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ETHICS and International Climate Negotiations

Introduction

There is no consensus amongst policy makers and scholars about the role that ethical considerations should and will play in international climate change negotiations. In this article, I defend the role of ethics in these negotiations, both in the normative sense and in the descriptive sense.¹ In doing so, I respond to a number of arguments which hold that ethical considerations either should not or will not play an important role in international climate change negotiations. First, I reply to claims that all ethical theories and positions are subjective and, as such, it is not wise to use them as a guide to shaping a new treaty. Second, I argue against claims that ethical

considerations are not relevant in the international sphere. Third, I challenge the commonly held view that it is rarely in the interest of countries to contribute their ethical share of the effort to mitigate climate change. Fourth, turning to the descriptive question, I argue that ethical considerations already pervade international negotiations and suggest that they will continue to do so. I conclude that arguments against the use of ethical considerations in relation to climate change are not convincing and that there are good reasons to believe that ethics should and will play a significant role in international climate change negotiations.

Is ethics subjective?

Some scholars argue that ethics is, by its very nature, subjective. Because of this, some people believe that it is unsuitable for use in international negotiations. Their argument generally runs like this: (1) ethics is subjective; (2) it is not possible to resolve subjective matters through reason or observation; (3) because of this, considering subjective matters may delay negotiations without producing any real progress; (4) it is of great import that we come to quick agreement in the climate change negotiations; (5) therefore, it is undesirable to take into account ethical considerations when negotiating a new climate treaty.

A number of objections can be raised to this line of reasoning. The first is that it is not at all clear that ethics is subjective. In fact, a number of philosophers have suggested that ethics is objective, and have proposed a range of methods that might be used for settling moral disputes (e.g. Moore, 1903; McDowell, 1978; Railton, 1986; Sayre-McCord, 1988; Smith, 1994).

Even if it is true that ethics is subjective and that ethical issues cannot be resolved through reason or observation, it remains the case that there is substantial agreement on a number of ethical matters, particularly on the practical level. For example, there is much disagreement about what makes

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murder wrong but there is almost universal agreement about the wrongness of murder. Likewise, in the case of climate change, the same ethical conclusions are reached again and again. On the theoretical level, equality, capability and historic responsibility consistently turn up in the literature as important factors in determining how much of the effort of mitigation particular countries should agree to take on.² Moreover, on a practical level, it is widely recognised³ – in fact, it is even imbedded in the United Nations Framework Convention on Climate Change (UNFCCC) – that developed countries have a responsibility to take the lead in dealing with climate change. Thus, while there is disagreement about the appropriate division of the mitigation burden, this must be understood in the context of significant moral consensus within the overall debate.

Returning to the original argument, it is not clear that ignoring ethical issues will reduce delay. While there is no straightforward method of applying reason to ethical problems in order to come to an objective conclusion, there remain at least two methods to resolve moral disagreements. The first is to rely on intuition to guide us in identifying an ethical framework. The second is to use a range of moral theories to narrow down the list of justifiable principles that play a role in the climate change debate (see Kengmana and Boston (2008) for an application of this method). This can significantly reduce the realm of disagreement and minimise delay. Furthermore, as will be discussed below, it is not clear that trying to ignore ethical issues will successfully speed up the process, as those who feel they have justified moral grievances are not likely to be willing to ignore them.

Do we have ethical responsibilities to other nations?

Another objection that is sometimes raised against the use of ethics in climate change negotiations is that ethics cannot be applied at the international level. This argument differs from the previous argument in that it does not rest on a premise about the universal nature of ethics but rather claims that the nature of ethics rules it inapplicable on the international level. It holds that there are significant disanalogies between applying ethics to individuals and applying ethics to countries. So, they claim, countries do not have the same responsibilities to other countries as individuals have to other individuals.

John Rawls (1993) supported this position. He suggested that although countries have an obligation to promote distributive justice for their citizens, these obligations do not extend beyond national borders. This asymmetry in the moral responsibility of society is justified, in his view, because institutions are legitimised by a hypothetical social contract. While these contracts could clearly be formed on the national level, he argued, global contracts that guaranteed distributive justice would be highly controversial. Hence, he concluded, countries do not have an inherent responsibility to look after the well-being of other citizens.

Michael Black (2001) offers a more contemporary defence of this position. He argues that the implicit social contract between those who live in liberal nations includes a commitment on the part of the state to preserve, wherever possible, the autonomy of its citizens. While this agreement does not supersede the other duties a state has, it does imply that states should not compel their citizens to take actions unless those actions are necessary for a well functioning society. As such, it is perfectly consistent for countries to apply coercive force to ensure distributive justice within their own borders, as this is (arguably) a necessary part of a well functioning society, without also promoting distributive justice internationally. While stopping short of concluding that countries have no international obligations, he argues that countries, without the approval of their citizens, are not justified in going any further than providing subsistence aid to other nations.

Many scholars regard the positions advanced by Rawls and Black as implausible. For example, Thomas Pogge (1989, 1992, 1994 and 2003) argues that the country where a person is born is determined solely by chance. Accordingly, it is similar to other arbitrary factors such as a person's

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race and gender, and thus should not be used as a basis for discriminating between people. On this basis he concludes that it is more appropriate to form social contracts on an international level than on a national level. This implies that governments should consider global welfare rather than simply national self-interest in determining their course of action. As a result, according to Pogge, countries should take issues of global justice into account when negotiating, or indeed taking, any action on the international level.

Even if Pogge's objections are not considered to be a decisive refutation of Rawls' and Black's positions, there are two other reasons why their arguments do not apply in the case of sharing the burden of climate change. First, since climate change is a collective action problem, the only effective way it can be addressed is through global cooperation. Although robust institutions for global burden sharing do not exist yet, it is in our interests to build them. As such, it is in our interest to negotiate an international social contract, and such a contract must be based on equitable principles to garner large-scale acceptance.

Second, it is clear that the actions of large emitters have harmed, and are continuing to harm, other countries. Therefore, developed countries have not only a distributive duty to take on greater costs than developing countries but also a moral debt for creating the problem that is adversely

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affecting others. Accordingly, even if considerations of distributive justice cannot play a role at the global level, in the case of climate change there are serious questions of retributive and commutative justice that must be addressed.

Is ethical action inconsistent with self-interested action?

Underlying the two objections presented above is the commonly held belief that a country’s self-interest is at odds with its ethical responsibilities. If this is not the case – i.e. if there is no difference between the ethical action and the self-interested action – little rides on the question of whether ethics should play a role in the climate change debate.

In general, the belief that ethical action is at odds with self-interested action stems from the fact that the negotiation problem is often framed as a simple prisoner’s dilemma. The argument assumes that countries are facing a choice between acting ethically (offering to take on stringent emission reduction targets) and acting selfishly (refusing to adopt targets). It is pointed out that since each country’s emissions are small relative to total global emissions, their efforts cannot unilaterally prevent dangerous climate change from occurring. Therefore, countries gain little from taking action but must take on real costs if they choose to address climate change.

This line of reasoning leads to the conclusion that it is in a country’s self-interest to take as little action as possible. However, as Scott Barrett (1999) points out, this is a misleading way to construe the problem. It wrongly assumes that one country’s action does not influence other countries’ actions; that countries face two discrete strategies; and that there are only costs and no benefits from addressing climate change. Each of these assumptions is incorrect and replacing them with more realistic assumptions can radically reshape the nature of optimal action.

The assumption that one country’s action cannot affect the actions of other countries does not hold in the climate change debate. By taking actions, countries change the incentive structure other countries face. For simplicity, let us consider a two-country case in which Country A chooses to take action by limiting emissions. Before Country A’s action, Country B had the option of unilaterally taking action but, if Country A did not follow, this would harm its high-emission industries, possibly forcing them offshore. This would impose significant short-term economic adjustment costs, as labour and capital moved to less emission-intensive industries, as well as significant political costs, as high-emission industries would be likely to resist this change. However, after Country A’s action, Country B’s costs of action are drastically

reduced. Although there are still some opportunity costs in taking action (e.g. Country A’s high-emission industries do not leak over to Country B), the adjustment costs disappear, since the high-emission industries already in Country B can no longer go to Country A to avoid internalising the cost of their emissions – and the political costs are much lower – since existing industries are not under threat.

So, in economic terms, if we were to represent this game as providing countries two discrete choices, it would be more accurate to represent it as the stag hunt game shown in Table 1 (where the number in the bottom left corner relates to Country A and the number in the top right corner relates to Country B) than as the prisoner’s dilemma shown in Table 2. The difference is that in the prisoner’s dilemma, there is a single dominant strategy equilibrium in which both countries fail to act, while in the stag hunt game there are two Nash equilibria: either both countries fail to act or both countries act. Both countries wish to get to the second equilibrium but to do so one of them must take costly unilateral action in the faith that the other will follow.

Table 1: The stag hunt

		Country B	
		Act	Fail to act
Country A	Act	4 4	0 3
	Fail to act	3 0	1 1

Table 2: The prisoner’s dilemma

		Country B	
		Act	Fail to act
Country A	Act	3 3	0 5
	Fail to act	5 0	1 1

Interpreting the international negotiations process this way gives us a much more accurate picture of a country’s self-interest, but it remains an oversimplification because it only allows a binary choice: to act to mitigate climate change or to fail to mitigate climate change. In reality, countries can

choose whether or not to take action as well as the level of effort in their emissions reduction. If, as most experts suggest (e.g. Stern, 2006; IPCC, 2007), the cost of rising temperature increases exponentially, then the first emissions removed from the atmosphere will reduce the most marginal harm, and if the reduction policy is well designed the emissions that produce the least marginal benefit will be the first to go. This is significant because it strongly increases the likelihood that it will be in a country's self-interest to mitigate climate change, since this will be the case whenever the marginal harm of the last (and therefore the most expensive) unit of emission causes more harm than removing it through the cheapest method possible.

Of course, if only a negligible part of the harm from emissions is internalised, then it would still remain the case that reducing emissions will not be in a country's self-interest. However, for large countries it is not the case that their emissions, as a percentage of the global total, are negligible. As Figure 1 shows, at least three parties – the United States, China and the EU – each produce 15% or more of global emissions. If it is the case that the marginal harm caused by the current levels of emissions is much larger than the marginal benefits that these emissions produce, as Nicholas Stern (2006) suggests, then it is in fact in these countries' self-interest to reduce some of their emissions. So it is likely that the equilibrium result involves taking at least some action,

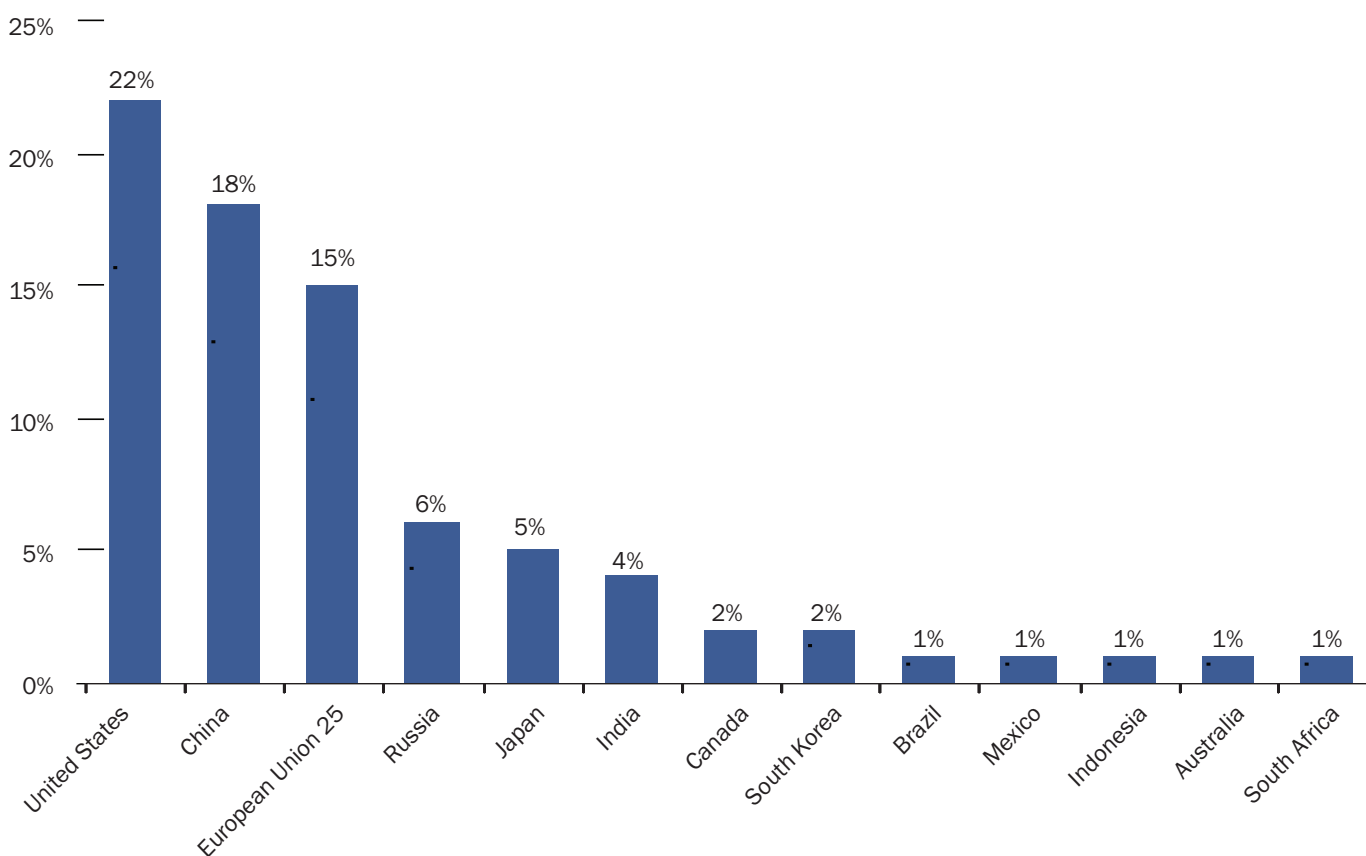
and in the current circumstances it may even imply that it is in the interest of large emitters to commit, unilaterally, to substantial action.

It should also be noted that if these commitments were to form the basis of an international treaty, the self-interested level of action taken is likely to increase even further since commitments by one party are likely to increase the commitments other parties are willing to make.

These facts notwithstanding, it does not make sense to reduce emissions if these emissions are leaked to other countries. This simply moves the problem offshore while imposing a significant cost on local producers and reducing economic efficiency. Taking on stringent targets may cause this leakage to occur in two ways. It might directly cause high-emission goods to leak to other countries with less stringent controls on emissions, or it might cause this to happen indirectly by reducing the incentive for other countries to take action (since the most harmful emissions are no longer in the atmosphere).

Against this, there are some reasons to think that by undertaking mitigation, a country will encourage reciprocal behaviour. Again, this can be caused directly, through economic, diplomatic or consumer pressure on countries which do not reduce emissions, or indirectly, through a reduction in the cost competitiveness of burden sharing.

Figure 1: Annual carbon dioxide emissions as a proportion of global emissions, 2004



Source: Claussen (2007), based on data from the International Energy Agency

For small countries, the incentives to mitigate climate change are different. They cannot unilaterally change the level of harm they face from climate change since they cannot materially affect the global emission level. However, they face a range of other incentives.

First, although economic sanctions have not at this point yet been used against countries which have not taken steps to address climate change, a number of officials, such as European Commission president José Manuel Barroso (Harrabin, 2008), have signalled their use in the future. This presents a real risk to small economies, many of which are highly reliant on international trade.

As the 'food miles' incident potently illustrated,⁴ even if formal sanctions are not imposed, environmentally aware consumers may penalise goods produced in countries seen to

to attempt to negotiate an ethical outcome while all other countries negotiated solely from a position of self-interest, it may well end up hurting its own citizens without materially affecting the overall equity of the outcome.

Bruce Burson (2008) identifies three reasons why ethics plays a role in climate change negotiations. Firstly, there are real moral concerns fundamental to the question of burden sharing. Some countries and individuals are able to cut emissions at lower welfare costs than others. Some countries have played a much larger role in creating the problem than others. Therefore, a negotiation that fails to take into account these factors would be rejected by those who are morally entitled to a smaller burden.

Second, the principles of common but differentiated responsibilities and of equity are clearly embedded in the UNFCCC and the Kyoto Protocol (Rajamani, 2006). Therefore, legally they must be taken into account.

Thirdly, politically, if the division of the burden is perceived to be unjust then the outcome will not have the legitimacy necessary to be sustained over time. On the international level, a legitimacy deficit is likely to lead to costly renegotiations every time there is a change in the relative influence of a major country (or block of countries). On the national level, there will always be political pressure for policy makers to renege on a commitment that is perceived to impose an unfair burden on

their nation.

For these reasons, future negotiations will need to find a genuinely just solution (or something very close), even if countries are fundamentally motivated by self-interest.

Conclusion

The four questions explored in this article surrounding the use of ethics in climate change illustrate the following:

- (1) that the fact that ethical considerations may be subjective does not constitute a reason to ignore ethics in negotiating a climate treaty;
- (2) that there is good reason to think that ethics is relevant to the relationships between nations;
- (3) that ethical and self-interested actions are often synonymous; and
- (4) that for moral, legal and political reasons, ethics has played a part, and will continue to play a part, in international climate negotiations.

While I have focused on defending the place of ethics in international climate negotiations, I would like to conclude with some positive reasons for the inclusion of ethics in these negotiations. First, moral causes can provide the necessary political will for difficult policy actions. Standing up to the United States on nuclear weapons was both economically and diplomatically costly for New Zealand. Yet public opinion in New Zealand was sufficiently strong that the real costs of the action were deemed acceptable. Likewise,

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be shirking their responsibilities to mitigate climate change.

Further, smaller countries also have the flexibility to profit from early mitigation by capturing niche markets, such as ecotourism and sustainable energy technology. Because of their size, it is likely that a limited number of small countries will be able to profit by pursuing an aggressive climate change strategy. By implementing policy that promotes a nation's environmental image or environmental innovation, small countries may capture an emerging market for environmental goods which is small in absolute terms but may make a significant contribution to their economy as a whole.

Although it may not always be in a country's interest to act ethically, ethical action is not dialectically opposed to self-interested action. There are, in fact, many situations – e.g. in attempting to solve the collective action problem, or in trying to overcome political resistance – when it is in a country's self-interest to explicitly act ethically.

Will ethics play a role in the negotiation process?

Even though there are compelling reasons to think that countries should act ethically, it is not clear that they will do this in practice. Instead, they may negotiate merely from their country's perceived interests or in the interest of their country's current governing party. Although, as argued above, coming to an ethical agreement may be in most countries' interest, the common perception is that it is in their interest to avoid actions. Therefore, if a particular country were

on the international level, taking an ethical perspective may potentially break deadlocks since it provides a perspective that every party can relate to. The fact that a certain action is good for Country A will provide little motivation for Country B to support the action unless it happens to be good for Country B. However, the fact that it is morally right can influence Country B to support it even if it is not in Country B's self-interest to do so. Accordingly, ethics must play an important role in climate negotiations if we are to achieve a desirable post-2012 international agreement.

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2 See, for example, Ott et al. (2004), Höhne et al. (2005), Rajamani (2006), Boston and Kengmana (2007) and Ott (2007).

3 See, for example, UNFCCC (1992), Singer (2002), Ott et al. (2004), Höhne et al. (2005), Rajamani (2006), Boston and Kengmana (2007) and Ott (2007).

4 The 'food miles' incident was caused by a British company urging its consumers to avoid New Zealand butter because of the emissions produced by freighting the butter all the way to England.