

A stylized world map composed of a grid of grey dots, with several dots highlighted in red to represent specific countries or regions.

A Global Green New Deal

Response to crisis or paradigm shift towards sustainability?

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- In order to initiate a long-term environmental reorientation of global economic structures, the original idea of a Global Green New Deal, boosting economic growth through green economic-stimulus packages while at the same time slowing down the pace of ongoing climate change, needs to be replaced by a broader understanding along the lines of a global paradigm shift towards a just, sustainable international development and economic model.
- Although many countries have already begun to organise their production and economic systems in a low-emission and resource-saving manner at the national level, the attainment of sustainable structural change at the global level still faces several impediments. These include the lack of agreement among the stakeholders over what a global Green New Deal should look like, insufficient cooperation with respect to examples of best practice for technology, research and political regulation as well as structural deficiencies at the global level resulting in financial bottlenecks, power asymmetries and conflicts between various global regimes over respective areas of authority.
- To make progress along the path towards a Global Green New Deal, a dual thrust making it possible to move forward at both national and international levels is needed. An accommodation of interests between various actors must take place at both levels, forerunner coalitions need to be formed and coherence established between various policy fields. Ultimately, only one strategy can lead to success here – a political approach seeking socially just, environmentally sustainable and economically viable development.



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This paper is based on the results of a two-year conference series on international energy and climate policy organised by the Friedrich-Ebert-Stiftung. The series took place within the framework of the FES Working Group for »Global Issues«. This Working Group involves all the FES country offices at sites which play a key role in the analysis of global issues. In addition to the liaison offices to EU and UN institutions in Brussels, Geneva and New York, the group also includes the FES offices in Egypt, Brazil, China, India, Mexico, Russia, South Africa and the USA. The Working Group has based its approach on the assumption that global challenges can only be solved within the framework of an intensified dialogue between industrialised and newly emerging countries, as the increasing importance of the G20 has shown over the last few years. The Working Group offers a structure with which to work under changing constellations on global challenges over the medium and long term and contributes to strengthening the dialogue between the Western industrialised and emerging, newly industrialising nations.

In the last few years, the subject of international climate and energy policy has gained increasing importance, being viewed by actors both in the North and the South as a crucial topic given the increasingly visible effects of climate change accompanied at the same time by an unbridled demand for economic growth in the face of rising energy prices, increasingly scarce resources and growing energy demand. In order to be able to confront these complex challenges in the field of international climate and energy policy, the key global actors need to agree on far-reaching policy objectives very quickly. By the same token, there are a host of challenges which offer considerable potential for conflict such as the reshaping of the global energy sector, the mitigation of climate change and the question as to suitable governance structures which allow a fair share of the burden to be shouldered by North and South.

Within the framework of the conference series on international energy and climate policy eight international conferences have taken place at the FES sites in Berlin, Brussels, Geneva, New Delhi, New York, Peking and São Paulo involving actors from politics, science, business and civil society. The aim was to create a platform for dialogue in order to facilitate exchange between actors on respective interests and positions, to make a contribution to agreeing on principles for climate and energy policy and to trace out possible policy solutions. The overarching issues in the process were what a common perspective on a sustainable energy and climate policy should look like, how the transition to a secure, low-carbon energy system can be achieved and what institutional matrix of mechanisms and rules are necessary to bring about such a change in direction. Sub-aspects such as the structure of the future energy mix (nuclear energy, bio fuels and renewable energies), options for the transition to sustainable economic and social models as well as financing options for adaptation to and mitigation of climate change were discussed at the individual international conferences. This paper discusses future steps and challenges along the path towards a Global Green New Deal as a sort of synopsis of the individual areas.

1. Introduction

Ongoing climate change and coping with the effects of the international financial and economic crisis are among the most pressing global challenges at present. For many countries this raises the question as to how the objectives of climate protection and economic growth, which for a long time were considered to be diametrically opposed to one another, can be promoted at the same time. Moreover, a large number of states face the challenging task of meeting their growing energy needs, creating jobs and not least overcoming the social and economic consequences of climate change, which have already become manifest. The double crisis of economy and ecology over the last few years has shown that the »old school« way of doing business, i. e. based on finite fossil fuels and the exploitation of natural resources, is no longer possible. Industrialised, newly emerging and developing countries therefore face the common challenge of restructuring their current economic model in an ecological sustainable way or respectively building an economic model based on renewable energies. This shift can also mean an opportunity in terms of a »green recovery« allowing for climate protection and economic growth at the same time.

The term *Global Green New Deal* has been making the rounds in political debates for some years now. Established by the United Nations Environmental Programme (UNEP) in 2008, the term stands for the idea of creating jobs with public funding to promote sustainable development – as happened through a host of more or less green national economic-stimulus packages aimed at mitigating the consequences of the global financial and economic crisis while at the same time setting the course for a new sustainable economic model. A global deal means that the shift towards an environmentally sustainable future should take all regions of the world into account. By pooling and bundling targeted policies, problems common to all regions of the world shall be tackled in an integrated manner. These include combating ongoing climate change and its effects, satisfying rising energy demands everywhere in the world and stabilising the international financial and economic system.

In the narrower sense of the UNEP term, the *Green New Deal* relates to the numerous economic stimulus packages which were instituted by many national governments, in which considerable sums of financial resources

were earmarked for green, sustainable investments, e.g. in low-emissions technologies, energy-efficient refurbishment of buildings or sustainable transport infrastructures. There are various barriers preventing sustainable structural change in actual practice, however: aside from the fact that the effectiveness of these measures must be seriously doubted in some cases such as, for example, in South Korea, where investment in the expansion of nuclear energy is a key element in the green growth strategy, diametrically opposed incentive structures exist in many countries such as, for instance, subsidies for the manufacturing and use of fossil energies. And not least, only a very small percentage of the money pledged by governments has been made available so far. Given all this, the proposal by the UNEP for a global economic-stimulus package in which for example the G20 states would have to invest 1 % of their total GDP in a green economy appears difficult to attain. Not least for this reason, a long-term shift towards a new ecological focus for the economy is necessary above and beyond these temporary measures. Hence in the broader sense the *Global Green New Deal* must be understood as a societal shift in paradigm towards a new, sustainable development model in which production systems and national economies as well as consumption structures and forms of human coexistence are reorganised globally in a low-emission, resource-saving and sustainable manner.

Even though a Green New Deal offers a good opportunity to reverse the negative correlation between environmental and economic policy, some issues nevertheless remain unresolved: at the national level, these primarily relate to how individual packages of measures can be embedded in a more long-term structure in order to foster a societal and economic shift in paradigm. At the international level, the question especially arises as to what requirements a Global Green New Deal must meet and whether this amounts to more than the sum of various national activities. This paper addresses these questions and traces out the next steps which need to be taken in order to initiate a Green New Deal at the global level.

2. National initiatives – jointly achieving a global deal?

Although a Global Green New Deal has an international thrust by nature, it nevertheless requires activities at the local, national, regional and global level. While

negotiations over a global and legally binding climate agreement have been dragging along at the international level, a whole host of political, economic and informational measures can be witnessed in individual countries which seek to promote the expansion of renewable energies or an increase in energy efficiency through laws and regulations or through massive public and private investment in green infrastructures or technological development. In addition to climate protection, national motives frequently include a diversification of national energy sources and a reduction in dependence on energy imports, exploitation of new markets and satisfying national energy demand. In addition to providing the funding and investment in research and development (R&D) needed to develop sustainable technologies, products and infrastructures, measures at the national level can be broken down into the three mechanisms of **political regulation**, **economic incentives** and **information**: these include various regulative elements such as laws, guidelines and standards, economic incentives structures such as taxes or subsidies, and information tools such as product labelling, certification systems, campaigns or demonstration projects.

Political regulation

In many countries there are examples of laws, guidelines or action plans which aim to increase the percentage of renewable energies to boost energy efficiency. These range from model statutory initiatives such as the German Renewable Energies Act, which has created new jobs and generated economic profits through the promotion of renewable energies, all the way to controversial policies and guidelines encouraging bio fuels such as the programme of the Brazilian government to substitute ethanol produced from sugar cane for petrol or statutory regulations in the EU or the USA making it binding for a certain percentage of bio fuels to be mixed in petrol and diesel. Additional examples of regulative activities in the area of renewable energies and energy efficiency can also be found in Asia: India is currently establishing a fixed quota of renewable energies for electricity generation in the national energy supply; in China building standards for new buildings are being introduced in order to encourage energy efficiency in the building sector and thus save energy and emissions.

Economic incentives

In actual practice, one frequently encounters a mixture of various instruments, usually political regulation in connection with economic instruments. One example is the Tunisian Solar Energy Plan, which is aimed at reducing the dependency of this country on oil and gas through the promotion of renewable energies. This is based on statutory initiatives providing for subsidisation of up to 20% of the costs of energy-saving measures such as, for example, the purchase of solar-powered water heaters. The energy-saving measures of the government, in which USD 200 million was invested by the government at the beginning, have already generated savings to a tune of USD 1.1 billion. Another possibility which is now being used by well over 20 states from Algeria to Kenya is electricity grid feed-in tariffs, obligating power companies or producers to purchase a certain percentage of energy from renewable sources in order to boost investment in this sector. In addition to statutory quotas and electricity grid feed-in tariffs, economic instruments such as tax breaks or subsidies are already being used in practice in some countries in order to create incentives to raise the percentage of renewable energies or boost energy efficiency. In China, for example, financial support is provided by the government for the refurbishment of existing buildings or tax breaks offered to companies to encourage energy-efficient building. Another possibility to steer energy consumption by means of market mechanisms is progressive power prices such as in Japan or Korea: the greater the consumption, the more a kilowatt hour of power costs.

Information instruments

In addition to political and economic instruments, in many countries a wide range of information instruments ranging from labels, certification systems and campaigns all the way to major demonstration projects have been used. Examples include the Chinese Building Energy Efficiency Label, which has been mandatory for government and large public buildings since 2008, or the energy audits for government buildings in India. Moreover, a host of low-carbon cities are being built as demonstration projects for low-emissions urban planning such as Masdar City in Abu Dhabi – a city producing zero CO₂ emissions which is to house 50,000 people. Non-governmental organisations also frequently play an im-

portant role in this area by strengthening public awareness through information campaigns and their work. As a best practice example the campaign »20 ways to 20 %« can be mentioned, which WWF China began in 2008 in cooperation with numerous NGOs: the campaign aimed at supporting attainment of the 20 % efficiency goal in the Chinese 11th five-year plan through training, public information events or efficiency contests.

These are only a few out of many examples of efforts by national governments to encourage sustainable structural change through statutory regulations, economic incentives or information. Even though many of these measures are still facing difficulties in their implementation or are controversial in terms of their impact, they nevertheless point in the direction of a green transformation. It must moreover be assumed that additional countries will tackle the establishment of a green economic sector in the coming years: in 2010 the South African government for example presented the South African Renewables Initiative (SARi), which includes a staged plan for the establishment of a sustainable industrial policy: the percentage of renewable energies in the power supply is to be raised from under 1 % at present to at least 15 % by 2020 – primarily through wind power, solar energy and photovoltaic. The government hopes that this will create 50,000 new jobs, help achieve more energy security and strengthen the competitiveness of the country. It is to be implemented through a national grid feed-in law and a combination of national and international financial aid. Also worth noting is the Moroccan plan to increase the share of renewable energies in power production to 42 % by 2020 through the construction of five solar thermal plants and an expansion of wind energy. The political will thus appears to be present at the national level. The question is, however, whether the sum of national activities will be sufficient to bring about a green structural transformation at the global level.

3. Taking responsibility at the global level

National examples show that climate protection is no longer seen as a burdensome obligation or even a dangerous departure from the path of economic growth. On the contrary, many countries have entered the market for green products and technologies and joined the vanguard of the movement such as, for example, India, which is well along the path to becoming a market leader

in the area of renewable energies, in particular the generation of solar power. Green technologies are opening up a path for the country to reduce its own consumption of resources in a manner promoting its own growth objectives over the medium term. Does this mean that national efforts will suffice to bring about green structural change at the global level through the sum of their effects? Is it only a matter of time until the combined weight of measures taken by individual countries solves the problem of global climate change? There is definitely pressure to act as a result of common problems facing all countries such as increasingly scarce resources, soaring energy prices and the high costs of importing energy – on top of this there is the challenge of coping with the impact of climate change, which in addition to environmental and social costs is imposing considerable costs on national economies as well. Nevertheless, there is some evidence suggesting that national efforts alone will not suffice to bring about a Global Green New Deal.

In spite of numerous examples of success at the national level, there are several arguments why a Global Green New Deal needs to be supported within the framework of the United Nations at the same time. First of all, in spite of the large number of countries which have now taken national climate protection measures and are profiting from these economically as well, there are not only regions which are affected by the negative impact of climate change, but also regions which will profit from climate change over the medium term, or at least believe that this will be the case, and thus do not see any need for green structural change. For example, with regards to Siberia it is frequently argued that agriculture would profit from a warmer climate, while gas and oil resources could more easily be exploited by the melting of the Arctic ice cap. In some countries there is also a belief that climate protection and economic development are not compatible – many developing countries are therefore assigning economic development and poverty-fighting priority over climate-protection measures, above all emphasising the high initial costs of investing in green growth. These priorities and concern that a reduction of fossil fuel consumption could lead to losses in growth are more than understandable, especially against the background of non-compliance with funding pledges for climate protection measures and insufficient reduction obligations by industrialised countries as well as suspicion of a new green protectionism. Moreover, it could be too late before all countries move forward with

ambitious measures at the national level. It is necessary to proceed with combined efforts at the global level, otherwise the critical global threshold of a 2° rise in temperature will quickly be reached.

For this reason, it should be avoided that some leading countries profit from a green structural change in economic terms as a result of their economic efficiency, favourable geographic positions and sufficient capacities for innovation while others remain behind. In addition to national initiatives in countries with considerable capabilities it is therefore imperative to create a framework of support for poorer countries and countries which are more affected by climate change. To this end, a two-stage process must be pushed ahead simultaneously: first of all, the further development of a global framework must be supported which sets out binding objectives and obligations in accordance with the principle of »Common But Differentiated Responsibilities« (CBDR) laid down in the United Nations Framework Convention on Climate Change to provide individual states and enterprises the security they need to embark on the path of green policies and investment. Secondly, regulations and initiatives are necessary at the national level. Here certain states, depending upon their economic efficiency and historical responsibility, must assume a leading role in their own countries while at the same time supporting developing countries in their efforts. Even more important than the role model function of individual states, however, is the formation of »forerunner coalitions« between states which want to promote common interests in certain areas, e.g. climate and rain forest protection or cooperation with regard to green technologies. A good starting point for such win-win coalitions could be the framework for low-carbon-development strategies in industrialised, developing and newly emerging countries set out at the last climate summit in Cancun.

The challenge is now to pool existing national efforts and commitments in a Global New Deal. The key question will be what a global deal has to look like, which offers benefits to all actors involved.

4. Future challenges and the next steps

The consequences of climate change have not only been known since the publication of the first assessment report by the Intergovernmental Panel on Climate Change

(IPCC) in 1990. Moreover, impacts have already become manifest in many regions of the world and especially in developing countries, e.g. an increase in extreme weather events such as hurricanes, storms, torrential rainfall and flooding. This will not only jeopardise economic development in many countries, but also increase the risk of environmental migration and conflicts. It is not least the costs required to adjust to damage from climate-related events which means a greater strain on national economies, which is why the costs of effective climate protection or an immediate reduction in emissions are significantly lower than failure to act. The Stern Report published in 2006 estimates the possible costs of climate change at up to 20 % of global Gross National Product by 2100. Aside from a small majority of climate sceptics, large sections of science, politics, business and civil society have recognised what a devastating impact the »old-school« way of doing business has already had and will have for the environment and the lives of human beings in coming years.

In addition to scientific facts there is no shortage of possible approaches and strategies in the specific areas: Not only has the IPCC itself formulated realistic adjustment and avoidance strategies – a host of additional proposals have been forwarded as well: the European Climate Foundation, for instance, published the impressive Roadmap 2050 in 2010 – a wide-ranging scenario study showing practical ways of establishing a low-carbon economy in Europe while at the same time continuing to pursue the European goals of energy security, climate protection and economic growth. The study comes to the conclusion that the EU can reduce its emissions by switching over to 80 % renewable energy by 2050 without causing increased electrical power costs in comparison to the current energy mix. A remarkable book entitled »Faktor Fünf« by Ernst Ulrich von Weizsäcker et al. also shows that dramatic improvement in energy efficiency and steady growth in prosperity are technologically possible while at the same time reducing emissions of greenhouse gases both in industrialised nations and developing countries and is moreover very feasible in economic terms.¹ There are also proposals for new funding sources such as, for example, highlighted in the report submitted by the High-Level Advisory Group on Climate Change Financing set up by UN Secretary

1. See Von Weizsäcker, Ernst Ulrich et al. (2010): Faktor Fünf. Die Formel zu nachhaltigem Wachstum. München: Droemer Knauer.

General Ban Ki-moon in November 2010 as well as proposals for the global organisation of emissions limits such as, for instance, the approach of a global CO₂ budget developed by the *German Wissenschaftliche Beirat der Bundesregierung für Globale Umweltveränderungen* (WBGU). Similar research results have been produced for other countries as well: in China researchers at the Energy Research Institute of the National Development and Reform Commission have also drafted a Roadmap 2050. The study concludes that it is possible for China to be transformed into a low-carbon society without suffering any losses in development.

In view of the various strategies and examples of success, taking the next steps and adopting binding decisions is therefore ultimately largely a question of political will. Business will also channel investments into green technologies as soon as policy-makers set binding requirements, create market incentives and minimise risks. What needs to be done, then, to make it possible to agree on binding resolutions in a very short amount of time given the disparate interests involved? How can the perceived conflicts be overcome and the next steps tackled?

In addition to the no doubt complex tasks faced within the framework of the UNFCCC process, several fundamental steps can be identified, on which the attainment of a global Green New Deal depends:

Reconciling supposedly contradictory areas of ecology and economy

For a long time climate protection and economic growth were and still are to some extent considered to be mutually exclusive goals. The concept of a Green New Deal attempts to reconcile these aims through a »green recovery« generating investment in green branches of the economy. This aim can only be realised with high levels of investment, availability of the right technologies and a certain level of structural development and infrastructure at the outset, and will pose a much greater challenge to some countries than others depending on their levels of development. Along the path to a global green structural change it must be accepted that both objectives – climate protection and economic growth – are legitimate and the construction of a green economy constitutes a difficult and above all expensive endeavour especially for least developed countries. The right path

is to take small steps forward in order to preserve a balance between the two objectives. To this end economic growth and hence development must continue to be possible for a large portion of the population, but in a manner in which ever fewer and ever more sustainable resources are increasingly used. Representatives of developing countries in negotiations have increasingly proposed along these lines that a new, legally binding accord on climate protection should set out the right direction at the international level as follows: developing countries have a right to development – it is desirable, however, that this takes place in a sustainable manner. It is even much more important, however, that all countries' own interests in a new, sustainable growth trajectory be revealed through an analysis of the growth and development potential of new and green markets. Opening up options for green, sustainable development to developing countries as well moreover requires financial and technological support from developed countries on a large scale.

Defining a common understanding of a Global Green New Deal

In order to bring about a Global Green New Deal, which is understood here as a societal change in paradigm towards a sustainable form of development, it is necessary that a common understanding of all actors be attained as to what the notion of the Green Economy means. A definition forwarded by the United Nations Environment Programme (UNEP) defines a Green Economy as »one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities«² – but this understanding is not equally shared by industrialised, newly emerging and developing countries. This also became evident when the task was to set out the topics for the sustainability summit to be held in Rio de Janeiro in 2012 (Rio+20 summit): in the face of initial resistance by many developing countries, the USA and EU pushed through their proposal to address the key topics of »Green Economy in the context of poverty-fighting and development« and »an institutional framework for sustainable development« prior to the summit. This process reflects the fundamental misgivings of many developing countries that a Glo-

2. UNEP (2010): Green Economy Report: A preview. United Nations Environment Programme, 2010.

bal Green Economy could be understood to mean that the industrialised countries develop new technologies and sell these to developing countries. At the same time there is a fear that the industrialised countries would prefer to buy emission rights in developing countries instead of establishing green modes of production and products in their own national markets. This would mean that industrialised countries could continue to produce along traditional lines based on energies which damage the environment – at the expense of everyone else. At the same time, there is concern about a new, green protectionism, in which industrialised countries institute various complicated certification systems for green technologies and products to seal off their markets from competing products and industries in developing countries which are unable to meet such requirements. Here the task is first of all to spell out a common understanding of what a green economy is all about in such a way that all actors can view this as a win-win situation. In order to avoid discussions within the framework of the United Nations being dominated by a very few industrialised nations, developing countries must be put in a position, for example through support in establishing more independent research institutes, to make a contribution to the dialogue at the scientific and civil society levels as well.

Strengthening the exchange of best practice at the international level

Pooling national efforts into a Global Deal requires an intensive exchange of experience and cooperation between various countries. To this end it is necessary to organise an exchange of best practice in various fields – for example in the area of research and development of green technologies and products. Here strategies such as global or regional technology partnerships or a global »top runner« strategy³ for green technologies are conceivable. The latter already exists at the national level: Japan serves as the most prominent example, having introduced a top runner arrangement in the 1990s and as a result has already been able to meet 16 % of its obligations to reduce greenhouse gases stipulated in the Kyoto Protocol. Because national top runner laws could have a negative impact on other countries as a result of

high innovation and production costs and thus increasing prices, ideas for global top runner strategies need to be discussed. Here as well, special arrangements need to be made for developing countries in order to avoid protectionism, stimulate these countries' potential for innovation and ease access to green technologies. An important initial step in this direction is the package on technology cooperation adopted in Cancun, which provides for the establishment of a technology mechanism consisting of a Technology Executive Committee and a Climate Technology Centre and Network. These are to perform the function of bringing about network formation, transferring knowledge and offering consulting services for green technologies under the umbrella of the UNFCCC. For these mechanisms to be effectively used, they must be linked up with possible funding mechanisms and set out in a legally binding international agreement. Another issue which must be cleared up in this connection is the question of intellectual property rights, which at present constitute the biggest dispute in discussions over international technology cooperation. One possibility would be the creation of a publicly funded pool of global intellectual property rights, for example, in which knowledge relating to the development and application of technologies is shared.⁴ This exchange of examples of best practice at the international level should not only be limited to the area of technology, however. Along the lines of policy transfers, an exchange over which political arrangements and marketing mechanisms have proven to be successful under what conditions or which barriers and impeding factors have cropped up could help a Global Green New Deal take a giant step forward. The next step would be to tackle the challenge of pooling national examples of best practice at the international level (for example through global grid feed-in tariffs or a global CO₂ tax) and to increase the political viability of these strategies.

The industrialised and newly emerging countries must assume a role model function in this context and offer developing countries options which they can imitate for sustainable and efficient economic models – this applies both to technological development as well as policies, market mechanisms or pilot projects such as smart grids or a model low carbon city. At the same time, it must be kept in mind that other regions and countries are already developing models and strategies which have to be

3. This describes a policy instrument which produces data using a market survey conducted on a certain date, e.g. regarding energy-efficient electronic devices. The most efficient devices are elevated to a standard and deviations from this are then penalised with fines or sales prohibitions.

4. See Sven Harmeling et al. (2010): Copenhagen and Beyond: reshuffling the cards. Umweltbundesamt, July 2010.

taken into account in developing proposed solutions. Poorer countries can be supported in the economic process by showing them alternative paths of economic development and helping them engage in »environmental leapfrogging«, i. e. developing countries base their future development directly on renewable resources while bypassing certain stages in order to avoid the trap of scarce resources and environmental pollution in which many industrialised countries have been caught, with economies wasting resources and damaging the environment. The conditions or the potential for sustainable infrastructural development is frequently even higher in these countries than in developed countries because smart grids, to take one example, are easier to set up in developing countries than in countries like Germany, where the entire country is already covered with power grids.

Understanding climate protection as a positive sum game

The establishment of green and sustainable economies and societies is a very long and tedious task. At the same time, in view of the dangers posed by ongoing climate change immediate action is urgently required. This contradiction inherent in climate protection is further exacerbated by the so-called *Giddens's paradox*: because the dangers which emanate from global warming are rarely perceived directly or tangibly in everyday life, individuals are less likely to take action than when faced with challenges which directly impact their personal lives. Even though surveys show that a majority of the public is of the opinion that global warming poses a threat, only very few people are willing to change their lifestyles as a result. On top of this, the impact of countermeasures in the form of emission reductions is not immediately discernible. This problem reveals what special challenge an active climate policy faces above and beyond technological and financial requirements: public awareness of the need for a paradigm shift must be raised. In order to make the public and political elites aware of the need for a comprehensive climate policy, it is necessary to integrate a long-term perspective in the short-term cycle of day-to-day politics. This will only be possible if political convergence is generated, i. e. if climate policy is in harmony with other political aims and strategies.⁵

5. See Anthony Giddens (2009): *The politics of climate change*. Cambridge/Malden: Polity Press.

As was discussed under 2, there are numerous examples showing that climate protection or the establishment of new and green industries can contribute to economic growth, an increase in the prosperity of society and the creation of jobs. Energy security can also be enhanced by reducing dependence on fossil energy sources, which frequently have to be imported at considerable expense, by replacing these with renewable energies. It is much less often pointed out in the public debate that climate protection can also make a contribution to social justice and international security in the form of crisis prevention. It is well known that the effects of climate change frequently lead to scarce resources, migration and thus growing conflict potential or the danger of a spillover of existing conflicts in many places. Active climate protection can thus at the same time be understood as a form of crisis prevention which improves international and individual security. Not least, it constitutes an important contribution to increasing social justice. This first of all means inter-generational justice. The present-day form of economy based on finite fossil energies enables a one-off high standard of life for a part of present-day generations (although only a small part, it should be noted), but over the medium term means that future generations will have to deal with the effects of global warming and scarce resources. Secondly, it involves international justice: a just climate policy must ensure that the consequences of climate change and preventive measures are shouldered by the countries of the North and the South in a fair and just manner. The task, then, is to raise awareness that climate protection policy can be a positive-sum game. A presentation of possible synergy effects in the media and civil society forums as well as raising these topics within the framework of the UNFCCC negotiations could increase the willingness of the industrialised countries to engage in climate protection and meet their financial obligations.

Strengthen the role of the state and achieve coherency

In order to bring about a Global Green New Deal, it is not enough to simply rely on technological development and market mechanisms. Climate protection must not be left up to the private sector of the economy, as powerful lobbies such as, for example, the »old« industries like the automotive or chemicals sectors, but also the emerging new green industries, will successfully resist

this. The state must play a stronger role in order to bring about sustainable structural change. Political regulations and government requirements must create a framework for private economic action and ensure that market mechanisms encourage development in the desired direction. It would be beyond the scope of this paper to explore the numerous possibilities for government regulation in the area of climate policy here. Let it suffice here to underscore that state action can only be strengthened in this area if political elites across all fields of policy are sensitised and mobilised to form alliances for climate protection in a manner which fosters synergies. This goes both for coordination of policy between different ministries at the national level as well as at the global level, whereby in the latter case coordination must take place with various international organisations such as the WTO or the Bretton Woods organisations. No progress can be made towards a Global Green New Deal as long as fundamental conflicts remain unsolved in important areas such as climate change and trade – for example with respect to intellectual property rights – even if a new and legally binding international agreement on climate protection is agreed upon.⁶

Successes in the area of climate policy will also be diluted if a future-oriented perspective is not adopted in other areas of policy – a perspective which allows planning and strategy-making to take into account the effects of climate change which can no longer be reversed and which will make their presence felt in the future. This includes, for example, sustainable urban and infrastructural development, the design of future health and insurance systems or appropriate agricultural methods. To achieve coherency in these fields, exchange needs to be intensified between policy-makers in various ministries.

Understanding sustainability as a three-column model

Green New Deal strategies have thus far placed strong emphasis on the compatibility of economic growth and climate protection. Over the long term, however, models for sustainable development only make sense if

they take into account the social dimension in addition to economic and environmental factors. As long as a Green Economy strategy fails to also emphasise social justice, structural problems such as social inequality or poverty will continue to exist. The promotion of social justice should be understood as a right on the part of all countries to sustainable development in the context of a Global Green New Deal. This first of all means that it must be determined who is to bear the main responsibility for coping with the repercussions of climate change and secondly how the burdens, but also the benefits, of a Global Green New Deal are to be distributed among all countries and within individual states.

When one looks at total CO₂ emissions and per capita emissions over history, it is quite evident that the industrialised countries bear the main responsibility for climate change: industrialised countries (UNFCCC Annex I states), which only account for 20 % of the world's population, are responsible for 46.4 % of total global greenhouse emissions. Developing countries, on the other hand, in which 80 % of the world's population live, merely cause 53.6 % of global emissions.⁷ The connection between prosperity and ongoing global warming is at the same time pretty obvious: in de facto terms, the richest 500 million people on earth – which is to say merely 7 % of the world's population – are responsible for half of global carbon dioxide emissions.⁸ As a result of their economic growth, which has been achieved on the basis of energy and emission-intensive industrial sectors and the exploitation of finite resources, the world community is in a situation in which it must be asked how much growth we can still afford. The goal of keeping global warming below the critical 2° C threshold recognised by all states at the World Climate Summit in Cancun sets out in pretty precise terms the total emissions budget which is still available. The industrialised countries have already far exceeded their budget by producing at the expense of the entire global community for decades. If one takes the principle of justice seriously, the only solution can be a global CO₂ budget like the one proposed by the *Wissenschaftlicher Beirat der Bundesregierung Globale Umweltveränderungen* (WBGU).

6. One example is the legal action against Chinese subsidies for manufacturers of wind turbines filed by the US Trade Representative (USTR) with the WTO in December 2010 on behalf of the American »United Steelworkers Union«, complaining that this constitutes an unfair market advantage vis-à-vis US companies.

7. Rogner, H.-H. et al. (2007) : »Introduction. Climate Change 2007: Mitigation.« Contribution of Working Group III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge: Cambridge University Press.

8. See United Nations Population Fund UNFPA (2009): Weltbevölkerungsbericht 2009. Eine Welt im Wandel: Frauen, Bevölkerung und Klima. United Nations Population Fund, 2009.

This advisory council has conceived a global CO₂ budget which is oriented towards the 2° C limit and the maximum amount of greenhouse gases which can still be emitted. This budget is then split up into national emissions budgets on a per capita basis. This is a practical application of the principle of justice, as implementation of the budget approach would mean that rich countries have used up almost all of their budget. To be able to continue to emit greenhouse gases they would therefore have to purchase licenses in poorer countries.⁹

In adopting the perspective of justice in international climate policy, it must also be taken into account, however, that average per capita figures per country produce a skewed picture. In many countries the majority of the population lives in poverty while a small upper class consumes most of the resources and is thus responsible for the main share of carbon dioxide emissions. Some proposals such as the »Greenhouse Development Rights Framework«¹⁰ go even one step further in the sense of a »per capita plus« approach by not only breaking down emission rights among countries, but also taking into account differences within countries. Here a prosperity limit of USD 16 per person per day is translated into purchasing power parity,¹¹ with those individuals falling below this level not being obligated to bear the costs of green structural change. The Responsibility and Capacity Index (RCI), which calculates the responsibilities of individual countries in coping with green structural change, is being developed on this basis. This proposal offers a good opportunity for taking the social dimension into account in Green New Deal strategies.

It has been shown that the attainment of a Global Green New Deal constitutes a very complex challenge. In order to achieve progress, a dual-thrust process facilitating progress at the national and international levels is required. It is absolutely imperative that the interests of the various actors be taken into account at both levels and a common understanding developed as to what a Global Green New Deal which is of benefit to everyone

could look like. Only in this way economic development and climate protection can be reconciled in such a manner that growth is not seen as a right to pollute, but rather as a driver for sustainable development. One key precondition in order to achieve a consensus is at the same time the attainment of coherency between various ministries at the national level and international organisations and accords involving different areas of policy at the global level. Ultimately only an approach which pursues a socially just, environmentally sustainable and economically viable political strategy can be successful.

9. See Wissenschaftlicher Beirat der Bundesregierung Globale Umweltveränderungen WBGU (2009): Kassensturz für den Weltklimavertrag – Der Budgetansatz. Sondergutachten. Berlin 2009.

10. See Baer, Paul et al. (2010): The Greenhouse Development Rights Framework. G24 Policy Paper No. 38, Washington, D.C.

11. The floor was deliberately not set at the level of absolute poverty of USD 1 or 2 per day in order to form a level of prosperity which covers basic needs but nevertheless still lies below a level allowing ample consumption.



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