Reimagining Global Climate Policy: From Cooperation to Conflict

Jessica F. Green, Associate Professor, Department of Political Science, University of Toronto

In this memo, I advance three arguments about the current international climate regime. First, to be provocative, I suggest that the global climate governance needs less climate-focused cooperation and more cooperation focused on broader issues. This is because climate cooperation thus far has a) been ineffective in addressing the climate crisis and b) given governments political cover by suggesting that they are actually making meaningful progress toward decarbonization. Second, less focus on climate will allow for the identification of the key actors who are responsible for obstructing or slow-walking climate policy. Third, this identification can actually help reframe the climate crisis more broadly, and as one where there are real "bad guys" – which is important for mobilizing social movements and democratic polities. "Climate" policy should be refocused on constraining the material power of these obstructionists through policies focused on trade and finance, rather than emissions mitigation.

Less cooperation

Climate change has traditionally been presented as a collective action problem, but it is largely one of "existential politics." In a simplified model of existential politics, the world can be divided into two groups: owners of climate-forcing assets (such as oil and gas firms or heavy industry), and owners of climate-vulnerable assets (such as coastal homeowners and farmers or laborers in climate-vulnerable industries; CVAs). Ambitious climate policy will devalue—or even destroy—climate-forcing assets (CFAs). As such, CFA owners will fight to obstruct more stringent climate regulations, while CVA owners will push for them. The political problem is the asymmetry of power and resources between these two groups. CFA owners are wealthy, powerful, and well-organized. CVA owners are geographically dispersed and must overcome collective action problems to advocate for more stringent policy. Currently, CFA owners are winning the political battle.

Despite this fact, countries continue to claim that they are making meaningful progress on climate change. Relative to previous efforts, this may be true. But in comparison to what is needed to avoid catastrophic climate change, they are not. We are currently on track for more than 3 degrees C of warming by 2100, rather than the 1.5 degree target set out in the Paris Agreement. (And importantly, we frequently forget that the Paris Agreement is a concession in and of itself, since it concedes that we must all live on a warmer planet.)

We're not "all in this together"

In a much cited study, Heede and colleagues find that 90 firms are responsible for two-thirds of global emissions between 1751 and 2010. These are mostly fossil fuel and cement firms, and many are state-owned enterprises. Moreover, a recent report notes that the wealthiest 1% of the world's population emitted twice as much Co2 as the poorest 50% between 1990 and 2015. Yet, the collective action frame suggests that "we all have to do our part." Of course, the conditionality of developing country pledges in the Paris Agreement acknowledges some degrees of differentiated responsibility. Yet this falls well short of the notion that a handful of firms and individuals are largely responsible for climate change, as the data clearly indicates.

Changing the narrative

Since we are not "all in this together", a helpful political approach would be to emphasize this reality. Instead of lauding companies' voluntary efforts to "go green," we should identify the "bad guys" and regulate them. There is ample evidence that fossil fuel companies have sown disinformation on climate and spent vast sums to lobby against climate change regulation. The same is true of electric utilities. Moreover, the evidence on the effectiveness of voluntary efforts is mixed at best. A recent study shows that though oil majors may have shifted their political behavior about climate change, their business models remain largely unchanged. Importantly, the study finds that pro-climate behavior correlates with the stringency of climate regulation in their headquarters' home country. This finding indicates that regulation is an important factor in reducing emissions. In addition, while climate disclosure has become an important practice for many multinational corporations, there is little evidence to suggest it effects actual emissions.

Thus, the first step in shifting the narrative is to abandon the hope that voluntary efforts will lead to meaningful changes.

Next, progressive policymakers and social movements should focus on "climate bad guys" and push for regulating them, rather than cooperating with them. (One journalist has even suggested sending them to the International Criminal Court for crimes against humanity.) Emphasizing that climate change is a question of justice and fairness – a frame that is readily understandable to most – rather than a more technocratic debate about how to measure and abate GHG emissions, has the potential to mobilize publics and diverse interest groups.

Some social movements and developing countries have tried this approach, but thus far, they continue to be overshadowed by the insistence on cooperation and collective action. But a shift away from climate cooperation toward cooperation on justice and fairness can help address the one of the root causes of climate change – the obstructionism of climate forcing asset owners.

Policies should focus on constraining the power of obstructionists. For example, tax reform is a potentially important form of climate policy. The G7's recent declaration that it will increase the minimum corporate tax rate is an important step in the right direction, since it will impact the bottom line of big emitters. If implemented well (which remains an open question at the point), raising corporate tax rates will lower profits, and begin to curb some of the material power that large emitters enjoy.