Chapter 30

The Crisis of Environmental Multilateralism: A Liberal Response

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Introduction: the liberal tradition and global environmentalism

It is now widely recognised that environmental destruction does not stop at national borders. To be successful, environmental protection needs a strong international dimension. Like many other environmentalists, liberals have therefore advocated the creation of international environmental institutions, the negotiation of multilateral environmental agreements, the strengthening of international environmental law and the greening of other international policy areas such as international trade and finance. Environmental multilateralism has become a hallmark of liberal foreign policy around the world.

Despite the dramatic rise of international environmental policy-making, recent developments suggest that environmental multilateralism is entering a period of crisis. As the latest *Global Environment Outlook* report of the UN Environment Programme (UNEP) reveals, multilateral environmental policy has failed to reverse, or even slow down, some of the most threatening environmental trends, such as global warming and biodiversity loss.

Environmental campaigners and diplomats may have succeeded in establishing the environment on the international agenda and negotiating a plethora of environmental treaties, but whether international instruments make a difference on the ground remains far from clear. Moreover, the process of international environmental policy-making has slowed down in recent years. Environmental multilateralism itself is being held back by global power struggles and a general sense of treaty fatigue. A loss of political momentum has been evident for some time in the climate change negotiations, which have failed to deliver a new treaty that could succeed the Kyoto Protocol. This was again noticeable at the 'Rio+20' UN summit of 2012, which fell well below the aspirations and achievements of the original Rio 'Earth Summit' of 1992.

How should liberals respond to the looming crisis in environmental multilateralism, and is there a distinctive liberal approach to alleviating the political gridlock in international environmental politics?

Internationalism plays an important role in liberal thinking and foreign policy, and the crisis in environmental multilateralism therefore poses a particular challenge for liberal environmentalism. The same cannot necessarily be said about other strands of environmentalism. Conservative environmentalists, on the whole, tend to prioritise local and national approaches over international ones. In *Green Philosophy: How to Think Seriously about the Planet* (2012), for example, the conservative thinker Roger Scruton downplays the cosmopolitan environmental responsibility espoused by the modern environmental movement ('think globally, act locally') in favour of a national sense of belonging and stewardship ('feel locally, think nationally'), which he sees as the true source of conservative environmentalism. Global solutions to environmental problems are most likely to arise from decentralised, bottom-up, efforts of local and national communities, while international treaty-based approaches such as the Kyoto Protocol are dismissed as unenforceable and ineffective distractions. In this perspective, the crisis of environmental multilateralism only serves to confirm the conservative predilection for a localist and nationalist agenda.

Socialist and radical environmentalists, too, may see their core beliefs vindicated by the crisis of environmental multilateralism. Although sharing an internationalist outlook with liberals, socialists and radical greens tend to harbour greater scepticism towards the established international processes of environmental negotiation and governance. In their view, global environmental problems are a manifestation of a deeper crisis in global capitalism, and international diplomacy is severely limited in its ability to correct the underlying causes of global environmental destruction. As George Monbiot argued in a critique of the 'Rio+20' summit, the ecological crisis cannot be addressed by governments that represent the interests of the rich: 'It is the system that needs to be challenged, not the individual decisions it makes' (*The Guardian*, 19 June 2012).

How can liberals respond to this crisis in international policy-making? Before I outline an answer to this question, we need briefly to take stock of recent international environmental politics and identify the main shortcomings of global green diplomacy.

Challenges to environmental multilateralism

That environmental multilateralism is said to be in crisis may seem surprising to some. After all, the rise of global green diplomacy in the last four decades

has been a resounding success. Several international institutions dedicated to environmental protection have been created – from UNEP to the Global Environment Facility and the Green Climate Fund – and hundreds of environmental treaties have been negotiated on a wide range of transboundary or global environmental threats, from species extinction to air pollution, ozone layer depletion, biodiversity loss and climate change. Today, the vast majority of global environmental concerns are being addressed through one form of international instrument or the other, and there is hardly a day that passes in the diplomatic calendar without some gathering of environmental experts and negotiators on the international stage.

Yet, the latest surveys of the state of the global environment offer a more sobering account of environmental diplomacy. Global warming continues unabated, more than two million people die prematurely every year due to outdoor and indoor air pollution, the per capita availability of freshwater is declining, and rampant species extinction is undermining global biodiversity. There are also notable gaps in the international environmental agenda. The international community has failed to agree any meaningful international action against the loss of tropical forests, for example, and international organisations are slow to deal with emerging environmental and health risks arising from new technologies such as nanotechnology and synthetic biology.

There has also been a notable decline in the pace and ambition of international treaty-making. During the heyday of environmental diplomacy in the 1980s and 1990s, a series of international negotiation rounds produced important environmental treaties, from the 1985 Vienna Convention on ozone layer depletion to its 1987 Montreal Protocol, from the 1992 UN Framework Convention on Climate Change (UNFCCC) to its 1997 Kyoto Protocol, and from the 1992 Convention on Biological Diversity to its 2000 Cartagena Protocol on Biosafety. Since the late 1990s, however, a growing sense of treaty fatigue has set in. The failure to negotiate a successor agreement to the Kyoto Protocol is but the most high-profile example of the growing institutional sclerosis in international environmental politics. At the World Summit on Sustainable Development in Johannesburg in 2002 and again at the 'Rio+20' summit in 2012, the international community was unable to agree specific and ambitious commitments. Instead, world leaders chose lofty promises and flowery rhetoric to cover up the crisis that has afflicted environmental multilateralism.

One of the key stumbling blocks in environmental diplomacy is the reluctance of some global powers to sign on to new international environmental

commitments. This has been the case with the United States at least since the early 1990s, when it abandoned its erstwhile environmental leadership role. It has failed to ratify most recently agreed international environmental treaties, from the Basel Convention on Hazardous Waste to the Convention on Biological Diversity and its Cartagena Protocol, the Kyoto Protocol and the Stockholm Convention on Persistent Organic Pollutants. The global power shift to the emerging economies has further complicated the search for international diplomatic solutions. Countries such as China and India, but also Brazil and South Africa, are now playing a more assertive role in international negotiations and are equally reluctant to sign on to binding international commitments, whether on climate change mitigation or in other areas. The emergence of a more diverse set of national interests has increased the number of veto players in international negotiations. It has challenged traditional notions of what environmental leadership by the EU and other progressive countries can achieve.

The search for global environmental solutions is also hampered by the inadequacy of the international institutional architecture. UNEP, which was founded four decades ago as the core environmental institution, has remained the poor cousin in the family of UN institutions. Unlike the World Health Organisation (WHO) and the Food and Agriculture Organisation (FAO), it does not have the status nor the resources of a UN specialised agency. Its funding base has fluctuated in the past and remains relatively modest, amounting to not more than US$220 million per year, and its location in Nairobi has meant that it operates far away from the main UN centres in New York and Geneva.

Moreover, the international treaty system for environmental protection has come under attack from other institutions of global governance. As more and more environmental treaties have begun to regulate environmentally damaging forms of international trade, the World Trade Organisation (WTO) has sought to rein in regulatory interference with the trading system. On a number of occasions, the WTO dispute settlement mechanism has ruled against environmentally motivated trade measures, and many environmentalists now fear that the liberal principles of the international trading order threaten the implementation of existing environmental agreements. Even if the WTO has come to accept the legitimacy of some forms of international environmental regulation, particularly if they are non-discriminatory and based on multilateral consensus, some fear a chilling effect for future international policy-making from the threat of legal challenges at the WTO. The hostile international response to the planned inclusion of all domestic

and foreign airlines in the EU's emissions trading system is but the last in a long string of such high-profile trade-and-environment conflicts that may have a dampening effect on future environmental accords.

It is no wonder, then, that business self-regulation and multi-stakeholder initiatives have gained in popularity in recent years. One of the rare achievements of the 2002 World Summit on Sustainable Development was the launch of over 130 public-private partnerships, which are meant to provide policy direction, financing, information services and even regulatory standards in areas from sustainable forestry to fishing, clean water provision and food security. Environmental campaigners and governments have encouraged such private governance initiatives, as a way both to engage those actors that possess problem-solving capacity and to fill regulatory gaps left by the gridlocked multilateral system. Such activities may not amount to a full-scale privatisation of global environmental governance, as some critics claim, but they underline the growing difficulty of advancing the global environmental agenda through traditional multilateral means.

A liberal response: renewing, reforming and expanding environmental multilateralism

How should liberals deal with these challenges? A liberal response needs to identify opportunities for a renewal of global environmental policy while being realistic about the constraints that the international system imposes. The response should include three elements: renewing global environmental leadership; reforming the processes and institutions of environmental multilateralism; and engaging a wider range of actors in global environmental governance.

Renewing global environmental leadership

Retreating from international politics cannot be the answer to the complexities and frustrations of environmental multilateralism. Undoubtedly, global environmental leadership needs to have roots in domestic politics, but local and national efforts risk being environmentally ineffective and deepening political fragmentation if they are not embedded in a framework for global cooperation. The crisis of environmental multilateralism calls for a renewal of environmental leadership and a reassertion of liberal internationalism. On climate change as much as on other environmental threats, international diplomacy needs to continue to seek internationally negotiated solutions.

Keeping multilateral processes on track requires political leadership but will not be easy. If there is going to be any progress, it is bound to be slow

– frustratingly slow. The structural barriers to ambitious environmental policies are too entrenched, and the mechanisms of diplomacy too cumbersome, to achieve decisive international breakthroughs. Liberal internationalism thus needs to combine persistence with patience. Even more so than at the national level, politics at the international level is, in Max Weber's words, 'a strong and slow boring of hard boards, requiring passion and perspective'. But without some nations willing to show global leadership, international processes end up lowering rather than raising levels of ambition.

For the last two decades, the European Union has provided such leadership on a number of fronts. Without the EU's commitment to ambitious international agreements, the Kyoto Protocol and its instruments such as emissions trading and the Clean Development Mechanism would not have come into force. And European persistence played a critical role in securing international agreement on other environmental treaties, despite America's retreat from environmental multilateralism.

Whether European leadership will suffice to bring the newly emerging powers of the developing world into the multilateral fold is another question. Recent experiences in the climate negotiations have brought to light some of Europe's limitations in this regard. But the EU continues to command respect for its domestic environmental policies and serves as a model for innovative regulatory approaches. Its economic might as the world's largest market gives it added clout in environmental politics, and the EU's trading partners often find it difficult to ignore Europe's regulatory standards. This alone will ensure that the EU will be in a privileged position to shape the international environmental agenda and set high levels of ambition. Other established or emerging powers may not always wish to follow European leadership, but without the EU setting the pace in international environmental regulation, even less would be achieved multilaterally.

To succeed internationally, European environmental leadership requires a strong domestic basis. The UK has been an important driving force behind the EU's green diplomacy for some time now and must continue to do so. On its own, the UK's voice would carry far less weight internationally. When it comes to environmental multilateralism, the EU is undoubtedly more than the sum of its parts. Working with EU institutions and other European countries is an essential component of Britain's green diplomacy. But to be respected and influential in Europe, the UK must not fall behind its current environmental achievements. It has played a pioneering role in developing new mechanisms for climate mitigation and adaptation, from carbon trading to corporate carbon disclosure and greening international development

aid, and the Stern Review of climate change economics has changed the way the world thinks about the costs and benefits of climate action. These achievements have boosted the UK's position within the EU and internationally. Britain needs to continue to drive European environment policy in this way if it is to lead the renewal of environmental multilateralism.

Reforming international processes and institutions

At the same time, the established processes and institutions of environmental multilateralism need to be reformed if they are to remain relevant to the search for global environmental solutions. As regards the international process, UN-style negotiations have been the norm since the 1970s and remain an important route to inclusive, consensus-based, environmental agreements. They command a high degree of legitimacy, particularly in the developing world, and have helped to create a gradually expanding system of legal commitments and governance mechanisms. But the principle of consensus-based agreement strengthens the veto power of environmental laggards and often results in long-drawn-out bargaining. All too often, it produces outcomes that reflect the lowest common denominator. New thinking is, therefore, needed on how to improve the current model of environmental multilateralism where it ends up blocking, rather than promoting, progressive international solutions.

As we have witnessed in the area of climate change, the UNFCCC-based negotiations have not produced the level of ambition and speed that are needed to prevent global warming from exceeding 2 degrees by the end of this century. Even though all major powers have recently expressed their commitment to negotiating a comprehensive climate mitigation treaty by 2015, continued wrangling over the legal status of such an agreement and the specific commitments to be included suggest that a Kyoto Protocol-style agreement by all major emitters is out of reach. We are rapidly moving into a different scenario for building global climate governance, one that is based on partial agreements and varying levels of commitment by different emitter nations.

This 'building blocks' scenario departs from the traditional model of environmental multilateralism as it accepts that a comprehensive, universal and legally binding treaty on climate change is unlikely to be agreed. Instead, it suggests a second-best strategy for building climate governance out of smaller and less ambitious agreements, with countries moving at different speeds and creating governance mechanisms in areas where agreement is feasible. In this alternative scenario, mini-lateral deals may be agreed as

stepping-stones towards a broader multilateral agreement. It will remain important, however, to base such action on the existing UNFCCC framework, so as to preserve what has been achieved already and ensure that the different mechanisms and commitments are compatible and comparable.

Reform is also needed for the institutions of global environmental protection. The current institutional architecture delivers important services, from the facilitation of information exchange and negotiation (e.g. UNEP), disbursement of environmental aid (e.g. Global Environment Facility) and administration of environmental agreements (e.g. UNFCCC Secretariat). But the increasingly diverse set of international environmental bodies can often seem confusing and inefficient. The failure at 'Rio+20' to tackle the weakness of UN environmental institutions seems to confirm the view that powerful interests stand in the way of deeper reform efforts. But even if the creation of a centralised UN Environment Organisation remains out of reach for now, the push for a strengthening of the powers and resources of the existing institutions needs to continue. Providing UNEP with an enhanced and more secure funding basis would be an important first step. Strengthening environmental objectives within multilateral development agencies and other international organisations should be pursued whatever happens with UNEP reform. And promoting greater coordination between various environmental treaty bodies would go some way towards a more effective global governance system.

The need for institutional reform also extends to the global economy. The current international rulebook for trade and investment does not fully take into account the environmental costs of global economic exchange. Liberals generally believe in the power of markets to achieve an optimal allocation of capital and to stimulate innovation and growth. But markets produce sub-optimal outcomes when they allow individuals and companies to consume natural resources or use the environment as a pollution sink without paying an appropriate price for the environmental damage they cause. If free trade should not cost us the earth, then market failure needs to be corrected through regulatory intervention.

In an era of globalisation, such interventions ought to take place at the international level. International cooperation is needed to put a price on pollution, e.g. on the use of fossil fuel energy in international production and transport. Removing subsidies on fossil fuel consumption would be a first step towards levelling the playing field with renewable energy sources.

Where international cooperation proves too difficult to achieve, leading economic powers such as the EU can still make a difference by setting higher

domestic standards and requiring importers to comply with them. Again, multilateral solutions are desirable but mini-lateral steps in that direction may be needed to drive up levels of ambition. The absence of multilateral agreement should not be used as an excuse for inaction, and the international rules on trade and investment must not be allowed to force a lowering of such ambition.

Engaging a wider range of actors

Just as multilateralism needs to be reformed, so we need to engage a wider range of actors in global environmental protection. Political and institutional inertia in international politics make it essential to mobilise pro-environmental forces at all levels of global society, from the international level down to the local, and up again. Where international treaties cannot be agreed, other options need to be explored. The urgency of the climate challenge does not allow us simply to wait for diplomats to resolve their countries' differences. While international climate negotiations carry on, climate action needs to be initiated wherever possible, in municipalities and cities below the national level, in regional networks across national boundaries, in corporate organisations as much as in global civil society. Liberals should encourage the growing diversity of global climate action. We need to harness all forms of political energy to produce the kind of change that will facilitate the transition towards a low-carbon economy. Rather than arguing over whether climate policy needs to be either top-down or bottom-up – a debate that has pitted proponents and critics of the Kyoto Protocol against each other – we should recognise that effective climate action needs to operate at multiple levels and involve different types of actors.

In this context, the growth in private environmental initiatives that have sprung up outside the UN system can be seen as an encouraging development, provided the relationship between private and public environmental governance is managed well. Environmental NGOs have long pushed for international environmental policies by lobbying states and international organisations. They have increasingly targeted multinational corporations and other actors with the capacity to produce environmental change, which has opened up new avenues for promoting environmental sustainability. Eco-labelling initiatives by manufacturers and retailers, for example, allow consumers to make an informed green choice. Collaboration between environmental groups and timber-trading companies has led to certification schemes that promote sustainable forestry practices around the world. And initiatives such as the Carbon Disclosure Project ensure that a growing

number of global companies reveal their carbon footprint, which in turn provides investors with critical information on how to reduce their exposure to climate-related risks. Liberals believe in the power of individuals and civil society. Where states fail to lead, citizens need to take the initiative and open up new opportunities for advancing global sustainability.

However, private initiative in global environmental affairs is no panacea for the ills of international governance, nor can it replace a strong role for states and international organisations. Parallel efforts by private and public actors should not be allowed to run in competition but need to be brought together. In fact, states and international organisations can do a lot to promote and direct private environmental initiatives. They can encourage corporations to set their own environmental standards and incorporate sustainability objectives into their operations. The UK's plan for a mandatory requirement for large listed companies to disclose their carbon emissions is an important step in this direction. Public authorities can also provide financial and administrative support to multi-stakeholder initiatives, promote broad and democratic participation in such initiatives, and improve the links between them and established intergovernmental processes. The UN Global Compact, for example, is an innovative initiative that invites global companies to adopt and follow ten principles of social and ecological responsibility. Its global corporate network now includes over 5,000 firms and has become the source of a number of international voluntary standards for environmental investment and production.

Thus, states and international organisations can play an important role in initiating and steering private environmental governance efforts. Leading green states and UN environmental bodies can thus become 'orchestrators' of a new and enlarged form of private sustainability governance.

Conclusion: towards renewed environmental multilateralism

There can be little doubt that environmental multilateralism has entered a period of crisis and is producing diminishing returns. The process of environmental treaty-making is slowing down as major powers are reluctant to agree to new and legally binding international commitments. International environmental institutions suffer from a lack of funding and authority, and efforts to reform the international environmental architecture have made no significant progress. Meanwhile, global indicators suggest a worsening of several major environmental trends.

Whether any political creed can find a solution to this global challenge is unclear. Liberalism, for its part, should face up to the crisis in environmental

multilateralism and suggest ways towards its renewal. Inevitably, the liberal response will be gradualist and reformist in nature, based on an acceptance of our inability to plan and execute large-scale political change, particularly at the international level. It will seek to mobilise political and social support at all levels, from the international to the national and local. And it will attempt to accelerate existing efforts to reform global capitalism without abandoning its underlying promise of individual liberty and economic betterment. Above all, liberals need to re-think – but also restate – the case for environmental internationalism.

For as long as the states system plays a critical role in defining the global environmental agenda, environmentally progressive states are needed to set a high level of international ambition. In this regard, Britain and the EU have much to offer. Britain will need to continue to work through European institutions to exercise leadership internationally, and it will need to set an example domestically if its international leadership ambition is to be credible and effective. The current deadlock in many multilateral forums will be difficult to overcome, but a strong and united European stance will be essential if we are to convince other, more reluctant, powers to raise their level of environmental ambition. Domestic political blockage in the United States and diverging interests of emerging powers will make it difficult to create strong environmental treaties in key areas such as climate change. But this should not distract us from the need to work towards a global consensus and establish commitments for environmental protection, whether or not they can be cast in legally binding form.

As suggested above, a number of small steps can be undertaken to renew environmental multilateralism and strengthen the existing international institutional architecture. Reforming and strengthening UNEP, rebalancing the relationship between the WTO and environmental agreements, and promoting measures to make polluters pay and put a price on the ecological costs of economic activities, are all worth pursuing in an international context. States and international organisations should also encourage more private and mixed private-public governance initiatives, in the areas where companies and NGOs have problem-solving capacity and where international cooperation proves elusive. Such private sustainability governance requires careful steering, however, and it is the responsibility of public authorities to provide this role.

In sum, a renewal of environmental multilateralism requires passion and patience. Liberals need to make the case for the continued relevance of international environmental policy amidst profound and often disheartening

changes in the international system. Above all, the challenges outlined above call for more, not less, British and European leadership in international environmental affairs.

Chapter 31

Green Policies for Global Economic Justice

Myles Wickstead

On 20 August 1977 the *Voyager One* spacecraft took off from Planet Earth. On Valentine's Day 1990 it was speeding towards the edge of our solar system, its cameras pointing forwards into uncharted space. At the insistence of cosmologist and philosopher Carl Sagan, who had been present at the launch twenty-three years earlier, the cameras were reversed. What they picked up, just visible against the vastness of space, was what Sagan describes as 'a pale blue dot' – a dot on which everyone who had ever lived, every king and queen, every pauper and peasant, had been born and had died, on which every act of war and peace, of cruelty and compassion, had been played out. Sagan comes to the end of his description thus:

> To my mind, there is perhaps no better demonstration of the folly of human conceits than this distant image of our tiny world. To me, it underscores our responsibility to deal more kindly and compassionately with one another and to preserve and cherish that pale blue dot, the only home we've ever known.[1]

There, in a nutshell, we have it. The need to look after our planet, and to use our resources in a responsible and sustainable way, both for us and for succeeding generations; and at the same time to ensure that the benefits of those resources can be shared in a more equitable way. The need for green policies for global economic justice.

When Sagan asked that the cameras be reversed, some of the more tangible threats to the pale blue dot had receded. The Berlin Wall had fallen, the Cold War had come to an end, and the likelihood of a full-scale nuclear confrontation had decreased significantly. But other threats were beginning to become more apparent. The 1987 Brundtland Report, *Our Common Future*, highlighted a number of environmental issues which were of increasing concern. Scientists were becoming worried about the emergence of holes in the ozone layer, allowing harmful rays to pass through the atmosphere. People

generally were becoming increasingly conscious of the impact of a rapidly increasing world population – a population which then stood somewhere between 5 and 6 billion people; which has already, only twenty-five years later, exceeded 7 billion; and which is expected to reach 9 billion by the middle of this century.

In the same year as the Brundtland Report, the Montreal Protocol started the process of banning chlorofluorocarbons (CFCs) because of their damaging effect on the ozone layer. Many of the other key themes emerging from the report were picked up at the Rio 'Earth Summit' in 1992. That conference had some important formal outcomes, including the creation of the UN Framework Convention on Climate Change, the Convention on Biological Diversity and the Convention to Combat Desertification.

This was undoubtedly a decisive moment in the development of international green policies – or at least a clear recognition that they were required. But there was no strong link to issues of global economic justice, and one unintended consequence of the conference was to set 'environmental issues' and 'international development issues' careering down largely parallel tracks, with different international bodies, governments and 'experts' pursuing separate agendas.

Mrs Brundtland had herself recognised the dangers of this happening, and had been very clear that the two sets of issues must be addressed together. In her Foreword to *Our Common Future*, she has this to say:

> The environment does not exist as a sphere separate from human actions, ambitions, and needs, and attempts to defend it in isolation from human concerns have given the very word 'environment' a connotation of naivety in some political circles. The word 'development' has also been narrowed by some into a very limited focus, along the lines of 'what poor nations should do to become richer', and thus again is automatically dismissed by many in the international arena as being a concern of specialists, of those involved in questions of 'development assistance'.[2]

'But', she continues, 'the "environment" is where we all live; and "development" is what we all do in attempting to improve our lot within that abode. The two are inseparable.' She is, of course, right. And the next two or three years provide an important, perhaps unique, opportunity to bring those strands back together and to link green policies and global economic justice.

The international context has changed significantly since Mrs Brundtland's report. In the years immediately following *Our Common*

Future, political systems which had been hardwired by the clash of eastern and western ideologies were in flux – nowhere more so than in the countries of Eastern and Central Europe, demanding the economic and political freedoms so long denied them. The prospect of membership of the European Community became a focus and driver for those aspirations; for example, free and fair elections and respect for human rights were amongst the conditions for entry.

The international community began increasingly to see the importance of giving voice to similar aspirations in the developing world, both by making aid increasingly conditional on improved governance, but also in trying to articulate those aspirations in a series of potential outcomes which would benefit the poorest and most vulnerable. These eventually found expression in the 'Millennium Development Goals' (MDGs), which emerged from a UN-led process following the Millennium Declaration, which was a powerful statement agreed and signed by all members of the United Nations, enshrining important concepts and aspirations like universal human rights, justice and equity. But some felt that the Declaration was insufficiently specific about what implementing its provisions was designed to achieve by way of concrete outcomes – hence the MDGs, agreed (but not signed up to by everyone) in early 2001.

The overarching goal of the MDGs is about reducing poverty – specifically, reducing by half the proportion of people in the world living in absolute poverty – with a number of other goals around basic health (such as maternal mortality and child survival rates) and primary education. There is nothing in them about the conditions required to bring those things about (such as better governance, economic growth, etc.), though in practice the international community has recognised that the achievement of specific education and health outcomes cannot be achieved without a holistic mix of inputs.

So in one sense the MDGs are a proxy for all the things that need to happen to improve the lives of the poorest people on the planet. The MDGs come to an end in 2015. Even if the world is fully successful in achieving them – and there has been good progress in a number of countries, largely as a result of strong economic growth – that will still leave hundreds of millions of people in poverty, millions of children not reaching their fifth birthday, and millions of mothers dying needlessly in childbirth. So the question is not whether or not there should be a successor to the MDGs, but what that successor should look like.

The discussion has already begun, and will be informed by the recommendations of a High Level Panel – co-chaired by the British Prime Minister

– which will report to the UN Secretary-General at the end of May 2013. Even at this early consultative stage of the post-MDG process, the discussion is beginning to define 'progress' as being not just about increased prosperity, but also about social inclusion, equity and justice, fundamental values enshrined in the Millennium Declaration but which are missing (at least in any explicit way) from the current set of MDGs. This should ensure that there is a stronger emphasis on the most marginalised groups – the disadvantaged, the disabled, and the displaced – going at least some way to ensuring the objective of global economic justice.

There is another major gap – a large, green hole – in any successor to the MDGs which needs to be filled. The only specific mention of the environment currently is in MDG 7, which refers to the importance of ensuring environmental sustainability, yet of course its potential impact on making progress against the MDGs is enormous. It is already evident that the impact of environmental factors on natural resources and ecosystems, and thereby on the livelihoods and food security of poor people, has in some cases been a barrier to attaining and maintaining the education and health MDGs.

This takes us to the heart of why we need green policies for global economic justice. No common challenge is more obvious than that of climate change. There is now almost universal recognition – not common ground until recently – that human agency is largely responsible for this, and has clear implications for sustainable economic development and the need to move away from fossil fuels to renewable, cleaner forms of energy. Unchecked rises in temperature will have profound consequences for food security and agriculture, for the higher prevalence of vector- and water-borne diseases, for the availability of potable water, for biodiversity, for the very ability to feed and support the 9 billion people likely to inhabit this pale blue dot by 2050, a huge increase from the current 7 billion.

So the challenge which now urgently faces us is to bring together the issues around poverty, economic growth and social inclusion which have traditionally been the purview of the international development community, viewed through the prism of the MDGs, and those which are about the survival of the planet which have traditionally been the purview of the environment community.

The challenge is actually more about institutional structures rather than intellectual coherence, as Mrs Brundtland recognised. The period between now and 2015 provides both a threat and an opportunity. As the debate about a successor to the MDGs gets under way, and the High-Level Panel moves towards publishing its Framework Report, an Inter-Governmental Panel is

being established as a result of the mid-2012 Conference in Rio de Janeiro (following on from the original Rio Conference twenty years earlier) to look at the creation of a set of 'Sustainable Development Goals' (SDGs).

The threat is that these processes will take on a life of their own, and simply entrench the existing chasm between the environment and development lobbies. Both groups are concerned, with some justification, that there are trade-offs between financial pledges in support of developmental and climate change objectives, given overall constraints on resources. But this is a false dichotomy, because the two sets of objectives are so intertwined – and the opportunity is that in the period ahead the two sets of goals can be integrated, recognising not only that they are compatible but that they are necessarily mutually coherent and reinforcing.

Some people now talk of 'resilience' as the term of art which brings together these twin challenges; others talk of 'human security'. A recent Oxfam discussion paper helpfully conceptualises this as 'the creation of a safe and just space for humanity', which can only exist by taking into account simultaneously 'planetary boundaries' and 'social boundaries'.[3] So there is a set of challenges around environmental degradation, such as climate change, loss of biodiversity, and the acidification of the oceans, and another set of challenges around rights-based issues like social equity and gender equality. Each set of challenges impacts on the other, and they must be addressed together – as Mrs Brundtland insisted a quarter of a century ago.

For example, and looking first at how environmental degradation can impact on poverty, the current and potential impacts of climate change (rising temperatures, rising sea-levels, increased incidence of droughts and floods) are global threats in the medium term but in the short term are already seriously undermining the ability of poor people in poor countries to ensure their food security, health and access to safe water and sanitation. And it works the other way round, too. Simply by meeting the unmet demand for girls' education and family planning, population growth will slow and global carbon emissions will reduce significantly from current projections. Perhaps in no other area of policy is there such a potentially clear benefit both to the environment and to poverty reduction efforts as slowing the rate of population growth – essentially by giving women choices.

And now let's take a look through the other end of the telescope. The main stress on the environment is caused by the wealthiest 10 per cent of the world's population. They hold 57 per cent of the world's global income, and they generate nearly 50 per cent of global carbon emissions. Historically, the main creators of environmental damage have been the better-off, developed,

countries, and those who will bear the brunt of a failure to address the issues will be the developing countries. A very modest shift in policy and resources can bring about a good deal of progress on global economic justice. Bringing electricity to the 1.3 billion people in the world who do not have it could be achieved with less than a 1 per cent increase in global carbon emissions. Providing the additional calories needed by the 850 million people who face hunger would require just 1 per cent of the global food supply. Ending income poverty for the 1.4 billion people living on less than US$1.25 per day would require just 0.2 per cent of global income.[4]

We are now on a path on which it is possible to bring together these environmental and developmental priorities. They have been separated for too long; they belong to each other and they must be addressed as one. There is a real – perhaps unique – opportunity to integrate them over the coming three years, which should be reflected in Liberal Democrat policies. What might those policies look like? Here are some ideas.

It is crucial that the proposal to develop a set of SDGs, agreed at the Rio + 20 Conference in June 2012, be integrated into the discussion about what happens after the expiry of the MDGs in 2015. The risk is that the two processes will continue along parallel tracks, one taken forward by an intergovernmental group involving thirty countries from five different regions, the other kick-started by a High-Level Panel with co-chairs from three different countries and regions, with little or no read-across between the two processes or potential new goals. The opportunity is that those involved recognise that issues like food, water, energy, population pressures, jobs, gender and equity are common to both and that the period between now and 2015 be used for real debate and discussion. That must not just be between leaders from three or even thirty countries, but between representative groups across the world; a truly international process, a fundamental tenet of liberal philosophy.

The consultative process, at least for the post-MDG debate, has got off to a promising start. Both processes will report to the UN Secretary-General. So we should provide whatever support we can to his efforts to integrate the two strands, continuing the strong line which Nick Clegg took at the Rio + 20 Conference where he insisted that the SDGs and whatever comes after the MDGs must be thought about in an integrated way.

'Growth' has been seen historically as a necessary precondition for 'development', but an altogether riskier proposition for 'the environment'. We need to re-examine what we mean by 'growth', and specifically 'GDP growth'. Gross domestic product (GDP) measures the value of goods and services in the monetised economy, and has been the traditional way of measuring

relative wealth and comparative progress. Increased levels of income for poor people and poor communities in developing countries are clearly necessary, but GDP by itself does not tell the whole story. It tells us a lot about economic growth, little about the distribution of the benefits of that growth, and nothing about the depletion and degradation of natural resources which are ultimately the basis of human prosperity.

So again we should welcome the recognition at the Rio + 20 Conference that we need to develop broader measures of progress to complement GDP (or 'GDP+') in order to allow countries to make informed decisions on the basis of more complete information about natural wealth and social well-being. So a new way of looking at the way growth and those broader measures of progress are integrated is required – known as Natural Capital Accounting – so that the value of natural resources is properly reflected in decision-making. We should applaud the fact that the UK is leading by example in this area, hold the government to its commitment that the UK will measure its prosperity by Natural Capital Accounting from 2020, and encourage the UK to press for its use in measuring progress globally against future goals.

There are other areas too where the UK needs to continue to lead by example. The Rio conference also recognised the role of business sustainability reporting, and Nick Clegg was able to announce in Rio that the UK would be the first country in the world to oblige large companies to report on their greenhouse gas emissions – a development which the companies themselves have welcomed, and which could lead eventually to a global framework. We should encourage this.

We need also to do at home what we want others to do abroad; we have common but differentiated responsibilities. If we insist on Latin America preserving the Amazon rainforest and on Africa preserving the forests crossing the centre of the continent, then surely the least we should do is preserve our ancient woodlands. They may not be the lungs of the world, but they are the heart – and some would argue the soul – of the UK. We must do our share of adapting to climate change, but must also support less well-off countries as they seek to mitigate the harmful effects of past policies for which they have been least responsible but from which they will suffer the most. This means addressing directly issues such as ocean and atmospheric pollution, over-fishing, deforestation etc., but also providing financial and other support to developing countries as they seek to develop responsible and sustainable growth policies.

This reinforces the need for the UK to build a 'whole-of-government' approach to international development. The fact that the UK will be the

first G8 country to reach the UN target of spending 0.7 per cent of its gross national income on official development assistance, in 2013, demonstrates real political commitment, and this, combined with the high quality of its international development programmes, gives it significant moral authority in this area. It should use that position to look carefully at the full range of policies which impact on developing countries – including environment, trade and agriculture policies – to ensure the maximum consistency within and between those policies. That includes the impact on developing countries of tax avoidance and evasion, where a lack of transparency can have particularly detrimental effects on the environment. The Liberal Democrats should in any case develop a set of international development policies along these lines in advance of the next election in 2015.

These policies should recognise explicitly that the challenges of economic growth, equity, transparency and sustainability are issues of common interest for developed and developing countries alike, and require a coordinated approach. They should set out clearly how the UK might support developing countries to address issues such as climate change adaptation and the development of renewable energy sources. Only thus will it be possible to avoid the risk of the discussion degenerating into an 'us' versus 'them' debate, with the developing countries feeling that the mantra of 'green policies' is simply a way of preventing them achieving economic growth as fast and as comprehensively as the developed world. We need to be clear that green growth is good – indeed, essential – for everyone living on the planet, a positive-sum game. This is a discussion not just for and about political leaders – crucial though they will be for any agreement – but must reflect widespread consultation. It is about finding the middle ground between economic growth (as measured purely by GDP) at all costs, and no growth at all and a focus entirely on redistribution. Liberal thinking is perfectly placed to fill that middle ground.

Political will goes so far, but political support is also required, both in the UK and across the globe. Only if people – global citizens, and not just global leaders – really believe that the development of the green economy is in their interests and will bring them benefits will they support it. Securing that support is not straightforward against a background of a continuing economic downturn in the developed world, slowing growth worldwide and very high levels of unemployment in many countries. And yet that support is required now, against a backdrop of looming scarcities in food and water, rapidly increasing population and increasing energy demand, and before those trends become irreversible.

Does the UK have anything to offer as a model for how this could work on a global scale? Yes, and largely because of Liberal Democrat policies in government, including continuing subsidies for solar and wind energy and the policy consistency which is a fundamental requirement for continuing investor confidence. Eleven per cent of the UK's electricity came from renewable resources in the first quarter of 2012, as against 7.7 per cent in the corresponding period in 2011, taking a big step forwards to the UK meeting its legally binding target of deriving 15 per cent of its energy from renewable sources by 2020. The renewable energy sector in the UK is worth some £12.5 billion and employs 110,000 people; stimulating further growth in the sector through the right mixture of incentives and subsidies could lead to significant increases in both those figures. That is good for the UK and it is good for the planet; and it must be a liberal priority to ensure that the right policy mix continues and is extended globally.

Could this happen? It could and it should, and the UK can help to bring it about through leading by example. There is significant potential to stimulate global economic growth through encouraging investment in a low-carbon energy economy, providing a fiscal stimulus that can generate growth and jobs and at the same time make the shift to a more sustainable future through the development of green energy sources. This could be led by the private sector, which has significant resources but is reluctant to commit them because of political and economic uncertainty. The role of governments would be to encourage that investment through a mixture of instruments, including guarantees and subsidies – and perhaps above all by making clear their policy intentions and thereby removing some of the uncertainties which investors face. These investments could include, for example, clean energy mechanisms (such as solar and wind power), the replacement or building of new energy distribution systems, replacement or new public transport systems, water distribution systems and support for agriculture to enhance food security.

Now is the time to develop the sort of framework (perhaps under the auspices of the World Bank or a new global economic coordination body) under which such shifts could be encouraged, with the objective of working towards the development of new global agreements which through a combination of financial pledges and regulation could create stronger incentives for green growth.

Why now? First, because the period up to 2015 is a time when these sorts of issues will anyway be very much on the global agenda, giving at least some prospect of progress. Second, because we cannot push these decisions off to

another generation, when shortages and climate change may have become irreversible.

Unless we address the environmental threats to our planet as a matter of urgency there will be the most serious of consequences; that pale blue dot – which is, as Sagan reminds us, the only home we have ever known – may become unsustainable for human life. And unless we address issues of global justice and equity we will create social conditions which will threaten the very prosperity which we all seek.

We have a window of opportunity over the coming two or three years to bring together those elements required to create a safe and just space for humanity – growth, equity, transparency and sustainability – and to demonstrate that green policies and global economic justice are but two sides of the same coin. We must seize that opportunity.

Notes

1 Dr Carl Sagan, Cornell University Lecture, 13 October 1994.

2 Chairman's Foreword, *Our Common Future – Report of the World Commission on Environment and Development* (1987).

3 Kate Raworth, *A Safe and Just Place for Humanity* (Oxfam Discussion Paper, February 2012).

4 Ibid.