Lecture 3

Sustainable Development (III): Our Common Future?



KEY QUESTION;

What are the challenges that might limit the progress towards sustainable development?

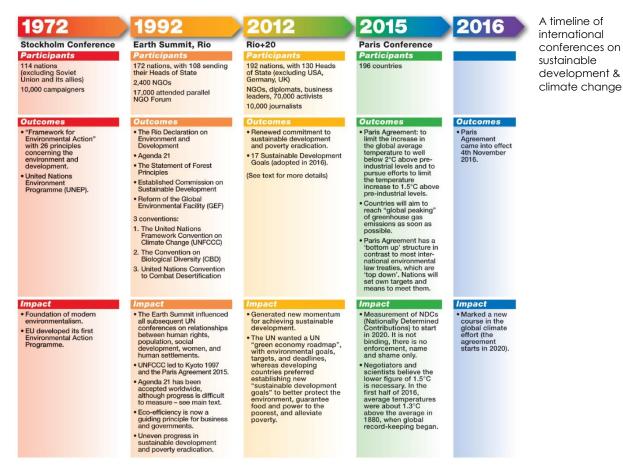
With the completion of this lecture, attached readings and tutorial, you should be able to understand:

- the economic and political challenges limiting the progress towards sustainable development

Lecture Outline

- 3.1 Introduction: What's "wrong" with the concept of sustainable development?
- 3.2 Political Challenges
 - 3.2.1 The Differing Perspectives of Developed and Developing Countries
 - 3.2.2 Local Political Context
- 3.3 Economic Challenges
 - 3.3.1 Who pays? Developed or Developing Countries
 - 3.3.2 Energy Transition

Box 1: The varied 'ways' to sustainable development



Following the Brundtland Report in 1987, the Rio conference in '92 promised to chart a path for the world to attain sustainable development. More than 30 years have since passed, yet we remain concerned, and indeed more than ever before. This is despite the multiple conferences meant to discuss strategies and nudge actions. What is stopping us from moving forward and faster?

3.1 Introduction: What's "wrong" with the concept of sustainable development?

- The idea of sustainable development is an attempt to overcome two fundamental conflicts that became increasingly apparent.
 - The first of these is the seeming **incompatibility** between maintaining a healthy environment and the economic growth needed for development;
 - The second is the continuing gap between the quality of life in developed countries and the developing countries.
- These conflicts play out clearly especially when we take the positions of developed countries
 and developing countries respectively. As **Section 3.3** shows, developing countries want better **development**, while developed countries want a better **environment**, preferably without
 harming their own development prospects too much (see **Section 3.2**).
- The Brundtland Report, Our Common Future (WCED, 1987), was important for securing wide
 public exposure for sustainable development and establishing it on the international political
 agenda. Both developing countries and developed countries could agree with what it said.
 But, it had two basic flaws.
 - First, it did not say how continued economic growth could in practice be balanced against
 the need to conserve resources and natural environments. This effectively put human needs
 before those of the environment.
 - Second, it was sufficiently ambiguous to enable each of the two main interest groups to interpret the meaning of sustainable development in a way that reflected their own agenda. So governments and campaigners in developed countries believed that sustainable development would mean better environmental protection. Their counterparts in developing countries, on the other hand, believed that it would bring them more development (that is, reducing poverty and attaining the status of modern societies)
- The disagreements and contradictions between developed and developing countries on what
 constitutes sustainable development, and the roles each should play, are perhaps best
 exemplified by considering their perspectives separately.

3.2 Political Challenges

3.2.1 The Conflicting Perspectives of Developed and Developing Countries

(a) Developed Countries

- More of leading developed countries have realised that after decades of economic activity that
 had driven their growth, environmental impacts could rebound on the whole of humanity, thus
 began to lead the drive for greater environmental protection.
- But it was the developing countries collectively have more control over much biodiversity and forested areas.
- In the attempts of developed countries to achieve their pursuit for continued economic growth
 and yet balanced with the need for environmental conservation, sustainable development was
 recommended to developing countries as a developmental path that would not replicate the
 environmental degradation that had been incurred in the developed countries.

- However, developed countries themselves did not demonstrate the willingness to rethink their
 existing consumption and production patterns, and the responsibility to reduce resource use
 and pollution that should be assigned to them.
- For example, in 1992, the U.S. president George Bush senior famously proclaimed that "the
 American way of life is non-negotiable." The United States in particular remained opposed to
 singling out rich countries' consumption and production patterns for criticism. On the other
 hand, developing countries such as India has long demanded a distinction between luxury and
 subsistence consumption.

(b) Developing Countries

- Developing countries on the other hand are faced with their challenges of rising populations and
 the need for rapid economic development, hence are looking towards the exploitation of their
 natural resources to arrive at their developmental goals. Political leaders in developing countries
 therefore had a different agenda from those of developed countries.
- Developed countries had become wealthy by despoiling their environments and those of developing countries too. So it was seen as hypocritical of the developed countries now to ask developing countries to protect their environments and control population growth at the expense of the chance of economic development.
- Despite attempting to replicate the success of developed countries, with a few notable exceptions such as South Korea and Taiwan, most developing countries failed to realise the development idea.
- They still suffered from poverty, famine and ill health and so were not interested to adopt the new
 environmental goal that had become popular in developed countries or the supposedly more
 realistic ideal of sustainable development.
- Sustainable development to some extent can be viewed by the developing countries as a strategy of the developed countries to curb their economic growths. Developing countries were unwilling to commit on actions which slowed down their economic progress or reduced their access to their own natural resources.

3.2.2 Local Political Context

While Section 3.2.1 presents the political tensions between developed and developing countries,
political challenges exist too at the more localised level as countries continue to progress towards
sustainable development. Though not exclusively so, political challenges are more apparent in
developing countries.

(a) Weak political commitment

As Lect 2 Section 2.5 outlines, the collection of regular and good quality data is necessary. There
is a relationship between high-quality data and good governance. The availability of funds to
statistical institutions reflects what governments choose to invest in. The data gap undermines

capacity to establish baselines, track performance and make evidence-based decisions at national and sub-national levels. Poor-quality data also reduces accountability as it masks inequalities within countries.

(b) Insufficient decentralisation of decision-making power

- In some African countries, local governments are assigned only with low levels of power to develop contextualised SDG monitoring systems.
 - When central government institutions do not grant sufficient autonomy to local government institutions, it makes it difficult for local governments to take independent decisions that respond to the needs of citizens, as they are controlled by central agencies.
 - For instance, in Angola, provincial governors are appointed by national government, and municipal administrators are appointed by provincial governors, subject to confirmation by the national government. This situation creates local government institutions closely aligned and reporting to central governments. Hence conflicts arise when central government demands are not aligned with the requests of local citizens.
 - Structures like this typically lead to a situation where SDG implementation may be localised, but implementation efforts may not respond appropriately to the needs of citizens in their locality, particularly vulnerable groups.

(c) Low quality of governance

- **Corruption** is not an unusual practice in developing countries, such as Congo, Niger, Nigeria and Angola in Africa. Once in the hands of government officials, how public revenues are deployed depends on the **priorities** and **integrity** of state power-holders.
 - o In a 2011 study, the authors examined the effect of oil revenues on corruption and state stability for a panel of 31 oil-exporting countries between 1992 and 2005. They found that an increase in oil revenues significantly **increases corruption**, especially in countries with a high share of state participation in oil production.
- **Political instability** can prevent, and even roll back, progress made in sustainable development. Civil wars and military coups in recent history has proven so. **Fig. 1** lists some news headlines reported on the 2nd anniversary of the military takeover in Myanmar.

Myanmar Coup: Two Years On

Social

- More than 2,500 killed, thousands detained in crackdown by military
- Political, economic instability forcing many to seek opportunities abroad
- 1.6 m people in country lost jobs in 2021
- UN says country's people have been under assault since military takeover
- More than 2,500 protesters believed to be killed since takeover
- Almost 40% of people in the country living below poverty line

Economic

- Western nations slap fresh sanctions to mark anniversary, targeting country's energy sector and aviation fuel supply
- Inflation rate rose to nearly 20% over the year to July
- Myanmar's official currency kyat has fallen 60% since the military takeover
- Volatility and uncertainty continue to weigh on economic growth prospects
- World Bank expects GDP to have grown 3% in 2022, far less than in 2020
- Foreign investor sentiment hit by political instability in Asian nation

Fig. 1

3.3 Economic Challenges

3.3.1 Who pays? Developed or Developing countries

- Leading politicians in developing countries believed that a necessary precondition for sustained
 future development was that developed countries should offer greater compensation for the
 exploitation suffered during the colonial era. Large amount of financing is required for public
 spending on, for example, basic needs such as healthcare and education.
 - This would require hard cash in the form of more official aid and the removal of trade barriers. The removal of trade barriers would allow them to supply manufactured goods to the markets of the developed countries, thereby reducing their dependence on exporting primary commodities of low and variable value.
- While developed countries are the ones with more financial resources, their pockets may not as
 deep as some believe.
 - Events such as the global financial crises in 2008 managed to throw most developed economies into a severe budgetary crisis. For example, in the context of climate negotiations, donor countries have pledged that they will provide \$100 billion in assistance to developing countries for mitigation and adaptation measures by the year 2020. However, this target was never met.
 - More recently, the COVID-19 pandemic and the Russian-Ukraine war had generated repercussions that brought severe financial stress on many developed countries, making them even less ready to help.

3.3.2 Energy Transition

- Climate change pose major difficulties to sustainable development. The cause of climate
 change is closely tied to energy use. Shifting away from our reliance on fossil fuels towards
 alternative energy sources is a necessary step to help reduce the impacts of climate change.
- But energy plays a critical role in the economic growth (and indeed for poverty eradication, as
 1.4 billion people worldwide are currently without access to energy). Developing countries such
 as India are therefore not yet ready to more decisively in the energy transition as doing so may
 slow down their progress towards economic growth.
- Developed countries too are increasingly facing an energy crises, more recently due to their
 position on the Russian-Ukraine war. While the event has accelerated the need for greener
 forms of energy, in the short to medium term, fossil fuels will be needed to fill the need for
 economic activities (as well as basic needs).

<u>Note:</u> There are more challenges to sustainable development that we will learn as we cover more of the syllabus. Be ready to connect them to this lecture when you encounter them.

Box 1: The varied 'ways' to sustainable development

Ghana	Mali	China
Job creation/ decent work Access to	Ensure nation- wide peace, security, and public services	Pursue innovative development and improve its quality and efficiency Coordinated development will form a balanced structure of development Promote a green and low-carbon development model and lifestyle Make great efforts to deepen opening up, for more cooperation Shared development to improve people's wellbeing China will seek coordinated development in the economic, political, cultural, social and ecological fields in order to build a moderately prosperous society in all respects as planned.
healthcare services Women empowerment and children's welfare Quality education Population dynamics Improved sanitation Equitable distribution of wealth Persons with	Respond to humanitarian urgencies Organise credible and transparent elections Increase governance through decentralisation Ensure a well-functioning judicial system and the fight against	
disability	corruption Strengthen public	
Effective action on climate change Low-carbon government Clean energy Healthy coasts and oceans Pristine lakes and rivers	finances Rebuild economy by strengthening the private sector and agriculture, and investing in infrastructure and youth employment	
Sustainably managed lands and forests	Ensure access to quality health services for all	
Healthy wildlife populations Clean drinking water	Support cultural projects, a key to "peaceful coexistence" Promote the role of woman in all	
Sustainable food Connecting Canadians with safe and healthy	of women in all the sectors Integrate environmentalism	

into all policies

and strategies

National and Local Examples of Sustainable Development

Ghana

Intends to reduce its GHG emissions by 15% by 2030. It intends to achieve this by increasing its renewable energy by 10%, improving domestic lighting and cooking technologies, and developing sustainable mass transport systems.

Ghana is part of the Green Cooling Africa Initiative, which aims to use energy efficient methods of refrigeration, as well as adding value to agricultural and forestry products. To address the production and consumption patterns, imports of vehicles over 10 years old are now banned.

China

Aims to combine the 2030 Agenda for Sustainable Development with domestic mid- and long-term development. There are 11 large-scale carbon capture and storage projects and >20,000 companies and organisations now have to report on GHG emissions. Women employed in an agricultural education programme planted new wheat varieties and irrigation management, raising productivity. By 2020, China aims to eradicate rural poverty (55.5 million people).

Mali

A landlocked country, and one of the poorest in the world. Simple measures have a great impact. A new road in a suburb of Bamako resulted in reduced travel times and costs, more school enrolment for girls as they can reach water points more easily, more jobs, and an improved environment by introducing storm drainage systems.

Japan

communities

Japan is aiming to reduce its GHG emissions by 20-26% below 2013 levels. If nuclear reactors, closed after Fukushima, are re-opened, the figure could rise to 30%. Japan has pledged up to US\$1.5 billion for the Green Climate Fund (GCF), enabling poor countries to adapt to impacts of climate change and to reduce carbon pollution.

Canada & USA

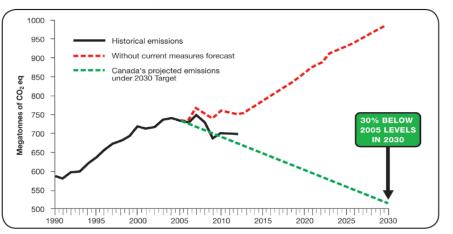


Figure 4 Projected decrease in GHG emissions by Canada

Canada and USA have agreed to cut methane gas leaks, which will improve production processes, atmospheric quality, and public health. Coal-fired electricity generation will be phased out as innovations in clean technology are developed, such as carbon capture and storage projects in Saskatchewan and in the oil sands. Canada's target for reducing GHG emissions by 2030 is shown in Figure 4.