

## **Transforming the EU into a green society**

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Great bonfire flames, like the ones that reached the sky yesterday, remind of autumn leaves, like those on the sycamores colouring Edinburgh. One might ask if the flames, like red exclamation marks on a dark sky, coincidentally are proper metaphors for today's conference – watch out, a new Europe is emerging, where in the words of Robert Burns, auld acquaintances are forgotten.

Necessarily not, I would say, and bonfires elsewhere signal the return of spring, when flames drive out the last of frost and darkness, when green becomes thousands of colours.

Maybe that is what we mean, when we talk about a “green Europe” – a society that is diverse and close to nature, recognising that all functions in society ultimately depend on ecosystems, but also diverse in the sense of being pluralistic from a humanistic point of view – a cosmopolitan society.

Green can also be understood as something immature and fresh, waiting for entering a new stage. A sustainably developing cosmopolitan society then, is what a green Europe would be.

This conference will dig into what it might take to achieve green transformations in various areas, not least in the present period of changing political and social landscapes within Europe and across the Atlantic. As a background, I will paint a somewhat broader picture.

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Looking at the environmental core dimension of sustainable development, it can be described by various goals. Whether national, EU-based or international, a striking similarity is that such goals are seldom met. So why are there such goal-state gaps?

Various answers have been given by researchers since long. Beyond the direct causes described in natural and technological sciences, economists talk about weak property rights,

law researchers about implementation deficits, and political scientists about flawed governance systems. A key aspect lies in the relations between science and policy:

1. Science, first, is fundamental since before we know about a problem, we can't deal with it. An interesting question is who "we" are. It is known that early warnings from scientists are commonly neglected, and that knowledge migrates slowly from natural scientists to social scientists, sometimes to economists, and then to politicians and the broader public.

This process is often delayed by those denying science. Regarding climate change, we see "trend, attribution and impact denial", that warming is not taking place, has nothing to do with humans, or is not negative. More problematic is "implicatory denial", which is based on resistance to mitigation. This is manifested in denial of scientific facts, such as high-altitude effects of emissions from aeroplanes, but also in denial of facts that show that measures are not particularly costly, such as in chemicals policy, and that policy co-benefits exist, such as in air policy.

The science-denying president Trump is just the tip of the iceberg. Climate denial exists also in Europe, from outright flat earth-type of arguments, to policy opposition. This stretches further than climate change, with endocrine disrupting chemicals as a clear example today.

2. Turning to policy, once there is a recognised body of knowledge, and a commitment to reach an environmental goal – that is, once the two components exist for going from "is to ought", as the 18<sup>th</sup> century Edinburgh philosopher David Hume would have required – the challenge is to translate rhetoric and objectives into strategies and measures. And that is not easy – not even when problem drivers are known and mitigating measures are both feasible and profitable. Two different types of explanations can be seen behind this dilemma:

i) The first focuses on weak policies. With more stringent laws, higher taxes, increased budgets, new indicators, increased consumer pressure, and improved corporate measures, things will improve, not least by help of new technologies. This is sometimes called "ecological modernisation" – the democratic, constructive route to a green economy.

ii) However, a second explanation goes deeper and says that such amendments of business as usual will never lead to transformation. If we change prices but not social values, if we develop laws but keep institutions, if we label and substitute but consume as before, if we focus on efficiency and not on sufficiency, if we push for green growth instead of sustainable development, if we commodify nature, and if we accept present power relations and continued gender inequality – then we might fool ourselves to the extent that problems may even worsen. Therefore, a broader governance approach is needed, with implementation of also other principles than PPP, such as the precautionary principle and public participation, implemented under a paradigm changing from growth to sustainable models, in parallel with a reform of institutions and decision-making criteria.

Sometimes, these two approaches are seen as incompatible, but I think we need to do both. If we, for example change, change prices but not individual values, pricing will indeed be insufficient. If we on the other hand focus on values but keep present prices, much will go wrong before an enlightened mankind understands that change is needed.

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So how does this play out in the EU?

EU environmental policy emerged as part of trade harmonisation in the 1960s, when environmental and economic goals were commonly seen as incompatible. This view remained even in the 1980s, when the treaty opened for environmental laws and broader policies followed. Slowly though, sustainable development and environmental integration were included in the treaty in the in the 1990s and the subsequent SDS linked environment and economy. The environmental dimension was also fostered in practice by quite ambitious Member States and comparatively ambitious Commissioners, such as Santer and Bjerregard, as well as Prodi and Wallström. Still though, the SDS played a minor role compared to the Lisbon strategy, which placed competitiveness on top of the agenda.

However, about a decade ago, the climate crisis became more widely known, and the price associated with business-as-usual was high enough to alert most politicians. When I was in the HLG on CEE, the enterprise Commissioner even said that climate change mitigation was more important than competitiveness. Again though, this did not mean that

environment stood high on the agenda in the Barroso commission, on the contrary, but the insight that climate change is an economic issue migrated to other environmental issues.

This influenced the set-up of the Europe 2020 agenda during Barrosos second term. The agenda included a series of so-called “flagship initiatives, which mostly were business as usual growth-oriented, but one focused on resource efficiency. Commissioner Potocnik used this in for example the EREP, that I was a member of, which gave momentum for the “circular economy” concept to be recognised also in Brussels. In parallel, green economy became an international buss word, for example during the Rio+20 Conference.

Paradoxically, green ambitions among Member States decreased, and more EU-sceptic and environment denying voices were heard from the EP. Business confederations pushed even stronger for deregulation, which Barroso wasn’t late to welcome, with the Stoiber HLG as the most peculiar element. This group recognised that environmental policy had at most marginal effects on administrative costs, but that didn’t stop fierce attacks on policy.

About then, president Juncker took office. But instead of defending the planet in line with facts and rational reasoning, he downplayed, delayed and dismantled environmental policy even more, except for climate policy, which is high enough on the agenda for demanding policy delivery, not least after the incredibly important climate agreement in Paris in 2015.

Fortunately, Juncker has repeatedly failed in his most severe attacks on the environmental domain, but he is stealing valuable time from issues and from the future, by delaying and weakening policies. This is costly in terms of the environment, and also considering economic parameters, such as health costs, resource costs, and long-term competitiveness. And by not listening to what millions of EU citizens expect in terms of environmental improvements, Juncker, in my view, also contributes to less trust in the EU. After the tragic Brexit vote, we know too well what disastrous consequences that might lead to.

“Anachronistic”, would therefore be the term I would use for summarising Juncker’s presidency when it comes to environmental issues.

Let me finally draw some conclusions:

First, on the policy level, EU decision-making is reactive rather than preventive and leads to non-integrated laws. The polluter is seldom paying. Whereas knowledge and commitment clearly speak in favour for taking measures, progressive policy-makers still have to struggle with the view that environmental policy is expensive.

A few positive exceptions exist. There are some aspects of precaution in chemicals policy, there is a basis for pricing carbon in the emission trading scheme, and the environmental integration article in the treaty is occasionally applied.

Secondly, on the conceptual level, a broader understanding emerges. The ecosystem approach to management is held forward, the PPP and precaution are expressed in the treaty, participation is considered desirable, and the global perspective is underlined.

Moreover, several initiatives link economy and environment, from the German presidency on “Environment Innovation Employment” in 2007, to the Swedish on “Eco-efficient economy” in 2009, to the EREP. And we see tax reforms and green procurement.

This understanding works by disqualifying the arguments against new policies. We can see that:

- costs of no-action are underestimated and are higher than costs of action
- costs for environmental policy are commonly overestimated
- co-benefits are seldom considered
- competitiveness can be enhanced by careful environmental policies
- jobs can be created by green investments, etc.

We thus see that much of the call for deregulation, which contributed to the outcome in the Brexit vote, is invalid.

So, thirdly, would a potential breakthrough for these concepts lead to goal-achievement? Even though huge benefits would follow, I would say that more profound transformation is also needed. Sometimes this is recognised, when high-level politicians talk about going beyond GDP, or local decision-makers reject beef and flights.

The insight gains ground that changed attitudes and values are crucial, and a participatory democracy is often seen as desirable, in line with calls for new institutions. Risk minimisation is held forward instead of utility maximisation, and shifted burden of proof is called for. Global responsibility is applauded. Sufficiency is added to efficiency in the debate.

Evidently, this is far from a reality, but a new understanding is slowly emerging. While the world is dark now, there is ground for optimism and for that transformations will be spurred by insight rather than a radically worsened ecological crisis. And we have resources and technology at hand, as well as ideas on strategies for a green Europe.

For me, it boils down to the insight that the scarcest resource is solidarity. At the same time, all of us carry it – a source of energy that glows like bonfires or the sycamores of Edinburgh. Solidarity evidently doesn't tell us what to do with Brexit or Trump, but it guides us how to bear consequences and build sustainable relations.

And solidarity, after all, is what makes us humans, or in the words of 'Rabbie' Burns, "to see ourselves as others see us", so that "man to man the world over... should brothers – and sister – be".

Thank you!