

Cosmopolitanism and an ecological basic income

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Questions



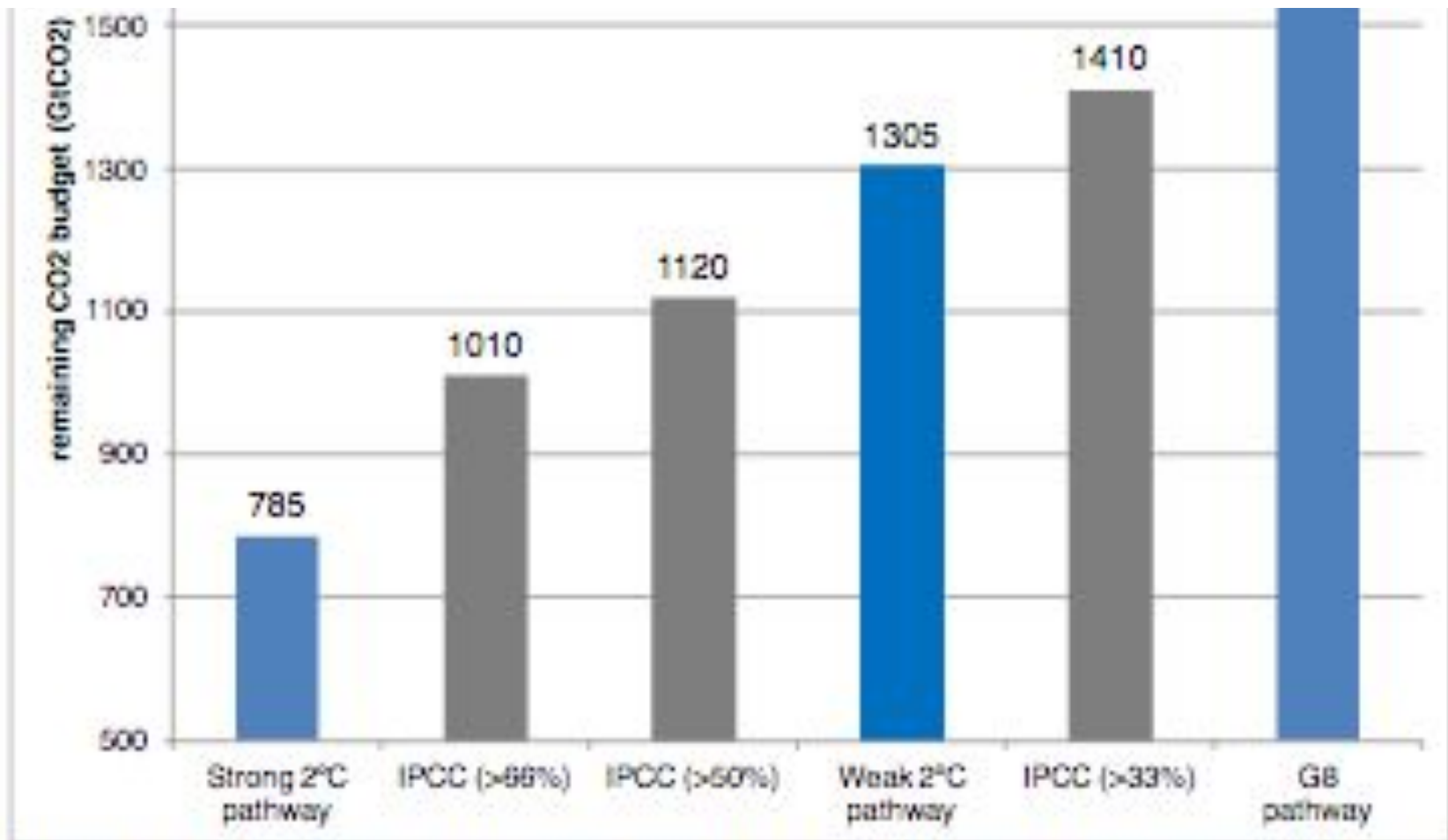
- What is would be a just distribution of the costs of climate change mitigation?
- How might a basic income be part of a cosmopolitan policy on climate change?



Justice

- **Statism:** distributive justice applies only within states (Rawls; Nagel)
- **Full Cosmopolitanism:** distributable goods (wealth, income, etc.) are shared fairly across the globe, not just within states (Pogge; Moellendorf; Van Parijs)
- **Partial Cosmopolitanism**
 - Applies only to a discrete practice, e.g., **fairly sharing the benefits and burdens of climate change mitigation**
 - Acceptable to statists; a step for full cosmopolitans

Carbon budgets for the Earth (from 2014)



Carbon budget: **2.6--3.4 tonnes** **C02/person/year**

- To stay below 2 degrees C
- Carbon budget (785--1010 billion metric tons [from 2014])
- Divide by world population.
- 80% over the next 30 years (leaving only 20% for the last half of 21st C, and getting to 0 net carbon)
- Divide by 30 to get the annual budget per capita over 30 years

Per capita CO2 emissions 2014, compared to **3 tonne** budget

- Global average: **5 tonnes**
- US **16.5**
- Canada 15.1
- Mexico 3.9
- China 7.5
- EU 6.4
- Finland 8.7
- India 1.7
- Sub-Saharan Africa .8

Principles for fair allocation of the carbon budget

A. Equal per capita shares (P. Singer)

B1. Polluter Pays (Responsibility)

B2. Ability to pay (Capacity)

B1+B2 (Caney; EcoEquity)

Settings: 2C, 1990, \$7500 development threshold

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Basic Equity Settings

Save and continueCancelHelp

▼ Level of Global Ambition

Select a mitigation pathway:

☐ 1.5°C Standard ("Greater than or equal to 50% chance of staying below 1.5°C in 2100.")

☒ 2°C Standard ("Greater than 66% chance of staying within 2°C in 2100.")

☐ G8 pathway (A weaker pathway, consistent with the 2009 G8 Declaration in L'Aquila)

▼ Common but Differentiated Responsibilities and Capabilities

Historical Responsibility, calculated based on emissions cumulative since:

☐ 1850

☐ 1950

☒ 1990

Capability to Act, calculated in increasingly economically progressive ways:

☐ No development threshold (actually, a regressive approach)

☒ \$7,500 development threshold

☐ \$7,500 development threshold, plus additional progressivity factors

Relative Weight for Historical Responsibility vs Economic Capability to Act

50%

50%

Earlier responsibility start date

Less progressiveMore progressive

Later responsibility start date

▼ Calculator settings

Global mitigation pathway:

2°C pathway

▼ Responsibility

Cumulative since:

1990

☐ Include land-use emissions

☒ Include non-CO₂ gases

☐ Include emissions embodied in trade

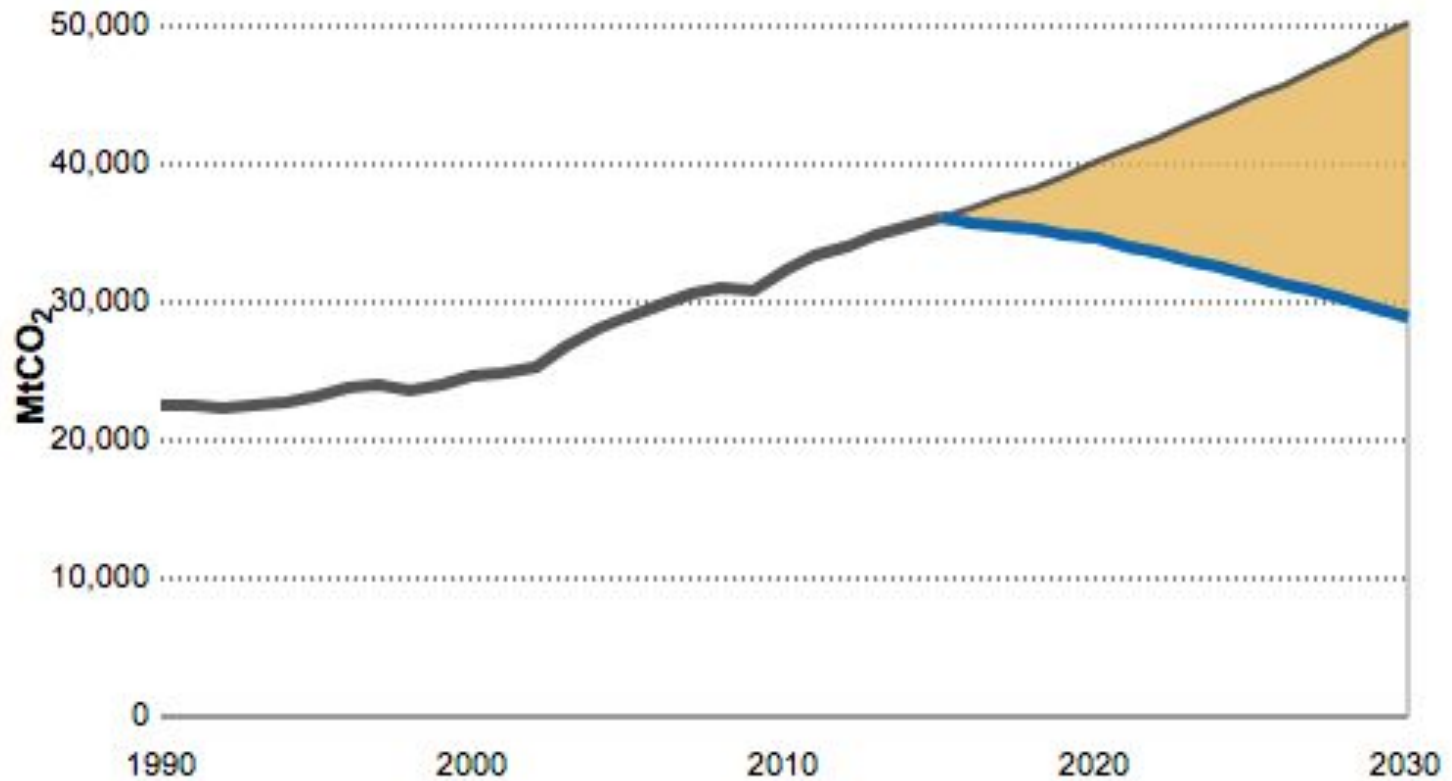
Responsibility weight:

0.5

World to 2030

Country/region report in 2030 for World

[Show settings](#)



World, by 2030

World baseline to
2030

49,764 MtCO₂

Required mitigation

21,061 MtCO₂

World 'fair share'

100%

As tonnes per capita

21,061 MtCO₂

2.5 tCO₂/cap


% below baseline

42%

Costs per capita for
global mitigation &
adaptation

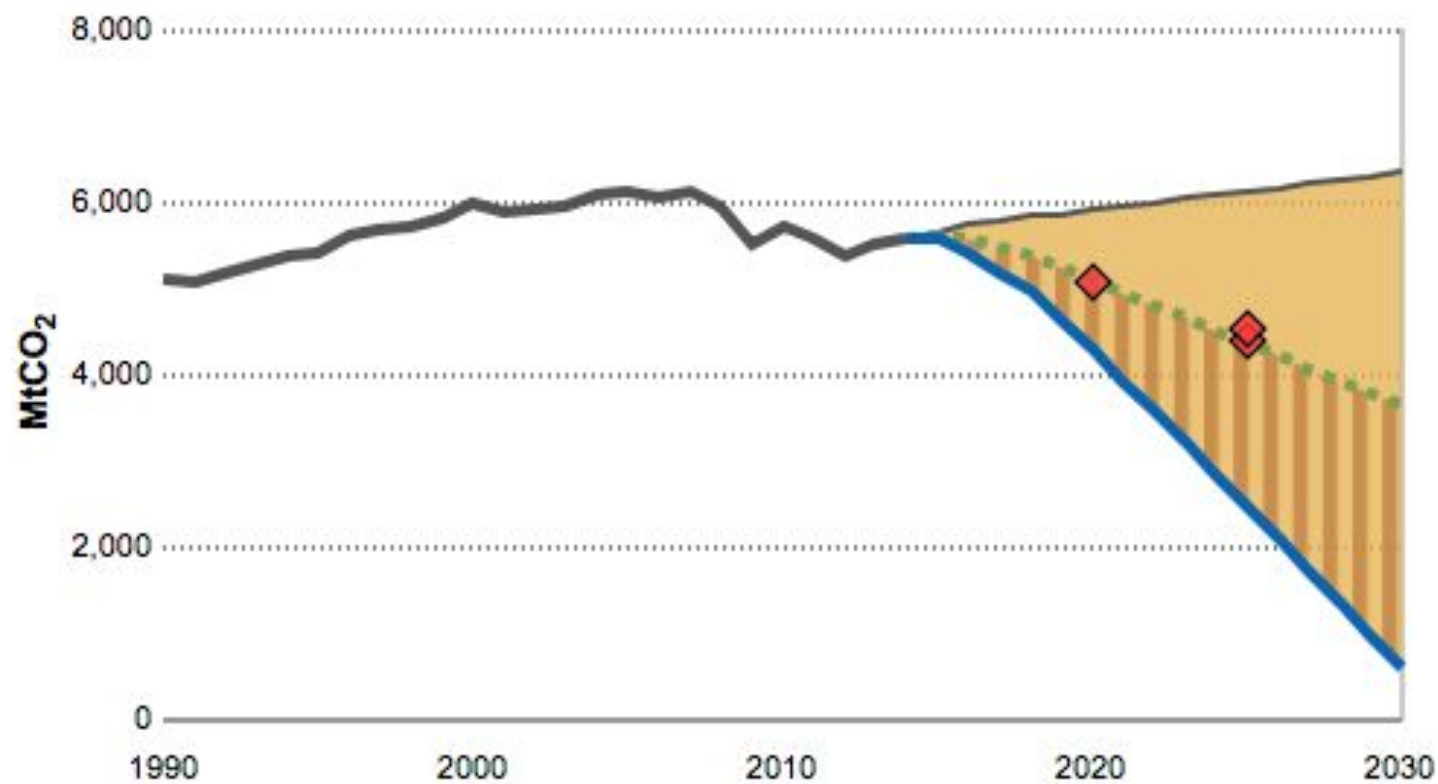
\$137

\$137

World 1990 emissions	22,398 MtCO ₂
World emissions allocation, projected to 2030	
as tonnes	28,703 MtCO ₂
as tonnes per capita	3.4 tCO ₂ /cap 
as percent of 1990 emissions	128%
as percent above 1990 emissions	28%

Country/region report in 2030 for United States

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US baseline to 2030
Required mitigation

Share of Global responsibility

US 'fair share'
As tonnes per capita

% below baseline

Costs per capita for global
mitigation & adaptation

6,332 MtCO ₂
21,061 MtCO ₂
27% 
5,732 MtCO ₂
15.8 tCO ₂ /cap
91%
\$864 
\$864

United States 1990 emissions

5,101 MtCO₂

United States emissions allocation, projected to 2030

as tonnes

599 MtCO₂

as tonnes per capita

1.7 tCO₂/cap

as percent of 1990 emissions

12%

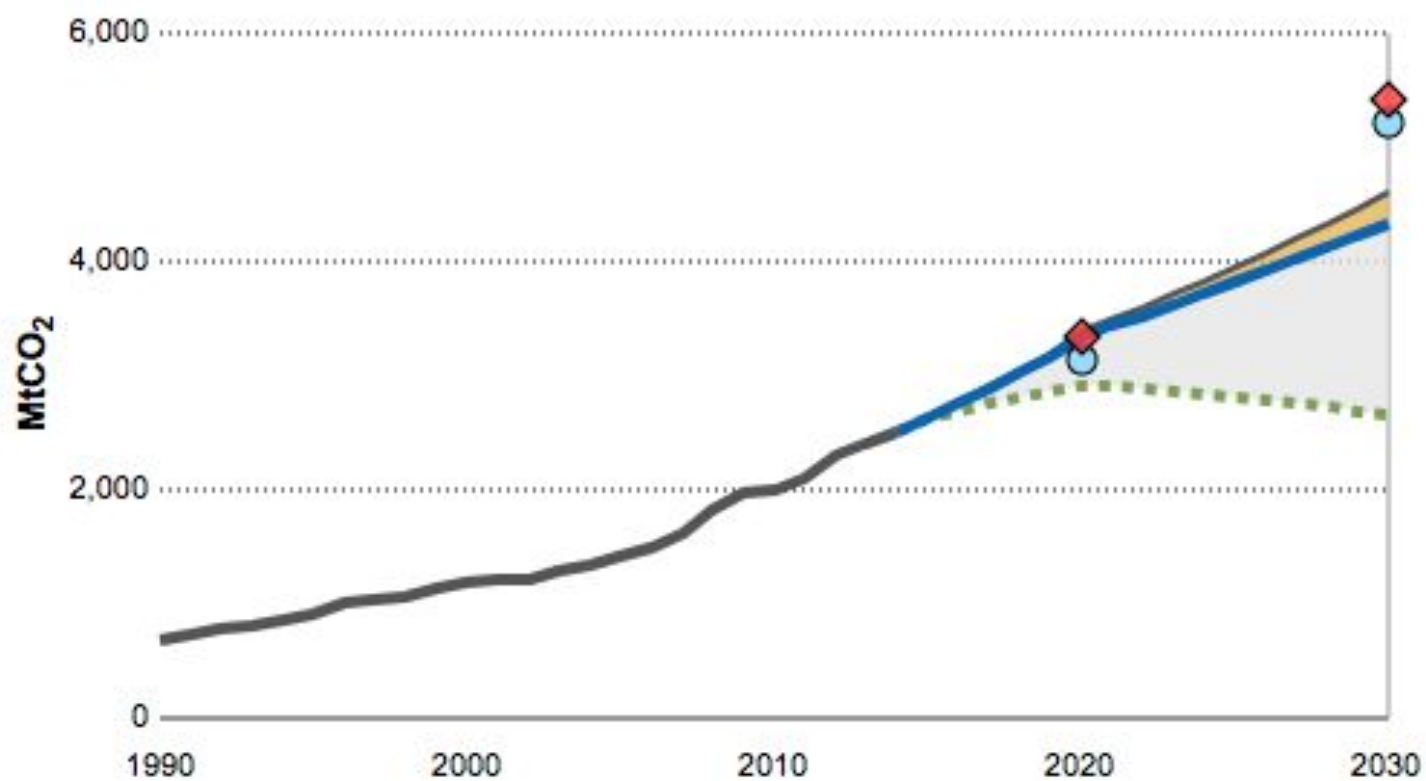
as percent below 1990 emissions

88%

India

Country/region report in 2030 for India

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India to 2030

India baseline to 2030


4,608 MtCO₂

Required mitigation

21,061 MtCO₂

India's share of global Responsibility/Capacity

1.3%



India's 'fair share'

272 MtCO₂

As tonnes per capita

0.2 tCO₂/cap


% below baseline

5.9%

Costs per capita for global mitigation & adaptation

\$10

\$10



India 1990 emissions	691 MtCO ₂
India emissions allocation, projected to 2030	
as tonnes	4,336 MtCO ₂
as tonnes per capita	2.9 tCO ₂ /cap
as percent of 1990 emissions	628%
as percent above 1990 emissions	528%

Finland

Country/region report in 2030 for Finland

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Finland to 2030

Finland baseline to 2030

57 MtCO₂

Required mitigation

21,061 MtCO₂

Share of Global responsibility

0.30%

Finland's 'fair share' of emissions reductions

63 MtCO₂

As tonnes per capita

11.1 tCO₂/cap

% below baseline

110%

Costs per capita for global mitigation & adaptation

\$605

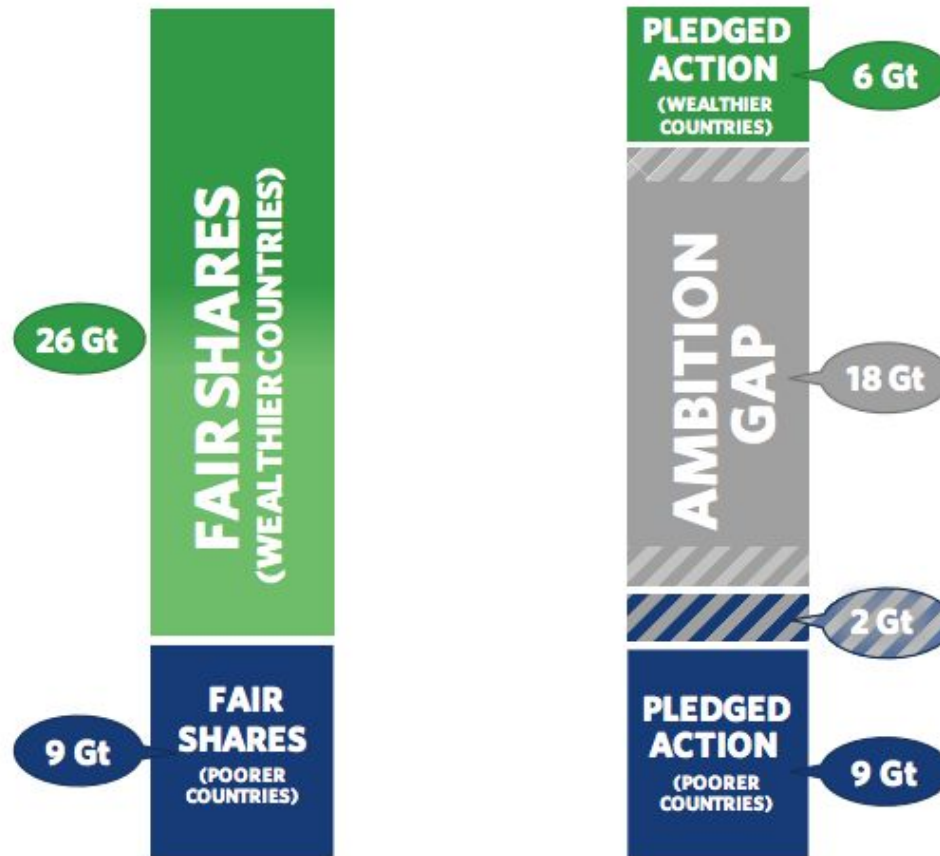
\$605

Finland 2030 compared to 1990

Finland 1990 emissions	57 MtCO ₂
Finland emissions allocation, projected to 2030	
as tonnes	-5.6 MtCO ₂
as tonnes per capita	-1.0 tCO ₂ /cap
as percent of 1990 emissions	-9.8%
as percent below 1990 emissions	110%

The wealthier countries are the laggards

FIGURE 9: FAIR SHARES VS. PLEDGED ACTION (mitigation in 2030 below baseline in Gt CO₂eq)



What does this have to do with UBI?

- Enormous cash transfers
- These may be more or less targeted... least targeted = UBI
- **Challenge:** isn't there a stronger case for targeting transfers on emissions reductions?
- Are there ways that less targeting, even UBI, could be an integral part of a global emissions reduction policy?

Carbon tax (or cap) and dividend

- Carbon tax: a likely policy in any effective effort to reduce carbon emissions
- Regressive, hence unfair, and politically difficult
- Dividend—a partial UBI: rectifies the unfairness, and makes the tax more politically feasible
- Significant?....a little cash can go a long way

Example: Indian UBI pilot

200 rupees/month/adult, = **US\$3.75/month or \$45/year**, about 30% of subsistence (and half for children)

Results...improvements in medication, education spending, school attendance, infrastructure, more economic activity, savings...

How might such a UBI be funded nationally?

Global poverty reduction

- **Resource taxes**

What contribution might resource dividends—universal unconditional cash payments like the PFD—make toward the eradication of extreme poverty?

Paul Segal (2012) : “if all developing countries were to implement [a resource dividend] then **global poverty would be better than halved.**”

India

- Rents % of GDP: 4.9
- **RESOURCE DIVIDEND, monthly:**
- **2005 prices: \$2.90 (\$34.80/year)**
- rural: \$11.10 (PPP\$)
- urban: \$7.30 (PPP\$)
- Current poverty headcount, million: 455.4 (<PPP\$1.25/day)
- 41.6%
- Poverty headcount with RD, million: 247.8
- 22.6%
- Gini, current: 34.9
- Gini, with RD: 29.8

• Segal 2012

An Indian Carbon Emissions tax

- If all of India's carbon dioxide emissions (2.5 billion tons) were taxed at **\$20 per ton**, and distributed as a per capita dividend, the dividend would be more than Segal's resource dividend (not counting reduced emissions): **\$37/person/year and rising**
- Over time: tax is ratcheted up, but emissions decline; dividends will rise, then decline

Global carbon fee & dividend

- India emits only 6.8 % of the over 30 billion tons of CO₂ emitted globally per year.
- US: 4 % of the world's population, 14 % of the CO₂ emissions (and much more per capita than most other countries; a much higher percentage of historical emissions (nearly 30 percent between 1850 and 2000))
- a **global carbon tax of \$20/ton** on CO₂ emissions
- An annual dividend globally of **\$97 per person** (about twice the dividend of the Indian pilot BI).
- Greater in India than a national carbon tax or resource dividend alone.

Political difficulty

- a globally egalitarian policy would probably weaken support for carbon taxing in affluent countries like the US, where a \$20 per ton carbon tax could otherwise be used for a **per capita annual dividend nationally of \$320** (again, not discounting for declining emissions)

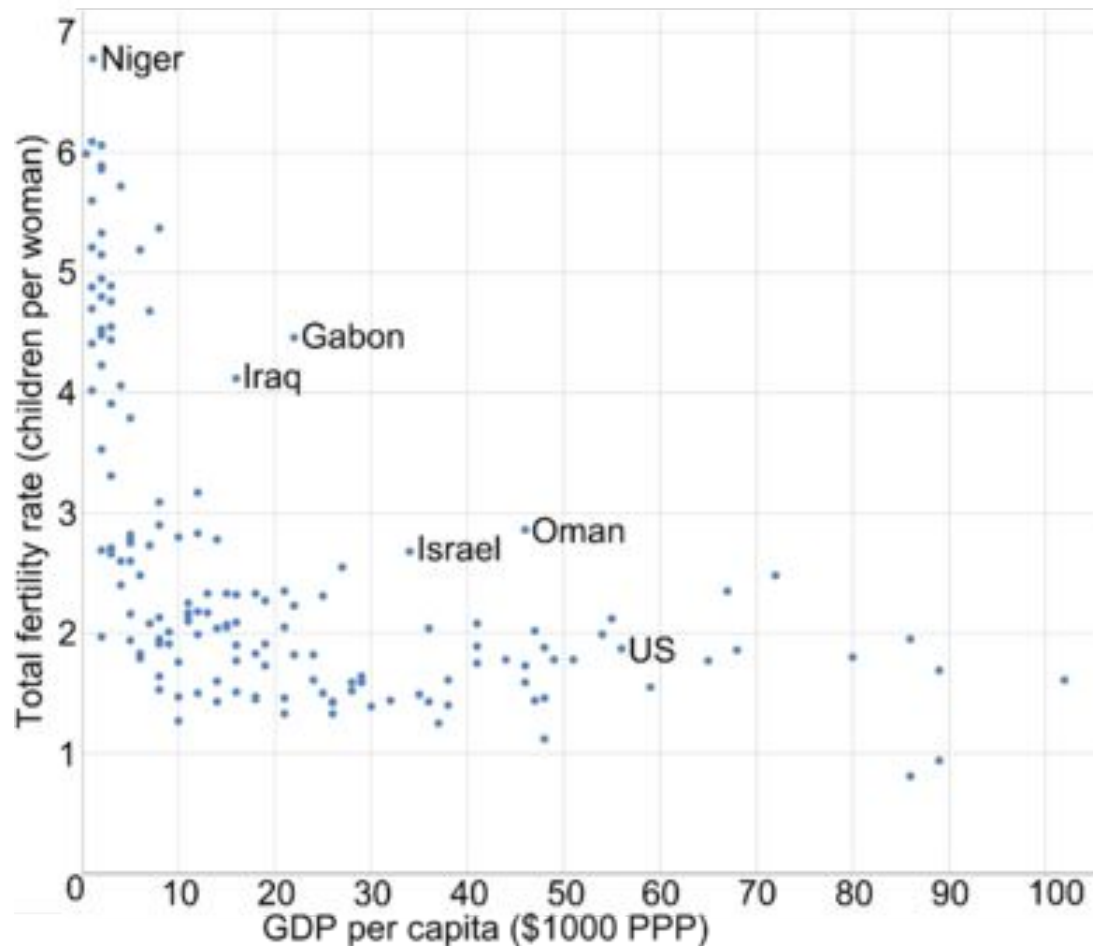
50% national dividend, 50% global: per capita shares

- US: \$160 (half of national carbon tax) + 49 (global dividend) = **\$209/person/year**
- India: \$19 (half of national carbon tax) + 49 (global dividend) = **\$68/person/year** (1.5x the Indian pilot BI)

Is this the best use of the carbon tax revenue?

- UBI, by reducing poverty, could help slow population increase (?)
- Pair UBI with other policies
 - Education
 - Subsidies

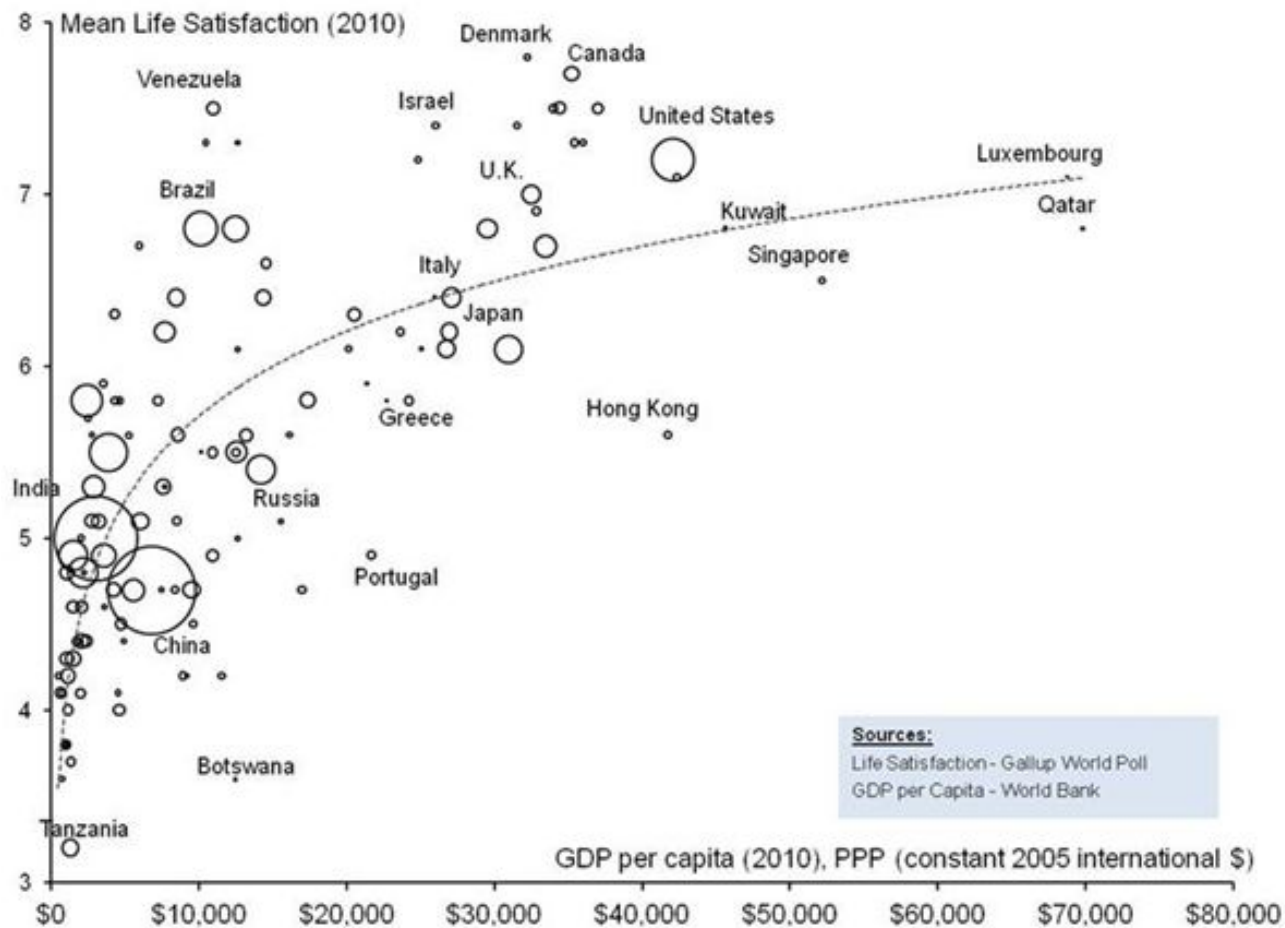
Fertility rate and GDP per capita



Why not global egalitarianism?

- i.e., why not bring everyone up (or down) to an equal share of resources? (a long-term goal)
- 1. The current average is unsustainable.
- 2. Equality of resources is not necessary
- 3. Equality of opportunity for a flourishing life.
 - Does not require equal resources; or growth above a threshold

Life satisfaction and GDP per capita



USA: rising income; happiness unchanged

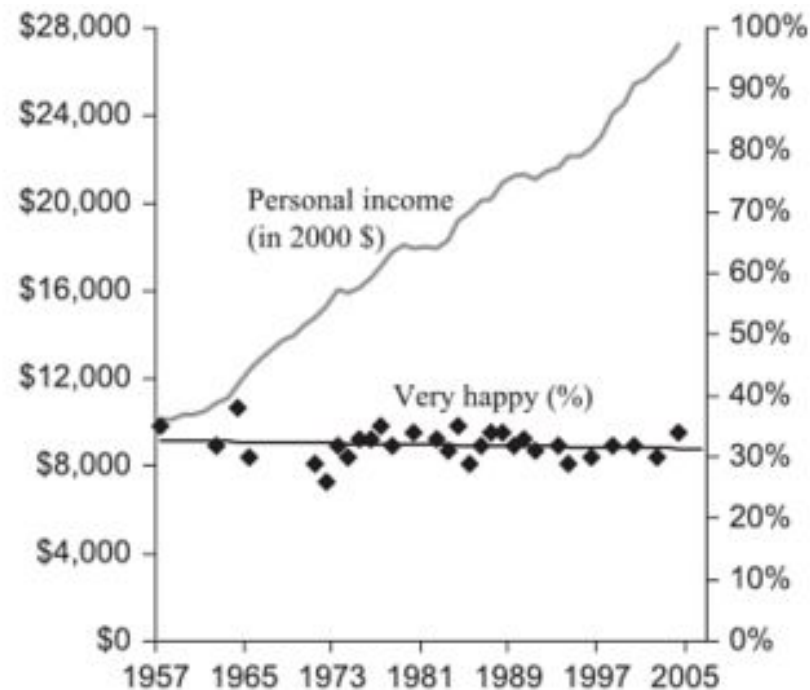


Figure 3.5. Economic growth and happiness. American's average buying power has almost tripled since the 1950s, while reported happiness has remained almost unchanged. (Happiness data from National Opinion Research Center General Social Survey; income data from *Historical Statistics of the United States* and *Economic Indicators*.)

Critique of subjective happiness as measure of well-being

- Adaptive preferences→appeals to subjective happiness fail “to address problems of inequality both within and across generations.” (O’Neill 2018)
- More objective measures of well-being are needed (longevity; literacy; capabilities, etc.); equal opportunity for a flourishing life

“Prosperity beyond growth”

- Return to Aristotelian/Epicurean idea that there is a limit to the quantity of goods needed to live well.
- Will require income security not premised on higher wages in a growing economy
- Basic income—not only a carbon dividend--as part of a wider “degrowth” strategy

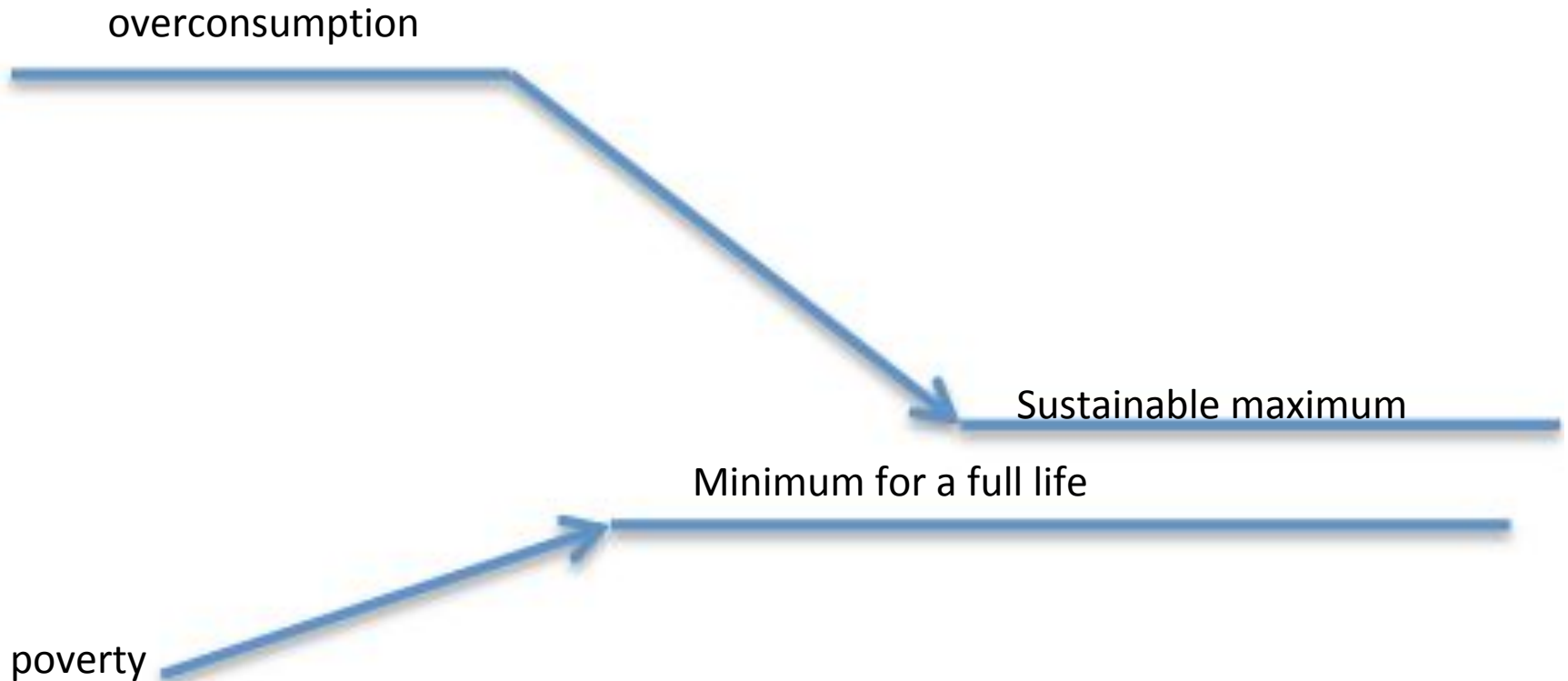
BI in developed countries

- Income security
- Incentive to spend less time in the formal employment sector, more time in the (less energy intensive) informal sector: care work, volunteering, education
- Enabling work-sharing

BI in developing countries

- Raising the floor
- Eliminating absolute poverty
- Equipping people with resources for sustainable development
- Some rise in emissions, but offset by carbon taxes, and investment in/incentives for low-carbon heating, transportation, etc.

Convergence to equal opportunity for a flourishing life



The End



[A carbon tax in India]

- India's coal tax: \$1 per ton on coal, yielding annual revenue of \$535 million in financial year 2010-11
- Basic income: 43 cents per person per year
- \$20 per ton of coal would still yield under \$10 per year per person.

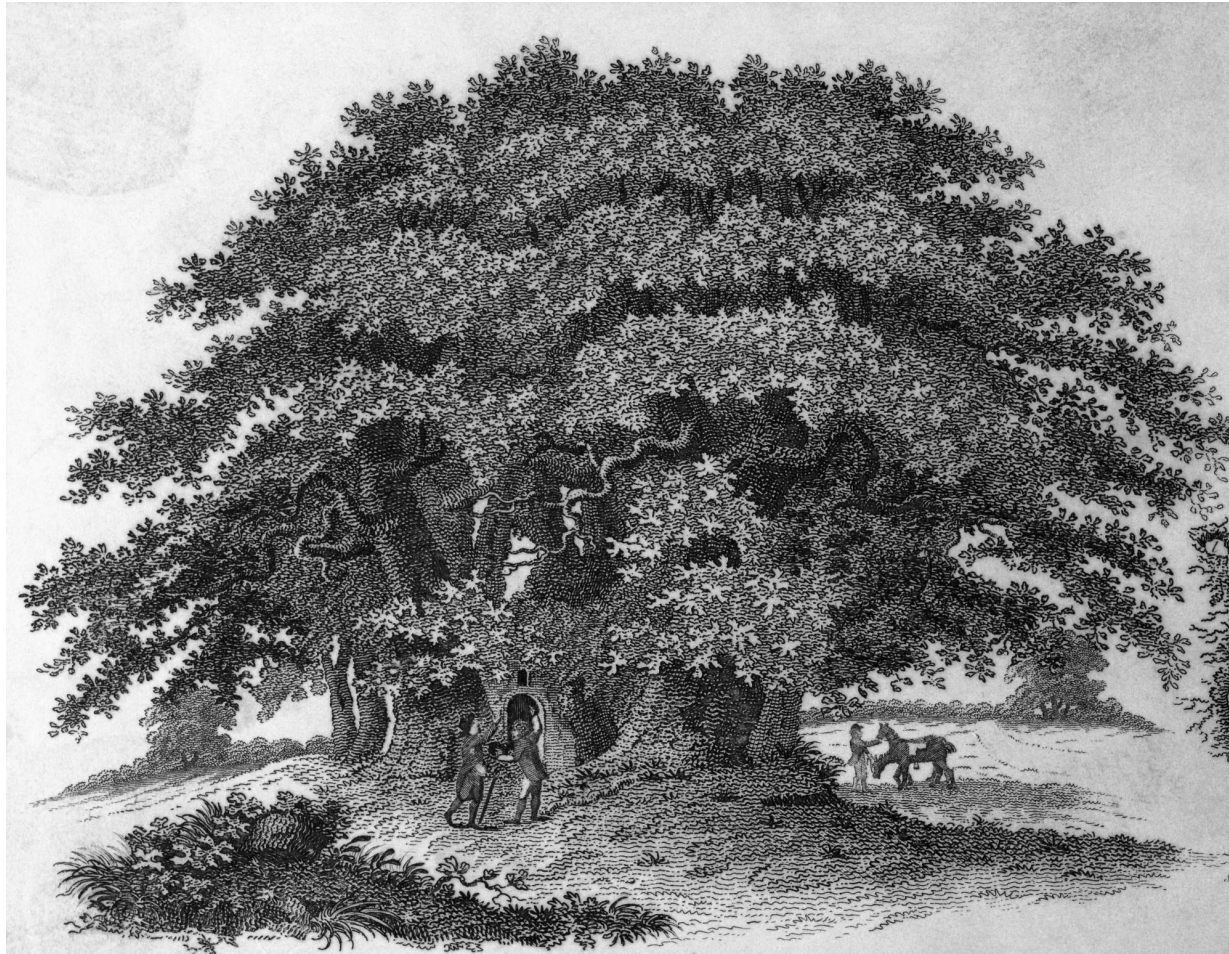
Critique of subjective happiness as measure of well-being

- Adaptive preferences→appeals to subjective happiness fail “to address problems of inequality both within and across generations.” (O’Neill 2018)
- “Subjective well-being measures are simply not picking up the losses in well-being.”
- “Given adaptation, those in the future who suffer the adverse consequences of current decisions and practices may not experience them as adverse.”

Subjective happiness, objective deprivation



Loss not experienced: Who remembers the American Chestnut?



Who will miss the albatross?



Around 20% of all known **mammal species** are either threatened or endangered.







Equality of opportunity for a flourishing life

To be fleshed out in terms of objective measures of

Freedom & Equality

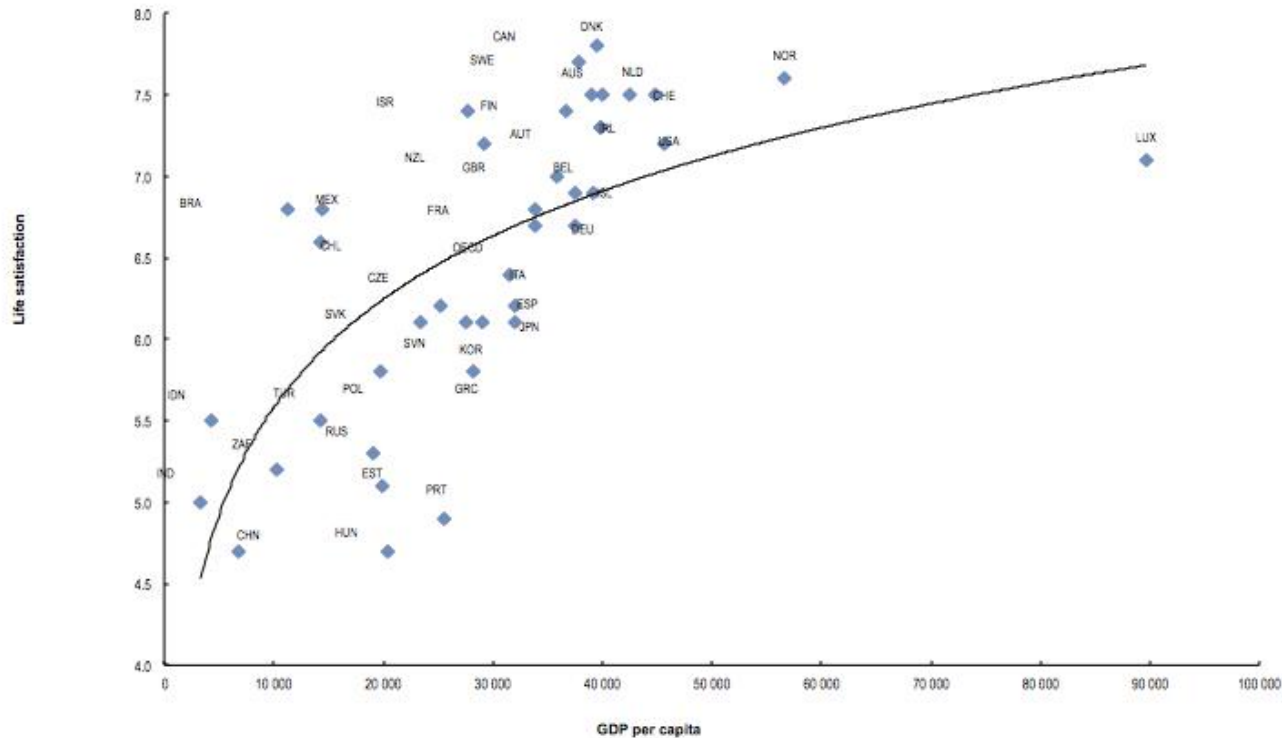
Health & longevity

Social, educational, psychological measures of capabilities and achievement

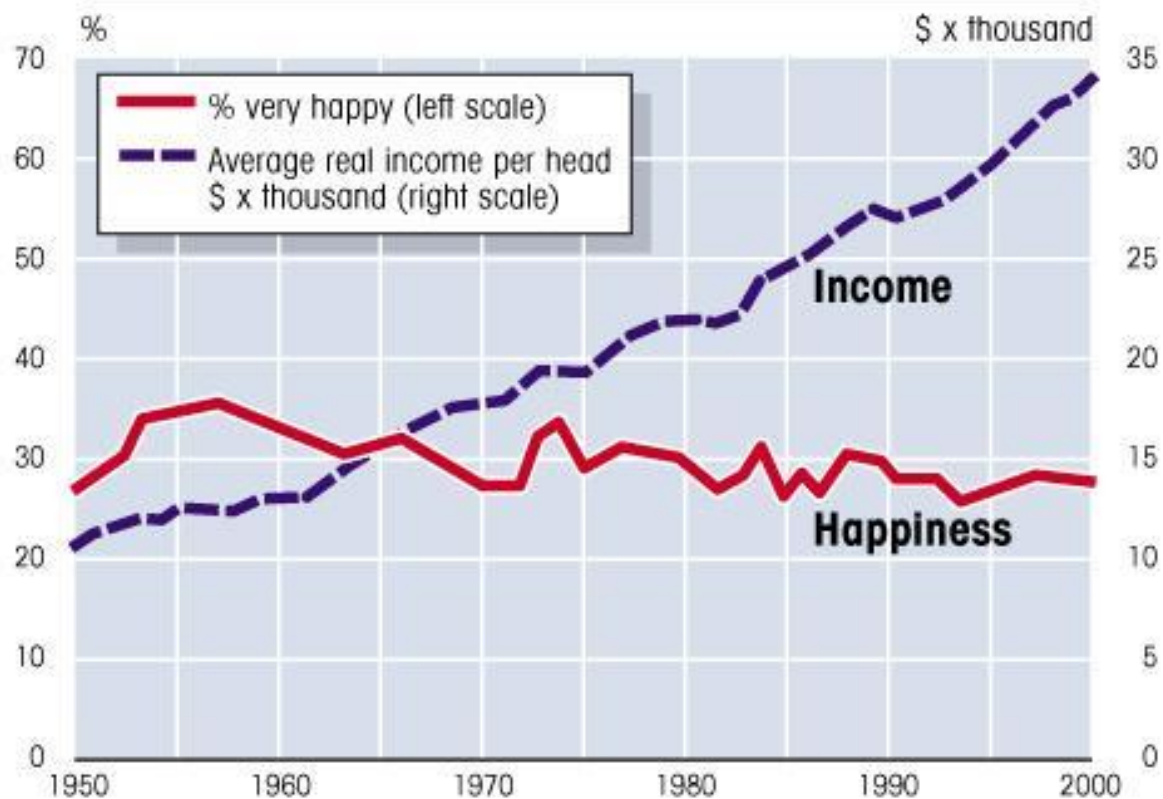
Country ↕	Fossil fuel CO ₂ emissions (kt) in 2015 ^[8] ↕	% Fossil fuel CO ₂ emissions by country ↕	Emission per capita (t) in 2015 ^[9] ↕
<i>World</i>	36,061,710	100%	
 China	10,641,789	29.51%	7.7
 United States	5,172,336	14.34%	16.1
 European Union	3,469,671	9.62%	6.9
 India	2,454,968	6.81%	1.9

Life satisfaction and GDP per capita

Figure 12.3. Life satisfaction versus GDP per capita
Cantril ladder, 2010

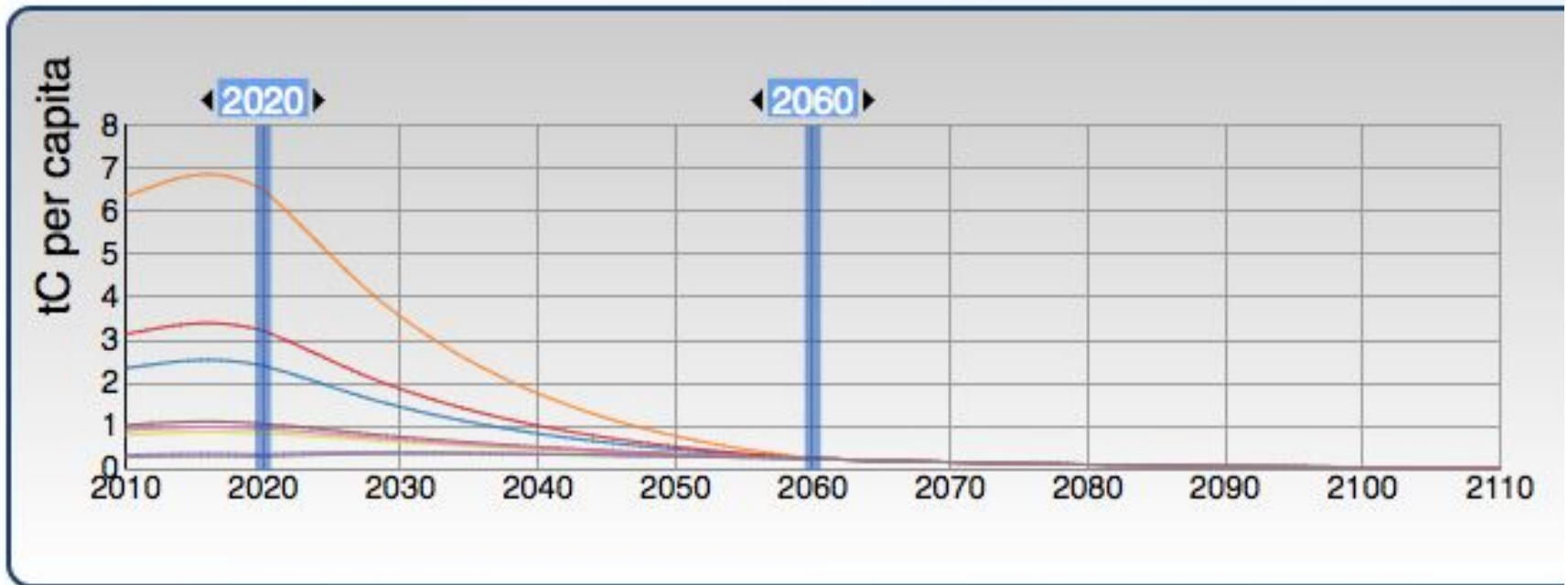


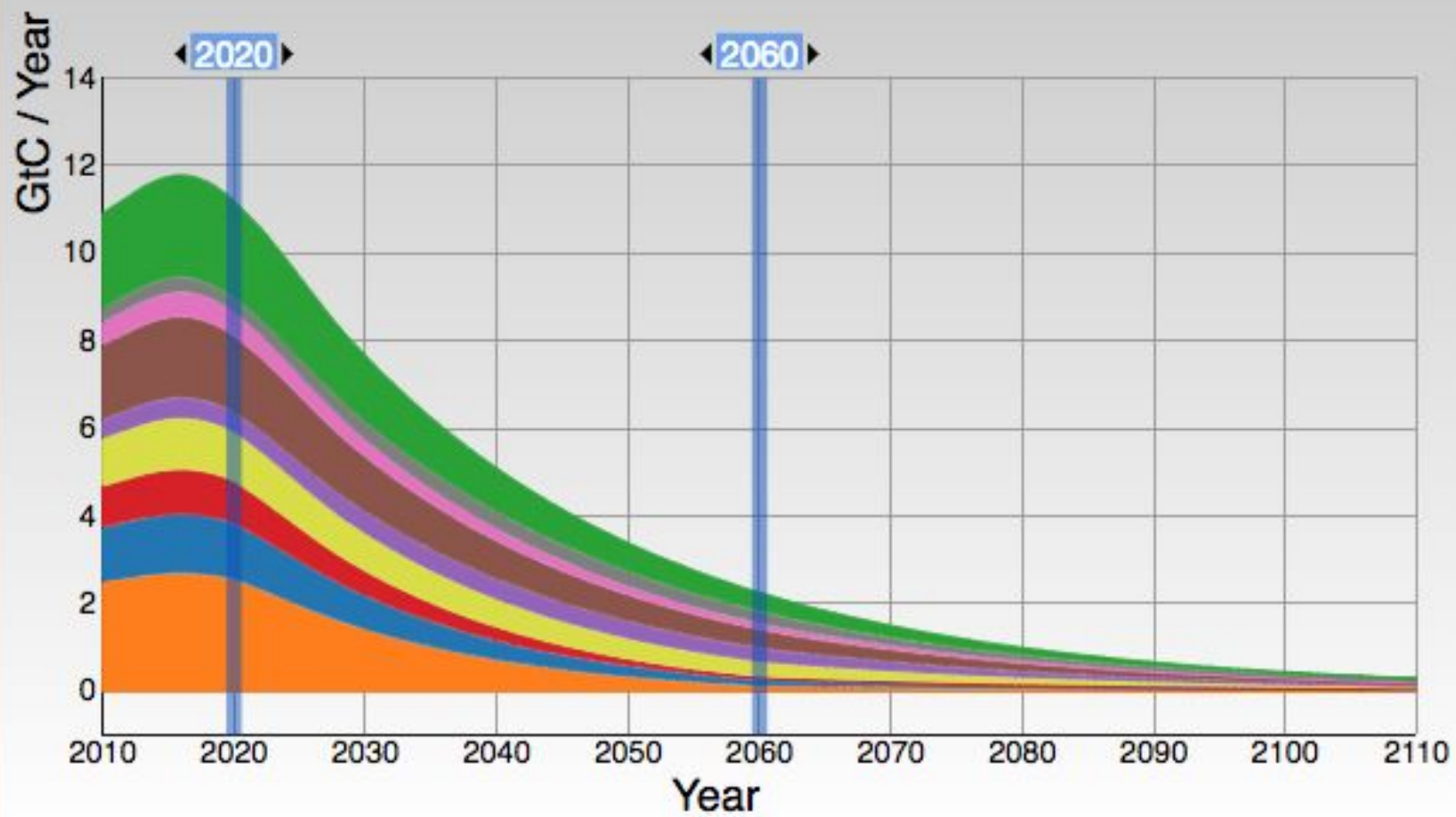
Income and happiness in the US, 1950–2000



Source: UN Inclusive Wealth report 2012, from Layard 2005

Contraction and Convergence





Region	2010/20	20/60	60/2110	Total
USA Canada & Oceania	26.02	37.34	2.04	65.39
Western Europe	13.06	21.88	2.76	37.70
Eastern Europe	9.94	15.70	1.57	27.22
China	11.52	27.75	7.10	46.37
India	4.56	17.99	6.68	29.23
Rest of Asia	17.93	38.85	8.65	65.43
Central & South America	5.52	12.58	3.01	21.11
Africa	3.30	14.68	5.76	23.73
Land Use	22.96	46.69	9.39	79.05
Total	114.81	233.47	46.95	395.23