

To: The Next President

From: Edward Gresser and Jan Mazurek,

The Progressive Policy Institute

Re: Establishing a Global Environmental

Organization (GEO)

Mr. President, you are taking office at a moment of unprecedented environmental threats. In the tradition of your great predecessor Theodore Roosevelt, it is time to build new environmental institutions that fit the challenges of our times—challenges as vast as the destruction of our forests, the manmade transformation of our climate, and the heedless eradication of entire plant and animal species.

The obstacles to action are many and profound. The record of the Kyoto Protocol, an international treaty that the Bush administration refused to join, suggests that enforcing commitments will be at least as difficult as negotiating them.

Kyoto's challenges largely reflect an endemic weakness of global environmental policy. Even agreements that are aimed at problems far less scientifically complex

than climate—for instance, the traffic in endangered species—are poorly monitored and, in many cases, ineffective.

The next president therefore must combine a robust climate-change policy with meaningful institutional reform—specifically, the creation of a Global Environmental Organization, or GEO.

Even setting climate change aside, the need for GEO is clear. Environmental policy is the orphan child of international law and institutions. Those interested in preserving the environment are far less able to get things done at the global level than their colleagues in trade, finance, labor, and security.

For an illustrative comparison, look at trade policy. The world's most important trade negotiations, agreements, and enforcement actions are centered in a single institution, the World Trade Organization (WTO). Based in Geneva, the WTO not only is the venue for the major contemporary trade negotiation—the Doha Round—but it also oversees 20 existing multilateral trade agreements on topics including services, farm subsidies, tariffs, information technology, and intellectual property.

In addition, the WTO has a single head, Director-General Pascal Lamy, whose background is as a leading French politician and European Union Commissioner. Its mandatory membership dues make the WTO staff independent from the control of its powerful members.

Furthermore, each of the WTO's 152 members has an ambassador who serves as a single point-person for trade negotiations and enforcement. The whole membership reviews each country's compliance with the full array of agreements once every three

years—and when this oversight falls short, WTO members settle their differences through an average of 10 dispute settlement cases every month.

The institutions created for finance, labor, and security are similarly muscular. For example, the World Bank and International Monetary Fund have overseen finance and development since 1945, with advice backed by real money. For its part, the 90-year-old International Labour Organization has the power to set out core labor standards binding on all the world's businesses, unions, and governments.

Unfortunately, there are no global environmental institutions with anything like this level of credibility or effectiveness.

The lead international environmental body is the U.N. Environmental Programme (UNEP), an arm of the United Nations located in Nairobi. Tellingly labeled a "programme" rather than an "organization," it is run by a U.N. undersecretary—that is, a second-tier official—rather than by an independent leader.

Its funding comes from voluntary contributions rather than mandatory dues, and it is kept separate from the technical-aid organization known as the Global Environmental Facility. UNEP's annual budget is less than half that of the U.S. Environmental Protection Agency.

Environmental agreements, as a result, are unsystematic and poorly enforced. Their enforcing organizations are scattered around the world, with the agreement on desertification headquartered in Germany, the Persistent Organic Pollutants agreement in Sweden, chlorofluorocarbon control in Quebec, and Antarctic protection in Tasmania.

Each of these entities has its own secretariat, whose enforcement and oversight procedures operate independently of the rest. Participating countries are free to sign some agreements and ignore others. Neither governments nor interested citizens have an easy way to assess their obligations or their partners' compliance.

It should be no surprise, then, that international environmental protection often fails. The 1986 International Tropical Timber Agreement—whose 35 staffers at their Yokohoma headquarters are supposed to monitor and enforce limits on 21 million cubic meters' worth of trade in tropical logs and timber—has been powerless to prevent the loss of more than one-tenth of the world's tropical forested land since its signing.

The effort to protect sea turtles is a different illustration of the environmental system's inadequacy—one showing the inherent organizational gaps of the current system, rather than a simple failure of enforcement. Governments have used the Convention on International Trade in Endangered Species to protect turtles from the relatively small threat of international trade in canned soup and turtle-shell jewelry, but the signatory nations have done nothing about a far greater threat to turtle species—the widespread destruction of nesting beaches. Therefore, the turtle population continues to decline.

In calling for a stronger international regulatory system, Mr. President, you could credibly point to the powerful example of American environmental law.

The current U.S. system of environmental regulation arose in large part from industry demands for a more level playing field. The 50 separate sets of state policy that pre-

vailed up until the late 1960s made compliance costly and uncertain for companies and created strong incentives for some states with weaker laws to serve as pollution havens.

In response, Congress passed laws during the 1960s that created the federal system of air, water, and waste laws in place today—much as the creation of the WTO in the 1990s unified a disparate group of tariff agreements; subsidy and anti-dumping codes; and intellectual property rules.

The time has come, Mr. President, for something simpler, stronger, and better. The environment needs a single organization, with mandatory dues and an independent chief of recognized international stature. It should take control of the existing welter of agreements and serve as the main venue for enforcing them, fixing their weaknesses, and negotiating new ones.

The case for GEO is fundamentally simple. Global environmental protection means at least as much to the world's present and future as trade, finance, labor, and security. Therefore, we should take global environmental policy and institutions as seriously as we take these others. The time to start is now.

For challenges that are global in scope, such as climate change, GEO's economic and environmental imperative is obvious. And the need for such an entity will only increase. A new climate-change agreement will require vastly complex obligations and monitoring mechanisms.

Spanning many countries and thousands of industries, any new climate accord would require a clear, unbiased monitoring organization, as individual countries each seek to judge and enforce the compliance of all the

rest. Even with the world's good will and enthusiasm behind it, such an agreement could easily fail—and we simply cannot afford such a failure.

There is at least one other great benefit that GEO could provide. As you walk the halls of your new residence, take a moment to pause in front of the painting of Theodore Roosevelt.

Through Roosevelt's leadership in the creation of our national-park system, the United

States established itself as the global leader of environmentalism. This proud legacy has been diminished by some of your recent predecessors, who did not take the Rough Rider's legacy as seriously as they should have (a strange oversight, since they came from his party).

Now is your chance to reestablish America's leadership as the founding nation of the environmental movement. A new Global Environmental Organization, featuring full American support and participation, would do exactly that.

progressive policy institute • DDI

600 Pennsylvania Avenue, SE Suite 400 Washington, DC 20003 (202) 547-0001 www.ppionline.org