Just arrived in Hyderabad, India, for the RAND/India School of Business conference on entrepreneurship. After that, I make my way west to Bombay, and then north to Delhi, where on June 19th, the new Jindal Global Law School will sponsor a major conference on climate.

It's (sometimes) nice going to conferences, but I am also hoping to find out more about productive ways to engage India on the climate issue. Like virtually all developing countries, New Delhi has fiercely resisted any binding commitments on emissions — a position that could blow up the Copenhagen meetings in December.

At this stage, my thinking is that we can avoid a smash by changing our approach to climate diplomacy with India completely — away from focusing on the Copenhagen meeting. What would the new approach be? In a nutshell:

1) *Encourage India to start setting carbon taxes rather than push them to commit to specific emissions reductions.* Indian foreign policy is highly nationalistic, so much so that the US-India nuclear deal, although giving India virtually everything it wanted, nearly failed to Parliamentary ratification because of minimal concessions to the US. In his book on US-Indian diplomacy, Strobe Talbott said that India was by far the most difficult country to deal with. Every Indian politician has vowed not to accept binding emissions reductions. There is little point, in my view, to force this concession on them if they would enact a carbon tax. They could argue truthfully that they refused to cave to American demands — and US politicians could say truthfully that they got something out of India.

2) *Try to make specific deals at the state level*. Since independence in 1947, India has been highly centralized, but this is changing rapidly. States are becoming relatively more powerful, and despite the impressive gains by the Congress Party in the recent elections, even at the national level, regional parties are gaining more seats. It stands to reason that direct arrangements with the Indian states, which still have authority over the electricity generation sector, could yield important emissions reductions benefits. Several states, such as Gujarat, are already actively facilitating solar promotion policies. The United States could direct aid and direct investment to those states that take proactive measures.

3) *Trade across issue areas*. If you consider the view from New Delhi, Indian politicians are interested primarily in different things than American negotiators. They want to open markets to Indian goods, attract foreign direct investment, increase aid, and protect their agricultural sector. Environmental concerns are low

on their list. If the United States wants to gain concessions from India, it should be prepared to make concessions in other areas (which in the area of agricultural subsidies, wouldn't *really* be a concession at all. And the US might get domestic support for this strategy from US industries, which will want to have *some* carbon regulation over their Indian competitors.

If I am right, these considerations point away from focusing our climate diplomacy through the Kyoto process. We should of course engage in this process. But, like trade, our efforts will have to connect in a variety of fora and at a variety of levels. and the centrality of Kyoto will diminish, as we become more sensitive to the specific politics or specific nations.

I am going to introduce some of these ideas at the JGLS conference, where some Cabinet ministers will attend and IPCC chair Rajenda Pachauri will keynote. I'll report on what they say about the climate issue and the prospects for the Copenhagen meeting.

In the meantime, I'll post anything environmentally-related that I find on the trip. Namaste!