CLIMATE POLICY
https://doi.org/10.1080/14693062.2026.2661351

Taxing uber-polluters: carbon inequality and support for wealth taxation to finance the green transition

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ABSTRACT

Carbon inequality implies that wealthy individuals contribute more to climate change than asset-poor individuals. This pattern is primarily driven by higher levels of consumption and investment in carbon-intensive industries. Yet the prevailing policy response – the carbon tax – is often perceived as regressive and therefore politically unpopular, given that perceptions of distributional fairness strongly shape public support for climate policies. We conduct two complementary survey experiments in a large online survey in Germany ($n = 4653$) to examine preferences over a recent policy proposal developed in response to accumulating evidence of carbon inequality: wealth taxation to finance the green transition. Using a randomized controlled trial, we find that while baseline support for the wealth tax is high (72 percent), exposing respondents to a compensatory argument emphasizing carbon inequality does not further increase this support. However, emphasizing carbon inequality increases support for using wealth tax revenues to finance the green transition, making this the most popular option for using the revenue. A conjoint survey experiment further demonstrates that spending wealth tax revenue on public investment in transport infrastructure, subsidies for private investment in low-carbon technologies, and redistributive measures such as a lump-sum payment to all households paying carbon taxes receive the highest support among German respondents. In contrast, subsidies for the purchase of electric vehicles and investment in geo-engineering are unpopular. These findings suggest that invoking carbon inequality can help build democratic majorities for using wealth taxation to finance investment in climate change mitigation and adaptation. Hence, there is a path towards lower emissions and greater climate resilience that is unlikely to produce popular backlash.

Key policy insights

- 72 percent of respondents in Germany support reintroducing the wealth tax
- Exposing respondents to a compensatory argument emphasizing carbon inequality boosts support for using wealth tax revenue to finance the green transition
- Respondents prefer additional revenue to be spent on public investment in transport infrastructure, subsidies for low-carbon technologies, and redistributive climate policies
- Spending on measures targeted at groups particularly affected by climate change, as well as subsidies for electric vehicles and geo-engineering, receives the least support
- Recent proposals to enlist the top 10 percent of wealth holders to finance investment in climate mitigation and adaptation are likely to gain public support in Germany

ARTICLE HISTORY
Received 29 May 2025
Accepted 13 April 2026

KEYWORDS
Carbon inequality; wealth taxation; distributional fairness; public opinion; climate policy; progressive taxation

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Leo Ahrens passed away on 23 December 2025. We honour his many contributions to our joint work and to political science research more broadly in an obituary, available at https://www.polsoz.fu-berlin.de/polwiss/forschung/oekonomie/ipoe/news/Nachruf-Leo.html. Our deepest sympathies go to his family.

Supplemental data for this article can be accessed online at https://doi.org/10.1080/14693062.2026.2661351.

Introduction

The literature on carbon inequality shows that individuals' greenhouse gas (GHG) emissions increase exponentially with income and wealth (Barros & Wilk, 2021; Chancel, 2022; Starr et al., 2023). This pattern is driven by higher levels of consumption (Bruckner et al., 2022; Gössling & Humpe, 2020; Ivanova & Wood, 2020; Oswald et al., 2020) and investment in carbon-intensive industries (Chancel, 2022; Starr et al., 2023). In many high-income countries, the bottom 50 percent of the wealth distribution are on track to meeting their government's GHG reduction targets under the Paris Agreement, while the top 10 percent still need to cut more than 80 percent of their emissions by 2030 (Chancel, 2022, p. 935). At the same time, opinion research shows that people's perception of a policy's distributional fairness is the most important determinant of public support for climate action (M. Bergquist et al., 2022; Zhang et al., 2025). That is, policies perceived as regressive – placing a higher burden on the poor relative to the rich – receive the lowest levels of acceptance (Dugstad et al., 2024; Maestre-Andrés et al., 2019), a dynamic that has caused political backlash, undermining the political viability of carbon taxes on consumption (Carattini et al., 2018; Dabla-Norris et al., 2024; Douenne & Fabre, 2022; Green, 2021b).

To make climate action more politically feasible, scholars have advocated for progressive policies that place a higher financial burden on those responsible for most GHG emissions (Carattini et al., 2019; Chancel, 2022; Dietsch, 2024; Green, 2021a; Mazzucato, 2022; Otto et al., 2019). However, the only progressive policy researchers have systematically studied is a rebate for (low-income) households paying carbon taxes on consumption. Evidence from hypothetical settings suggests rebates increase public support for carbon taxation (Baranzini & Carattini, 2017; Beiser-McGrath & Bernauer, 2019; Carattini et al., 2018; Jagers et al., 2019; Nowlin et al., 2020; Woerner et al., 2024), but experimental evidence from Canada and Switzerland – two countries with carbon tax rebates – suggests that raising awareness of actual rebates does not raise public support for carbon taxes (Mildenberger et al., 2022).

This study goes beyond the literature's narrow focus on rebates by examining the link between carbon inequality and wealth taxation for financing the green transition. Since distributional concerns are key for public acceptance of climate policies, researchers have recently advocated for including wealth taxation in the policy mix (Chancel et al., 2024; Dietsch, 2024). These proposals gained traction internationally when the Brazilian G20 presidency in 2024 proposed a coordinated, global minimum tax, ensuring that billionaires pay at least 2% of their wealth in taxes annually to raise funds for public purposes such as climate change mitigation.[1]

We contribute novel empirical insights to this debate. Specifically, we are the first to test the causal effect of exposure to a compensatory argument emphasizing carbon inequality on public support for wealth taxation and preferences over revenue allocation. Compensatory arguments justify progressive taxation by emphasizing unequal treatment by the state (Alvarado, 2024; Scheve & Stasavage, 2012) or unequal responsibility for a crisis' societal costs (Limberg, 2019, 2020). Previous research links such arguments to substantial increases in progressive taxation during crises, including the First and Second World Wars (Scheve & Stasavage, 2016) and the Great Recession (Limberg, 2019).

We situate our research in Germany, where a reintroduction of the wealth tax suspended in 1997 is actively debated (Elsässer et al., 2023; Sachweh & Eicher, 2025). Drawing on existing political discourse (Hilmar & Sachweh, 2022; Theine & Grisold, 2022), we use a large survey ($n = 4653$) to investigate whether framing carbon inequality as a justification for greater financial contributions from the wealthy increases support for reintroducing the wealth tax and spending additional revenue on the green transition. Such arguments may correct the widespread underestimation of inequality in individual carbon footprints, thereby increasing support for progressive policies (Nielsen et al., 2024). By confronting respondents with frames reflecting common statements on wealth taxation by German policymakers (Fastenrath et al., 2022; Hilmar & Sachweh, 2022), instead of merely providing information on (carbon) inequality as previous survey experiments on tax preferences have done (Alvarado, 2024; Ballard-Rosa et al., 2017; Beiser-McGrath & Busemeyer, 2024;

[1]This proposal is based on a report by Gabriel Zucman, available here: https://www.gov.br/g20/en/news/at-the-g20-brasils-proposal-to-tax-the-super-rich-may-raise-up-to-250-billion-dollars-a-year (accessed January 16, 2026).

Fernández-Albertos & Kuo, 2018; Hope et al., 2023), we also make the experimental setting resemble political debate more closely.

The analysis focuses on support for a wealth tax and preferences over the use of wealth tax revenue as our main dependent variables because thresholds ensure that this tax would fall mainly on the top 10 percent of the wealth distribution (Bach & Thiemann, 2016). If the government wanted to make asset-rich individuals pay for the green transition, as researchers suggest (Chancel et al., 2024), reintroducing this tax and earmarking revenue for additional climate action would thus be an adequately targeted intervention. Governments have, moreover, usually introduced wealth taxes to finance their responses to crises (Limberg & Seelkopf, 2022), making this a plausible policy option in a context of rising public awareness of the link between climate change and extreme weather events (P. Bergquist & Warshaw, 2019; Hazlett & Mildenberger, 2020; Hoffmann et al., 2022; Howe et al., 2019). To identify preferences over the use of wealth tax revenue, we use a budgeting exercise, asking respondents to allocate additional revenue to different policy areas, including climate policy. To assess whether respondents prefer financing progressive over regressive climate policies, we follow up with a conjoint survey experiment, asking respondents to choose their preferred policy packages from a series of randomly created pairs of spending proposals.

In the remainder of the paper, we first describe our methodological approach, combining a randomized controlled trial (RCT) with a conjoint experiment. We then present results from each experiment in turn. The RCT demonstrates that emphasizing carbon inequality makes climate spending the most popular use of wealth tax revenue. Building on this finding, the conjoint experiment reveals strong preferences for progressive climate policies, particularly public investment in transport infrastructure, subsidies for low-carbon technologies, and lump-sum rebates to households. We discuss these findings in relation to existing research on compensatory taxation arguments and climate policy support before concluding with implications for policymakers.

Methods

Sample

We fielded a survey in the spring of 2024 (fieldwork: 21–29 March 2024) with 4653 respondents who are broadly representative of the German adult population.[2] The survey was conducted online by the survey company *bilendi*, which randomly invited respondents from its online access panel to participate. We employed quota sampling based on age and gender (crossed) as well as education, and to ensure high data quality, participants who failed either one or both of the two included attention checks were screened out. The survey was developed and administered in German. Supplementary Table 1 in the Appendix reports the distributions of sociodemographic characteristics in the population, the raw sample, and the weighted sample (using weights created by entropy balancing), which are used in robustness tests. The survey design and analytical strategy were preregistered via the Open Science Framework (OSF).[3]

Randomized controlled trial

We first conduct the RCT. Before treatment, all respondents were provided with an introductory text describing the possible reintroduction of the wealth tax in Germany. A control group was not exposed to any further arguments, neither for nor against the wealth tax. All other groups were treated with a combination of three different frames summarizing different arguments in favour or against the reintroduction of the wealth tax. Our primary frame of interest is the compensatory argument emphasizing carbon inequality. The exact wording of this frame is as follows:

[2]Focusing on respondents from a single country does not undermine the results' external validity, since meta-analyses of public opinion on climate policies do not find regional variation in the effect of distributional fairness concerns (M. Bergquist et al., 2022; Maestre-Andrés et al., 2019).

[3]The pre-analysis plan is available here: https://osf.io/emf4w.

> Supporters of the reintroduction of the wealth tax argue: The wealth tax is an opportunity to establish climate justice and combat climate change. The wealthy emit a large share of the greenhouse gases that cause climate change. Through frequent flying, the consumption of luxury goods, and climate-damaging investments, they contribute considerably more to global warming than the rest of the population. It is therefore fair for the wealthy to make a greater financial contribution to combating climate change.

The survey also included additional frames to compare the effect of the carbon inequality argument to an alternative argument in favour of the wealth tax, emphasizing economic inequality, as well as an argument against this tax, stressing its purported economic costs. Some treatment groups were also confronted with combinations of pro- and counterarguments. For the exact wording of the introductory text and the other frames, see Supplementary Material 1.[4]

We use three dependent variables.[5] The first two concern people's views about the wealth tax. First, we asked them whether they agree or disagree with the following statement: 'A reintroduction of the wealth tax would lead to more climate justice'. Second, we asked respondents: 'Are you in favour or against the reintroduction of the wealth tax in Germany?' Both variables are measured on a 5-point Likert scale.

For the third dependent variable, we use a budgeting exercise. Respondents were given the following question and instructions: 'How would you divide the tax revenue from a reintroduction of the wealth tax? Please indicate the percentage of the revenue that you would use for the purposes listed below. The sum of the shares must not exceed 100'. Responses were assessed using five slider scales ranging from 0 to 100. The sum of the answers could not exceed 100. The starting value for each slider was 20. The five options in the budgetary exercise were 'reduce government debt', 'increase social spending', 'combat climate change', 'strengthen police and military', and 'reduce other taxes'.

To estimate the average treatment effects (ATE) of the frames in the RCT, we regress the post-treatment variables on treatment dummies using ordinary least squares (OLS) models to calculate the ATE for the dependent variables in the following way:

$$Y_{i,post} = \beta_0 + \alpha_1 T_{1,i} + \cdots + \alpha_n T_{n,i} + \varepsilon_i$$

where $T_{1,i}, \ldots, T_{n,i}$ are dummy variables for each treatment group. Regression coefficients $\alpha_1, \ldots, \alpha_n$ capture the difference between the treatment group and the control group. Covariates (e.g. age, gender, education, and region) are added to improve efficiency and check the robustness of our analysis for the RCT. Moreover, some covariates are used to analyze heterogeneous treatment effects (HTE), exploring differences by left-right ideology, partisan attachment, voting, education, income, wealth ownership, political trust, and views on climate change and inequality.

Conjoint survey experiment

To identify how respondents would prefer the government to spend additional revenue from wealth taxation on climate policy, we implemented a conjoint survey experiment. Respondents were asked to assume that the government reintroduced the wealth tax and decided to use the revenue to respond to climate change. We then showed respondents two randomly created proposals for how the additional revenue could be spent and asked them to select the proposal they prefer (the 'choice' variable) and how much they are in favour or against a particular proposal (the 'rating' variable). Every respondent performed this task five times. Proposals comprise four attributes, which can each take four different levels. Attributes and levels were derived from opinion research on climate policies (P. Bergquist et al., 2020; Dechezleprêtre et al., 2025; Gaikwad et al., 2022; Kollberg et al., 2026), and include progressive and regressive policy options (see Table 1). Progressive policies include a lump-sum payment compensating for carbon tax payments, public investment in infrastructure, and subsidies for the use of public transport. A clearly regressive policy option is the provision of subsidies for the purchase of electric vehicles, as these subsidies are only available for individuals who can afford such a car.

[4]We conducted power analysis prior to fieldwork, which suggested that our RCT with 4653 respondents is well-powered to detect even small treatment effects.

[5]Supplementary Table 2 provides the item wording of all outcome variables. Supplementary Table 3 includes descriptive statistics. The full survey questionnaire is available via the preregistration on OSF.

Table 1. Overview of conjoint experiment attributes and levels.

Attribute description	Level
Compensation payments	No additional expenditure
	Payments to workers who will lose their jobs due to the green transition (e.g. coal workers)
	Payments to people whose homes and properties are damaged by climate change (e.g. flood damage)
	Payments to all citizens
Public investment	No additional expenditure
	Investment to retrain people who lose their jobs due to the green transition (e.g. coal workers)
	Investment in local and long-distance public transport
	Investment in adapting infrastructure to the consequences of climate change
Subsidies for companies	No additional expenditure
	Subsidizing investments in renewable energies (e.g. solar and wind energy)
	Subsidizing investments in low-carbon technologies (e.g. green hydrogen)
	Subsidizing investments in geo-engineering (e.g. underground carbon storage)
Subsidies for households	No additional expenditure
	Subsidizing the use of public transport
	Subsidizing investments in sustainable residential buildings (e.g. heat pumps)
	Subsidizing the purchase of electric vehicles

To avoid the most unrealistic proposals, we include a restriction in the design ensuring that at least one attribute always features the level 'No additional spending'. For all attributes and levels of the conjoint experiment, see Table 1; for the wording of the instructions given to respondents, see Supplementary Table 2.

To assess the impact of policy characteristics on support for the spending packages in the conjoint survey experiment, we use OLS regressions, estimating the average marginal component effects (AMCEs) of the policy levels (Hainmueller et al., 2014) as well as the marginal means (MMs), as suggested by Leeper et al. (2020). We cluster standard errors by respondent because respondents judge ten policy packages overall.

Results

Randomized controlled trial

We first analyze the level of support for a wealth tax in the control group, which was not presented with any arguments in favour or against the wealth tax. Support for the wealth tax is recorded on a scale from 1 to 5. Figure 1 shows that support is very high: 34.1 percent of respondents favour the reintroduction of a wealth tax, while 37.5 percent strongly favour this. 15.9 percent of respondents are undecided, and only a total of 12.5 percent oppose the reintroduction.[6] Support is high across income and wealth groups (Supplementary Figure 2).

To estimate the effect of the compensatory carbon inequality argument, we test whether the frame influences people's views about the wealth tax as expected. Respondents were asked whether they agreed or disagreed with the statement that 'Reintroducing the wealth tax would lead to more climate justice'. Exposure to the carbon inequality frame significantly increases the probability that respondents agree with this statement. It shifts respondents by nearly half a point on a 1–5 scale, which is equivalent to an increase of more than ten percentage points, as shown in Figure 2.

However, Figure 2 also shows that, contrary to expectations, the carbon inequality frame, on average, does not increase support for the wealth tax further. Supplementary Figure 4 shows that this is also true for the other argument in favour of the wealth tax. The argument against the wealth tax does, however, reduce support. But even in the groups exposed to the counterargument, more than 55 percent of respondents still support the reintroduction of the wealth tax (see Supplementary Figure 5). When respondents are presented with both the carbon inequality frame and the contra frame, 57.5 percent favour reintroducing the wealth tax. Given the high ex-ante support for reintroducing the wealth tax, it is unsurprising that the compensatory carbon inequality argument does not increase support further.

[6]Support for a wealth tax remains broadly stable across income, asset, debt, and net wealth categories, with absolute majorities in all groups expressing support for the policy (Supplementary Figure 2).

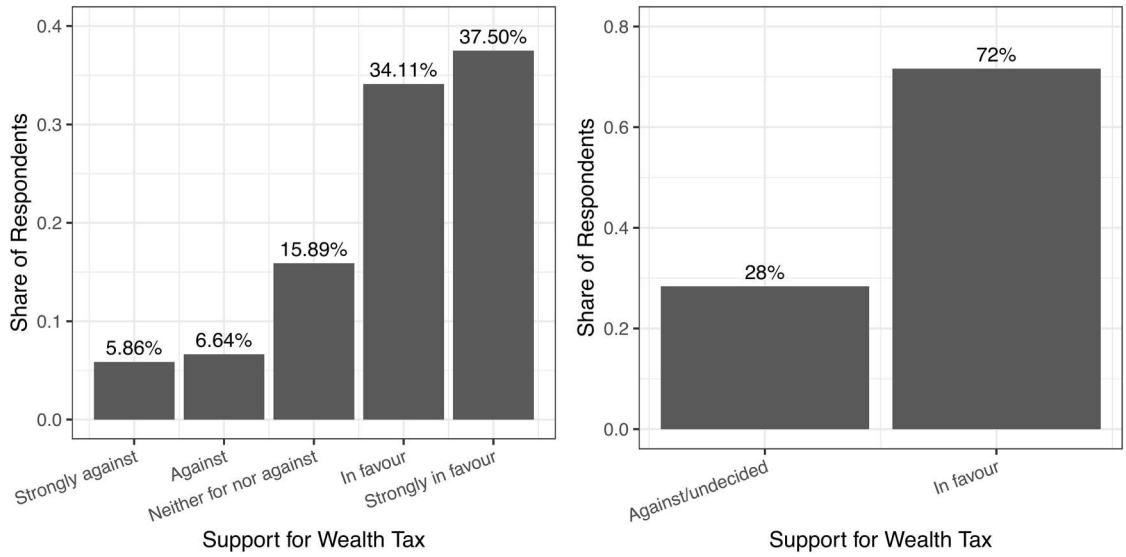

Figure 1. Levels of support for reintroducing a wealth tax in Germany. This figure shows the support for the wealth tax in the control group (n = 768). Respondents were asked to respond to the following statement: 'Are you in favour of or against the reintroduction of wealth tax in Germany?' Responses were measured on a Likert scale ranging from 'strongly against' to 'strongly in favour'. The right panel recodes responses into a binary variable distinguishing between people who are either 'in favour' or 'strongly in favour' and everyone else. Results for the weighted data are very similar, see Supplementary Figure 1.

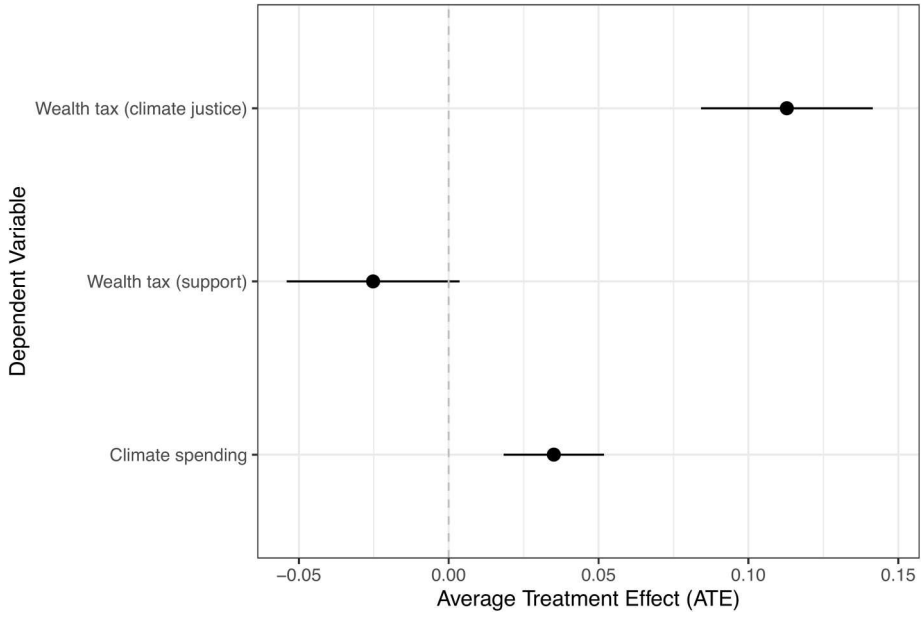

Figure 2. Average treatment effect of the compensatory carbon inequality argument on views about the effects of the wealth tax, support for the wealth tax, and support for government spending on climate policy. This figure reports coefficients from three different linear regressions, providing the ATEs of the carbon inequality frame on three different dependent variables. 'Wealth tax (climate justice)' refers to respondents' agreement with the statement 'Reintroducing the wealth tax would lead to more climate justice'. 'Wealth tax (support)' measures support for the wealth tax based on the question 'Are you in favour of or against the reintroduction of wealth tax in Germany?'. 'Climate spending' refers to the number of points respondents allocated to 'fighting climate change' in the budgetary exercise. All dependent variables are rescaled to range from 0 to 1. Error bars indicate 95 percent confidence intervals. Results from regressions that control for age, gender, education, ideology, and region are similar (see Supplementary Figure 3).

Yet, we also examine the effect of the compensatory carbon inequality argument on respondents' spending preferences. As Figure 2 shows, the compensatory carbon inequality argument has a statistically significant effect on the share of revenue that respondents allocate to fighting climate change relative to the control group. It increases support for this type of spending by 3.5 points. Figure 3 shows that this increase reduces the points respondents allocate to all other options, making the fight against climate change the most popular spending item. Neither the economic inequality frame nor the contra frame have significant effects on the allocation of revenue from wealth taxation (Supplementary Figure 6). Further analyses show that there are few HTEs, that is, treatment effects hardly depend on respondents' socio-demographic characteristics or ideological priors (Supplementary Figures 7–8).

Conjoint survey experiment

The results from the conjoint experiment show that the inclusion of the three straightforwardly progressive policy options has the largest effect on the likelihood of respondents choosing a spending proposal (Figure 4). The equal lump-sum payment to all citizens increases this likelihood by 18.0 percentage points relative to no additional spending on compensation payments. Public investment in public transport increases the likelihood by 17.7 percentage points relative to no additional spending on public investment. Likewise, subsidizing the use of public transport increases the likelihood of respondents choosing a spending proposal by 17.2 percentage points relative to no additional spending on subsidies for households. By contrast, subsidizing the purchase of electric vehicles reduces the likelihood of respondents choosing a spending proposal relative to no additional spending on subsidies for households by 4.0 percentage points. That is, respondents prefer no additional subsidies for households to subsidies for the purchase of electric vehicles. Subsidies for investments in geo-engineering only marginally increase the likelihood of respondents choosing a spending proposal relative to no additional spending on subsidies for companies.

These findings do not change when we use respondents' ratings of each conjoint package as the dependent variable (Supplementary Figure 9). They neither depend on the profile order nor the conjoint task (Supplementary Figure 10). Moreover, the results do not vary by assignment to treatment in the RCT (Supplementary Figure 11). Further analyses show that wealthier respondents, as well as respondents who are right-wing and have low levels of political trust, support the most generous forms of compensation less, especially payments to all

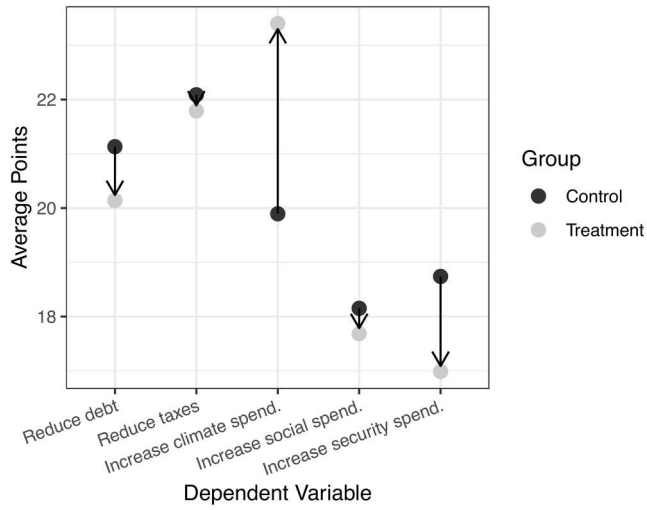

Figure 3. Average points allocated in the budgeting exercise to each policy by experimental group (control vs. carbon inequality frame). This figure shows the average number of points allocated to the different categories in the budgeting exercise in the control group compared to the treatment group, exposed to the carbon inequality frame. The arrow bars indicate the direction of change from the control to the treatment group. Respondents had to allocate 100 points across the five categories to indicate their spending priorities.

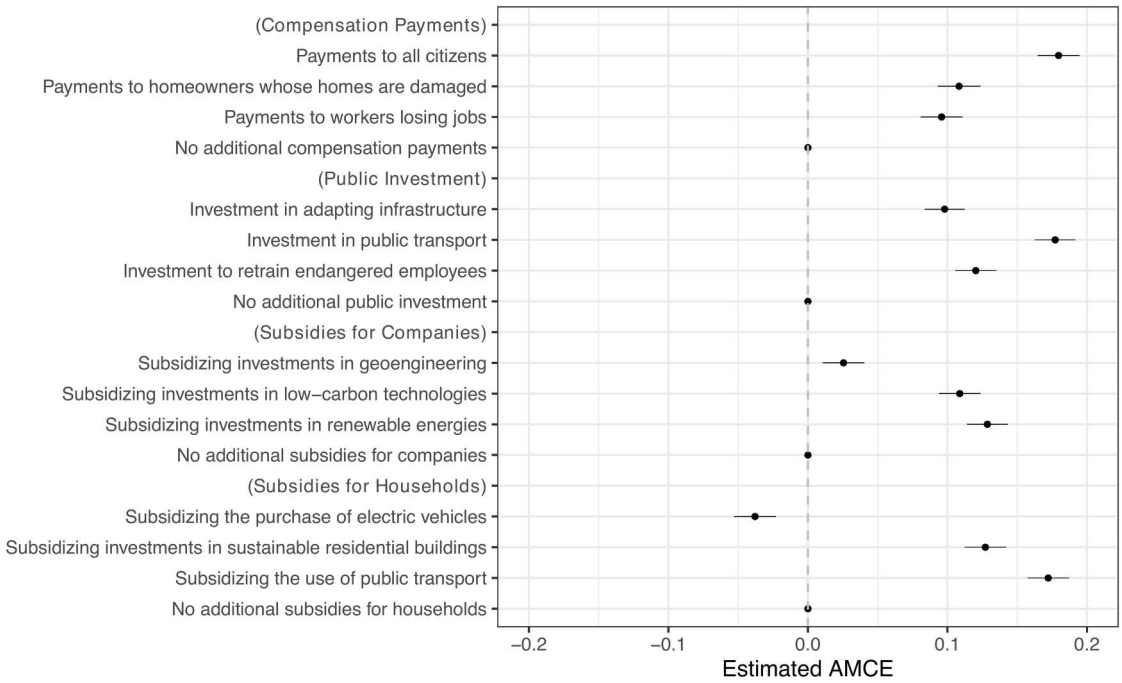

Figure 4. Average marginal component effects of attribute levels on proposal choice. This figure reports coefficients from a linear regression of policy support on randomly assigned climate policies of four different types: compensation payments, public investment, subsidies for private companies, and subsidies for households. Error bars indicate 95 percent confidence intervals. Points without lines at 0.0 indicate reference categories. The dependent variable indicates whether respondents choose a given policy package (= 1) or not (= 0). Results using each profile's rating as a dependent variable are the same (see Supplementary Figure 9).

citizens. However, these groups still support spending on public transport and subsidies for green technologies (Supplementary Figures 12–17).

Discussion

The results reveal widespread support for reintroducing the wealth tax in Germany. 72 percent of respondents in the control group were either in favour or strongly in favour of this reform. This is in line with recent surveys by two of Germany's main polling organizations, which find support levels of 62 and 69 percent, respectively (infratest dimap, 2025; Wolf-Doettinchem, 2024). We thus have good evidence that a large democratic majority is in favour of its reintroduction. This prevalent public opinion in Germany most likely explains why we do not find that arguments in favour of the wealth tax further increase support, while we do find that arguments against the wealth tax decrease support.

However, a striking aspect of our results is that emphasizing carbon inequality makes using wealth tax revenue for the financing of climate policy the most popular spending option while substantially decreasing support for alternatives, such as security spending. This finding resonates with previous research linking the earmarking of revenue to increased popular support for carbon taxes (e.g. Baranzini & Carattini, 2017; Woerner et al., 2024). It also suggests that policy distraction may not be a one-way street from fast-burning to slow-burning crises, as suggested by past research (Beiser-McGrath, 2022; P. Bergquist et al., 2023; Genschel et al., 2025; Kenny, 2020). Despite ongoing Russian military aggression at the time of our survey, treated respondents prefer spending on the slow-burning climate crisis to spending on the fast-burning security crisis. At the same time, this suggests that crises can crowd each other out in the minds of respondents. Instead of accepting higher taxes or lower social spending to address several crises simultaneously, respondents exposed to the carbon inequality frame prioritized spending on climate policies over security spending.

The strong effect of the treatment on spending preferences also confirms that compensatory arguments emphasizing unequal responsibility for a crisis foster popular support for obliging the perpetrators to contribute disproportionately to its resolution. This finding is in line with Limberg (2019, 2020), who shows that compensatory arguments emphasizing elite responsibility for the Great Recession increased popular demand for progressive taxation in its aftermath. Hence, we agree with Limberg that effective compensatory arguments must not be based on unequal treatment by the state, as the original theory suggests (Scheve & Stasavage, 2016), but can also be built on evidence for unequal responsibility. Given that fairness perceptions are the main driver of popular support for climate policy (M. Bergquist et al., 2022; Maestre-Andrés et al., 2019), figuring out which fairness principles are most effective in raising acceptance is an important avenue for future research.

Finally, the results from our conjoint experiment on spending options are consistent with previous studies of public support for climate policy packages. Investment in and subsidies for public transport, as well as subsidies for private investment in renewable energies and other low-carbon technologies, receive high levels of support. This finding is consistent with previous results from Europe (Kollberg et al., 2026), the United States and India (Gaikwad et al., 2022), and 40 countries across the world (Dechezleprêtre et al., 2025). Likewise, a lump-sum carbon tax rebate for all households is highly popular among our respondents and more popular than targeted payments to groups affected by climate change. The former result matches previous findings for Germany (Kollberg et al., 2026), whereas the latter result matches dynamics identified in the US and India (Gaikwad et al., 2022). Yet, Dechezleprêtre et al. (2025) find low levels of support for a carbon tax with a lump-sum rebate to all households in Germany and across high-income countries. This most likely results from a different set of alternative attributes included in their conjoint experiment. Accordingly, future research needs to determine to what extent policy support depends on the considered alternatives.

Conclusion

High levels of carbon inequality and low levels of public support for regressive carbon taxes have led researchers to call for more progressive fiscal responses to climate change (Chancel, 2022; Dietsch, 2024; Green, 2021a; Otto et al., 2019). A recent proposal advocates for the inclusion of wealth taxation in the climate policy mix to tackle persistent inequality in emissions and vulnerability along the wealth distribution, while harnessing the capacity of the top 10 percent of wealth owners to finance climate action (Chancel et al., 2024).

This study demonstrates that this proposal can find public support in Germany. A large majority of German citizens is in favour of reintroducing the wealth tax. Moreover, the results suggest that a compensatory argument emphasizing carbon inequality makes financing the green transition the most popular use of wealth tax revenue. This result reflects a broader political economy logic: policies that combine tangible, widely shared benefits (such as public transport) with narrowly targeted costs (such as a wealth tax) are conducive to building broad, sustainable coalitions for climate policy. In particular, respondents endorse using wealth tax revenue to finance public investment in public transport, subsidies for private investment in renewable energies, and a lump-sum rebate for all households paying carbon tax. As Supplementary Figure 17 demonstrates, even supporters of the far-right Alternative for Germany (AfD) endorse lump-sum rebates and investment in public transport.

Hence, the results show that the German public supports enlisting the top 10 percent of wealth owners for financing the green transition. To put this in perspective, the proposal of a 1 percent tax on fortunes above €2 million that we have referred to throughout this study would generate an estimated €13 billion annually (Bach & Thiemann, 2016). A lump-sum carbon tax rebate of €100 to all German households would cost €8 billion (Többen et al., 2023), whereas subsidizing the expansion of renewable energy will cost the German state €16 billion in 2026 (Brüggemeyer, 2025).

Our findings have important implications for policymakers in Germany and beyond. Germany is one of the world's largest emitters of CO_2, considerably surpassing its Western European neighbours in per capita emissions (Ritchie & Roser, 2024). Reintroducing the wealth tax and earmarking the additional revenue for public investment in the green transition can bring emissions down without causing popular backlash. Moreover,

these findings suggest that Germany would have strong domestic support to participate in the Brazilian G20 presidency's proposed coordinated minimum tax on billionaires to finance climate action.

Given that distributional concerns over carbon taxes (M. Bergquist et al., 2022; Dechezleprêtre et al., 2025; Maestre-Andrés et al., 2019) and popular support for wealth taxation (Schechtl & Tisch, 2024) vary little across polities, democratic majorities are likely to support similar reforms in other advanced economies. Given the unprecedented volume of investment needed to transition out of fossil fuels and adapt to climate change, policymakers should thus include wealth taxation with earmarked revenues in their policy mix (Chancel et al., 2024).

Acknowledgments

We thank the editors of *Climate Policy* and three anonymous reviewers for their pertinent and constructive feedback. We are grateful to the Department of Political and Social Sciences at Free University Berlin for supporting this research through its internal research fund for non-tenured academic staff. We further thank Philipp Genschel for discussing the paper at the German Political Science Association's Academic Convention in 2024, Edward Glaeser for discussing the paper at a seminar at the Minda de Gunzburg Center for European Studies at Harvard University, Andrea Binder, Christopher Olk, Thomas Rixen and Caroline Rübe for commenting on successive drafts at the internal colloquium of the Chair of International and Comparative Political Economy at FU Berlin and all other participants at these events for their helpful comments and suggestions. Björn Bremer gratefully acknowledges support from the Minda de Gunzburg Center as a John F. Kennedy Memorial Fellow during the 2024/25 academic year. All remaining errors are our own.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Ethics statement

The study was approved by the IRB at the Free University Berlin (ZEA Nr. 2023-024). We obtained informed consent from all participants before they completed the survey.

Data availability statement

Replication data and code are available at Harvard Dataverse: https://doi.org/10.7910/DVN/I4FXDZ.

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