



# What makes global climate governance so hard? The sovereignty paradox and how to solve it

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Powerpoint slides accompanying the  
Sustainability Lecture

2 June 2014

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## The issue addressed

The question of „What makes the governance of global challenges so hard?“ is being raised in a number of quite diverse global-issue areas.

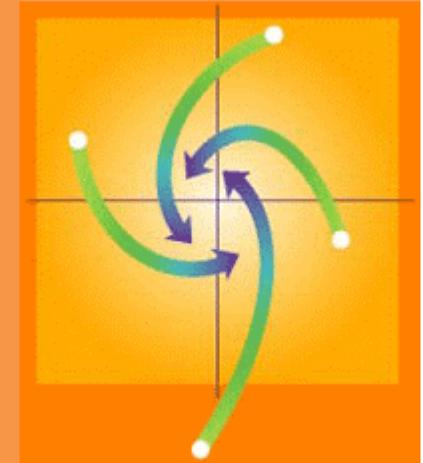
This fact poses three further questions, viz.:

1. Could it be that, in these various cases, the main obstacle is not – or not alone – an issue-specific one but one that lies in the current structure and functioning of the overall framework of global governance?
2. If this were the case, how would the overall global governance architecture need to change in order to facilitate the governance of global issues, including global climate governance; and
3. How could the required change(s) be initiated?

The focus of this presentation will be on these three questions.



## Structure of the presentation



### Introduction

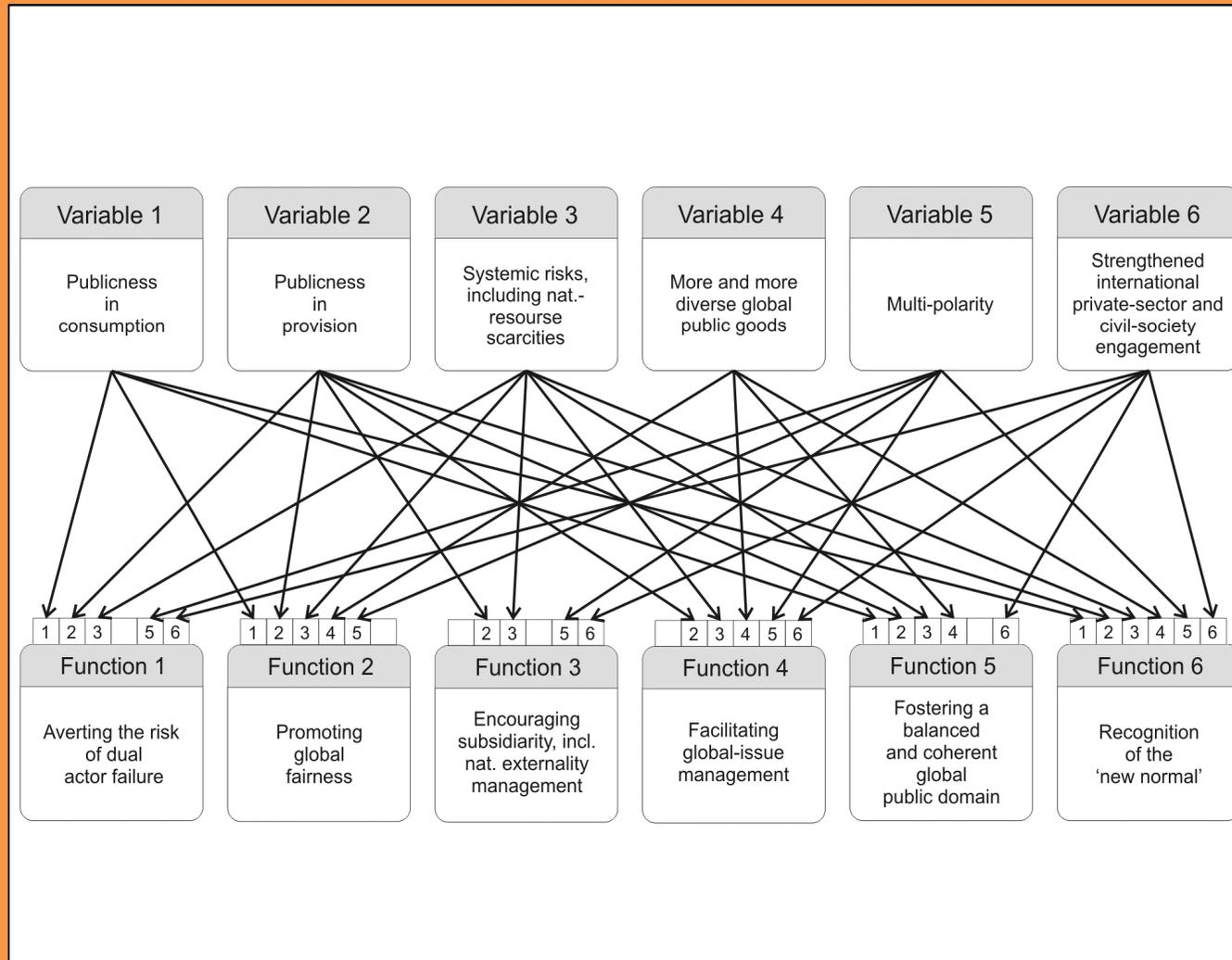
- I Identifying the governance requirements of today's ,sticky' global challenges
- II Assessing the current state of governance readiness
- III Escaping from the policy trap of the ,sovereignty paradox'
- IV Implications for global climate governance

### Conclusion

### References

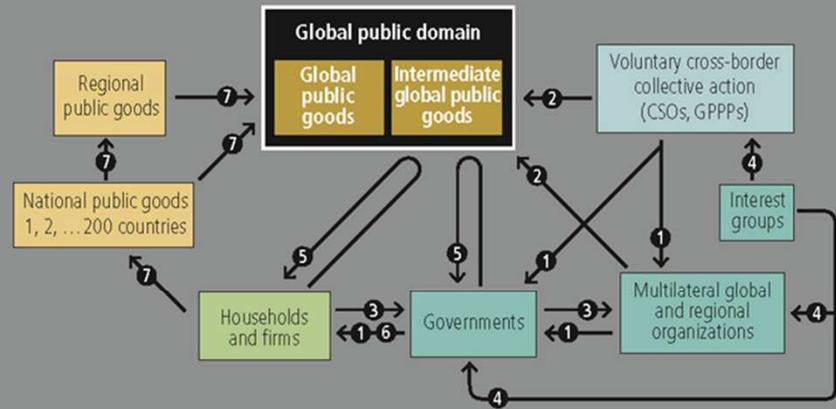
Section I

**Figure 1 – Assessing governance readiness:  
an analytical framework**



Source: Author

## Provision of global public goods



### 1 Incentives

Encouraging actors to deliver direct and indirect inputs or to change behavior to account for social concerns

### 2 Opportunity

Offering households and firms the possibility of consuming goods and services that generate externalities that enhance the provision of the public good

### 3 Demand for international cooperation

Reflecting national preferences for cooperation beyond borders

### 4 Political Pressure

Lobbying governments to fund or deliver goods

### 5 Consumption

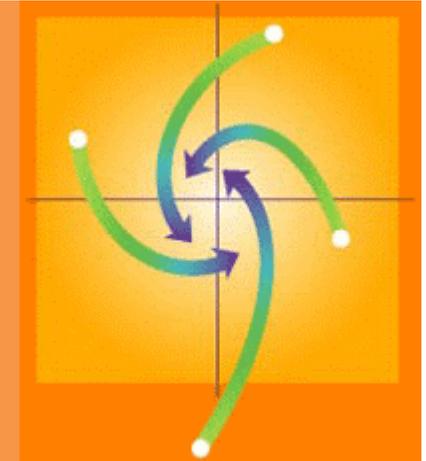
Consuming goods and services made available to enhance the provision of the public good

### 6 Coercion

Compelling individuals and firms to change their behavior to account for social concerns

### 7 Externality

Emerging as a result of individual action

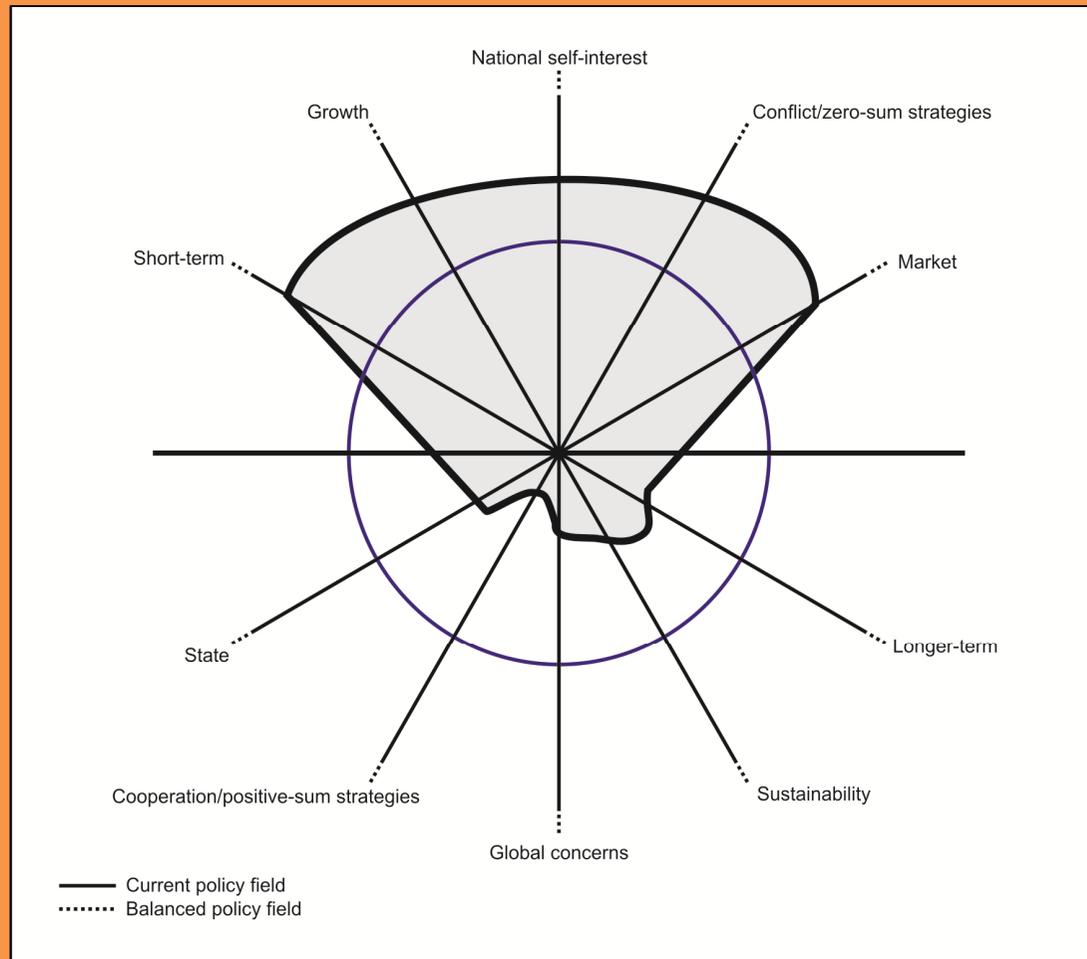


Excerpt from Box 2

Source: Adapted from Kaul and Conceição (2006)

## Secion II

### Figure 2 – Global governance (im-)balances

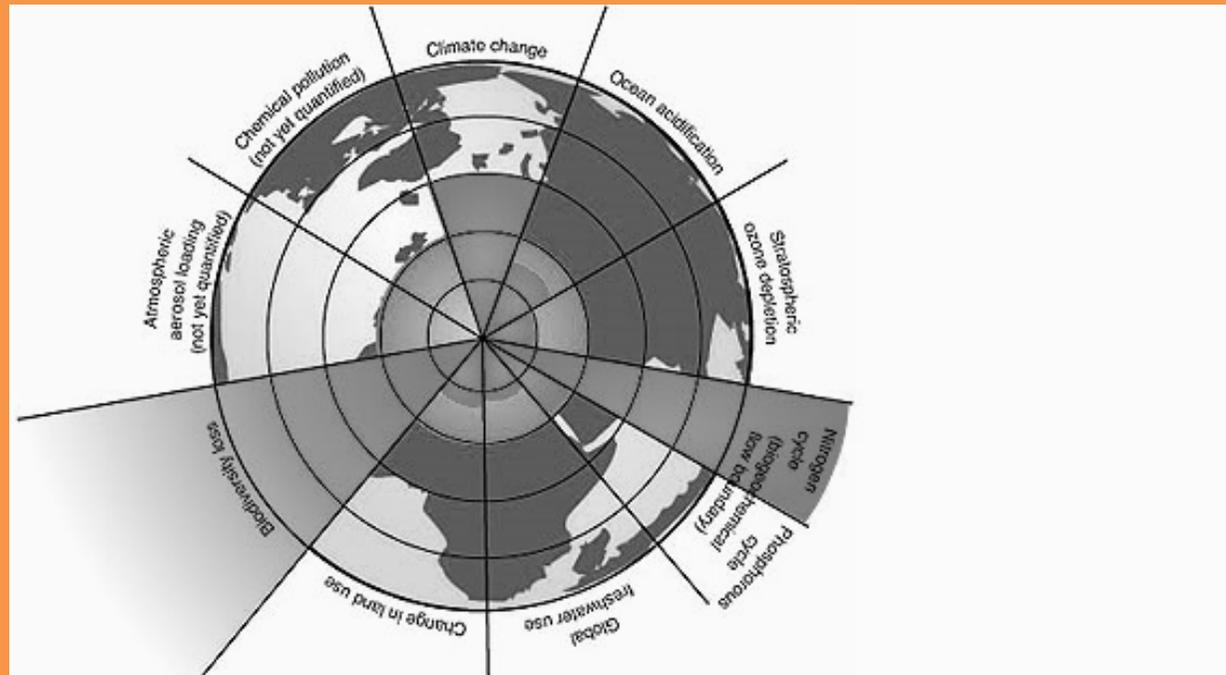


Source: Author



Section II

**Figure 3– Planetary boundaries**



Rockström et al (2009)



## Section III

### Possible global-governance reform steps

1—Promoting consensus on a norm of *smart, mutually respectful sovereignty*, i.e. policymaking sovereignty that is exercised in a way that is respectful of the sovereignty of other nations, current and future, and, therefore, avoids, as far as possible, in line with established norms of global fairness, agreed-upon undesirable spillover effects from the national jurisdiction that could harm the global environment, natural and human-made

Such an exercise of sovereignty would be *smart*, because it could, for example:

- Strengthen nations' willingness to engage in international cooperation
- Enhance the efficiency and effectiveness of international cooperation
- Reduce nations' vulnerability;
- Reduce the amount of resources they would otherwise need to allocate to crisis prevention, management and reconstruction
- Make openness and sovereignty more compatible



## Section III

### **Possible global-governance reform steps** (continued)

- 2 – Establishing, within the UN, a *Global Stewardship Council* as an independent body of eminent personalities, mandated to monitor the structure and functioning of the global public domain in order to ensure that it is sustainability-oriented and, as and if necessary, to nudge states into taking timely, effective corrective action

The establishment of such a Council would be desirable, because it could, for example:

- Help states to overcome collective action problems and, thereby, reduce the current risks of dual- market and state – failure in the presence of global public goods;
- Ensure that more attention is being paid to the systemic requirements of global public goods, including those of keeping the Earth in balance



## Section III

### **Possible global-governance reform steps** (continued)



If reform steps 1 and 2 were taken, other desirable reform initiatives might be more easy to launch such as the introduction of global-issue focus as a new, additional organizational criterion for organizing governance set-ups, nationally and internationally.

## Possible measures to make global climate governance less hard to do



In general terms, one could, for example, consider the following:

- Building global-governance reform alliances with concerned – state and non-state actors in other global-issue areas;
- Paying added attention to governance-management issues, especially to the issue of:
  - „Who is in charge?“ – in charge of pulling all policy ‚threads‘ together, nationally and internationally?
  - How to apply the principle of subsidiarity, in the interest of combining sovereignty and international cooperation?
- Reviewing existing theories, notably theories of public economics/finance from the viewpoint of how well they are still able to capture current realities and formulating a new theory of global public policy;
- Fostering policy innovation – through research and pilot initiatives -- in order to help establish a proper global-public policy toolkit , including clear criteria for:
  - Determining the specificity of, and the differences and synergy between, the roles of different actor groups in global-public-policy matters, including in the financing of relevant inputs; and
  - Differentiating more systematically between GPG provisioning and development assistance – in order to end the current confusion in this respect (that exists mainly in the conventional donor countries) ; (See, on this point, also the next slide.)

## Section IV

# Synergy and differences between GPG provisioning and development assistance



Dimension	International cooperation in support of GPG provision	International development cooperation
<b>Main rationale</b>	Self-interest/efficiency	Concern about 'others' equity
<b>Focus of the intervention/ cooperating parties</b>	Global issue/ Interested demand-side parties and potential suppliers, whose interest in the issue may or may not overlap	Poor country and poor people/ Rich countries – when the issue at stake concerns issues like the pooling of required resources and Rich and poor countries, civ. society, private sector – in discussions on the utilization of the resources
<b>Nature of the interaction</b>	Agreement on policy-reforms to be undertaken in a decentralized or pooled way, trade in global-public-good inputs (e.g. purchase of certified CO <sub>2</sub> emission reductions)	Transfer of financial and non-financial resources at concessional rates, plus policy advice/conditionality
<b>Main intended beneficiaries</b>	Mainly one self and, depending on one's identities, the world's cultural heritage, oceans, birds or the Earth as a whole	Poor country/people
<b>Effectiveness of the intervention depends, among other things, on</b>	Development effectiveness, i.e. the capacity of all concerned states to cooperate in a result-oriented manner	An adequate and development-compatible, i.e. mutually beneficial provisioning of GPGs,

Source: Author

## Section IV

### **Possible measures to make global climate governance less hard to do** (continued)

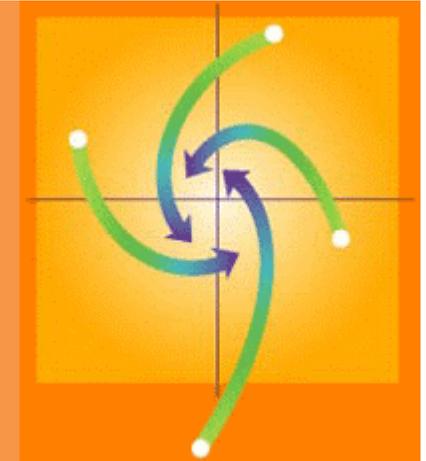
In more concrete terms, one could, in the light of the foregoing, perhaps undertake such steps as:

- Reviewing the goals proposed for the Post-2015 Global Agenda, as well as those to be negotiated at COP 21 in Paris in 2015, from the viewpoint of whether and how well they seek to balance national interests and global systemic concerns, including those of the Earth as a whole;
- Filling in the ,missing middle‘ of the current design of the Post-2015 Global Agenda, i.e. establishing goals and targets for the delivery of the means of implementation such as the resourcing of the Green Climate Fund;
- Assisting countries in preparing country and region-specific cost/benefit analyses of climate change mitigation efforts for the purpose of constructing more mutually beneficial bargains ;



## Conclusion

Barbara Ward and René Dubois stated in their 1972 report on *Only One Earth* that globalness is no longer just a vision but a reality.



Therefore, we should perhaps now – in 2014 – agree with the Executive Secretary of UNFCCC, C. Figueres, who in her many speeches reminds us in an untiring way that ,Now is the time to act.’

I would add: ,to act in a more result-oriented, transformative way’

Why not?

And how could reforms along the lines suggested here find requisite political support? How could they be made operational?

I look forward to your advice and recommendations on these points.

## References

### This presentation draws on:

Kaul, Inge. 2014. Global Public Goods, Commons and Governance:

The Current State of Play. Background paper prepared for the conference on Global Public Goods, Commons and Governance, Wellington University, 10 Mai 2014.

\_\_\_\_\_. 2013. Meeting Global Challenges: Assessing Governance Readiness. In: Hertie School of Governance. *Governance Report 2013*. Oxford: Oxford University Press, pp. 33-58.

Kaul, Inge and Donald Blondin. Forthcoming. Global Public Goods and the United Nations. In: Ocampo, Jose Antonio and Alonso, Jose Antonio, eds. *Global Governance and Development: Balancing Priorities and Institutions*. New York: Oxford University Press.

For further references, see the Sustainability Lecture of 2 June 2014.

- **About the logo:**

The defining feature of many policy approaches and tools today is their engagement at the intersection of the public and private and the domestic and foreign policy axes.

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