

## Environmental aspects of sustainable development



Vienna Chapter

Society for International Development

On 28 May the Vienna chapter organised, in cooperation with the Vienna University of Economics and Business, a panel discussion on the environmental aspects of sustainable development. It was direct a follow-up to the talk given late last year by Professor Miguel Centeno of Princeton on the environmental challenges for capitalism.

Under the skilful guidance of **Professor Uwe Schubert**, Professor for Environmental Economics at the Vienna University of Economics and Business, the critical review set the current developmental crisis in context. It focused on determining what people understood when speaking of environmentally sustainable development, as well as on definitions, guidelines and current strategies and instruments for sustainability.

**Sandra Wibmer** of the Austrian Development Agency summarised the various commitments entered into by international organisations, primarily OECD and the United Nations, as well as the approaches they adopted. Eradication of poverty in the context of sustainable development was a primary and overarching objective; it was duly reflected in Austria's development policy. It was essential to ensure that the guiding principles of any strategy were, inter alia, people-centred, comprehensive and integrated and based on reliable analyses. Both governments and lead agencies should display a high level of commitment and the strategy should develop and build on existing capacities.

**Reinhold Steurer**, Institute of Forest, Environmental and Natural Resource Policy, expounded on definitions and strategies applied in the EU-27, where the emphasis lay on striking an economic, social and environmental balance, minimising trade-offs and maximising synergies (win-win) between policies. Under the Austrian presidency, the Union's sustainable development strategy had undergone a renewal. It could be said that all EU member states had some of sustainable development strategy in place. Long-term vision was complemented by short- and medium-term action/work plans, with integrative structures, (sectoral) strategies and mechanisms/tools. The key weaknesses of those strategies, however, were that they were merely 'administered processes'. Sustainable development strategy software malfunctioned when used with government hardware that was invariably fragmented. The administrative operating machinery was geared to accountability (a bureaucratic concern) and efficiency (new public management), but not to effective long-term integration. Integration was defied by departmental sectoral interests that set up 'fire-walls' between ministries. Those incompatibilities were compounded by a lack of political commitment and will.

**Wolfgang Pekny** of Platform Footprint set his sights on the unsustainable profligacy of the 1 billion rich to the detriment of the 5 billion poor. Over the course of history, food, clothing, shelter and heat had been provided by nature. Today, however, food came from the supermarket, energy from an electric socket and clothing from China. Despite this shift in source, the surface area of planet Earth was still the essential resource for the production of the goods that the world's population needed. In fact, so great and imbalanced was the demand that countless planets would be needed to sustain human and animal life. The issue at stake was not one of merely reducing the demand generated by the privileged 1 billion, but much more one of redistributing resources and wealth in a genuinely equitable manner and ensuring all living beings an appropriate habitat. He introduced a new measure of environmental abuse, the ecological footprint. The footprint formula expressed in terms of global hectares could be used to calculate both corporate and individual 'claims' on the current environment. The basic objective of the calculation was to heighten awareness of the limitations of planet Earth and foster a broad discussion throughout society on how to bring about the essential changes in current lifestyles, politics and economics and so ensure a life in dignity for all. People had to live within their limits and reduce the magnitude of their ecological footprint – an enormous challenge that humankind could only ignore at its peril.

The fourth speaker, **Maximilian Oettingen**, Institute for Cooperation in Development Projects, pointed to the differences between corporate social responsibility (CSR) and corporate social accountability (CA) and described the impact that enterprises adopting those principles had on environmentally sustainable development. Both CSR and CA implied that corporations played a role in society. Both could sustain the impact of corporate action in society, but could not prevent corporations from misrepresenting their roles. There need not be an inherent conflict between economic and social objectives and both bore potential for long-term synergy. Even a small measure of economic development could have a dramatic impact on social welfare. In the ultimate analysis, people were the drivers of sustainability. Fostering culture and education, while transferring know-how and know-why thus posed a challenge to society and corporations alike.

The fifth speaker, **Gerardo Pattaconi**, UNIDO, recalled the evolution from protectionism to liberalisation in the global trading system and the emphasis on development in the Doha Round, all of which offered opportunities for the advancement of trade and industry in the developing countries. Many developing countries, however, had failed to reap significant benefit from trading opportunities in expanding markets and concessionary schemes. That failure to benefit from those opportunities are not primarily related to tariff barriers, but to the lack of *productive capacity* needed to ensure necessary quantity and quality of supply. It was also related to those countries' inability to prove *conformity* of their potential export products with international standards and the problems they faced with *integration* into the multilateral trading system. To seize the opportunities offered by the liberalization of the global economy, the developing countries, in particular the least developed countries, required the support of the industrialized countries in order to build up their basic capacities. UNIDO played a key role in that context. UNIDO provided support for building the capacities needed to use new technologies, adapt and improve processes

and products and so move up the value chain into more sophisticated production activities. He entered into the details of such standards as ISO 14000 and their application in developing countries, describing both their environmental and social implications, and described projects where they had been applied to good effect.

In the ensuing open debate, questions were raised about the failure of institutions to introduce appropriate strategies and policies and the failure of endeavours to date – at all levels. It was agreed that some of the shortcomings lay in the different value systems to which people subscribed, while others were attributable to a continuing unawareness of the risks to humankind at large. It was very much a question of survival at all levels.

*The PowerPoint slides used by the speakers are posted on the [chapter's website](#).*