

TOWARDS COP21: TIME TO GET BACK TO BASICS ?

*Renato G. Flôres Jr.*¹

[*preliminary version, for circulation and debate; July 2015*]

1. Introduction.

I shall be very straightforward and hopefully not too pessimistic. Rather, my worry is the lack of realism in the recent narrative regarding climate change. The if not complete, undoubtedly substantial failure since Copenhagen is sufficient evidence that re-thinking,

¹ Professor (EPGE) and Director, International Intelligence Unit, at FGV, Rio de Janeiro. This is a written version of a presentation at the opening panel of the ‘Partnerships for Financing Equitable & Effective Climate Action’ seminar, Paris, July 15-16, 2015, jointly organised by ORF/India and FGV/Brazil, under the sponsorship of the *Ministère des Affaires Étrangères et du Développement International/République Française*, and EPF/GIZ, *Deutschland*. The author benefitted from several comments and frank remarks in the ensuing debates, particularly those by Laurence Tubiana, Paul Clements-Hunt (who also inspired, by a fortunate remark, the title), Raganan Maharajh, and his brother Samir Saran; enlightening conversations with Christian Stoffaes and Flávio Bruzzi Guimarães were also invaluable. Notwithstanding, he is solely responsible for the ideas in the text, which engage no one but himself, his institution and sponsors bearing no responsibility for or influence at all on them.

together with a new way to lead the debate, is in dire need as regards the strategies, emphasis and overall rhetoric in the annual COPs.

In the following lines I sketch a basic typology for framing the debate and a few bullet points on two important approaches to the climate issue. This is a synthetic and direct proposal aimed at the very heart of the COP negotiations, other lateral though important points, like transparency for instance, Deprez et al. (2015), having been left aside.

2. Three concepts, in ascending order of controversy.

I'm afraid an enormous confusion is taking place, mixing three concepts which, though not unrelated, are however different. They are:

Pollution – This is a word that sometimes seems to have become old-fashioned. It refers to one or a set of aggressive spill-overs out of a given human activity. Aggression can be on the environment or on other human beings and communities.

The rhetoric of 'climate change & sustainability' has progressively shifted attention away from pollution. However, problems like solid wastes disposal, air and water pollution, soil degradation and erosion (and also noise and visual pollution) are old riddles that have not been solved yet. They remain conspicuously in every corner of the world **and must be boldly faced**. Of course, they must be tackled in an ecological, encompassing way, but the important point is that they pose neither controversy nor objection.

Sustainability & sustainable development – There are several definitions for these concepts, but all are too broad, or rather ambitious and too encompassing. The result is that, as expected, they are easily accommodated to different purposes and forms, in different contexts. Truly, all definitions try to put together relevant categories like poverty alleviation, non-environmentally degrading human activities and growth, the latter not only in economic but in social and human enhancing terms as well.

No wonder, the outcome is an endless debate, which sometimes reminds us of equally rapid discussions on what is democracy, another idea for which a one-size-fits-all approach is a waste of time. It is then only natural that the actual and working sustainability definitions are eventually confined to the realm of states or nations, when not that of communities and specific cultural groups.

Climate change (or should we speak of climate cycles ?²) - The United Nations panels and related endeavours have given way to a whole set of heated discussions where it's not unusual to see people arguing and struggling for measures, policies and regulations based on probabilistic, short term –from a geological and weather science viewpoint- forecasts³.

I am far from pledging against the Panels' work and conclusions –here neither is the place for this nor is it relevant to my argument-, but I am indeed raising an alert that we should be very careful on drawing conclusions, and particularly active public policies, based on them. Much of the (already usually artificial) debate related to the 'mitigation versus adaptation' alternatives, is a sheer waste of time when we look at the premises that support it.

The above three concepts run from a more certain, uncontroversial standing to a much less certain, (highly) controversial status. The first key point of this paper is that we should clearly keep in mind the three of them in the Conference negotiations: it will help to avoid ambitious as well as ineffective agreements and getting lost in the translation of a manifold of concepts and statements that are, *par excellence*, vague and debatable.

China, a major actor in the negotiations, has been leading a very hands-on, quite effective policy, which actually aims at pollution abatement; a most wise choice given the myriad of constraints they face.

² See, on this important point, Singer and Avery (2007).

³ It is false and misleading to compare the use of probabilistic forecasts in the climate debate with that arriving, for instance, in economic practice; and then concluding that what has been done is not too different from what takes place in economic decision making based on forecasting techniques. First, the success record of economic forecasting is close to dismal in many situations where it has been eagerly needed. Second, and more importantly, the complexity of weather and climate change forecasting is several degrees higher than the one akin to economic issues.

As a rule, I would say that, whenever we can move the discussions, policies and agreements to the first, less controversial concepts of the scale, the better will be the outcome of the negotiations.

3. Brief Intermezzo: The Elephant in the Room (and in the text).

In all climate debates, an enormous elephant silently walks to and fro in the room, sadly and patiently watching the discussants. It awaits the time when –and nobody knows when- the real issue will be seriously addressed: the (probably) radical change in our production and consumption patterns; what only a profound transformation of the present-day lifestyle can achieve.

I am not going to open this Pandora box here, which brings several other concerns and questions, that of the costs of the transition to a greener economy, and more generally, way of life, being not irrelevant. I however mention it because oblivion of its presence usually leads to too local and short-term solutions, doomed to quickly become ineffective.

4. The impact on two major lines of action.

Taking notice of the previous ideas, how should we stand in terms of active policies ? In the coming lines I discuss the way they can format action along two main strands. The first is a working horse in the climate debate, green finance; the second is a relatively newer though extremely important line, the engagement of the productive sector.

Finance – The history of development finance and that of the recent experience in climate/green finance show us that ambitious ventures, financially sophisticated and with a wide scope, only benefit the financial system itself and its intermediaries.

The further the donor's money is from the recipient, the greater is the likelihood that the scheme will not work. Swaps between polluting activities and various kind of credit instruments, though theoretically ingenious, are in practice a kind of 'licence to kill' locally. As pollution and environmental degradation are global issues, they offer a rather debatable way-out.

Targeted, regionally circumscribed and as direct as possible transactions should be the norm. If one accepts this, the separation of concepts in the previous section can help in designing more down to earth, feasible and efficient measures.

Notwithstanding, instead of relying so much on the mischievous god of finance, we should aim at more co-operative approaches as the one below.

The Productive Sector – Engaging the productive sector means creating mechanisms – mostly rules and conditions- for involving a segment that has been somewhat neglected in the COPs: manufactures and service providers and their interactions at the community, country and global level, in a concerted effort for minimising environmental and social damage.

There is no novelty at all in this but, surprisingly, such a crucial area has remained much less engaged than deserved, with many people still waiting for a *deus ex machina* financial help. In Drummond and Flôres (2014), and in the companion text to this one⁴, I dwell in more detail on how to do this. The core of the proposal is a bottom up approach, in which productive sectors themselves will fashion the constraints and codes of conduct to be followed. At the side of this, keeping in mind the previous classification is an invaluable aid in putting forward ideas robust to the complex reality checks to be faced.

5. Coda.

Trying to adhere to the simple guidelines outlined above may lead to a greater proliferation of national initiatives, alongside the encouragement of regional agreements, in detriment to comprehensive higher-level agreements at the very COP. Is this good ?

⁴ See Flôres (2015), related to a specific intervention in the same seminar, relative to this issue.

Isn't it a too strong reversal from the ideals of encompassing heads-of-state texts at the end of the Conference ?

As mentioned at the beginning of this text, the actual choice seems to be between remaining stalled in the present endless, poorly focussed debate and moving on. And to move on we need to get back to basics.

References

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