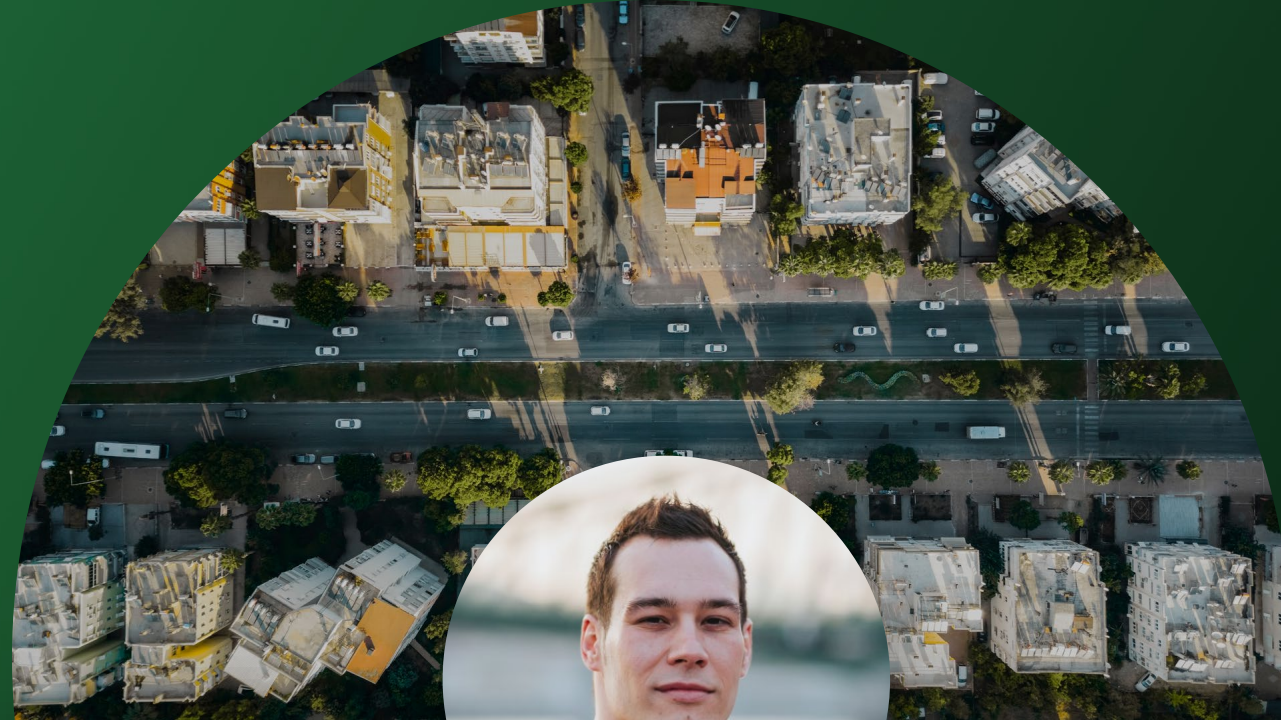


How can interdisciplinary research drive environmentally effective and politically acceptable climate policies?



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Why integrate approaches?

Puzzle and Solution

Mainstream Economics:

Carbon pricing is considered the most cost-effective solution to the climate crisis

It is an unpopular policy (regressive effects, competitiveness issues).

Political scientists advocate more feasible solutions (green subsidies, nudges, etc.)

Carbon pricing is elegant and efficient in theory - the resistance is hard to comprehend. Vs. Carbon pricing is unpopular - commitment to it is hard to understand

Use insights from political science and economics to implement effective and feasible carbon pricing: Address distributional impacts and social perceptions.

Key findings



Compensating social groups affected by the higher price of carbon is important, even in highly developed countries,



The best policy approach to gain political support is to pair compensation with climate projects funded by carbon tax proceeds.



In contexts of high income inequality or fossil fuel reliance, how carbon tax revenue is used significantly impacts climate policy adoption.



Using carbon pricing revenue for multiple purposes can help gain public acceptance, address negative impacts on certain groups, and contribute to fighting climate change.

Future steps and impact





What should we do next?

We need to figure out which kinds of **compensation work best to protect people** and get the public on board with the rising costs of fighting climate change.

Let's identify climate projects that **help local businesses stay competitive and transition to cleaner practices**, which can also reduce their political resistance and accelerate their climate action.



STEPS TOWARDS TRANSDISCIPLINARY WORK



The future of political economy research on climate policy development



Research can provide insights into addressing energy challenges and mitigating negative effects of climate action.

Policies have to be scientifically grounded and perceived as just, otherwise they risk rejection or even backlash.' Social sciences play an indispensable role in addressing social concerns, but they must be co-created with affected social groups through co-creation.

Thank you