

### Climate Change as a Tragedy of the Commons type of challenge

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# SDU &

## Climate Change as a Tragedy of the Commons type of challenge

#### Outline of my presentation:

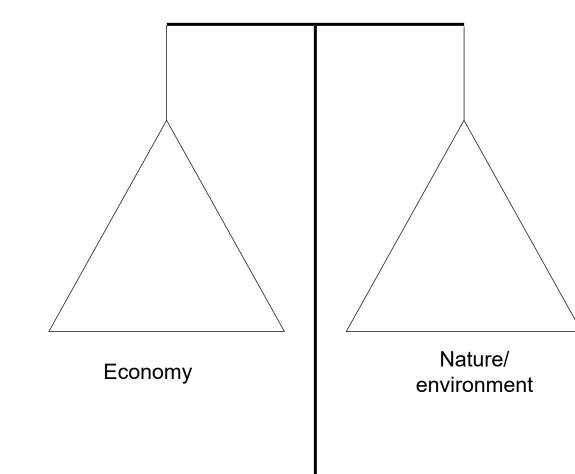
- Understanding sustainability
- □ Understanding growth and development
- Understanding The Tragedy of the Commons
- Is Climate Change a Tragedy of the Commons type of challenge?

- the 2030 UN Sustainable Development Goals (SDGs)



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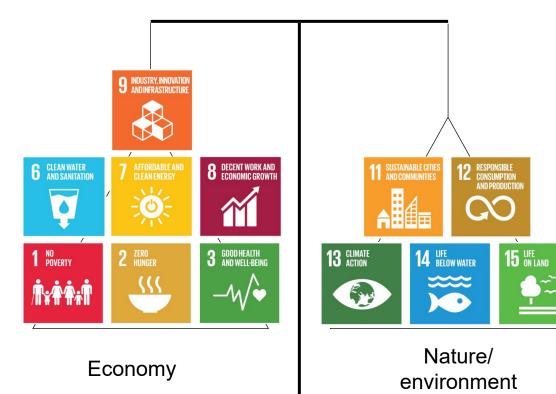




- Planet, people, profit
- Finding the sustainable balance
  - including finding the balance between short, medium and long term concerns
  - ... the higher the living standards of people, the longer the perspective...

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- finding the sustainable balance

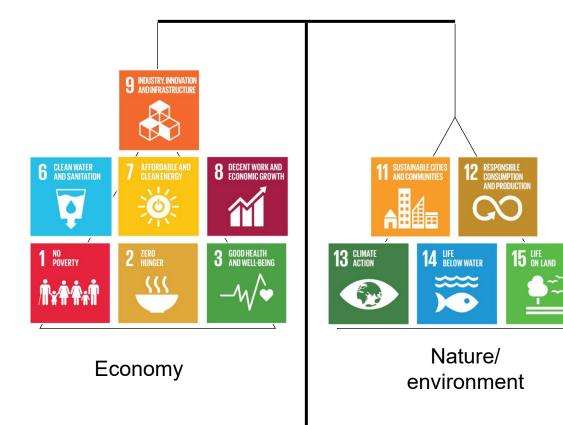




Sociology



- finding the sustainable balance



#### The two most important issues - for understanding sustainability and its relation to economic development

- The <u>strength</u> of a free market economy as a <u>motor</u> behind economic progress and improvements in welfare, living standards and public health
- □ The <u>failure</u> of an unregulated free market economy to support a sustainable development of our nature & environment

#### ... and I don't know which is worst, i.e.:

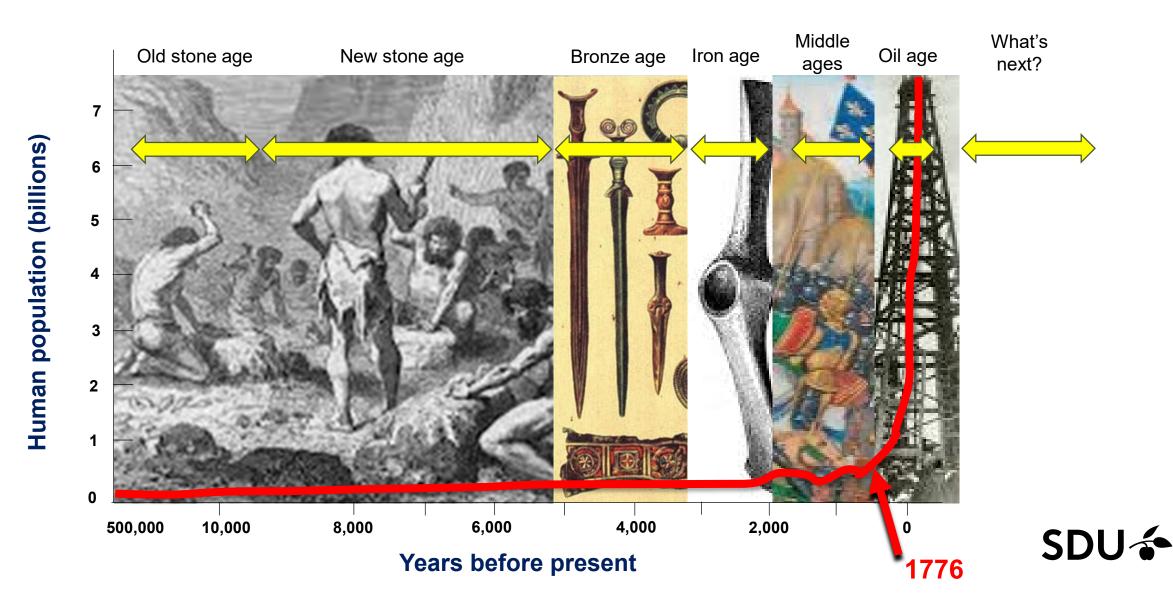
- when we fail to understand the strength of market economy

or

• when we fail to understand its weakness



# Understand growth and development - we didn't leave the stone age due to a lack of stones...



### Understand growth and development

Paris, France

PRESIDENT

SECRET

#### We have set out to leave the oil age

- and are apparently happy about it

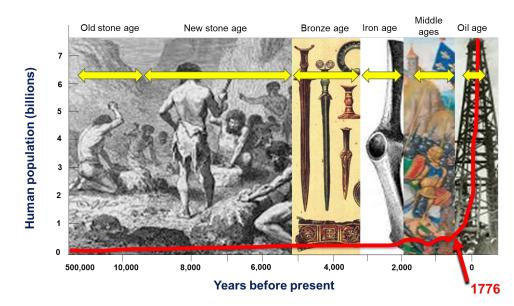
...multiplication ...differentiation ...collaboration/organization Competitiveness t = 2 t = 2 t = 0 t = 1 t = 0 t = 1 t = 3 t = 3 Time е Time

#### Understand growth and development - the three faces of growth

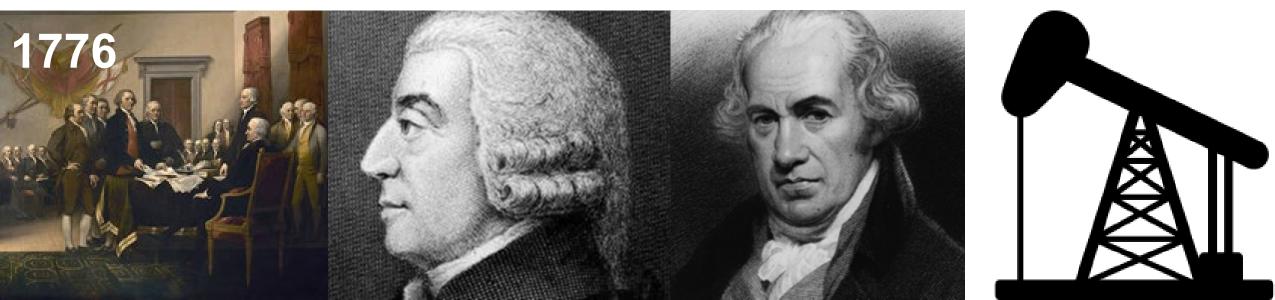
Darwin C (1859) – survival of the fittest

Smith A (1776) – individual optimization leads to societal optimum. The 'invisible hand'

#### Understand growth and development - back to 1776, the start of industrialization

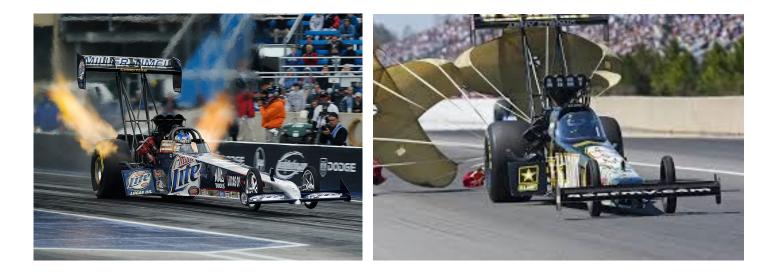


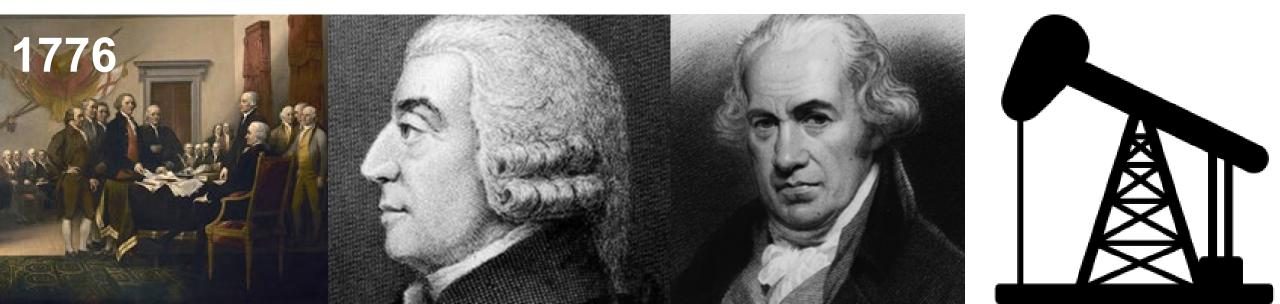


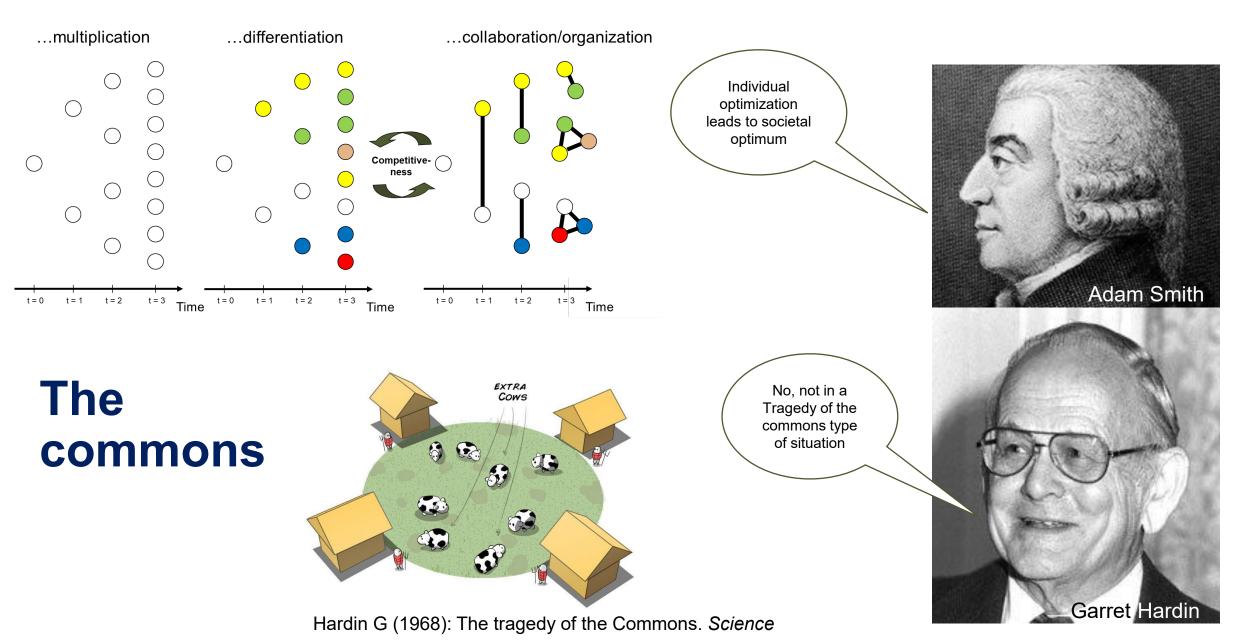


# Understand growth and development - back to 1776, the start of industrialization

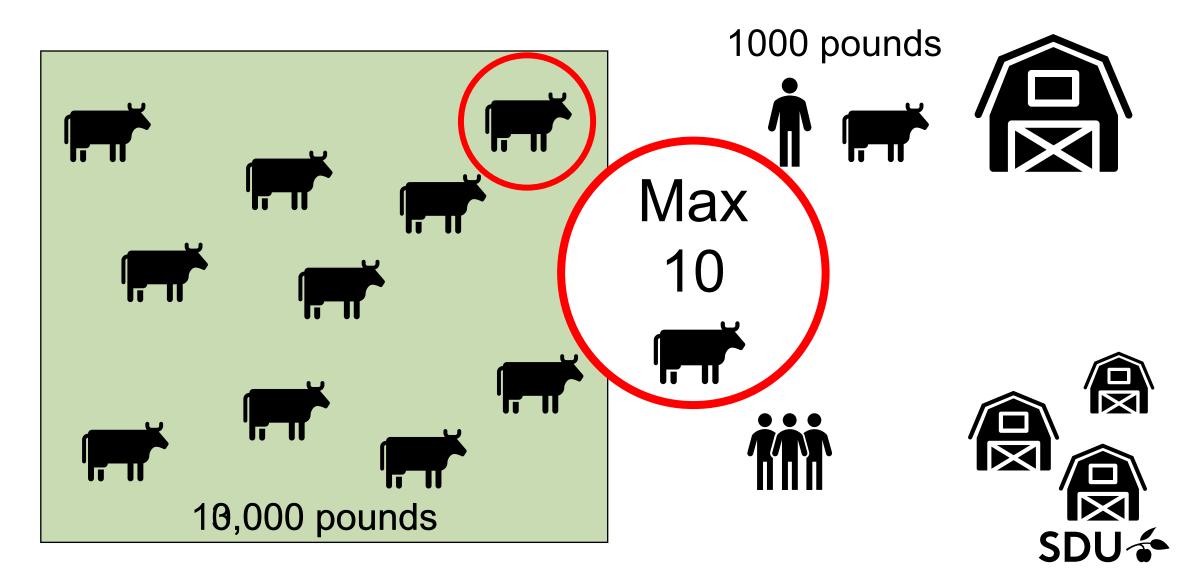




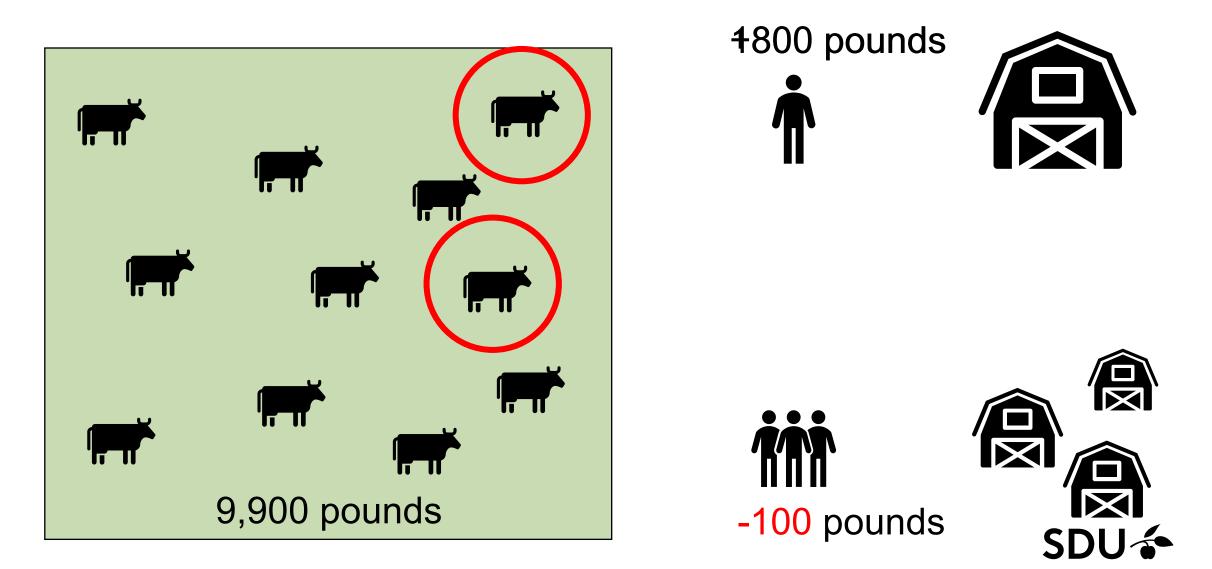


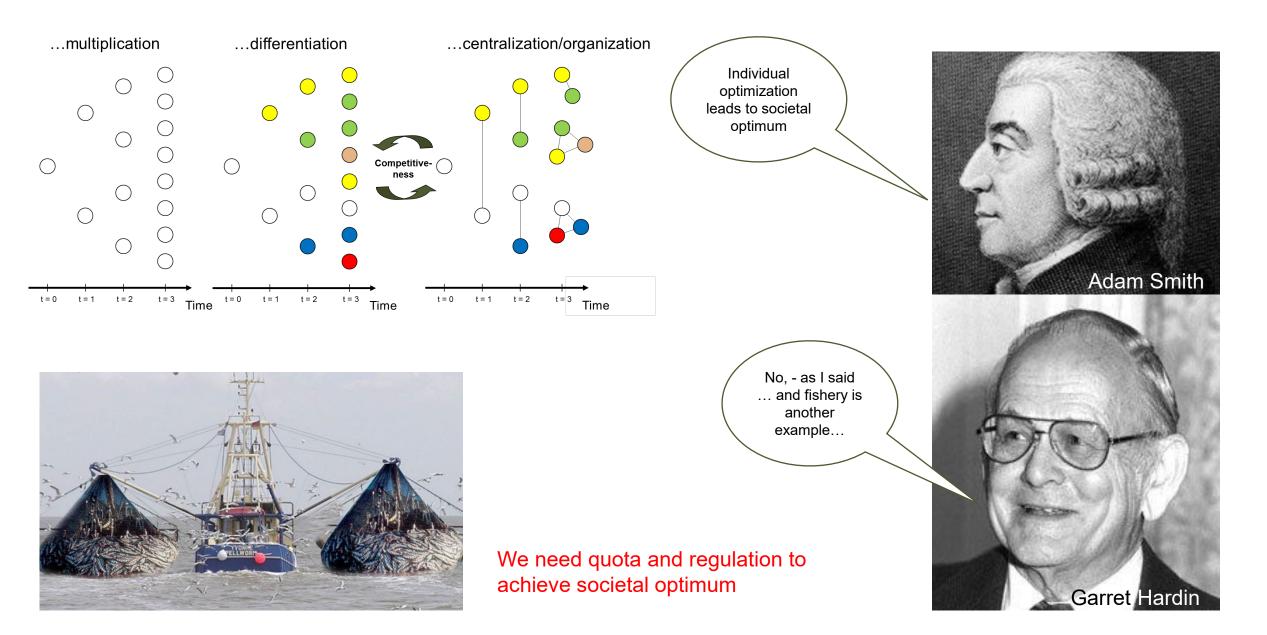


Garret Hardin, (1968)



Garret Hardin, (1968)





# Is Climate Change a Tragedy of the Commons type of challenge?

### 3 criteria must be fulfilled:



The natural resource/recipient shall be common and with unlimited access for all – i.e. a so-called 'common pool ressource'

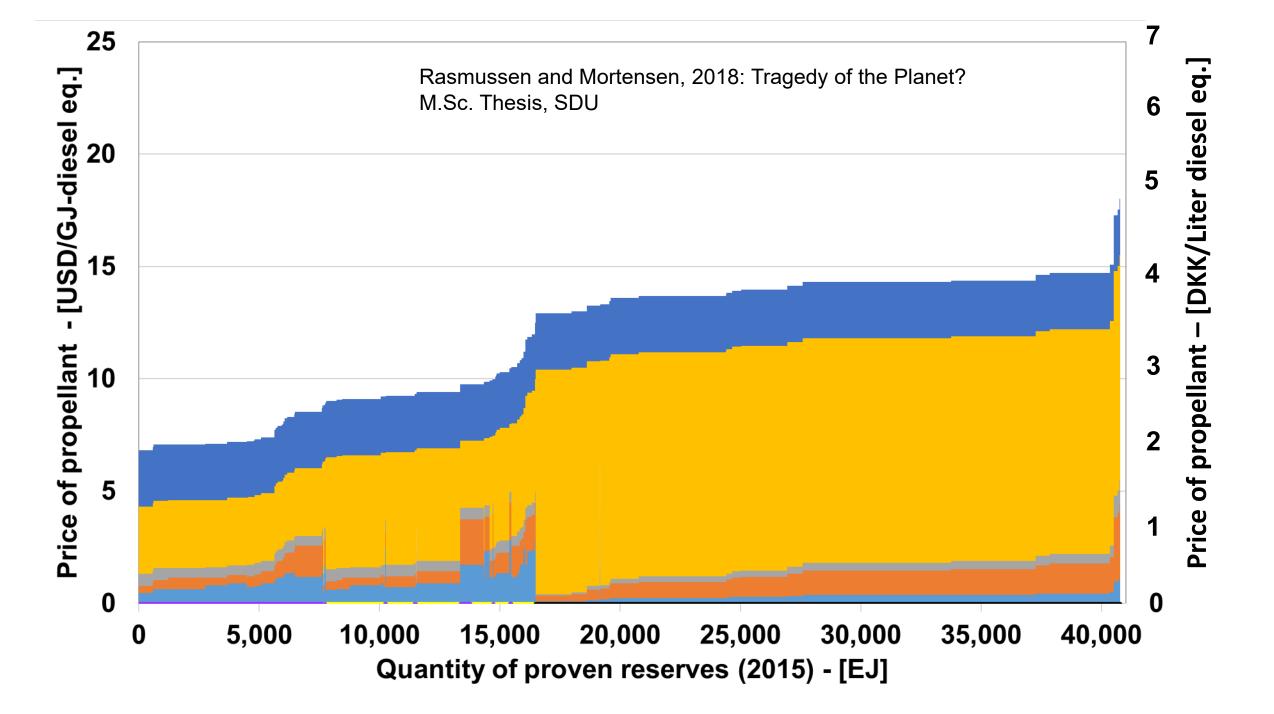


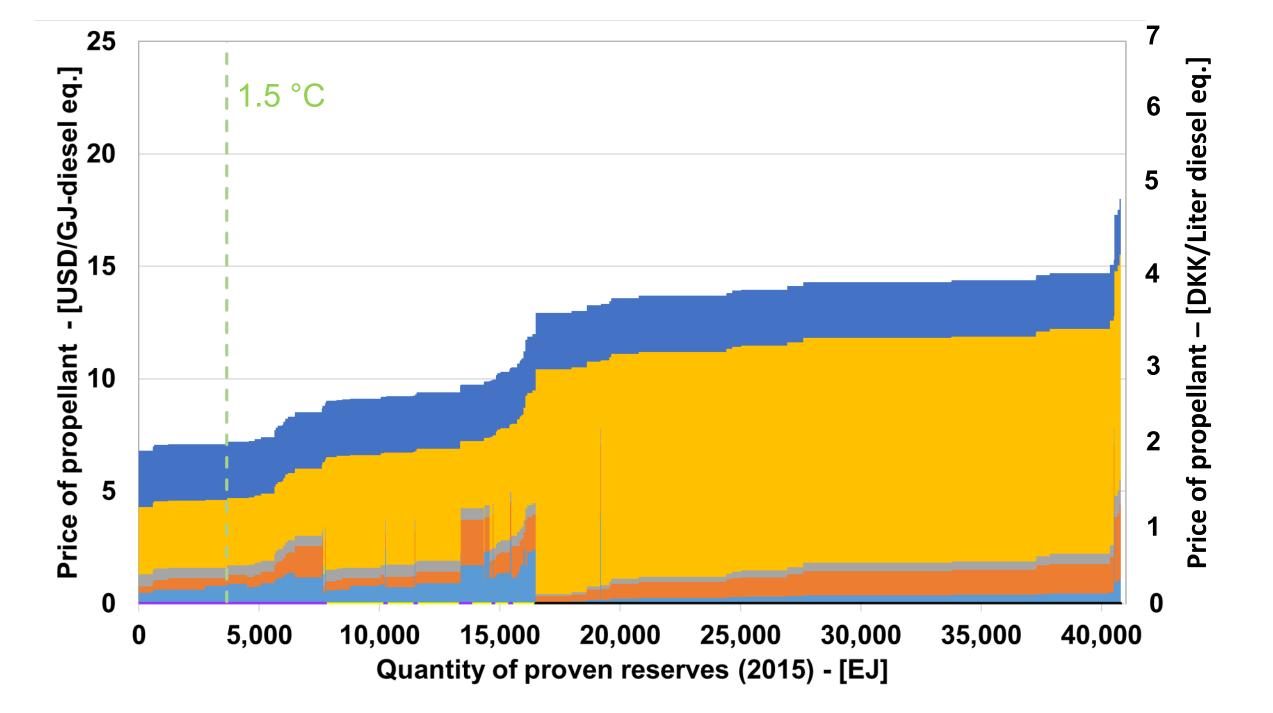
The carrying capacity of the natural resource/recipient can be exceeded

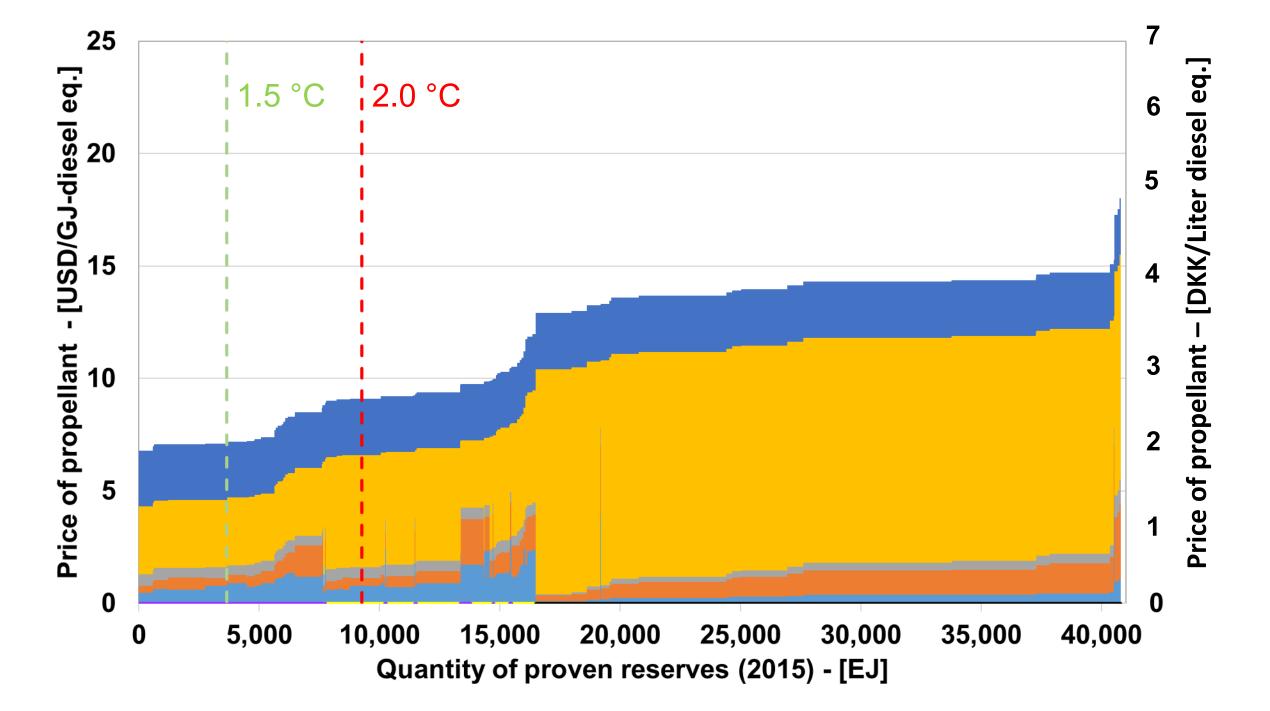


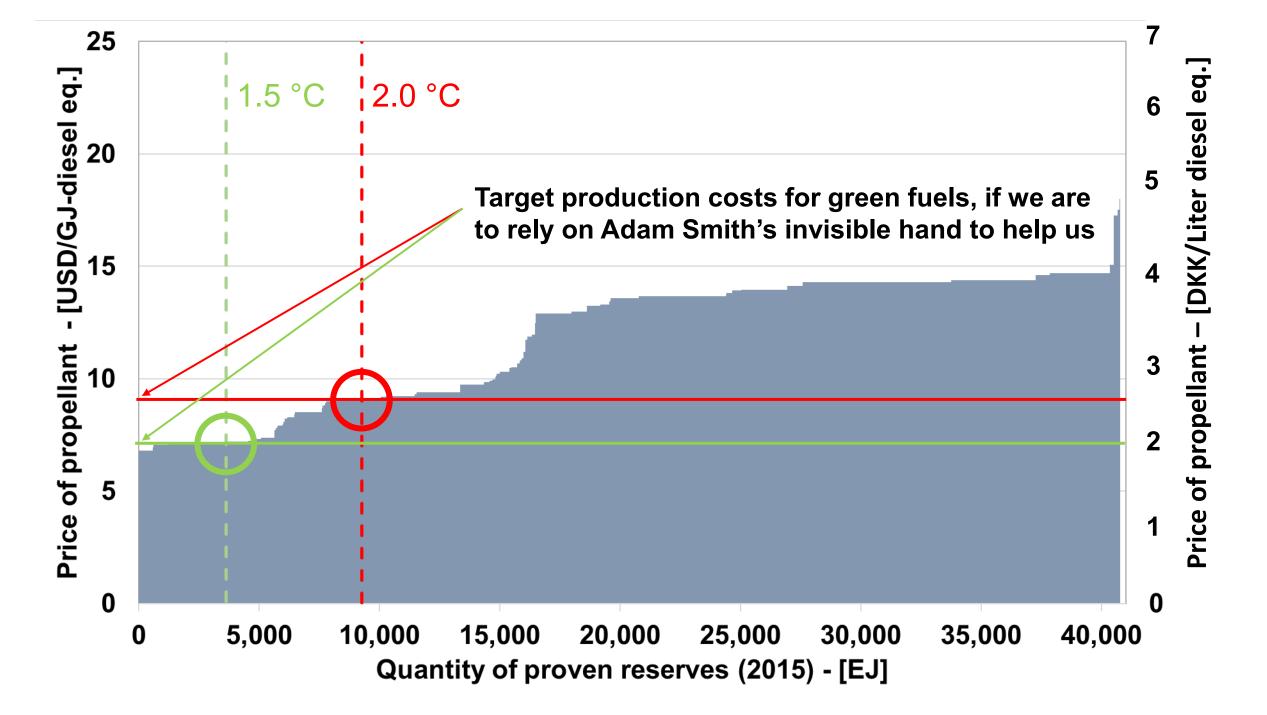
There shall be no competitive alternatives – in a free market economy – to the activity that threatens the carrying capacity of the natural resource/recipient

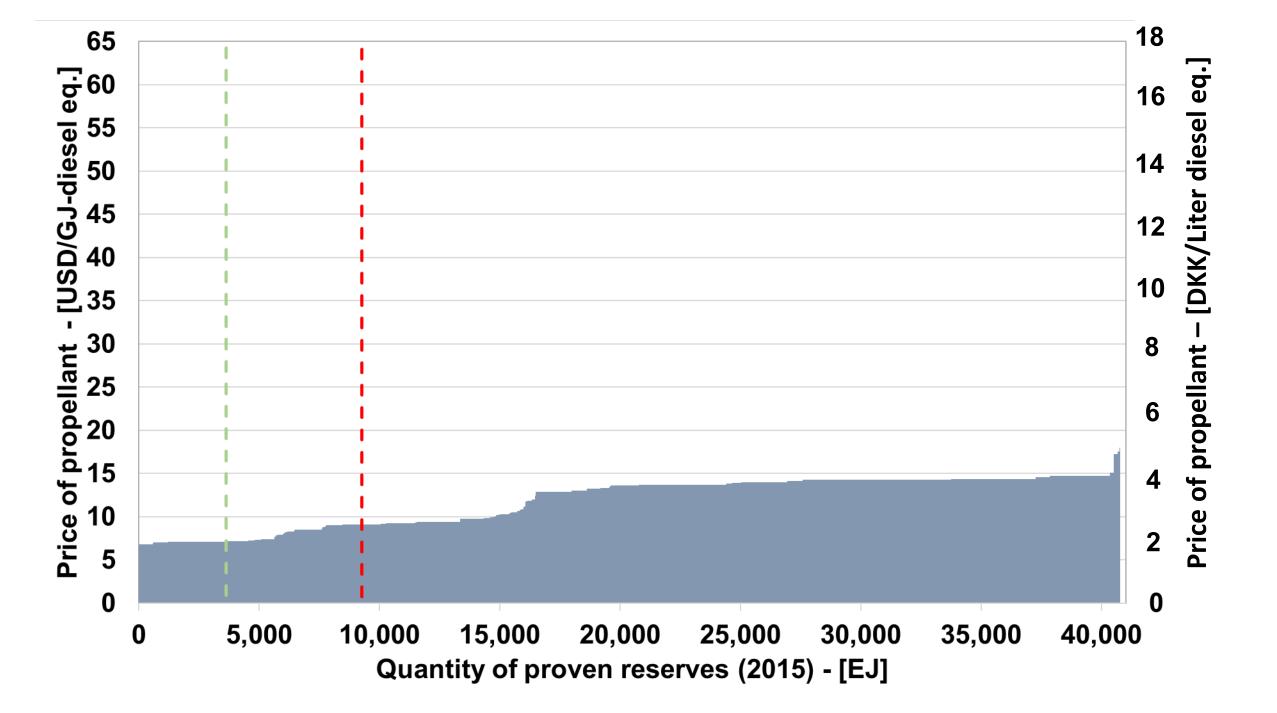


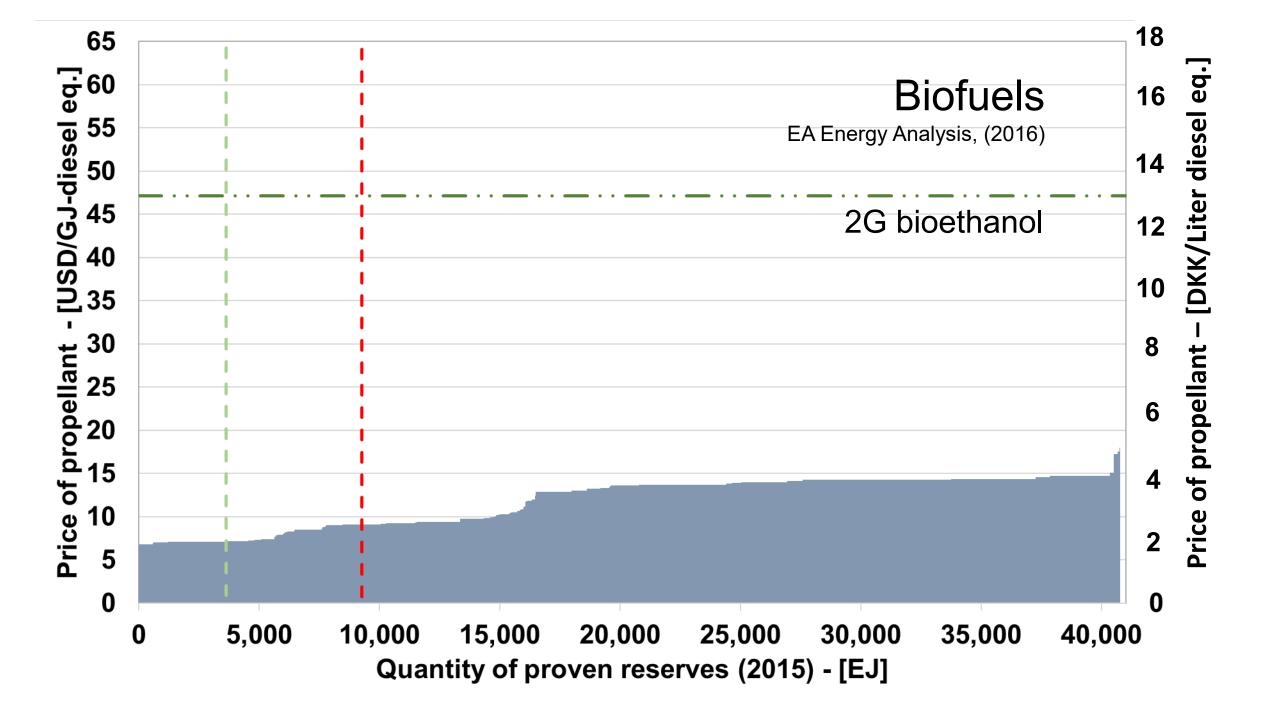


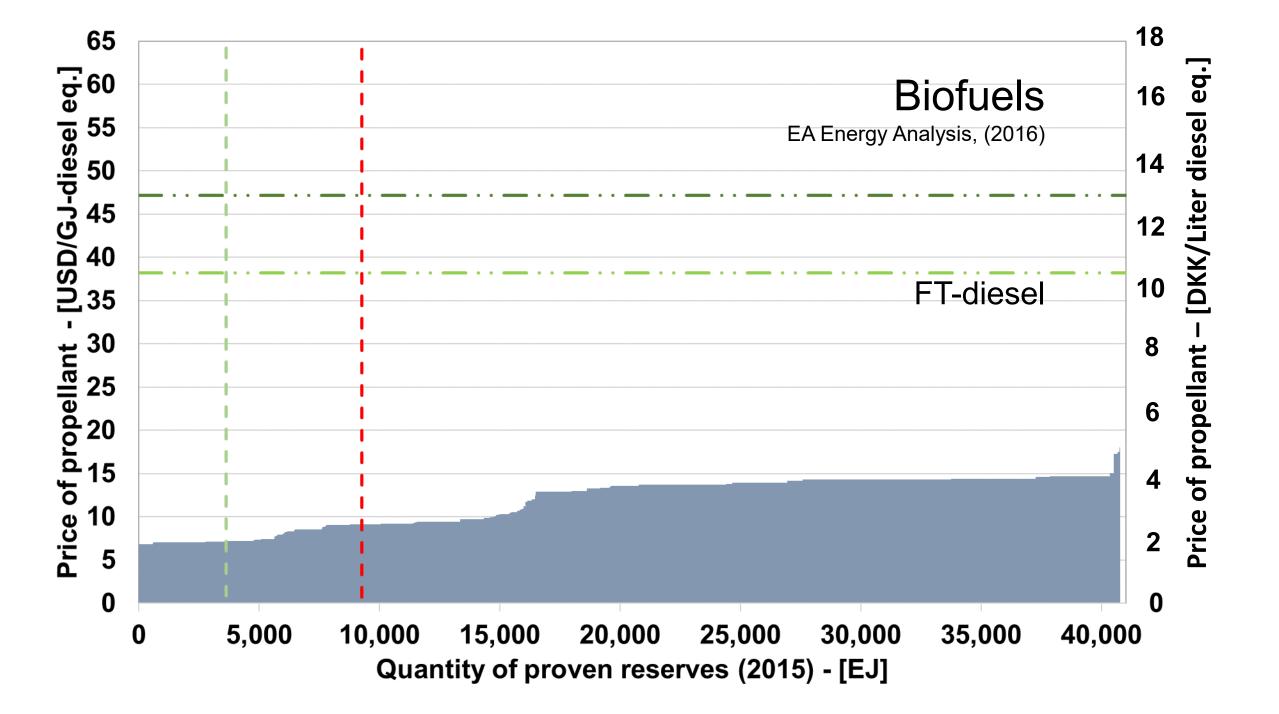


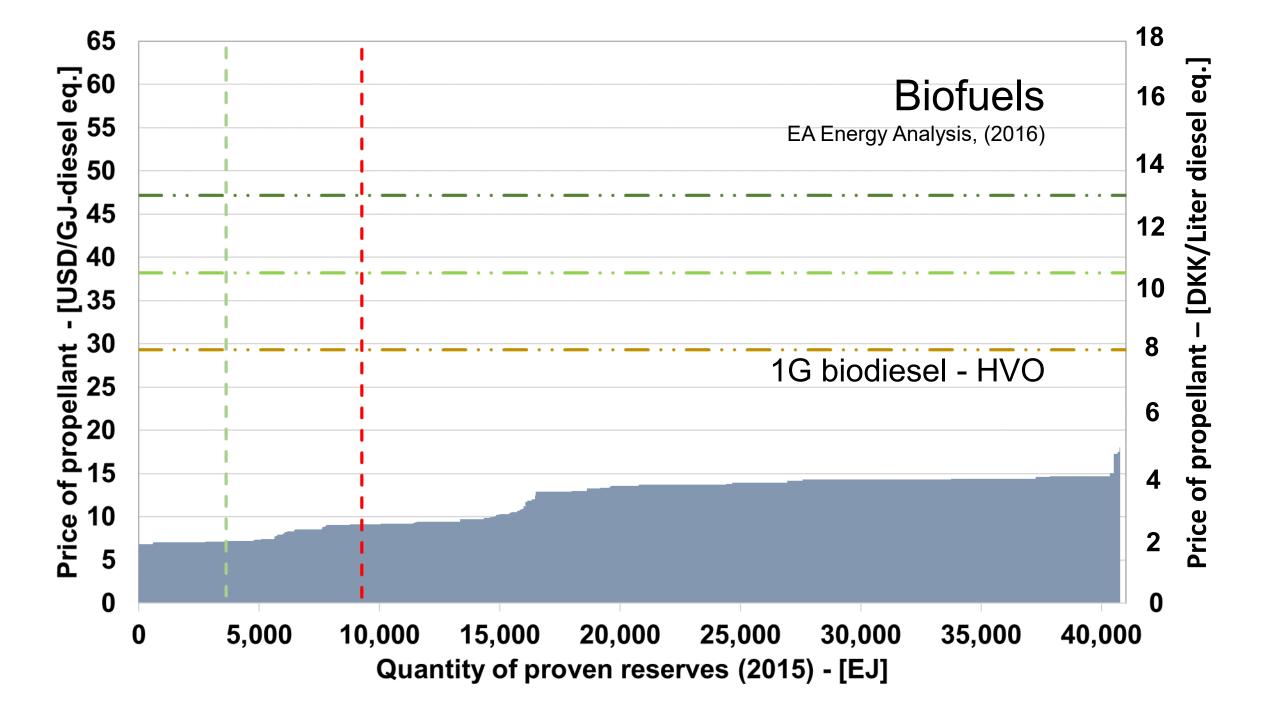


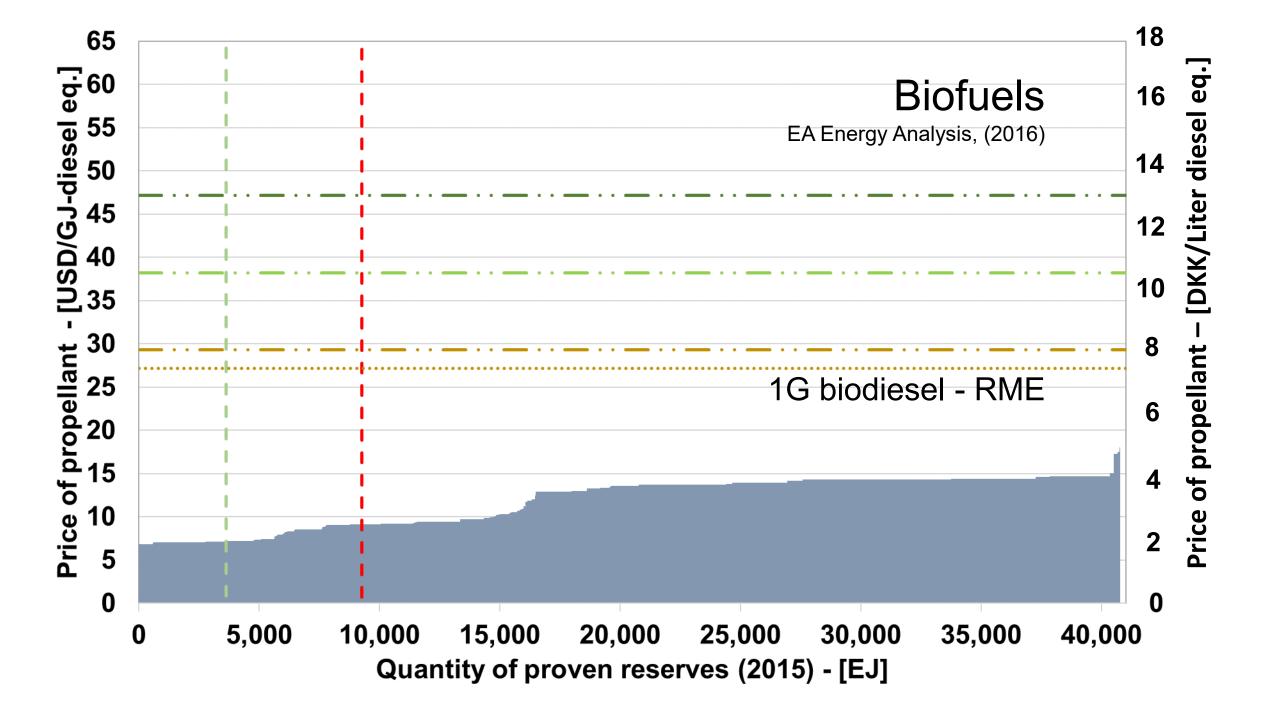


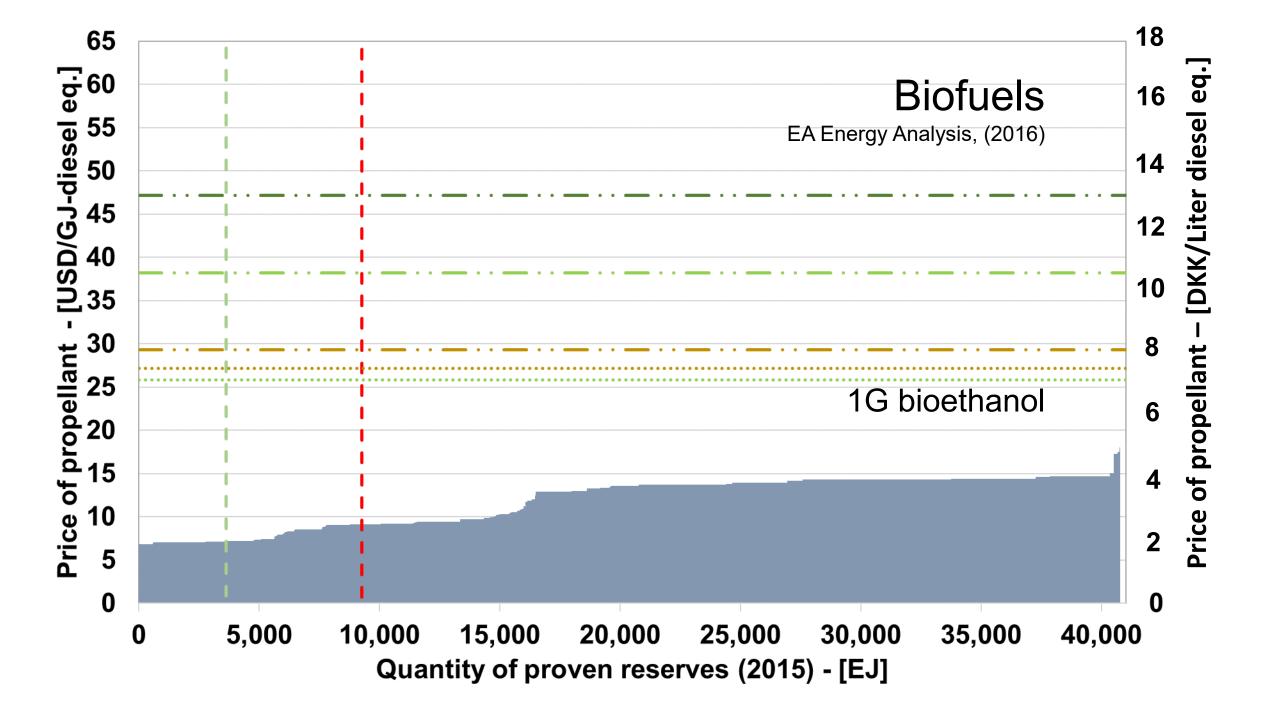


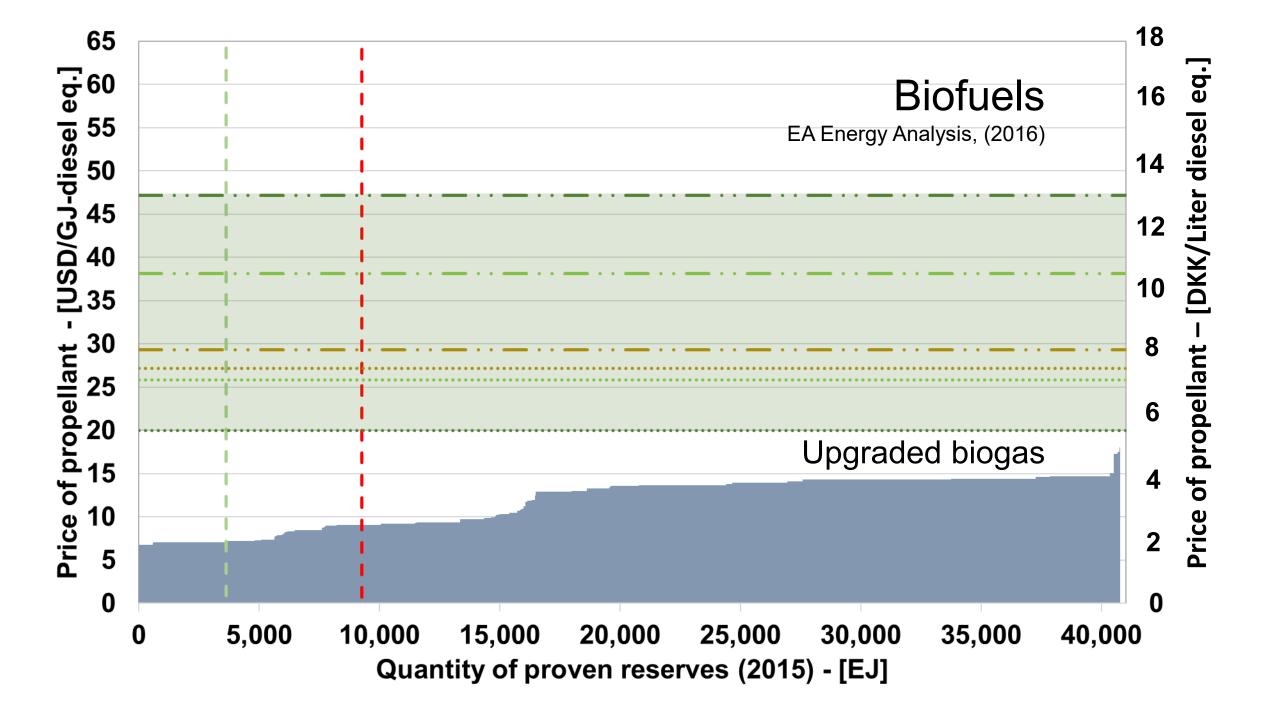


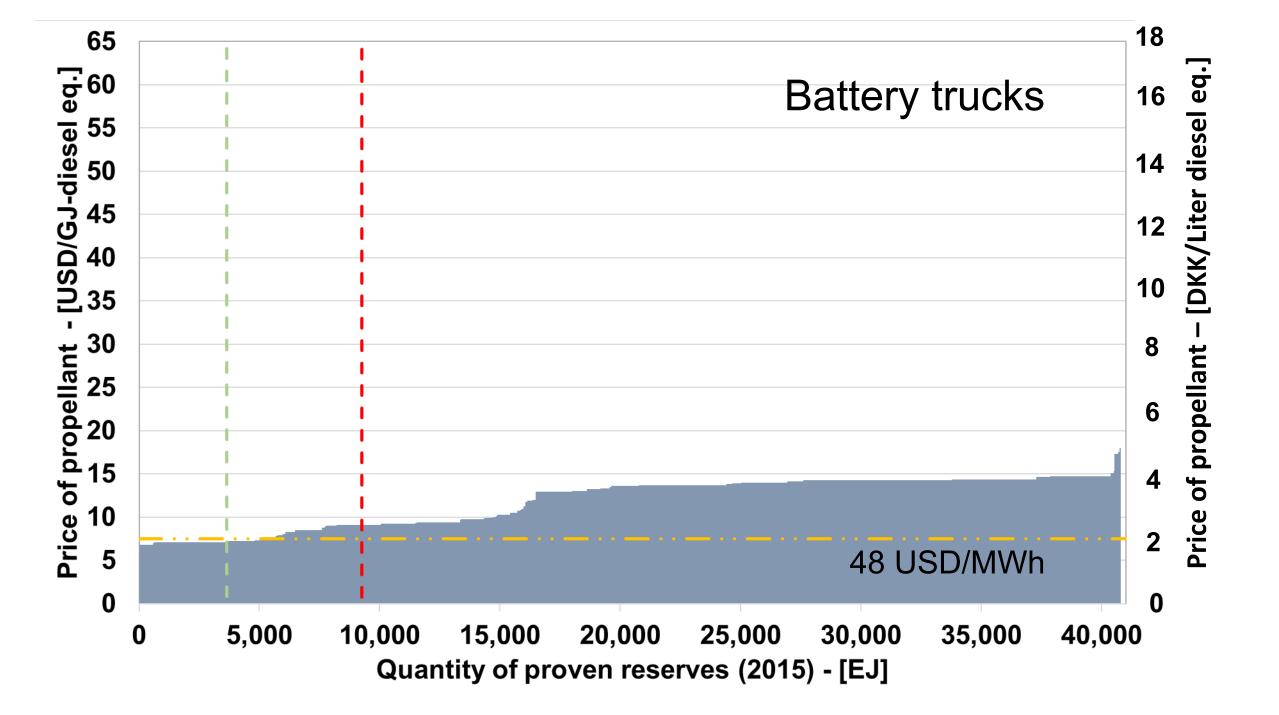


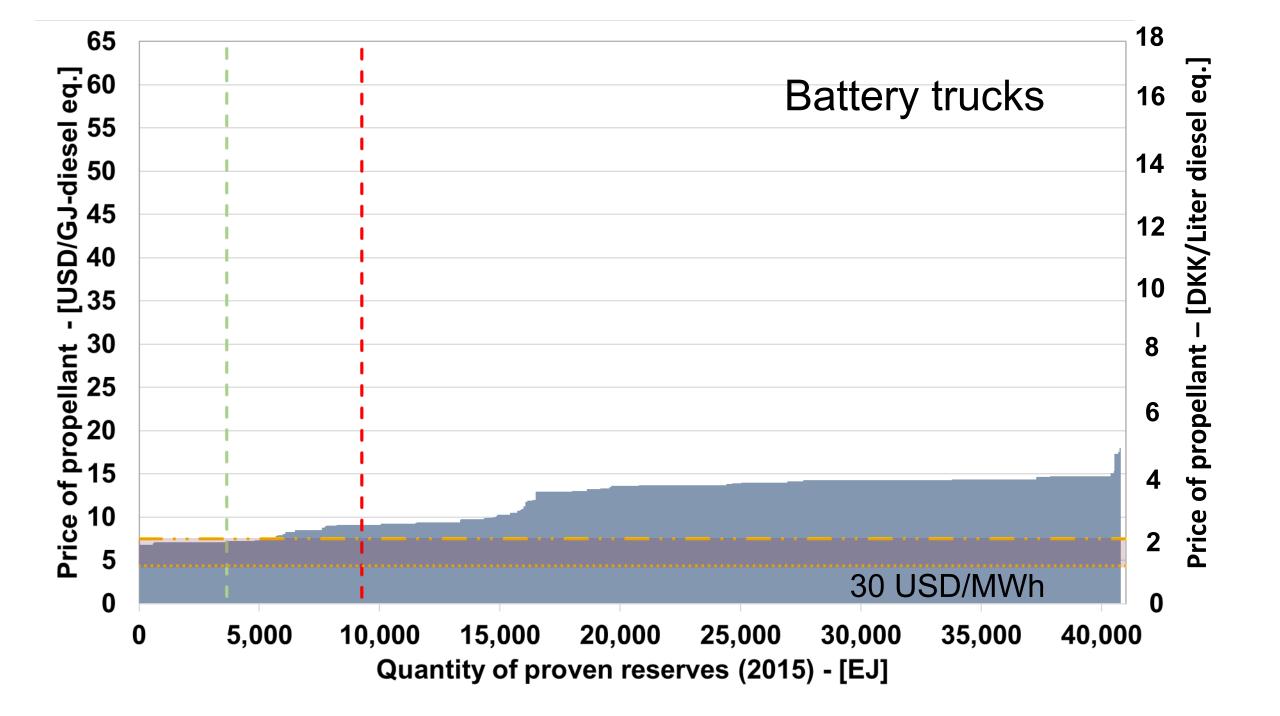


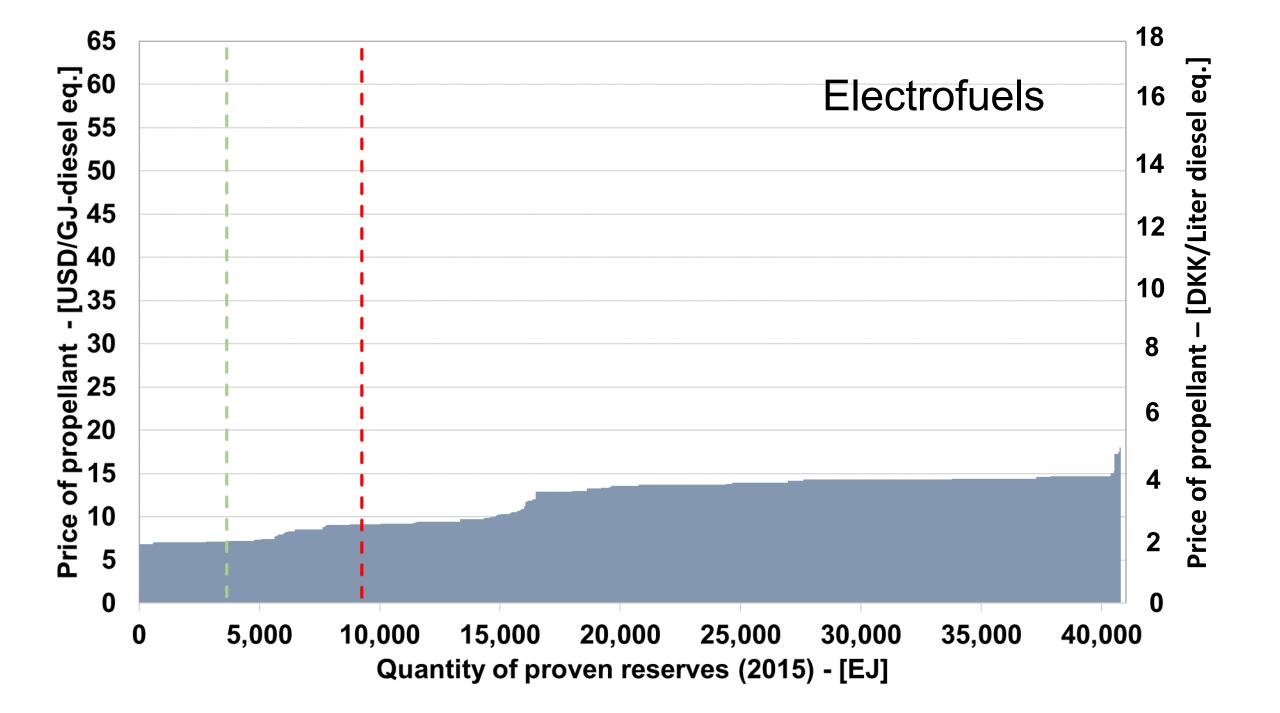


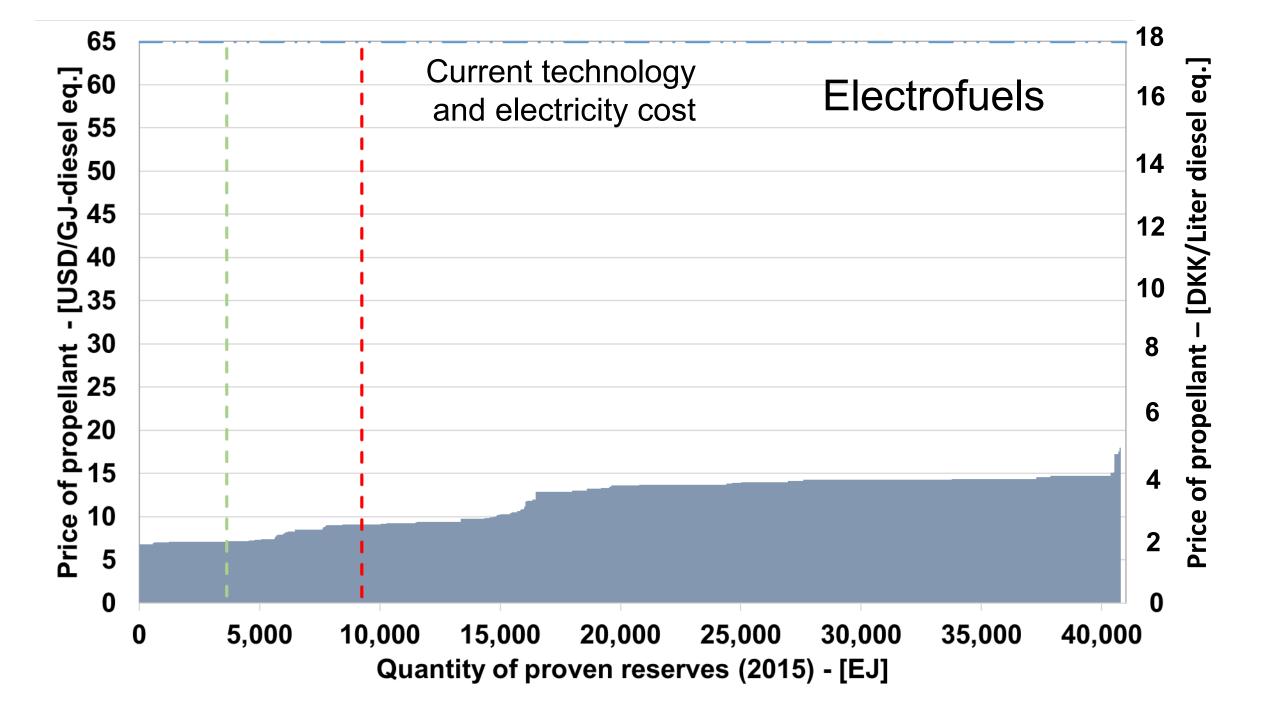


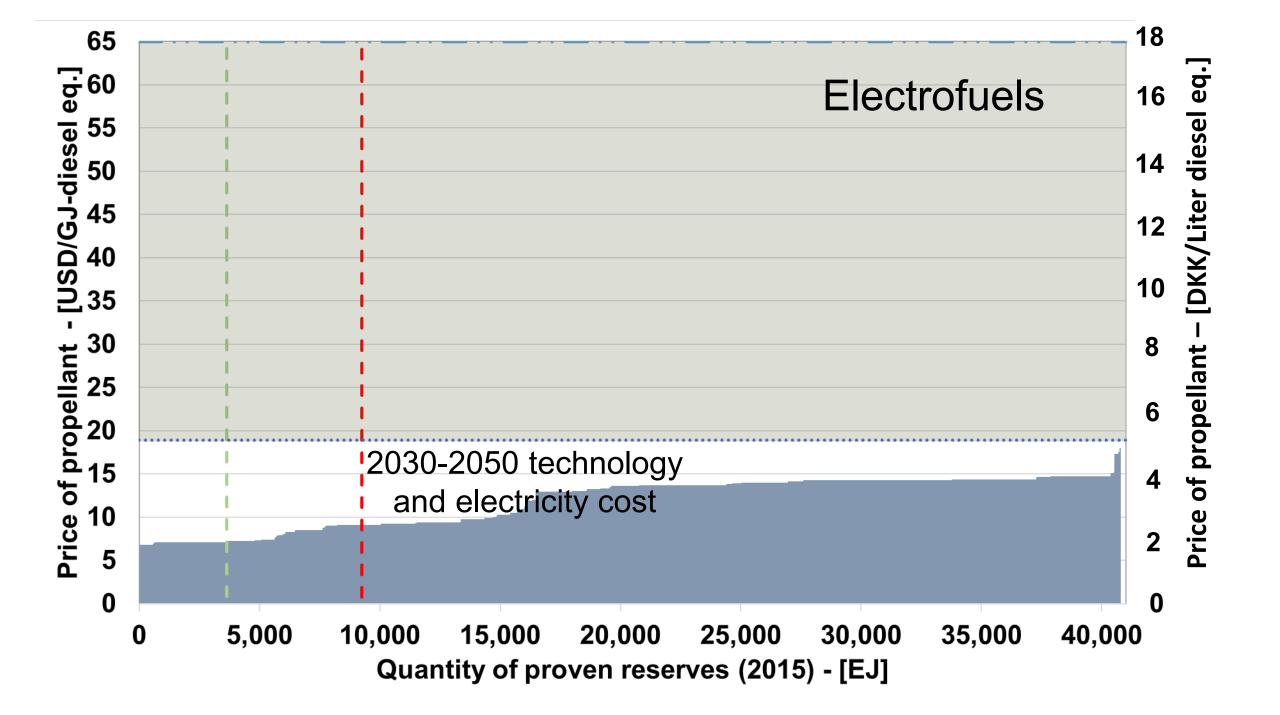




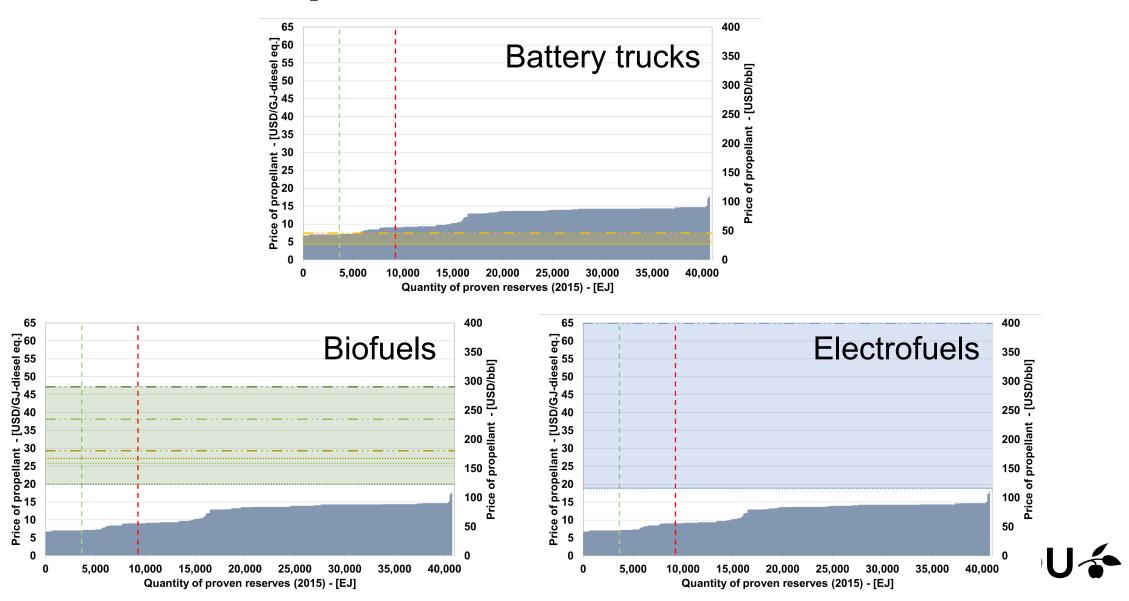








## **Competitive alternatives?**



## **Tragedy of the Planet?**

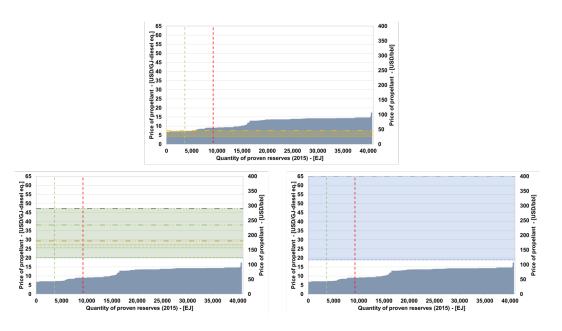
1. Common pool ressource/recipient?



Carrying capacity can be exceeded?



No competitive alternatives?



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# Is Climate Change and the decision to leave fossil fuels a Tragedy of the Commons type of challenge?

Can we hope to find alternatives that can outcompete fossil fuels in free competition?

□ Will Adam Smith's invisible hand help us from the grave?

