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”).

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Salzburg, Sept. 2014//5
Figure 2.2 Comparing 'Limit to Growth' scenarios to observed global data

- Population
- Industrial output
- Non-renewable resources
- Pollution

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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 competiveness, 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.

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Salzburg, Sept. 2014/7
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).

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Salzburg, Sept. 2014/8
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.

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Salzburg, Sept. 2014/9
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.

Niels I. Meyer
Salzburg, Sept. 2014/11
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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Niels I. Meyer
Salzburg, Sept. 2014/14