

A quest for a new Enlightenment

(transcription, non-authorized)

It is a great honour for me to be here, back in Brussels, where I spent ten years of my life. Your organization is 25 years old. That matches very well with the Rio Conference in 1992, which I recall very vividly. It is quite amazing that 25 years have passed since that conference, where for example the Climate Convention was signed. Unfortunately, since that happened, we have increased human-induced emissions by almost 50%.

I would like to use my time to discuss with you not so much the goals of the sustainable development agenda – 2030 Agenda and the Paris Agreement – but rather what we do about it, the implementation. There is a saying that the devil is in the details. In this case the devil is in the implementation.

2015 was a remarkable year. We had both the decision in the United Nations General Assembly about the 2030 Agenda and a few months later we had the Paris Agreement. I'm sure, had Mr. Trump been in the White House at that time, none of those agreements would have been possible.

Today we live in a time of crisis and upheaval. We see it very clearly in the political system, where there are quite strong forces trying to undermine the very values and principles that underpin our Western democracies, in the form of democracy, respect for human rights, the rule of law, science and enlightened leadership.

Recent revelations about the use of psychological profiling demonstrate only too clearly how ethical irresponsibility can drive digital technologies in a very scary direction, both for individuals and for politics.

We look back at decades of exponential growth, both in terms of population and consumption. And you are all aware of the many problems we face in terms of ecology. About half of the top soil has been lost in the last 150 years. 90% of the fish in the oceans are either overfished or fished to their full potential. We are losing tropical forests in the rate of 20 million hectares per year.

I would submit that one of the main problems – and I think we have discussed it too little over the years – is the economic system, the economic model. For some time of my life, I served under Gustave Speth, as one of his deputies at UNDP. He recently came out with a new book, in which he says that we were very naive. When the neoliberal economic revolution took place, we didn't really understand what it would mean. Now we understand. And I would submit that the economic model that is guiding us was to a large extent conceived and designed when the world was empty. Less than a billion people on this earth. In the time of Adam Smith there were even fewer. But Smith, Riccardo, Jevons, etc., they were people who put the groundworks to the economic model.

Today we live in a full world, with soon up to 8 billion people. I was trained as an economist many years ago, and I'm still perplexed by the fact that not more has been done to try to integrate the aspects of how to manage nature and its economy vis-à-vis the monetized economy.

A couple of days ago William Nordhaus an economic prize. I ask you to note that it's not the Nobel Prize. It's an economic prize, instituted by the Swedish Central Bank. Some people have applauded this, because finally we have an economist who is interested in the environment. He is. But I'm afraid he is stuck in old thinking. And if we would follow his advice, we would not come far when it comes to climate change mitigation.

My proposition is that in order to implement both the Paris Agreement and the 2030 Agenda we really need to be looking at, focussing on the economic framework that is guiding us.

We are living in a time when there is so much happening around the economy. I thought we had learned something from the Lehman Brothers. At that time, many people said that the banks were too big to fail. Most of these banks are even bigger today. Debt levels are building up all over the world. And I can't see how a new financial crisis can be avoided.

Add to that the trade war that Trump has initiated, as one example of what he's trying to do, namely step by step tear down the institutions we built after the Second World War. Without putting something else in place.

And then there is the digital evolution which of course brings many opportunities but also many risks. Having been a legislator myself, I know that most legislators, most politicians, understand very little of what's going on. The implications of the digital evolution for society, in almost every sector, are profound, whether we talk about privacy, democracy, labour markets, health, weaponry, etc. I see a lot of opportunities to use some of those technologies to help us in the sustainability agenda. But it will require a very concerted effort. And I also see a lot of risks, and the need for clever policy frameworks. Nothing of this was really discussed during the 2030 Agenda preparations.

I believe it will be a big task to implement, because there are so many other problems and challenges that surround us. And again we see that America, the biggest economy, is not playing the same game. That is not going to make it easy.

When I look at the Sustainable Development Goals and the Agenda, the [Declaration](#) accompanying the SDGs contains a vision statement that includes the following: "We envisage a world in which development and the application of technology are climate-sensitive, respect biodiversity and are resilient." I strongly believe in that statement. But there remains a need to examine the consistency of the SDGs and the modalities under which the goals will be implemented.

What is really the meaning of that statement? It surely refers to the three environment-related SDGs 13 (climate action), 14 (life below water), 15 (life on land). But the funny thing is that there is nothing in the 2030 Agenda that really helps us to understand how to reach those goals, as Her Majesty said, in tandem. I think we know pretty well that if the main pursuit will be the goals 1 to 11, namely those that deal with social and economic objectives, there is a fundamental risk that the rest of the Agenda will be washed over.

Assuming that we see no major changes in the way that economic growth is defined and pursued, humanity will be confronted with massive trade-offs between the socio-economic and the environmental SDGs.

I would submit that conventional growth policies are at the core of many of the environmental problems we face. I know at the same time that there are still politicians – quite a number of them – who claim that conventional growth is the only way forward, including for fixing the environment. They believe that we have to be a bit richer to fix the environment and stabilise the climate. But here I beg to differ. And I have been around for quite some time.

As Herman Daly said many years ago, we have to distinguish between economic growth and uneconomic growth. And in the way our economies are organised today we do not make that distinction. You can get filthy rich by doing uneconomic growth. Many people and companies have become filthy rich that way.

Conventional growth may very well lift additional people out of poverty for a while. But unless we are more focussed on the quality dimension of that growth, we are going to have serious difficulties to come to grips with the climate challenge, the pollution of the oceans, overfishing, biodiversity loss and soil erosion.

In developing countries, the conflicts between social and environmental objectives are often not really spelled out. I'm old enough to have been present at the Stockholm Conference in 1972, when Indira Gandhi made her statement that poverty is the biggest polluter. At that time the statement had a lot of truth to it. Environmental issues were mostly local pollution. And the evident answer was pollution control, which cost money. And that was primarily something the rich countries could afford. The trouble is that in our days a more accurate slogan would be that affluence is the biggest polluter. This is because greenhouse gas emissions, resource consumption as well as land use that destroys soils and biodiversity are to a large extent companions of affluence.

This reality became very clear to me a couple of weeks before the Paris Conference when I read a little pamphlet written by the French economist Piketty. It was not his big book *Capital*. It was a pamphlet on per capita emissions in the world. He did not only look at national averages, he looked at different income groups. He focussed among others on the richest and wealthiest Americans. And he came to the conclusion that the 1% wealthiest Americans – roughly 3 million people – had an average carbon footprint of 318 tonnes. The average in the world is around 5 to 6 tonnes. Normally we say: don't care about the rich, they are so few. But if you multiply 3 million with 318, you get almost one billion tonnes. And one billion tonnes is 2.5% of the total greenhouse gas emissions. So the 1% richest Americans amount to 2.5% of global climate impact.

That's just an illustration that in this very difficult journey ahead – and I agree very much with Her Majesty – we really have to send positive messages and encourage people to do a lot. But how can we motivate the poorest of the poor to do what they should do if we have this drastic differences, not only in standard of living, but – in this case – in carbon pollution? And if we would look at statistics, we would realize that the 10% wealthiest citizens in the world, in different parts of the world, amount to 50% of the emissions. If we really want to be effective, and cut emissions quickly, we have to change the habits of the wealthy.

This means that developing countries are right in saying that the biggest burden of changing course should be on the affluent nations.

Recent studies confirm also that there are a lot of trade-offs between the different SDGs. I am a member of the [International Resource Panel](#), a UN body looking at resource use in different categories. We published [a study](#) a few years ago. In that study we realized that to fulfil the goals 1-11 we need a very prudent use of natural resources. And I can tell you that we don't use natural resources in a prudent way today. That's a diplomatic way to say that we have to change course.

In a [recent study](#) Jeffrey Sachs offered some quantitative assessment of the performance and challenges in achieving the SDGs. He used existing indicators. He came to the conclusion that on top of the list were of course 10 European countries. At the bottom of the list you have 10 low-income countries, most of them in Africa. But the interesting thing was that when you start to look at the different goals you see that the Scandinavian countries and Belgium and the Netherlands are on top when it comes to goals 1-11. But we are not on top when it comes to goals 13-14-15, because we are consuming a lot of resources and our carbon footprint is very high. In the study they came to the conclusion that in the world there is not one single country that meets all the goals. On the contrary, there are enormous differences.

Another example of this will come to the fore next week, when the [Club of Rome](#) celebrates its 50th anniversary in Rome. We have asked Johan Rockström and Jorgen Randers, who was one of the original authors of *Limits to Growth*, and Per Espen Stoknes from Norway to take a look at this question: can the SDGs be attained or achieved within the planetary boundaries? And they have used a modelling technique to find out. They have [four different scenarios](#). Three with different conventional growth rates, and one of them which is different. In the conventional growth scenarios, they lift people out of poverty and reduce hunger. But when it comes to climate, inequality, land use and oceans, those indicators go down. So there is no way that you can do it that way and still be within the planetary boundaries.

They have a fourth scenario, which is really transformational. In this scenario they accelerate renewable energy investments, accelerate productivity in food chains, turn some agricultural practices upside down (e.g. starting to build carbon into the soil, because every time you put the plough in the soil now you release carbon). They introduce new development models in poorer countries, building in ecological and social objectives. They pursue active inequality reduction, that is to say: redistribution of income. And they invest heavily in what Her Majesty mentioned, namely in education and health for all, in particular women, including family planning. In this scenario almost all SDGs would be met, not in 2030 but somewhat later.

This means that if you do transform the economy and rethink conventional growth and build something that is different, you can indeed do this.

I think this is very encouraging. But it is also going to be very tough, because the political system – both on the centre left and the centre right – does not really invite to this kind of discussions. The problem of meeting the 17 SDGs is on the one hand how we define growth and development, and on the other hand the silo-based policies that lead us and guide us. I've been in government and I have been in parliament and I know that they are very vertically organized. It is very difficult to take on more integrated approaches. But that is really what is needed. Systemic or integrated approaches. Not dealing with one issue at a time.

If I turn to the Paris Agreement, also here we need to rethink what we are doing. I said to Jean-Pascal van Ypersele: in Europe over the last 15-20 years, when we had climate policy, we have been engaged in incremental steps. Capping emissions here or there by a few percentages. Leading to probably -20% in 2020. Most people are quite proud of that. But [what the IPCC told us](#) the other day, is that we have to go much and much further. In fact, if I translate what they say, we have to eliminate 60% of global emissions before 2030. You don't do that by incrementalism. That requires transformation. When I talk about transformation, I talk about infrastructure, cement, steel, aluminium, plastics. I talk about transport and mobility. We have started to electrify transportation, but there is still a long way to go. We don't know yet whether we can continue to massively use lithium or cobalt for the batteries. That is still an open question. Then we have textiles. I won't go

into detail, but I can tell you that the textiles industry from the point of view of carbon and carbon pollution is a horror story. 6-7% of global emissions come from there. And then we have electronics. And concerning land use and forestry, we need to restore degraded land and rethink agriculture. We don't have to plough, we can have no-till agriculture and start building carbon into the soil. That would be very effective. But that's not the way our Common Agriculture Policy is designed.

Still, I'm quite optimistic, because we have all the knowledge needed and we see a lot of technologies that move us into the right direction. Renewable is the best example, but there is much more. The other day, Jean-Pascal van Ypersele and a few others here, took the initiative and sent a [letter to the European institutions](#), saying that they need to raise the ambition level, both to 2030 and 2050. The economy as a whole will benefit from doing it now, rather than starting later. It was a very good letter, by the way. I signed it also.

There is of course a lot of strong resistance. I met the shipping industry representatives some weeks ago. Shipping is a big problem. Some of them talk about 'freedom of the seas'. Don't try to regulate us! They think they should be able to pollute, continuously. There is going to be a fight. Do not doubt.

I think we have policies yet designed, so that we can help to address those who are the losers in the transformation. There are losers. I think of Poland, for instance. The whole Katowice region, where we are going to meet for the next [COP meeting](#). They were very clever in choosing that. The whole region is so dependent on coal. Unless we can offer some kind of assistance, to turn or to transform that region into something different, it is going to be difficult for the Polish government to play along.

Next week, when we have this meeting of The Club of Rome, celebrating 50 years, we will launch a [Climate Emergency Initiative](#). Let me conclude by sharing a few of the proposals that we want hopefully to act as a catalyst for many institutions and individuals to support. First of all, we very much back the idea of a carbon law, at least halving emissions every decade until 2050. To enable that, we have to halt fossil fuel expansion and fossil fuel subsidies by 2020. Secondly, no new investments in coal, oil and gas exploration after 2020. We need to triple annual investments in the world in renewable energy, energy efficiency and low-carbon technologies. We have to give priority to the developing countries. China is doing a lot. But most developing countries are not doing a lot. And in order for development to take place, you have to have access to modern energy carriers. And if those are not renewables, they will be fossil fuel-based. And if we ask why not more is happening, one of the reasons is that these investments are looked upon as very risky. We have to help de-risk those investments. Thirdly, we have to replace GDP growth as the main objective of societal development. That's not directly linked to carbon emissions, but it's linked to the way that the economy is organised. We need to come up with indicators that measure welfare and well-being and human progress, not production growth. Production growth is also important, but it should not be the end result.

We have to introduce a price of carbon, one day or the other. And I think one of the key issues would be what to do with the revenues. If we can channel them back, in support of innovation, for low-carbon solutions, to lower taxes and to prop up the welfare state, I think that would be acceptable, even for Republicans.

We want to encourage what they call exponential technology development, including AI and robotisation. But we want to put into place a task force that would help those technology

developments align with the sustainable development agenda. Most of the technologies now coming to the market are not really doing much to help us mitigate carbon emissions.

We have to ensure much greater material sufficiency. Here comes the whole concept of the circular economy. All discussions about carbon emissions have circled much around energy and energy systems. For good reasons, but materials are part of the game. Cement, steel, aluminium, plastics make up 20% of carbon emissions. And demand for infrastructure development, in particular in developing countries, goes up. And if we use today's technologies and today's materials, only the material budget will eat up the carbon budget that is possible for 1.5°C.

We want to accelerate regenerative land use policies. That is needed to build carbon into agricultural soils, but there is much more to be said about that.

We want to give priority to education for girls and reproductive health, including family planning. I'm not saying population growth in the short term perspective is the main problem or the main challenge for climate change. But in the longer term perspective, the assumption must be that every child that is born should have a decent standard of living. And that will require energy, water, housing, etc. If we can do something to hopefully level out at 9 or 9.5 billion instead of 11 or 12 billion people, everybody would benefit. It would be easier to solve the problems that we face. And many countries where the fertility rates are the highest today are also countries with failed states or very poor governance. So the social problems are also very defining.

Finally, let me go back to the relationship between North and South, rich countries and poor countries. Maybe this is one of the elephants in the room, but I think that if we are honest, Western countries in particular, we have to admit that we have dominated policy making and the economic structures for the last 250-300 years. And for a certain period we were even colonizers. We have exploited poor countries and poor people. And today's trade agreements are not really geared towards benefitting the poorest people, because they are designed by us. And I wonder whether the sustainable development agenda can be met, unless we seriously start talking about redistribution of wealth. I cannot see how 8 or 9 or 10 billion people in the future can attain the living standards we have. At least not the material consumption we have. There are people in Silicon Valley and Singularity University who talk about abundance of everything. I haven't seen that yet. And even if that will come, it may be too late.

I think we have to seriously start discussing the relationship with in particular the low-income countries. I'm aware of the fact that it won't be easy in the current political climate. If I would go to the Swedish Democrats, the ultra-right party that gained 18% in the last election, to talk about that, they would throw me out of the room. But I think we have to be prepared for that, underpinned by our values, European values. And if we would look at it more cynically, I think we all would benefit. Because the tensions would lessen, the fight for resources would lessen, and poor countries would have better opportunities and possibilities to invest in the right technologies. And thereby they would also reduce pollution and encroachment of the ecology. So that's just a thought. It is not much talked about, but I think it has to be talked about.

Thank you very much.

Anders Wijkman