

Restructuring Economy to Reduce Pollution in Southeast Asia and China

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Populate and perish! Rise in population together with fast economic growth continues to be a major contributor to environmental pollution. In addition, concerned countries need to change consumption and growth patterns, and stop biomass burning.

Population vs. Pollution

As population balloons and economic growth rises, people will consume more goods coming from the environment. Coal, a basic commodity that fuels various industries, continues to contribute pollution to the environment. Like coal, vehicles also top the list of being a major source of carbon dioxide emissions.

In Beijing, China, for example, between 1987 and 2003, the use of passenger cars has increased to about 2.5 times; while the number of cars purchased daily is pegged at 1,000.

Globalization

A two-way relationship exists between environment and trade. In particular, transport has increased as a result of increasing flows of goods and global production networks.

Transportation has impact on environment; the higher the demand on resources, the higher the transportation needs where trading or marketing of goods is concerned.

The price and pricing policy for goods including externalities have implications on the trade of sustainability among countries.

Most Asian countries export either natural resources or products with large resource depletion cost and external environmental cost, which are not reflected in the current price of products. Hence, those Asian countries export sustainability to the other countries.

This is a typical dilemma which puzzles the countries concerned, especially in terms of balancing the competitiveness for trade of products and environmental protection.

Sustainability Issues

Asian countries continue to become the manufacturer of the whole world – the damage of portraying this role is not internalized, particularly on the pollution issues that negatively impact on the different ecosystems (forest cover loss, biodiversity loss, stress on water and other natural resources).

According to the World Health Organization (WHO), an estimate of one billion people is exposed to air pollution levels exceeding their acceptable standards. This exposes tremendous pressure, not only on the environment, but also on human health.

Policies For Consideration in Changing Production and Consumption Patterns

China will have to develop policies that will reconcile both economic growth with environmental degradation.

These policies need to be linked to the global problems, and the need for a regional sustainable development framework that will factor the following:

1. Regional pollution and climate change – the economy needs restructuring through proper global resources allocation; fossil fuel consumption patterns and individual consumption style must also be changed.
2. Give attention to adaptation measures to climate change, part of which is adaptation that reduces long-term liability (e.g., using clean energy sources such as wind and solar).

Climate Change

According to ECO-Asia Clean Development and Climate Program (CDCP)², China ranks second only to the United States in total annual greenhouse gas (GHG) emissions, while India ranks fifth in the world. Indonesia, Philippines, Vietnam, and Thailand are also adding significant amounts.

Energy security is a critical issue facing Asian economies, which currently import more than one-third of all global oil supplies. Experts predict that

by 2030, 80 percent of Asia's oil will come from the Middle East, making the region particularly vulnerable to price shocks and supply disruptions.

In order to manage the impacts of rapid growth in energy usage, Asia will need to experience a paradigm shift toward clean energy approaches. To realize this shift, Asian stakeholders have identified a need for capacity building in policy reform and development as well as improved access to clean energy technologies and finance. The end result must be substantial and sustained increase in investment in energy-efficient equipment, renewable energy technologies, and cleaner fossil fuels.

Cleaner Coal

The challenge for China then is to either retire or rehabilitate its existing plants to improve coal efficiency. It is estimated that as China goes into full swing rehabilitation of its coal-powered plants, it will be able to reduce 700,000 tons of carbon dioxide emissions.

China's Future

In the long term, China, like any other Asian country, will have to work out solutions to its major pollution-related concerns to be able to reduce its GHG emissions that also impact on regional pollution problems:

- Urban air quality and regional air pollution;
- Freshwater stress and water quality;
- Valuable ecosystem degradation and loss;
- Agricultural land use, and increasing volume of wastes.



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² ECO-Asia Clean Development and Climate Program (CDCP) URL: http://www.usaid.gov/rdma/programs/activity_83.html