



WORKING PAPER

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Climate Politics in a Fragmented Europe

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Summary

Europe's “‘man on the moon’ moment” was how European Commission President Ursula von der Leyen spoke on December 11, 2019, of the European Green Deal, a comprehensive program for a fair transition to a low-carbon economy.¹ Rarely has the EU undertaken such an ambitious project requiring such a massive mobilization of resources and fundamental changes to most of its policies.

The political momentum behind the transition is strong because the vast majority of Europeans, especially young ones, feel a sense of urgency to take action to prevent catastrophe. But political obstacles will rise again as the EU starts to implement practical measures.

The union already has a long track record of climate change policy, both as a leader of international climate diplomacy and through the creation of laws and innovative policies such as the Emissions Trading Scheme. However, its efforts have suffered from significant deficits. Clashing interests of member states, some of which still heavily depend on coal, and industrial lobbies raising concerns about international competitiveness and jobs have constrained the EU's ambitions. Insufficient mechanisms for monitoring and compliance have handicapped the implementation of these policies.

The ongoing fragmentation of Europe's political scene poses additional hurdles. Divisions between Eastern and Western Europe and Northern and Southern Europe hinder efficient decisionmaking. Populist parties already are mobilizing resistance to the necessary policies. Under these circumstances, the EU's traditional method of depoliticizing difficult issues and submitting them to long technocratic discussions is unlikely to deliver results.

To sustain democratic consent, there is no alternative to building public support for a fair climate transition and to deepening democratic engagement. To that end, EU climate action should

- **Promote fairness.** Climate action must ensure that the burden does not fall disproportionately on the poor and the most vulnerable and that richer and poorer EU member states stick together. This requires a comprehensive approach with well-sequenced measures, as well as adequate funding.
- **Craft policies with staying power.** Preparations for the transition must advance rapidly but must also be sustained regardless of election cycles. This requires long-term commitments, targets, and incentive structures that ensure continued efforts.

- **Set positive incentives and create new economic opportunities.** There is a risk that too much EU funding will go toward compensating those who complain the loudest about the first economic losses resulting from climate action. Instead, the focus should be on economic and technological innovation toward a circular green economy.
- **Lead international climate efforts and promote an inclusive global transition through the EU's own policies.** Beyond setting a good example and active multilateral diplomacy, the EU needs to use its trade, aid, and investment policies more effectively to promote a global transition to climate neutrality.
- **Foster a deeper European climate debate.** To build public support for climate action, the EU needs to promote the use of the tools of deliberative citizen participation. National, regional, and local authorities should be more systematically involved in shaping EU policies on climate, as implementation depends most on these actors.
- **Leverage the European Parliament and deepen democratic engagement.** The European Parliament is already a strong advocate of progressive climate policies. Making the election process more European by introducing transnational lists could reinforce the parliament's connections with the European public. This measure should be combined with a new method of selecting the top leaders of EU institutions designed to strengthen their democratic legitimacy and make them less beholden to specific political parties.

If handled badly, climate politics could deepen the divisions between the EU and national governments, governments and civil society, and rural and urban regions, as well as fissures among various generations and social classes. Tensions and political infighting would worsen, while the planet suffers. But if handled well, climate policy could become a significant driver of deeper integration and unite Europeans in determined and effective collective action. The stakes could not be higher for the EU or the planet.

Introduction

The climate crisis could make or break the European Union (EU). The continent urgently needs a comprehensive, transnational policy for a fair transition to a sustainable, low-carbon economy. Such a policy could become a significant driver of deeper European integration. In 2019, the EU has taken a major step forward with the European Green Deal, a comprehensive policy that covers all sectors of the economy. Even during the European Parliament elections back in May, climate was a unifying issue. The Greens gained support, but more significantly, all the other mainstream parties began to make their political platforms more ecofriendly. The wave of support from youth activists gave new momentum to climate action, and the incoming European Commission and European Parliament put the issue at the top of the EU's agenda.

However, the political obstacles to effective climate action are formidable and will get bigger as the EU introduces concrete measures. Things could go badly wrong if dysfunctional decisionmaking blocks action and if polarized governments provoke a backlash. What is more, over the next five years, climate politics could go from being relatively benign to downright nasty. Well-funded business interests will mobilize opposition. Populist parties are denying the reality of human-caused climate change, while others are co-opting the ecological crisis to support calls for protectionism and against migration. Resistance to the radical policy measures that are needed could rapidly lead to political paralysis and a political blame game. Meanwhile, frustrated citizens could easily become fearful about who will bear the adjustment costs, especially if the European economy falls into another recession in the next few years.

The EU has to reform its institutions and policies rapidly to handle the toxic politics that will emerge during the climate transition. It is vital to start building public support for climate policies early on in 2020 and 2021. More than 90 percent of Europeans view climate change as a “serious problem” and believe emissions should be curbed to make the EU carbon neutral; many of them are prepared to adjust their lifestyles to achieve that goal.² But they do not want an unfair transition that puts most of the costs on households and consumers. Meanwhile, the costs of inaction are rising, with the most vulnerable citizens bearing much of the burden of energy inefficiency and extreme weather conditions.

The prospects for effective climate action by the EU are shaped by two contradictory dynamics in European politics. Exposed to the same economic and technological forces, Europeans are ever more connected, with more similar lifestyles and aspirations, but politics is becoming ever more fragmented, volatile, and polarized. The old mainstream parties based on collective class and religious identities are losing ground not only to challengers on the far right and the left but also to new entrepreneurs in the political center. EU politics was long immune to these trends, but now it looks

more and more like national politics. In the past, national politics was marked by ideological divisions and party power plays, while EU politics was governed by a permanent grand coalition that represented a broad centrist consensus and favored technocratic decisionmaking.

The problem is that the EU's traditional methods of making decisions are ill-suited to an polarized, unpredictable political environment. The old methods rely on the willingness of politicians to compromise and seek consensus; on lengthy, painstaking negotiations; and on a penchant for turning hot political topics into technocratic issues. The EU's political decisionmaking system is being shaken up just when it needs to take decisive action. In addition to the climate challenge, Europeans are facing other unprecedented challenges that require transnational responses from the digital transformation to aging populations. The EU's capacity to forge common responses and implement coherent policies is crucial for meeting these challenges.³ But to do so successfully over the next few decades, the union will have to upgrade its ability to manage volatile and polarized politics.

A great danger is that national politicians will outsource climate action to the EU and then blame Brussels for unpopular measures—like some governments did on the euro and migration issues. The problem of climate change could be much worse than the crises of the past decade, however. If the EU's political system is not reformed, climate action will likely get snarled up in complex, dysfunctional decisionmaking processes that often block collective action and allow national governments to shirk responsibility. If progress depends only on national governments' willingness to reach one compromise at a time, it will be impossible to move fast enough to avert disaster. And the EU could end up getting blamed both for collective inaction and for being the source of unpopular measures.

Climate action is a game changer because the whole economic system has to change—and change fast. The EU was able to create the single market and the Schengen area of passport-free travel over many years. But the political pressure to take decisive action to prevent catastrophic loss of habitat and other effects of climate change is already long overdue. Scientists on the Intergovernmental Panel on Climate Change already have warned that humanity has only eleven years to avert catastrophe.⁴ The EU cannot take another decade to decide how to sequence measures and how to pay for them.

Climate change obviously requires EU-level measures, but action is hard to agree when exposure to climate-related problems varies across the continent. Its effects will be felt by farmers facing drought, people living in flooded coastal regions, coal miners whose livelihood is disappearing, and many other interest groups across the continent. Reconciling all of these interests will be a huge challenge. Europeans need to see climate measures as part of a common agenda that is coherent and strategic, so that they can trust that today's sacrifices will bring a better future for all, including their children.

Climate change is the ultimate global challenge. The EU has to do its share but also needs to persuade others to take effective action. Brussels has a good track record as an international leader on climate policy, but it will have to do a great deal more. This will require that Europe demonstrate heightened ambition, clearer priority setting, and greater readiness to use its leverage. Foreign policy can no longer be the neglected stepchild of EU integration. An evident area for future action is trade policy; for example, French President Emmanuel Macron recently argued that the EU-Mercosur agreement should not be ratified unless the Brazilian government takes stronger action to put out the fires in the Amazon.⁵

For all these reasons, the many levels of European politics—especially on the national and EU stages—need stronger connections that can engender a shared sense of responsibility and reinforce various officials’ determination to act. At the same time, the EU must deepen democratic engagement with citizens to mobilize for large-scale, coherent, and binding measures to address climate change.

EU political and policymaking structures need to adapt accordingly. The task before European leaders is not just about the specific policy measures needed to mitigate climate change but also how to negotiate them through an EU political system designed for a different political age. How can the EU energize and speed up decisionmaking and overcome the many veto points in its political system? How can Europe strengthen links between the various levels of policymakers? And how can European leaders maintain public support for decisive climate action, ensuring that all of society benefits and that the burden of adjustments is fairly distributed across societies and between different parts of the world?

What Is Working and What Is Not

For all the EU’s flaws, the union is adept at creating long-term policy frameworks for big goals that are in the common interest of all Europeans. The governing institutions in Brussels each have a role to play. The European Commission is capable of producing the kind of large-scale, long-term plans needed to guide such a transition, while the European Parliament serves as a transnational democratic body to debate these plans and build democratic consent, at the EU level at least. Meanwhile, member states make decisions on EU climate policy through the European Council and the Council of Ministers.

The EU already has a long track record on climate change policy. It has been an influential player in international negotiations on the issue, consistently advocating for ambitious targets and timetables for action. Brussels has set a range of targets for emissions reductions for 2020 and 2030, as well as

aspirational targets for 2050. These include a collective EU-wide commitment under the Paris Agreement to reduce annual emissions of greenhouse gases by 40 percent below 1990 levels by 2030. This target will be reviewed in 2020, with the goal of lowering emissions even more, with leaders like European Commission President Ursula von der Leyen aiming for a total reduction of 50 or 55 percent by 2030.⁶

These targets have informed several policies and regulations designed to reduce emissions, increase the uptake of renewable energy, and improve energy efficiency. The EU has established the world's largest carbon market, the EU Emissions Trading System (ETS), which covers 45 percent of the EU's greenhouse gas emissions and 11,000 industrial plants.⁷ Other major economies are even replicating this system. Europe considers itself, with justification, to be a global leader on environmental standards ranging from energy efficiency standards for household products (for example, based on the EU's prevailing Ecodesign Directive provisions) to emissions standards for passenger cars. In early 2019, the European Council and the European Parliament agreed on a set of eight legislative acts known as "Clean Energy for All Europeans." This marks a major step in overhauling the EU's existing energy policy with a legislative package covering energy efficiency, targets for renewable energy, and a new governance system for the energy union, among other areas.⁸

Bumps in the Road to a Greener Europe

For all the impressive progress that has been achieved already, these policies have generally not delivered change on the scale or at the speed required. The EU ETS has been hampered by chronic design flaws. A surplus of emissions allowances drove down the price of carbon dioxide to ineffectual levels in its first decade plus of operations, and free emissions allowances for heavy industry awarded on the basis of historical output levels created perverse incentives for keeping older, high-polluting plants active.

Recent reforms to the ETS have sought to address these flaws, and prices have risen from 8 euro in 2018 to around 25 euro per metric ton of carbon dioxide today.⁹ But the price is still short of where it needs to be for meaningful investments to happen, and the decade it took to address these problems could have been spent on other concerted steps to mitigate climate change. More broadly, targets have gone unmet and policies have not been implemented. Worryingly, a significant part of the emissions reductions seen in western EU member states is due more to economic restructuring (deindustrialization) than to effective climate policy. Recent reforms will begin to address the shortcomings of the ETS, and it remains a mainstay of EU climate policy.

Several factors have contributed to the limitations of Europe's climate policy. The EU's limited enforcement capacity has opened holes in implementation owing to knowledge gaps and design flaws, such as those detailed above with the ETS. Policies have often not been accompanied by

appropriate delivery and monitoring mechanisms. Debates over climate policy have been dominated by concerns over the supposed burden of regulation on businesses, a tendency deepened by industry associations that highlight the risks of climate action to international competitiveness and jobs. Climate policy has been delegated to a handful of directorates general within the European Commission without any central coordination until the recent creation of an executive vice president for climate action. Policymakers have struggled to push climate strategies laterally toward other units and achieve buy-in across the whole commission. This siloed approach has failed to unleash the transformational change that would be required for a climate-neutral transition.

Ultimately, one of the most intractable difficulties has been contending with the national interests represented in the European Council. Member states continue to have a high degree of autonomy on energy, taxation, and land-use policies, three key areas for climate action. National sensitivities over energy security and fears about competitive advantage have diluted policy ambitions.

Contentious political dynamics will likely be a further drag on the EU's capacity to deliver the transition required. Some national governments have recently shown more assertive opposition to climate action. At the June 2019 European Council meeting, the Czech Republic, Estonia, Hungary, and Poland refused to sign on to a long-term target of achieving climate neutrality by 2050, then Poland still held out alone in December 2019, demanding more detailed guarantees of financial aid from the EU.¹⁰ These countries are seeking compensation for regions and industries immediately affected by the ongoing transition, such as coal mining. If the EU gives in to blocking behavior, such payments to the immediate losers from the transition could rapidly deplete the public funds available for the whole enterprise. The EU will need a grand bargain that creates a social safety net for citizens who lose out in the short term, but it must concentrate public investment and compensation primarily on creating economic incentives for decarbonizing production and moving the climate agenda forward.

The Makings of an Effective EU Climate Policy

The EU's Paris Agreement commitments to reduce emissions are not enough to avert catastrophe in time. The EU has to act more urgently and effectively. The technocratic methods of the past will not suffice anymore. Addressing climate change requires accommodating diverse interests in a democratically inclusive way. To gain the necessary political support, Brussels must not depoliticize climate action and make it more technocratic. Given the high stakes and the profound impact on Europe's whole population, any such attempt would result in certain deadlock. There is no alternative to building public support for climate action and to strengthening democratic engagement. Politicians must show that the transition will be fair, or it will not be sustainable politically.

The strong interplay between EU and national politics makes governing even more complex, especially on an issue as technical and contentious as climate action. To deal with this, the EU needs to build deeper connections between various levels of government and facilitate more effective engagement with citizens.

Setting priorities is vital for climate action to work politically, because the sequencing of measures is what enables people to see how they will be affected. But sequencing is made harder with so many actors, parties, and institutions that hold veto power at various points. An example from France is instructive on this point. The country experienced a backlash from badly sequenced measures when the government hiked fuel taxes without compensating by reducing other taxes for rural dwellers and the poor. The result was the *gilet jaunes* (yellow jackets) movement, whose demonstrators protested about the costs falling on them rather than those who could better afford them. A similar situation could easily arise if the EU ignores the social implications of its reform measures.

To build the strongest possible consensus among voters, other stakeholders, and institutions on a clear set of guiding principles for climate action, the EU needs to adopt binding action plans, including firm timelines for implementing these goals. Specifically, the EU must ensure that the policies it enacts are fair, durable, trusted by the public, positively reinforcing, innovative, and visionary. To that end, Brussels' climate action should:

Promote fairness by making sure that the climate transition is just and serves the broad public interest.

If the climate transition is not clearly fair and if climate measures look set to reinforce existing inequalities, it will not gain public support. The transition must also meet economic and social justice objectives so that the burden does not fall disproportionately on the poor and most vulnerable. Emphasizing fairness is the way to keep the EU countries—poorer and richer regions—together and prevent populists from driving a wedge between citizens. Already new dividing lines are appearing, with some EU member states from Eastern Europe claiming that climate change is a Western European concern. Moreover, disinformation campaigns are already spreading climate denial in the region to try to maintain European dependence on Russian natural gas. But hotter summers and changing rain patterns are already affecting farming in Central Europe, so a key argument is that inaction on climate change will not serve the interests of the people of the region. Explaining the enormous cost of not doing anything is instrumental to winning public support.

Another critical part of building and sustaining public support for implementing green policy measures is sequencing them right (for example, raising taxes on corporate jets before tractor fuel) as part of an overall green deal that convinces people that the burden will be shared fairly over the medium term and that such measures will ultimately serve their own long-term interests and those of

future generations. Badly sequenced and poorly designed policies would reinforce both inequalities and unsustainable economic practices. Policies that impose costs on more affluent constituencies should precede policies that impose costs on poorer citizens that are less able to afford them.

A new social contract between European states and their citizens will be needed to ensure that the overall transition is fair, a challenging prospect at a moment when trust in government is low. The EU could help by creating plans that hold governments accountable.

Personnel and funding are also key considerations. The new European Commission has an executive vice president, Frans Timmermans, who is in charge of many of the relevant policies. But much will depend on having adequate funding, which will be determined by negotiations on the EU's long-term budget known as the multiannual financial framework, loans from the European Investment Bank, and new sources of finance. Moreover, EU climate action needs to be reinforced with national commitments. Much of the job will be concerned with getting the European Council, the European Commission, and the European Parliament aligned on the sequencing of measures.

Craft policies with staying power that can be sustained over changes of government.

A great strength of EU policymaking is that European governing institutions still largely base policy on advice from independent scientific experts. The EU will need to implement effective, evidence-based climate change policies consistently over several decades, and the transition to a more sustainable economic system will not happen if this policy course changes with every election. In implementing other large-scale transnational projects, such as the EU single market and the euro, Brussels successfully kept politicians' eyes on the prize. The EU achieved this by setting out fairly comprehensive plans—although not comprehensive enough in the case of the euro—and providing positive incentives to help poorer regions and communities adjust.

The EU's medium- and long-term decarbonization targets, for instance, need to be part of a comprehensive plan that sets out how the overall economic adjustments will be funded, so that people can see how the deal works for them as a whole. If companies and workers have a better sense of what they will gain and lose in the overall transition to carbon neutrality, they are more likely to keep supporting change than if they hear about it one measure at a time.

Earn public trust by closely monitoring the implementation and enforcement of climate policy provisions.

To maintain accountability and public consent to unpopular climate change measures, further mechanisms will need to be developed to monitor the progress of the EU as a whole toward carbon neutrality, as well as that of specific countries and regions.¹¹ Developing such mechanisms is vital

because that would let people see that climate measures are having a real impact and that governments are committed to action, not only rhetoric.

The EU already has legal and financial instruments that are much more binding than the UN and relevant international agreements on climate change. It can apply positive and negative conditionality through the EU budget, EU law (and infringement proceedings when governments fail to apply it properly), and naming-and-shaming tools such as the European Semester reports on economic governance. All these instruments will be needed for the climate transition, preferably under an independent monitoring body that is nonpolitical and trusted by the public. The EU needs to close the implementation gap by using these tools and relying less on soft and market-based measures in future.

Set positive incentives by creating forward-looking policies that reinforce the ecofriendly goals of reform and prevent public funds from being wasted.

The EU has to avoid being seen chiefly as a compensator of economic losses stemming from climate action, especially in the short term. The political temptation to focus on such compensation is great because the need for action is urgent and every country has to agree to the overall deal. This dynamic creates a huge collective action problem because many EU decisions and funding require unanimity among members. There are perverse incentives for the countries least affected by climate change to block collective action and refuse to accept key commitments as a way to extract rents from the EU budget for their support—as the Polish government is doing at the moment.

The European Commission has already proposed the creation of a Just Transition Mechanism (JTM) of some 100 billion euros, in addition to the EU budget.¹² This fund is necessary, but it needs to be guided by two key principles to avoid misallocating resources. First, it must reward contributions to the transition to a greener European economy, not blocking behavior. The quickest way to do that would be for the EU to create a condition that countries that do not sign on to the 2050 goal or other main climate policy objectives will not be eligible for major parts of the funds. As an EU diplomat warned at the December 2019 European Council meeting, “The JTM is not an ATM.”¹³

Second, funding should not be spent first on compensating short-term losers from the first climate change measures that are enacted. Otherwise, rent-seeking entrepreneurs could, for example, buy up end-of-life coal-fired power plants expecting to be paid from public funds to close down those plants, including under the Energy Charter Treaty.

If the EU rewarded such behavior, it would create a constituency of lobbyists clamoring to gobble up public money as compensation for each and every stage of the economic transition. Doing so

would also divert funds from more productive investments designed to create new economic opportunities, and it would destroy social trust by leaving few resources to compensate those affected by later stages in the transition. More fundamentally, a compensation-focused approach would increase public resistance to any policy changes for which citizens are not immediately compensated. Both governments and citizens need to replace the mentality that someone must compensate them for their losses with the idea that they are contributing to the creation of a better-functioning economy that serves everyone.

A focus on short-term transactionalism and incrementalism is dangerous because the European Green Deal needs to be an overarching, visionary social contract and a comprehensive plan for the decades ahead. Incrementalism is also dangerous in the European Council, where EU members' heads of state and government meet several times a year. If the EU keeps lurching from one European Council summit to the next with short-term deals that kick the can down the road, as it has for the last decade on the euro, then it will waste time and erode public trust in the European Green Deal. It would also create completely the wrong political culture to achieve a fair transition.

Effective climate action depends on transferring all resources as rapidly as possible from the unsustainable brown economy into the circular green economy to produce new jobs and economic opportunities. The goal is not just to forcibly shut down so-called dirty industries for the sake of shutting them down but to create a set of incentives for market players to shift resources into more sustainable industries of their own accord and thus create new, more sustainable forms of economic value.

To bring things back to the point of fairness, the costs of the economic transition cannot place too heavy a burden on citizens who have limited lobbying power and whose losses may come down the road and be hard to calculate, while others whose losses are short-term and visible pay little. There does need to be a social safety net for those who fall into poverty as a result of the transition. But publicly funded compensation should directly spur on the transition to sustainability and create new economic opportunities for those who have lost out, not just give them money. For example, offering reskilling programs and new climate-neutral jobs in regions where carbon-intensive jobs are lost would be better than merely paying people off.

Inspire and model policy innovation by encouraging policymakers to be inventive and design policies that can be adopted in other parts of the world.

The EU has a great opportunity to promote policy innovation and experimentation regionally and locally across Europe. There is a need for authorities that can monitor progress effectively and report on policy successes and failures. The task of decentralizing the generation of energy from renewable

sources is a notable example. If successful, the EU and its member states can then share their experiences with other parts of the world and exchange best practice on the climate transition. The success of the European Green Deal will be marked not only by reducing carbon emissions in the EU but by helping other countries incorporate cleaner production cycles and sustainable development.

Help lead the diplomatic charge to sustain and deepen multilateral efforts to address climate change.

It would be a disaster for Europeans to try to enact a climate transition on one continent only. Well-meaning sustainability policies in Europe have already caused dirty forms of production to be outsourced and every kind of waste (from household to nuclear) to be dumped elsewhere in the world. For example, Spain has closed down its coal-fired power stations, but it is buying electricity from such stations just across the Strait of Gibraltar in Morocco. The carbon emissions and pollution continue, just a few more kilometers away.

The EU needs to focus on fostering a global climate transition now. EU markets and investment have great potential to foster the global transition to a greener economy. EU trade policy and regulations could start pricing the environmental costs of all parts of production cycles, a step that could kickstart a worldwide change in economic incentives in favor of sustainability. Such a push needs to go beyond just a border carbon adjustment on imports by factoring in all the environmental and human costs in production cycles.

Frans Timmermans' job as the EU's international envoy involves building partnerships with countries that are ready and willing to lead global efforts to transition to carbon neutrality. He will need to work with others—most notably Josep Borrell, the new EU High Representative for Foreign and Security Policy—to help tackle the geopolitical effects of climate change. This is a hard job because the EU's usual ally on matters of international governance—the United States—currently has an administration that denies human-caused climate change. The EU cannot wait until after the next U.S. presidential election in November 2020 to plan how to ratchet up climate action with other willing countries at the next major UN-sponsored climate change conference, which will take place that same month.

Developing a More Inclusive European Climate Debate

Empowering voters to weigh in, enlisting the help of national and local authorities, and leveraging the European Parliament all would help increase the odds that EU climate action embodies the aforementioned principles and is seen as democratically legitimate.

Fostering Deliberative Democracy

First, the EU should make deliberative democracy the central mechanism for building legitimacy for climate action. Even though Brussels has a good track record of handling long-term, transnational, intergenerational policy issues, the short electoral cycles in EU member states still will make it difficult to sustain democratic consent for climate action over the decades to come. Some say the answer is to remove climate from the realm of democratic decisionmaking (as the Chinese Communist Party has tried to do) or from state action (by relying solely on markets to develop new green technology, as some in the United States seem to prefer). Could the European way differ, by instead seeking to deepen local democratic engagement?

There are at least three major advantages of deliberative citizen participation for long-term issues like climate change. First, many more people can be involved in deliberative policy discussions than through traditional methods of public consultation. Second, those discussions are better informed and go deeper into the details than election campaigns tend to. Third, such deliberations help legitimize action on tricky ethical and social issues on which no political party wants to take a position. Deliberative forums allow citizens to discuss and even decide on trade-offs between competing interests and objectives.

The EU should develop a way to use these consultations on all important legislative initiatives. They are especially vital for climate action and sustainability because of the scale, complexity, and lengthy time horizons of these policies. A great start would be for the EU to use public consultations on the European Green Deal as a pilot project for enhanced citizen participation. For example, the outcomes of citizens' assemblies on specific climate measures could be the basis of corresponding European Parliament draft resolutions.

Enlisting the Help of National and Local Leaders

Second, the EU should involve national parliaments, regional authorities, and local leaders more systematically in EU policymaking to ensure coherent action on climate change. One idea would be to let national parliaments put forward ideas for legislative initiatives. New European Commission President Ursula von der Leyen has committed to give the European Parliament an indirect right of initiative: if a majority votes for an initiative, she has pledged that the commission will submit a legislative proposal along those lines. A similar mechanism could be developed to allow a quorum of national parliaments to put forward ideas for new legislation on climate action.

Another idea would be for members of European Parliament to be given the right to participate in

national parliaments' debates on EU matters and commissioners to be tasked with conveying and explaining EU policies in relevant institutions in the member states where they speak the language. For example, they could use their visits to all the member states next year to talk with citizens of the many regions and municipalities throughout the EU. The point is to connect EU-level politics more effectively with the local and regional levels. Local and regional leaders are closer and more familiar to citizens, who trust them more than national and EU institutions.

Mayors in particular have an important role to play on climate action because so many measures need to be implemented in cities—from recycling to the sustainable use of energy and water—and municipalities have vastly different implementation powers. Building on existing initiatives like the EU Covenant of Mayors, further efforts need to be made to engage municipalities on climate action.¹⁴ The climate transition will cause some energy production to be decentralized to the local level because renewable sources of energy (such as solar and wind power) tend to be more local than fossil fuel generation. Even more opportunities for local engagement will come in transport and housing, two major policy areas that need rapid decarbonizing.

Leveraging the European Parliament

Third, the European Parliament's capacity to support climate action should be strengthened. The body plays an important role as the primary forum for holding governments to account for their commitments to the whole EU's transition to a zero-carbon economy. To serve this function, the parliament needs new instruments to monitor progress based on the best available scientific advice.

The body could also become a more effective forum for transnational debates. It needs to be more transnational in its outlook and composition. European Parliament elections tend to be twenty-eight parallel national elections under the control of national parties, with campaigns that often focus on domestic issues. As the divisions between European and national politics narrow, these elections need to become truly European.

The first step is to introduce transnational candidate lists for the 2024 European Parliament elections. Citizens would have two votes, one to be cast in the traditional way, and a second one for transnational lists drawn up by the European party groups. Initially, these lists would only involve a small proportion of seats—say 20 percent—and that share could later be scaled up in future elections. This reform would allow the European party groups gradually to turn themselves into genuine political parties rather than loose coalitions of national parties. Such a step would help make members of European Parliament much better known in the member states, let them communicate directly with citizens, and allow them to submit policy platforms for discussion—particularly on transnational issues that affect all Europeans, such as climate action.

Given the scale of the challenge, the EU needs a new type of leadership that is more political, more visionary, and more appealing across national borders. Gone are the days when technocrats could do backroom deals out of public view. The leaders of the EU institutions—especially the commission—need to be able to engage with all Europeans, across languages, and beyond national representatives. For such leadership to take hold, the Spitzenkandidat system needs to be reformed. Moreover, the candidates for the top jobs should head the transnational candidate lists for European Parliament, so that they run on a common campaign platform that is thoroughly debated in all the member states.

These ideas could be taken up by the Conference on the Future of Europe, set to begin in 2020 (and to run for two years), a proposal made by Macron and now the responsibility of new commissioner Dubravka Šuica. This conference should not be another convention, but it could pull together new ideas with the work of deliberative citizens' assemblies laying the groundwork.

Conclusion

If handled badly, the politics of climate change could massively deepen the divisions between EU and national politicians, governments and civil society, rural and urban regions, and various generations and social classes. That could lead to toxic political fights, multiple impasses, and a politically irrelevant EU. Such a corrosive, divisive political environment could deepen existing power inequalities and curtail economic and social justice. Populist politicians are already falsely painting climate change as an elite concern rather than a scientifically proven phenomenon that will affect every human being.

The answer is for the EU to commit deeply to its a comprehensive plan for climate justice—effective ways to reduce the EU's emissions and an economic transition that is clearly fair. A comment from one of the *gilets jaunes* protesters in France that went viral earlier this year is noteworthy. It summed up the fears of many Europeans: “[The elites] worry about the end of the world, while we worry about the end of the month.”¹⁵ The EU has to show that it has solutions for both concerns, that the low-carbon, sustainable economy will be more just, and that the costs of adjustment will be spread fairly.

If the EU gets it right, a fair climate transition could advance social and economic justice in ways that market economics has failed to deliver. Climate action could even become a great integrating force for the continent in the coming decades. Europe urgently needs to develop better ways of handling the politics of climate change, both for its own transition and for the sake of becoming an effective leader of global action. The stakes could not be higher for the EU or for the human race.

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Notes

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