Institute for Sustainable Leadership
Building the future's leaders and creating sustainable organisations

NEWSLETTER

From the editor's desk

In this issue, we focus on climate change, and on the failure to act on the potential risks at the political and governmental levels in particular. Can our psychological makeup mean that the more we know about the likely risks of climate change, the more likely we are to downplay those risks? ISL continues its research into, and promotion of, sustainable 'honeybee' leadership and sufficiency thinking in many parts of the world. Ecology is of course only one component of honeybee leadership, and here there is much to do!

Gayle Avery

The Institute for Sustainable Leadership promotes the science and practice of sustainable leadership through research and education. Photo: H. Bergsteiner

WHEN CLIMATE CHANGE FAILS
ARE PEOPLE TOO SCARED TO ACT?

Why are so many politicians and others ignoring the potential risks of climate change?

Global organisations such as the IPCC (Intergovernmental Panel on Climate Change) and others raise our awareness of the science behind climate change, and the warning it offers. At the IPCC, leading scientists not only assess the impending effects of climate change but also suggest appropriate actions.

Many businesses are now building climate change risk into their governance and are taking action. However, not all major governments are heeding the call. We ask: Why are they not acting?

One explanation may come from findings that even where awareness of climate change risks is high, this awareness does not always translate into higher perceptions of risk.

Instead, risk becomes "normalised": individuals who are more exposed to, and aware of, hazards minimise their perceptions of risk as a psychological mechanism to be able to cope with such dangers.

Data collected from 46,221 people in 33 countries support this idea. In countries with higher CO_2 emissions (like the USA and Australia), and where people are exposed to the activities and technologies related to climate change, individuals tend to have lower perceptions of climate risk - irrespective of their gender, age, education, political orientation and where they live. Does this phenomenon affect our politicians too?

For details see:

Sílvia Luís et al. 2018. Raising awareness of climate change causes? Environmental Science & Policy, 80, 74-81.

INSIDE...

OVER 1,100 PEOPLE HAVE DOWNLOADED ISL'S EXPOSÉ OF MISLEADING COUNTRY COMPETITIVENESS

One year after its publication in the *Journal of Business Ethics,* ISL's paper exposing the flaws in well-known rankings of country competitiveness has been downloaded more than 1,100 times. Unfortunately, our pointing out the serious methodological flaws in these instruments for ranking countries has had little effect on the groups actually producing such problematic reports. Our study not only exposed the problems with existing competitiveness rankings, but also identified ways of removing those flaws using reliable third party data. Our study did not just rely on economic comparisons between countries but broadened the concept of competitiveness to include social and environmental criteria. By "cleaning the data" this way, we found that the Northern-European countries continued to rank highly, as they do in most surveys, but the competitiveness rankings of the US and UK fell substantially. We thus recommend that emerging economies look to Northern-European countries as role models and not to the Anglo world. You can download our study in the *Journal of Business Ethics* for free.

ROUNDTABLE IN ROME, ITALY

GOVERNANCE FOR THE COMMON GOOD

ISL was delighted to be invited to present its work at the Roundtable on *Governing for Sustainable Human Development and the Common Good*, held in Rome in May. Participants were primarily Board Directors and Trustees of major Catholic Institutions in Australia. Organised by the Australian Catholic University, this immersion tour and conference covered many spiritual, canonical and secular perspectives on achieving the common good.

Harry Bergsteiner and Gayle Avery from ISL spoke on secular themes in their session on "Governing for the Common Good: Transforming Organisations using Sustainable Leadership and Sufficiency Thinking." In addition to engaging in a lively discussion about the VW Dieselgate emissions scandal from a governance perspective, delegates participated in a survey of attitudes towards trusting others in different situations. ISL's work on Honeybee Leadership and Sufficiency Thinking was also covered during the wide-ranging session.

In introducing the academic side of the Roundtable, Bishop Paul Tighe (pictured) explained how Sustainable Development Goal #17 on Partnerships is particularly relevant to the Church and its work.

EDUCATION AT CEIBS, CHINA

HIGH PERFORMANCE AND SUSTAINABLE LEADERSHIP

In May, ISL presented its regular program on High Performance and Sustainable Leadership at the highly ranked China Europe International Business School in Shanghai. In 2019, participants included 57 high level executives from both multinational and Chinese organisations.

MASTERS STUDENTS IN ZURICH

GLOBAL PERSPECTIVES ON SUSTAINABLE LEADERSHIP

In 2019, ISL was again invited to Zurich University for Applied Sciences for a 3-day class looking at a range of global perspectives on sustainable leadership. Among other activities, the class evaluates the performance of companies on the SDGs.

RESEARCH WATCH

ESTIMATING THE EFFECTS OF CLIMATE CHANGE

For this issue of Research Watch, we summarised review articles about the estimated effects of climate change on economics, behaviour and biodiversity. The reviewers generally lament the lack of reliable information available on these important topics.

Climate change's likely economic effects

According to Tol's (2018) review of the literature, the quantitative economic impacts of climate change are difficult to estimate because of irreducible uncertainties in estimating and valuing the impact of future climate change on future society. However he identifies some qualitative insights that are robust: "… "the impact of climate change on the economy and human welfare is likely to be limited, at least in the twenty-first century. In the short to medium run, climate change may well bring gains, particularly to those who depend on rain-fed agriculture (as carbon dioxide fertilisation makes plants more drought resistant) and those who spend substantial money on heating (as warming is faster in winter). However, in the long run, the negative impacts of climate change are likely to outweigh the positive ones. These negative impacts will be substantially greater in poorer, hotter, and lower-lying countries. Because poverty causes vulnerability to climate change, development is a complementary strategy to GHG emissions reduction; any trade-off between slower economic growth and lower emissions needs to be carefully considered. At the same time, climate change may affect the growth rate of the economy and may trap more people in poverty, although estimates of the size of these effects vary from negligible to substantial." (n.p.).

Details at: Richard S J Tol. 2018. The economic impacts of climate change. Review of Environmental Economics and Policy, 12(1), pp. 4–25, https://doi.org/10.1093/reep/rex027

Climate change's likely behavioural effects

"The projected behavioural impacts of global climate change emanate from environmental changes including temperature elevation, extreme weather events, and rising air pollution. Negative affect, interpersonal and intergroup conflict, and possibly psychological distress increase with rising temperature. Droughts, floods, and severe storms diminish quality of life, elevate stress, produce psychological distress, and may elevate interpersonal and intergroup conflict. Recreational opportunities are compromised by extreme weather, and children may suffer delayed cognitive development. Elevated pollutants concern citizens and may accentuate psychological distress. Outdoor recreational activity is curtailed by ambient pollutants. Limitations and issues in need of further investigation include the following: lack of data on direct experience with climate change rather than indirect assessments related to projected changes; poor spatial resolution in environmental exposures and behavioural assessments; few rigorous quasi-experimental studies; over-reliance on self-reports of behavioural outcomes; little consideration of moderator effects; and scant investigation of underlying psychosocial processes to explain projected behavioural impacts." (Abstract)

Details at: Gary W Evans. 2019. Projected behavioral Impacts of global climate change. Annual Review of Psychology, 70, 449-474, https://doi.org/10.1146/annurev-psych-010418-103023

Climate change's likely effects on biodiversity

Pecl and her co-authors review evidence that "climate-driven species redistribution at regional to global scales affects ecosystem functioning, human well-being, and the dynamics of climate change itself. Production of natural resources required for food security, patterns of disease transmission, and processes of carbon sequestration are all altered by changes in species distribution. Consideration of these effects of biodiversity redistribution is critical yet lacking in most mitigation and adaptation strategies, including the United Nation's Sustainable Development Goals…
….Human survival, for urban and rural communities, depends on other life on Earth. The biological components of natural systems are 'on the move', changing local abundances and geographical distributions of species. At the same time, the ability of people and communities to track these pervasive species redistributions and adapt to them is increasingly constrained by geopolitical boundaries, institutional rigidities, and inertias at all temporal and spatial scales…
In the coming century, all people and societies will face diverse challenges associated with development and sustainability, many of which will be exacerbated by the redistribution of species on the planet (Figs. 2 and 3).... The breadth and complexity of the issues associated with the global redistribution of species driven by changing climate are creating profound challenges, with species movements already affecting societies and regional economies from the tropics to polar regions. Despite mounting evidence for these impacts, current global goals, policies, and international agreements do not sufficiently consider species range shifts in their formulation or targets. Enhanced awareness, supported by appropriate governance, will provide the best chance of minimising negative consequences while maximising opportunities arising from species movements—movements that, with or without effective emission reduction, will continue for the foreseeable future, owing to the inertia in the climate system." " (n.p.).

Details at: Gretta T. Pecl et al., 2017. Biodiversity redistribution under climate change: Impacts on ecosystems and human well-being. *Science,* 355(6332), eaai9214. DOI: 10.1126/science.aai9214