

# QUESTION NUMBER: 6

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## INTRODUCTION:

The Paris Climate Agreement (COP 21, 2015) marked a landmark global consensus to limit global warming below  $2^{\circ}\text{C}$  above pre-industrial levels, with efforts toward  $1.5^{\circ}\text{C}$ . U.S., historically the largest cumulative emitter and a key diplomatic actor, played a crucial role in shaping the agreement. President Donald Trump's decision in 2017 to withdraw the US from the Paris Agreement therefore raised concerns about the future of global climate governance. The statement that such a pull out would have far-reaching implications is largely valid, though its impact must be assessed alongside the responses of other major actors, particularly China and Europe.

## FAR-REACHING IMPLICATIONS OF US WITHDRAWAL:

### 1. EROSION OF GLOBAL CLIMATE LEADERSHIP:

U.S. withdrawal weakened normative leadership on climate change. As major economic and political power, U.S. commitment had symbolic value in encouraging other states - especially developing countries - to take ambitious climate

actions. Its exit risked legitimizing climate skepticism and reduced pressure on other emitters to honor or enhance their Nationally Determined Contributions (NDCs).

## 2. SETBACK TO CLIMATE FINANCE:

U.S. had pledged USD 3 billion to the Green Climate Fund, of which only USD 1 billion was delivered. Withdrawal undermined trust between developed and developing countries, particularly on the principle of common but differentiated responsibilities. This affected adaptation and mitigation efforts in vulnerable countries.

## 3. IMPACT ON GLOBAL EMISSIONS:

In practical terms, the absence of federal-level US climate action risked higher emissions, given the country's position as one of the largest annual emitters. Roll backs of domestic regulations on coal, vehicle efficiency, and methane had spillover effects on global mitigation efforts.

## 4. LIMITS TO DAMAGE:

The implications were not entirely catastrophic. The Paris agreement is bottom-up and

non-punitive; countries can not be forced to exit or comply. Moreover, firstly, U.S. states, cities and corporations (e.g., "We are still in" coalition) continued climate action. Secondly, the withdrawal did not dismantle the Paris framework itself.

Thirdly, U.S. formally rejoined the agreement in 2021 under President Biden, showing the resilience of multilateral climate regimes. Thus, while the pullout damaged momentum and trust, it did not collapse global climate cooperation.

## **CAN CHINA AND EUROPE HELP WORLD TO ACHIEVE PROMISES OF COP 21:**

### **1. CHINA'S ROLE:** *not only*

China is the world's largest emitter but also the renewable energy leader.

### **2. Strengths:**

- Massive investments in solar, wind, and electric vehicles
- Commitment to peak emissions before 2030 and achieve carbon neutrality by 2060.
- Growing leadership in South-South climate cooperation.

### **b. Weaknesses:**

- Continued reliance on coal for energy security
- Emissions continue to rise in absolute terms.

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- Perceived credibility gap between pledges and implementation.

China can drive mitigation through scale and technology but faces constraints due to development priorities.

## 2. EUROPE'S ROLE:

EU has emerged as the most consistent climate leader.

### a. Strengths:

- Legally binding targets under European Climate Law
- Ambitious policies such as the European Green Deal and "Fit for 55."
- Leadership in carbon markets, climate diplomacy, and climate finance.

### b. Limitations:

- Smaller share of global emissions compared to US and China
  - Internal political differences among member states
  - Limited ability to coerce other major emitters.
- Europe can set standard and norms but can not single-handedly offset the absence of US leadership.

## CHINA AND EUROPE, TOGETHER, CAN PARTIALLY COMPENSATE:

China and Europe together can partially compensate for US withdrawal by:

- Sustaining diplomatic momentum
- Advancing climate finance and technology
- Demonstrating that low-carbon growth is feasible

However, achieving the full ambition of COP21 requires collective action, particularly from all major emitters. Climate change is a global common problem; leadership by one or two actors can not substitute for universal participation.

## CONCLUSION:

Trump's withdrawal from the Paris agreement did have far reaching implications by weakening trust, leadership and momentum in global climate efforts. Nevertheless, the resilience of Paris framework, sub-national US action, and the proactive roles of China and Europe prevented a complete derailment of COP21 objectives. While China and Europe can help sustain progress, long-term success in meeting Paris goals ultimately depends on sustained, cooperative engagement by all major powers - including U.S..

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## INTRODUCTION:

The statement highlights a fundamental shift in global trade: economic interdependence between the U.S. and China is increasingly being replaced by strategic rivalry. Advanced semiconductor chips and Rare Earth Elements (REEs) are no longer just commercial goods; they are geopolitical tools central to military power, technological leadership, and economic security. The future trade war between the world's two largest economies will therefore be less about tariffs and more about control over critical supply chains.

## CHIPS - AS U.S. STRATEGIC WEAPON:

U.S. dominates the high end semi-conductor ecosystem, particularly in:

- Chip design (NVIDIA, AMD, Qualcomm)
- Manufacturing equipment (ASML via US pressure, Applied materials, Lam Research)
- Software and intellectual property

## US Aim:

By restricting China's access to advanced

chips and chip-making tools, the US aims to:

- Slow China's progress in AI, quantum computing, and military technology
- Preserve its technological edge
- Protect national security

#### LIMITATIONS TO US AIM:

While effective in the short term, chip sanctions also:

- Hurt US firms by cutting off a major market
- Encourage China to invest heavily in self-reliance
- Risk fragmenting the global tech ecosystem into rival blocs

Thus, chips are a powerful but double-edged weapon.

#### RARE EARTH METALS - AS CHINA'S COUNTER WEAPON:

China controls around 60-70% of global rare earth production and over 85% of processing and refining capacity.

#### IMPORTANCE OF RARE EARTH METALS:

- Smartphones and EVs
- Wind turbines and solar panels
- Advanced weapon systems

## CHINA'S AIM:

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By restricting exports or tightening regulations, China signals its ability to:

- Disrupt US and allied defense and green-energy industries
- Raise costs and create supply insecurity.

## LIMITATIONS TO CHINA'S AIM:

China's leverage is strong but not absolute:

- Overuse of REE restrictions could push other countries to develop alternative suppliers.
- U.S., Australia and others are already investing in diversification
- China risks damaging its reputation as a reliable supplier.

## FUTURE TRADE WAR BETWEEN U.S. AND CHINA:

### 1. TRANSFORMING TRADE WAR TO TECH ~~WAR~~ WAR:

The conflict is evolving from tariffs to technology decoupling, especially in semiconductors, AI and Data, and clean energy technologies. Full decoupling is unlikely due to economic costs, but selective decoupling in strategic sectors will intensify.

## 2. WEAPONIZING SUPPLY CHAINS:

Both sides will increasingly: identify choke points, use export controls, sanctions and subsidies, and build trusted supply chains with allies. This would raise the risk of global supply disruptions, higher costs for consumers, and slower global economic growth.

## 3. IMPACTING GLOBAL SOUTH:

Developing countries may: face pressure to 'choose sides', benefit from supply-chain relocation (e.g., Vietnam, India), and suffer from instability in prices and access to technology.

Thus, the trade war becomes a systemic global issue, not a bilateral one.

## ESCALATION CONSTRAINTS:

Despite rivalry, several factors limit an all-out trade war.

- Deep financial interdependence
- Shared interests in climate change and global stability
- The risk of domestic economic backlash in both countries

This suggests managed competition rather than total confrontation.

### CONCLUSION:

The US use of chips and China's use of rare earth metals reflect a new phase of economic warfare where technology and resources are instruments of power. The future US-China trade war would likely to be long term and structural, focused on strategic industries rather than general trade, and characterized by selective decoupling and alliance-based trade blocs. Ultimately, neither side can 'win' outright. Excessive weaponization of trade risks undermining global innovation, economic stability, and trust - making the future trade war a high-stakes contest with global consequences, not just a bilateral rivalry.

