



THE INITIATIVE FOR POLICY DIALOGUE
AT COLUMBIA UNIVERSITY

Report of a Workshop of Experts on Global Burden-Sharing Agreement on Climate Change: Urgency and Fairness¹

*Convened by the Initiative for Policy Dialogue, Columbia University
in partnership with Brooks World Poverty Institute and the Sustainable Consumption Institute
at the University of Manchester on July 6-7, 2010*

This meeting of the Initiative for Policy Dialogue's (IPD) Climate Change Task Force aimed to contribute to advancing the discussion on an equitable agreement on global action on climate change, a task made more urgent by the overwhelming and growing evidence on the acceleration of climate change² combined with the disappointing outcome of the December 2009 Copenhagen summit. The meeting addressed in particular the balance of developing country interests within the global negotiations for a climate change agreement, as well as issues of global governance in the efforts to reach a "least unfair" climate deal. The key outcomes are summarized as follows:

- *The disappointing outcome of the Copenhagen negotiations in December 2009 indicates a failure in the larger structures of global governance on climate change.* Most poor countries continue to be excluded from the processes of shaping a global deal. The UNFCCC process of negotiations is poorly designed to foster a complex agreement among many parties with diverse interests, and there is a risk that the consensus-based structure of the group will lead to a lowest common denominator agreement. The negotiations need more small group meetings and complementary processes to make progress. Reforming the international leadership of regulating global warming may be a prerequisite to reaching a global deal.
- *A fundamental reframing of the issue of climate change may be in order to move beyond this impasse.* The problem of climate change is inextricably linked to issues of economic development, yet the relationship has been incorrectly perceived to date as a trade-off between greenhouse gas (GHG) mitigation and future growth prospects. Viewing GHG mitigation as an opportunity for innovation and job-creation should allow us to make gains on both fronts. By integrating the climate agenda into the efforts for economic recovery in the wake of the world financial and economic crisis, we can build a holistic framework for global sustainable growth. Both mitigation and adaptation efforts can be integrated into a path toward sustainable development.

¹ This report on the meeting does not aim to reflect unanimous agreement on every detail by the participants (see attached list), but rather to capture the broad themes of the principal conclusions reached at the meeting.

² Notably, the research under the aegis of the US National Oceanic and Atmospheric Administration (NOAA), released on July 28, 2010 based on new data not available for the UN's Intergovernmental Panel on Climate Change's (IPCC) report of 2007. The NOAA study drew on 11 different indicators of climate and found that each one pointed to a global warming owing to the influence of greenhouse gases. Also see, for example, the International Scientific Congress, [*Climate Change: Global Risks, Challenges & Decisions Synthesis Report*](#) (University of Copenhagen: 2009) pp. 8-11.

- *Equal per-capita rights to the atmosphere, based on cumulative emissions from a reference date population, remain the minimum ethical standard for an equitable climate change agreement.* (In fact, principles of justice suggest that poorer countries should get a disproportionately larger share from the benefits of using atmospheric sinks.) While climate change will affect us all, its immediate impact on the poor and vulnerable in developing countries raises the greatest ethical concern. However, developed countries have retreated from this minimum standard of equity and from the commitments made at the 1992 Rio de Janeiro Earth Summit not only to reduce emissions but also to transfer financing and technology to developing countries in order to prevent them from taking a business-as-usual approach to development. We must continue to stress the case for equal burden sharing in order to reach a sustainable climate agreement.
- *Creative financing mechanisms can help to address the current inequities of climate change faced by developing countries.* This meeting produced a number of proposals for an equitable carbon tax,³ including: a) levying a tax at a rate proportional to per capita national income along with an additional tax (or subsidiary payment) for depletion (or reforestation) of forests at a rate also proportional to national income;⁴ b) charging countries “rent” annually for every ton of CO₂ emissions they occupy in the global atmospheric space, and distributing the proceeds of this rent on an equal per capita basis among all countries;⁵ and c) earmarking international funds garnered from a carbon tax toward research and investment in technologies and institutional knowledge aimed at restoring atmospheric equilibrium. Other imaginative financing mechanisms include a proposal by staff of the International Monetary Fund to link the management of global liquidity through issuance of SDRs to financing climate adaptation and mitigation. This promising proposal which did not receive adequate support from the Executive Board of the IMF (dominated by Central Banks and Finance Ministries), deserves further consideration.
- *Given the centrality of technology in the climate debate, we need to move beyond the simplistic notions of technology transfers and explore innovative mechanism for technology cooperation.* If done correctly, we should not only be able to accelerate the technology transition in developing countries toward more climate-friendly and climate-resilient economies sooner, but also build the capacity necessary for them to continue this path for the long-term. **Crucially, the transfer of green technologies will allow developing countries to play a more significant role in the global effort towards GHG mitigation before their economies are “locked” into a high GHG emission trajectory,** while ramping up adaptation efforts.
- *Addressing global climate change appropriately can also serve the purpose of addressing global imbalances and global aggregate demand.* A new “technological revolution” based on the green technologies could play an important role in sustained accelerated recovery of the global economy and overcoming the related global imbalances by stimulating demand for equipment and innovation,, especially from countries at the frontiers of technology.

³ There was no unanimous opinion among meeting participants regarding the merits and shortcomings of cap and trade scheme versus a carbon tax, but most are in favor of a carbon tax on the grounds that it would provide less uncertainty about the price of carbon; mitigate the risks of carbon permits becoming yet another instrument for destabilizing financial derivatives; and provide revenues for closing the fiscal gaps imposed by bailing out financial institutions as well as for the provision of global public goods.

⁴ See Hirofumi Uzawa, [Global Warming, Proportional Carbon Taxes, and an International Fund for Atmospheric Stabilization](#), presented at Initiative for Policy Dialogue Climate Change Task Force Meeting, July 7, 2010.

⁵ See Jhoti Parikh and Kirit Parikh, [Climate Change: A Parking Place Model for A Just Global Compact](#), presented at Initiative for Policy Dialogue Climate Change Task Force Meeting, July 7, 2010.

- *Combating global warming is not the exclusive realm of governments.* Civil society and the private sector have a significant role to play in moving progress on climate change forward not only in the political realm but also in practical action, especially by identifying and targeting the “low-hanging fruit” of adaptation and mitigation measures. We should not underestimate the role of lifestyle changes in combating global warming.
- *Global warming is a long-run problem, but we must understand that our current inaction is costing the planet and those who inhabit it now in real terms.* The benefits of addressing climate change now by committing to binding carbon emission reduction targets are highly likely to outweigh future costs, especially as current science is not able to predict the full nature and range of these costs. Continuing to pass the problem on to the next generation will only escalate the costs of mitigation as global warming accelerates.

The world is engaged in a risky experiment by treating a scarce commodity -- the atmospheric sink -- as if it were free. The stakes are much too high. It is critical that we work toward a just and fair global deal that results in rapid GHG mitigation in developed countries, while providing an equitable burden-sharing framework to channel adequate finance and technology to developing countries. The first step in this process may be to reform global governance by rethinking and reshaping how the global community addresses issues of trade, finance, and environment that, if not managed appropriately, will continue to propel us toward catastrophe.



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CLIMATE CHANGE TASK FORCE MEETING
JULY 6-7, 2010 AT THE UNIVERSITY OF MANCHESTER

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Michelle Chan, Friends of the Earth
Kevin Conrad, Coalition for Rainforest Nations
Zhiyuan Cui, Tsinghua University
José Maria Figueres, Former President of Costa Rica
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