## Governing the Unmanageable – The Political Economy of Global Commons

Pre-conference Event of the 28th Annual EAERE Conference

### **Governing the Unmanageable – The Political Economy of Global Commons**

Organized by PIK - Potsdam Institute for Climate Impact Research, Germany

Cyprus University of Technology, <u>Tassos Papadopoulos Building</u>, Room no. 6, 2nd floor Themidos 1 (Themidos and Ifigenias Corner), Limassol 3036, Cyprus

26-27 June 2023

Elinor Ostrom outlines how communities have been successful in managing local commons. On the global level, William D. Nordhaus argues that managing global commons requires global cooperation between nation states, which is at best insufficient thus far. To inform the design of mechanisms for successfully managing global commons, we need to understand the relevant actors and institutions, their capacities and constraints, as well as power structures and dynamics — at different governance levels. We also need to learn about effective national and international policies that can foster cooperation and enhance welfare, as well as the determinants of how they can become politically acceptable.

In this workshop, we aim to make progress in addressing these topics by highlighting the importance of (1) political economy realities and barriers to transformation, (2) welfare-theoretic and empirical approaches to inclusive wealth measurement, (3) political economy approaches to international cooperation, e.g. climate cooperation, and (4) recent advances in machine learning to improve policy evaluation and identify high-impact policy interventions that enhance social welfare.

The workshop is organised within the framework of the FutureLab CERES, a research project based at the Potsdam Institute for Climate Impact Research, Germany.

### **About CERES**

In January 2022, the FutureLab "CERES: Political Economy for Inclusive Wealth Governance and Sustainability" was established as a new research group at the Potsdam Institute for Climate Impact Research, Germany. Its key research agenda focuses on how states can contribute to a fair and sustainable management of the global commons. The FutureLab is led by Prof. Ottmar Edenhofer.

Further information on CERES can be found on the <u>PIK website</u>. The FutureLab CERES is funded by the Werner Siemens Foundation.





### Programme – Day 1

### Monday, June 26

Cyprus University of Technology, <u>Tassos Papadopoulos Building</u>, Room no. 6, 2nd floor

10:30 - 11:00	Registration
11:00 - 12:15	Opening session
11:00 - 11:05	Welcome by the organizers
11:05 - 11:30	Governing the Unmanageable – The Political Economy of Global Commons
11:30 - 11:55	Ottmar Edenhofer (Potsdam Institute for Climate Impact Research/MCC Berlin) International Cooperation in the Shadow of Anarchy Alexander Lee (University of Rochester)
11:55 - 12:15	Discussion – Moderator: Ulrike Kornek
12:15 - 14:00	Lunch
14:00 - 15:30	Session 1: Political Economy Realities and Barriers to Transformation
14:00 - 14:20	Why we Need to Understand the National Political Economy to Manage Global Commons. The Case of Coal
14:20 - 14:40	Jan Steckel (MCC Berlin/BTU Cottbus)  Measuring Feasibility of Climate Mitigation and Energy Transitions
14.20 14.40	Jessica Jewell (University of Bergen)
14:40 - 15:00	Lessons Learned from Development Cooperation and Narrative Economics Kai Gehring (University of Bern)
15:00 - 15:30	Discussion – Moderator: Charlotte Bez
15:30 - 16:00	Coffee Break
16:00 - 17:30	Session 2: Inclusive Wealth: Welfare Theoretic Foundations and Measurement
16:00 - 16:20	To Be or not to Be: The Social Cost of Carbon with Endogenous Extinction Risk
45.20, 45.40	Matthias Kalkuhl (MCC Berlin/University of Potsdam)
16:20 - 16:40	Prices and Fairness in Measuring Inclusive Wealth Ben Groom (University of Exeter)
16:40 - 17:00	Funding Global Public Good Institutions via Carbon Pricing for Aviation (and
	Maritime Shipping) – A Comparison of Three Proposed Club Mechanisms
17:00 - 17:30	Lennart Stern (Potsdam Institute for Climate Impact Research) <b>Discussion</b> – Moderator: Charlotte Plinke
18:00	Dinner Reception at Berengaria Ballroom, Queen Berengaria 1/11
	Limassol 3042, Cyprus

### Programme – Day 2

### Tuesday, June 27

Cyprus University of Technology, <u>Tassos Papadopoulos Building</u>, Room no. 6, 2nd floor

08:30 - 09:00	Registration
09:00 - 10:30	Session 3:
	Multilateralism under Pressure: Free-Riding, Global Inequality and Rival Governance Systems
	<u>Governance systems</u>
09:00 - 09:20	Understanding Climate Cooperation Gridlock  Ulrike Kornek (University of Kiel)
09:20 - 09:40	Post-Paris International Climate Policy
09:40 - 10:00	Christian Flachsland (Hertie School Berlin)  Behavioral and Strategic Roadblocks of Climate Cooperation
09:40 - 10:00	Alessandro Tavoni (University of Bologna)
10:00 - 10:30	Discussion – Moderator: Anwesha Banerjee
10:30 - 11:00	Coffee Break
10.30 - 11.00	Collee Bleak
11:00 - 12:30	Session 4:
	Machine Learning for Policy Learning
11:00 - 11:20	Machine Learning for Reverse Causal Evaluation of Climate Policies
44.00.44.40	Nicolas Koch (MCC Berlin)
11:20 - 11:40	Using Machine Learning to Target Treatment: The Case of Household Energy Use
	Samuel Stolper (University of Michigan)
11:40 - 12:00	Energy Efficiency Can Deliver for Climate Policy: Evidence from Machine
	Learning-Based Targeting Mateus Souza (Charles III University of Madrid)
12:00 - 12:30	Discussion – Moderator: Annika Stechemesser
12:30 - 14:00	Lunch
14:00 - 15:30	Closing Session:
	Current Research Gaps and Broad Political Economy Dynamics of the Present and the Future
	Panel discussion with Ottmar Edenhofer, Jessica Jewell, Ben Groom,
	Alessandro Tavoni and Mateus Souza
	Moderator: Ulrike Kornek

### **Speaker**

- Ottmar Edenhofer is Director and Chief Economist of the Potsdam Institute for Climate Impact Research and Director of the Mercator Research Institute on Global Commons and Climate Change (MCC) and Professor for Climate Economics and Public Policy at the Technical University of Berlin.
- Alexander Lee is Associate Professor of Political Science at the University of Rochester.
- Jan Steckel is Professor of Climate and Development Economics at BTU Cottbus and heads the working group Climate and Development at MCC.
- Jessica Jewell is Professor at the Centre for Climate and Energy Transformation at the University of Bergen and an Associate Professor in Energy Transitions at Chalmers University.
- **Kai Gehring** is Professor for Political Economy and Sustainable Development at the University of Bern.
- **Matthias Kalkuhl** is Professor on Climate Change, Development and Economic Growth at the University of Potsdam and head of the working group Economic Growth and Human Development at MCC.
- **Ben Groom** is a Professor of Biodiversity Economics at the University of Exeter.
- **Lennart Stern** is a postdoctoral researcher at the Potsdam Institute for Climate Impact Research.
- **Ulrike Kornek** is Professor for Environmental and Resource Economics at the University of Kiel.
- Christian Flachsland is Professor of Sustainability at the Hertie School and Director of the School's Centre for Sustainability.
- Alessandro Tavoni is Professor of Economics at the Univerity of Bologna.
- **Nicolas Koch** is head of the Policy Evaluation Lab and a senior researcher in the working group Sustainable Resource Management and Global Change at MCC.
- **Samuel Stolper** is an environmental and energy economist at the University of Michigan.
- Mateus Souza is a postdoctoral researcher at the Charles III University of Madrid, working on energy and environmental economics.

# Google Maps

# CUT Tassos Papadopoulos Building, Themidos 1, Limassol, Cyprus to Richard & Berengaria Ballrooms, Queen Berengaria 1/11, Limassol 3042, Cyprus

Walk 800 m, 10 min

Evening Reception: Monday 26th June 2023, 6 pm, Berengaria Ballroom, Queen Berengaria 1/11, Limassol 3042, Cyprus Workshop Venue: CUT Tassos Papadopoulos Building, Themidos 1, Limassol, Cyprus

