



Rio+20: A Future We Need!

Expectations of a Green Economy - Toward the Reduction of Poverty and Hunger

IN BRIEF

From 20- 22 June 2012, Rio de Janeiro is hosting the UN Conference on Sustainable Development, called the Rio+20 Summit for short. Though the discussion about sustainable development began as early as 1972 at the UN Conference on the Human Environment (UNCHE) in Stockholm, the 1992 UN Conference on Environment and Development (UNCED) in Rio is considered the real starting point and milestone for today's global debate on sustainable development. In fact, the World Summit in Rio was unique: With the fall of the Iron Curtain, it was the first north-south summit that included the Eastern European transition states as well as international civil society. Its message was clear: Environment and development go hand in hand. Given today's numerous global crises, it is more important than ever to fill the term "sustainable development" with new content, placing the focus on hunger and poverty and not falling back on old decisions.

The agreements of the UNCED Conference 1992 in Rio de Janeiro:

- International legally binding Framework Convention on Climate Change
- International legally binding Convention on Biological Diversity
- Agenda 21 as guideline for sustainable development policy
- The Rio-Declaration on the right to development
- Declaration on the controversial theme of forest preservation (non-binding)
- Founding of a commission for sustainable development to implement the Rio decisions
- Laying the foundations for a convention to combat desertification

High expectations of the summit: Toward a Green Economy

We welcome the choice of set topics for this year's major sustainability conference in Rio de Janeiro: The conference should be about a Green Economy in the context of sustainable development and alleviation of poverty; a renewed effort to reform the institutional framework of the UN towards sustainable development; and initiatives coming especially from developing countries regarding the introduction of sustainable development goals. The latter would have global claims to validity, thus would also apply to industrialized countries.

But no theme dominates the debate as much as the concept of Green Economy. According to UNEP - the United Nations Environmental Program, which plays a key role in the attempt to define this concept - a *Green Economy* should actually contribute to greater prosperity and more social justice while limiting ecological risks and conserving dwindling natural resources.

The Green Economy concept draws on notions that were already raised in the 1980s under the rubric of *ecological modernization*.

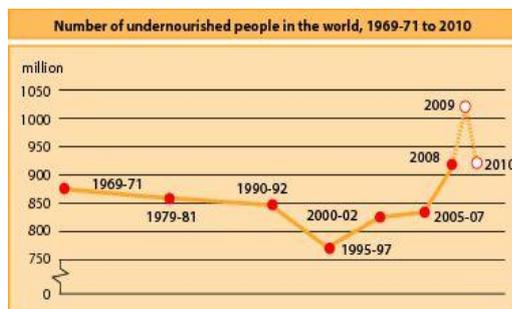
Sustainability: Lots of talk – little action

After the end of the Cold War more than 20 years ago, it became possible - thanks to the peace and development dividend - to address global challenges of the impending 21st century unaffected by the arms race and to leave behind the controversial track record of development and environment policy. New solutions were sought for tackling the problems of poverty, underdevelopment and hunger in those countries where environmental protection was no longer seen as an obstacle to development. The aim was to bring a new ecological dimension to the social market economy. But the lofty goal of establishing sustainability and prosperity within a globally just international order faded away. Of course, one should not underestimate the results of the first major sustainability conference in Rio 1992, but its impact on political practice was limited. The integration of economy, ecology and social issues failed to

materialize. The sustainability concept was diluted and there was no guiding social and ecological effect.

Global environmental problems are life threatening

Today, societies are facing the consequences of this development. They see themselves confronted with the massive impact of market-driven globalization with no social safeguards and an ever-widening gap between poor and rich. More than ever, global environmental changes are threatening the world's population, which numbers seven billion today and will be nine billion not far down the road. Population growth, urbanization, the scarcity of and competition for natural resources, extinction of species, climate change, soil erosion, water shortages and



There are still close to one billion people starving worldwide. Source: Welthungerhilfe: Handbook on Global Nutrition 2010, p. 16.

famine remind us that growth must have limits and that we must give new life to the watered-down concept of sustainable development.

Green Economy: The new magic formula for sustainable development?

Today, 40 years after the "Club of Rome" publication on "Limits to Growth", the magic words are "Green Economy". This is supposed to replace the "brown economy," which depends on fossil fuels. The Green Economy is meant to be low-carbon, efficient and socially responsible: It should combat poverty, promote biodiversity and ecosystem services, and block climate change. The massive improvement of efficiency in energy and natural resources should introduce environmentally and resource friendly technologies as leading industries. Green growth and the decoupling of economic growth from natural resource use would banish the conflict of interest between a growing economy

and finite ecology and promote new sources of employment and prosperity, according to the UNEP report.

Commercial exploitation of natural resources through market-based approaches?

In principle, there's nothing wrong with the goals of a Green Economy. But the exact parameters of green growth and the conditions under which it should be carried out remain unclear. The fundamental question as to whether long-term growth can be damaging to the environment is left out. Critics note that the implementation of a few technological innovations and social justice measures won't suffice to achieve sustainable development. They argue instead for a basic economic and societal transformation, oriented towards concepts of "sustained livelihood" or a "caring economy". This sees the sum total of material, social, ecological and cultural natural resources as the main foundation of a secure existence, resources that are also not disposable in the sense of "selling nature to save it". These critics see the valorization of environmental services as a new form of privatization and commercialization. Instead of joining with local populations to protect natural resources against commercial interests, this valorization would transform nature into "goods" with the likelihood of driving out local populations.

Nor is the UNEP concept of Green Economy bound to principles of international law, rights or norms (human rights in general, the right to food, the right to water). Contradictions between the international trade regime and the need for ecological restructuring are not discussed. There are no statements about political confrontations with public or private polluters or exploiters of natural resources. When defining "green", there is a notable absence of discussion on the role of atomic energy, the extraction of oil from tar sands, the use of genetic engineering in agriculture and the expanded use of monocultures. There is also no lack of criticism from the developing countries themselves. In particular, the governments of Latin American countries see a new "capitalism dictate" in the concept and argue that environmental investments slow economic growth. The right to development is their primary concern. But one can see the other side of the coin of the

“right to catch-up” development, especially in emerging markets. An increase in economic growth usually takes place at the expense of the environment (consider Brazil); growth escalates through changed patterns of consumption. But this makes a fundamental reflection on sustained economic growth and the quality of development inevitable, in both emerging markets and developing countries.

Key questions on policy and the role of the state

Once again, the governments of advanced economies have an opportunity to bring about comprehensive socio-political and economic change. They have the chance to take a pioneering role that could set a new standard for achieving sustainability through committed governmental action. This applies in particular to the decisions to be made at the conference in Rio.

The UNEP and the German Advisory Council on Global Change to the Federal Government (WBGU) emphasize the role of the committed state as a key prerequisite for such change, with regard to necessary governmental incentives and regulatory policy requirements. After all, societal transformation depends on policy that can both create new structures and radically change old ones.

The international financial and economic crises, exemplified most recently in the European debt crisis but even more in hunger crises (at least since 2008, partly due to increasing food prices) have shown that unbounded global capitalism becomes increasingly

“A macro-economy predicated on continual expansion of debt-driven materialistic consumption is unsustainable ecologically, problematic socially, and unstable economically”.

Tim Jackson, “Prosperity Without Growth.”

difficult to limit and monitor through governmental action. This applies not only to the flow of finances and capital, but also to the “flow” of people. Whereas states in the southern regions are often hampered in their actions by international legal limitations, by a lack of governance or by patronage-based systems, states in the north today increasingly have policies characterized

by retroactive and often futile attempts to put out fires of various sizes.

Green Economy models for North and South

For industrialized countries, it's not at all unthinkable to remake the economy into a UNEP-style Green Economy. The USA and EU are already investing in green projects. They support such initiatives as the development of energy efficient technologies and renewable energies, the expansion of electrical transmission networks, rail and fuel-efficient vehicles. At the same time, new jobs are created in environmentally sound sectors. However this does not suffice for the necessary restructuring of both economy and society towards increased sustainability. If a Green Economy is to mean more than green growth, then it also must include strategies for sustainable development in the north as well as south. But these are based on social, economic and ecological justice. It is fair to say that in industrialized countries, Green Economy is primarily understood as a possibility to overcome the economic crisis and climate change. And so the issue of environment is generally reduced to greenhouse gases, and social issues are reduced to job creation. Accordingly, the expected solutions are to be found in the development of new technologies that promote a new kind of environmentally friendly economic growth. Here, the concept of Green Economy turns out to be an investment program rather than a strategy that could bring about a socially responsible, just, low-carbon and resource-efficient world.

Expectations of a Green Economy from the standpoint of emerging markets

The expected doubling of the national economies of emerging markets would likely make environmental problems and the challenges facing economic and social developments more complex, in light of the enormous disparities. Even if countries like China, India or South Korea are already investing in more energy-efficient economies, the question arises as to whether growth for development can be decoupled from the use of non-renewable energy sources, since growth always has gone hand in hand with the use of natural resources. Added to this are changing consumer patterns (the consumption of milk and meat products has quadrupled over the

“In a green market economy, the point is not to impede growth and prosperity, but rather to engage in a reflection of what true prosperity means”.

Pavan Sukhdev, director of the Green Economy Initiative UNEP

last two decades in these countries), which neutralizes improvements in efficiency. But again, if one really wants to eliminate poverty, it is not enough for a Green Economy to focus only on growth, CO₂-reduction or the creation of jobs. It also must be tailored to the needs of the marginalized, poorer segments of society. Here, too, the policy must create the necessary conditions, respecting human rights and integrating civil society - however heterogeneous it may be - into the process.

Expectations of a Green Economy from the standpoint of developing countries

As in emerging markets, one cannot discuss the concept of Green Economy in developing countries without paying close attention to agriculture. More than half of the population in developing countries is involved in agriculture; small farms employ more than 1.3 billion people and provide sustenance for more than twice as many. Here, subsistence farming plays a major role: More than 85% of farmers cultivate less than a hectare of land each. So it is no accident that three out of four cases of starvation occur in rural settings. Without mechanization and chemical fertilizers, the environmental challenges are numerous. Whereas a Green Economy in developing countries is coupled with the fight against poverty and social inequality, governments also are confronted with the daunting challenge of ensuring future food production. Given the potential for improved production and given dwindling land reserves, greater emphasis must be placed on agriculture. Foreign investments or acquisitions that are also described as “land grabbing” may be indicators of a rapidly increasing international interest in agricultural resources - which may trigger devastating consequences for the poor, in terms of their access to arable land. Financial and technological assistance to poorer populations is essential, if they are to access renewable energy sources.

Securing long-term support for agriculture

Site-appropriate agriculture is a basic building block for a Green Economy aimed at combating poverty. It plays a major role because it meets the objectives of sustainable development, taking into account ecological, economic and social needs. It is multifunctional - in other words, it ensures the provision of food, it protects the environment, it creates income and jobs and adapts to the impact of climate change.

Increased productivity must not be the only goal of national agricultural strategies. Rather, the multifunctionality of agriculture must be brought to bear. The answer to whether a multifunctional agriculture is realistic and realizable depends on global factors and mechanisms negotiated on an international level; these factors will also be up for discussion in Rio.



Illustration from: James Fairhead, Melissa Leach and Ian Scoones, Green Grabbing: a new appropriation of nature? Special Issue of the Journal of Peasant Studies, 04/2012.

The following criteria are crucial to the negotiations in Rio:

- A reevaluation of rural areas in developing and emerging markets is essential to the implementation of a Green Economy. This includes the granting of higher priority to rural development in the framework of international development cooperation, connected with a correspondingly high proportion of funding.
- National measures must be taken to ensure access to land by the local population, as well as stabilization of food costs and market access.

A sustainable Green Economy in developing countries must include the following minimum requirements:

Ecological:

- Employment of methods and processes that protect the soil while increasing productivity
- Site-appropriate farming techniques that preserve resources
- Minimal use of non-renewable energy and petroleum-based fuels, and increased use of renewable natural resources

Economic:

- Reasonable use of essential natural resources like water and soil for production
- Opportunities for processing and marketing
- Access to sufficient tools, machines, renewable energies as well as transport and communications systems
- Creation of jobs to raise local purchasing power, while avoiding the use of fossil fuels
- Creation of local business cycles

Social:

- Participation in the formulation of national agricultural concepts
- Establishment of networks
- Inclusion of local know-how
- Cooperation between users and producers

- Agricultural and export subsidies to industrialized countries must be reduced, as long as market distortion interferes with the agricultural development of poorer countries.
- Governmental and non-governmental development projects as well as private sector programs must not employ technologies and investments that undermine the preservation of natural resources and the implementation of the right to a reasonable standard of living in recipient countries. This includes internationally binding corporate obligations (accountability, liability, sanctions instruments).
- Food security must always take precedence over the cultivation of biofuels.
- Agricultural research must be intensified and oriented increasingly toward the needs of the local population.
- Site-appropriate agriculture is an important instrument toward securing the human right to food.
- Investments must be managed in green, sustainable sectors.

In order to implement all these measures, the range of possible action by governments, international institutions and civil society must be expanded. Skills in southern regions must be improved so that technology

is not only transferred but that local people may independently develop technological, social and institutional innovations. The support of local civil society as “watchdog” and also as a key player in implementation is equally important.

A Green Economy without a “pro poor” focus will not eliminate poverty; the estimated cost of preventing existing inequalities from deepening is simply too great. Strategies for overcoming hunger and poverty are known and there are more than enough analyses of the problem. But it is not enough to merely put a new label on the design of true sustainability. One can only hope that there will be openness to fresh ideas in Rio, whether in addressing the issue of climate change or the issues of competition over natural resources rising oil prices, water shortages or famine. There is no lack of evidence that individual and global efforts are urgently needed.

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