

# Summary

The report highlights factors influencing citizens' acceptance of climate policy instruments, with a particular focus on carbon taxes. Climate policy instruments often face public resistance, despite being highlighted by both researchers and policy experts as essential for reducing carbon emissions and achieving global climate goals. This report analyzes why such resistance arises, what factors explain acceptance, and what can increase public acceptance or reduce opposition to policy instruments that are effective and cost-efficient.

The theoretical starting point is that climate change can be seen as a large-scale collective action problem requiring active governance to be overcome or mitigated. A central premise is that without political regulation, it is unlikely that individuals will voluntarily change their behavior to reduce emissions, as this would impose individual costs to achieve shared goals.

There are different types of political governance. This report focuses on attitudes toward climate policy instruments targeting individual consumption. In this context, economic instruments, such as carbon taxes, are often highlighted by researchers and policy experts due to being both effective (i.e., they reduce emissions in line with climate targets) and cost-efficient (i.e., they achieve the goal at the lowest societal cost). However, the introduction of such policy instruments has generated public opposition.

The report identifies several factors that influence how citizens perceive climate policy instruments. These factors are categorized into five groups: material, internal, relational, policy-specific, and contextual factors.

- *Material factors* include perceived economic consequences. Individuals are more likely to accept policy instruments if the costs are borne by someone else, while opposition arises when

individuals perceive themselves as shouldering a relatively large share of the costs.

- *Internal factors* include ideology and values. Research shows that left-leaning individuals are generally more supportive of climate policy instruments than right-leaning individuals. Those with altruistic or biospheric values are also more likely to accept climate policies than those with more egoistic values.
- *Relational factors* concern how people's relationships with others affect their attitudes. One such factor is social trust. Another, closely related, is trust in political institutions and decision-makers. These factors seem to influence attitudes in different ways. While research clearly shows that low political trust leads to lower acceptance of carbon taxes, the effects of social trust are often smaller and more complex. Studies have also shown that social norms and partisan cues can influence climate policy attitudes. If individuals perceive that their social environment or political party supports or opposes climate policies, this influences their own stance.
- *Policy-specific factors* include two key aspects highlighted in the report: perceived effectiveness – citizens must believe the policy instrument successfully reduces emissions – and perceived fairness. The latter can be divided into distributive fairness (who bears the costs) and procedural fairness (how the decision was made), both of which influence acceptance. Research shows that perceived fairness and effectiveness are the most significant individual factors affecting climate policy acceptance.
- *Contextual factors* are the final category. The research in this area is somewhat fragmented, making it difficult to draw clear conclusions. Factors such as democratic and economic development, as well as the level of institutional quality (e.g., absence of corruption), are closely interlinked. Support for climate taxes, in particular, tends to be higher in countries with high-quality political institutions.

The following chapters present research on strategies to increase acceptance of climate policy instruments, categorized into three

main areas: resource and cost distribution, communication and information, and structure and organization.

- *Resource and cost distribution* refers to different methods of revenue recycling and compensation. Although research findings vary, a general conclusion is that clarifying revenue use and pre-defining how carbon tax revenues will be used, can mitigate resistance to such instruments. For example, earmarking tax revenues for climate projects has been shown to increase support in several studies.
- *Communication and information* address how the framing of messages – such as media narratives – affects acceptance. The overall conclusion from this research is that the effects of such messages are generally marginal.
- *Educational initiatives* focus on providing information about a policy instrument’s effectiveness and rationale. Many perceive carbon taxes as a form of punishment or a means of generating government revenue, rather than as a way to price climate-damaging activities. When framed as punishment or revenue-generating, acceptance tends to be lower. The terminology used to describe policy instruments also affects acceptance. How policies are named and described can influence people’s attitudes and support for climate measures.
- *Structure and organization*, finally, relates to the importance of packaging, sequencing, and public dialogue. Policy packaging involves combining multiple policy instruments to increase support for more effective but potentially unpopular measures. Two common types of packaging are *chronological packaging*, where measures are implemented in a strategic sequence, and *horizontal packaging*, where multiple measures with the same goal are introduced simultaneously. Both have been shown to increase acceptance. Furthermore, some research suggests that the timing of climate policy implementation affects public attitudes, indicating that acceptance levels tend to be higher when the economy is not in recession. However, findings on this issue remain inconclusive. Another proposed strategy is to improve democratic procedures, for example, by increasing citizen

participation in the design of climate policies. Procedural fairness – how decisions are made, including transparency, inclusion, and giving citizens time to adapt to policy changes – can enhance support. Experiences from the introduction of congestion charges in Stockholm show that perceived positive effects and less severe negative consequences than expected contributed to increased acceptance. A trial period was followed by a planned referendum, in which a majority voted in favor of congestion charges.

In the final chapter, the significance of public acceptance is further discussed, with several key observations:

1. *The impact of strategies to influence public opinion is often limited.* There is no simple method to quickly change attitudes fundamentally. Instead, a viable approach is to find combinations of policy instruments and strategies that can gradually shape public opinion over the long term.
2. *Opposition to climate policies often receives more attention in media and political debates than support for such policies.* In spite of this fact, some unpopular climate policy instruments – such as carbon taxes – are often more popular than other taxes, such as municipal, regional, and state income taxes (which in some cases fund more popular climate measures like public transportation expansion or subsidies for climate-neutral fuels). Both the public and politicians tend to underestimate support for carbon taxes, which can affect decision-making and political communication on climate measures.

The report concludes that achieving public support and acceptance for climate policy instruments does not necessarily require drastic shifts in attitudes. Public influence may be important in local decisions, such as congestion charges, where practical aspects affect daily life, but it is likely less relevant for overarching measures like the EU Emissions Trading System (ETS), which is decided at a high political level without direct public input.

Research also shows that acceptance of climate policies is influenced by *ideological differences*. Studies suggest that earmarking

revenue from climate measures, such as carbon taxes, can increase support, but the purposes for which revenues are allocated should be formulated by political actors based on their ideological perspectives. Parties advocating for climate policy instruments need to engage in more effective opinion-shaping efforts to achieve broad acceptance. Using partisan signals, social norms, and identity can help influence public attitudes. Clarifying who benefits from climate measures or who is harmed by inaction can strengthen support for climate policies.

Studies indicate that *public acceptance of climate policies can be built*, but this is challenged by the fact that benefits are often perceived as distant, while costs tend to be direct and unequally distributed. A key to acceptance is creating conditions where more people see themselves as winners of climate measures, such as through economic compensation or strengthening green industries. At the same time, compensation measures are not always easy to implement and can lead to goal conflicts or boundary issues, where fairness arguments are sometimes strategically used to disguise self-interest. To successfully advance climate policies, both political determination and clear communication that measures are fair, effective, and beneficial are required, which can enhance trust and generate long-term support.

Finally, the report formulates several questions to guide policymakers in designing climate policies that are both effective and perceived as acceptable:

1. *Which policy instrument should be chosen?* Instruments can be categorized as “sticks” (bans and price increases), “carrots” (subsidies), and “sermons” (information). Sticks are the most cost-effective and goal-effective (impactful) but often unpopular, while carrots are more appreciated but costly. Sermons have high acceptance, but typically rather limited effect.
2. *How should the policy instrument be communicated?* Acceptance is influenced by its name and framing. For example, “carbon tax” generates less resistance than “gasoline tax” because its purpose is clearer.
3. *Who is affected, and how will this be perceived?* Different policy instruments impact various social groups differently.

4. *How can a desired policy instrument be complemented?* It is important to analyze both actual and perceived impacts. Measures can be designed to redistribute revenue and create winners, such as tax rebates or compensation schemes.