Climate Emergency: Economics, Politics, Honesty

Framing Paper by Jonathan Essex on behalf of the Green House Think Tank
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'Everything, everywhere, all at once'[1]

Introduction

Significant challenges present themselves as we wrestle with the major political and economic changes needed to address the climate and ecological emergency. Such changes will not be easy. Avoiding both societal and ecological breakdown will get progressively more difficult as climate change bakes in ever more unpredictable and destructive impacts. This paper outlines the scope of a Green House Think Tank project which seeks to wrestle with the tensions inherent in these challenges.

Why are we still not truly facing up to the climate emergency – without doing which, we also have no hope of tackling broader ecological overshoot? What aspects of addressing our predicament are not fully acknowledged, let alone taken up politically or economically? What is blocking change at the scale required, and shielding from view the need to transform our politics and economic systems? Why are we avoiding putting an end to growth in terms of our collective demand for transport, materials and energy – and instead drastically reducing this demand?

Certain understandings need to gain common acceptance. Namely, there needs to be a genuine acceptance of the dire consequences of exceeding climate and ecological boundaries. Avoiding transgressing these boundaries implies placing physical limits on what humans can use and consume, in terms of resources and energy. Once the need to place such limits is accepted, the question arises of how the limited resources are distributed – between countries and between individuals within countries. How this should be decided and by whom leads to questions around governance, democracy and power. Existing power structures have led to severe inequality. What changes would be required to avoid increasing this inequality – or to reverse it – in parallel with scaling back

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[1]   Gutierrez, A. (2023) quoting the film of the same title [Secretary-General Calls on States to Tackle Climate Change 'Time Bomb' through New Solidarity Pact, Acceleration Agenda, at Launch of Intergovernmental Panel Report | Meetings Coverage and Press Releases](#) *United Nations Meetings Coverage and Press Releases*

humanity's overshoot of planetary boundaries? How might this be brought about at the speed required?

This framing paper sketches the scope of an ongoing Green House Think Tank project.

Disruption Awaits

Whilst pathways towards a sustainable future will bring unprecedented disruption, if actions to address the climate emergency remain a sideshow in the UK – and globally – then the impacts of global heating will cause cataclysmic disruption to our civilisation. The blind hope expressed in the famous British wartime slogan of *keep calm and carry on* risks leaving it too late to act. Instead, such a wartime spirit of not accepting defeat and everyone rising to transform what is seen as collectively possible needs to be tied to a climate emergency economy. Indeed, societal breakdown awaits us if we pin our hopes on sustaining any semblance of business–as–usual. Instead hope can only be generated through collective action that transforms both our worldviews and future possibilities. Joanna Macy describes this as 'active hope'[2] whilst Green House's John Foster calls this 'deep hope' – finding the space to act between unavoidable disasters and future apocalypse.[3]

This disruption holds both risks and opportunities. There will be technological changes but, on their own, they risk locking out rather than enabling sufficient transformation. Breaking through the harder times ahead will require a complete metamorphosis in how our society is organised and governed.

This will, no doubt, even change how we imagine ourselves and will change our frames of reference. It will require us all to re-imagine how we relate to politics, the extent to which we demand and bring forth a new economics and will establish new social norms around citizenship, co-dependence and resilience. This project explores how we might effectively co-create a climate emergency economy and, in doing so, navigate what will surely be difficult times.

It will be necessary to address real tensions as we map out pathways to the future. This project explores what we mean by sufficient action and how politics might deliver this: sufficient in terms of the climate and ecological limits, and sufficient disruption of social norms and concentrations of assets and power for thriving within those limits. Without this, there is a risk that interventions further

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[2]   Macy, J. and Johnston, C. (2012) *Active Hope: How to Face the Mess We're in without Going Crazy* New World Library

[3]   Foster, J. (2017) Towards Deep Hope: Climate Tragedy, Realism and Policy *Green House Think Tank*. Foster developed this further in calling for a response to the climate crisis willed into action through a hope for life: Foster, J. (2022) *Realism and the Climate Crisis: Hope for Life*. Bristol University Press.

embed existing inequalities and injustices – themes that are reflected in this project.

What is *sufficient* action?

There is a need for a raw public debate, such that politicians are honest – and citizens accurately informed – about the scale and nature of changes needed to address the climate emergency.

The notion that the overall level of UK and European energy and material consumption needs to reduce if we are to address the climate emergency is still rarely acknowledged. It is time that rethinking energy demand, post growth economics and the radical redistribution of our access to such resources gains political credence to allow wellbeing for all within climate and environmental limits. This requires an acceptance that:

- Unless we cap overall energy use, renewable energy will drive energy demand growth rather than displacing the extraction and burning of fossil fuels. This will be reflected in overall growth in the size of the economy: economic growth. An adequate response to the climate emergency requires us to look beyond 'green growth' as an add-on to current fossil fuel powered economic growth. Thus, plans to reduce overall energy demand form a key element alongside eliminating our extraction and burning of fossil fuels.[4]

- Scaling up renewable energy generation and electrifying transport, heating, energy storage and other technologies that underpin the transition to zero carbon requires significant amounts of rare earth metals and other minerals such as lithium and copper. Reducing overall energy consumption is a crucial means of constraining the amount of mining and pollution that takes place around the world and of limiting the continued impacts of an unrestrained extraction drive to accessing ever more resources.

- As material and energy extraction falls, their availability will be limited which will bring to the forefront the question about how resources should be shared and who gets to use them. Thus, redistribution and shared (public) use of increasingly scarce resources, both within and between countries, underpins sufficient climate action. This includes ensuring that the Global South can access its share of the limited supplies of rare earth metals, lithium and copper, which in turn requires already developed countries such as the UK to limit their demand for such materials. This

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[4]   Essex, J., Sims, P., Storey, N. (2022) Rethinking Energy Demand *Green House Think Tank*

illuminates the links between justice, global equity and limiting future carbon emissions.

Embedding Leadership in citizen action

A climate emergency economy requires nothing short of a reimagining of what we call politics and the part played by citizens. This will be a far cry from the current mainstream political programmes and managerial styles of government that dominate today. The role of the state must go further than tweaking policies and incentives to address the extreme impacts of capitalist economics and consumer culture, and nudging businesses and 'consumers' to behave differently. Instead, we need genuine leadership that links national strategy to place-based plans at the community level. This, in effect, means a shift from a predominantly market-led economy to an economy that is much more planned and directed.

Yet there is a tension between the state leadership needed to take bold, system-changing decisions and the local leadership seeking to implement and sustain public support as the resultant changes transform how we live. There are also questions about the role that deliberation between citizens might play and how this should interact with elected government. How might politicians be much bolder, and lead on instigating substantial changes in lifestyles and social norms whilst also delegating power? Is devolving power a form of bold central leadership in its own right, given national governments' tendency to hold on to all the levers of power?

For example, consider the planning and delivery of wind farms in the UK. At the time of writing, there is neither sufficient political commitment nationally nor an effective decision-making process locally. Government should provide overall strategic policy direction and land-use planning to direct where new onshore wind farms might be permitted. This should then inform a local planning system that sufficiently involves and is embraced by communities. This needs to go beyond consulting the community only at the endpoint of the process, such as whether a turbine should be sited in their area. A broader understanding needs to be reached around the energy demand from that community that leads them to take responsibility for their energy provision.

Instead, the different tiers of governance must work better together. Policy decisions must be properly implemented (including enforcement) whilst providing clear feedback so that policy better reflects realities on the ground and is continually improved to ensure that the sum of local actions is sufficient. Elinor Ostrom explored such tiered governance systems in her principles for managing

the commons. She describes the need for nested tiers of decision-making as the final principle.[5] This is often referred to as the principle of 'subsidiarity'.

Feedback loops between the different governance levels are critical to enabling broad cultural shifts to happen at pace and to facilitate fast learning and ongoing adjustment.

Effective emergency decision-making at multiple levels of government must rely on stronger levels of trust and collective understanding of our predicament. This requires national agreement on key 'direction-setting' decisions that frame action, and local agreement on the implementation of those decisions. Local citizen engagement will be needed to drive and support such shifts, both in terms of politics and around cultural and social norms such that they are successfully implemented.

Honesty about the limits to human ingenuity

Mainstream politics and economics remain wedded to the belief that the path to a sustainable future can largely be built through technological solutions and that this means leaving it to experts in the field. However, discussions by the Intergovernmental Panel on Climate Change (IPCC) on Carbon Capture and Storage (CCS) or Bioenergy with CCS (BECCS) reflect a form of climate policy capture by vested interests. Previous work by Green House has explored the fallacy of relying on geo-engineering to absolve us of treating the climate crisis seriously[6]. Relying on technological solutions creates the illusion that our society can blindly proceed as normal. What would it mean to let go of the idea that technological solutions should be anything but a minor part of our response to the crises we face?

There is a need to be honest about the true predicament in which we find ourselves and to avoid being deceived by technological false hopes and illusions of humanity's grandeur and wisdom in the face of the climate crisis. Dougald Hine talks of how humanity cannot just plan and manage its way out of the climate crisis.[7] This means accepting that we are living in the ruins of a fossil fuel powered, endless growth focussed economy, which must be allowed to fail so that people's livelihoods, skills, buildings and land can be repurposed for a new economy. Hine presents the analogy of a 'fish tank world' whereby we try to keep

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[5]   Ostrom, E. (1990). *Governing the commons: The evolution of institutions for collective action*. Cambridge University Press.

[6]   Foster, J. (2019) Facing up to Climate Reality: Honesty, Disaster and Hope *Green House Think Tank*.

[7]   Hine, D. (2023) *At Work in the Ruins: Finding our place in the time of science, climate change, pandemics & all other kinds of emergencies*. Chelsea Green.

the world alive (like a fish in a tank) rather than accepting that humanity does not, and perhaps never will, fully understand the complex interactions of the natural world. One of the reasons for inaction now is the belief that we somehow need to understand what a fully decarbonised society looks like before we commit to taking the first, often tentative, steps. A perfect model or plan for a zero-carbon society does not exist – partly because it will differ from place to place but mostly as it is far too complicated to imagine and plan into being. As previously explored by Green House:

> *"… There will remain a tension between the need to make plans that we can deliver now and the need to reflect the dates and carbon budget, which define the true emergency that we find ourselves in. This tension requires us to refine and update our plans as we implement them, to bridge the potential gaps between emergency response actions, strategic planning, cultural shifts and infrastructure investments. Plan making is thus not separate from the task of getting on with remaking and mending our economy. Fairness and sustainability are similarly interwoven, such that as we decarbonise and localise we must share resources as we share the values such that no one is excluded or left behind. As we reconnect our economy to a way of living within our planetary boundaries, we define our culture as one where we reconnect not just to nature but also to each of us."[8]*

What would it mean to accept that humans cannot develop a 'grand plan' to solve the climate crisis? What might be possible if we recognise that climate change is merely a symptom and that humanity needs to address the underlying causes? Mapping the underlying causes, and the other inter-related symptoms is an important step, one that is yet to be done comprehensively. Yet it is important to avoid the trap of claiming that more evidence or research is needed before decisions can be made and actions taken. The challenge is to be bold enough to take pragmatic and precautionary action based on the full range of knowledge about our predicament that humanity already has. The challenge requires an understanding that we will not have a grand plan to enact; rather what is necessary will be evolving and emergent.

Such uncertainty need not be so daunting if our societal response is rooted in intrinsic values although this requires a sufficient proportion of people to share such values which is not guaranteed.[9]

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[8]   Essex, J. (2020) What would a UK climate emergency plan that faces up to climate reality look like? p.26. *Green House Think Tank.*

[9]   Common Cause Foundation

This project asks what it might take to transform our society, together with the institutions, cultural norms and infrastructural systems that support it, in an appropriately therapeutic direction. Might this involve acceptance of the advantages of smaller scale operations, working with nature rather than trying to engineer the earth's climate and natural systems? Might it even mean accepting that the disruption which climate change is bringing will not only wreak havoc in our existing arrangements but will also sweep aside very many of the technological, economic and political 'solutions' proposed? Must we at last bow to the need for real participation and a return to a human scale of organising that might seriously change social norms – far beyond planting trees and installing solar panels? All that would mean much more than an economics and politics aimed at resurrecting our place in society as citizens rather than mere consumers. It would mean starting to extract ourselves from, and awaken others to, a society now seemingly hypnotised and paralysed – reliant more and more helplessly on the promises of experts, whilst sleepwalking into apocalypse.

This notion of 'starting now, not waiting for a fully fleshed-out plan' underpins how we might use models to inspire action rather than making planning so data-heavy that it holds back and siloes action, obscuring the wider systemic changes required. This points to models to help us shift our worldview and create a shared vision – a political consensus for the need to act.

One such model is Doughnut Economics[10], with its conceptualisation of the inner and outer rings of the doughnut as the social foundation of society and ecological ceiling of the damage our environment can sustain. The living space in between these rings is a helpful visualisation of the goal of green economics but it does not create a clear pathway to this goal. Where the model is useful is in reframing the role of economics as the means to deliver quality of life for all within environmental limits rather than representing an end in itself.

How much of a political mandate is needed?

It could be argued that the speed and efficacy of political change could be constrained where there is no clear mandate for change (e.g. an election manifesto or acceptance that action on the climate emergency is needed) or where there is a lack of general public acceptance at a particular time.[11] This leads some to claim that our current system of democracy cannot deliver sufficient action on climate change.

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[10]   Raworth, K. (2017) *Doughnut Economics: Seven Ways to think like a Twenty First Century Economist'*. Random House

[11]   Often referred to as The Overton Window

It should indeed be clear that if we are genuinely concerned both with limits and with honesty, this claim can no longer be treated as simply impermissible in polite discourse but must now merit serious investigation. To entrust the future ability to live on the planet to a system that has shown itself capable of empowering a Johnson or a Trump, and even of offering the latter a second wrecking opportunity, is maladaptive. Can an electorate, broad swathes of which are being strongly manipulated by commercial interests, arguably to the point of pathological addiction, and who are informed by media with sinister interests realistically deliver elected governments that will lead on confronting our predicament?[12] It must be time at least to examine the case for alternatives to electoral politics. Governance reform cannot be limited to tweaking voting systems.

Of course, the lack of a mandate does not always seem to be a problem in our current democracy. For example, a particular form of Brexit was implemented in the UK based on a narrow 52% voting in favour of the general statement, following a divisive campaign, with many disputed and misleading claims. Unlike Brexit, however, it is not clear that populism can be used to drive climate action further and faster. So, is there a risk attached to trying to include either too much, or too little in a political manifesto? A clear, honest climate emergency programme could fail completely if it does not gain sufficient public support. Politicians could choose not to implement it – preferring not to risk their popularity – and hence their power. In contrast, more incremental steps, without clearly setting out the long-term goal and vision, might create the illusion that the action presented is itself sufficient. For example, the ULEZ scheme in London included a car scrappage scheme linked to purchase of electric vehicles with only limited incentives toward public transport and cycling.[13] This targets a shift from vehicles based on one technology to another without reducing the number of vehicles, how far they travel, or their size and weight. It therefore fails to deliver either the radical system changes (e.g. to economics, ownership of these vehicles, national political leadership) or the real culture change (bottom-up acceptance needed) as already discussed above. Thus, is the choice between acting imperfectly (and insufficiently) and not acting at all simply a choice between two different ways in which we can fail?

What about the devil in the detail?

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[12] Blewitt, J., Scott Cato, M., Read, R. (2017) Sinister Interest - Reforming the Media *Green House Think Tank*
Sims. P. (2021) A proposal for restricting manipulative advertising in public spaces *Green House Think Tank*
Foster, J. (2022) Rethinking consumerism *Green House Think Tank*.

[13] ULEZ is a very blunt instrument compared to road user charging. See Publication from Siân Berry: Response to consultation, ULEZ London-wide expansion and road charging

Declaring a climate emergency implies that political leadership has some leeway to act, without first having to consult on implementation details: implement first and then refine later perhaps. But what affects how fast political leadership can, by leading, shift public opinion? If a council declares a climate emergency, does it then have a mandate to implement 15-minute cities[14] that aim to improve quality of life whilst reducing car dependency? Or would something like a citizens' assembly be needed to strengthen the overall public discourse around reduced car dependency as part of addressing the climate emergency?[15]

To what extent, therefore, should a climate emergency declaration, bold political commitment to deliver zero carbon, or even an election manifesto be supported by a fully fleshed out plan? How can this extend beyond quick fixes and easy wins? At best this provides a false horizon or, at worst, blocks sufficient long-term actions that require more radical system changes. How can our institutions, governance systems and economics be transformed? This requires a climate emergency declaration to shift from programmes of action to an overarching central political campaign and a distinct economic and governance agenda.

This must go further than simply requiring significant reductions in energy and material demand, by going on to explain how this will affect levels of production (and associated employment) at least in high carbon and resource intensive parts of the economy. It would be disingenuous if it fails to highlight how such overall demand reduction would result in a smaller economy, and, to avoid unequal impacts, requires significant redistribution. We need an honest discussion around the need to curtail the consumption patterns of the middle classes as well as the super-rich, and why this would require an extension of universal basic services (and potentially income) to deliver a very differently defined quality of life for all.

What do we need to reckon with?

This paper highlights the true extent of honesty required regarding the impact of the climate emergency on politics and economics. Some aspects have been under-explored to date, shielding public discourse from the implications, the difficult choices and the extent of change needed.

Broad acceptance needs to be achieved around some key challenges. Even this is no easy task:

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[14]   15 Minute Cities *Buro Happold*

[15]   Such as highlighted in 2023 Progress Report to Parliament *Climate Change Committee*

- **There is a resource crunch.** Shrinking our economies to sit within climate and ecological limits means extracting less materials and energy. For example, less lithium and rare earth metals means we can't each have an electric car, and limited renewable energy makes 'green' hydrogen a scarce resource. This means not only significant constraints on luxury energy and resource consumption but also changing wider social norms around activities such as frequent flying and car ownership.

- **Green growth and technofixes are an illusion** (e.g. carbon capture and storage or sustainable aviation fuel). Energy intensive, technology–heavy proposals billed as 'solutions' will not sufficiently shrink our material and energy extraction and use. Capital investment, including in urbanisation, infrastructure and housing all drive growth in the production and consumption of goods and services.

Accepting the limits implicit in the above opens up the question of what type of politics is most appropriate to the predicament our society faces:

- **Honest and transformative politics.** What is the scope for genuine citizen participation or 'people power' to foster new, courageous political leadership, programmes and agendas, grounded in honest truths about the degree of reduction required in resource use – and in the need for redistribution and sharing of energy and materials, assets and social needs (housing, access to energy, food, housing etc.)? How quickly could a citizenry influenced throughout their lives by neoliberal narratives and brainwashed by the vested interests of corporations and the media be expected to understand and respond to alternative narratives? How might this happen whilst the current narratives continues to hold sway? What alternatives can be contemplated as time runs out to address the climate emergency in a meaningful way?

- **Creating space for transformation.** If strong citizen support is to be secured, what needs to change to support this? What needs to stop in terms of manipulative advertising, fake news and greenwashing? How can new narratives replace those of green growth, technological solutions and the continuation of current social norms? How might mainstream culture be redefined – weaning us off our collective addiction to consumerism, revaluing society, generating a shared quality of life, and building stronger local communities?

It is then critical to consider the governance changes that might be required to enable a transition to a liveable future.

- **How will our society limit its energy and material demand** and wean itself off fossil fuels? What mechanism will govern the activities in our economy to ensure it doesn't exceed an equitable share of space within global planetary boundaries? By what process will our society's 'equitable share' be decided?

- **What is needed at the international level** to facilitate change and to avoid exacerbating the injustices and inequalities created by colonialism as resources become constrained? What does this mean for reducing global trade and hyper-mobility, welcoming climate and ecological refugees and limiting population growth through women's empowerment?

- **How can redistributive economies be forged?** How might the expanded provision of universal services ensure a decent quality of life for all, including restructuring energy pricing, creating accessible public services, increased local community provision and place-based planning? What is required in terms of constraining overall investment and resource demand to avoid driving growth alongside creating new jobs and strengthening welfare provision?

Change is required at all levels – '*everything, everywhere, all at once*' – to disrupt the status quo. Otherwise, current vested interests and established power structures will prevail and will contribute to both ecological and social breakdown. Every aspect of our current system must be challenged. This entails finding a way to end the paralysed state into which citizens have fallen.

Green House Think Tank is grappling with what this all means in practice and welcomes contributions and collaboration.