

It's not surprising that George Bush, a former Texan oilman, doesn't want to limit the use of a fuel that made his family into a political dynasty. It would be like asking Bernard Matthews to give up meat. Even a personal appeal from Tony Blair at this week's G8 summit seems unlikely to get him to budge. However, there is a cold, hard reason that will produce action from Bush: oil costs 60 dollars a barrel. This is a record price and, in the long-term, the only way the price can go is up. This is driven by the well-founded fear that there isn't that much more oil to be discovered: two-thirds of the world's oil supply comes from fields found more than 30 years ago. Coupled to that, demand is rising dramatically. Globally demand has always gone up, but in the last few years there has been a change of gear. China's economy has grown massively. There is talk that it is slowing down, but to a rate that still dwarfs what is happening in other nations.

That growth needs fuel and demand on this scale breeds intense competition. Countries are scrabbling to secure their future supplies. Like it or not, every nation including the USA will have to diversify into other sources of fuel.

But that is only a crumb of comfort for those who fear climate change. The majority of scientists working in this field believe that burning oil, coal and gas is causing the climate to change. Some have gone as far to say that we only have ten years left in which to take action before it is too late: the world's climate will be irreversibly set on a course for change. So a lack of oil may prompt a switch into renewables and other energy sources, but given this potential time scale we need to use every means to reduce the burning of fossil fuels.

This is where Bush parts company with the other G8 leaders. He refuses to accept that human activity is the major cause of climate change, which is convenient as his most immediate worry apart from Iraq is the economy. The US is losing jobs and running up huge debts in the face of cheap imports from China, etc, so he does not want to load US industry with the legal requirement to reduce its carbon emissions, especially as China will not be doing the same.

In his mind, there must be the question: "Will China start to replace the USA as the dominant world power on my watch?" because economists are asking that question. But Bush has a far greater responsibility than to ensure the supremacy of the American dream. He is required to be a true global leader and to do what is best for the world as a whole - even if it is hard for the US in the short-term.