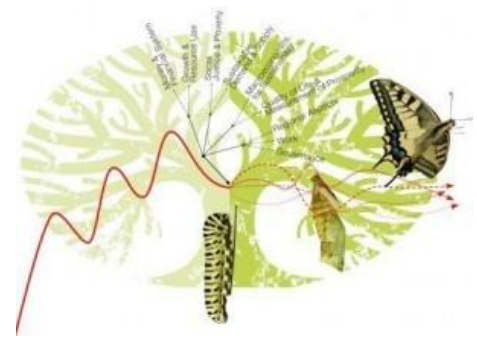


Stefan Giljum (SERI) / Martina Schuster (Ministry of Environment)

Parallel Session II: Growth and resource use

Chair: **Martina Schuster** (Federal Ministry for Environment)

Rapporteur: **Stefan Giljum** (SERI)



Presentation of Nina Eisenmenger (Austria): “Resource Use and Economic Growth”

Growth in material and energy use in the global economy were closely linked during the past century; while material use increased by a factor of 8.4 since 1900, energy use increased by a factor 11. In particular due to accelerating growth rates in high-population emerging economies (such as China and India), growth in material extraction since the year 2000 was higher than in any other period in the past – this poses a key challenge for future development. Relative de-coupling has occurred in many industrialized countries, but there are very few examples of absolute de-coupling. Japan achieved absolute de-coupling in the past few years, however, this might have resulted from outsourcing material-intensive production to other world regions through international trade. In some extraction economies in the global South, material extraction even grows faster than GDP. Conclusion: resource productivity alone will not be the solution for sustainable patterns of resource use.

Presentation of Bruce Robinson (Australia): “Peak Oil”

Production of oil will likely reach a maximum around the year 2012 (with an uncertainty of +/- 5 years). Peak oil will hit Europe sooner and harder than climate change, as Europe is highly dependent on imports of fossil fuels. Europe should therefore start developing abatement strategies and assessing its vulnerability. Although the oil price has significantly increased in the past few years, production remained stable. This counteracts economic theory and illustrates that in cases related to resource use, not the market, but geological factors determine the volume of production. There are limited possibilities for substitution of oil through biofuels. If Australia, one of the world’s biggest wheat producer, would entirely switch to the production of ethanol, only 10% of the annual oil consumption of Australia could be substituted.

Presentation of Leida Rijnhout (Belgium): “Fair and Sustainable Economy”

The main overarching goal should be defined as a fair and sustainable economy within planetary limits. The debate on resource use should be guided by the concept of “fair share”, i.e. the right of each inhabitant of the planet to use similar amounts of resources and to have equal rights to pollute. Cleaner technologies and green growth will not allow achieving a sustainable society, we need to start a debate on de-growth and how we can overcome our growth obsession. Denying the necessity to de-grow is an unrealistic attitude towards the future and will have negative impacts on society, e.g. threatening our democratic system.

Discussion

Main question in the vivid discussion: Building on the last presentation, how could the message of de-growth best get across to voters and decision-makers?

Answer from the panel: The current system leads to multiple crises and a huge negative impact from Northern economic activities on the global South. So it is rather the business as usual scenario, which must be regarded as negative and depressing. Based on this, the positive aspects of de-growth (more time, better relationships, less stress, etc.) should be further elaborated and broadly communicated. The de-growth scenario must be regarded as the positive scenario.

Important remark: Many resources that are basis for renewable technologies are also scarce.