

# Contents

**Acknowledgments — V**

**Preface — XI**

## **Chapter 1**

**Introduction — 1**

## **Chapter 2**

**Systems Science — 3**

- 2.1 The Study and Modeling of Systems — 3
- 2.2 Dynamics and Openness of Systems — 6
- 2.3 Complex Systems — 9
- 2.4 Cybernetics — 14

## **Chapter 3**

**Technologies — 16**

## **Chapter 4**

**Economic System — 18**

- 4.1 Economics According to Neoclassical Theory — 20
- 4.2 Economy as a Complex Adaptive System — 23
  - 4.2.1 Human Behavior and E. Ostrom's Core Design Principles for Cooperation — 25
  - 4.2.2 Dynamics and Openness of the Economic System and Organizations Therein — 28

## **Chapter 5**

**Sustainable Development – Economy Interrelated with Society and Environment — 32**

## **Chapter 6**

**Climate Change – External Effect of Economic Activity — 42**

- 6.1 Causes and Evidence of Climate Change — 43
- 6.2 Identification of GHG Emissions — 49
  - 6.2.1 Emission Factors and GHG Inventories for Fuel Combustion — 49
  - 6.2.2 Assessment of Land Sector — 51
  - 6.2.3 Life Cycle Emissions of Products — 52
- 6.3 Climate-Related Risks and/or Impacts — 54
- 6.4 Remaining Carbon Budgets — 61
- 6.5 Mitigation Options — 64

**Chapter 7**

**Technological Change — 69**

- 7.1 Feedback Loops Drive Change — 71
- 7.2 S-Shaped Diffusion of Technologies — 75
- 7.3 Learning or Experience Curves — 78

**Chapter 8**

**Energy Transition Towards Renewable Energy — 86**

- 8.1 Potential of Renewables — 86
- 8.2 Renewable Power Generation Technologies — 88
- 8.3 Energy Storage and Power-to-X — 95
- 8.4 Global Energy Transition Scenarios — 107
- 8.5 Environmental and Social Issues — 114
  - 8.5.1 Life Cycle Emissions — 114
  - 8.5.2 Assessment of Indirect Land-Use Change — 114
  - 8.5.3 Resource Requirements — 115
  - 8.5.4 Social or Political Challenges — 116
  - 8.5.5 Energy Security — 117

**Chapter 9**

**Framework for Dealing with Climate Change and Other Sustainability Issues — 118**

- 9.1 Policies to Comply with the Paris Agreement Temperature Target — 120
  - 9.1.1 Carbon Pricing as Key Policy Instrument — 120
  - 9.1.2 Design of an International Carbon Pricing System — 122
  - 9.1.3 Complementary Policies to Carbon Pricing — 137
- 9.2 Achieving an International Agreement — 138
- 9.3 Climate Clubs — 141
- 9.4 The Essential Role of Carbon Pricing Revenue Distribution for Equitable Burden Sharing — 149
  - 9.4.1 Use of Nationally Available Carbon Pricing Revenues — 152
  - 9.4.2 Allocation of Carbon Pricing Revenues to Countries through Risk Hedging — 153
- 9.5 Overcoming the Tragedy of Global Commons — 157
- 9.6 General Systemic Approach Concerning Sustainability Issues — 159

**Chapter 10**

**Discussion and Outlook — 164**

**Postface — 167**

**List of Figures — 169**

**References — 171**

**Index — 195**