

# **Cooperans letter no.25** July 2017

**US Withdrawal from the Paris Agreement: the End of the American Superpower?** Sébastien GOULARD





## US Withdrawal from the Paris Agreement: the End of the American Superpower?

The decision taken by Donald Trump to withdraw from the Paris Agreement on climate change may threaten US leadership. Environmental and economic issues can no longer be separated. The choice made by President Trump not only challenges the entire international community, but may also threaten American innovation capacity.

#### I. A Short-Term Priority

By withdrawing from the Paris climate agreement, President Trump hopes to promote US industries by reducing energy costs and maintaining jobs in the most polluting sectors such as coal mining. This measure also allows Donald Trump to obtain the support of climate sceptics and conservatives. However, this policy is relatively short-term, seems to be disconnected from the world context, and above all, runs against American interests.

#### II. A Loss of Stability in the US

Although Trump's decision was welcomed by his supporters, it was also denounced by a large part of American society. This lack of consensus leads to potential political instability that may damage American power.

US subnational governance bodies do not all follow the decision taken by the US president, causing a major point of disagreement at the federal level. Several states, such as California, New York and Hawaii, but also the state of Massachusetts led by a Republican governor, chose to ignore Trump's policy and respect the Paris Agreement. Almost 190 US cities have also committed to reducing their carbon emissions.

Many companies, especially in industry and even in the energy sector, have criticized the withdrawal decision by Donald Trump.

With this withdrawal, the US presents itself as a disunited power where decisions adopted by the president are challenged by other American decision makers.

Furthermore, this decision sends a bad message to innovative US companies like Tesla. Elon Musk, its founder, who disagrees with the US withdrawal decided to leave the US president's business advisory council. These companies could look abroad for a more welcoming environment for their activities.

#### III. Diplomatic Weakening

US withdrawal surprised and disappointed the entire international community. Only two other states: Syria, which is at war, and Nicaragua, for which the Paris Agreement did not go far enough, did not sign the agreement. Following the American decision, major powers like China, the European Union and India reaffirmed their commitment to the Paris Agreement.



Washington seems to be isolated on this issue, and the decision could have a lasting impact on American diplomacy. States that are most threatened by climate change and by the rise in the level of the oceans, such as Pacific island states, South Asian countries and Indonesia could weaken their ties with Washington and become closer to other superpowers that are more respectful of the environment, in order to find solutions that better protect their populations.

### IV. The Battle for Standards

Another important issue regarding the Paris climate agreement is that of the battle for standards.

By refusing the transition proposed by the Paris Agreement, the US chooses to remain in the old economy. The US seems to deliberately slow down its rate of innovation and lose its technological leadership at the global level.

Most states, for example, Germany and Japan, have already embarked on the race for cleaner industries with the "Industry 4.0" strategy. In 2015, China launched the "Made in China 2025" programme, aimed mainly at automating its industry.

The promotion of clean energy is an important pillar of these strategies. By integrating environmental concerns into their industrial strategy, these countries will be able to define the new norms and standards that will rule tomorrow's economy. Focusing on fossil fuels, Trump's America is unaware of this development, and its industries may in the future be forced to adopt standards set in Berlin or Beijing. The US superpower status would then be seriously threatened.

If the international community as a whole, with the exception of the United States, has decided to agree to try to reduce its environmental impact, this is unfortunately not only due to a concern with protecting nature, but also because this evolution is in their economic and political interest; a point which Trump does not seem to have understood.



Cooperans letter is published by Cooperans<sup>®</sup>.

Cooperans is a public affairs consultancy specialized in governance and sustainability issues.

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