



Ecology and Freedom

- Outlines of a Liberal Climate Policy

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Climate change is a litmus test for liberal democracy: Will we manage the rapid transition to climate neutrality and at the same time preserve the achievements of liberal modernity - or will we slide into a new era of commandments and prohibitions and a new kind of an “ecological planned economy” that distributes scarcity as fairly as possible? Or will we move forward towards ecological modernity, the unleashing of a new scientific and technological revolution and a new synthesis of man and nature? Those who set ecology and freedom against each other will lose both in the end.

Climate change heralds the end of an era. Like a sorcerer’s apprentice, industrial modernity has set a process of global warming in motion. Since the unleashing of fossil energies, the average global temperature has risen by 1.1 degrees; we are currently moving towards 2.7 degrees by the end of this century. This would mean a dramatically changed world with precarious living conditions for billions of people.

The debate about our response to climate change has entered a new phase. The phasing out of coal, a fundamental change towards e-mobility and sustainable agriculture, greening our cities and reducing meat consumption: now it's down to the nitty-gritty. With climate change, the expansive lifestyle of modernity is also coming under criticism. The more clearly the threat to our ecological foundations of life comes to light, the louder the call becomes: "You must change your way of life!" For the advocates of a new, frugal lifestyle, climate change is the consequence of the expansive lifestyle of two billion people (the global middle class) who enjoy all the benefits of modernity without regard for the consequences. The pleasure of unlimited mobility, large flats, power-hungry online communication and high meat consumption are all considered as ecological sins. In this view, our striving for "more and more" ruins the planet. "Repent and turn around!" is therefore the new categorical imperative.

The extroverted self-realisation of modernity was based on the seemingly unlimited availability of fossil fuels. They were the fuel for an enormous increase in production and consumption. Now that it has become clear that the burning of coal, oil and gas is upsetting the earth's climate, the hedonism of modernity is also coming under criticism. Its melody sounds convincing: a kind of freedom that is lived out at the expense of the rest of humanity becomes mere egoism. It destroys the freedom of future generations to live in a halfway intact environment. Instead of constantly expanding the limits of what is possible, we are now supposed to submit to the planetary boundaries. The age of "higher, faster, further" is over. The new ethic of limitation calls for decongestion and sufficiency. It is about to be instead of to have.

If one follows the logic of shrinking, then collective commandments and prohibitions must help when the appeal for moderation falls on deaf ears. They restrict the freedom of the individual in order to protect the lives of all. The imperative of restriction seems morally unassailable. Nevertheless, it is the wrong answer to climate change and species extinction. Ecologically, it is too short-sighted, socially it leads to a sharp polarisation, politically it leads to the slippery slope of an authoritarianism in the name of saving the world.

Ecological Calvinism vs. the Green Industrial Revolution

Years ago, the German philosopher Peter Sloterdijk precisely predicted the new cultural struggle: "The ethics of the future, which is hostile to expressions and emissions, aims straight at the reversal of the hitherto existing civilisation. (...) It demands minimization where previously maximization applied, it enjoins frugality where previously dissipation was seen as the greatest attraction, it calls for self-restraint where previously self-liberation was celebrated. If one thinks these reverse dynamics through to the end, one arrives at a kind of ecological Calvinism in the course of the meteorological reform."

The vehemence with which meat consumption and driving are being fought over is the harbinger of a new cultural struggle between the supporters of a morally based policy of restriction and those who see this policy as an attack on their way of life. Some cite climate and health protection as a compelling imperative, while others see a vilification of green car enthusiasts who have no idea about real life. This conflict has a strong social impact, because especially the privileged children of the

affluent society are calling for “a turn to the less”. Therein lies the danger of a populist mobilisation of the “common people” against the wealthy advocates of an ecological policy of renunciation. It is no coincidence that the French “yellow vests” movement was ignited by rising petrol prices.

The supporters of a restrictive environmental policy like to invoke the axiom “you can’t deal with the climate”. They refer to ecological constraints that are above politics. The roadmap to climate neutrality then results from seemingly exact tables of how much CO₂ the German electricity sector, industry, agriculture or the transport sector must cut back per year in order to keep global warming below two degrees Celsius.

Apparently exact, because any isolated view of specific economic sectors is just as fictitious as a nationally limited view.

Such a “planned economy” climate policy misses the crucial point: the innovation dynamic that arises from the combination of modern science, the market economy and an active civil society. Politics must set targets, invest in the ecological renewal of infrastructure (energy grids, transport, urban development) and ensure that “prices tell the ecological truth” by introducing environmental taxes and expanding the European Emissions Trading Scheme. However, governments should be careful not to lay down the paths to climate neutrality in detail and to impose ever new commandments and prohibitions.

Those who seek the answer to climate change in the voluntary or forced restriction of production and consumption are not only falling short - they are heading in the wrong direction. In a shrinking economy, investments and the pace of innovation also decline. In the race against climate change, however, we need a higher pace of innovation and increasing investment in the restructuring of the production apparatus, the energy system and the transport sector. This way we can set free a new economic dynamic, a long wave of environmentally friendly growth.

In any case, the question of whether the world economy will continue to grow has long been decided. In view of the growing world population and the economic rise of the countries of the South, the all-important question is whether we will succeed in decoupling economic growth and environmental damage.

It is tempting to approach the ecological transformation as a master plan that specifies in detail which goals are to be achieved, how and when. The metaphor of the “reconstruction of industrial society” suggests that a highly complex industrial society interwoven with diverse external relations can be reconstructed like a machine according to a preconceived plan. There is no doubt that the ecological transformation needs an active, regulating and investing state that sets the course for private-sector initiatives. Investments worth billions in climate-friendly chemical plants and steel mills will only take place if companies can count on green electricity and hydrogen being available in large quantities. The additional operating costs compared to conventional processes must either be amortized on the market or compensated by tax breaks or other promotion schemes.

Governments should establish lead markets for climate-friendly key technologies and provide the necessary infrastructure like power grids and transport facilities for hydrogen. Smart market design can help. But top-down control with tightly meshed state guidelines can never replace the innovative power of the market economy, which bundles the knowledge and initiative of millions and millions of producers and consumers.

To believe that we already know what the energy system, mobility and agriculture will look like in 2045 is to write the present into the future. The International Energy Agency estimates that about half of the necessary greenhouse gas reductions depend on innovations that are still in the research and development stage today. We neither know which innovative leaps the rapid technological development will lead to, nor can we predict the relative costs of different technology paths. A successful climate strategy must aim to set in motion a self-sustaining dynamic of ecological innovations and investments. It must combine ambitious goals with competition for the best solutions. And it must take into account reserves for economic bottlenecks and geopolitical conflicts.

Democracy is not negotiable

The criticism of the slowness and never-ending compromises of democracies has a long tradition. It is no coincidence that prominent environmentalists like Jørgen Randers from Norway sympathize with the Chinese model. If one understands the ecological turn primarily as a restriction of production and consumption, this is consistent. Then autocratic regimes are more likely to be able to enforce the necessary sacrifices. Democracy becomes a luxury that we can no longer afford in view of melting icebergs; freedom is reduced to the acceptance of ecological necessity.

If global warming gets out of control, this will result in major disasters, from economic collapse to global mass migration. In this respect, the environmental crisis also endangers democracy. We must therefore do everything possible to promote the ecological transformation without sacrificing civil liberties.

Those who want to reconcile freedom and ecology must above all focus on innovation and promote competition for the best solutions. Of course, even a liberal climate policy cannot do without limits and prohibitions. But they are not the best way to solve the ecological question.

A liberal ecology policy focuses on incentives instead of restrictions. The most effective approach is the inclusion of ecological costs in market prices. A sustainable market economy only works if prices tell the ecological truth. EU emissions trading remains the key instrument of an ambitious European climate policy. To be economically viable, it is essential to win over as many partners as possible for an international CO₂ pricing regime. An ambitious European climate policy needs multilateral agreements that create comparable standards and competitive conditions. The additional burdens arising from environmental taxes can be compensated by reducing taxes on earned income and social security levies. Rising energy prices can also be offset by a per capita flat rate compensation scheme, which also has a positive distributional effect in favor of lower incomes.

Decoupling prosperity and environmental degradation

Let us be clear about this: There is no freedom without responsibility. That is why it is ethically right to cycle or take the train and not to buy any products for which people are harmed or animals suffer. Everyone is free to seek the “good life” in more free time and rich social relations rather than in an increase in income and consumption. But a closer look at the size of the ecological challenge shows that it cannot be solved with an appeal for sufficiency. Without a profound green industrial revolution, we will not win the race against climate change. It requires a fundamental shift to renewable energies, a boost in resource efficiency and the transition to a modern circular economy. In essence, it is about decoupling the production of wealth from the consumption of nature. Although this is ambitious, it is feasible.

In view of the escalation of multiple ecological crises, we are faced with three foreseeable options. The first is the radicalization of a repentance and restriction movement. It seeks salvation in the voluntary or forced conversion of the human being, in renunciation and prohibition. Its opposite pole is a defiant “carry on like this”. Sloterdijk calls this a “complete wave of resignation, defeatism and a cynical after-the-flood”. The probability that it will gain the upper hand is high. The third possibility lies in a new synthesis between nature and technology, a co-evolution between the biosphere and modern technology. In view of the limits of the Earth system, we are left with two almost unlimited sources of progress: the radiation of solar energy onto the Earth and human creativity. A must be built on a combination of both. Those who pit ecology and freedom against each other will lose both in the end.

Europe has all the prerequisites to be a pioneer for a climate-neutral industrial society and a center of competence for ecological innovation. Developing environmentally friendly, globally compatible solutions for the needs of a growing world population is our most important contribution in the fight against climate change. No one is interested in a progress-weary, future-anxious shrinking Europe. If we want to remain relevant, we must dare to set out on the path to ecological modernity.

About the author

Ralf Fücks is managing director of the Center for Liberal Modernity, following 21 years as president of the Heinrich-Böll-Stiftung, the political foundation associated with the Greens. At the centre of his work were green economics and ecological innovation, migration, the future of Europe and international politics. Before that he was co-chair of the German Green Party (1989/90) and Senator of Environment and City Development in Bremen.

Fücks is a regular contributor to national and international media and co-author to numerous books. In 1991, he was editor of the book "Sind die Grünen noch zu retten?" (Is There a Future for the Green Party?). In 2013 his book "Intelligent Wachsen – Die grüne Revolution" (Smart Growth – The Green Revolution) was published in German, followed by English, Polish and Russian editions. His second book, "Freiheit verteidigen – wie wir den Kampf um die offene Gesellschaft gewinnen" (Defending Freedom – How We Can Win The Fight For An Open Society) is dealing with the challenge liberal democracy is facing at home and globally. In September 2019, the anthology "Soziale Marktwirtschaft ökologisch erneuern" ("Greening the Social Market Economy") was published by Fücks together with Thomas Köhler at the Konrad-Adenauer-Stiftung.

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