Mapping Climate Justice in the Twenty-First Century

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Abstract

A 3-dimensional climate justice approach is introduced to share the burden of climate change right, just and fair within society. First, climate justice within a country should pay tribute to the fact that low- and high income households share the same burden proportional to their disposable income, for instance enabled through a progressive carbon taxation. Secondly, fair climate change burden sharing between countries comprises of arguments that those countries benefiting more from a warmer climate, should also bear a higher burden of climate change mitigation and adaptation efforts. Thirdly, climate justice over time is proposed in an innovative bonds climate change burden sharing strategy.

Introduction

In the current climate change mitigation and adaptation efforts, high and low income households but also developed and underdeveloped countries as well as this generation and the following are affected differently. Legal and economic analyses unravel how to allocate the burden of climate protection in a fair manner and ensure mankind to feel a fair solution was found to enjoy a stable climate in today’s and tomorrow’s world.

Contemporary Gross Domestic Product (GDP) measurements serve as basis for economic estimations about the productivity of the agriculture, industry and service sectors around the world in a changing climate [1]. Based on the cardinal temperatures for the agriculture, industry and service sectors productivity, the average temperature per country around the world as well as climate projections of the year 2100 under a business as usual path, the world will macro-economically benefit more from climate change until 2100 than lose [1]. Winning and losing from a warming earth is significantly positively correlated with the Paris COP 21 emissions country percentage of Greenhouse Gas (GHG) for ratification, leading to the conclusion that the countries with the longest time horizon regarding a warming earth lack motivation to mitigate global climate change Figure 1.

Figure 1: World Climate Change Winners (Green & Yellow) & Losers (Orange & Red) until 2100.

Mapping climate justice

Climate justice within society: In order to finance climate change mitigation and adaptation efforts, a diversified taxation scheme is proposed [2]. To find a fair and just distribution of the burden of climate change, a taxation mix of (1) consumption tax, (2) progressive tax and (3) inheritance tax is recommended. Consumption tax curbs harmful emissions and directly nudges behavior towards sustainability [3]. Yet to place a fair share of the burden of climate change mitigation upon society, these taxes have to be adjusted to the disposable income level of individuals.
in order to not heavier charge low-income households. Retroactive taxation of past wealth accumulation at the expense of environmental damage can be enacted through inheritance tax of the corporate sector.

Climate justice between countries: Countries with higher access to a stable climate and more population are outlined as climate winners that necessarily have to bear a higher share of climate change abatement [4]. Argumentations of the first world having better means of protection and conservation of a stable climate, lead to insights on natural differences between the developed and the undeveloped parts of the world [4-6]. Based on legal subsumptions, the climatorial imperative advocates for one not to engage in activities one does not want to being done to oneself, hence climate should be stabilized around the world with no regards to the potential advantages for some cooler territories that may benefit from a warming earth [7,8]. Climate inequality demands for the pledge that some countries naturally have to bear a higher weight of climate stabilization efforts [4-7,9]. Financial inflows and migration patterns into climate change winner countries underline the importance of redistribution of climate wealth in the 21st century (Puaschunder, forthcoming a). Climate justice over time: In order to finance climate change abatement, a climate bonds financing mix could subsidize the current world industry for transitioning to green solutions [10]. Sharing the costs of climate stabilization between and across generations is a Pareto-optimal strategy to immediately instigate climate action [11].

In the climate change winner countries, taxation should become the main driver of financing climate stability strategies. Foremost, the industries winning from a warming climate should be taxed. Regarding concrete climate taxation strategies, a carbon tax on top of the existing tax system should be used to reduce the burden of climate change and encourage economic growth through subsidies. Within a country, high and low income households should face the same burden of climate stabilization adjusted for their disposable income. Finding the optimum balance between consumption tax adjusted for disposable income through a progressive tax scheme will aid to unravel drivers of tax compliance in the sustainability domain. This bonds-and-tax climate financing strategy bears the burden of climate in a right, just and fair way around the globe [2,11].

Governments in global warming loser countries should receive tax transfers in the present from the winning countries. Since here borrowing equals loans or issuing of bonds to be paid back by future generations, the government must pay back debt plus interest payments by raising taxes on later generations. Taxing future generations is justified as for the assumed preferences of future generations to avoid higher costs of climate change long-term damages and environmental irreversible lock-ins. Overall this tax-and-transfer mitigation policy thus appears as a Pareto-improving fair solution across the world and generations.

Overall, climate change winning countries should be using taxation to raise revenues to offset the losses incurred by climate change. Climate change losers could raise revenues by issuing bonds that have to be paid back by taxing future generations. Regarding taxation, within the winning countries, foremost the gaining GDP sectors should be taxed.

If climate taxation is perceived as fair and just allocation of the climate burden, this could convince taxpayers to pay one’s share. A novel ‘service-and-client’ atmosphere could promote taxpayers as cooperative citizens who are willing to comply if they feel their share as fair contribution to the environment [12]. Taxpayers as cooperative citizens would then be willing to comply voluntarily following the greater goal to promote taxpayer collaboration and enhance tax morale in the environmental domain [13].

Deriving respective policy recommendations for the wider climate change community ensures to share the burden but also the benefits of climate change within society in an economically efficient, legally equitable and practically feasible way [14-17] (Figure 2).

Figure 2: Climate Stabilization Transfers Grantors (Green & Yellow) & Beneficiaries (Orange & Red) until 2100.

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