

GREEN TRANSITION: DILEMMAS AND SOLUTIONS

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DILEMMAS

- **Global heating should stay below two degrees – BUT the present path points to four degrees or higher.**
- **At least 50 % of all fossil reserves should stay under ground, BUT several industrial countries on the contrary promote oil from tar sand and shale gas.**
- **There are *limits to growth*, BUT all industrial countries are promoting more economic growth to cure financial crisis.**
- **Stop for economic and material growth requires much more national and global equity, BUT inequity is increasing.**
- **Transition to RES is urgently needed, but fossil fuels get six times more state subsidies than RES.**
- ***Dominating neoliberal system requires economic growth.***

GREEN GROWTH

- **The concept of *green growth* is primarily an excuse to continue economic growth with a green paint.**
- **The possible decoupling from carbon is relative but far from absolute in practice with existing technologies and production methods. *Nature reacts on absolute decoupling.***
- **In practice, exploitation of renewables for human energy purposes has environmental consequences and limits.**
- **Dangerous to accept illusionary mitigation concepts.**

Advice: replace green GROWTH by green TRANSITION

RESILIENCE

- **Complicated concept with diffuse boundaries to mitigation.**
- **Risk : More money for short term resilience projects may mean less money for mitigation of global warming.**
- **Mitigation may be based on concrete numbers. The long-term effects of resilience are uncertain.**
- **The British Stern report has documented that fast mitigation of global warming is by far the less costly solution. Resilience projects may delay mitigation.**
- **Resilience projects should only have high priority where they are urgently needed or have low costs.**

LIMITS TO GROWTH

- **Central dilemma is the neglect of *limits to growth*.**
- **Political excuse: without economic growth, more unemployment due to increasing productivity.**
- **The solution is a *flexible employment concept* where average working time is adjusted to market fluctuations, and combined with sharing of work.**
- **International problem: How should an acceptable global carbon cap be divided between nations? Fiascoes for agreement since COP15 in Copenhagen in 2009.**
- **Solution: Same personal emission quotas for all by 2050 (chancellor Angela Merkel: "expand and converge").**

LtG SCENARIOS

Figure 2.2 Comparing 'Limit to Growth' scenarios to observed global data



EQUITY

A controversial concept

- **Convincingly documented that high economic and social equity gives advantages on all relevant parameters: high health level, low level of suicide, high welfare, low social controversies, high international competitiveness, etc.**
- **Recent promoters of equity: Stiglitz, Krugman, Piketty.**
- **Global equity is necessary for international co-operation on mitigation of global warming.**

Without much higher national and international economic and social equity there is no hope for a green transition in time.

NEOLIBERAL ECONOMY HAS FAILED

”Economics is politics in disguise”

- **Neoliberal economy has dominated since 1980s.**
- **Uncontrolled and suspect financial transactions have accelerated the appearance of financial crises.**
- **Neoliberal economy has no scientific basis and creates more problems than it solves (Stiglitz and Krugman).**
- **National control of capital movements should be reintroduced to avoid economic destabilisation (Keynes).**
- **Ecological economy should have highest priority (Daly).**

REAL DEMOCRACY SHOULD BE TRIED

People power – not money power

- **Democracy is being undermined by money – with the US as the most striking example. Is the US a democracy?**
- *Money should have no influence on democratic decisions.*
- **Private and commercial economic support to political parties and politicians should be made illegal.**
- **Political campaigns should be supported mainly by volunteers with an economic base support from the state.**
- **Otherwise, money power will replace democracy.**

PROPOSED INTERNATIONAL ACTIONS

- **Reintroduce control of capital movements (Keynes 1930s). This principle has worked in EU up to the early 1980s.**
- **Replace WTO by green trade administration responsible for global transport tax (and financial (Tobin) tax).**
- **Change priorities of World Bank and IMF to green transition and global equity.**
- **Stop government subsidies to fossil fuels.**
- **Do not wait for large nations like the US and China that sabotage global agreements and commitments.**

HOW DOES THIS GET STARTED?

- **One possibility is to wait for a global collapse.**
- **A more intelligent possibility may be to create a group of countries that demonstrates the technological reality and economic advantage of a green sustainable transition.**
- **Possible candidates may be the Nordic Countries: More than 20 million inhabitants, rich welfare nations, traditions for international outlook, negligible corruption, long experience with Nordic co-operation.**
- **Requires more flexible formal relationship between Nordic Group and EU allowing control of capital movement etc.**

TIME FOR AN EXCUSE

A personal statement

- **The dominating old generations have left a global mess for the young generation.**
- **It is high time that we admit our catastrophic policy mistakes and support a youth revolution working for a transition to a sustainable world with *no forced unemployment, a high degree of global and national equity, and a shift from money power to real democracy.***
- **The alternative is that the youngsters shall experience in the hard way the collapse scenario from *Limits to Growth.***

THANK YOU FOR YOUR ATTENTION

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