

## Remarks on Jessica Green's *Existential Politics*

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It is a pleasure to read and discuss Jessica Green's timely and provocative book, *Existential Politics: Why Global Climate Institutions are Failing and How to Fix Them* (Princeton University Press), at the 2025 American Political Science Association's annual convening.

*Existential Politics* draws clear battle lines. Fossil fuel asset owners are the primary barrier to climate action. In Green's analysis, political strategies that don't acknowledge the obstructionist role of fossil asset owners are bound to fail.

Green deploys and extends the "asset revaluation" framework, which she developed with Jeff Colgan and Thomas Hale, to critique prevailing global climate governance.<sup>2</sup> She contends that the prominent description of climate change as a collective action problem has led policymakers to narrowly focus on "managing tons" of carbon dioxide. These technocratic solutions are prone to regulatory capture, provoke public backlash, and—above all else—leave intact the economic basis of fossil fuel asset owners' political power.

With exacting detail, Green shows how multilateral climate governance's primary tools for "managing tons"—carbon pricing and offsets—have sputtered. What role, then, is there for global climate institutions? The solution will not be found in the UNFCCC circus, Green argues.

Reformers should, instead, focus on international economic institutions, which have the potential to strike at the heart of the problem by devaluing fossil fuel assets. Internationally, Green proposes curtailing offshore tax havens and removing certain property rights protections for multinational fossil fuel companies. Recognizing that existing institutions like the UNFCCC aren't going away despite their faults, Green says they should be reformed, such as by permitting only permanent carbon offsets.

Domestically, Green advocates for industrial policy promoting low-carbon technologies, as seen with the short-lived Inflation Reduction Act (IRA) in the United States and the Green New Deal in the European Union.

*Existential Politics* cuts through the noise and clearly names the problem: fossil fuel asset owners. There is virtue in this clarity. It is only with a coherent understanding of the problem that we can find lasting solutions.

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<sup>2</sup> Jeff Colgan, Thomas Hale, and Jessica Green, 2021, "Asset Revaluation and the Existential Politics of Climate Change," *International Organization* 75(2): 586-610.

The remainder of this commentary elaborates three points that challenge, reinforce, and extend the ideas in Green's excellent book.

### **From Strategy to Tactics**

The military theorist Carl von Clausewitz makes a distinction between strategy and tactics that I find useful for thinking about how to apply the asset revaluation framework. In war, tactics are about winning individual battles, which raises questions of how to deploy troops, maneuver them, and achieve victory in a specific clash. Strategy is about winning the war as a whole, which involves deciding which battles to fight, when to retreat, and how military actions serve overarching goals.<sup>3</sup>

Asset revaluation, in my reading, is about strategy. It provides a parsimonious framework for understanding how to decarbonize the economy. Devalue fossil fuel assets and create new green asset owners.

However, there are two tactical questions to meditate on. First, if fossil fuel asset owners are rational and forward-looking, they will anticipate the consequence of such reforms, even ingenious ones imagined by Green, and oppose them. While it is possible, as Leah Stokes shows, that incumbent groups can fail to foresee the consequences of novel reforms, these groups often strike back with a vengeance to derail and retrench climate policy.<sup>4</sup>

Second, if green groups don't currently exist with sufficient power to enact the policies proposed in *Existential Politics*, what will be the political basis for these reforms?

These questions highlight the need for scholars to understand the tactics of reform. This task involves concrete questions, such as how does climate change emerges as a political problem? How can an initial constituency lay the groundwork for policies that shift the balance of fossil and green asset owners.

Researchers need not start from scratch. Past scholarship suggests that the answer likely involves some combination of social movements setting the agenda,<sup>5</sup> exogenous shocks such as energy crises,<sup>6</sup> and mobilization by concerned voters and leaders as climate change's harms increasingly manifest.<sup>7</sup> Asset revaluation provides the strategy. What we need now are the tactics.

### **Start with Domestic Politics**

While Green offers sensible reforms to global climate institutions, I argue that more progress can

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<sup>3</sup> Carl von Clausewitz, 1989, *On War*, ed. Michael Howard and Peter Paret, Princeton University Press.

<sup>4</sup> Leah C. Stokes, 2020, *Short Circuiting Policy: Interest Groups and the Battle Over Clean Energy and Climate Policy in the American States*, Oxford University Press.

<sup>5</sup> Theda Skocpol, 2013, "Naming the Problem: What It Will Take to Counter Extremism and Engage Americans in the Fight against Global Warming," Symposium on The Politics of America's Fight Against Global Warming.

<sup>6</sup> Meckling et al., 2022, "Why nations lead or lag in energy transitions," *Science* 378(6615): 31-33.

<sup>7</sup> Gazmararian and Milner, 2026, *Fault Lines: The New Political Economy of a Warming World*, Princeton University Press.

be unlocked if policymakers focus their energy at the domestic level. For this reason, the book's "green industrial policy" approach is, in my view, one of the most promising proposals.

I further contend that industrial policy is the only reform in the book that passes the following political economy test: create concentrated benefits and diffuse costs.

First, consider curtailing offshore tax havens. It's true that there has been some multilateral progress on this issue, but this strategy entails taking on all multinational corporations instead of dividing and conquering the fossil fuel companies. More importantly, while this reform leans into populist messaging of punishing corporate tax cheats, the actual political economy is less advantageous than it initially appears. International tax reform has concentrated costs and diffuse benefits, which favors incumbent interest groups.

The other idea to reform investor-state dispute settlement mechanisms could also be valuable, but it's unclear who the political constituency is that would push this policy. Again, it falls prey to the problem of concentrated costs and diffuse benefits, a situation ripe for regulatory capture.

Industrial policy, by contrast, creates concentrated beneficiaries while imposing only diffuse costs, as Green explains. It is the most direct way to create new interest groups that support decarbonization. Countries must first build climate coalitions at home to then have a stronger political basis for reforming global climate institutions.

With the IRA's fate in jeopardy, an essential question for political scientists is how to make green industrial policy reforms work in practice.<sup>8</sup> *Existential Politics* underscores this necessity.

### **Rehabilitating Collective Action**

*Existential Politics* makes a forceful case that the collective action problem has profoundly misled policymakers. Green writes, for example, that "governments have misdiagnosed the political problem of climate change as a collective action problem of emissions reductions among states rather than an asset revaluation problem among firms" (p. 21). This broadside against collective action echoes recent critiques that call for a more sustained focus on domestic distributive politics.<sup>9</sup>

As reflected in my own research, I am sympathetic to the need to foreground distributive politics as one of the fundamental barriers to climate action.<sup>10</sup>

However, I would like to push back against this recent trend to dismiss the utility of the market

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<sup>8</sup> Alexander F. Gazmararian, Nathan Jensen, and Dustin Tingley, 2025, "Why Clean Energy Investments Did Not Create New Political Constituencies," Working Paper, <https://www.alexgaz.org/files/Credit.pdf>.

<sup>9</sup> Michaël Aklin and Matto Mildemberger, 2020, "Prisoners of the Wrong Dilemma: Why Distributive Conflict, Not Collective Action, Characterizes the Politics of Climate Change," *Global Environmental Politics* 20(4): 4-27.

<sup>10</sup> Alexander F. Gazmararian and Dustin Tingley, 2023, *Uncertain Futures: How to Unlock the Climate Impasse*, Cambridge University Press; Gazmararian and Tingley, "The Political Economy of the Clean Energy Transition," *Annual Review of Political Science* Forthcoming.

failure lens—even as I agree that this framing shouldn’t guide political strategy.<sup>11</sup>

There is a global pollution externality, which means that without international institutions, any mitigation will necessarily be less than the social optimum. Consider a world where fossil fuel companies were willing to sacrifice their profits for the greater good. Mitigation still isn’t free, so if the individualized costs of cutting carbon pollution outweigh the anticipated net-benefits, the world would still fall short of solving global warming because of free-riding.

I still agree with Green’s diagnosis and that of other scholars, such as David Victor, that a globally binding treaty should not be the starting point.<sup>12</sup> However, it can simultaneously be true that the underlying structure of climate change is a global externality *and* that reformers would be prudent to begin by tackling domestic distributive barriers.

This matters because asset revaluation will likely happen unevenly across the world. Some jurisdictions will want to push further to mitigate climate change while others defend the status quo. In this context, the collective action framework is helpful for thinking about how green leaders can induce recalcitrant states to mitigate carbon pollution, such as through trade barriers. While Green isn’t optimistic about carbon tariffs like the ones proposed by the EU, I argue they need to be critically examined because they could be powerful tools for decarbonization in a world with patchwork mitigation efforts.

Finally, much of the discussion focuses on climate change’s pollution externality, but there is another market failure: knowledge externalities. Firms don’t have incentives to innovate green technologies because they internalize the risk while the benefits are widely shared.<sup>13</sup>

This underappreciated market failure matters for two reasons. First, it offers an additional explanation for why carbon pricing alone has failed to accelerate decarbonization. The social cost of carbon isn’t the same as the optimal price to incentivize innovation. Second, it helps reconcile economic and political science policy recommendations via industrial policy.

To summarize, rather than demonstrating the irrelevance of collective action, I read *Existential Politics* as showing how domestic distributive politics barriers dominate free-riding considerations. The “mental model” that Green proposes is the right political approach to start tackling the climate problem, but we should not forget the underlying structure of the problem. A stable climate is a global public good.

## Conclusion

Green reframes climate politics around an existential distributive conflict—and that clarity is

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<sup>11</sup> Also see Amanda Kennard and Keith Schnakenberg, 2023, “Global Climate Policy and Collective Action: A Comment,” *Global Environmental Politics* 23(1).

<sup>12</sup> David G. Victor, 2011, *Global Warming Gridlock: Creating More Effective Strategies for Protecting the Planet*, Cambridge University Press.

<sup>13</sup> Adam B. Jaffe, Richard G. Newell, and Robert N. Stavins, 2005, “A tale of two market failures: Technology and environmental policy,” *Ecological Economics* 54(2-3): 164-174.

invaluable. My comments have highlighted three extensions: we need tactical theories of how reform coalitions form, we must prioritize domestic coalition-building before global redesign, and we shouldn't discard the collective action lens even as we center distributive politics.

Together, these insights underscore that solving climate change requires not only institutional redesign but also political imagination: strategies to shift power, build constituencies, and turn ambitious reforms into reality.