

Mission impossible: Business as usual cannot save the world

Budapest, HUNGARY – Each month brings different attempts to respond to the global financial and economic crisis. This April we saw the leaders of the most influential countries of the world, the G20 summit in London and an informal meeting of EU Ministers of Finance and bankers in Prague. The responses to the financial crisis were on the top of the agenda. However, healing our economy sick with debts with even more loans can be hardly called a sensible move on the long term as long as the social and environmental crises are not properly addressed. A parallel meeting of environmental and social NGOs in Prague developed a different vision on the measures that make the world a more livable place for people and nature.

In the previous months we have seen several attempts of governments to save our economies. At the G20 meeting in April a \$750 billion amount was made available to the International Monetary Fund for helping out national economies troubled by the financial crisis, a trade finance package worth \$250 billion over two years to support global trade flows and at least \$100 billion of additional lending by the Multilateral Development Banks. Since December 2008 the European Investment Bank has made a 3.5 billion EUR credit available for the EU car industry in an attempt to save most of its 12 million workplaces.¹

While the world leaders tell us that all these steps are necessary to restore the situation in the countries hit by the financial crisis, more and more individuals and NGOs conclude that different measures are needed to solve the problems at their roots. One such example was the Prague conference of environmental and social NGOs where participants including CEEweb for Biodiversity agreed that currently the leaders of the largest economies of the world employ the same measures for a way out of the crisis as what actually caused the crisis.

Although it may seem as if the G20 and other high-level meetings reach concrete results, the economic system propagated by the 20 biggest economies of the world is still the same: “an open world economy based on market principles, effective regulation, and strong global institutions”.² As Kristina Vilimaite, General Secretary of CEEweb for Biodiversity says: “Combine it with the main objective of all the measures to restore global growth and you will get an impression on the ultimate goal of the leaders. The G20 is confirming their priorities: get back to ‘business as usual’ and continue to accumulate the fruits of the global commercial and economic growth based on ever-increasing energy and resource use regardless of the price that ultimately everyone has to pay.”

During the G20 summit huge protests on the streets of London tried to raise the attention of the G20 leaders that the financial crisis does not come alone. This message is the same as environmental NGOs have been warning about: during the last few decades the “business as usual” scheme of the Northern countries has caused global climate change and biodiversity decline. Overconsumption of natural resources threatens the stability of ecosystems. Commercialization of societal values and a widening gap between the rich and the poor countries as well as within national populations come along with a number of social problems including ever-increasing unemployment, racial tensions, poverty and decreasing levels of education and health care. “While it is not widely talked about, in practice we are

¹ European Parliament News (25-03-2009). Bumpy future road for Europe's car makers discussed http://www.europarl.europa.eu/news/public/story_page/052-52256-082-03-13-909-20090320STO52238-2009-23-03-2009/default_en.htm

² ibid.

not only witnessing an isolated financial crisis here. **What we are witnessing is rather one general crisis with strong economic, financial, environmental and social symptoms.** The causes of these symptoms are the same: the intention to stabilize a pattern of constant economic growth based on an ever increasing use of natural resources and land. But in a limited system like our planet this is a physical impossibility. If we aim to solve these crises for good, we need systemic changes. The world's leaders should finally understand this and stop trying to treat these problems separately." – says Klára Hajdu, Executive Director of CEEweb.

At present we witness huge efforts in the political arena to sustain a system that has proven to be unsustainable: unstable economically, unjust for the majority of the earth's population and damaging to the environment that is the very basis of the wellbeing of humanity. But as Albert Einstein said "We can't solve problems by using the same kind of thinking we used when we created them." More of the same methods will only exacerbate the problem and will lead to further intensification of the current economic model. In other words we are heading towards an even bigger crisis.

CEEweb for Biodiversity is thus calling for an absolute limitation of natural resource consumption on the global scale. For developed countries this means a significant reduction in comparison to their current consumption patterns. For developing countries an increase may be needed so that every person in the world has fair access to natural resources sufficient to satisfy their basic needs. "But in any case, the only possibility to preserve the Earth for the future generations is to limit overall consumption on a global scale." – says Hajdu. Limiting natural resource use would also be a working approach to combating climate change. Measures like absolute limits to non-renewable energy resource use would finally address the root causes of the problem.

Any model trying to answer the financial crisis must also fundamentally tackle the issue of climate change. Until development is purely defined in terms of economic growth, pressures on the environment will increase. According to the Intergovernmental Panel on Climate Change (IPCC) greenhouse gas emissions should peak by 2015 and then decline if global warming was to be kept within two degrees Celsius, which is a desirable target.³ The current trends show no chance for meeting this target. The actual growth rate of green house gas emissions from fossil fuels and cement for 2000–2007 exceeded the highest forecast growth rates for the decade 2000–2010 in the IPCC emission scenarios.⁴ This makes current emission trends higher than the worst case IPCC scenario. Total human-induced CO₂ emissions have been growing about four times faster since 2000 than during the previous decade, and despite efforts to curb emissions in a number of countries that are signatories of the Kyoto Protocol.⁵

As CEEweb for Biodiversity warns, we have a bigger task to face than a simple financial and economic crisis. **By printing and lending even more money to banks to remedy our current problems, we are only using up ecological and financial resources that we would access only in the future.** But we are borrowing natural resources from the future and from our children. Unless current trends are reversed, there is a real danger that we will be left with nothing.

About CEEweb for Biodiversity

CEEweb for Biodiversity is a network of non-governmental organizations in Central and Eastern Europe working together to protect the biological heritage of the region. Our mission is the conservation of biodiversity through the promotion of sustainable development.

Spokespeople:

- **Kristina Vilimaite**, General Secretary of CEEweb for Biodiversity, kvilimaite@ceeweb.org
 - **Klára Hajdu**, Executive Director of CEEweb for Biodiversity, hajdu@ceeweb.org
- Tel: + 36 1 398 0135

Attached material:

Transforming the World in Crisis. Prague NGO declaration, 1 April 2009

³ IPCC (November 2007). Climate Change 2007: Synthesis Report: Summary for Policymakers. www.ipcc.ch/pdf/assessment-report/ar4/syr/ar4_syr_spm.pdf

⁴ IPCC (2000). Special Report on Emissions Scenarios (IPCC-SRES). www.ipcc.ch/ipccreports/sres/emission

⁵ Global Carbon Project (26 September 2008). Carbon budget and trends 2007 www.globalcarbonproject.org/carbontrends