



Club of Rome Presentation:
Concerted Strategies to meet the
Environmental, Economic and Development
Challenges of the 21st Century

Concluding Remarks

by
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On 12th June 2009, the Club of Rome had the opportunity to present its views and proposals to the GLOBE Legislators Forum in the Chamber of Deputies Building in Rome. A team of eight experts made an integrated presentation, setting out the key challenges in three critical fields: climate, energy and environment; financial reform, economic restructuring and globalisation; and population, poverty and development.

The following experts defined specific issues within a forward perspective and made proposals for action:

- Dr. Eberhard von Koerber, Co-President, on "The Club of Rome - Ethics, Diversity and Solidarity."
- Dr. Ashok Khosla, Co-President, on "The Challenges of Global Development."
- Dr. Mohan Munasinghe, Vice Chair of IPCC, on "The Impacts of Climate Change."
- Mr. Ian Dunlop, Deputy Convenor of the Australian Association for the Study of Peak Oil, on "Climate Change, Energy and Peak Oil."
- Ambassador Anders Wijkman, MEP, Rapporteur on Sustainable Development, on "Economics at a Crossroads: Responding to the Economic, Environmental and Development Crises."
- Dr. Colin Bradford, Senior Fellow, The Brookings Institution, on "Guiding the Economy onto a Sustainable Path."
- Professor Roberto Peccei, Vice Chancellor for Research, UCLA, on "The Central Role of Science, Technology and Innovation."

The presentation was opened by a video statement from H.E. Dr. Angel Gurría, Secretary General of OECD, and introduced and concluded by Martin Lees, Secretary General of the Club of Rome.

The presentation took account of the interim results of the three year programme launched by the Club of Rome at its 40th Anniversary Assembly in June 2008, on “A New Path for World Development.” In particular, it reflected the insights and conclusions from three high-level expert conferences: on “Managing the Connected Challenges of Climate, Energy Security, Ecosystems and Water” held in Winterthur in November 2008; a Policy Dialogue with G8 + 5 Legislators in London in January 2009; and on “Concerted Strategies to meet the Environmental and Economic Challenges of the 21st Century” in Vienna in April.

Note: Due to shortage of time, it was only possible to present an outline of these conclusions. The full documents are available on the Club of Rome website, www.clubofrome.org.

In its presentation, the Club of Rome demonstrated some simple truths:

- We are at the end of an era – a turning point in history. New ideas, values, strategies and partnerships will be essential to understand and meet the systemic challenges of the 21st Century. We cannot manage and resolve the threats to the future with the ideas and tools of the past.
- The current, pre-crisis path of exponential growth in consumption and waste is generating real and immediate threats to the future of humanity and to the natural systems on which our civilisation depends.
- In spite of all the negotiations and actions to date, greenhouse gas emissions continue to increase. We are at risk of passing a tipping point where positive feedback processes will take over, driving irreversible, non-linear climate change beyond our influence. Containing GHG concentrations at 450ppm will not guarantee that the risk of runaway climate change will be averted.
- Climate change is a symptom of the values, social choices and economic and technological strategies which determine the current path of consumer-driven economic growth. These underlying causes and drivers must be the focus of explicit strategy for transformation.
- Ecosystems, both terrestrial and ocean, are degrading under the assault of human activities and the overuse of the biological resources of the planet. Yet we rely on these ecosystems for our daily life, and to absorb some 50% of human generated greenhouse gas emissions.
- We are approaching the end of the era of cheap oil on which our civilisation depends, where escalating demand cannot be matched by increases in supply.
- The population of the globe will rise by around 2.3 Billion people by 2050, placing added stress on the environment and on the availability of fresh water. In addition, the demands and life styles of a growing world middle class will put added pressure on resources and the environment.
- Rising inequality within and between countries and the exclusion of vast numbers of men and women from the benefits of globalisation will intensify polarization and violence in an increasingly interdependent world where security and peace are essential to master the threats to the future.
- The financial and economic crisis, although triggered by irresponsible lending and behavior, is fundamentally rooted in the imbalances, instability and incoherence of the

world financial and economic systems, and this at a time of profound transformation in the structure of power and influence in the world community.

- We have learned that business as usual is not a viable path for climate change. We must understand now that it is also not a viable strategy for many other critical issues, such as ecosystems and water, economic growth and world development.

For all these reasons, we cannot continue on the present path of world development which is unsustainable. It must be changed, and it can be changed, to a path which is fair and inclusive, stable and sustainable. A productive world economy – built on a new balance between the roles of government and the market and between man and nature – remains essential to generate the investment and other resources needed to meet the needs and aspirations of a growing world population, within the ecological and environmental constraints of our fragile planet.

This has many consequences. Ad hoc, sectoral, incremental and short term responses cannot address the root causes of the problems we face. We need new thinking, we need explicit, proactive strategies and we need coherent, integrated policies for growth, environment and development.

- The needs and hopes of the billions of people in the developing countries must become an integral component of strategies for the management of the overall world economy.
- Policies to avert catastrophic climate change, to restore degraded ecosystems and to build the foundations of sustainable development must be integrated with economic policies to achieve balanced and sustainable growth.
- New models and strategies for economic growth, development and globalisation must be introduced, taking proper account of the real value of natural capital and of the need for social justice and inclusion of the poor.
- A new balance must be found in policy, legislation and politics between short-term, national considerations and the longer-term international demands of an interdependent world.
- New partnerships must be established to concert the contributions of government and the market and to engage the energies of civil society.
- National and international institutions must be revitalised to become more effective in managing systemic issues, more participatory and legitimate, more flexible and resilient.

In this perspective, short term policies focused on rapid recovery to promote growth and employment – which is the present imperative of national policies – must be framed in a broader, longer-term context to build the foundations of a new, innovative and sustainable economy. We are challenged to rethink and restructure national economies and the processes of globalisation onto a path which is fair, inclusive, stable and sustainable. This is a deeper issue than including “green” components in recovery packages, or promoting new and renewable energy as a means of moving towards low-carbon economies. It will require leadership, imagination, cooperation and commitment beyond the immediate concerns of day-to-day policy.

When the Club of Rome raised these issues some 40 years ago, we were told that markets and technological innovation would contain the threats to the future. We now see that, while the dynamism of enterprise and markets remains essential and research, development and innovation can and must find new solutions, governments must play a key role to provide a clear and predictable framework within which markets and technological progress can operate towards the goals and the fundamental interests of society as a whole.

We can also be clear that environmental responsibility, resource efficiency and concern for social equity and inclusion of the poor are by no means negative for real growth. We can in fact choose a path of progress and a future in which quality of life and contentment, the equitable distribution of the costs and benefits of progress, care in the use of resources and a stable and safe environment can be achieved together. The financial crisis and the economic downturn offer a unique opportunity to reconsider the models and to redirect the strategies for growth, development and globalisation.

We have the resources, the knowledge and the human and technological capacities to resolve the critical issues which will determine the future, if we have the will and organisation to deploy them.

Proposed Lines of Action

To achieve a new economy with opportunities for progress, employment and sustainable improvement in real welfare and security, some key proposals were made in the presentation:

- We are approaching the threshold of runaway climate change. We call on the Global Legislators Forum, (GLOBE): **to underline the urgency of radical action to reduce emissions**, by both immediate action and longer-term measures; to stress to political leaders the non-linear nature of the processes at work which will generate sudden change; and **to assert that the overriding priority must be to avert the impending risk of catastrophic climate change.**
- Critical environmental issues are essentially interconnected. We request GLOBE **to press for the integration of analysis and policy and for coordinated action programmes** across the fields of climate, ecosystems, energy, fresh water and the oceans.
- Climate and environment issues are crucially linked to poverty and development. We request GLOBE **to call for the integration of global policies for environment and development**, for **greatly increased support for adaptation and humanitarian assistance** to respond to the impacts of climate change, and for **enhanced efforts to constrain the growth of world population** through policies to alleviate poverty, to enhance human security and to expand education, especially for women and girls.
- The underlying causes of the multiple crises we face are largely rooted in our chosen patterns of consumption-driven growth. We request GLOBE **to press for reconsideration of strategies for growth, development and globalisation** to include proper value for ecosystems services and for public goods, to integrate concern for fairness and social justice and to respect the rights of future generations.
- Policies for recovery from the financial and economic crisis must be determined in this context. We ask GLOBE **to call for explicit, integrated national strategies for the restructuring of national economies** to meet the social, economic environmental and development challenges of the 21st Century.
- It is important that **the R&D investments which are needed to move the world onto a new path of truly sustainable development be spread across the globe.** New ideas and innovations know no national boundaries. It is also crucial that these research investments should not only be in areas of science and technology, but also in areas like economics, social policy, law and architecture. Education must become a priority. **New**

advances need an educated workforce and legislative efforts to bolster education for sustainable and responsible development will be key.

- We also call on GLOBE **to stress the positive opportunities, the new economic activities and employment**, which can be achieved by moving towards a path of energy and resource efficient, environmentally clean and healthy and socially inclusive growth. The path toward a low carbon world is not only achieved through high-technology solutions, but also via a myriad of low-tech, but important, improvements. GLOBE could collate practical examples from nations, states, communities and corporations where environmental responsibility, resource efficiency and inclusion of the poor have been positive for growth and profitability.

We recognize the intense difficulties faced by leaders and legislators at the present time. They are obliged to respond to the immediate needs and concerns of their citizens for rapid recovery, economic progress and employment. And they must balance these short term imperatives with the historic responsibility to build political consensus and public support for action to avert emerging threats and to ensure a stable, fair and sustainable future.

Many speakers pointed out that, in spite of all the analysis and negotiations to date, progress to combat climate change is small: this is a classic sign of failure to establish an effective institutional focus and responsibility to drive through the necessary change, over the inevitable opposition of established interests.

Three practical steps would improve the prospects for successful action in response to critical global issues, and would position climate change in a broader context of sustainable and equitable world development:

- Leadership on the strategic, cross-cutting issues which will determine the security and the future of each nation must be centered and sustained at the highest levels of government. This will make it possible to coordinate the interests and programmes of sectoral agencies of government within an explicit strategy.
- New partnerships and wide participation must be mobilised to engage government, the business community, science, education and civil society to build broad, multi-goal coalitions, to determine agreed priorities and to generate public support for the deep social and economic transformation required. Independent national commissions could provide a powerful institutional focus to build coalitions, to define explicit, coherent strategies and to stimulate action.
- At the international level, institutional innovation will be vital. At the Vienna conference, the potential of a World Environment Organisation was reconsidered, as one element in a wider reform. The G20, GLOBE International and the OECD could provide international reinforcement and coherence in supporting focused national efforts to define and implement integrated strategies across the fields of growth, environment and development to build the foundations of a new sustainable and equitable economy.

The Club of Rome is most grateful for the privilege and opportunity to present its views to the Legislators Forum of the G8 and the G5 and looks forward to further cooperation with GLOBE International in the future.