidentally means that 200 million more Indians now have started eating a second meal!

As compared to India, the United States, *in absolute terms*, consumes about six times more energy, has five times more emissions, consumes ten times more food and that too, to pamper a population which is less than one third that of India’s. India not only has a right but an obligation to properly feed all it’s people. She has a right to provide a certain basic dignity of life to all its citizens. The definition of basic dignity / quality of life is clearly spelt out by the UN in the Millennium Development Goals, as well as by the Government of India.

The Indian development agenda covers fundamental issues such as reducing the poverty ratio by 15 percentage points by 2012 ,reducing the infant mortality rate to 28 per 1000 live births by 2012 , electricity for all by 2012 , increasing forest cover to 33% by 2012, all children to complete five years of schooling by 2007 (not achieved) etc. Each one of these very basic development objectives needs energy. So what is then driving them to make all these statements?

It must be local politics.

By now it is well accepted that global warming is indeed happening. It is accepted that the world can at best accept another 2 degree rise in temperature. To achieve the 2 degree temperature rise objective, global emissions will have to be reduced in absolute terms by almost 40%. Further, all this needs to be done within the next 15 to 20 years.

Now if countries like India have a compelling case to consume more energy and thereby more emissions, then someone else (especially developed nations such as United States and Europe) in the world will have to accept very deep cuts in energy consumption to reduce emissions. If India and China are unable to reduce their emissions then the United States and Europe will have to make a reduction of almost 60% to 70% in their emissions!

Such deep cuts cannot be achieved by technological solutions within the given time frame. A deep reduction in emissions can then only be achieved by a significant reduction in energy consumption. This in turn will have a direct impact on life style.

We have seen anything but a tempering of lifestyle in the United States to combat climate change. The cars are getting only bigger, defence spending is only ballooning and consumption is only increasing. One wonders if there is any commitment to addressing the climate change issue in the United States at the grass roots level.

Can the political leadership introduce a tax on gasoline to curb consumption?

Can the sale of SUVs be banned??

Can people be made to live in more modest sized homes???

That is where politics in the United States comes in.

There have never been so many people living on our planet at one time. Over the years we have come to equate development and progress with material consumption. We have developed a global economic system that is based on perpetual economic growth.

Unless we can find a way of economic growth without consuming more carbon based energy, we are caught in a trap.

It is time we asked ourselves the basic question "Why do we need growth?" Growth needs to have a purpose. The only thing that grows without a purpose is a cancer cell.

In India we have argued that we need growth to get us out of poverty. Our purpose of growth therefore is elimination of poverty. We in India have argued that even though we are the sixth largest emitters in the world and our emissions will increase by 92% over the next 10 ten years, our per capita consumptions are way below the rest of the world.

The per capita argument would be tenable if the distribution of energy consumption / emissions would be uniform, across all our population.

Greenpeace has stated that the top 1% of our population in India has per capita emissions which are 4.5 times that of the bottom 38%. 150 million Indians already have emission levels which are higher than the acceptable target levels to meet the 2 degree global temperature rise mark.

Indian power plants currently emit two times CO<sub>2</sub> per unit as compared to Europe. Most of our future plans to increase power generation are based on Coal which is the worst fuel in terms of Carbon emissions. We also know that currently more than 400 million people do not get reliable electricity. Load shedding is most severe in rural areas where more than 70% of our people live. This implies that most of our current power generation caters to only a little more than half our population. How do we then in India ensure that our basic premise to insist on our right to emit more is actually met? How do we ensure that energy consumption is more evenly spread?

Even within India therefore there is a case for the elite to temper their energy consumption. The affluent few in India cannot take advantage of the large number of poor to show a low "per capita" consumption and continue to consume large amounts of energy.

Global warming is indeed a serious and an interesting problem. It is one of those great leveling factors where everyone has become equal. It is forcing the world to come together to solve the problem. It is also forcing the gap between the "haves" and "have nots" to be reduced. The developed world will need to demonstrate far greater commitment to combat climate change before preaching to countries like India. This commitment needs to be seen in the tempering of life style of its people. Gimmicks like switching off lights for one hour in a year do not construe a change in life style. People will actually need to make sacrifices and give up on luxuries.

The developed world also has an obligation to make available energy efficient and renewable technology at affordable prices to countries like India, to enable elimination of poverty.

Countries like India on the other hand will need to plan a tempering of energy consumption by the affluent and an efficient increase in energy consumption for the impoverished. This too will need strong leadership. Will our urban youth, who are just about beginning to get a taste of luxuries, be willing to sacrifice their desires? Will the Board Rooms in India be willing to accept lesser returns in the interest of global warming?

This is where leadership in India will have to play a role.

Climate change is more about change in life style than about technology. While for some it will mean smaller cars and houses, for others it will mean a second meal. It is a change of life style for both people. In the words of Gandhi “There is enough for every man’s need but not enough for every man’s greed”.

**Hopefully someone is working on that economic model which is not based on greed or should I say “perpetual growth”!**

***(The Author of this article is Mr. Banmali Agrawala, Executive Director-Strategy and Business development, Tata Power. The views expressed in this article are his own and do not reflect Company’s perspective.)***