

## **Cosmopolitanism and the Climate Crisis**

### **Cosmopolitismo y crisis climática**

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#### **Abstract**

As awareness of global warming has spread during the past couple of decades and developed into the realization that humanity faces an existential threat, a number of more or less Kantian liberal or cosmopolitan moral and political theorists have attempted to address questions of justice raised by the climate crisis. David Held was among the most prolific and influential of them. Here I discuss Held's cosmopolitan perspective on climate governance and consider its bearing on certain recent proposals for new institutions, including in particular a proposal offered by John Broome and Duncan Foley for establishing a World Climate Bank (WCB). I argue that such a WCB may be endorsable from Held's perspective, depending how the initial proposal may get further developed. Held's approach to politics is similar to Kant's in certain significant respects, including the role of hope. Both approaches are valuable and important in relation to the climate crisis.

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Introduction

Immanuel Kant's relevance to the climate crisis may not be immediately apparent, but it soon becomes so, upon reflection. The urgent importance of mitigating climate change is clear. Also clear is that actions and policies affecting vital human interests raise moral questions, including questions of justice. A number of more or less Kantian liberal or cosmopolitan moral and political theorists have attempted to address such questions during the past several decades, as awareness of global warming has spread and developed into the realization that humanity faces an existential threat.

David Held, a political scientist famous for his work on democracy, critical theory and globalization, was among the most prolific and influential cosmopolitan theorists writing about the climate crisis.<sup>1</sup> In a recent co-authored article, Held argued that although the international negotiation process that began in 1992 with the United Nations Framework Convention on Climate Change (UNFCCC) and culminated with the Paris Agreement has not yet succeeded, and prognoses vary, "the only viable way of ensuring that humankind continues to flourish in the twenty-first century" is by "acting together to ensure that the Paris model works, along with meeting the challenge of other global risks" (Held 2018b, p. 536). In his view, the success of this treaty will depend not only on how the agreement gets operationalized but also on "the development of a dynamic global climate governance 'ecosystem'" (Held 2018b, p. 535).

Here I discuss Held's cosmopolitan perspective on climate governance and consider its bearing on certain recent proposals for new institutions, including in particular a proposal offered by John Broome and Duncan Foley for establishing a World Climate Bank (WCB). I argue that such a WCB may be endorsable from Held's perspective, depending how the initial proposal may get further developed. Although this proposal is controversial<sup>2</sup> and may not be politically feasible at present, it allows me to illustrate and extend Held's cosmopolitan approach to politics.<sup>3</sup> Held explains his political perspective in context of the history of cosmopolitan thought as he understands it. Although he rarely cites texts by Kant and discusses his philosophy only briefly, Held's approach to politics is similar to Kant's in certain significant respects, including the role of hope. Both approaches

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<sup>1</sup> Held's death in March of 2019 was a great loss to the international academic community.

<sup>2</sup> J. Paul Kelleher, Rob Lawlor, and Stephen Gardiner (in articles published, respectively, in 2015, 2016, and 2017) object to certain elements of the case for a WCB. None of these three articles is based on the latest relevant articles by Broome and Foley. I reply to those objections in article manuscripts soon to be submitted for publication.

<sup>3</sup> Held did not discuss the proposal for a WCB, as far as I know.

are valuable and important in relation to the climate crisis. Here I highlight the similarities between them.

Below, in Part One, I offer a preliminary account of Held's cosmopolitan perspective on politics. In Part Two I briefly discuss Kant's perspective on politics and certain relevant aspects of his philosophy of history, including the role of hope; I then compare Held's perspective. In Part Three I discuss Held's recent work on climate governance, including his and others' proposals for new institutions. In Part Four I consider the proposed WCB in light of Held's cosmopolitanism. I conclude the article with some reflections about cosmopolitanism and political work in relation to the climate crisis.

## I.

Held presents his own model of cosmopolitanism as pointing the way to solving the problem of the apparent conflict between globalization and democracy, by showing how transborder interactions "can be brought under democratic control and rendered accountable" (Held 2010, p. x). He regards "consent, deliberation, and collective decision-making as the essential mechanisms for the creation and development of cosmopolitan institutions and forms of governance", since they are "vital for non-coercive, legitimate political processes", and each person is "an autonomous moral agent entitled to equal dignity and consideration" (Held 2010, pp. 15-16). As Held construes it, "cosmopolitanism [is] about universal principles which must shape and limit all human activity"; however, he emphasizes, it does not "generate a simple aspiration for one global community" (Held 2010, p. xi, 103-107). On this point Held's view resembles that of Kant, who opposed the ideal of a "universal monarchy" or hegemonic world state, arguing that such a "soulless despotism" would deteriorate into anarchy (Kant, 8:367; p. 336).<sup>4</sup>

Held contends that whether any governance regime is legitimate depends on the extent to which it upholds the values at the core of moral cosmopolitanism and democratic politics, namely, respect for the moral status of human beings and their ability to respond to reasons. (Held 2017, pp. 62-63). Clearly, this thought is broadly Kantian. As Held points out, current debates about global political theory take place on a cosmopolitan plateau; all of the participants endorse moral cosmopolitanism, which is "a very abstract moral outlook" (Held 2017, p. 57). Although it has political implications, including in particular a commitment to the universality of basic human rights, political theorists continue to disagree about its further institutional implications, and although there is a pressing need to address the question of appropriate standards of legitimacy for international and transnational institutions, the recent academic literature has paid relatively little attention to it, Held laments (Held 2017, p. 58). As he points out, many endorse the "default position"

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<sup>4</sup> References to Kant's works are designated by the volume and page numbers in the standard Prussian Academy edition, followed by the page number of the English translation in the standard Cambridge edition.

that no institutions are legitimate unless they are democratically organized, but this idea is variously interpreted, and it is not self-evident how the democratic account of legitimacy should be extended beyond state borders (Held 2017, pp. 59-63).

Additional significant similarities between Held's approach to politics and Kant's are that both advocate a pragmatic progressivism, and both are evidently guided by the insight that rationally justified hope is crucial for generating and sustaining efforts to bring about reforms. Each of them seeks to provide grounds for hope; Kant does so in his philosophical reflections about history, human nature, and politics, and Held does so in his philosophically informed empirical research and theorizing. Contrastingly, some of the most prolific and influential contemporary cosmopolitans writing about climate change have a pessimistic orientation and offer only criticisms and reasons for lamentation without developing constructive proposals; they are cosmopolitans but, in this respect at least, not Kantians.<sup>5</sup> Next I highlight certain aspects of Kant's philosophy of history informing Held's perspective on politics.

## II.

Kant's perspective on politics is grounded both in his philosophical conception of history and in his moral philosophy, which includes his philosophy of right. While cautioning that the human condition is such that it is impossible to achieve complete and perfect embodiment of the ideals prescribed by morality for both international and domestic social life, Kant argues that we must never cease striving to approach that goal as closely as possible (Kant 6:350; p. 487).<sup>6</sup> When progress toward a condition of Right or justice is obstructed or delayed by the realities of power, we must, Kant emphasizes, avoid returning to the state of nature through violent rebellion or war, and in choosing our policies and courses of action we must respect moral constraints and leave open the possibility of entering a rightful condition.

Pointing out correctly that these elements of Kant's political philosophy distinguish it from the philosophies of other early social contract theorists, Elisabeth Ellis offers a qualified endorsement of Kant's pragmatic progressivism; she advocates practicing a "provisional politics" inspired by it (Ellis 2005, pp. 32-35; Ellis 2008, pp. xiii, 1-5, 13-14, 60, 154). Such a practice would be more "realistic," she argues, than those of both "idealists" and "realists" who speak a "language of competing conclusive political principles [that is] inadequate to the immense complexity, uncertainty, and dynamism of the world of politics" (Ellis 2008, p. 1).

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<sup>5</sup> For overviews of cosmopolitan theories about climate change and justice, see Bernstein 2011a and 2011d.

<sup>6</sup> I discuss relevant aspects of Kant's political philosophy in Bernstein 2008, Bernstein 2009, Bernstein 2013, and Bernstein 2018.

Ellis claims that Kant's own account of political life is "hampered with an indefensible teleology," which she rejects (Ellis 2008, pp. pp. 3, 57). However, it is far from indefensible. Kant postulates a teleology in human history for heuristic purposes. He argues that we can maximize the intelligibility of human history by looking for factual evidence that there are natural mechanisms or tendencies functioning *as if* to actualize an aim or end. Properly understood, his conception of history is interesting and relevant. Here I briefly explain certain elements of Allen W. Wood's interpretation of it that illuminate Kant's perspective on politics and allow one to see certain similarities in Held's perspective.

According to Kant, we all should aim to realize a global ethical community (or "kingdom of ends") in which every rational being is accorded dignity and is a citizen of a state or civil order (Kant, 4:433-434; pp. 83-84; Wood 2005, p. 126). Kant argues that this goal is a regulative ideal that must always guide political deliberation and action even when historical events may delay or may seem to preclude achieving it (Kant 5:48, p. 179; 8:372-373, pp. 340-341; 8:377-378; pp. 344-345; Wood 2005, p. 126). However, as Wood explains, although practical and moral reason gives everyone grounds for always respecting human beings as ends in themselves and valuing institutional arrangements that protect their rights, reason "gives us moral grounds for pursuing an ideal civil constitution only under certain contingent, empirical conditions," namely, when there exist civil constitutions of some kind, written or unwritten; their imperfections then provide "historical possibilities for improving them" (Wood 2005, p. 121). Under other conditions, the primary goal must be to establish some kind of civil constitution. This example illustrates the pragmatic progressivism of Kant's political philosophy.

In order to learn from human history and direct our own actions so as to fulfill possibilities discoverable in it, we have to make sense of a totality of facts, including accidental events and arbitrary actions, which may initially seem incomprehensible. As Wood explains, Kant's approach to history "enables us to connect an empirical, theoretical study of history to our practical concern with history as historical agents, by identifying historical tendencies (which Kant calls unintended 'ends of nature') with which our efforts as moral beings might harmonize" (Wood 2005, p. 126). Kant's philosophy of history is grounded in methodological considerations deriving from his conception of theoretical reason, as well as moral considerations deriving from his conception of practical reason. He had religious and moral hopes for the moral progress of the human species.<sup>7</sup> However, as Wood explains, in Kant's view the project of making sense of the facts of history and gaining an understanding of the possibilities it affords must be carried out first as a theoretical project independent of both religious and moral hopes, since "it is only on the

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<sup>7</sup> Allen W. Wood has developed an illuminating and fascinating interpretation of Kant's hope for the moral progress of the human species in history; see his book, *Kant and Religion* (Cambridge University Press, forthcoming).

basis of such a theoretical understanding that we might formulate ends for whose attainment we might have moral grounds to hope" (Wood 2005, p. 113).

As Howard L. Williams construes Kant, he "is, on balance, optimistic" in believing that circumstances will ultimately force people to live together peacefully and harmoniously (Williams 1983, p. 1).<sup>8</sup> Kant also acknowledges that we can never be certain that justice will triumph, and that at times it seems there is little or no ground for hope. "Yet, no matter how bleak the immediate outlook, Kant thinks it the duty of the philosopher to believe and to argue that men will in the end improve" (Williams 1983, p. 1).

According to my own understanding of Kant, although he rejects the idea of a commanded belief as an absurdity, (Kant 5:144, p. 255), he does hold that philosophers have a duty to try to determine whether false assumptions or faulty reasoning have led them to believe that progress will not occur, and if so, to correct their own errors and help others correct theirs. Guiding one's deliberation and action as Kant prescribes requires careful critical analysis of one's own assumptions and lines of reasoning with regard to history and recent events; it also requires creative imagination. Applied to current circumstances, Kantian practical and moral reason directs us to take action, individually and in cooperation with others, to help secure the conditions necessary for the survival of humanity and continued progress toward justice in a global ethical community, by contributing as effectively as we can to efforts to mitigate and adapt to climate change, as well as to help others to do so. All of this requires learning from historical accounts and empirical investigations of what has happened and is happening, attempting to discern on this basis what further developments are likely or possible, and critically examining both one's own and others' beliefs about which proposed policies and solutions are (un)likely to prove successful. It also requires maintaining a constructive and hopeful outlook.

This is what Held undertook to do, as is well illustrated by his collaborative research project on climate governance in the developing world, an investigation that aimed to determine whether the pessimism of other climate policy researchers was warranted. Noting that current theories of climate politics are "not optimistic about the potential for effective climate governance in developing states," Held and his collaborators emphasize that their research, which shows that many developing countries are in fact taking action and that some are becoming climate policy leaders, "seems fundamentally to overturn some widely held assumptions" (Held 2013, pp. 2, 4, 6). They argue that since "the existing literature on climate politics" fails to explain why some developing states are more active than others, why some are becoming even more ambitious than wealthier developed countries, and what explains the timing of various such occurrences and trends, "there is an urgent need for more careful investigation of the factors and circumstances motivating the emergence of climate governance in parts of the developing world, as well as those that may be holding countries back" (Held 2013, p. 10).

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<sup>8</sup> Compare Williams 1992.

Although empirical investigations and argument analyses are typical of the work of most political scientists, Held's work on climate governance is distinctive. Evidently in choosing research projects and questions he was guided by a commitment to take a realistic yet also constructively critical approach. Held's cosmopolitan perspective involved a principled resistance to pessimism. He had this in common with Kant, although without offering philosophical arguments in support of this approach or discussing Kant's arguments about methodology in the study of humanity and history.

### III.

Held regards moral cosmopolitanism and democratic values as generating "a predisposition towards pluralism and experimentation in institutional forms and an openness to the adoption of different kinds of policy solutions" (Held 2017, pp. 62-63). Clearly, this approach to politics is relevant to current issues of climate governance. It is displayed in Held's last published writings, which include a co-authored article on climate governance after the Paris Agreement. Below I selectively summarize this article's account of the current situation and the prospects for successful governance of climate change, after which I turn to Held's earlier analysis of the institutional inadequacies of the climate governance regime. I then discuss others' analyses of such inadequacies, as well as proposed remedies, and offer a preliminary assessment from Held's perspective of the proposal for a WCB.

#### (III.1) Held on climate governance after the Paris Agreement

In his last articles on climate governance, Held explains that the Paris Agreement "marked a turning point in the climate regime" (Held 2018a, p. 525). Following the apparent breakdown of negotiations in 2009 at Copenhagen and subsequent years of inaction and delay, this treaty adopted a new mechanism for limiting greenhouse gas (GHG) emissions, and shifted climate governance from a negotiation phase to a phase of articulation and implementation (Held 2018b, p. 527). States' nationally determined contributions (NDCs) or "pledges" are similar to the voluntary commitments made under the Copenhagen Accord, but the Paris Agreement goes further by setting states' pledges within a legally binding framework involving procedural obligations (Held 2018b, p. 532). Furthermore, the "governing logic" of the Paris Agreement is "catalytic" (as contrasted with the 1997 Kyoto Protocol's "regulatory," and the 2009 Copenhagen Accord's "voluntary," governing logic): it aims to catalyze further action by means of an iterative pledge-and-review process (Held 2018b, p. 533). The hope is that this process will function so as to ratchet up states' ambitions. Increasingly ambitious NDCs may result partly from

pressure on lagging states exerted by other states using the multiple opportunities provided to "name and shame" them. It may also result partly from pressure exerted by non-state actors using this type of "hook" in order to hold policy makers to account (Held 2018b, p. 534).

Held surveys both pessimistic and optimistic perspectives on the Paris Agreement's model of global climate governance, then offers his own view of what is necessary for its success. He emphasizes that the "rulebook" (specifying how each mechanism is to operate in practice) must be carefully written and later revised in light of practical experience, and discusses both the crucial importance of "domestic political dynamics" and the critical parts to be played by the World Bank and other international organizations (Held 2018b, p. 535). More generally, he argues that the success of "the broader Paris model" of climate governance requires that not only states and international organizations but also businesses, cities, and civil society actors "interact in mutually facilitative ways" and develop into a dynamic climate governance "ecosystem" based on relationships that can enhance the ambition and effectiveness of each element (Held 2018a, pp. 525-526; Held 2018b, p. 535). He notes optimistically that the post-Paris regime "has much potential," but also emphasizes that all participants need to 'scale up' their efforts and create "[n]ew mechanisms for 'orchestrating' and 'catalyzing' the efforts of states, substate actors and non-state actors" (Held 2018a, p. 526).

Held explains that the Paris Agreement, which was negotiated within the UNFCCC, endorses the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDRRC),<sup>9</sup> but makes "a significant amendment" to this idea by usually adding the qualifier 'in light of national circumstances' (Held 2018b, p. 533). Responsibilities and obligations are differentiated in distinct ways; industrialized and developing states may have "symmetrical" obligations or not, depending on the issue; for example, the 'core' procedural obligations related to mitigation and transparency are almost identical; the content of the non-binding NDCs is left almost entirely to states' discretion; and with respect to finance, more-developed parties are expected to assist less-developed ones (Held 2018b, p. 533). In the area of finance, the Paris Agreement largely restates or simply formalizes previous promises (Held 2018b, p. 536, note 7). These include promises made in 2009 but not fulfilled.<sup>10</sup>

<sup>9</sup> "Acknowledging that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions..." (UNFCCC, 1992, accessed on 19 September 2019 at: <https://unfccc.int/resource/docs/convkp/conveng.pdf>).

<sup>10</sup> Advanced economies promised in 2009 and again in 2015 to provide \$100 billion annually by 2020 to developing countries. So far, the amounts provided fall far short, "even when including bilateral transfers, transfers to the GCF [Green Climate Fund] and transfers by MDBs [multilateral development banks]." (Sayegh 2019, p. 163).



By "successful governance of climate change" Held appears to refer here to achievement of the declared aims of the Paris Agreement, as contrasted with the broader conception of success in global governance articulated in his earlier post-2009 writings, which discuss the need for new institutional capacity at the international level (Held 2018a, p. 525). The Paris Agreement does not by itself fulfill this need, nor the need for greatly increased climate funding. Next I discuss Held's arguments for new institutional capacity and funding; these arguments remain relevant and provide support for establishing a World Climate Bank.

(III.2) Held on inadequacies of institutional capacity and climate funding

In 2010 Held argued that modern liberal democracies are prevented from "tackling global collective action problems, in general, and climate change, in particular", by four structural characteristics: "short-termism," "self-referring decision-making," "interest group concentration," and "weak multilateralism" (Held 2010, pp. 209-211). He also contended that many environmental agreements are "poorly coordinated," "weakly enforced," and supported by a large and diverse set of international organizations and other agents that do not cooperate efficiently with each other; and that multilateral bodies lack "inclusive" and "effective" representation (Held 2010, pp. 220-224). He called for remediation (if possible) of the "fundamentally flawed" Clean Development Mechanism, and for public funding of large-scale research into the development of "breakthrough technologies" (Held 2010, pp. 232-233). He declared that developed countries should provide funding to developing countries sufficient to compensate them for the sacrifice of investments for the public good (in education, healthcare, clean water, etc.) that would result if they were to switch away from cheap fossil fuels (Held 2010, pp. 229-232). And he advocated market incentives, cautioning that they need to be carefully structured both in putting a price on carbon and in generating significant flows of private sector funding from developed to developing countries (Held 2010, pp. 224-228).

In 2011 Held reiterated his previous recommendations, but with more empirical information supporting his analysis. Emphasizing the critical importance of structuring market incentives correctly in order "to combine coherently democracy, markets and universal standards", he compared the main market-based instruments for reducing GHG emissions and argued that states must find "ways to introduce regulation without undermining the entrepreneurialism and innovation upon which successful responses will depend" (Held 2011, pp. 99-102, 105).

Remedying the institutional inadequacies diagnosed by Held appears necessary for the success of the Paris Agreement. Others agree. Various high-level experts have recently

advocated prioritizing reforms of domestic and international governance institutions similar to those advocated by Held.

### (III.3) *Institutions for Future Generations*

Numerous reform proposals are presented and analyzed in a recent anthology, *Institutions for Future Generations*. Addressing diverse issues and institutions, they all aim to remedy short-termism in policymaking, which is one of the main problems identified by Held. Only one of them, namely the proposal advocating a WCB, offers a solution to the problem of large-scale climate finance. This problem is urgent, as explained below.

### (III.4) The climate crisis and financial institutions and policies

French President Emmanuel Macron has announced his support for establishing a European Climate Bank, and European Commission President Ursula Von der Leyen has endorsed this idea (Keating 2019). According to Rachel Kyte (former World Bank Group Vice President and Special Envoy for Climate Change), a new Bretton Woods summit is needed in order to reshape multilateralism and align public investments with priorities set by the climate crisis (Farand 2019). Nicholas Stern and co-authors have argued that by 2030 the world will need to invest "around \$90 trillion in sustainable infrastructure assets, more than twice the current stock of global public capital" (Bhattacharya 2015). According to the World Bank Group, in order "to shift investment at scale," carbon pricing coverage must expand and prices must be stronger (World Bank Group 2019). However, the system of international governance and cooperation is fraying (G20 2019, p. 4). There is an urgent need to reform the multilateral development banks so that they will "work together as a system," due to pressing problems including "climate change and other planetary boundaries" (Bhattacharya 2018). Arguably a WCB could help remedy these systemic problems.

## IV.

### (IV.1) The proposal

Foley and Broome favor pricing carbon (whether through a carbon tax or a cap and trade system) so that people pay the full cost of their GHG emission, including the

"external cost" imposed on other people; they argue that elementary economics implies that it would be possible in principle to benefit some people by eliminating the "externality," and to do so without leaving anyone worse off (Broome 2016, pp. 156-159). This means that the current situation is inefficient in the technical sense that a Pareto improvement is possible, and this fact implies the possibility of "a transfer...that is enough to compensate [current] emitters fully and yet still leaves [current] receivers better off than they were originally" (Broome 2012, pp. 43-44). Foley and Broome base their case for a WCB on the need to *change the economic incentives of investors* in order to generate a sufficiently large and steady stream of funding for transitioning the global economy away from fossil fuels; the need to *change the economic incentives of consumers* so as to change their behavior on a sufficiently large scale; and the need to *remedy the drawbacks of increasing the price of carbon* that generate political resistance.

As Broome explains, "there must be a transformation of investment from conventional investment such as roadbuilding and shipbuilding to what we shall call 'green investment,' which is investment aimed at reducing greenhouse gas emissions," examples of which include insulating houses and building wind farms (Broome 2016, p. 163). The challenge is to solve the problem of bringing about such a shift on a large enough scale and quickly enough, without excessively high financial and other costs. The problem of costs to *consumers* can be solved in principle, they argue, from an economic point of view:

Investment can be shifted in this [green] direction while leaving constant the aggregate consumption of the current generation. [...] To be sure, it will have to consume a new range of goods that are less carbon-intensive, but its overall standard of living need not deteriorate (Broome 2016, p. 163).

Since setting a price on carbon would result in increased economic costs to owners of fossil fuel assets (including investors in mutual funds and other shareholders) and diverse other producers and consumers including the poor, in order to achieve a Pareto improvement it would be necessary to pay people compensation for these costs. Part of the compensation could be funded by the carbon price itself; the "revenue can be returned to consumers and producers as part of their compensation, by reducing their other taxes" (Broome 2016, p. 165). However, more funding would be needed for both compensation and green investment.

Since revenue from the carbon-price scheme would not, they think, be sufficient, climate policy must involve large scale social borrowing (Broome 2016, pp. 165-166). As Broome and Foley explain, social borrowing is large-scale borrowing by governments or international organizations through issuance of bonds. A WCB is needed, they argue, in

order to underwrite the issuance of bonds of sufficiently long maturity (Broome 2016, pp. 167).

The bank would issue bonds in order to obtain funds for facilitating the transition to a green global economy. The bond issuance could influence the global composition of investment by pushing up interest rates, thus crowding out some conventional investment.

The bonds constitute an alternative asset that investors can choose to invest in, as an alternative to building conventional capital. In order to buy bonds, they will withdraw funds from conventional investment. These funds will come into the hands of the issuers of the bonds, who can use them to pay for reducing emissions of greenhouse gas through green investment (Broome 2016, pp. 166).

#### (IV.2) The WCB proposal considered from Held's cosmopolitan perspective

Held argues that many policy instruments will be needed for addressing the climate crisis:

What is ultimately required is a fundamental overhaul of energy systems through transformative technologies that require a combination of factors to succeed -- not only market incentives, but also applied scientific research, early high-cost investments, regulatory changes (e.g., building codes and practices), infrastructural development, information instruments (e.g., eco-labelling of energy appliances), and public acceptance (Held 2010, p. 229).

Notice that if a WCB's mandate includes financing infrastructural development, applied scientific research, and early high-cost investments in technologies for overhauling energy systems, then from Held's perspective there are reasons to support it. But could a WCB help to remedy any of the institutional inadequacies he identified? Arguably yes.

According to Held, funding of large-scale research into the development of "breakthrough technologies" is lacking because private sector firms underinvest in research and development when not expecting profit (Held 2010, p. 229). A WCB could direct significant flows of both public and private sector funding to developing countries, which could (according to Broome and Foley) be sufficient to compensate them for the sacrifice

of investments in other areas (such as education, healthcare, and clean water) resulting from the switch away from cheap fossil fuels. Furthermore, a WCB could remedy some of the problems of poorly coordinated climate governance pointed out by Held, as well as some of the problems of multilateral financial institutions and climate finance recently emphasized by others.

A WCB might have additional advantages from Held's point of view, as regards fair global representation, depending on its power structure and how it would be established. Furthermore, depending on the contents of its mandate and its operating principles, a WCB might be able to play a role in transforming global capitalism into a form of economic system that helps to secure human rights while facilitating restoration of natural ecosystems and a livable climate. However, if it were not properly designed, if it could not be held accountable, or if it were undermined by corruption, then disastrous consequences could ensue. I hope cosmopolitan theorists will collaborate with political scientists and economists in order to address these questions.

#### (IV.3) Concerns about neoliberalism and capitalism in relation to a WCB

David Cipler and J. Timmons Roberts argue that the UNFCCC regime has institutionalized neoliberal reforms in climate governance, and in doing so failed to remedy "four crucial gaps," including "the ability of the regime to drive adequate ambition, and gaps in transparency, equity and representation" (Cipler 2017, pp. 148, 154-155). Cipler and Roberts conceptualize neoliberalism largely in terms of libertarian ideas about justice, preference for market mechanisms with maximal information but minimal regulation, advocacy of private sector engagement, and rejection of consensus-based and multilateral decisionmaking in favor of exclusivity (Cipler 2017, pp. 148). However, as explained above, a WCB would not necessarily be neoliberal in this sense.

Held himself criticizes neoliberalism (in the sense of the "Washington consensus"), opposes libertarianism, and advocates democratic representation (Held 2010, pp. 5-7, 115, 127-128, 150-155, 162-181; Held 2017, pp. 59-63). However, he does not reject all forms of private sector engagement or market-based policies; he advocates carefully structuring market incentives so as to generate significant flows of private sector funding from developed to developing countries (Held 2010, pp. 224-228). Must cosmopolitans oppose capitalism? If so, must they reject all market-based climate policies (even if they would most rapidly mitigate climate change)?

Several recent books blame capitalism, not only its neoliberal variant, for the climate crisis. One of them is Naomi Klein's book, *This Changes Everything*. Another is Luiz Marques's book, *Capitalismo e Colapso Ambiental*. Klein exposes the destructiveness

of neoliberal policies, but does not make clear whether the ultimate source of the crisis is neoliberalism, capitalism, or "extractivism", an ideology characterized as "a nonreciprocal, dominance-based relationship with the earth, one purely of taking" (Klein 2014, p. 169). Moreover, although Klein criticizes those who propose market solutions such as carbon trading and offsets, calling them reformists, she herself endorses a carbon tax. She justifies her approach as follows:

[I]t would be reckless to claim that the only solution to this crisis is to revolutionize our economy and revamp our worldview from the bottom up—and anything short of that is not worth doing. [...] So this book proposes a different strategy: think big, go deep, and move the ideological pole far away from the stifling market fundamentalism that has become the greatest enemy to planetary health. If we can shift the cultural context even a little, then there will be some breathing room for those sensible reformist policies that will at least get the atmospheric carbon numbers moving in the right direction (Klein 2014, pp. 25-26)

Held favors a similarly pragmatic strategy.

Marques argues that capitalism is causing the collapse of the natural environment, and that a sustainable capitalism is impossible (Marques 2015, pp. 481-489, 506). Although it might be possible, he says, to approximate an environmentally sustainable capitalism if it were regulated by a mixed mechanism ("um mecanismo misto") in which the state and civil society had sufficient weight to counterbalance the blind forces of the market, this is not the case (Marques 2015, pp. 489-506). Even if Marques is right that it is not the case currently, if some form of capitalism could be environmentally sustainable, then cosmopolitan theorists should study the question of how the state and civil society might become able to counteract the blind forces of the market. If no form of capitalism could be environmentally sustainable, then it is important to prove this, and to specify both what is the best feasible non-capitalist economy and how it is possible to finance climate change mitigation and adaptation in the near future without obstructing the path away from capitalism. (Notice that this is a point that Kant would make.) Cosmopolitan theorists should recruit economists to help accomplish these tasks.

V.

As David Held and his co-authors have shown, cosmopolitan moral and political theorists can help address the climate crisis by collaborating with social scientists, including economists. Held's work provides a fine example of morally guided and engaged

theorizing about current political and economic institutions and their rapid transformations. It is important for cosmopolitan political theorists to study and discuss the question of whether the set of possible institutional configurations embodying cosmopolitan values and principles can include any of the feasible and potentially effective climate governance "ecosystems" involving capitalist markets. Held did not oppose all market-based policies, and his arguments offer conditional support for a WCB, depending on its mandate, structure, and operating principles, as well as the procedures for establishing it.

Environmentalists who lost hope when the 2009 climate conference in Copenhagen failed to yield agreement on a treaty setting enforceable targets and commitments, failed to foresee the Paris Agreement. Perhaps some of them foresaw the possibility of a treaty of this kind, but underestimated the likelihood of its being achieved, or perhaps they did not even foresee the possibility. Today we cannot foresee whether the latest efforts to limit the increase of global average temperatures will succeed. Held has argued that the Paris Agreement may succeed with assistance from many other efforts, which it may help to catalyze. If one loses hope, then one ceases seeking to discern or to generate such possibly successful efforts.

Generating solutions and motivating problem-solving efforts requires using creative imagination, both about technical possibilities and about human possibilities; in some cases, one must use creative imagination in order to see such solutions and efforts when they already exist. A broadly Kantian approach to history and politics can help one to see whether and how others around the world are helping to create paths that can lead closer to cosmopolitan goals, as well as to discern further potential paths to such goals and to determine how to help achieve them. We all need to learn to interpret historical events and trends, including those of the very recent past, in ways that do not prevent us from envisioning the possible futures for which we can reasonably hope and which we can rationally and strategically aim to make real.<sup>11</sup>

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