Limiting resource use in rich economies: in the path to de-growth

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LIMITING OUR RESOURCE USE

An oil based model
An oil based model

- World population: 6,700 mill. More than 50% in cities
- Industrial, urban and motorized world (80% fossil, 40% oil)
- 3 main challenges:
  - peak oil
  - feeding people
  - Climate change
- Domino effect on rest of resources
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An oil based model

- No viable massive energetic alternatives
- Motorized mobility/Industrialized agriculture
- Era of compulsory degrowth
- Conclusions:
  - We are going to move to post-oil society (how will it need to be? Low energy consumption, renewables, less urbanized, less hierarchical, less populated, living rural world,....)
Resource use in the world
RESOURCE USE IN THE WORLD

• 1961 self dependency/2030 two planets
• Ecological footprint presently over 30%
• Rich economies: per cap. Increase on 76% (1961-2005)
• Increasing population 9000 mill in 2050/uneven consumption
• Ecological capacity of the planet overshoot: suicide trend to increase population and per capita footprint
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RESOURCE USE IN THE WORLD

Source: Living Planet report, WWF 2010
RESOURCE USE IN THE WORLD

Example: Fishing stocks collapsed in 90% in 2050!!!!!!!!!!!!!
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Imports Mass of Rich Economies from Southern economies

Source: A fair future. Intermon-Oxfam, 2007
Resource use in Europe
RESOURCE USE IN EUROPE

- Footprint 4.7Ha/ per cap. Biocapacity 2.2
- EU net importer

Figure 4-12: Physical imports and exports, EU 1980-2000 – absolute
Source: Eurostat & IFF (2002), data set B
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RESOURCE USE IN EUROPE

• Composition of European TMR

Figure 4-8: Composition of TMR, EU-15 1997
Source: Eurostat & Wuppertal Institute (2001), data set A
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RESOURCE USE IN EUROPE

- Increased TMR

Source: EEA, Europe’s environment. The forth assesment. 2007
RESOURCE USE IN EUROPE


- Self sufficient in some construction materials and stones. Concerns on own deposits (land use competition, highly regulated envi. Technological limitations)
- Dependency on some primary and secondary raw materials
- Highly dependent on imports of high-tech metals
- Foresees expansion of new mining projects all over the world. Increased competition amongst reach economies (UE 2020)
Economy vs. limits of the planet
PHYSICAL LIMITS

• PLANET EARTH: CLOSED SYSTEM!!!!

  • Only external input is solar energy. All resources on earth are finite. Those renewed (water, air we breath,..) are provided by the work done by the ecosystems

  • Ecological limits to economic expansion: resilience. Challenge: re-fit economic model inside physical limits of the planet

  • Less pressure on resources not an option: A MUST!
The myth of Decoupling: Delaying the real challenge!

Rich economies answer to resource exhaust: dematerialisation of the economy → faith in ecoefficiency

win-win

"Factor 10" (Friedrich Schmidt-Bleek) and "Factor 4" (Ernst Ulrich v. Weizsäcker et al.), describe how to produce the same amount of well-being with drastically less input of energy and natural resources.

Publications by Wuppertal Institute

The myth of Decoupling: Delaying the real challenge!

Certain decoupling in rich economies:

• final stages of manufacturing and commercialization of products of high added value and lower envi impact. Southern countries extractive and initial stages. Energetic balances miscalculated: intensive energy products imports in the EU.

• Specialized in services sectors
Improving environmental indicators?

Imports of CO2 emissions linked to consumption

Eco-efficiency

Eco-efficiency increase, also does total production and consumption

Red queen tells Alice, “It takes all the running you can do to keep in place!”
Eco-efficiency

One example: cars

Source: EEA, Europe’s environment. The forth assessment. 2007

\[ \text{1} = 1990 \]
Distributive element
Distributive element

- Our premise: every human being has the same right of access to resources.

- Equality: inter/generation and intra/generations. Direct implications on production/consumption model

- Limited planet, inviable to extend rich economies consumption levels (=meaning level of resource use) to all the world population

- Present situation. 86 apples for 20 people. Positional goods. Inequality as a condition.
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Distributive element

Consequence: loss of access to resources
25 million environmental refugees

“The reality is that people do not die for lack of income. They die for lack of access to resources”.
Vandana Shiva
Distributive element

Ecological debt

Is the debt Northern countries have accumulated to natural resources plundering on Southern countries, for non-repaired environmental damage, for-free (or mis-paid) land and environmental space occupation to dump our wastes, for the consequences of climate change and other types of pollution, for the lack of food sovereignty,....
The way forward
LIMITING OUR RESOURCE USE

What does “to grow” mean?

To exhaust resources and sinks, as they are finite
And to do it fast:

Our electricity demand grows at a 5% annual rate
We double our electricity consumption every 14 years (we consumed in 2010 double than in 1996)
In 14 years we consumed more electricity than in the whole previous period
  (we consumed more electricity in Spain from 1995 to 2010 than from the beginning of electricity use to 1995)

Deepening the care crisis

Need of incorporation of women to labour market, remaining the men in the same status
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Care crisis

Men

Life cycle: being taken care off
Mushroom worker

Economic system will never be able to remmunerate those cares

Women

“Classic” Life Cycle: being taken cared off-take care off- being taken cared off

“Modern” Life Cycle:
inside labour market
double “working” shifts
debt cares North-South
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What means limiting resource use in rich societies?

ABOLUTE DECREASE=DEGROW

Logics of the economic system. Only works if we keep growing. Premise of the system: maximize individual benefit in the shortest term possible

Growth is not a mean to generate wealth, it is an objective itself: Lisbon Strategy 3%.

Solving the overshoot and re-fitting economic model inside physical limits of the planet lies in an abandonment of the need to grow

Peak oil. Decrease of energy supply will in practice put a halt to the possibility of continuous growth and accumulation. However the collapse can be managed or chaotic.
What needs to de-grow?

Some ideas for de-growth with collective criteria

Production and consumption (sharing resources, buy the right to use, not the product)

- Speed of our lives
- Distances we cover
- Size of social groups
- Time spent in productive labour (not in time for cares)
- Other things need to grow......
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Present growth and accumulation economic model in crisis

Less to leave better in equity
De-growth
Less to live better. Focus on cares

Change of mental, cultural, political, systemic paradigm

Not a negative term, positive

Would you tell an obese person to put on weight?
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Who need to grow?

Context of world inequity
Degrowth of those overdeveloped to allow growth of those impoverished
Equilibrium in austerity
How much we need to degrow?

Energy consumption 2003 vs. Life expectancy 2000-2005 (UNPD)

Energy consumption 2003 vs. Infant mortality 2004 (number of deaths/1000 births)

Energy consumption 2003 vs. Education index (UNPD)

An approximate figure could be 1 toe/person/year

What happens with jobs?

- Reduction in production and consumption needed, therefore, necessary reduction also in the number of jobs in many sectors.
- Production cycles must be closed. In this sense, a new labour sector will emerge, based in recycling, will create new jobs.
- Some examples for larger employment in sustainable activities (public transport vs private car).
- Reduction in energy consumption will mean larger intensity in labour, and therefore, more employment.

• Sharing labour: A sustainable society should not only distribute richness but also labour, so the debate should have this new focus.
Some policy actions on the short term
Call for a review to the EU Trade agenda (Alternative Trade Mandate)

Resource-efficient economy guidelines. Call for absolute limit in EU resource use in line with EU biocapacity

(factor in all resource use, considering whole life cycle of imports!!)
Issues for debate

• How would a cap policy for EU resource use be designed in practice? Problems:

  – Problem of definition of the stock and the cap. *How to define resources to be used? European cap/global cap? Increasing dumping risk.*
  – Transparency and availability of data. *Design of indicators?risk to leave out important aspects, much time in scientific debate, perverse effects...*
  – Variations of the situation over time/monitoring? *relation indicators-reality-time and money cost to update.*
  – Possibility to fall into quota/trade systems. *Proven disaster of carbon trade system; defined “scarcity” opens doors to speculation...*
  – Regulation? Control? *Governments highjacked by economic power*
How would a cap policy for EU resource use be designed in practice? Opportunities:

- Clear invitation for networking. *Challenge how to interact, develop new structures, decentralization*
- Local solutions. *small scale but highly reproducible, multiplying pressure on authorities, global effect*
- Promotion of strong interdisciplinarity - *more intense experience exchange, pattern recognition*
- Enhance the degrowth think tank community
THANKS FOR YOUR ATTENTION
Crossroads for the (near) future

Time
Urgency
Social Changes Pace

Degrowth
Ecofascism
Ecotopy

Up to us!

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ECOLOGISTAS en accion
### Count as positive in the GDP

<table>
<thead>
<tr>
<th>Privatisation of common goods. The more fences the more richness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deterioration of nature</td>
</tr>
<tr>
<td>Scarcity (scarce resources are expensive)</td>
</tr>
<tr>
<td>Wastes and pollution...</td>
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</tbody>
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Some reflections on “poverty”

Distributive conflicts: environmentalism of the poor

UN Millenium Objective: Eradicate Extreme Hunger and Poverty. Halve people living with 1 dólar/day

Economic changes in last decades have not only disrupted status and access to resources but also our values system and our way of perceiving scarcity. Market needs scarcity to promote consumption.

Fight poverty. Possible w/o fighting richness?

“The reality is that people do not die for lack of income. They die for lack of access to resources.”

Vandana Shiva

No word for “poor” in Sub-saharian languages. Closest = “orphan”
What happens with jobs?

Redefine “job” so it serves to real human needs:

Boost reproductive work (obtaining food, cares, breeding,...) historically done by women.

Boost jobs related to changes towards sustainability

Care activites: with use value (no change value), do not pursue increase in productivity or competitiveness, or specialisation, strongly emotional, focussed in the ethical aspect of relationships,...