

# AFTER RIO+20 MOVING BEYOND 2015

Peoples' Sustainability Treaties in a Post Rio+20 Future:  
Advancing a Global Citizens Movement Around Sustainable Development  
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**“Beyond 2015: New Economies and  
Sustainable Development Goals”**

# **CHALLENGES BEYOND GREENING THE ECONOMY**

**The Pursuit for Sustainable Economies**



**By UCHITA DE ZOYSA**

# A True Green Economy

- “GREEN ECONOMY is herewith proposed to be an economic system that ensures social equity, protects the ecological balance and creates economic sufficiency. In other words GE should be the replacement of the current economic order of inequity, destruction and greed that has kept half of the global people in poverty and created a potential climate catastrophe. The core idea of a GE should be to enforce Sustainability as in wellbeing of all people and the biodiversity.” *(Uchita de Zoysa, UNEP Green Economy Consultation, Geneva, October 2010)*

## Political Difference on GE

*"The political significance of Rio is that the G77 nations are antagonistic to our European ideas on the green economy"*

(Nick Clegg, Head of UK delegation reported at Rio+20)

# Lack of Trust on GE

“The development of green economy should not be used as a political card, while mutual understanding and trust is the best way to fight protectionism. There is no denying that there is both cooperation and competition in developing green economy, but both sides should try to understand and trust each other. We oppose all kinds of protectionism and there will be no winner in a trade war as the world economy is interconnected.”

(Cheng Siwei, economist and former Vice Chairman of China's Committee of the Peoples National Congress -

[http://www.chinadaily.com.cn/business/2012-09/08/content\\_15745135.htm](http://www.chinadaily.com.cn/business/2012-09/08/content_15745135.htm)

# Risks Associating a GE

- The first risk is that the “green economy” is defined in a one-dimensional manner, and promoted in a purely “environmental” manner, without considering fully the development and equity dimensions.
- The second risk is that a “one size fits all” approach is taken, in treating all countries in the same manner. This would lead to failures either for environment, development or both. The levels and stages of development of countries must be fully considered.
- The third risk is that the “green economy” is inappropriately made use of by countries for trade protectionist purposes. In particular, rich countries may use this to justify unilateral trade measures against the products of developing countries, or to impose standards that have not been agreed to.
- A fourth risk is that the “green economy” is used as new conditionality on developing countries for aid, loans, and debt rescheduling or debt relief. This may pressurise affected developing countries to take on one-dimensional environmental measures rather than sustainable development policies.

(Martin Khor, South Centre)

# Transitioning to an Alternative Economic System

- The world is in search of an alternative economic system,
- To replace the globalized corporate-capitalist economy;
  - immense wealth for a fortunate few and crippling destitution for far too many,
  - amazing technological prowess on the one hand and a compromised planet on the other.
- Transition envisions profound transformations in the fundamental values and organizing principles of society;
  - new values and development paradigms that emphasize quality of life and material sufficiency for all,
  - human solidarity and greatly enhanced global equity
  - affinity with nature, and ecological sustainability.

# To Avoid Current Flaws and from Greening the Brown Economy

- At the root of the flaws in the current economic model lies an implicit, dominant theory of single-minded economic purpose;
  - namely to achieve continuous economic growth, as measured principally by GDP, by relying on “free markets” without strong enough instruments to deal with their negative impact on human and ecological well being.
- The current discourse on the Green Economy appears as an effort to “green-wash” the existing “brown” economy.



# Not Just a Single Global Economy!

- The world comprises many economies, at many levels—not just the global economy, or the national economy, but a plethora of regional and local economies as well.
- Any alternative economic system should promote all these economies, and not just the current capitalistic-corporate mode of globalization.
- A “green” economy that continues to focus on a singular growth-driven, high technology, free-market, intellectual property rights-dominated system, is no green economy at all.

# Sustainable Economies!

- What is also needed is a vision of a nested system of community, sub-regional, and regional sustainable economies, in a diversity of settings, which stands on a foundation of integrity, accountability and a much more equitable distribution of benefits.
- Such a nested system of sustainable economies should be structured on the basis of the principle of subsidiarity, such that decisions and activities that can feasibly be undertaken locally, should be.
- Only when decisions are required that cannot be made at a given level of society will decision-making move to the next higher level – from the community to the sub-region to the region to the world.
- The core idea is that all these economies are made sustainable, not just a drive to maintain a singular monopolistic and dominant global economy.

# Equity - the Foundation of a System of Sustainable Economies

- The foundation for a system of sustainable economies must rest firmly on a much more equitable world order.
- promotion of well-being for all within the biogeochemical limits set by our physical planet.
- Moves beyond the notion of mere economic efficiency to the broader objective of economic sufficiency,
- Not a growth-based “trickle-down” economy
- to break the poverty-trap to assure the redistribution of wealth, both globally and regionally, on a much more equitable basis.

# Changing How We Measure Success for the World's Diverse Economies

- The time to transcend growth-based metrics such as the Gross Domestic Product (GDP),
- Move toward set of indicators that more realistically take account of genuine progress towards human wellbeing, the restoration of natural capital, and the protection of other forms of life.
- Move toward a system of economics that takes better account of externalities, such that the prices of goods and services begin to accurately reflect their actual and true costs to society.

# Principle 1: The Earth Integrity and Planetary Boundaries Principle

- The Earth, her natural communities and ecosystems, possess the inalienable right to exist, regenerate, flourish and evolve in a way that supports its vital cycles, structures, processes and functions that sustain all living beings.
- We each have a duty to protect the integrity of the Earth. Our own wellbeing depends upon it.
- **The Planetary Boundaries Principle clearly establishes that human development is dependent on re-establishing robust ecosystems and that social development pathways need to acknowledge that there are limits to economic growth.** Sustainable economic systems must respect such limits and governments need to set clear long-term targets to maintain a safe and equitable operating space for the entire planetary social and ecological system.

# Principle 2: The Resilience-by-Localization Principle

- **The Resilience-by-Localization Principle emphasises that diversity and diversification are preconditions for sustainability and quality of life.**
- A System of Sustainable Economies enhances resilience by supporting a model of many green economies, each relevant to some different cultural, social and environmental contexts. Such a system builds economic, social and environmental resilience, in part, by promoting long-term decision making above the short term, by regulating the finance sector and by constraining speculation, and by consciously building safety nets in the form of local, self-reliant economies. A diversity of organisational models and governance levels needs to be cultivated, along with diversified economic activity that minimizes commodity dependence.
- A System of Sustainable Economies must ensure that the public, private and non-profit sectors all work together to support the nurturing of diverse regional and local economies.
- It must work to build local skills and capacities, while giving respect to indigenous local knowledge and while promoting the diffusion of “best practice” thinking across the various domains of knowledge.

# Principle 3: The Equity, Dignity and Justice Principle

- A System of Sustainable Economies **must deliver much higher levels of equity, dignity and justice, both within and across countries, and within and across generations.**
- The Equity Principle mandates that such a system respect human rights and cultural diversity, while promoting equality based on gender, class, ethnicity and age. It must support the right of all people to a sufficient level of development, by respecting indigenous peoples' rights to their own lands and territories, as well as to resources deriving from these lands.
- Poverty eradication, and a more equitable distribution of wealth, should be the main priority of governance, and its success should be measured in those terms. Economic development must create genuine prosperity and well-being for all by transforming traditional jobs, and by actively helping build capacity and skills and developing new, decent "green" jobs.
- The Dignity Principle upholds that every human being, now and in the future, has the right and the opportunity to build a robust livelihood. It delivers a just transition by providing universal access to health, education, water, sanitation, food, energy and other essential services, while respecting the rights of workers and trade unions. It supports sustainable, diverse economies and local livelihoods.
- The Justice Principle upholds fair sharing of all benefits and burdens within and across nations. This includes the use of natural resources, access to goods and services, and the responsibility to avoid and compensate for damages. Under such a system, all institutions, corporations and decision-makers need to be subject to equal standards of accountability and personal responsibility for their decisions.

# Principle 4: The Inclusive Governance Principle

- The Inclusive Governance Principle states that subsidiarity in democracy must be upheld and revitalised—that is to say, making national government subsidiary to local government—
- **Giving widespread consultation, representation and active participation to all stakeholders to engage in the practices of governance from the grass-roots upward.** In particular, **room must be made for youth, women, the poor and low-skilled workers, indigenous peoples, local communities and the poorest and most marginalised in society.**
- Structural transformation should be driven by appropriate public investments that guarantee benefit sharing based on transparent and participatory negotiations that include all affected people. Such transformations would move us closer toward a world in which more and more businesses would be worker-owned and controlled.
- Operating entirely in an accountable and transparent manner, a System of Sustainable Economies would work to manage all markets in a manner that keeps the benefit of all in mind. It must foster diverse cultural values as it builds societal awareness and informed participation by diffusing education and skills development amongst all citizens, thus empowering them to promote full and effective participation at all levels, from global to local.



# Principle 5: Beyond-GDP and the Sufficiency Principle

- The Beyond-GDP Principle recognises the inherent limits and distorting effects of using GDP as an exclusive or even a primary measure of progress and welfare. **Policy goals and monitoring need to be guided by integrated measures of environmental, social, human and economic wellbeing, while taking into account diverse interpretations of human welfare.**
- Efficiency must be promoted to minimise waste and maximise productivity in the production processes leading towards sustainable production. Efficiency alone, however, does not ensure equitable access to resources and does not prevent over-exploitation of the resources.
- **While efficiency is important in a transition towards a system of sustainable consumption and production, sufficiency needs to be the broader goal.**
- The Sufficiency Principle can guide nations and communities towards self-reliance and contentment in their wellbeing.
- A System of Sustainable Economies would deliver on the promise of the Sustainable Consumption and Production Model, while decoupling production and consumption from negative social and environmental impact.

## Principle 7: Internalizing Externalities and the Precautionary-Polluter-Pays Principle

- **A key flaw in the currently dominant corporate-capitalistic system is that true costs and market prices too often do not match up.** Many of the costs of economic activity are not included in the market price of those activities. The more we can **work toward internalizing externalities**, the closer we come to a “true cost” accounting, and the closer we come to an authentic free-market system—one in which supply and demand can actually work to adjust prices in a way that reflects the true state of the world.
- **The Precautionary Principle should be applied to ensure that new products and technologies do not have destructive or unexpected effects on environmental, social, or human wellbeing.** The ‘burden of proof’ lies with the developer or initiator and problem shifting needs to be avoided.
- Such a system must implement the Polluter Pays Principle as well, while at the same time moving toward a system of prices that internalize externalities. It must ensure that market prices reflect to true societal and environmental costs of goods and services, incorporating social and environmental externalities

# Principle 8: The Restitution of Natural Capital and Human Capital Principle

- At the start of the Industrial Revolution, Man-made Capital was scarce, and Natural and Human Capital was abundant. This was when the world was less dominated by human technology and infrastructure and abundant with local cultures and nature. Today we live in a much fuller world where Man-made Capital is abundant, while Natural and Human Capital is relatively more constrained.
- We need to move in such a way that we begin to systematically invest Man-made Capital toward the restitution of Natural and Human Capital. **We should use our vast accumulated wealth to restore natural systems and to support the development of social capital.**

## Rio+20 Outcome Document on GE

(j) Enhance the welfare of indigenous peoples and their communities, other local and traditional communities and ethnic minorities, recognizing and supporting their identity, culture and interests, and avoid endangering their cultural heritage, practices and traditional knowledge, preserving and respecting non-market approaches that contribute to the eradication of poverty;

# Rio+20 Outcome Document on GE

- (n) Address the concern about **inequalities** and promote **social inclusion, ...**
- (i) Contribute to **closing technology gaps** between developed and developing countries and reduce the technological dependence of developing countries using all appropriate measures; ..
- (g) Effectively **avoid unwarranted conditionalities** on official development assistance (ODA) and finance;
- (h) Not constitute a means of **arbitrary or unjustifiable discrimination or a disguised restriction on international trade, ...**

## New Karma of Happiness

“while we are happy that our economy is in ascent phase and our GDP is growing at nearly 9% per annum, it is evident that economic growth is not fully reflected in the quality of life, particularly in rural areas and even in urban areas”.

(Former president of India Dr. A.P.J. Abdul Kalam)

# Gross National Happiness

Bhutan's 1972 declaration made by His Majesty King Jigme Singye Wangchuck: "Gross National Happiness is more important than Gross National Product."

The four pillars of GNH are;

1. promotion of equitable & sustainable socio-economic development,
2. preservation and promotion of cultural values,
3. conservation of the natural environment,
4. and establishment of good governance



**HAPPINESS**

Happiness is a state of mind that may be found through wellbeing, prosperity, belongingness, and contentment in life, and not proved to be through economic growth.”