Five minutes with Connie Hedegaard: "Climate change is not an environmental issue to be parked in some corner - it has to be integrated into our economic growth strategies"

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As part of our series on the Dahrendorf Symposium, Connie Hedegaard, the European Commissioner for Climate Action, spoke to LSE's Conor Gearty on the EU's approach to tackling climate change, how to respond to those who refuse to accept the science behind global warming, and the potential for Europe and the rest of the world to implement concrete solutions.

How can we raise our collective level of ambition with respect to climate change?

The minute that we start to understand that continuing with 'business as usual' comes with a price tag, we will see that it would be wiser to spend some money investing in a more climate friendly future.

I had an experience recently at the World Economic Forum in Dalian. At the traditional leaders' lunch, comprised of heads of state and finance ministers, the new Leader of the World Bank, Jim Yong Kim, was asked to give his view of the state of the world economy. He had 10 minutes. He spent 7 out of those 10 minutes talking about climate change. He said, "You guys do not understand. Climate change is not an environmental issue. Our response to climate change will define our economic growth in the 21st Century."

In the room, the leader of the International Monterey Fund (IMF), Christine Lagarde, echoed exactly the same message. The meeting was moderated by the Organization for Economic Cooperation and Development (OECD) Secretary General Gurría, echoing exactly the same. I believe that when the key economic institutions start to understand that climate change is not an environmental issue to be parked in some corner, but that it has to be integrated into our economic growth strategies – that is something worth noticing.

But short-termism isn't simply a problem that can be changed with business pressure. You don't have to be a Marxist to say that businesses are driven by short-term interests, and that there are huge vested interests at play.

That's why we need politicians. You know it's very logical that at the marketplace, people think for the short-term, that's not a strange thing, that's how the market works. That's why we cannot accomplish our goals with only markets. That's, for instance, why we need a price on pollution, why we need a price on carbon. Why? Because there is a market failure. Short term thinking does not consider the value of cleaner air, a less polluted planet, or lower CO₂ emissions. Those values are not captured by the unregulated market.

Actually, we are currently doing the opposite. We are often subsidising fossil fuels. If we do not get it right in correcting that market failure, then, of course, we are pushing for more short-termism rather than less. That is why we need political tools: targets, pricing, and regulation.

Are there things we are doing now that we didn't do in the run up to the 2009 United Nations Climate **Change Conference in Copenhagen?**

I think that what might be different is that we have seen more things happen in the real world around us. In that sense, there are more governments today who realise that something has to be done. I recently went to the Philippines, and saw an issue we have not even heard about in Europe. Some days in August, 80 per cent of Manila was flooded. It's a city of 20 Million people. In 20 per cent of the city, the water was more than 2 metres deep. We are talking about millions and millions of people living there. They say, "What used to happen every 30 years now happens every year." It's just one example, but I think that governments are increasingly starting to think "Wow – business as usual is costing us a lot. Maybe we should engage a bit more in finding an international framework, and engage in finding our own solutions."

So, no, it's not easier now than it was in Copenhagen. But I think the world community also knows that since they set a new deadline, and since they actually promised the citizens of the world that they would keep the changes in global temperatures below 2 degrees, if they miss this deadline once again, how much credibility will be left?

In order to work, does EU climate change policy need to meet both the demands of Europeans and those outside the EU?

I just think that's the reality. But that does not mean that we would not in any case have a special responsibility because we contributed to the problem – that goes without saying. I'm just saying it's not just about "Oh we should give that to others." No, if we are smart we can improve our own macroeconomics. We can actually create jobs here in this sector, more so than in many other sectors. There are some co-benefits. Maybe that would also help globally. If we were not always talking about climate change as 'who must take what burden' but rather 'who will have what kind of opportunity'.

Say you got into an elevator with 3 people and they are all climate deniers. How would you use those 25 seconds? Would you not bother to speak with them? Would you try to convert them?

I'm not sure I would think I could persuade them. But I think that people like that should think about the fact that when my grandmother was born, in 1901, there were about 1 Billion people on planet earth. My children will be living in a world with 9 to 10 Billion people. Even if you don't accept the climate science – which I think is odd – wouldn't you agree we need to be more energy and resource efficient? Wouldn't you agree that doing so would be a wise strategy for the 21st Century?

Do you think climate change is a message that can reach European sceptics as well? Not necessarily sceptics about climate change, sceptics about Europe?

When we carry out opinion polls, we can see that when many citizens in Europe think of one area where it makes sense for Europe to work together more, they think about climate, energy, and the environment. Some of the more sceptical Europeans might believe that there are areas where the EU should not interfere, but climate, energy, and the environment would very rarely be among those areas. Many people think that makes a lot of sense. We cannot maintain our energy policy within our national borders. It makes a lot of sense to have a European climate and energy policy, and that's what we are trying to create.

If you look at the international energy report on climate change, 70 per cent of coal reserves should remain unused, and 20 per cent of oil and gas should be unused. So enormous is the problem, they say, we need to avoid using these resources. And yet you've got all these huge multinationals whose shareholders demand use. Is there some part of you that sometimes thinks the task is impossible?

No because then I would not be here. I still tend to believe that somehow mankind is often very, very, very slow to find the right solution. But when are on the brink of something really bad happening, then sometimes we get it right. I can sit and think about how slow everything is.

But then I can look back 5 or 10 years ago. Where were we? We did not have 80 or 90 countries around the planet with their own climate strategies. We did not have a European System for 2020 – and now we are working on 2030. We did not have the CEOs of 500 of the biggest companies caring about their climate strategies. We did not have thousands and thousands of mayors wondering about their own city's contribution and response. Yes, I think things are moving too slowly, but they are moving. If I had told you 5 years ago that China would now introduce a market

based emissions trading system, you would have said "Dream On." They are doing it now. Korea has adopted one, California is doing it. Things are moving in the right direction, although too slowly.

Paint a picture for me of the world in 2050. What's that world going to look like in your opinion?

It depends upon whether we get it right now. It can be an extremely unstable world, with a lot of security implications, huge immigration, and all the consequences. Or we could have started acting on the scale we need in time, so that we actually have more resources and an energy efficient way of creating the growth we needed. Cleaner air, cleaner water, a lot of co-benefits could come with appropriate action. I am a Danish Conservative, so I'm not one to paint a paradise, and to say we can act now and have no problems in 2050 – of course we will still have problems. But I think we have a choice: We can define a bleak picture of 2050, or we can create a world in which the types of challenges we will face could be more normal.

What are the odds that we get it right?

I'm not going to put a figure on that. But if we can move on as we have done over the last 5 or 10 years, and finally start to get our act together and get the economic community to join this effort – and that is a new development – then I believe that certainly we could achieve action and escape that bleak picture.



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This article is part of our series on the Dahrendorf Symposium, which will be held in Berlin on 14-15 November 2013

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Connie Hedegaard is the European Commissioner for Climate Action. She was previously Minister for Climate and Energy in the Danish government, and was President of the United Nations Climate Change Conference in Copenhagen in 2009.

