

DAAD Meeting „Setting Out for the Future – How can we Drive Europe Forward?“

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Workshop „Realizing the European Green Deal“ – Policy Paper’s Draft

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This policy brief was developed at the EU-wide DAAD alumni meeting “Setting Out for the Future - How can we Drive Europe Forward?” 17-19 March in Berlin and online by participating alumni. It does not represent positions of the DAAD.

We outline below a number of recommendations on confronting climate change (and consequent biosphere destruction) that may deserve the attention of policy and decision makers. As experts and scholars of various disciplines we believe the EU should not keep betting on optimistic predictions but start working to preclude worst case scenarios by treating climate destruction akin to a medical emergency. We do not consider here diplomatic burdens and prioritize long term benefits over short term costs.

I. Basic assumptions

1. Climate destruction is a non-linear process^{1,2} and it is to reach its exponential phase earlier than expected, resulting in rapid and dramatic changes in the biosphere.
2. Climate models have been under-predictive³ (cf. recent substantial climate events), thus they have not provided a clear basis for risk and cost assessments.
3. The 1.5°C limit provides no guarantee that our planet does not shift into a “Hothouse Earth”⁴, precluding large scale agriculture and farming: *immediate action* is needed.
4. Rapid societal and economic *transformation is feasible* (cf. COVID-19), but not if costs are distributed unfairly, affecting primarily the low-emitter low-income majority.
5. Technologies and solutions are abundant: *implementation* is the key requirement.

II. Outstanding challenges

Emission sources: Largest polluting sectors are energy production, transport and industry. Largest emitters are not simply wealthy countries but wealthiest individuals⁵.

- Harmful state interventions distorting markets: global “overheating” might be reduced dramatically in the next few years if agro and fossil fuel subsidies were abolished.⁶
- Ineffective carbon pricing: An equal, and thereby proportionately lower burden on high emitters compared to low emitters is ineffective, because it fails to deter the most polluting practices and behaviors⁷ (Pareto principles of emitters-emissions)

Externalization of costs: Emission budgets and balances calculated imprecisely.

- Country-based emissions assessment (standard practice of e.g., IPCC reporting) does not reflect the global emission-responsibility, as supply chains and heavy industries can be and in many cases are in fact outsourced to the Global South (e.g., manufacturing in China is producing goods for EU consumption)
- Carbon footprints are associated with production, not with consumption: emissions are calculated for countries and certain industries, not for each product, which fails to disincentive consumption and demand (consumer pay principle and responsibility)

Political-societal challenges: Fear of change, lack of creativity and knowledge

- Necessary life-style changes concern mostly the wealthy, yet because they are mostly framed as reduced quality of life for low-income low-emitters, they lead to political deadlock
- Lack of powerful regulation and policy at EU and global levels: individual climate actions have proven ineffective and too slow for the pace of climate “destruction”
- Lack of knowledge and best practices in designing fair and just distribution of costs

III. Solution-recommendations

Cutting agro and fossil fuel subsidies and destructive state interventions to markets

Holistic carbon taxation aimed at fair, proportional yet drastic reduction of emissions

- Carbon footprints calculated for each product based on its total emission, accounting for physical delivery distance, product life-cycle, entire value chain of production, etc.
- Digital voucher system of tax-exempts for a minimal-reasonable level of consumption (e.g., a limited number of flights per year, amount of beef, etc.), impacting wealthy high-consumers but still enabling a sustainable high quality of life for low-consumers

Job creation via establishing new lines of green and sustainability industries

- Energy transition: preservation, production, distribution, storage industries, etc.
- Cleaning up supply-chains: reduced transport, self-sufficient, circular economic hubs
- Prosumer industry: services for and satisfying the demands of producer-customers
- Mid- and long-term investment in technological innovation and derived business opportunities (CCSU, transport, agriculture, construction, packaging, etc.)

Empowerment of citizens, business and political leaders to regulation instead of charity

- Climate action taking place through policy regulation of individual behavior, yet political change may be reached via individual action: individual empowerment for demanding green policies, regulations, just and fair distribution of costs and benefits
- Early transition as a global business and active leadership opportunity for the EU; “exporting” legislation to neighboring countries to speed up energy transition
- Social Climate Fund as a welfare program: lagging regions and communities receiving exclusively green investments; all future EU funds shall be dedicated exclusively or at least mainly towards green projects

Climate Festival organized by the EU: global dissemination of best practices

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