





COP17 country position paper CIRES





- (1)What your country position has been on mitigation commitments as well as actual emissions reductions
- (2) What your country position has been on adaptation commitments and needs
- (3) What are particular issues in climate change that your country has **prioritized** (e.g. sea level rise, drought, poverty, the economy) in negotiations

[due next Thursday, copies for LMC members and me]

Obama State of Union address 2012





this past Tuesday (1)What did Obama say about climate change?

"the difference in this chamber may be too deep right now to pass a comprehensive plan to fight climate change" ~ Obama SOTU 2012

(2) What did Obama say about energy (security)?



called for "an all-out, all-of-the-above strategy that develops every available source of American energy' ~ Obama SOTU 2012

top themes in today's readings





Hulme – Chapter 3 The Performance of Science

- 'one of the reasons we disagree is that science is not doing the job we expect or want it to do" (p. 74)
 - 3.2 What is scientific knowledge?
 - three limits to science (p. 106-109)
- Three models of the relationship between scientific knowledge and regulatory decisionmaking
- post-normal science (p. 78)

post-normal science (& policy)





"intended to provide guidance through the new perplexities of the uncertainties, value-loadings, and commitments that characterize contemporary policy-related science" ~ Silvio Funtawicz and Jerry Ravetz

- (1)Goes beyond assumptions that science is both **certain** and **value free**
- (2)recognizes contemporary science-policy interactions as
 - A. Uncertain facts
 - **B.** Disputed valued
 - C. High stakes
 - D. Politicized alternatives for action

economic perspectives & perceptions

| Regulated markets - | Free markets |
|---------------------|----------------------|
| Government - | Consumers/Businesses |
| State ownership | Private ownership |
| Equity | Efficiency |
| Consumer, Public | Caveat emptor |

competing environmental perspectives & perceptions





| Environmental | Economic Development |
|---|---|
| Humans tied to nature | Nature separate from Humans |
| Ecological assemblagesare in delicate balance | Environment is adaptable, resilient, regenerative |
| Finite resources | Infinite capacity to substitute resources |

competing perspectives regarding what are the causes?





| G | Greed, carelessness | 3 | Unintentional, coincidental |
|---|---------------------|-------------|-----------------------------|
| | The market itself | | Market failures |
| | Affluence | | Poverty |
| | Consumption | | Population |

competing perspectives regarding what are some solutions?





| Protect environment | | Protect people |
|---------------------|-------------|----------------------------------|
| Slow development | | Increase efficiency |
| Simplification | | Technological fixes |
| Paradigm shift | | Incremental institutional change |
| Systemic change | | Cleanup, remediation, dilution |
| Government | | Markets |

key challenge: overcoming binaries!

top themes in today's readings





CARBON ECONOMIES

- carbon-based energy generation is central (e.g. coal, oil, natural gas)
- incentive schemes support carbon-based economies (e.g. subsidies, tax relief)
- associated effects of anthropogenic climate change, pollution, oil geopolitics

'NEW' CARBON ECONOMIES

- "represents the emerging trade in carbon emissions, along with the series of market-based policy instruments designed to reduce global greenhouse gas emissions through the creation of markets for carbon such as the flexibility mechanisms of the Kyoto Protocol" ~ Brown & Corbrera (2003)
- decarbonization of industry and society (e.g. greater efficiencies; modeswitching to renewable energy generation)
- incentive schemes (e.g. taxation, net metering, feed-in tariffs, cap-and-trade)
- diminished contributions to anthropogenic climate change, air pollution etc.
- introduction of multi-scale agreements to promote policy cooperation

top themes in today's readings





Political Economy

- branch of the social sciences
- studies interrelationships between political and economic institutions and processes

Political Economists

- analyze government intervention in the allocation of scarce resources
- explore various laws and policies
- investigate how economic structures affect human behavior
- feedback: interactions between politics, economics and people/society → how they shape policies and laws



Adam Smith (1723-1790)





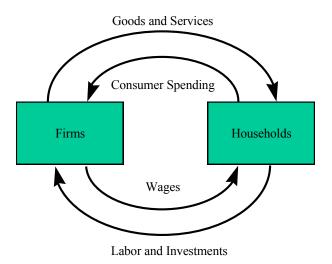
- wrote The Theory of Moral Sentiments and Inquiry into the Nature of Causes of the Wealth of Nations among many works
- · 'labor is the source of value'
- · 'the invisible hand' of the market
- The market mechanism as selfregulating
- first to formulate a broad-based conception of capitalism



Smith's View of Capitalist Economic Activity







Adam Smith (1723-1790) CIRES





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- first to formulate a broad-based conception of capitalism
- laissez-faire view of markets and society



capitalism





- goods and services are produced for profitable exchange
- human labor power is a commodity for sale in the market
- economic actors are dependent on the market
- fundamental requirements of competition and profit maximization
- financial, natural, social, political and human capital
- → dominant form of business ownership



carbon-based industry & society CIRES







Revkin (1992)

The Anthropocene Era ~ Crutzen & Stoermer

The 'Hydrocarbon Man' ~ Apenzeller

The 'Greenhouse Century' ~ Schneider



Revkin (1992)

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carbon-based industry & power Like





| | ExxonMobil | ВР | Royal Dutch/Shell |
|-----------------------------------|--------------------------|-----------------------|-----------------------|
| Headquarters | Texas, USA | London, UK | London/the Hague |
| Annual sales/ | \$328 billion | \$249 billion | \$307 billion |
| emissions (tons CO ₂) | 138 million | 78 million | 105 million |
| operations/employees | 190 countries | 100 countries | 145 countries |
| | 92,000 employees | 104,000 | 118,000 |
| climate policy | No - oppose Kyoto | Yes - support Kyoto | Yes - support Kyoto |
| climate science | critical of IPCC reports | cautiously supportive | cautiously supportive |

adapted from Pulver (2007) and Forum for the Future (2006)

top themes in today's readings





Hallegate & Ambrosi – Chapter 13

Assessing Economic Impacts

- Stern Review of the Economics of Climate Change (p. 144)
- "Cost-benefit analysis may not be the best tool for designing climate policies" (p. 147) → 'Five numeraires'

<u>Schneider & Mastrandrea – Chapter 15</u>

Risk, Uncertainty & Assessing Dangerous Climate Change

- Risk = consequence x probability (p. 163)
- Dangers of Type I and Type II errors (p. 164) → links to the 'precautionary principle'
- Special Report on Emissions Scenarios (SRES) (p. 165)

Newell & Paterson – Chapter 5 (in Boykoff 2009) The Politics of the Carbon Economy





will climate governance create an enabling environment where 'climate capitalism' is compatible with climate change mitigation and adaptation?

OR will carbon markets exists as isolated sites of accumulation in an economy separated from climate reduction efforts?

- 'climate capitalism' system where capitalist imperatives of accumulation are achieved through low carbon economic growth
- future paths? 'cowboy climate capitalism' vs. 'climate Keynesianism'