

CAN GREENS AND REDS FIND COMMON GROUND?

Industrialisation and environmental and socio-economic justice can be reconciled with careful effort.

Commentary by Minister Alec Erwin, Minister of Trade and Industry, South Africa, in the Sunday Independent (Johannesburg), 24 November 2002.

Red for industry and green for the environment, red the cause of socio-economic justice and green that of sustainable ecology. Can the symbolic “red” and “green” be reconciled?

Globalisation is becoming a complex interplay between industrial development, expectations of socio-economic rights and the protection of the environment: “red” and “green”. It is this interplay and its coherent governance that lie at the heart of the concept of sustainable development.

I believe the World Summit on Sustainable Development (WSSD) did move us towards reconciliation of “red” and “green”. But to make real progress we need to untangle the issues and organise our collective work. We must move away from passionate single-issue advocacy towards negotiating more holistic solutions.

Where to start? Clearly development for the majority of the world’s people will require further industrialisation, but it will have to be accompanied by more advanced and entrenched individual and social rights. We cannot repeat the brutal exploitation of humans, cultures and civilisations that stoked the first furnaces of industrialisation. Neither can we immolate our environment in a new wave of industrialisation. “Red” and “green” have to be hunger and desperation – three conditions that are irreconcilable with either “red” or “green”.

Starting with this realisation certain paths forward are ruled out. We cannot, in the name of protecting the environment, argue that those who do not have industrial economies should now be held in ecological suspension. Equally, we cannot argue that the imperative of industrialisation means that we suspend social rights and abuse our environment. So what lies between these dangerous extremes?

Such perplexity requires informed exchanges, insights and tolerance of our differing needs and aspirations if we are to reconcile “red” and “green”. In South Africa this would be an occasion for a *lekgotla* or *bosberaad*. But we have no such forum in the global arena. The WSSD was nearly a *lekgotla*, but its scale was so massive it required exceptional hearing capacity. So let us retrace some of our footsteps. There is an interesting starting point. In the WSSD the issues of agricultural and energy subsidies came under the spotlight. We can learn from how they were dealt with and two propositions emerge that could take us forward.

First, while it was important that agricultural subsidies were raised in the WSSD there was little prospect that they could have been dealt with in any serious way other than to reinforce how serious an issue they are. The reason for this was that agricultural subsidies are integral to and determine the overall outcome of the World Trade

Organisation negotiations decided upon in Doha. The balances fought for in Doha could not be easily disturbed.

This suggests an important principle – we cannot negotiate everything everywhere. What is important about this is that a promiscuous negotiating mode must discriminate against the weak and those with less capacity to protect and advance their interests on every front. Ironically, it is usually those who profess to be the defenders of the poor and weak in the developing world who want to negotiate everything everywhere.

So the first proposition is that we have to assign key issues to an appropriate process. Having done that, we need another process to remind us that our various endeavours must be integrated.

The second proposition relates to the energy subsidies. It took some remarkable diplomatic skills within the G77 group, the receptive position of the host, South Africa, and the persistence of the European Union to get this on the agenda. Energy is at the centre of most economies and the vested interests are massive. Ordinarily, if two of the world's three largest economies, along with some powerful development world Organisation of Petroleum Exporting Countries (Opec) members, are not keen on an idea its prospects of being considered are remote. So ensuring that this is a new global agenda item was a major achievement.

Energy is at the centre of each economy and so it is at the centre of the global economy. It is elemental to all of us. So how do we collectively govern it? This is a question requiring considerable wisdom. Unless there is a common understanding of the problem when one party presents it in a negotiation it will come across as advancing a particular interest. If critical matters come to be perceived as narrow self-interest then their resolution will be delayed at a cost to all.

The proposition that emerges is that we need a process that seeks a common understanding of a collective problem before we negotiate a solution that will have differential effects on economies and their societies.

So, we need to negotiate in an appropriate place but remain within a coherent framework. Before we negotiate we should try to define a common understanding of the issue and its implications. There distinct processes are called for in an organised work programme.

We need this work programme because the subsidy issue is the forerunner of many more dilemmas. The impact of our massive productive capacity on our environment and ecology is exponential. The speed of change raises fears of becoming a cataclysmic event. This dynamism is at its greatest where the intensity of human activity is at its greatest – the developed world. The dilemma is this: the rich use their wealth to place even more pressure on their ecology at a time when the poor need to use more energy to develop agriculture and industry.

What is obvious is that we have to find production processes that reduce the use of energy and resources per unit of output and we have to spread the production processes more evenly across the globe. While doing this we have to monitor and manage the impact of our actions on a collective and global scale. Surely in this context the work programme is needed desperately.

It is possible that a more equal distribution of economic activity across the world may – if we know how to avoid the previous mistakes – not only help our environment but at the same time deal with problems of development. Could it be that a multilateral system that manages and disperses the impact of our production systems on the environment – a new ecological pact between humans and nature – will underpin the achieving of global development? Such a possibility is a fundamental reconciliation of “red” and “green”. We need clarity on the above issues in order to better manage our ecological transactions. How do states actually manage these transactions? Managing threats within national boundaries is not the same as managing cross-border or global threats.

Where things are not precise or are unknown, then all prudent people take precautions. The precautionary principle is now well established but becoming less understood as it offers recourse to all causes. What is particularly difficult is the melding of the precautionary principle as developed in cross-border product transactions and its use to deal with ecological uncertainty and threat.

Let us focus on three main uses of the precautionary principle. The most established is that used in trade law. This relates to sanitary, phytosanitary and veterinary matters. This relates to the control of animal and plant matter that could carry disease. The diseases are generally known and by agreement states can take action to protect their economies by blocking imports. This can arise from the discovery of a contaminated product or because of an outbreak of the disease in the country of origin. The precautionary principle allows a time-bound action and there has to be a scientific basis for the action.

The second area of use arises out of the Rio Summit where principle 15 set out the precautionary principle. This is a wider concept and deals more with environmental threat. It also opens the way for action before a scientific understanding is fully developed.

Concerns about the sustenance of biodiversity and the effects that trade in products may have on this have give rise to another variant of the precautionary principle. Trade has always linked different biospheres, however, as genetic engineering advances, new concerns have emerged. In agriculture, genetic modification is very old. However, the proliferation of possibility in this area leads to the idea of a precautionary principle that allows a state and presumably its biosphere to protect itself against the unknown. At this point this use relates in the main to provision about products and processes.

The Rio principle and that in the biodiversity arena raise more complex issues for economic interactions. The problem arises when one state acts to protect itself in the new terrains of the biosphere, ecosystem or environment. In short if there is no agreed way in which one country acts in a more general interest then there is a suspicion that the actual motive is protective of commercial interest rather than the environment.

What is clear is that we have to codify coherently the way in which individual states invoke the precautionary principle in its different forms. This will surely also have to be based on science. Accordingly, it is clear that we have to have a more effective multilateral basis for our actions – both in regard to ascertaining their scientific basis and in regulating how we use the precautionary principle. We now need a more careful definition of the collective problem. These were intellectually invigorating moments where we had an opportunity to learn. They highlighted the need for such a discourse

between those components of governments responsible for development, industry and trade – the “red” – and those responsible for the environment – the “green”.

Both the diversity of parallel events and the water, energy, health, agriculture and biodiversity dialogue were a start but the conclusions were elusive and many. But they were an attempt to define the problem before we acted. Undoubtedly, they suffered from proximity to the actual negotiation process and so there was not the openness and chance for reflection that are needed.

New challenges require new responses. To reconcile “red” and “green” we need a new work process of multilateral dialogue and negotiation. We have to face up to the need to redefine the multilateral processes and strengthen them.