

> Friday, May 24th, 2024

11:00 – 12:30

> ICOR

**RESEARCH
SEMINAR**



EMPOWERING CHANGEMAKERS FOR A BETTER SOCIETY

“UNRAVELLING THE NARRATIVES OF THE CLIMATE FINANCE AGENDA”

BY HUGUES CHENET - IÉSEG



ABSTRACT

Since the early 2000s, the public debate has gradually filled with normative proposals aimed at tackling the two-way climate finance challenge (how finance impacts climate stability and how finance can be impacted by climate change) – the “climate finance agenda”. Yet, although parts of this agenda are already well identified and discussed by the academic literature, scholars still lack a comprehensive picture of the diverse types of prescriptions that compose such an agenda and of their underlying narratives. This article addresses this gap through a longitudinal and inductive study of the climate finance agenda in Europe. First, we draw on historical sources of secondary data and on semi-structured interviews to map the climate finance agenda and identify its key normative prescriptions. We then inductively analyze these normative frameworks to unravel their underlying narratives. Our analysis reveals that normative frameworks have taken an increasingly critical stance towards the standard financial narrative as the development of the agenda progressed. While the first normative frameworks emerging in the early 2000s relied on the integration of climate change as a risk factor in standard financial value maximization processes, in a few recent prescriptions, climate change has evolved into a distinct proximate goal alongside or potentially superseding the traditional focus on value maximization. We also identified the emergence of narratives that question the pertinence of relying on market mechanisms for meeting the climate finance goals and propose alternative, more prescriptive tools aimed at incentivizing or even directly controlling financial institutions’ behaviors.