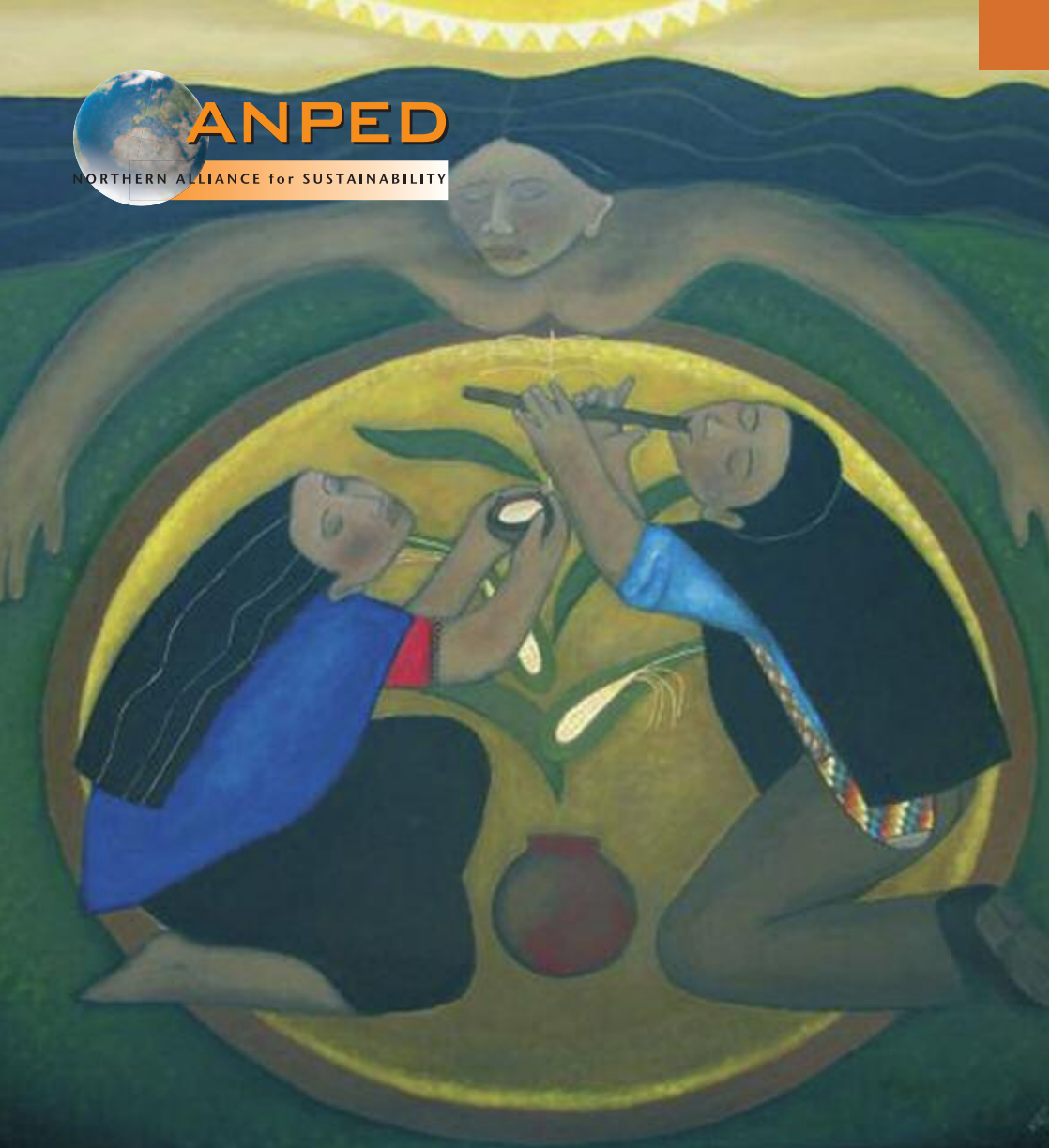




ANPED

NORTHERN ALLIANCE for SUSTAINABILITY



The Seven Principles for a Fair and Green Economy

Introduction



In January 2011, ANPED organised together with the Future Justice team of World Future Council and FPH (Foundation pour le Progrès de Homme – France) a workshop with several think tanks from around the world to design “Principles for a Fair and Green Economy”. We worked two very intense days in the basement of the St Mary RC Church in Long Island City (NY). The main goal was to define a base line for the Green and Fair Economy, to avoid green washing and the watering down of the ideas of Sustainable Development.

We sincerely hope that these Principles will be a tool to guide the debates on a green economy in the context of sustainable development and poverty eradication, started in Rio+20, to evaluate anything that comes out of Rio+20 and to become a reference for years to come. Because these are the values on which the ‘Future We Want’ should be based.

Leida Rijnhout, *executive director of ANPED – Northern Alliance for Sustainability*

In full recognition of the Rio Principles, the following set of principles is proposed to specify guidelines for the ‘Green Economy in the Context of Sustainable Development and Poverty Eradication’. These principles and guidelines will serve to enrich and focus the debate on how to ensure that economic solutions become means to a vital end: the overall goal of strong sustainability and global well-being. The principles are mutually reinforcing and complementary and as such may overlap.

Planet

The Mother Earth Principle

The Earth, including her natural communities and ecosystems, possesses the inalienable right to exist, flourish and evolve; and to continue the vital cycles, structures, functions, and processes that sustain all beings. Every human has the duty to protect her and her inhabitants. Some of the consequences of this principle are: no patenting of life, and respect for animal welfare.

Rationale behind the principle:

There is only one planet. This planet is comprised of networks of ecosystems, where plants, animals, and human beings live and flourish. Yet these strong ecosystems are often very vulnerable. The resilience of the community, which includes the well-being of humanity as well as the rest of the animal world, depends upon preserving a healthy biosphere. Protection of all of the biosphere's ecological systems, and avoiding irreversible impacts to those systems, is a first duty of humankind.

"Earth Integrity" refers to wholeness, completeness, and the ability and right to function fully as an ecosystem. All living creatures are interdependent and bound within one system. Intervening in the system can have irreversible effects.

Every inhabitant of the planet has the incontrovertible, inalienable right to all the basic necessities for a secure and peaceful life with full expression of her/his potentials.

The planet Earth is the centre for existence and therefore the most important base for all beings. Preservation of ecosystems in their intertwined totality, and with the long-term view in mind, is a precondition for safeguarding future generations. Short-term policy decisions and economic goals must be of secondary priority.

Important progress has recently been achieved, mainly by innovative socio-ecological activists and movements in the Global South. Instrumental in this progress has been the 2010 Cochabamba meeting (World People's Meeting on Climate Change and the Rights of Mother Earth), resulting in the People's Agreement of Cochabamba. The Agreement concludes that "humanity confronts a great dilemma: to continue on the path of capitalism, depredation and death, or to choose the path of harmony with nature and respect for life."

The Planetary Boundaries Principle

The Planetary Boundaries Principle clearly establishes that human development is dependent on intact ecosystems and that there are limits to natural resource-based economic growth. Safe economic systems must respect such ecosystem boundaries and governments need to set clear long-term limits to maintain a reliable operating base.

Rationale behind the principle:

The neo-classical (neoliberal) way of structuring the economy that became hegemonic first in Chile in the 1970s, later in the United Kingdom and the United States, and subsequently in large parts of the rest of the world, is based on the concept of the constant need for unlimited growth in terms of the GDP (Gross Domestic Product). Limitless growth is a dangerous myth that can only be perpetuated through built-in defaulting indicator systems such as the use of the GDP, and by intense propagandistic pressure in the media, in the scientific community and in society at large. Using the GDP as the main indicator of the state of the economy creates a structurally and fundamentally distorted image, since many costs and effects are not included, and many costs and damages are even erroneously counted as positives. For instance, costs incurred to repair ecological damage stemming from oil spills would count as 'growth' in this traditional system of measuring. Negative effects in unpaid labour, such as time available to take care of parents or children, would not appear as 'costs' at all in GDP-based accounting.

In spite of this, most policy makers and civil society organisations remain convinced that economic growth (measured in GDP) is the most efficient method to reduce poverty. But the exponential growth of most of the developed countries is causing a myriad of problems on environmental and social levels. Ecological degradation and the widening gap between rich and poor stand in direct relation to GDP-growing economies. This 'growth' requires large and unsustainable amounts of natural resources, exploited mostly in the South, and it causes CO₂ and other toxic emissions, again suffered most by people and ecosystems in the South.

Many alternative economic indicators have been developed, applied, and tested that give a much more realistic image of the state of the global and local economies, not to mention the rate of happiness, satisfaction, and general well-being. Policy goals and monitoring need to be guided by integrated measures on multiple fronts (environmental, social, economic), and must take into consideration a diversity of interpretations of human welfare.

Sane economic policy should recognise the limits of resources and the ecological and social capacities of the planet's ecosystems and populations. Raw materials and fossil fuels exist on Earth only in limited quantities and thus cannot be endlessly utilised without planning limits to their use, as well as reusing and recycling materials as much as possible. Other finite resources that until now have been counted as freely accessible in unlimited quantities (such as clean water and air, open space, human labour) must also be taken fully into account.

Over the course of the last century, unsustainable economics has been the prevailing paradigm, without any respect for boundaries or carrying capacity, and this has inflicted massive damage. The damage needs to be repaired and/or repaid as much as feasible in the specific circumstances, in order to restore as much as possible. Comparable with the financial damage and debt incurred by past imperialist and colonialist practices in the Global South, this damage can be named "ecological debt" or "sustainability debt".

Societies and human rights

The Dignity Principle

The Dignity Principle upholds that every human being, now and in the future, has the right to livelihood. Peoples' sovereignty for food, energy, and their surrounding natural environment must be respected and implemented. Poverty eradication and redistribution of wealth have to be the main priority of governance and measured in these terms.

Rationale behind the principle:

All people in the world have the right to live in dignity. There is enough space, food, air, and water for everybody. It is also possible to provide everybody on Earth with the basic provisions of shelter, education and health care. But this can only be achieved if we make conscious, informed and just choices about the sharing and distribution of means and resources. It will also require choosing responsible patterns of consumption. The Earth will not be able to provide a "Western" consumption menu for all; that kind of extreme consumption level can only be maintained with direct and indirect violence continuously enforcing a high level of inequality.

The current situation in the world today is far from equal. The global income differences are dramatic, with a huge concentration of income in the 'Global North' and a tiny top segment in the Global South. According to 'The World Distribution of Household Wealth', "The top 10 per cent of adults own 85 per cent of global household wealth, so that the average member of this group has 8.5 times the global average holding. The corresponding figures for the top 5 per cent, top 2 per cent, and top 1 per cent are 71 per cent (14.2 times the average), 51 per cent (25 times the average) and 40 per cent (40 times the average), respectively. This compares with the bottom half of the distribution, which collectively owns barely 1 per cent of global wealth. Thus the top 1 per cent owns almost 40 times as much as the bottom 50 per cent." (*)

The inequitable situation is maintained – and even aggravated, as the income gap has been growing in most countries in the past decade – so called free trade agreements benefiting corporate powers and deregulated financial systems are two of many factors that contributed to this to happen.

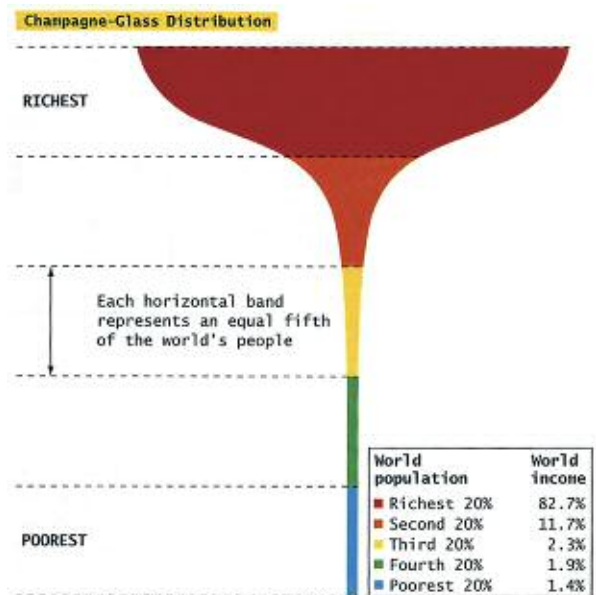
To protect our own dignity of life it is necessary that people have the right to decide, in their local sovereignty, how to organise their society, within a framework of a global set of guidelines for “responsible behaviour”.

Peoples' rights to all of the above have to be explicitly laid down in local, national, and international agreements, and these rights must grant the same degree of legal protection as agreements on trade or investments. Apart from these rights being written down in international and local laws, there has to be an effort to provide the legal instruments and frameworks to enforce these rights at the global level.

If patterns of trade and commerce can de-globalise, this will most of the time mean that people will get more control over their local economy and basic needs. But there will always be circumstances, times and places in which basic rights cannot be met locally. The international community has the duty to set up structures to provide with support in these cases.

Where globalising processes are unavoidable realities, emphasis should be placed on the possibility – in fact, the essentiality – of people to maintain influence over these global-sized forces that affect their lives, and new structures for direct-democratic global governance have to be developed.

Champagne Glass Distribution
from Conley (2008)
You May Ask Yourself



Societies and human rights

The Justice Principle

The Justice Principle calls for the equitable sharing of all economic benefits as well as burdens. This applies to access to goods and services, the use of natural resources, and the responsibility to strive to avoid harmful practices, while being prepared to provide satisfactory compensation should any damage occur. All institutions, corporations, and decision-makers need to be held to the same standard of accountability and personal responsibility for their actions.



Rationale behind the principle:

The natural resources required for humanity's basic living conditions are becoming ever more scarce. Even those lands essential to food crop production have become the object of massive speculation and monopolisation. Current pollution emissions by far exceed the limits of the Earth's carrying capacity. And social pressures frequently boil over due to large-scale exhaustion of the human labour of millions of people who have to work their fingers to the bone just to survive. The extreme power inequality is the main reason why a privileged few reap an unequal share of the world's scarce provisions.

More equal societies produce less crime and have more happier inhabitants, as vast scientific evidence shows. More equal societies are also more stable and resilient, as people have more trust in and affinity to each other.

Therefore there is a dire need for legal frameworks (on all levels, from local to global) to protect peoples' rights to the basic elements of a dignified life (as outlined in the previous principle).

Laying down these important basic rights in solid agreements and laws, holding accountable those in power (whether they be governmental authorities or corporations), will make it much more possible for people in less powerful positions to get their rightful share of the planet's wealth.

Of course the problem also lies in the practical enforcement of these laws. There are already many declarations and international agreements with idyllic-sounding promises that never get fully elaborated, much less implemented. Partly this problem arises because the agreements do not have the same scope or authority as other laws, for instance laws laid down by the WTO (World Trade Organisation). Yet at the same time movements are learning how to use international agreements as effective leverage tools in their campaigns.



Ethics in governance

The Precautionary Principle

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.

Rationale behind the principle:

The precautionary principle or precautionary approach states that if there is a suspected risk that an action or policy causes harm to the public or to the environment, in the absence of scientific consensus that the action or policy is harmful, the burden of proof that it is not harmful falls on those taking the action. Or to put it simply: any actor carrying out an activity that influences the social or ecological environment has to prove first that that activity is not harmful, or at least not irreversibly harmful, before being allowed to execute that activity.

The principle sounds logical and is in fact the common rule in many countries and international entities, but is seldom upheld categorically. Powerful actors can circumvent the precautionary principle, as industry has proven time and time again. The principle implies that there is a social responsibility to protect the public from exposure to harm, when scientific investigation has found a plausible risk. This protection can be relaxed only if further scientific findings emerge that provide sound evidence that no harm will result.

The principle is enacted nowadays mainly in the environmental field, where it is commonly accepted that it is far more effective to prevent damage being inflicted, than to have to repair it afterwards, which, in many cases, is not even possible.

The principle is in fact the basis for the commonly accepted principle that 'the polluter should pay' (and not the victim, or the tax payer via the state).

Ethics in governance

The Resilience Principle

The Resilience Principle emphasises that diversity and diversification are preconditions for sustainability and quality of life. A diversity of organisational models and governance levels needs to be cultivated, along with diversified economic activity that minimises commodity dependence.

Rationale behind the principle:

Systems and structures are the strongest and the most inclusive (and interesting to live in) when they have a broad spectrum of diversity. The ecosystem has this relation with biodiversity. It is known that the abundance in relations between organisms, many of which are not even fully understood, make an ecosystem resilient and that taking out one or some organisms can harm the whole system fatally. Therefore it is always needed to have 'a plenty' of diversity because some organisms/populations can temporarily weaken or disappear, but others, or a set of others can take over their 'function' in the ecosystem.

This 'law of diversity' also counts for the social environment that we - and all other creatures - live in as well as the economic systems they develop. The more diverse and the more horizontal the relations within the social structures are, the more resilient they are, and the more capable to absorb shocks and sudden ruptures, and the better they are capable to recover 'from below'.

Democratic structures should function to endorse, facilitate and affirm the greatest possible diversity in economic and political systems. In reality, the current trend is the opposite: powerful (economic) groups use their power to centralise power and property and monopolise the decision-making process. This has led to gigantic 'vertical' structures – for instance in energy production or finance. They are at the same time unstable and vulnerable to crises, and have acquired strategic positions within society that make them 'too big to fail'. The phenomenon is not restricted to conservative power groups. Trade unions and other political organisations often have difficulty with a self-conscious grassroots constituency, and try to limit their power and influence.

Responsibility Principle

The Responsibility Principle

The Responsibility Principle upholds that all social institutions, including corporations, banks and markets, need to match power with institutional and personal liability. Being accountable to others at every level of governance is a core element of citizenship and of the social contract. The level of accountability should be proportionate to power and knowledge. Accountability is the condition for legitimacy of any form of governance.

Government and civil society organisations have to take leadership in establishing a participative democracy. Appropriate public investments should make structural transformation possible that guarantee benefit sharing.

Rationale behind the principle:

Responsibility is a universal value, as it lies at the core of the social fabric, reflecting the necessary reciprocity in inter-human relationships. It also forms the basis for law-making, which defines who is accountable, to whom and under which circumstances. Global interdependence implies universal responsibility. However, a major gap exists today between the scale of the interdependences and the reality of the law. Major political and economic institutions are still only accountable towards their national constituencies: their voters or citizens; their shareholders and national jurisdictions. Universally applicable principles are therefore difficult to enforce.

Since 1972 it has become clear that the UN Charter and the Universal Declaration of Human Rights are not sufficient to ensure the protection of the planet and that a

third pillar is needed. This pillar should be grounded on universally recognised values and address the issue of interdependence between societies and the biosphere: a Charter of Universal Responsibility is best suited to address this interdependence.

At present, existing ethics and laws are largely restricted to state boundaries. Responsibility and accountability still remain within the scope of so-called sovereign states, except for the most severe crimes, such as crimes against humanity and more recently - with the extension of the UN Human Rights Covenants - also crimes against basic human rights. Therefore, the impact of our actions on the world outside our national jurisdictions is not taken into account and neither laws nor jurisdictions are dealing with them adequately. In that sense, our political and economic leaders are truly irresponsible: when climate change is threatening Bangladesh's mere survival, where can the country and its citizens seek redress? How can those executive officers of the financial system who are co-responsible in creating a global economic and social crisis be brought to justice?

Economic globalisation is rapidly transforming the world, without developing necessary related structures of democratic control, and without granting all societal sectors equal rights. Global laws and institutions have been set up for trade, for instance, securing rights for multinationals and large agro-industrial actors, but not, or to a much lesser degree, for people affected by their actions. International regulation for the protection of the environment or the rights of small-scale farmers and fishers, workers, or women is either severely underdeveloped or lacking altogether.

To counter this structural and growing imbalance, non-corporate entities and individuals have to be able to organise counterweight and demand transparency. But they need to back themselves on universal principles of responsibility and on international law. The structures of governing and decision making should be adjusted so as to put the general public and their interests at the centre, and not those that are in powerful positions already. Conversely, corporations, banks and markets (and their shareholders) must be made accountable to the effects of their operations.

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ANPED, the Northern Alliance for Sustainability, is an international not-for-profit organisation representing a vast network of NGOs in the Northern hemisphere with a mission to pro-actively promote the agenda on environmental justice and systemic change for the Economy. It also empowers Northern civil society through capacity development, exchanges and knowledge sharing while working in close cooperation with Southern civil society and other stakeholders, for the creation and protection of sustainable societies worldwide.

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FPH, Fondation Charles Leopold Mayer for the progress of humanity is an independent international foundation under Swiss law. From the beginning of the nineties it has devoted itself to the main challenges humanity was facing in front of the needed systemic changes. It supported the creation and development of the global Alliance for a Responsible and united world in 1993, which organized in 2001 the first ever World citizens assembly, with a fair representation of all the regions of the world and all stakeholders. The two outcomes of the Assembly have been the Charter of human responsibilities and the Agenda for the 21st century which highlights the four dimensions of the "great transition": the emergence of a global community; the agreement on common values, with a focus on the universal concept of responsibility; the revolution of governance; the passage from economy (the present model) to oeconomy (producing well being for all while respecting the planet boundaries).

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