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U.S. Climate Policy and Issues in the Biden Era

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Since Joseph R. Biden, the 46th President of the United States, took office, there has been a very dramatic change in the U.S. climate policy. Ambitious climate policy is considered as the primary agenda of the Biden administration, which has the most distinct difference from that of the previous Trump administration. President Biden, as pledged during the election, is seeking to regain leadership in international climate cooperation as well as promoting net-zero emissions and energy transition in the United States. This Asan Issue Brief explores President Biden's policy responses to climate change, critical issues in the Biden administration's climate policy and diplomacy, and implications for South Korea's response to climate change at home and abroad.

The Biden Administration's Climate Change Policy

President Biden is well aware of the loss and damage caused by climate change, which has become more serious over time. Inheriting former President Obama's policy legacy, he seems to have become more willing to respond to larger policy needs than then. Climate policy is now one of major tasks for the Biden administration with a short-term goal of reducing emissions by 50% compared to 2005-levels by 2030 and long-term goals of eliminating greenhouse gas (GHG) emissions from the power generation sector by 2035 and achieving net-zero GHG emissions by 2050. GHG emissions reduction and energy transition, linked to rebuilding the U.S. economy and job creation, are at the heart of the Biden administration's massive infrastructure investment plan, which was announced on March 31, 2021 as the "American Jobs Plan." The Biden administration's national strategy of creating jobs and promoting U.S. industrial competitiveness in the process of GHG mitigation and energy transition might be rooted in former President Obama's concept of a "green economy." However, his perception of the worsened climate change situation and the need for a more urgent response to the global problem has led the U.S. government, unlike any other government or country, to take the current stage of climate change as a "crisis" and officially use the term "climate crisis." Moreover, the Biden administration's official offer to address climate change as a matter of national security means that the U.S.

will link climate change issues directly to its foreign and security policies, which will have a direct and indirect impact on countries that have diplomatic relations with the U.S.

The direction of Biden's strong climate policy has already been presented as a clear blueprint throughout the presidential election process. Biden's Presidential Transition Commission listed climate change as one of the Biden administration's four policy priorities, alongside COVID-19, racial equity, and economic recovery (after the inauguration, "health care, immigration, and restoration of America's global standing" were also added to the list of policy priorities). President Biden made official his key policies related to climate change issues, which had been mostly announced as election pledges in the form of Executive Orders (#13990, #14007, and #14008) and a Memorandum within a week of his inauguration.

The Biden administration is certainly expected to provide a new momentum for the domestic industry and lead the way to a green economy by implementing strong policies to cope with climate change. It, however, is worrisome that the Biden administration's climate policy implementation has the same institutional limitations, which relies on Executive Orders and regulations, not on legislation, as shown in the Obama administration's policy drive. Just as the Trump administration reversed Obama's legacy on climate policy and the Biden administration was able to reverse again Trump's anti-climate policy in such a short period of time, the Executive Order-dependent policy drive will not secure permanence. In U.S. political history from 1937 to 2013, for example, 51% of 6,153 Executive Orders were abolished or amended by the successors. After the failure of the Obama administration's early attempts to institutionalize climate policy through the legislation of the American Clean Energy and Security Act (or Waxman-Marky Bill), implementing climate policy by means of Executive Orders and regulations based on existing legislation has become an implicit code of conduct in U.S. politics. With the ruling party not having an absolute majority in both the House and Senate, the Biden administration is unlikely to waste its political resources trying to take strong legislative action on climate change. As a result, conflicts between the U.S. Congress, or the state governments, and the Biden administration over the legal interpretation of Executive Orders are expected to continue throughout his presidential term.

The Biden Administration's Climate Change Diplomacy

As climate change is perceived by the Biden administration as a matter of national security, U.S. leadership in international climate cooperation has become a far more important national interest than ever. After four years of U.S. disengagement and denial on climate issues, President Biden officially rejoined the Paris Agreement on the day of his inauguration and appointed Democratic heavyweight John Kerry as the Special Presidential Envoy for Climate of the U.S., which were enough to symbolize America's return to international climate cooperation. The Leaders Summit on Climate on April 22-23,

convened by President Biden's invitation was considered as the starting point of the new U.S. climate leadership in the Biden era. The international community evaluates that the emergence of the Biden administration will serve as an important opportunity to redefine the order and norm of international climate cooperation.

It, however, is very doubtful how the Biden administration's diplomatic efforts will fare in bilateral climate cooperation with rivals, especially with China which has been filling the vacuum left by absent U.S. leadership on international climate cooperation in recent years. At the Leaders Summit on Climate, China's President Xi Jinping mentioned the need and positive possibility of cooperation with the U.S. but carefully kept the U.S. in check by emphasizing that the UN-centered multilateral cooperation system must be the basis of international climate cooperation. President Xi declared at the Davos Forum in January 2017 that China would fill the leadership vacuum caused by President Trump's "America First" policy at the time, and at the opening session of the 19th National Congress of the Communist Party of China (CPC) in October 2017, he also said "China has taken a driver's seat in international climate cooperation and become an important participant, contributor, and torchbearer in the global endeavor to promote ecological civilization." Facing the Biden administration, the Chinese government is showing a different attitude from that of the Trump era, and President Xi seems to have stepped back from emphasizing China's leadership while emphasizing the responsibilities of major Western developed economies in international climate cooperation.

It has been said that, compared to a number of competing geopolitical issues, responding to climate change would be the most likely area for bilateral cooperation between the U.S. and China. China's diplomatic stance, however, did not affirm such high expectations at the first official meeting with the U.S. In fact, this subtle tension between the two countries was already foretold with Biden's election. President Biden vowed several times during the election to correct China's wrongful development assistance projects in many developing countries, which had been sponsored or invested in under the Belt and Road Initiative (BRI), in that they are anti-environmental and counterproductive to international efforts to curb GHG emissions. It does not look like an easy task for the Biden administration to seek cooperation with China while publicly criticizing China's core diplomatic strategy.

The U.S. government's criticism that China's BRI projects have had negative consequences for developing countries' responses to climate change is not just a groundless political accusation. China's BRI, which has widely supported about 65 countries in Africa, Asia, Eastern Europe, and the Middle East, is expected to reach between \$1.2 to \$1.3 trillion by 2027. The problem is that while China is the world's leading renewable energy investor domestically, the BRI projects have mostly invested in fossil fuel projects such as building new coal-fired power plants around the world. Between 2014 and 2017, for example, 91% of energy-sector loans made by six major Chinese banks to BRI countries were for fossil fuel projects. In 2018, 40% of energy sector lending went to coal projects. In 2016, China

was involved in 240 coal plants in BRI countries, a number that has likely grown, according to a 2021 Council on Foreign Relations (CFR) report.

The Biden administration suspects that China has been pioneering overseas markets to export domestic coal fuels through BRI projects, based on the fact that China produces about half of the world's coal fuels (46% in 2019) and China's domestic demand for coal fuels has decreased due to its intensive investment in renewable energy in the country. Since the response to climate change is never free from calculating economic gains and losses by individual countries, there is always a possibility that international cooperation will be transformed into another conflict rather than collaboration. As long as the U.S. questions whether or not China is a like-minded country from the perspective of national security in the era of climate crisis, the Biden administration is likely to maintain its view that China's BRI projects are just "greenwashing" its anti-environmental overseas investments.

Implications for South Korea's Response to Climate Change

Since President Biden took office, the U.S. has become a world leader again in responding to climate change issues. Accompanied by its own domestic preparation—such as very aggressive mitigation targets, energy transition, fiscal and industrial policies, and green job creation—to promote the green economy in the U.S., the Biden administration is executing remarkable leadership in demanding more ambitious GHG reduction targets from heavy emitters and facilitating international climate cooperation with both developed and developing countries. Diplomatically, the Biden administration will work with the European Union to implement the Paris Agreement and create an effective international cooperation system to tackle climate change, including a carbon border adjustment mechanism (CBAM). However, it faces a big challenge in establishing a firm cooperative relationship with the largest global GHG emitter, China.

Understanding the priorities of the Biden administration's foreign policy is necessary for its traditional ally, South Korea, to further solidify bilateral relations between the two countries. At the Leaders Summit on Climate in April 2021, the South Korean government reaffirmed its pledge of a more ambitious GHG reduction target to achieve carbon neutrality by 2050, which will be announced soon. In particular, the South Korean government's declaration that it would no longer provide development assistance to new overseas coal power projects was a very diplomatic and positive gesture for bilateral climate cooperation with the Biden administration, as the U.S. government and think-tanks expressed serious concern about China's massive involvement in fossil fuel projects in numerous developing countries.

Exogenous pressures to respond more actively to climate change from the Biden administration might be a serious socio-economic burden when South Korea is not well

prepared. If the U.S. government links each country's readiness for climate policy to its trade and foreign policy, South Korea—an economy with a manufacturing-oriented industrial structure with heavy GHG emissions—could suffer a serious blow. On the other side, however, the development and industrialization of green technologies in responding to the climate crisis are gaining more international attention with the election of President Biden and obviously providing new opportunities for our economy. More active policy interest and investment are needed in clean energy technologies and the green industry to bring about innovative and future-friendly changes for Korea going forward. In order to prepare for the Fourth Industrial Revolution that will consume more electricity and to achieve a net-zero emissions goal by 2050, most of all, it is necessary to develop and industrialize new green technologies and clean energy suitable for our terrain. As all technological research and development (R&D) will compete for global standardization, challenges to industrialize advanced green technology and clean energy areas must be devised to lead the way, not simply follow. In relation to green technology R&D, there should be more interest and active participation by the South Korean government and industries in the Mission Innovation (MI), a global initiative to accelerate public and private clean energy innovation to tackle climate change, which was originally led by former President Obama and lately revitalized by President Biden.

The Biden administration's prioritization of climate policy is not a risk but an opportunity for South Korea and President Moon Jae-In who has also put priority on energy transition and a pro-environment policy since the early phase of his presidency. Since the establishment of the UN Framework Convention on Climate Change (UNFCCC) in 1992, the international community and individual countries have worked together to implement two strategies of mitigation and adaptation to cope with climate change. However, the gap between developed and developing countries in their own responsibility and strategic response has always made international climate cooperation difficult and ineffective in practice. In this regard, the role of middle powers that can narrow or bridge the gap has been drawing attention in facilitating global climate cooperation, and South Korea as an exemplary middle power once played a leading role in climate diplomacy in the late 2000s. Among other things, it should be remembered that leadership on global agendas such as responding to climate change requires setting an example at home, just as the Biden administration currently exemplifies.

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