Brexit and Climate Change Policy from a U.S. Perspective

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U.S. Climate Policy

- Signed Paris, plans to ratify
- Recent deal with Mx and Ca
- Democrats: no carbon tax

- Technology-Push, “Mission innovation”
- Bilateral focus
An unprecedented governance challenge

How should societies address:

• a truly global public goods problem,

• under deep uncertainty about future impacts and costs to address,

• with diverse perspectives about tolerance for risk time preferences

• over the course of several decades?

*Brexit: cooperation harder... more bottom up?*
Expected carbon prices


**Brexit: uncertainty higher**
How do you value the benefits of policy in your decisions to invest in energy start-ups?

“We ignore it. What the government giveth, it can taketh away.”

- U.S. venture capitalist

**Brexit: credibility lower, investment incentives weaker**

reasons for optimism

1. emerging collective action
2. learning from policy experience
3. precedents in other areas
4. adaptation incentives strong
5. co-benefits: local and immediate
6. examples of low-energy, high-HDI
7. some are investing, experimenting
8. technology improvement
9. millennials

Except #1, all robust to Brexit