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Schweizerischer Evangelischer Kirchenbund
Fédération des Églises protestantes de Suisse
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“Ecological Debt”? Framing the issue of resource justice

**The FSPC reaction to the “Proposed statement on eco-justice and ecological debt”
submitted to the WCC Central Committee**

1) Introduction

The concept of “ecological debt” has played a central role in recent documents of the World Council of Churches. The term and the way it is used are not, however, fully unproblematic. The “Proposed statement on eco-justice and ecological debt” (Central Committee, 13-20 February 2008) is thus to be looked at with a critical eye. Nevertheless, the text provides valuable and well founded ideas that the FSPC believes should be supported. In the following, we will first discuss the problems generally connected with the term “ecological debt” and will then turn to individual matters involved in the “Proposed statement on eco-justice and ecological debt”.

2) General concepts and difficulties

The proposed text mentions that, through industrialization and globalization, the countries of the North have been increasingly plundering the resources of the countries of the South, and that they continue to do so. In turn, they export ecological degradation to the South, and overuse and damage goods common to all humankind for their own benefit and indeed to the detriment of the South. The monetarization of these interventions into the natural environment, which are unsustainable and are meant only to bring about a one-sided advantage, can then be viewed as an analogy to capital and thus financial debt. The rightful owners of these natural goods thus have the right to recompense (with interest) for the capital that they have lost and which was used elsewhere for profit. This calculation (or at least estimation) of “ecological debt” can then be equated with the financial debt that the countries of the South have to repay the countries of the North (or financial institutions and international organizations that are viewed as part of the North). This calculation further leads to the understanding that the “ecological debt” of the North well exceeds the financial debt that the South owes the North; and the relationship of debtor and creditor is thus turned on its head.

This line of argumentation can be given credit for its posing the urgent question of global resource justice. It is also understandable that this line of inquiry includes the monetary quantification that is necessary in environmental law (following the polluter-pays principle) and in international negotiations for matters such as greenhouse gas emission rights – despite any fundamental problems that can arise from a purely economic view and the pursuit of cost-use analyses in this context.¹ This paradigm must, however, be criticized for mixing together very different matters, i.e. resource problems and debt, matters that instead need to be examined individually, both with regard to terminology and method. One can also criticize

¹ Cf. Funtowicz, Silvio. O. & Ravetz Jeroma. R., *The Worth of a Songbird: Ecological Economics as a Post-Normal Science*. In: *Ecological Economics*, 10, 1994, p. 197-207.

a perceived dichotomy of “countries of the North vs. countries of the South”, which occludes any institutional differences, neglects emerging economies as an important group in terms of global strategy, and does not really tackle the complex questions of responsibility, current or historic. Connotations of moralism are also not particularly helpful in political terms. These connotations can be found in the term itself (particularly in German, in which the same word *Schuld* can mean both debt and guilt), exacerbated by a tendency toward using the term in an accusatory manner. It will be crucial, however, how persuasive this approach can be on the *political* level, i.e. as a basis for understanding and common action in a divided world. The concept of “ecological debt” is unsuited, from this political perspective, to garner any interest for global resource justice.

3) Capital debt and the material compensation of ecological damage are two different matters

Damage can occur over time to natural capital, capital that is viewed as the property of others and therefore calls for material and financial compensation. This can and must of course be discussed and negotiated – including the difficulties entailed in quantifying the damage, clearly identifying the transgressors and damaged parties as well as determining time limits – or the lack thereof – of historical culpability. Such a process can in no way lead to the determination of particular amounts of compensation to be weighed against financial debt on the international capital market. This type of mixing is also impermissible in other cases of financial compensation.²

Debt crises and debt relief have been and continue to be a matter for sophisticated and nuanced work toward solutions, such as that of the Swiss churches and aid agencies. Careful attention is paid to systemic negative effects, and not only with regard to debt but to debt cancellation as well. There is no reason to fall into a simple North-South paradigm of unconditional debt cancellation.

It remains uncontroversial that high public debt often leads to environmental destruction (as well as social injustice and violent conflict). This problem does not, however, become easier to identify or control by making direct calculations of financial debt with an often unclearly defined component of “ecological debt”. On the contrary, this makes it more difficult to establish responsibility with full clarity.

² Apart from confiscations in contradiction with international law or forced war reparations, which are not the object of these considerations.

4) The right to development and an obligation toward sustainability

Any suitable future plans on the part of industrialized countries (and their climatic, energy, and environmental policies in particular) entail a number of reduction goals: reduced greenhouse gases (with industrialized countries having an historic responsibility and greater ability that must be taken into account), reduced energy use, lower resource consumption rates, and a circular economy (and thus less waste). Honest approaches must be clear about that fact that this cannot occur without a considerable reduction in consumption and mobility.

For developing countries, this includes the recognition and implementation of their “right to development”. Developing countries cannot otherwise be expected to participate in global sustainability policies.

Emerging economies can be seen as test cases for attempts to catch up in terms of development – but with sustainability.

The Greenhouse Development Rights (GDR) scheme, supported by German and Swiss church aid agencies and the Lutheran Church of Sweden, constitutes one attempt to reconcile these divergent concerns.³ The approach is geared toward climatic policy, but can be adapted to all environmental burdens that cross national borders. With GDR, each person (no matter where he or she lives) is allotted a development threshold for global resources at an average daily income of some 20-25 U.S. dollars (the threshold is meant to exceed the poverty line by approximately 25 percent). Any use of resources beyond this threshold are incorporated into the calculation of obligations for reduction and compensation (expressed in a responsibility-capacity index or RCI, which can be calculated for individuals, groups, and states). Emerging economies such as China have an RCI comparable to that of Germany, as an increasingly large segment of the Chinese population lives above this threshold. The generalized comparison of industrialized countries (Annex B states in the Kyoto Protocol) and other countries, or North vs. South, is replaced by a view that puts the principle into action that all states have “common but differentiated responsibilities” (United Nations Framework Convention on Climate Change, Art. 3.1) in accordance with clearly defined universal criteria.

Historical emissions are calculated dating back to 1990 (earlier dates, particularly that of the “beginning of industrialization” entail difficult determinations of one’s degree of responsibility before the universal understanding of global warming and with regard to the overall effect of civilization in terms of scientific and technical progress and industrial development.)

³ Baer, Paul – Athanasiou, Tom – Kartha, Sivan – Kemp-Benedict, Erik (2008): The Greenhouse Development Rights Framework – The Right to Development in a Climate Constrained World. Revised Second Edition. Berlin, Heinrich-Böll-Stiftung. www.ecoequity.org/GDRs

The churches should lend their support to a view of resource justice that takes historical responsibility into account but which looks forward to the future as well. A concept of resource justice involving both a “right to development” and an “obligation of sustainability”, as exemplified in the GDR approach, is politically feasible. There are indeed politically feasible approaches to debt crises and debt relief as well. “Ecological debt” is, however, not a particularly helpful concept. By mixing these two matters, it can lead to misunderstandings and an oversimplification of the situation.

5) Specific remarks on the statement on eco-justice and ecological debt

The FSPC concurs with the view established in point 6 of the statement concerning “dynamic linkages between dominant economic systems on the one hand, and ecological degradation on the other”. We must put an end to the dramatic overuse of our planet’s environmental space as the result of a global economic system focused solely on growth and profit. Synthetic indicators of sustainability such as the “ecological footprint” mentioned in point 9 and the “ecological backpack” implied in points 4 and 11 illustrate – without taking into account any discussions on the fine points of these methods – the magnitude of the negative environmental balance of rich countries and privileged groups of people. Point 7 rightfully addresses the fact that the victims of global environmental damage are often those who contributed little or nothing to the problem themselves.⁴

The repeated calls for the direct offsetting of financial debt on the capital market (as is stated with particular strength in paragraph F of the statement’s closing appeals), however, remain problematic. While paragraphs a and b of point 10 express the generally accepted requirements for responsible environmental and climatic policies, paragraph c, in contrast, proceeds with the vague concept of “illegitimate financial debt” for a unconditional cancellation of capital debt, thus negating the findings of numerous nuanced studies and approaches to the international debt crisis, including those conducted by churches.⁵

The term “ecological debt” should be abandoned, as it is too complex and thus ambiguous. The term entails ecological assertions (a negative balance of resources), thereby implying specific financial demands (recompense) and mixes this with capital debt on the international financial market. Scientific, economic, legal, and moral issues are mixed up. The term is in-

⁴ See the statement of the Swiss church aid agencies in their “Petition for Justice in Climatic Change” of 2009: “Climatic warming affects those the most who have contributed the least to it: the poor of the Global South.” (www.rechtaufnahrung.ch)

⁵ The petition “Development requires Debt Relief” of Switzerland’s church aid agencies led to one of the first unconditional debt cancellations for a clearly defined group of the world’s poorest countries, but also included a series of additional analyses on other countries, situations, and the negative and irresponsible consequences that would be brought about if debt were to be cancelled universally. (www.bfa-ppp.ch)

deed more suggestive than it is analytical – and therefore particularly unhelpful. One must speak of ecological justice or fairness, of resource justice and particularly climatic justice, of ecological exploitation and overuse, and of necessary and urgent steps toward sustainability. One must also speak of what this means financially, and particularly how over-indebtedness and creditor policies lead to environmental damage (point 6), but not as if debt cancellation would automatically lead to the ecological overhaul of the planet.

6) Conclusion

The FSPC active advocates in Switzerland for a drastic reduction of energy and resource use and for a strong climatic policy that visibly reduces domestic emissions⁶ and provides financial, technical, and political support for reduction and adaptation measures outside of Switzerland.⁷ The FPSC views the climatic and energy crisis as a spiritual challenge and as a test that will carry us towards a new mode of behavior that is both conducive for a better future and in harmony with creation.⁸ To this end, the churches should act as a role model in their own behavior as well. Many churches throughout the world join the FSPC in this cause.

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⁶ 40% by 2020, in comparison with 1990.

⁷ The aid agencies' petition mentioned in fn. 4 requires for this an additional Swiss contribution of the same magnitude as the domestic reduction of emissions.

⁸ Cf. SEK (FSPC): Energieethik. Unterwegs in ein neues Energiezeitalter. Nachhaltige Perspektiven nach dem Ende des Erdöls. – SEK Studie 1, Bern 2008.