

Invitation to virtual DK Guest Lecture

Making carbon pricing work for citizens

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11:30 – 13:00

<https://unimeet.uni-graz.at/b/sch-rap-ka3>

Abstract

It is common knowledge among economists that the most efficient instrument to mitigate climate change is a price on carbon. However, current carbon prices around the world are too low to reach global climate targets. Specifically, environmental taxes remain distinctly unpopular with citizens, who are not convinced that they are environmentally effective. This talk assesses the difficulties in designing successful carbon pricing reforms. It discusses how to overcome these difficulties by combining traditional public economics lessons with findings from behavioral and political science.

Further, I highlight how framing a carbon tax reform around tangible benefits can enhance political support. Finally, I explain how certain countries were successful at introducing high carbon prices and what can be learned from these cases for making progress with climate change mitigation. I conclude with how this subject matter applies for environmental taxes beyond carbon, making a case for a more holistic approach to taxes on transport fuels and on meat, emphasizing tangible direct health benefits.