

A Sustainable Union

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Support for global redistribution

International surveys with a focus on the West

Global survey (02/2021–02/2022) by [Dechezleprêtre et al. \(2022\)](#), *American Economic Review*

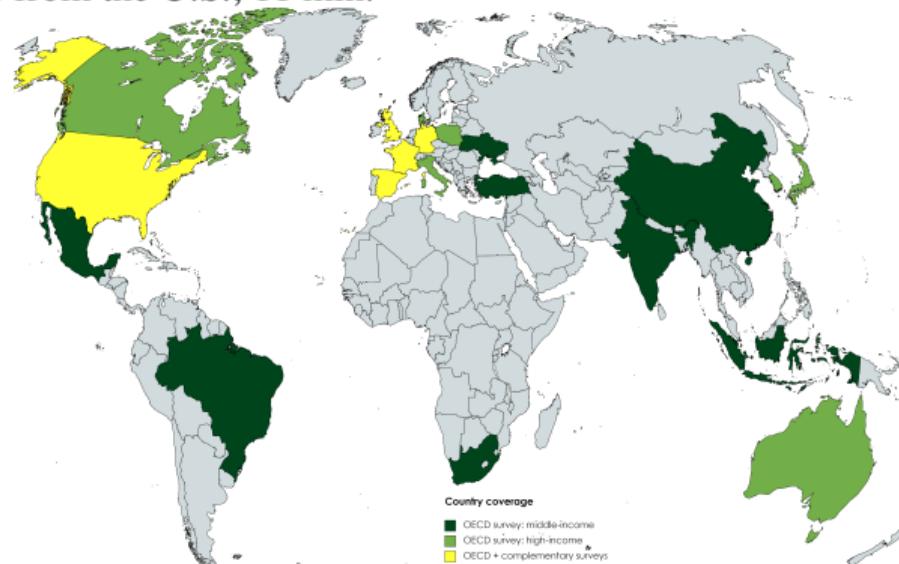
20 countries; 2,000 respondents per country; median duration: 28 min.

Complementary surveys (01–04/2023) by [Fabre, Douenne & Mattauch \(2023\)](#) – bit.ly/Fabre2023

Eu: 3,000 respondents from France, Germany, Spain, UK; 20 min.

US1: 3,000 respondents from the U.S.; 14 min.

US2: 2,000 respondents from the U.S.; 11 min.



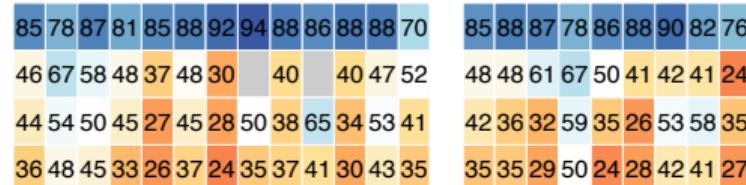
Global survey: Global policies are strongly supported.

Share of support (somewhat or strongly) for the main global policies among non-*indifferent*. ▶ Absolute ▶ National



Level at which climate policies are needed (Multiple choice question)

Global



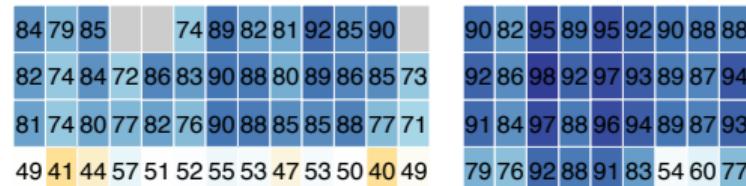
Federal/Continental

State/National

Local

Global climate policies (5-Likert scale)

Global carbon budget (+2°C) divided in tradable country shares



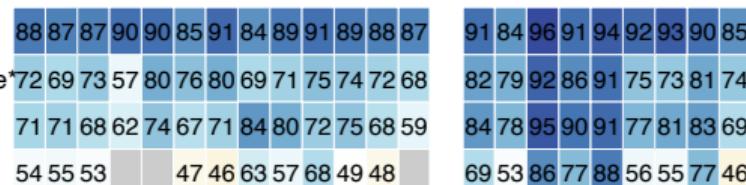
Global tax on millionaires to finance low-income countries

Global democratic assembly on climate change

Global tax on GHG financing a global basic income

Burden sharing preferences for the global carbon budget (5-Likert)

Emission share should be in proportion to population*



Countries that have emitted more since 1990 should receive a lower share*

Countries that will be hurt more by CC should receive a higher share*

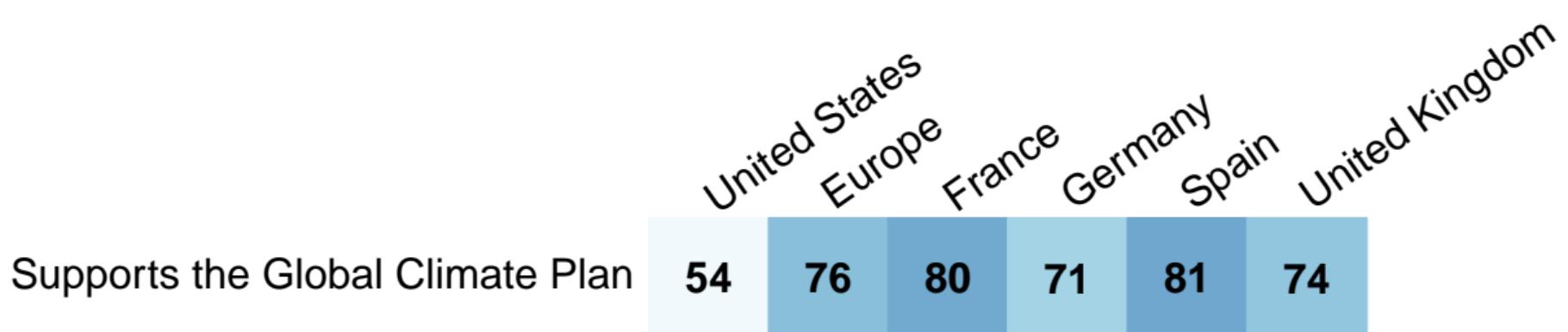
Emission share should be in proportion to current emissions

Support for the Global Climate Plan

Global Climate Plan: a global emissions trading system that would finance an equal cash transfer of \$30 per month to every human.

We specify the net costs (e.g. \$85 per month in the U.S., € per month in Germany).

Do you support...? Yes/No (Percentage of Yes) ▶ Perceptions ▶ Complementary policies ▶ By vote ▶ National policies



Support for other global policies

► Foreign aid

Do you support or oppose...? 5-Likert scale (Percentage of Support among non-Indifferent)

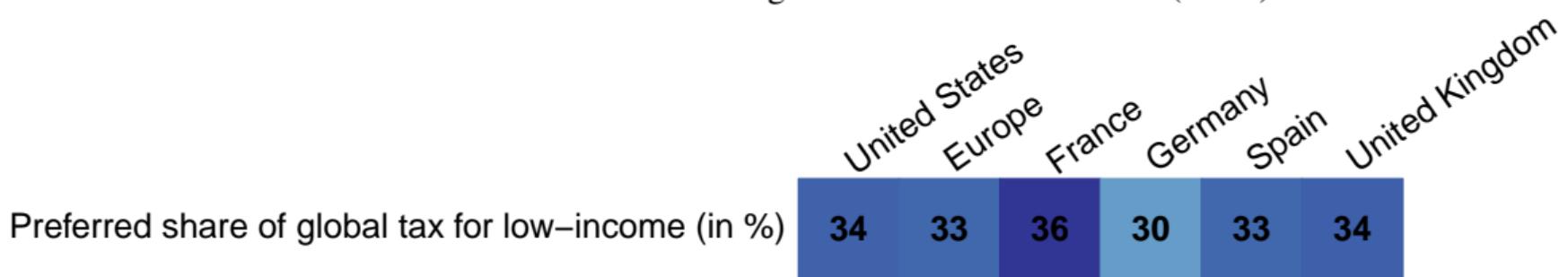
	United States	Europe	France	Germany	Spain	United Kingdom
Payments from high-income countries to compensate low-income countries for climate damages	55	71	72	70	79	70
High-income countries funding renewable energy in low-income countries	68	82	82	82	85	81
High-income countries contributing \$100 billion per year to help low-income countries adapt to climate change	60	76	77	79	79	71
Cancellation of low-income countries' public debt	46	53	53	43	62	61
Democratise international institutions (UN, IMF) by making a country's voting right proportional to its population	58	71	69	69	78	72
Removing tariffs on imports from low-income countries	62	73	58	73	80	83
A minimum wage in all countries at 50% of local median wage	63	80	80	78	81	83
Fight tax evasion by creating a global financial register to record ownership of all assets	62	87	90	86	91	87
A maximum wealth limit of \$10 billion (US) / €100 million (Eu) for each human	46	62	58	62	65	67
National tax on millionaires funding public services	73	85	81	87	89	88
Global tax on millionaires funding low-income countries	69	84	84	84	87	83

Support for a global wealth tax

► Foreign aid

We describe a global tax on wealth in excess of \$/€/£ 5 million who should get the revenues

Percent of wealth tax that should go to low-income countries (*mean*):

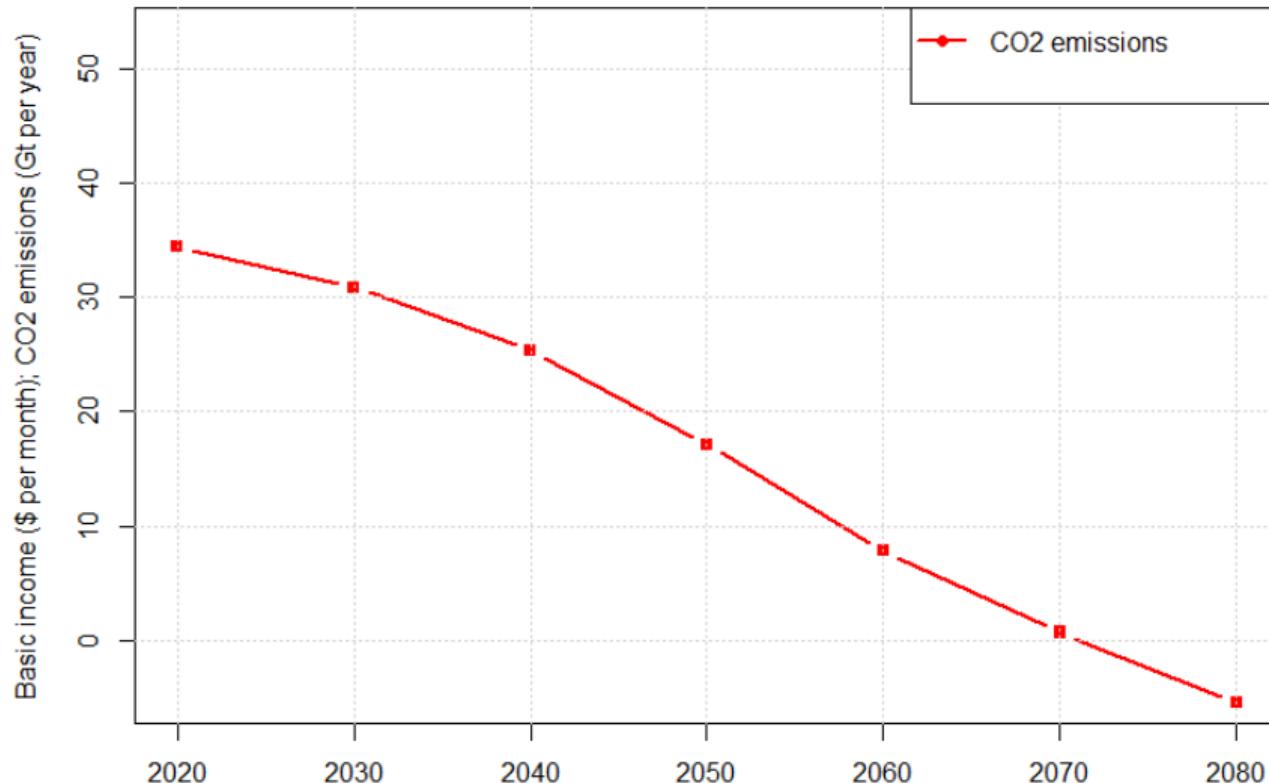


Preferred share of global tax for low-income countries (in %)

The Global Climate Plan

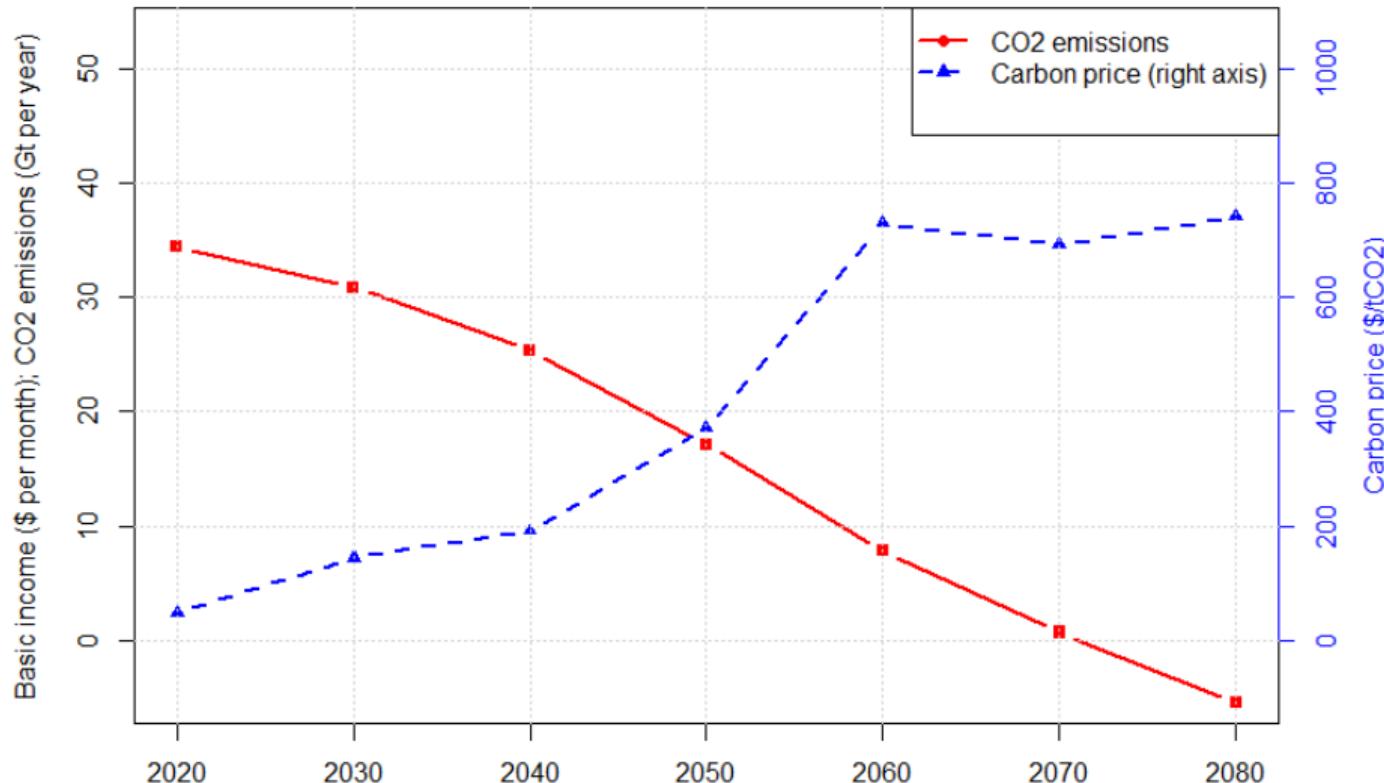
The trajectories

Global trajectories estimated for the Global Climate Plan (GCP)



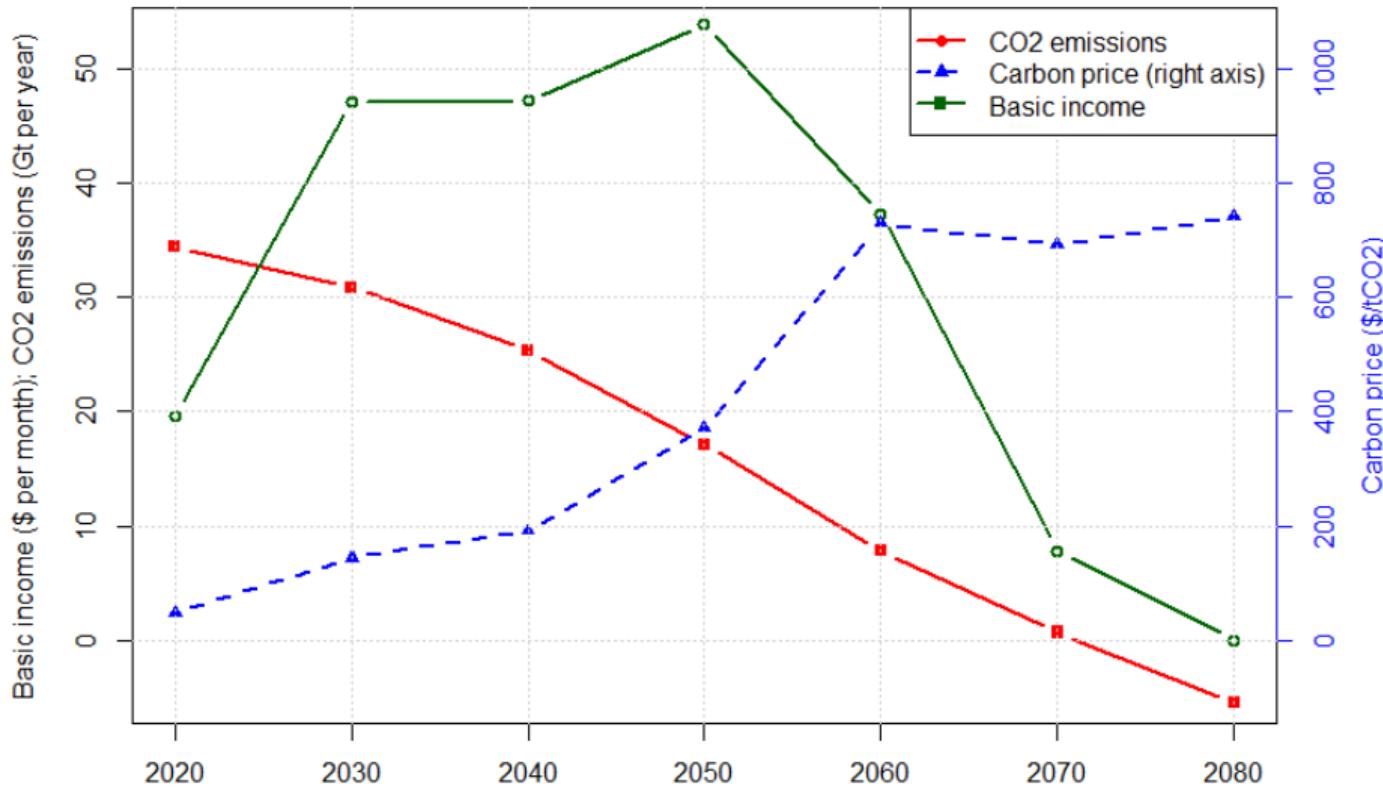
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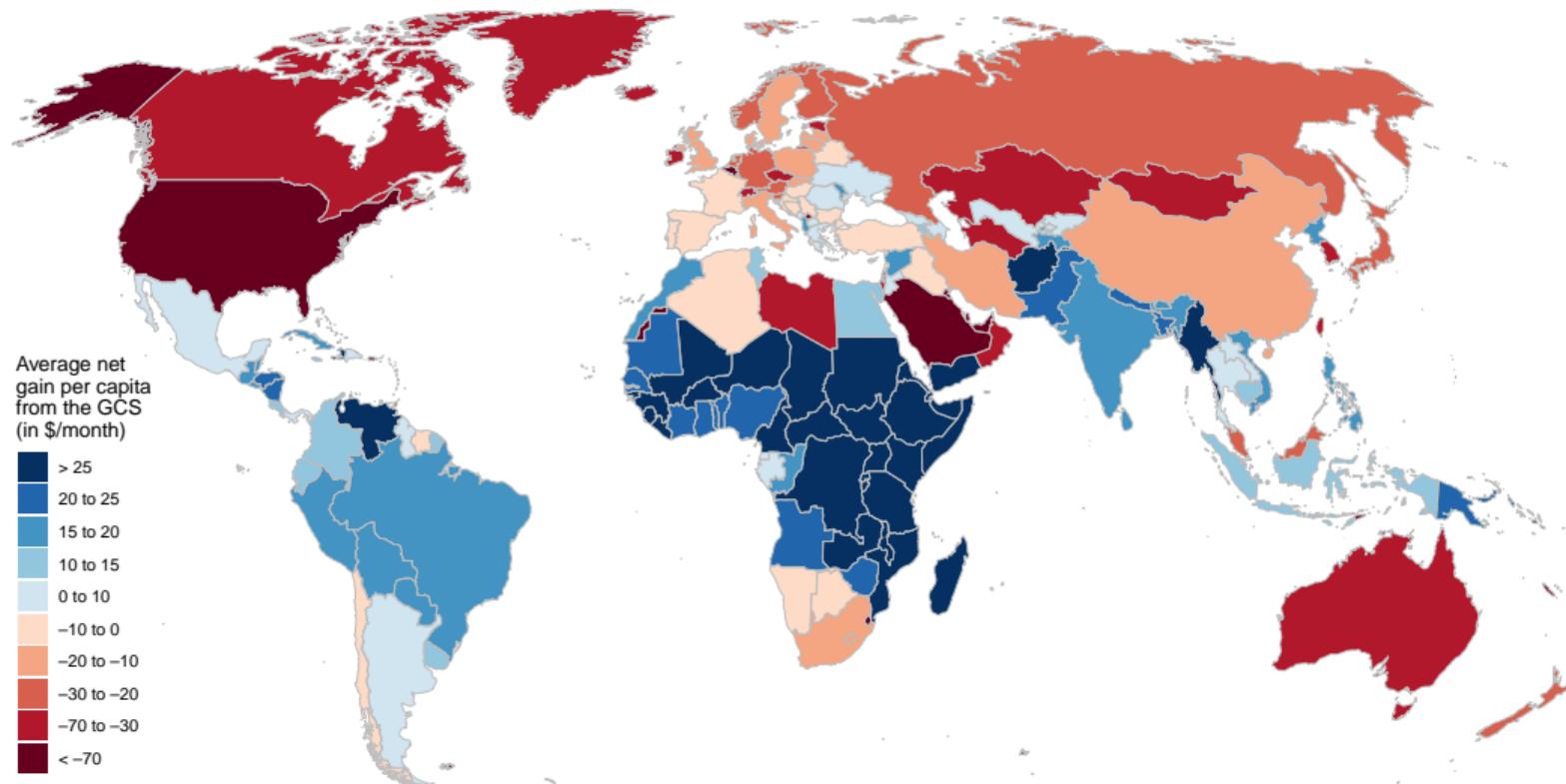
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A carbon border adjustment would prevent carbon leakage.

The unadjusted distributive effects

Distributive effects of the Global Climate Scheme in 2030.



Participation mechanisms

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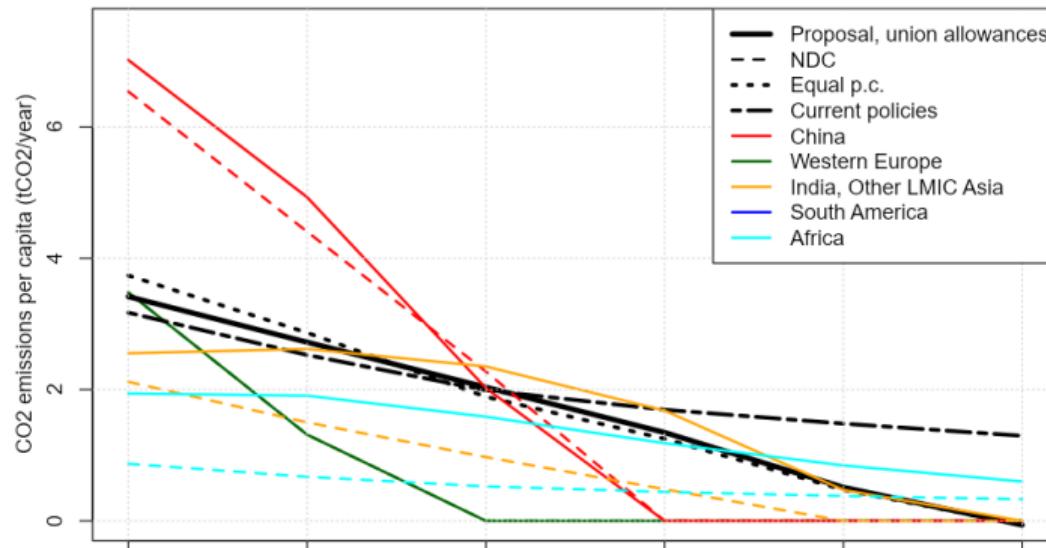
They can opt out from the carbon border adjustment.

⇒ The states of California, New York, Illinois, Massachusetts... could join.

The proposed allocation of emissions allowances

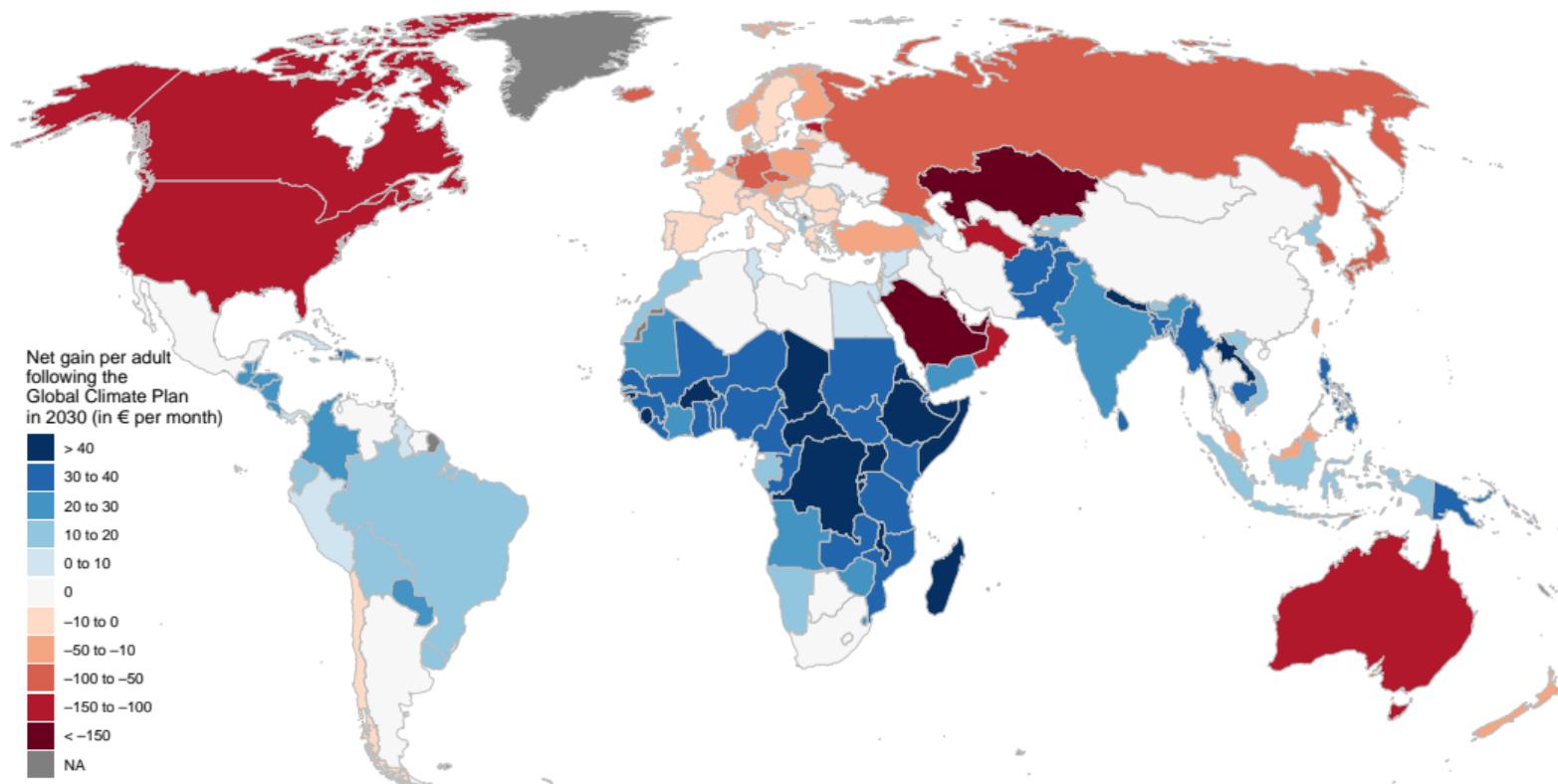
Table 1: Carbon budget over 2030–2080 (in GtCO₂)

	Africa	China	Latin America	India	Europe	Other LMIC Asia	Union	World
Equal p.c.	166	120	61	133	46	11.5	653	754
Proposal	145	154	61	133	32	115	653	754



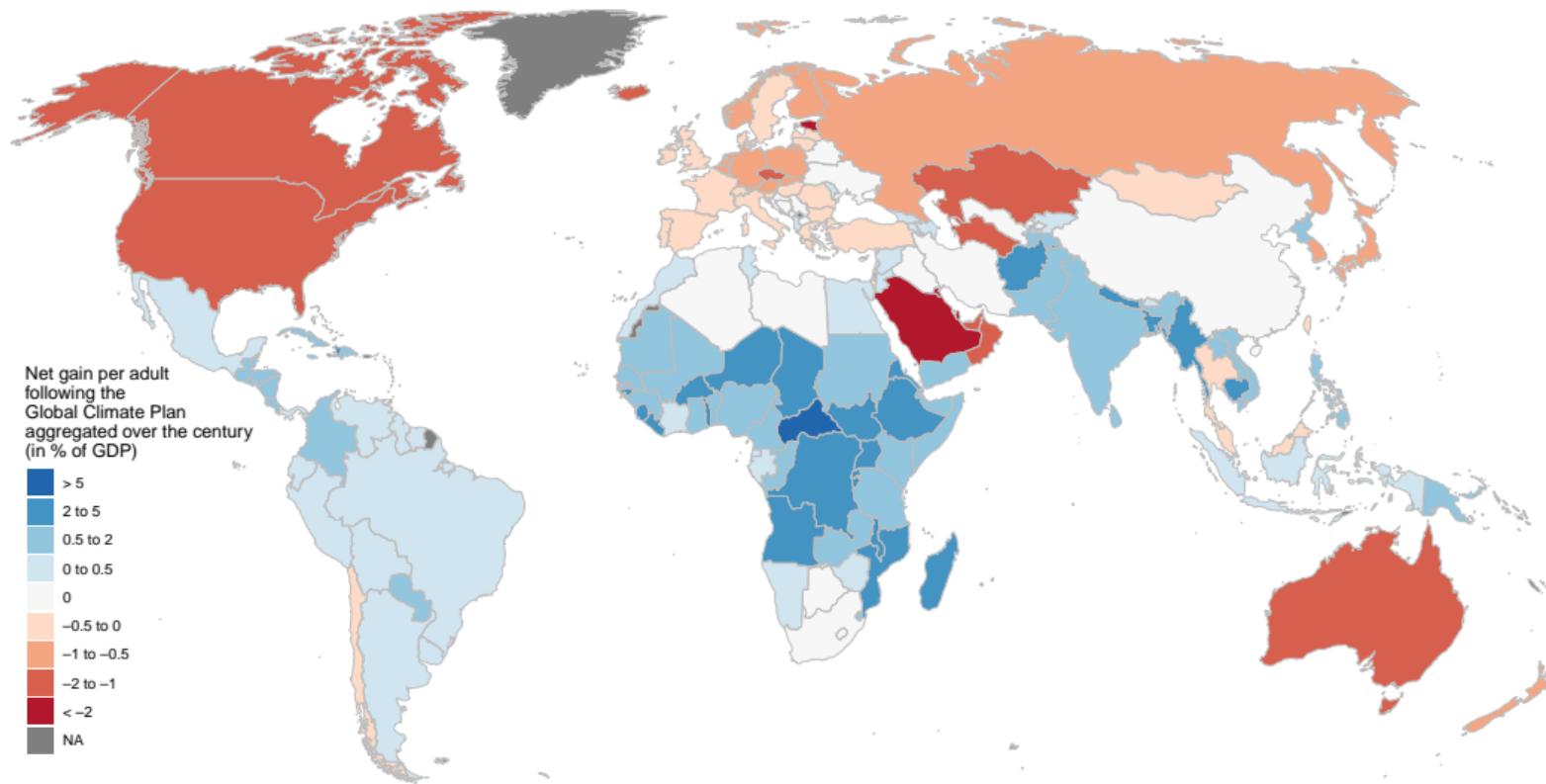
The distributive effects

Distributive effects of the Global Climate Plan in 2030. [► More maps](#)



The distributive effects

Distributive effects of the Global Climate Plan throughout the century. [► More maps](#)



Scenarios with non-universal participation

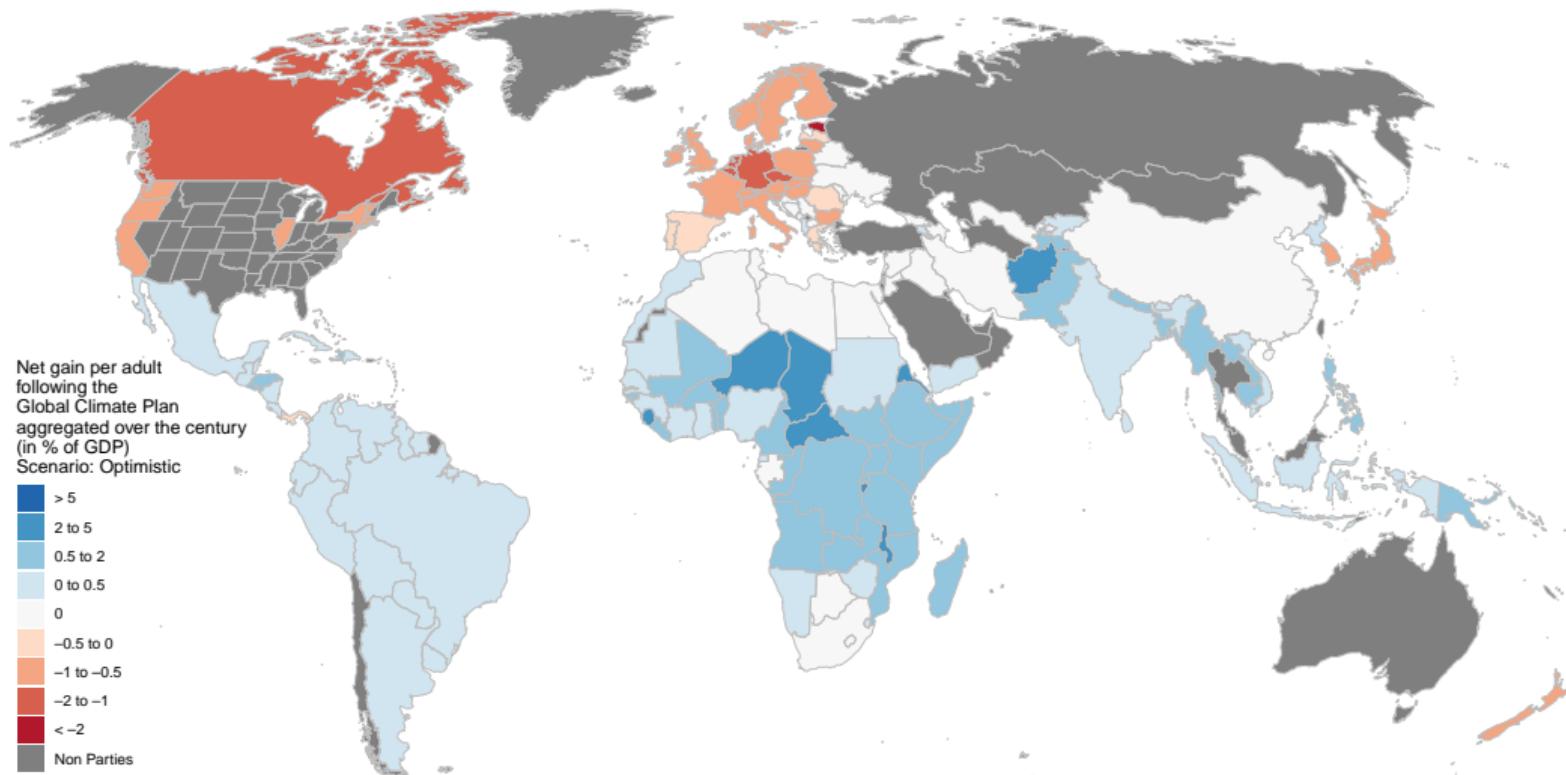
Table 2: Main features of different scenarios of climate union.

Union scenario	Emissions covered	Population covered	Basic income in 2040 (€/month)	EU loss in 2040 (share of its GDP)	Temperature increase in 2100 (in °C)
All countries	100%	100%	44	0.6%	1.8
All but OPEC	90%	97%	39	0.6%	1.9
Optimistic	74%	91%	28	0.8%	2.0
Central	67%	88%	23	0.9%	2.0
Prudent	63%	85%	20	0.9%	2.1
Africa EU	12%	23%	26	0.8%	2.5

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Optimistic scenario.

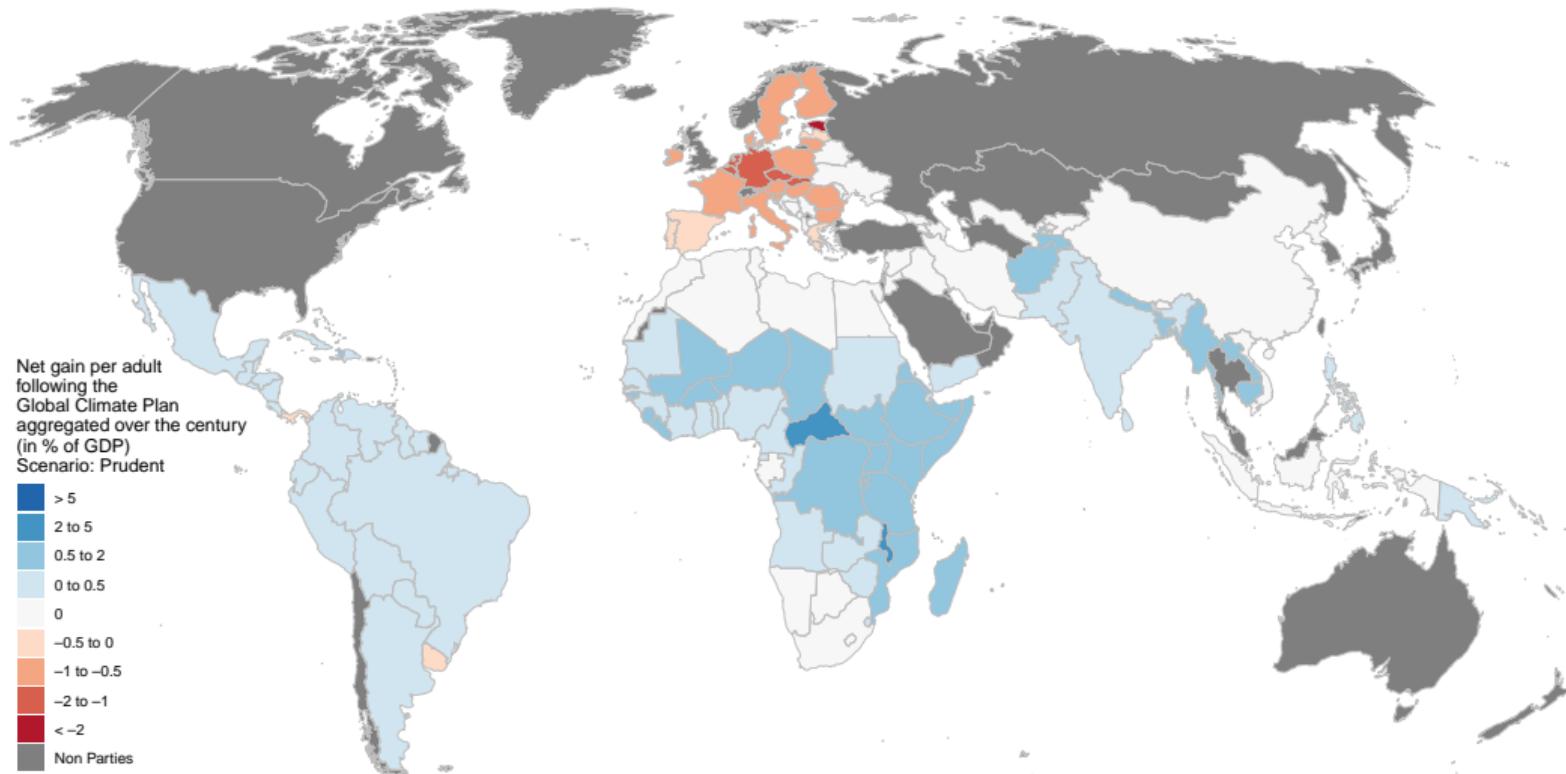
Distributive effects of the Global Climate Plan throughout the century.



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Prudent scenario.

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⇒ 1% of each country's GNI reallocated in proportion to countries' population.

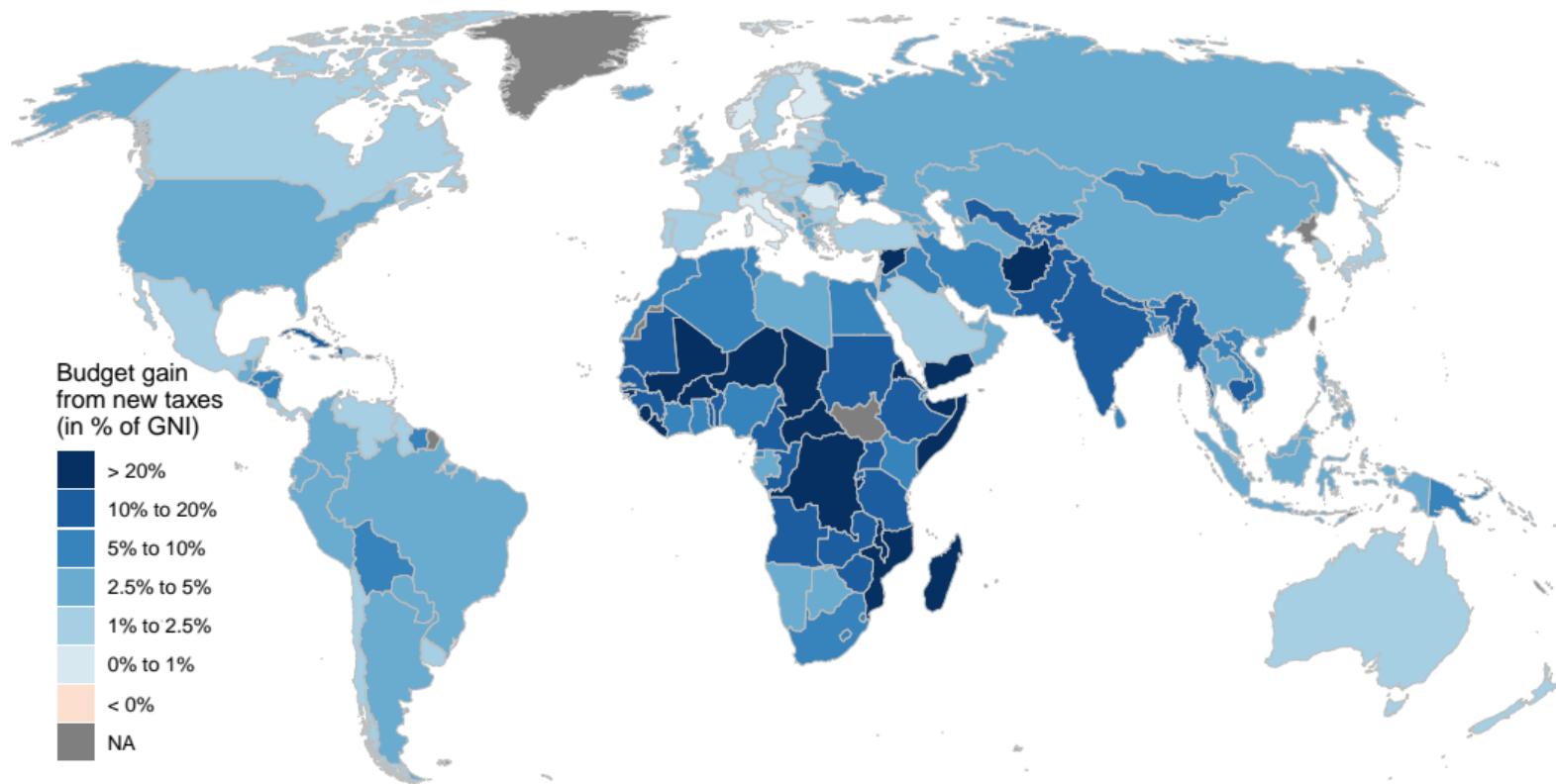
Towards an international tax system

Estimate of **revenue collected** by new global taxes (**in \$ billion per year**).

Financial Transactions Tax	Carbon price floor (10 \$/tCO ₂)	Maritime fuel levy (100 \$/tCO ₂)	Aviation fuel levy (300 \$/tCO ₂)	Corporate income tax (at 21%)	Tax on ultra-high wealth (3% above \$100M)	National wealth Tax (2% above \$5M)	Total
327	356	104	223	299	765	1,364	3,438

Towards an international tax system

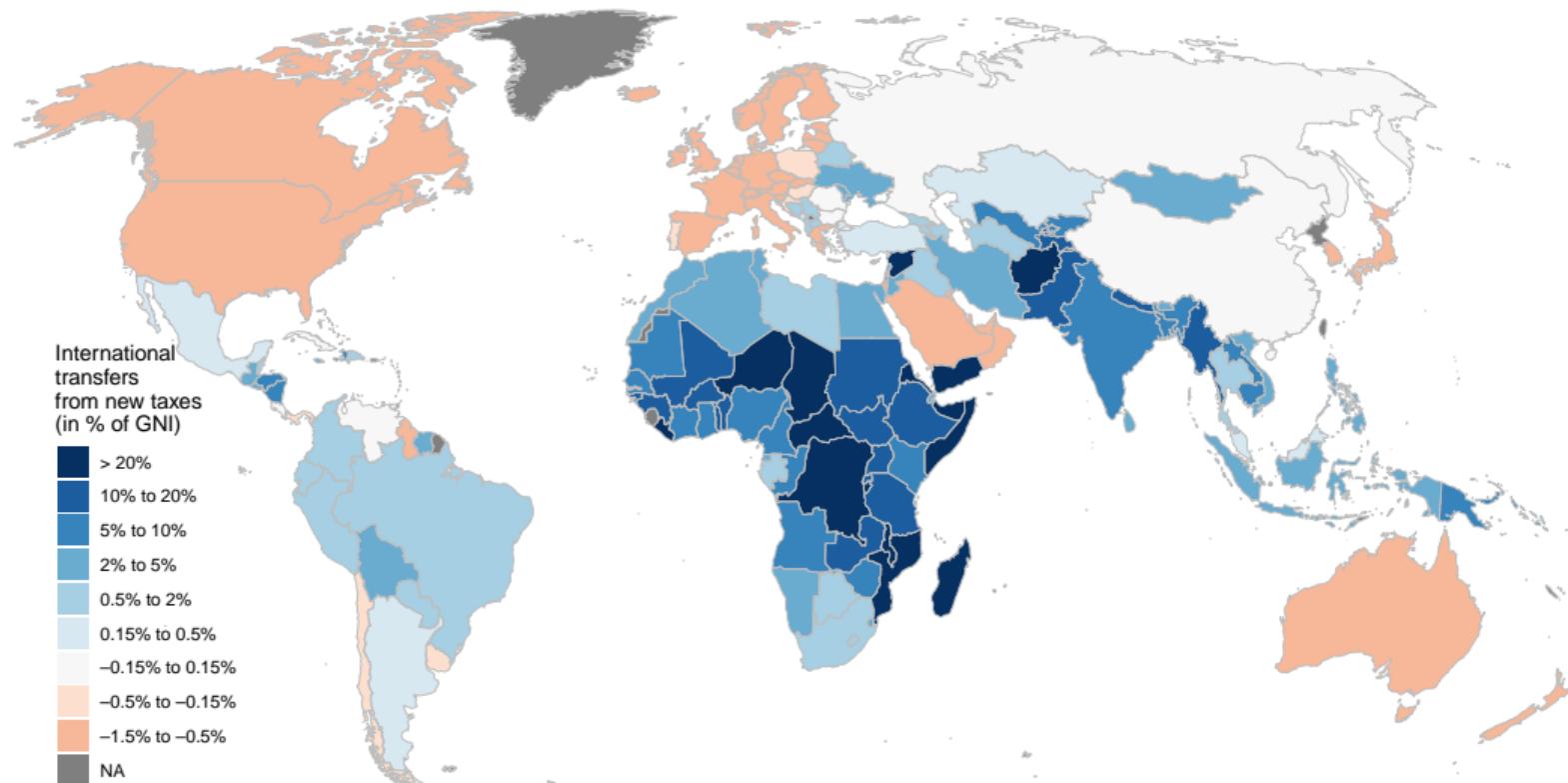
Net gain for state budgets from new taxes and transfers (revenue + net transfer): All countries' govts gain.



Towards an international tax system

International transfers to be financed by new global taxes.

The instruments proposed entail **North-South transfers of \$766 billion** per year.



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A country can condition its participation to the participation of sufficiently many others.

Key characteristics of this vision

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Embrace the consensus on **equal per capita** allocation and negotiate a **common** price or quantity target.

Break the deadlock of international negotiations by providing low-income countries with resources.

Thank you for attention!

Book (preface by Gabriel Zucman):
bit.ly/bookGCP

A GLOBAL PLAN TO END CLIMATE CHANGE AND EXTREME POVERTY

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