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Fireside Chat with [John Podesta](#)

[John Podesta](#), Senior Advisor to the President for Clean Energy Innovation and Implementation

Moderator: [Jim Sciutto](#), Anchor and Chief National Security Analyst, CNN

Introducer 0:00

I'm able to welcome to the stage one of the good longtime friends of the Aspen Strategy Group, John Podesta. He's held every difficult job in the United States government and has recently gone back to I think, what is one of your greatest passions, which is to solve the crisis that is climate change. And it may not be an obvious thing for national security conference to focus on climate change, but we always do every time we have a conference because it is a national security issue, a critically important one. It is already making civil wars in Sudan and Syria and elsewhere worse, it is causing a migrant crisis that is largely invisible and it's only going to get more difficult so we're very excited to have John Podesta with us. He's straight back from kop. 28 still jet lagged. So double thank you for that. And no one better to interview him than Jim Shooto from CNN, thank you very much.

Jim Sciutto 1:16

we'll put you on the right for once.

John Podesta 1:19

That's where I'm comfortable.

Jim Sciutto 1:21

Thanks so much. Apologies for dispensing with the tie. I'm importing a little bit of Aspen, Colorado by going a little bit more casual to Washington given the weather to Tanya's point as we started, I never doubt that climate is a national security issue. And whenever I have conversations with folks who doubt the reality of climate change, I will always direct them to the US Navy's website where the US Navy speaks quite openly about the many consequences in terms of national security, migration, wars over finite resources, etc. To that point, I don't have to tell you that but it's certainly something that I have to bring up frequently on the air.

John Podesta 0:35

Well I'll tell my son that it works for the secretary. But so I'm glad you referenced the Navy. But maybe I'll start by telling you a story, Jim, because this is triggering for me, which is when I was Bill Clinton's chief of staff in the year 2000, Gail Smith, who I think you know, who went on to run USA ID for President Obama was our senior director for Africa. And we sent her into the briefing room one day to say that climate change and HIV AIDS, these transnational threats were security threats and she literally got laughed out of the briefing room from by your colleagues. Fast forward 14 years later. And the Quadrennial Defense Review, first identified climate change as a threat multiplier. And I say today that

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it's no longer we shouldn't think about it as a supplier. It is the threat. The effect that onion noted on human security cascades into national security challenges across the both across the board. Both because the of the internal displacement of people which exacerbates state fragility, as well as people pouring over the borders, which has, you know, obviously, as we're watching what's going on on Capitol Hill and our inability to kind of find a path forward to get the resources that Ukraine needs, the resources that Israel needs. You know, I think it is something that I think we will only get worse and be more exacerbated than years. Ahead. So we have to take it seriously on those terms, as well as obviously on the economic and and in environmental terms that we usually discuss the topic

Jim Sciutto 2:35

that connection between the environment and climate change and mass migration from Africa into Europe and from South America. Here is a connection I don't think we make often enough as we're discussing those issues on the air but we should make more often. Alright, so the topic at hand given cop 28 is underway. There is some cautious optimism being expressed by the organizers and others, that they will come to some sort of concrete agreement on the phasing out or the phasing down of fossil fuels. I wonder, do you share that optimism?

John Podesta 3:05

You know, look, I think it's a healthy debate. I just came from from over there. The United States is on record as being in favor of phasing out of unabated. Fossil fuels. We did that in the g7 while ago and Secretary Kerry has been clear about that. But there's still resistance to it. So the negotiations are now kind of in the clutches. I think one of the things that's happened at this cop, though, is the focus on the emissions from the oil and gas sector have probably never been as prominent. We've been talking for a long time about the need to stop building unabated coal fired power plants, and have put pressure on countries like China to begin to not only stop building new plants, but start retiring the their old plants. But I think this cop reps because it's hosted by the UAE has really put a bullseye on the emissions from the oil and gas sector on the good news side. I think that led to the significant step forward in terms of reduction of reducing methane from the production and transportation of oil and gas. The United States took a lead on that with the rules that the EPA just finalized to reduce emissions from the oil and gas sector. But I think in general, the commitments that were made, I think, on the second day of COP, were were substantial, but that really only gets at the emissions that are coming from production. It doesn't get to what you know people in, in that world referred to as scope three, what happens when the oil is actually used and the emissions that are coming from that

Jim Sciutto 4:56

you mentioned the word which has been quite a buzzword there, which is the word unabated. Explain what that actually means. Because and does it involve an element of fantasy to say, well, you know, as long as we figure out a way to rein all that stuff in the atmosphere will be okay.

John Podesta 5:13

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Yeah well unabated means that, you know, there are processes by which you can capture the emissions of co2

Jim Sciutto 5:22

are any of those proven?

John Podesta 5:24

well, they're they're in theoretically proven whether they're economic is really the question. I think there's a lot of investment going on now. A little bit more distant is direct air capture, although their Department of Energy is supported some demonstration projects in that space as well. And people, like oxy the formerly Occidental Petroleum are spending a significant amount of capital trying to demonstrate that technology that's pulling carbon out of the atmosphere, and then sequestering it in by injecting it into the ground. More typically, what people are referring to is taking the co2 out of a stream and then and then injecting it underground for permanent storage. Is it is it's, you know, hasn't been demonstrated. Yes. But has been, is it a solution? And I think this is where there's, you know, quite a bit of contention, even in the cop. I think one way to think about this is you can't just keep burning fossil fuels forever and ever and think that you can grab that co2 and just put it back underground. That is not going to be a overall solution to the to the problem. We have to move to clean and renewable sources of energy, but there's a certain amount of co2 that we're going to literally have to be able to remove from from the atmosphere, or from particularly hard to decarbonize processes, where sequestration by mid century, if we're going to get to the point that people use the term netzero, where we're taking as much carbon out of the atmosphere as we're putting into it, then there needs to be a space for for carbon removal.

Jim Sciutto 7:22

I just wonder, and there are a lot of parallels, certainly from the way the industry has handled this to the tobacco industry, but I just wonder if it's the equivalent of filtered cigarettes, you know, as long as put a filter and everything will be fine, which we know is true. Look, how much of this how much of this is a solution as opposed to a distraction or a delay tactic?

John Podesta 7:39

Well, lucky. Yeah. I think that's a fair question. What I'm saying is that we have to demonstrate the technologies because because we're going to need it it doesn't mean that we can continue on the path we're on, which is to essentially power our economy, through through the use in the way we do today. of fossil fuels from everything from transportation to power in the power sector, etc. We have to move off of that we have to electrify more we have to create that electricity through clean sources. renewables, zero carbon sources, like nuclear power, but we're not but there's a there's a little tail at the end. And I think that this, you know, the perhaps the fossil fuel industry likes to pretend that we can just keep doing what we're doing. And and take care of this through sequestration. That is not that is not a solution, and that will not work. And that's why I think, you know, what I'm doing at the White House is trying to

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implement the inflation Reduction Act. Which was the biggest investment in clean technology in the history, not just in the United States, but the world to try to replace those resources across every sector power, transportation, industrial buildings and agriculture and forestry, with, with climate smart and cleaner forms of energy, and

Jim Sciutto 9:17

I do want to get to the good news because because there is some good news but before I get there, speaking of the industry itself, our oil producing nations, and by the way, one of them was the host or is the host of cop 28. This year, Abu Dhabi, are they credible partners to address climate change when their incentives are mixed at best?

John Podesta 9:37

Well, you know, I think that the The truth is that we need them to do things differently. And the UAE for example, is a major developer of of, of renewable power. And so that's, in a sense, a good thing, but they can't keep going down the track. They're going which is to continue to deploy and exploit for as far as the eye can see. And I think the same thing basically is true. Across the globe, we need to see the economy transformed, to be powered on clean forms of, of, of energy, and I think particularly in the oil and gas sector, where the usage is so dominantly in transportation, electrification, finding other forms of fueling heavy duty transportation, including through green hydrogen is going to be where we need to get to, in the meantime, you know, the world still is is dependent, if you will, on, on the continued production of oil and gas, but we have to make this transition. And that's why we're pushing towards the President set a goal of that 50% of new car sales and cars and light duty trucks will be electric by 2030. And I think we can we can accomplish that

Jim Sciutto 11:13

is there an odd dynamic there given that US production has grown so much and outpacing many of those that we traditionally saw as owning the fossil fuel business and by the way, you have a leading Republican candidate for president who said that on day one drill drill drill will be part of his mantra. Where does that put the US role in this as it produces more?

John Podesta 11:37

Well, I you know, I think it that in the in the near term, particularly as a result of what the last what Minister Cameron was talking about, the effect of the invasion of of Ukraine, of the fact in the initially on the spike in oil prices that's come down now shows our security dependency on fossil fuels which we need to break and I think that the US production is helped stabilize prices and that's for a US consumer perspective. That's, that's, you know, at least in the short term are good thing. But that doesn't mean that that's a solution over the long term. That's why we need to invest and we're seeing that investment in cleaner technologies has been over \$220 billion since the President came into office of investment in clean technology, about a over \$150 billion of that is in electric vehicles and and battery manufacturing

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rich reshoring supply chains. That's the future. But in the meantime, I think we have to manage the economy as it is.

Jim Sciutto 12:55

I'm not all doom and gloom guy. I can't be because my middle son is very focused on this issue. And I will have conversations in the car while say he'll say listen, the planet stuck. We're finished. We've already messed it up. I say well, actually, good things are happening here. I'll quote him statistics about a more rapid uptake in renewable solar energy, wind power ahead of projections just a couple of years ago. Those are real numbers. They're not partisan numbers. They're real numbers. It's the reason why I have my car plugged in downstairs because I couldn't go home to my middle child. So talk about what, from your perspective is outpacing your projections on the positive side of the ledger?

John Podesta 13:36

Well I think I think you've mentioned some things. I think this what we've seen is really a renaissance in manufacturing led by these clean technologies. I mean, I think that last year 4% of all, spending on buildings, durable goods was in the clean energy sector in the United States. That's really been as a result of people making that transition, moving forward with innovation with new technologies with commitment, that that's where the future is, the same thing is true on in terms of renewable energy. Solar is now the cheapest form of, of renewal of energy generation. In the world. That's why it's outpaced and now is significantly outpacing fossils in terms of electricity production at a global level, and why we're seeing the big uptake in the United States with with respect to the percentage of new production coming on board in the United States, but there are things happening. I think, as I said across the board, more climate smart agriculture, we're seeing it in the building sector. transition to the overall sales, from the pandemic to now has slowed down a little bit in terms of what people are doing in terms of even in their own homes, to transition from. For example from gas burning furnaces to to heat pumps, but as a percentage of new installations. Heat pumps are going up. And I think you're just seeing across the board, this movement towards clean energy and I think that's being led by a policy environment where the government has enabled private sector investment, and the private sector is responding with with tremendous energy. Actually,

Jim Sciutto 15:46

one sign of trouble is specifically on offshore wind though with with inflation. It's increased the prices. You've had companies such as Shell pulling out of projects, Martha's Vineyard off of off of New England well, most

John Podesta 16:00

famously or said in New Jersey pulling out of new projects.

Jim Sciutto 16:04

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Economics had been your friend to this point, particularly on wind, but but in this case, that's not the case. And I wonder, do you do you think that's a short term setback?

John Podesta 16:14

I do. And I think even Orsted is still in the US market they're still developing to projects are breaking ground on you know, kind of as we speak, the Federal Government Center bets better job I think of of increasing the pace of permitting in in that context. We just permitted the largest wind project in the in the US dominion and off the coast of Virginia. That project is on track and I think will be built there. And we'll see the first production off Cape Cod soon. So I think it is true that the headwinds for offshore wind have been more severe, I think, because they're dependent on a lot of upfront investment and the interest rate environment has as well as the, you know, the it's taken a little bit of effort and time to get those supply chains going in the US. They're more developed in Europe. The industry was obviously more developed in Europe. But so there's a kind of premium in the US right now, as those supply chains are developed. But I think as as inflation abates, as the interest rate environment gets a little bit better, as people are penciling out those projects and there's still a very strong commitment and in future for offshore when we're seeing, for example, New York. Moving forward with with some new offerings, and I think those will those will come in now. Has it? You know, as it did it hit a rough patch. Yes. But I think there's the both the federal government the states, on both the West Coast and East Coast are committed to it. And I think the companies are committed to it. So I think we'll work it out.

Jim Sciutto 18:16

I spent a lot of time in my job on the US relationship with China, particularly from a national security perspective, and the various flash flash points, including Taiwan, of course, we were just talking about that a few minutes ago with the foreign minister. And when I'm writing a book about great power competition, you talk a lot about US China relationships. The one area of cooperation that that is both necessary for the sake of the world, of course, as the US and China have to have to work together on climate change, but it's also an issue that I that often hear from policymakers to say, well, it's an area of hope because we are actually discussing cooperation on that issue. And I wonder Is that Is that something you share? Is that Is that too optimistic view? And can you have that cooperation, even when you're discussing potential war plans over Taiwan?

John Podesta 19:04

Yeah. Well, you know, I have a history with this because I was, you know, during my tenure with President Obama, I negotiated with the Chinese over a joint statement that we issued in November of 2014. That I think really sparked the negotiations that led to the Paris Agreement in 2015. So I spent a lot of time with the person who is now their chief negotiator, as did Secretary Kerry when he was Secretary of State. He's now continued that and I give credit to Secretary Kerry for sticking with it for you know, going back and back and back. And I think the result of, of the Secretary's meeting with Xi Zhang Hua and Sunnylands, just maybe six weeks ago, resulted in some movement forward with the Chinese making a commitment to bind all their greenhouse gases into their NDC. That was a very important step for China.

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They were participated in the work that's going on now at COP around methane reductions, which is particularly potent greenhouse gas. So that's good news. But I think we're in a very different place than we were during my tenure with President Obama. Both the relationship is more on edge and we're in a period of real competition. As you know, I think back particularly in the early days, we're going you know, back probably into the Bush years, there was the more discussion of cooperation, et cetera. Now we're in a technological competition across a broad range of technologies, semiconductors, clean technology, the Chinese control too much for from a security perspective of particularly the upstream technologies around critical minerals, batteries, upstream solar supply chains, around the development of ingots and wafers. What we're trying to do is push towards reshoring, French shoring some of that working with our allies to reduce our dependency on China for the production of those really critical technologies for the next couple of decades

Jim Sciutto 21:28

and hard restrictions. I promised Anyo to go to the audience for one question. So think about it and let's pick someone so we can get there. I do have one more question for you. There's almost maybe delusional is too strong a word but but at least kicking the can down the road that there's an there's an aspect of that in any discussion right now, whether we're talking about the US relationship with Russia over Ukraine, US policy towards North Korea, but also environmental policy that you have an election next year in which you could have a change of leadership here that would radically change the US approach. Certainly to this issue. You have a leading Republican candidate who while President publicly stated he doesn't buy the science behind climate change up took the US, of course out of the Paris Agreement. What does that mean for this country, the largest economy in the world. Its approach to this issue, due partners by that any commitment you make today is going to last beyond the next 11 months. What does that do for us credibility?

John Podesta 22:30

Well, look, the last time we had a climate denier in the White House, which wasn't that long ago, who tried to reverse all the actions that had taken place by a bipartisan group of presidents before him. The I think in particularly the decision to pull out of Paris sparked, we're still in movement from state and local governments from the private sector, from universities from nonprofits, etc. I met with a lot of them that were all in is they've rebranded when I was when I was in Dubai. And you have this tremendous leadership at the state and local level and at the, at the business level, etc, that are still pushing forward. What I say about the Inflation Reduction Act is you know, it was built to be durable, and I'm maybe just a veteran of the Affordable Care Act. So I, I like to, you know, I like to believe that history will repeat itself, but it's built to be durable because the 10 years of support for this clean energy transmission that's built into the tax code is resulting in all this economic activity that I mentioned around the country. Steel going in the ground jobs being created more than 210,000 jobs created just since the bill passed. And that's more every month. It's happening all across the country. north to south east to west, you know, people focus on red places what's happening in California and Nevada and in Georgia and Michigan and New York and Maine. It's happening all across the country that's very hard to uproot. So I'm confident

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that the policy is here to stay, because the crisis is here to be dealt with. And it will organize I think society for a long time to come.

Jim Sciutto 24:29

okay hopeful note. Do we have a question from the audience? In our remaining seconds? Gentleman here. Microphone coming? If you can make it brief, and then I'll ask you to make up because like I need to keep on schedule.

Audience question 24:45

China is the largest producer of electric vehicles in the world. Are they doing anything to move away from coal fired electric generation?

John Podesta 24:53

No, they're still building coal fired power. And you know, one of the things that I think our diplomacy has done to both the President in his discussions with President Xi and Secretary Kerry and his discussions with ministers Shia have emphasized that they need to stop building new coal and they got to start retiring the old coal. You know, their answer is that they can manage through dispatch the massive build out of renewables. That is fair enough that they're building in China, but they have to stop building coal and they haven't stopped yet. But and so if you power electric vehicles, using coal fired power, you haven't accomplished very much. That's the other side to the, to the question that you're asking. But I think that the, you know, the pressure, I think is most that they are most subject to is really from the rest of the world, and particularly the most vulnerable countries that we started off with. So people who are really bearing the brunt of extreme weather, the effect on food and water systems, etc. I think that, you know, the world needs to push towards having a change in behavior in China. And the United States is an important voice, but it's that rest of the global community that has that I think, is likely to change Chinese policy

Jim Sciutto 26:22

and a similar question for India as well, but we'll save that for another conversation. Okay, John Podesta. Thanks so much.

John Podesta 26:28

Thanks.

Jim Sciutto 26:29

Thanks to all of you.

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