

The Political Economy of Climate Change

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Semester

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I. Course Description

Climate scientists inform us that greenhouse gas emissions cause climate change, which in turn poses a threat to humankind. But a major tool of societies to mitigate climate change—state policies—often fail, lack ambition, and vary widely from country to country. This is puzzling: Why is it so difficult to pass meaningful climate policies even though the stakes are high? How to explain the varying responses to the same problem? What is the best way forward?

In this course, students study the economic theories and political realities underlying the struggle over climate policies. In the first part of the seminar, students are introduced to various economic perspectives on climate change ranging from the neoclassical mainstream to critical theory. The second part of the seminar is organized around case studies of successful and failed climate policies in the United States, Germany, Denmark, the European Union, and China. In addition to the country cases, we also interrogate broader topics such as the role of finance, economic ideas, and the likely future of climate politics.

II. Course Requirements

a. Participation (33%)

Active, informed, and creative participation in the seminar discussions is the biggest component of your participation grade (80%). To excel in this category, you will have to demonstrate (a) detailed knowledge of the week's readings and to (b) creatively connect the readings with one another, with historical events, or other arguments. The preparation of a memo makes up the remaining 20% of your participation grade. The memos must be distributed to the entire class via email by Wednesday at noon. The memo has three parts. (1) A bullet point summary of the readings' core arguments with page numbers and a few citations (2). A short 200-300-word discussion of how the texts relate to other readings discussed in class. (3) Two questions that you would like to see discussed in class.

b. Essays (67%)

Students must write two essays. The first essay prompt will be handed out at the end of week five and counts 30% towards your overall essay grade (3-4 pages, 11pt Calibri, double space). The essay must be handed in via email at the beginning of week six. An excellent essay demonstrates detailed knowledge of the readings and uses this knowledge in insightful and creative ways. As for the participation grade, creativity is defined as the ability to connect ideas from readings and discussions in novel and insightful ways.

For the second essays (10-12 pages, 11pt Calibri, double space), you are challenged to come up with your own research question—in close cooperation with me. The question can be of a theoretical or empirical nature, it can be exploratory or an effort to test or apply a theory through

single or comparative case studies. One on One discussions of a draft or proposal will be scheduled for week 12.

III. Academic Integrity

Undergraduate students enrolled in the Krieger School of Arts and Sciences or the Whiting School of Engineering at the Johns Hopkins University assume a duty to conduct themselves in a manner appropriate to the University's mission as an institution of higher learning.... Violations of academic ethics include, but are not limited to: cheating; plagiarism; submitting the same or substantially similar work to satisfy the requirements of more than one course without permission; submitting as one's own the same or substantially similar work of another; knowingly furnishing false information to any agent of the University for inclusion in academic records; falsification, forgery, alteration, destruction or misuse of official University documents or seal. For more information, visit: <http://ethics.jhu.edu>.

IV. Academic Accommodations

I will make any reasonable effort to accommodate students who feel they would benefit, for whatever reason, from an alternative structure or set of requirements than those listed here. If you are a student with a disability or believe you might have a disability that requires accommodations, please contact Dr. Brent Mosser, in Student Disability Services, 385 Garland, (410) 516-4720, studentdisabilityservices@jhu.edu. If you are facing personal challenges, do not hesitate to contact the folks at the Counseling Center, 3003 N. Charles St., Suite S-200, 410-516-8278, For more information, visit: <http://web.jhu.edu/counselingcenter/>.

V. Weekly Schedule

1) The Discovery of Climate Change

- Ian Angus. 2016. *Facing the Anthropocene. Fossil Capitalism and the Crisis of the Earth System*. 'A Second Copernican Revolution,' 'The Great Acceleration,' 'Tipping Points, Climate Chaos, and Planetary Boundaries,' 27-47, 59-77.

2) The Contradictions of Climate Economics

- William D. Nordhaus. 2018. Lecture in Economic Sciences 2018. <https://www.youtube.com/watch?v=h1RkSuAs03Q&pbjreload=101> (lecture, 30 minutes)
- William Nordhaus. 2013. Climate Casino. 'From Climate Change to Impacts, 'Adding up the Damages from Climate Change,' 'Climate Policy Balancing Costs and Benefits.' 69-77, 135-146, 205-2019.
- Gernot Wagner and Martin L. Weitzman. 2015. Climate Shock. The Economic Consequences of a Hotter Planet. Chapter 1, '911' 'Fat Tails (selection). 1-14, 48-65.

3) The Contradictions of Climate Capitalism

- Naomi Klein. This Changes Everything. 'Introduction,' 'The Right is Right: The Revolutionary Power of Climate Change' 1-63
- Ian Angus. 2016. *Facing the Anthropocene. Fossil Capitalism and the Crisis of the Earth System*. 'Capital's Time vs Nature's Time,' ' 'We Are not All in This Together,' 111-125, 175-189.

- Hickel, Jason. 2019. "Is It Possible to Achieve a Good Life for All within Planetary Boundaries?" *Third World Quarterly* 40 (1): 18–35.

4) Climate Solutions: Carbon Pricing, The Green New Deal, and Ecosocialism

- William Nordhaus. 2015. Climate Casino. 'The Central Role of Carbon Pricing,' 'Public Opinion and Climate Change' 220-232, 302-315.
- Wagner, Gernot, and Richard J. Zeckhauser. 2012. "Climate Policy: Hard Problem, Soft Thinking." *Climatic Change* 110 (3): 507–21.
- Robinson Meyer. 2019. A Centuries-Old Idea Could Revolutionize Climate Policy. The Atlantic. <https://www.theatlantic.com/science/archive/2019/02/green-new-deal-economic-principles/582943/>
- Mildeberger, Matto, and Leah C. Stokes. 2020. "The Trouble with Carbon Pricing." Text. Boston Review. September 23, 2020. <http://bostonreview.net/science-nature-politics/matto-mildeberger-leah-c-stokes-trouble-carbon-pricing>.
- Ian Angus. 2016. *Facing the Anthropocene. Fossil Capitalism and the Crisis of the Earth System*. 'Ecosocialism and Human Solidarity' 189-211

5) Climate Change Denial

****Essay 1 to be handed in before class starts****

- In Class Film: Merchants of Doubt (Directed by Robert Kenner, based on the book of the same title by Naomi Oreskes and Erik M. Conway).
- McCright, Aaron M., and Riley E. Dunlap. 2011. "Cool Dudes: The Denial of Climate Change among Conservative White Males in the United States." *Global Environmental Change* 21 (4): 1163–72.

6) The Failure of US Climate Politics

- Matto Mildeberger. 2020. *Carbon Captured. How Business and Labor Control Climate Politics*. Cambridge: The MIT Press. Ch.1, 4, 5 'The Puzzle of Climate Policy Action,' 'The Logic of Double Representation,' 'US Climate Policy Inaction,' 'US Climate Policy Action,' 1-38, 99-160.

Suggested Readings:

- Laird, Frank N., and Christoph Stefes. 2009. "The Diverging Paths of German and United States Policies for Renewable Energy: Sources of Difference." *Energy Policy* 37 (7): 2619–29.
- MacNeil, Robert. 2015. "Death and Environmental Taxes: Why Market Environmentalism Fails in Liberal Market Economies." *Global Environmental Politics* 16 (1): 21–37.
- Skocpol, Theda. 2013. "Naming the Problem: What It Will Take to Counter Extremism and Engage Americans in the Fight against Global Warming." Available at: https://scholars.org/sites/scholars/files/skocpol_captrade_report_january_2013_0.pdf?__ac_lkid=14b0-f639-efd2-f4de175811a84d1.
- Stokes, Leah Cardamore. 2020. Short Circuiting Policy: Interest Groups and the Battle over Clean Energy and Climate Policy in the American States.

7) 'Green Spirals' in Germany and Denmark

- Nina Kelsey and John Zysman. 2013. "Green Spiral." In: *Can Green Sustain Growth?* John Zysman and Mark Humphrey. Stanford University Press, Stanford, CA: 79-88.
- Stefes, Christoph H. 2010. "Bypassing Germany's Reformstau: The Remarkable Rise of Renewable Energy." *German Politics* 19 (2): 148–63.
- Jakob Riiskjaer Nygård. 2013. Denmark. Classic Case for a Green Spiral. In: *Can Green Sustain Growth?* John Zysman and Mark Humphrey. Stanford University Press, Stanford, CA: 89-107.
- Morris, Craig, and Arne Jungjohann. 2016. *Energy Democracy: Germany's Energiewende to Renewables*. Springer. 'Green Capitalism Made in Germany,' 161-173; 194-200

Suggested readings:

- Jänicke, Martin. 2010. "German Climate Change Policy: Political and Economic Leadership." In *The European Union as a Leader in International Climate Change Politics*, edited by Rudiger K. W. Wurzel and James Connelly, 149–66. Routledge.
- Kungl, Gregor. 2015. "Stewards or Sticklers for Change? Incumbent Energy Providers and the Politics of the German Energy Transition." *Energy Research & Social Science* 8 (July): 13–23.
- Ramez Naam. Foundation In Exponentials: Energy. Singularity University. <https://www.youtube.com/watch?v=EXw38SaGmOk> (watch first 10 minutes)
- Jonas Meckling, Nina Kelsey, Eric Biber, and John Zysman. 2015. "Winning Coalitions for Climate Policy." *Science* 349 (6253): 1170–71.

8) Emissions Trading in the EU and Beyond

- Jonas Meckling. 2011. "The Globalization of Carbon Trading: Transnational Business Coalitions in Climate Politics." *Global Environmental Politics* 11 (2): 26–50.
- Paterson, Matthew. 2012. "Who and What Are Carbon Markets for? Politics and the Development of Climate Policy." *Climate Policy* 12 (1): 82–97.
- David Victor and Danny Cullenworth. 2020. Interview with David Roberts. "Giving up on the economy-wide carbon pricing dream," "Carbon offsets aren't working, and probably can't," and "Cap-and-trade systems are not doing the real carbon work" At: <https://www.volts.wtf/p/why-carbon-pricing-will-never-be>; <https://www.volts.wtf/p/cap-and-trade-systems-are-not-doing>; <https://www.volts.wtf/p/carbon-offsets-arent-working-and>
- Green, Jessica F. 2017. "Don't Link Carbon Markets." *Nature News* 543 (7646): 484.
- Resources Radio. 2019. A Status Report on Global Emissions Trading, with Stephanie La Hoz Theuer. <https://www.resourcesmag.org/resources-radio/status-report-global-emissions-trading-stephanie-la-hoz-theuer/> (Podcast 30min).

Suggested Readings:

- Dirix, Jo, Wouter Peeters, and Sigrid Sterckx. 2015. "Is the EU ETS a Just Climate Policy?" *New Political Economy* 20 (5): 702–24.
- Ellerman, A. Denny, and Barbara K. Buchner. 2007. "The European Union Emissions Trading Scheme: Origins, Allocation, and Early Results." *Review of Environmental Economics and Policy* 1 (1): 66–87.

- Jevnaker, Torbjørg, and Jørgen Wettestad. 2017. "Ratcheting Up Carbon Trade: The Politics of Reforming EU Emissions Trading." *Global Environmental Politics* 17 (2): 105–24.
- Lohmann, Larry. 2010. "Uncertainty Markets and Carbon Markets: Variations on Polanyian Themes." *New Political Economy* 15 (2): 225–54.
- Spash, Clive L. 2010. "The Brave New World of Carbon Trading." *New Political Economy* 15 (2): 169–95.
- Tamra Gilbertson and Oscar Reyes. 2009. Carbon Trading. How it Works and Why It Fails. Critical Currents no. 7. 'A brief history of carbon trading,' 'When the cap does not fit– Cap and trade and the failure of the EU Emissions Trading Scheme.' 17-51. Accessed at: <https://www.tni.org/files/download/carbon-trading-booklet.pdf>.

9) China: Fragmented Climate Authoritarianism

- Andrew Mertha (2009). "Fragmented Authoritarianism 2.0": Political Pluralization in the Chinese Policy Process. *The China Quarterly*, 200, 995-1012.
- Jonas Nahm. 2019. "The Energy Policy of China." *The Oxford Handbook of Energy Politics*. Kathleen Hancock and Juliann Allison [eds.] Oxford University Press: Oxford, UK.
- Denise van der Kamp. Forthcoming. "Blunt Force Regulation and Bureaucratic Control: Understanding China's War on Pollution." *Governance* (forthcoming)

Suggested Readings

- Chen, Geoffrey C., and Charles Lees. 2016. "Growing China's Renewables Sector: A Developmental State Approach." *New Political Economy* 21 (6): 574–86.
- Gilley, Bruce. 2012. "Authoritarian Environmentalism and China's Response to Climate Change." *Environmental Politics* 21 (2): 287–307.
- Lo, Kevin. 2015. "How Authoritarian Is the Environmental Governance of China?" *Environmental Science & Policy* 54 (December): 152–59.
- Malm, Andreas. 2012. "China as Chimney of the World: The Fossil Capital Hypothesis." *Organization & Environment* 25 (2): 146–77.
- Shen, Wei, and Lei Xie. 2018. "The Political Economy for Low-Carbon Energy Transition in China: Towards a New Policy Paradigm?" *New Political Economy* 23 (4): 407–21.

10) Economic Ideas in Climate Politics

- Meckling, Jonas, and Bentley B. Allan. 2020. "The Evolution of Ideas in Global Climate Policy." *Nature Climate Change* 10 (5): 434–38.
- Mirowski, Philip, Jeremy Walker, and Antoinette Abboud. 2013. "Beyond Denial." *Overland* Autumn (210).
- Kupzok, N. 2020. Draft. "Varieties of Neoliberalism in US Climate Politics." To be Circulated.
- McCright, Aaron M., and Riley E. Dunlap. 2003. "Defeating Kyoto: The Conservative Movement's Impact on U.S. Climate Change Policy." *Social Problems* 50 (3): 348–73.

Suggested Readings:

- Allan, Bentley B. 2017. "Second Only to Nuclear War: Science and the Making of Existential Threat in Global Climate Governance." *International Studies Quarterly* 61 (4): 809–20.
- Hermwille, Lukas. 2016. "The Role of Narratives in Socio-Technical Transitions—Fukushima and the Energy Regimes of Japan, Germany, and the United Kingdom." *Energy Research & Social Science* 11 (January): 237–46.
- Jacques, Peter J., Riley E. Dunlap, and Mark Freeman. 2008. "The Organisation of Denial: Conservative Think Tanks and Environmental Scepticism." *Environmental Politics* 17 (3): 349–85.
- Kupzok, Nils. 2020. "Fragile Legitimacy: The Rise and Crisis of the EU's 'Sustainable Biofuels' Policy." *Socio-Economic Review* 18 (1): 235–56.
- McCright, Aaron M. and Riley E. Dunlap. 2010. "Anti-Reflexivity." *Theory, Culture & Society* 27 (2–3): 100–133.
- Mirowski, Philip. 2014. *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown* by Philip Mirowski. Verso. Chs. 2, 6.
- Allan, Bentley B. 2017. "Second Only to Nuclear War: Science and the Making of Existential Threat in Global Climate Governance." *International Studies Quarterly* 61 (4): 809–20.

11) Climate Finance and Stranded Assets

- Bill McKibben. 2012. "Global Warming's Terrifying New Math." Rolling Stone. July 19, 2012. <https://www.rollingstone.com/politics/politics-news/global-warmings-terrifying-new-math-188550/>.
- Colgan, Jeff, Jessica F. Green, and Thomas Hale. 2020. "Asset Revaluation and the Existential Politics of Climate Change." SSRN Scholarly Paper ID 3634572. Rochester, NY: Social Science Research Network. <https://papers.ssrn.com/abstract=3634572>.
- Neville, Kate J., Jackie Cook, Jennifer Baka, Karen Bakker, and Erika S. Weinthal. 2019. "Can Shareholder Advocacy Shape Energy Governance? The Case of the US Antifracking Movement." *Review of International Political Economy* 26 (1): 104–33.
- Attracta Mooney and Patrick Temple-West. 2020. Financial Times. Asset Warriors Join Forces with Eco-Warriors. The Financial Times. <https://www.ft.com/content/78167e0b-fdc5-461b-9d95-d8e068971364>

Suggested Readings:

- Noam Bergman. 2018. "Impacts of the Fossil Fuel Divestment Movement: Effects on Finance, Policy and Public Discourse." *Sustainability* 10 (7): 1-18.
- Gabor, Daniela. 2020. "The Wall Street Climate Consensus." *Tax Justice Focus* 11 (3): 7–9.
- The Economist. 2020. "How Much Can Financiers Do about Climate Change?" *The Economist*, 2020. <https://www.economist.com/briefing/2020/06/20/how-much-can-financiers-do-about-climate-change>.

12) One on One Meetings: Draft Discussions

** schedule meetings **

13) The Future of Climate Politics

- Tooze, Adam. 2020. "Welcome to the Final Battle for the Climate." *Foreign Policy* (blog). 2020. <https://foreignpolicy.com/2020/10/17/great-power-competition-climate-china-europe-japan/>.
- David Wallace-Wells. 2019. "The Cautious Case for Climate Optimism." *Intelligencer*. <http://nymag.com/intelligencer/2019/02/book-excerpt-the-uninhabitable-earth-david-wallace-wells.html>
- Bazilian, Morgan, Michael Bradshaw, Johannes Gabriel, Andreas Goldthau, and Kirsten Westphal. 2020. "Four Scenarios of the Energy Transition: Drivers, Consequences, and Implications for Geopolitics." *WIREs Climate Change* 11 (2): e625.