

## Some preliminary loose thoughts

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### Beyond short term visions in politics and business

- My impression is that lack of awareness or information is not the major deterrent to international collective action in regards to climate change. Governments know, as most citizens do (at least relatively educated and informed ones) what is at stake. Uncertainty, and as yet low probabilities of catastrophic events during our children's lifetimes do not explain governmental inability to act.
- Pervasive discounting of the future and high *discount rates* are deeply rooted in human individual psychology, managerial systems, and in the inner workings of democratic polities. They are to blame for the prevalence of short term visions and the tacit exclusion of climate change in *real* and operational public interests. For this reasons, what is commonly accepted as *public interest* in our polities is not coupled with the long run survival conditions of humanity and of the biosphere as we know it. Is there any other way to fully codify climate change as a priority public interest?
- On these premises, discounting practices would have to change and lower discount rates in consumer and citizens' preferences and in politicians behavior would have to emerge and prevail. How? That is a very hard thing to do, and a long run task in any case.
- Once (and if) climate change is codified as a real and operational public interest, the question would be how to supply leadership, confidence and momentum for new national and international governance and institutions building for a tightly carbon constrained economy in the long term? My opinion is that business and markets will not be a problem, they follow rules and preferences; they will adapt. Markets and business are instrumental, or aren't they?

- International experience in other global public goods issues has to be analyzed: peace, human rights, counter terrorism, global trade, the high seas, nuclear proliferation, poverty alleviation... Are there similar challenges and/or opportunities?
- Of course, *global commons* governance (global climate as the global commons epitome) means to go beyond short-term visions in public interests and public values in national polities. However, global commons governance is the result of successful *collective action*, and it is not clear who may lead it and how. We face a dearth or an under-supply of leadership. Why? The impasse can be modeled as a colossal Prisoner's Dilemma. How to break it?
- How to envision living under sharp carbon constraints as a palatable and worthwhile goal?

## **Rediscovering public goods and equity as guides for action**

- Climate change can be seen as the ultimate *tragedy of the commons*, and climate stability as the ultimate *public good*. Public goods are created or not depending on public values and public interests. Creation, supply or conservation of a vital public good at planetary scale needs to be legitimized and made operational by new public interests and public values, as well as new *institutions*.
- We do not have sufficient public values or normative consensus about environmental and climate change obligations of citizens to society, the state and one another; neither do we have sufficient principles on which governments and policies should be based in regards to climate change mitigation and adaptation. How to form and promote the needed public values and interests? What is the process of public values and public interests formation as a political motivation for public goods supply? In any case, it seems to be a long-term process, which may have to be catalyzed by sudden catastrophic events (like war, famine).
- We should follow the unavoidable connection between information, perceptions, beliefs, values, interests, collective action and institutions in regards to protecting the climate of the earth as the ultimate public good. For that we need to solve the *problem of collective action* at multilateral level.

- Equity, obviously, is a big issue. Distributive effects of climate policies are not perceived as progressive, even if they are or could be. That is the case of energy subsidies elimination, carbon taxes, carbon caps, emission permits, carbon markets, land use regulation, REDD, PES... How to combat and surmount the daunting fetishism of cheap energy? Is direct income support and compensation a universal answer?

## **Tackling barriers to participation and engagement**

- Climate change collective action has as a huge barrier in the form of a new and uncertain international balance of power, which has been associated with the breakdown of international coordination. Climate change inaction feeds back uncertainty and makes collective action and coordination more intractable.
- No country or group of countries (Europe) is able to set a workable climate change agenda. The UNFCCC is almost in paralysis, the G-20 is too crowded and conflicted, and G-7 and G-8 have not enough common interests and political stamina to run the climate show. The roles of key countries like the US and China are blurred. What to do about it, if something can be done?
- Other major barriers to collective action, engagement and participation are related to inherently unwelcome and complex climate change policies (if they are to be effective) and policy instruments: carbon taxes and fiscal reform, elimination of subsidies, land use regulations.
- However, carbon taxes and fiscal reform can be seen as an opportunity to strengthen public finances and a source to finance poverty alleviation transfers and an enhanced social security.
- Additional barriers arise since costs of climate inaction are diffuse and not mapped to specific actors or actions, and costs of mitigation are perceived to be very high (even if they are not).
- But probably the big problem is that effective mitigation really challenges the way of life of developed and developing countries, and of modern (urban sprawl, motor vehicle mobility)

and traditional societies (slash and burn agriculture, cattle ranching). It amounts to a deliberate and collectively agreed change of behavioral patterns under clear and unquestioned leaderships and motivations; that has never happened before, maybe only during and in the aftermath of World War II.

- A formidable opponent to climate change policies is the common citizen, and his/her petty interests. It is all of us. It is not a high profile opponent, easy to target, neutralize, or to revile. It means negating the most cherished aspirational welfare symbols: suburban Mac Mansions, cars, travel, food with large ecological footprint. It means to change urban structures, mobility patterns and transportation modes, nutrition habits, and land use patterns. It means regulation, scrapping subsidies, introducing new taxes and charges while eliminating or reducing others, regulating land use, paying for environmental services, creating new and extensive protected areas, strengthen property rights, achieving zero deforestation in the tropics, establishing contractual arrangements with individual landowners and communities. It means the rule of law, effective governance, citizens willing to accept and to change behavioral patterns. It is not easy and it is unlikely to come soon.
- To many, especially in the US, climate change mitigation is seen as a massive government intervention on markets and individual liberties. On these grounds, there is a clear ideological barrier to climate change effective policies.
- In developing and emerging economies it is hard to focus policies and programs on actual inventories of emissions, where real culprits can be found. People and government officials prefer to aim at industry, when very frequently (as in México) it is transport, deforestation, and electricity generation; difficult economic sectors where to act. It is hard for people to accept that there are not “others” but ourselves who have to change and foot the bill. So, the sole *action at the firm* will hardly be enough.

## **Connecting to new economic and social actors**

- There is no scarcity of engaged actors: Firms, NGO's, academics. However, environmental NGO's, once drivers of climate collective action, have lost political relevance. They have to be replaced or buttressed.

- Almost every possible actor has been engaged, but not the public, not the polity as a diffuse entity. Top down action has failed because it never had public political support. Try bottom up. New constituencies are needed.
- Governments need a strong political rationale to act. Governments are not engaged because political parties, citizens and consumers are not engaged, and vice-versa. Governments will not move if it is politically costly, or if it defies their power bid in the world stage.
- Climate change adaptation needs also a vocal and politically active constituency.
- Try a new political economy of climate change.
- Work with political parties and legislators; create vested interests in favor of climate change mitigation. Recruit public opinion leaders, and the media.
- In any case, strong governments strongly legitimate are needed.