

Towards a Sustainable Europe

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Plenary:

The End of the Myths of Development and Growth: Towards a Sustainable Society

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**Friends of
the Earth
Europe**

Environmental and social justice are inseparable

There is no doubt that current development and growth models don't work: Inequalities within countries and between countries are growing, poverty is increasing and the destruction of the environment continues at a breathtaking rate.

In light of urgent problems such as hunger, war and the dismantling of social systems, many believe that the fight for a clean environment should wait until we have these problems under control. Friends of the Earth believes that this is a major misunderstanding with dire consequences for people and the environment.

As a global network we know that poverty and environment are closely connected and that the poorer parts of society are the first to suffer through environmental destruction.

We also question traditional economic models, which have us believe that we must first create wealth and only afterwards clean up the (environmental) mess we made. Not only is this a very costly option, it also ignores the limits of global ecosystems and the irreversibility of damage to ecosystems. The traditional approach may once have worked for the rich industrialised countries, which used up the resources of the entire planet in this way to create wealth. To continue on this track is simply irresponsible and will lead to social and environmental disaster.



Villagers in Mongolia fleeing from drought and desertification.

Environmental Space: combining justice and environmental issues

As a network with member groups on all continents, Friends of the Earth's work is based on two important principles:

- The environmental principle states that the Earth can only sustain a certain amount of pollution and use of resources before it collapses. If we want to avoid a climate disaster, we can only put a certain amount of CO₂ into the air. If we want to preserve the forests, we can only fell a certain amount of timber. If we want future generations to have the same chances as we do, we have to reduce our use of resources and the environment.
- The second principle is the equity principle: Every person in the world should have the same right to use the Earth's resources.

From these two principles one can actually calculate how much resource use is available for every person in the world. This, we call **environmental space**. In practice, environmental space is the total amount of energy, non-renewable resources, agricultural land and forests, which each person can use without causing irreversible damage to the Earth.

Put into practice, environmental space is an enormous challenge for the industrialised world. Let us look at some examples:

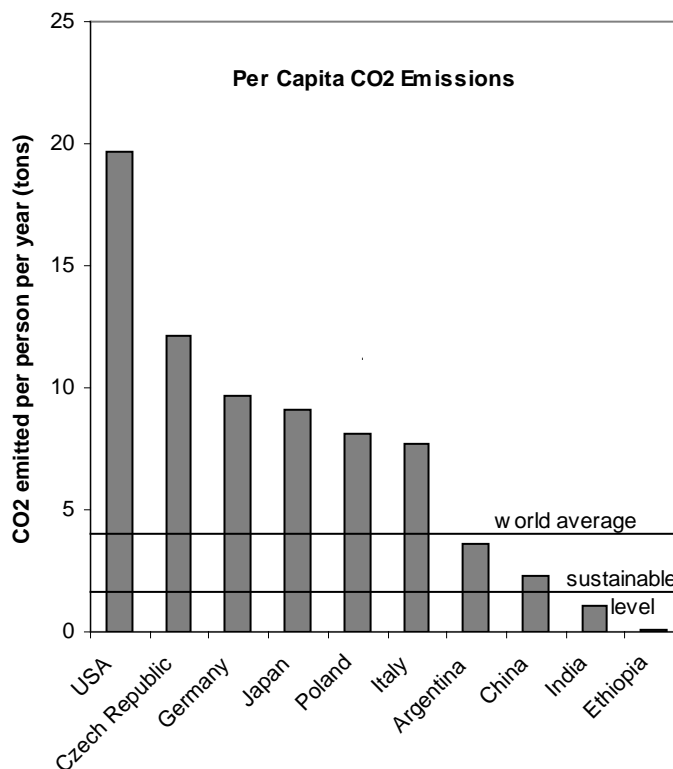
CO₂ emissions

The average person in the world is currently producing approximately 4 tons of CO₂ per year. Climatologists tell us, that we should reduce the overall emissions of CO₂ by at least 50% to stabilise the world's climate. Taking population growth into consideration, the sustainable level (or environmental space) is about 1.7 tons of CO₂ per person per year. Looking at current CO₂ emissions of industrialised

countries, we realise how far away we are from this aim: the average person in the USA produces almost 20 tons of CO₂ per year, the average European 8 tons¹.

At the same time, developing countries still have some room to increase their own CO₂ emissions. This is an important message because; previously our demands to save the world's climate were often misunderstood in the South (the so-called 'developing' world), as a trick to hinder these countries in their development. With the environmental space model, this is not the case. Industrialised countries and 'developing' countries must both develop towards a sustainable level. In case of 'developing' countries, this leaves room to increase energy consumption per capita, which is urgently needed.

Looking at the per-capita CO₂ emissions, one immediately sees how ridiculous the US demand is, which insists that developing countries should first join efforts to reduce CO₂, before the US makes any international commitments.



For the use of non-renewable resources, the same calculations can be made:

Europeans, for example, use about 5 times more aluminium than people in the South. North Americans use about 10 times more aluminium than available within the limits of environmental space ('sustainable level').

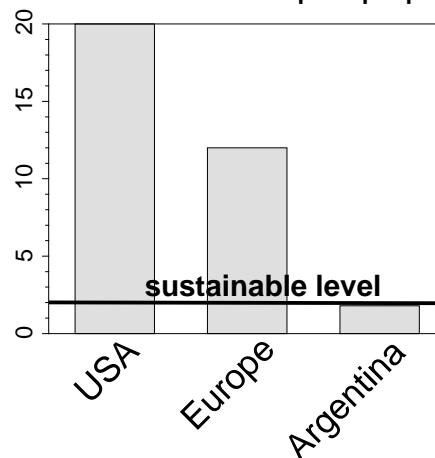
Could it be done?

In essence, the environmental space concept asks people in the industrialised world to drastically reduce their use of resources, thus leaving a fair share of environmental space to people in other continents. In Europe, the resource use would have to be reduced by 80% - 90% over the next decades. This calls for fundamental changes in our economy and lifestyles.

We are often asked if that is possible. We strongly believe so: the technical and political options exist to provide the same amount of well-being, with a drastically reduced use of resources and thus a drastic reduction in environmental problems.

Household heating, a major part of the energy consumption in Europe, can be reduced by up to 90% simply by building houses more cleverly. Such houses would not need heating systems (or air conditioning) anymore, because they would be extremely well insulated and would harvest the sun's energy. Additionally, they would not be any more expensive to build. More local production and consumption patterns, instead of the often-useless transportation of products around Europe, is another area where enormous gains in efficiency could be made. Finally, long lasting products, which can be repaired, instead of throw-away products, would drastically reduce resource demand. These are just a few examples where we could increase our resource efficiency simply by applying more intelligent technology and introducing small changes in lifestyle.

Annual aluminium consumption per person (kg)



¹ CO₂ emissions or energy consumption (basically the same thing, as most energy is produced by burning fossil fuels) are a good example, because they correlate very much with environmental problems. Higher energy efficiency results in a reduction of environmental problems far beyond climate change (for example better air quality, reduced waste production, etc.).

FoEE's vision for a Sustainable Europe has a very positive message: it is possible to live the good life within the limits of environmental space! The kind of life, that is equally possible for all people on the Earth.

Environmental destruction and poverty are closely linked

The overuse of resources in Europe and other industrialised countries is closely linked to poverty and injustice. The effects of oil drilling and mining in the South are ongoing environmental disasters which endanger the very livelihood of local communities in these areas. Pollution of drinking water and rivers, the burning of forests and human right violations are directly linked to the resource over-consumption in the North and the activities of multinational corporations.



Environmental justice in Europe

Environmental justice is also an issue in Europe. The poorest parts of our societies suffer the most from environmental destruction. To name just a few examples: Poor communities live near highways and are affected by air pollution and noise while richer people live in quiet and green areas outside of towns, using the same highways to go to work. Toxic waste dumps are found mostly near poor communities. Badly insulated houses cause health problems and high energy bills especially for poor people.

“Egi women are farmers, fisherwomen and hunters. With all the gas flaring and pumping of oil into our swamp areas they have denied us every living thing. Today we have no hope while they are making billions of naira with our gifts from God. They don't care or hear our cry. When we cry the oil companies will only throw tear gas on us and beat us and drive us out of our land.”

Egi women, Niger Delta, Nigeria

From: 'Clashes with Corporate Giants', Friends of the Earth international, www.foei.org

Climate Change

Today, there is little doubt among scientists that climate change is happening. Man-made climate change will lead to extreme weather events around the globe, hitting poor people most. Already now, FoE groups around the world are reporting on the increase of floods, droughts or extreme storms, which destroy entire economies in the South and kill thousands of people (see latest floodings in Bangladesh or hurricanes in the Caribbean).

Climate Change is however not only an issue in the South. In Europe, the first effects of climate change can also already be seen. Again, those hurt by climate change are not those who profit most from the fossil fuel economy.

Fighting against climate change is therefore much more than an environmental issue. Besides the threat that climate change could make life on Earth impossible, it is already now a question of survival for many people and a serious a concern in the context of global justice.



Prague, 2002

Effectively reducing resource use: a key challenge for Europe

A major prerequisite for creating Sustainable Societies world wide, is to reduce the amount of resources used in industrialised countries. Only if we can achieve this, there will be enough resources left over for other countries to fulfil the needs of their population. A positive side effect of such a strategy will be a much-improved environment in Europe.

When trying to achieve progress on increasing resource efficiency, one runs into well-known obstacles. In short, corporate led globalisation with all its known effects, such as deregulation and increased power of corporations makes it increasingly difficult to establish rules which would steer our economies in a sustainable direction.

Europe is not sustainable!

While having a relatively good – but still incomplete - environmental policy, the European Union is far from having sustainable policies. There is no coherent strategy for reducing resource use nor environmental pressures.

European Union transport policy, for example, still tries to accommodate ever-growing transport needs by building more roads instead of finding ways to reduce transport in general (e.g. by encouraging local production and consumption cycles). Structural and Cohesion Funds, for example, will continue supporting environmentally and socially destructive projects, if we don't reform the rules and increase public participation. Europe's agricultural subsidies are still chiefly directed towards high intensity agriculture, with all its environmental and health problems. Without further reform, the Common Agricultural Policy will make more farmers and farm workers unemployed and create one of the biggest biodiversity losses in Central and Eastern Europe, that we have seen in decades. An European energy policy, which tries to reduce energy demand and push energy efficiency is also lacking.

Thinking environmental protection in a different way

Modern environmental policy is much more than 'cleaning up' and expensive end-of-pipe technology. It integrates environmental considerations into all areas of policy from the very beginning. If done so, it will contribute to modernising the economy, increase the efficiency with which we use resources and push innovation forward. In this way it will contribute to the creation of new jobs and make Europe the leader in clean technologies, thus increasing competitiveness in a socially and environmentally compatible way.

The political framework for resource efficiency is missing

One way to reach higher resource efficiency is to use a strictly controlled market economy to drive innovation forward. To make the market work for the environment, we must make resources more expensive. Shifting taxes away from labour and onto resource or energy use is one way to do it. By increasing the costs of resources this 'ecological tax reform' pushes for innovations, which reduce energy or resource consumption. At the same time it makes employing people less expensive – a good measure against unemployment. This makes also sense because most energy/resource saving measures (such as insulating houses or recycling) are labour-intensive.

Macroeconomic studies about environmental tax reform, which Germany carried out, show that it is creating tens of thousands of new jobs, has reduced CO₂ emissions and has benefited the environment.

On the European level, progress towards energy or resource taxes is however painfully slow. After more than a decade of campaigning for a European energy/CO₂ tax, the result is the so-called Monti-Directive, which is so weak and has so many loopholes that it will only achieve very small CO₂ reductions.

On the global level, we cannot even see a start in trying to move the world economy towards more resource efficiency. The only attempt – the Kyoto Protocol (Climate treaty) – is lacking the necessary enforcement mechanisms. Worse, those countries who stay-away from the global effort to save the world's climate (such as the US), will even have an economic advantage in not implementing CO₂ reduction measures.

Corporate driven economic globalisation – a stumbling block we need to overcome

One of the reasons for the extremely slow process towards creating an economic framework for increased resource efficiency is economic globalisation and the subordination of the objectives of an alternative European model to the global free trade agenda of the WTO and the International Financial Institutions. Economic globalisation allows multinational companies to play countries against each other

for the best investment conditions, resulting in lower environmental and social standards and increasingly lower taxes for corporations. Countries which do not play to these "rules" have to face increasing unemployment, because multinational companies choose to go to other countries which offer more profitable conditions. Taxes on Corporations in Europe have decreased by 25% in the last 10 years. This is not a process, which is properly discussed or wanted. It is simply the result of countries competing with each other for the investment of multinational companies.

This situation has negative effects in two ways:

- a) It stops countries from raising the necessary resource/energy taxes and therefore removes their ability to steer their economies towards resource efficiency.
- b) It deprives countries of the necessary income, which they need to support innovation, research and education.

How could we overcome these obstacles?

a) The European Union must establish an effective mechanism to establish European-wide minimum levels for taxes on corporations or energy. For doing this, the EU must give up the veto right of single countries on taxation issues, because this veto so far has effectively stopped any establishment of European wide taxes. Sadly, the new EU constitution keeps up this veto right, which will result in little or no progress in this area for the time being.

b) Europe has decided to fulfil its Kyoto targets and therefore is setting up measures (such as the EU-internal emission trading scheme), which will make energy more expensive in Europe (specifically of companies and other big CO₂-emitters). These measures must be strengthened and continued and the EU must be willing to defend such policies towards the rest of the world.

c) The EU, which is implementing the Kyoto Protocol, could raise import taxes on products, which are produced with high-energy input, if they come from countries, which have not ratified the Kyoto Protocol (such as the US). This would be fair, because in countries which are taking their commitments to reduce CO₂ emissions seriously, energy is more expensive.

d) On the global level, one could set up an environmental fund, which makes money available only for those countries who implement multilateral environmental agreements. It should, for example, be available for financing innovation measures, which reduce resource consumption. Such a fund should receive its money from a global tax on common goods (e.g. on kerosene) or a Tobin tax, which must be paid by all countries.

Investing in Sustainability

In a common 'Manifesto for Sustainable Investment', the European Environmental Bureau (a partner organisation of FoEE), the European Trade Union Confederation (ETUC) and the Platform of European Social NGOs (Social Platform) have launched a campaign with the aim of achieving more and better sustainable investment. The three organisations conclude that public investment in sustainable housing and transport would have social, environmental and economic benefits.

Indeed, with oil-prices at an all-time high and unlikely to get cheaper again in the future, investing in resource and energy efficiency will result in strengthening Europe's economy. Such investments would also help address social questions such as fuel poverty, homelessness and access to public transport.

Challenging Brussels' narrow competitiveness agenda

The dominating argument business groups, governments and institutions are currently using, is the need to be competitive on a global level. Legislators on the European level have even started arguing that they can not regulate on the European or domestic level anymore, because this would endanger competitiveness. Ironically, it is the European Union itself – influenced by industry lobby groups – which has most aggressively pushed for further trade liberalisation within the WTO and IFIs. If economic globalisation makes it impossible for Europe to establish efficient social and environmental rules, the EU must stop pushing for further trade liberalisation.

Currently, the debate in Europe is totally dominated by discussions on competitiveness. The European Heads of State are forgetting that the European model is actually about more than just a narrowed vision of a single market, and the supreme rule of market self-regulation and business competitiveness.

Large-scale campaigns by powerful and rich business lobby groups in Brussels show their worrying effects on our Heads of State. The redundant messaging about a European economy suffocating from over-regulation, are taken up by mainstream media and the public opinion. We saw last year a prominent example where 10 year process of implementing the 'polluter pays principle' – translated into a European Directive on environmental liability – was crippled down for the sake of 'global competitiveness' of the most polluting industries. Next identified victims are for instance the Kyoto commitments, or the EU's

future chemical legislation, called REACH, a groundbreaking new European approach to reduce the use and release of dangerous chemicals.²

Next spring the heads of State are going to meet for the European Council meeting in Brussels to assess progress made on the so-called Lisbon agenda – a ten year strategy they set themselves in 2000 for Europe to become the most dynamic and competitive economy in the world. Attempts to include sustainable development into the agenda have been weak and are getting increasingly sidelined. Civil society must make very clear that for the people of Europe, the EU is about more than competitiveness. The Europe we want is about a high level of social and environmental standards, about justice and solidarity.

Challenging the growth ideology

Environmental destruction is largely driven by a model of society which puts consumption and economic growth as key goals. As growth is still largely dependent on the (resource-inefficient) production and consumption of goods, this puts enormous pressures on resources and the environment.

Economists and politicians tell us that our societies 'need' economic growth of at least 2-3 % per year in order to survive and deal with social problems. A constant growth within a limited world is however in principle impossible. Still, one must recognise that our societies have become addicted to growth. So far, we have dealt with social problems only by distributing the extra growth a little more fairly. If we wanted to stop economic growth, we would have to consider real re-distribution of wealth – a big challenge that our societies have so far avoided.

The question, if and what kind of growth is compatible with sustainable development, is an important debate we need to have in the future. Moving our societies away from their advertisement driven over-consumption, finding alternative and more satisfying lifestyles will stay an ongoing cultural and political challenge to social movements in Europe.

In the meantime and in parallel, we must make sure that economic growth is at least getting a sustainable dimension, creating more social justice and leading to a more resource efficient way of creating goods and services.

The environment can't wait

Fighting for the environment can indeed not wait. Some are suggesting this to us and argue that problems with our economies, unemployment, wars and terrorism are such important topics that we should deal with them first.

This is however factually wrong and dangerous for many reasons:

- Environmental destruction is one of the causes of poverty and injustice.
- An intact environment is the very basis upon which the economy can create social goods.
- First creating economic growth and then cleaning up the environment afterwards is going to be an extremely costly and stupid strategy.
- Integrating environmental thinking into all policies from the beginning will modernise our economies and create social benefits (such as additional jobs).
- Providing billions of people with access to clean air, drinking water and safe food must be one of the top development goals. Not succeeding in this would mean denying billions of people a dignified life and might lead to wars over natural resources.

² This proposed regulation for tens of thousands of chemicals, which are released every day without anyone knowing their health or environmental effects, will go through the European Parliament and the European Council in the next 2 years. It will be a key test for finding out if Europe is controlled by its people via their democratically elected representatives or by corporations. The Chemical Legislation of the EU could also be a way of establishing global health and environmental standards, if we succeed in establishing the same rules for imports and exports. FoEE therefore believes that this should be a major target for coordinated civil society campaigns in the near future.

Joining forces

Friends of the Earth is a global network of grassroots activists and naturally, our campaigns integrate social and development issues. Our campaigns against the activities of corporations, our call for binding rules for corporate accountability, our involvement for human rights in all parts of the world are examples of this engagement³.

Together with other parts of the social movement, we have achieved a lot. But we also have to realise that we are currently at risk of losing ground. Global corporations are gaining strength and are succeeding in making competitiveness the dominant political agenda world wide. They are attempting to marginalize social and environmental issues and we must be ready to resist this strategy.

We are all here because we understand that we can only work towards our ideal of a 'Sustainable Society' if we work together. And we can't wait any longer! We need real changes, structural and political changes for which we have to overcome strong resistance.

For this we first need of course to understand one another's struggles. That is why Friends of the Earth particularly welcomes this plenary session.

We look forward to joining forces with other movements around the world to reach 'sustainable societies'.⁴



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³ See for example: 'Clashes with Corporate Giants' and 'Our Environment, Our Rights', [Hwww.foei.org](http://www.foei.org) (publications)

⁴ Some of the concrete issues, Friends of the Earth Europe would like to discuss with social movements and NGOs around Europe as potential common campaigns for the future are:

- Establishing European and global binding rules for Corporate Accountability and fighting against misuse of corporate power.
- Fighting for high European-wide minimum tax levels for corporations and for energy and resources
- Stopping the trend towards voluntary approaches in EU legislation and fighting for binding social and environmental rules in the EU.
- A strict EU legislation on chemicals, which protects people and the environment from toxic substances. This legislation, which is currently discussed by the European Parliament and Council (REACH), could have also positive global effects, if rules are established for import and export of dangerous chemical substances.
- Pushing governments to invest in sustainability (such as improved housing for poorer people, better public transport)
- Making sure European taxpayers money is used for sustainability (e.g. Structural and Cohesion Funds). Ending perverse subsidies and stimulating sustainable consumption through the use of public procurement. Making sure International Financial Institutions act transparent and in the interest of people and the environment (e.g. European Investment Bank).
- Stopping the EU from pushing the global trade liberalisation agenda (e.g. GATS, Bolkestein Directive, ...)
- Demanding from the EU to use its influence to strengthen multilateral environmental (and other) agreements.