



PLANET FIRST!



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new priorities
as a result of the natural limits
on what the earth has to offer us

with
five new conditions
five challenging sustainability objectives
five concrete measures

Amsterdam, 1 December 2009

SETTING NEW PRIORITIES

P L A N E T F I R S T !

Deciding the world's priorities is all about the balance between the three p's: people (human beings), planet (the earth) and profit (our economic growth). In practice, economic growth (profit) is almost always our main priority. A typical short-term approach: politically safe and popular, commercially tempting, uncomplicated.

However, the consequences are unmistakable. Our climate is changing, our seas are being emptied of fish, plant and animal species are disappearing. And at the same time, the divide between rich and poor continues to grow.

In recent years particularly, it has become clear that we will have to pay an exceptionally high price for all this. If we continue to abuse the earth (planet) in this way, we (people) and our economic prosperity (profit) will seriously suffer. Exceeding the resilience of the earth's ecosystems as we are extensively doing undermines the ability of people to survive and ultimately also limits the possibilities for further economic development.

What some voices have been warning of for years is now generally accepted scientific fact. The consequences of the stress the earth is now under are proving far more serious than previously thought and are happening faster than ever imagined. Only if we quickly and drastically adjust our priorities, and distribute the remaining ecological quality of our planet in a more

reasonable and just manner, will it still hopefully (!) be possible to restore the conditions for a sustainable, decent quality of life for people on the different continents. But let us not kid ourselves: even if we were to give equal importance to the earth, the human race and the economy, we would still not get there. At best, things would not deteriorate for the earth and its inhabitants quite so quickly.

THE PLANET FIRST

In the interests of our future, we must therefore again make the earth our first priority. With three clear intentions: the protection of our environment, sustainable use of natural resources and fairly distributed access to them. Only in this way can our earth move forward. Sustainability has been promoted from a lifestyle for some to a condition for life for all of us. We have little other choice than to start behaving accordingly.

REORDERING PRIORITIES

For this reason, we are calling for a reordering of priorities.

1. The earth (planet) first: because that is the number one condition for both human welfare and economic welfare;
2. A decent existence (people) second: partly because sharing human development fairly is a key condition for the necessary transformation in thought and action;
3. An economy (profit) based on those priorities, which respects the earth's ecological limits instead of the ideal of unlimited growth. Human creativity and the innovative strength of entrepreneurs would help to achieve a dynamic and sustainable economy, with a quality of life that is more equally distributed across the world.

This order is open to misinterpretation. Nature is not more important than people.

And people are not more important than nature – after all, they are part of it.

The priorities above are therefore not listed in any moral or ideological order, merely in a pragmatic one: without giving the earth primacy, it will no longer be possible to achieve an adequate quality of life for people, now and in the future.

What is more: the further away we get from an achievable, sustainable future, the lower our morale threatens to sink and the more denial and cynicism we will have to overcome, quite

apart from the climate clock which is ticking on relentlessly. We are very aware that the draconian turnaround which is necessary has many and complex facets, including a huge change in mindset, great political vision and courage and a reorientation in many fields. But a 'future with a future' is certainly worth it, even when viewed in purely economic terms.

FIVE NEW CONDITIONS

We will have to have faith in the strength of society and the willingness of people to take responsibility in achieving this new, tenable economy. Sustainable businesses, new technologies, innovative concepts and business models are now showing that the will and the necessary creativity, technology and innovative strength are available in abundance. The same goes for inspirational plans of municipalities, local residents and other 'bottom-up' initiatives. Business, science, governments and citizens will grasp the opportunities of this new economy with enthusiasm in order to participate in a new future. But to achieve that, the right conditions must be in place.

Until now, the economy has developed autonomously, with the interests of nature and the environment almost always subordinate to those of turnover and profit. This problem was raised decades ago, but never tackled seriously. However, since then, the serious consequences of our misguided priorities have become much clearer and more concrete. We now know a great deal more, not least about the speed and force with which those consequences are likely to affect us if we go on exploiting the earth in this way.

As long ago as 1989 (!) the Netherlands' Social and Economic Council (SER) stated in its recommendations on the report by the UN Brundtland Commission, *Our Common Future*, that the objective of maintaining equilibrium in the ecological system is of a higher order than the five objectives of socio-economic policy. The SER recommendations of 1989 should be

implemented today. This means that the economy should develop within the absolute conditions determined by the environment.

We will have to make choices – we list five below. They will not come about by themselves.

1. Using real cost prices

Many products and services are currently produced at great cost to nature and the environment. For example, because forests are destroyed or disproportionately large volumes of greenhouse gasses are emitted in the process. In reality, we are currently ignoring the huge costs of this damage to nature and the environment in setting the prices of these products. This results in a non-transparent and inaccurate picture of the true costs and means that consumers do not get the opportunity to make responsible purchasing decisions because they lack the information.

A condition for the economy of sustainability to succeed is therefore to ensure that the cost of damage to nature, environment and social relationships is reflected in a realistic cost price for our products and services. That could be done through taxes or systems of tradable emissions rights, for example.

This will make the true price of products clearly visible and give the economy of Planet First (and its products) a fair, competitive chance. The result will be a huge stimulus for investment in sustainable production.

Our reserves of clean water, natural forest, fertile land,

biodiversity etc. are scarce or running out. By reflecting that scarcity in the price of products, the economy will begin to move within the limits that the earth sets us.

As long as the economy takes priority, ecological value will not be reflected in the price; cheap but finite and extremely damaging, as we saw earlier. As soon as ecology is given priority, the true ecological value, translated into money, can give economic guidance in the direction of drastic change. The economy itself has an important contribution to make here, as a system of organising scarcity; in this case ecological scarcity as well. The mechanism would be bonuses for good behaviour (tax breaks, for example) and higher prices (penalties) for non-sustainable products and behaviour.

By way of illustration: as soon as climate damage is passed on in higher prices for non-sustainably generated electricity, electricity from wind, solar and water power will become more attractive compared to non-green electricity, and will therefore be much more popular. This will enormously boost investment in green energy.

2. Looking critically at responsibilities

The distribution of responsibilities must be evaluated critically. If responsibility is taken away from individual citizens and firms, the creativity and inspiration needed to tackle major social problems through entrepreneurship, initiatives and citizens will automatically disappear with it.

Of course: the protection of collective goods such as the

environment and natural resources must be organised at collective level. But it should be done in a way that maximises the extent to which citizens and companies are challenged to participate in a creative and positive way: the citizen first, as voter, consumer and ultimate arbiter of social norms.

3. Robust sustainability objectives

Our economy and government appear to be based above all on restrictive rules and institutionalised mistrust – like a ski piste with dozens of flags telling you where you must not go. On a golf course, by contrast, there is just one flag telling where you do need to go. A society, which has a clear goal, is a simpler society with a better chance of success.

Clear, new, ambitious and robust sustainability objectives – as action points within an inspiring, sustainable government policy – will create space, promote creativity, stimulate innovation at all levels and motivate citizens to support the transition to a tenable economy and to participate in it.

4. Setting our course together

The responsibility for that transition lies just as much with the individual citizen and consumer as with the community, of which that citizen is a part. Starting from the social dilemma ‘I will only do it if you do it too’, the citizen gives a mandate to the community and/or government to make its contribution to solving the problem. That requires a democratic process marked by greater dialogue regarding shared objectives that are worth striving for: where do we want to get to? Otherwise, sustainability policy will remain merely an irksome addition to the long

list of government rules in which citizens apparently have no interest. The degree of deregulation or regulation will then be based on commonly agreed objectives and not on political dogmas, which are not open to discussion.

5. Greater focus on social value

Quality is more important than quantity here, even with regard to structural, sustainable growth: only demonstrably qualitative growth can replace the 'more is better' mentality. After all, the societal value of products and services is certainly as important as their price in the marketplace. That societal value therefore needs to be made clear.

FIVE CHALLENGING SUSTAINABILITY GOALS

We are therefore calling for at least the following five challenging goals to be placed at the heart of our country's policy. This will serve to reorder our priorities in a credible way:

1. Decent quality of life

Instead of increasing Gross National Product, increasing decent quality of life should be society's long-term development goal. This quality comprises natural capital (the earth), social capital (human beings) and financial/economic capital (welfare), in that order.

2. Effective global nature conservation

The destruction of biodiversity needs to stop and be replaced by growth, combined with an annual 5% increase in the area devoted to nature. Any activity, which serves to reduce biodiversity or the area devoted to nature, should be compensated for in such a way that nature benefits on balance.

This affects our primary conditions of life. For example, preserving and restoring forests is not only important to hundreds of millions of people in developing countries who directly depend on them every day, forests are also home to more than 50% of all biodiversity on earth. Moreover, we now know that protecting forests is an essential condition for solving the climate problem in the coming decades.

3. Limiting climate change and its consequences

Global warming must be restricted to 2° Celsius in order to avoid irreversible and dramatic effects. Otherwise, the heating of the earth is expected to surge to 4° Celsius and beyond, as a result of such phenomena as melting sea ice at the North Pole, melting permafrost, dying forests and the drying out of organic soil – with catastrophic effects for our economy, food supplies, health, etc. We are currently at 0.7° Celsius. Stopping global warming can only be achieved through sustainable, low-carbon energy management and the halting of global deforestation.

Limiting the temperature rise to 2° Celsius is only possible if worldwide emissions start to fall substantially within the next ten years. However, all the predictions currently point to an increase in global emissions of some 30% by 2020.

In order to turn that growth into an adequate reduction, an almost unimaginable extra cut in worldwide emissions of approximately 20 Gigatons of greenhouse gasses is essential (of the 46 Gigatons which the world currently emits each year). Approximately half of this reduction can/must come from energy measures, the other half from forest protection, reforestation and sustainable land use: this is an example of how sustainability objectives are often connected.

4. Risk reduction in energy infrastructure

The objective of energy policy must not only be to reduce climate problems, but also to reduce risk in connection with future energy availability. To this end, a more decentralised

energy infrastructure needs to be pursued, based in part on solar, wind and water power.

5. Upgrading education and human values

We urgently need to become a society that invests much more in knowledge, expertise, skills and social cohesion. After all, human values are decisive for consumption patterns, and human ingenuity is the basis of dynamism and innovation. Only in this way can people achieve a decent quality of life with respect for the limitations of the physical earth; so that what is desirable and what is possible may be made one.

FIVE CONCRETE MEASURES

If we are not to remain stuck at the level of rhetoric, measures are needed to achieve the stated sustainability objectives.

The capacity of the earth and its ecosystems to recover has its limits, which are now being seriously transgressed. Our use of ecological resources must therefore be brought back within those limits as a matter of urgency. In order to tackle the most serious global ecological problems effectively – climate change, the loss of biodiversity and global desertification, an enormous catch-up operation is needed. The following points are essential here:

1. Naming the major challenges

We will naturally have to begin by naming the biggest problems and solutions, and by daring to attach a realistic price to them. This will allow us to understand the major and urgent global challenges we face.

Above all, this relates to the following four challenges, for which a binding international policy is urgently required:

- International action to cut greenhouse gas emissions.
As a first urgent step towards this, the rich countries must reduce their emissions by at least 40% by 2020 compared to 1990. Fast-growing developing countries must also limit the growth of their emissions.
- Halting deforestation and doubling reforestation within ten years.
- Restoring soil fertility and pushing back desertification.
- To back up these three measures, rich countries will need to contribute financially towards measures to help the

poorest countries adjust, partly in view of their significant role in causing the problem.

N.B. The climate summit in Copenhagen in December 2009 is a historic opportunity to show vision and make up ground with regard to all of these challenges.

2. Pass on real costs

Using the resources of the earth – such as clean air, healthy forests, biodiversity, clean water, habitable oceans – has a price. Concrete examples are given above.

That price needs to be reflected in the costs of the products and services, the supply of which causes such use, in order to achieve a fairer, more realistic total price and encourage users to start weighing the pros and cons differently, because then ‘the user pays’. This will give an enormous boost to the transition to sustainable electricity supplies, for example.

Various techniques are possible to achieve this aim, depending on the subject, such as fairly distributing the available resources and setting an internationally agreed fixed price for them (quoting) or using flexible prices that increase as usage becomes more intensive (pricing). In both cases, the price should be high enough structurally to prevent a ‘fire sale of our natural resources’. In other areas, companies and citizens will be compensated financially as far as possible, in the first place by reducing the tax on labour.

At national level, our contribution to the climate problem is the most important issue. It is essential that the costly effects of

CO2 emissions be visibly passed on in the cost price of products and energy, based on a levy of at least €100 per ton of CO2 emitted. This will reveal the true price, which ultimately always has to be paid somewhere along the line anyhow. An additional advantage is that green products will become relatively cheap and thus more attractive as an alternative. It should be pointed out that this is primarily about shifting and not raising taxes.

3. Measure more, know more

We will need to make it much easier to understand where we currently stand and the direction in which we are moving. For too long we did not know the situation we were in and the effects our actions were having. ‘Measurement = knowledge’ – particularly when it comes to such matters as ecological impact, which are difficult to gauge.

As a one-dimensional – and thus misleading – index, Gross National Product will be replaced by a new mechanism, which reflects the status of all three forms of capital/stocks: natural capital (planet), social capital (people) and financial/economic capital (profit). International examples now exist of this kind of broad indexation, which does more justice to our society’s various priorities.

Governments and companies must measure, know and verifiably chart their impact on biodiversity and nature and, where required, reduce that impact in a planned manner and compensate for the remaining impact.

Finally, consumers must be given much clearer information

about the ecological and social impact of products and activities and of their own behaviour in the area of energy use. In this way, they can take their own responsibilities.

After all, it will then be much clearer that every purchase consumers make has a moral component, which they can weigh up. In this way, they can play a much greater role in monitoring and stimulating the new economy based on the Planet First principle.

4. Innovating

A coherent, consistent, problem-driven innovation programme will stimulate and entice economic players to ever more far-reaching improvements in resource productivity: the welfare that can be created per unit of environmental use (compared to labour productivity: welfare production per unit of labour).

The accelerated introduction of innovative new technologies already available is also essential – for example allowing citizens (as in Germany) to trade the green energy they generate themselves (at a long-term guaranteed price!). An important outcome of all innovation must also be to make it easy and attractive for citizens to live sustainably.

5. Learning to see connections

Sustainability will become an integral part of education throughout the entire educational cycle. Children and young people will learn about the connectedness of things, about the relationship between cause and effect, about the natural interconnectedness of the three forms of capital and their order of

priority. A lot of attention will be focused on the value and importance of sustainability and careful use of ecological resources. For our children and young people, 'a chance for our future' means more than anything a chance for their future, if we do it well.

APPEAL

We call on the cabinet, the authorities, business and citizens to show the courage to share the priorities of Planet First and to do what is necessary: in legislation, in strategy, in policy, in public debate and above all, of course, in behaviour. Major adjustments will be the result.

As signatories to this appeal, we pledge our support and efforts to initiatives in that direction.

December 2009

This declaration is the result of a series of debates about sustainability, earlier this year; an initiative of the Dutch Nationale Postcode Loterij in collaboration with the Institute for Sustainable Innovation & Development (INSID).

This appeal is edited by prof.ir.Klaas van Egmond and ir.Jan Paul van Soest, with contributions of drs.Sible Schöne.