

Conflicts and Dilemmas

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The old East/West confrontation has shifted to one between North and South and environment and development have become fixtures on this new agenda. Some of the most acrimonious debates during the UNCED process focused on the North/South debate and the marked divisions of wealth and poverty between the two.

It came to be called the Earth Summit. But its official title was the United Nations Conference on the Environment and Development – a form of words which gave it a much wider brief than vanishing rain forests or greenhouse gases. This was meant to stress the close connection between the two themes – how they come together in the concept of sustainable development which states that growth should take place without impoverishing future generations.

But by adding development to the agenda, the conference organisers opened the floodgates and risked drowning the event in words and argument. Many of the issues that came pouring through were legitimate: the role that poverty plays in degrading the environment, population control, the need to transfer efficient new technologies to the Third World. But a lot of them were more remote: the need for freer trade, vast increases in aid to poor countries, and more rights for women.

Above all, the stress on development highlighted the gap between the rich countries of the north and the poor of the south. It showed the sharp contrast in their priorities, with the rich countries concerned about cleaning up the world, and the poor hankering after the basic necessities of life. As Pakistan's environment minister, Mr Anwar Saifullah, put it, "Eighty per cent of our water is untreated. That's our biggest problem. When I have to worry about such basic provisions of life, it's a luxury to talk about the environment."

It also pitted rich against poor on matters of conservation: should the rain forests be preserved as a global good, or chopped down to serve pressing local economic needs? And inevitably it raised the age-old question of aid, dressed up this time in a newly fashionable green garb. All this proved deeply divisive in Rio, though whether it added a

useful extra dimension to the debate or merely sidetracked the conference from the real environmental issues must be a matter of opinion.

The growing focus of UNCED on Third World issues became evident well ahead of the summit itself. More than a year earlier, the conference organisers headed by Maurice Strong in Geneva identified the Third World's backwardness as the greatest threat to the environment. Explosive population growth, the huge imbalances in consumption between North and South, and the growing demands that the Third World will place on "environmental space" as they develop in the years ahead – all these emerged as the major issues. Mr Strong's team prepared estimates of the amount of money needed to get the Third World into a sustainable development mode – more than \$700 billion a year. This delighted the Third World, in particular the Group of 77 developing countries. But it alarmed the industrialised nations who had accepted the need for more aid in principle, but could see frighteningly large demands building up.

In the months before Rio, the G77 met in Peking and issued a call for a massive "Green Fund" to be financed by the industrialised countries – but dispensed by Third World countries. The rich North quickly moved to try and stifle this idea. At a meeting hosted by Malaysia, one of the most vociferous of the G77 members, Mr David MacLean the G7UK environment minister, said: "To persuade our taxpayers to accept new and additional burdens, we have to be able to point to new commitments and additional global benefits."

The G77 soon dropped the Green Fund idea, but still headed for Rio planning to make ambitious aid demands. Since the rich countries were equally prepared to resist, the conference gathered in a confrontational mood.

It was clear from the start that the centre of negotiation would be the size of the aid commitment that the North was prepared to make. Allied to this was how tightly new money would be linked specifically to environmental work, and how it would be dispensed. Of the \$700 billion identified by Mr Strong, over \$500 billion was to come from the developing countries themselves.



This left \$175 billion to come in the form of aid. Since the rich countries were already giving \$55 billion a year, the remaining target was \$120 billion. But as the two week event progressed, it became obvious that a mere fraction of this sum would be offered. One by one, the leaders of the industrial countries came forward to make their pledges, George Bush, John Major, Francois Mitterand, Helmut Kohl. The final tally, according to Mr Strong, was \$6.7 billion a year. The major single donor was Japan with \$7.5 billion spread over five years. All this money is to be channelled through the Global Environment Facility (GEF), the fund administered jointly by the UN and the World Bank for projects of global, as opposed to merely national, environmental importance. The G77 was hostile to the GEF which it saw as a rich nations club. But the donor countries agreed to "democratise" it by giving recipient countries a say in how its money is spent.

The industrial countries were also reluctant to firm up their commitments to the UN target of raising aid to the equivalent of 0.7 per cent of GNP. Only France felt able to do it. Thus, in terms of aid, UNCED must be judged to have failed in its aim of generating major new flows of funds. On the other hand, it reinforced the concept of environmental aid as more rich countries

earmarked money specifically for this purpose for the first time.

The bitterness of the wrangling over aid spilled over into other areas of tension between North and South and undoubtedly made them harder to resolve. The most conspicuous was the emotive subject of rain forests.

The UNCED organisers had originally hoped to pull together an international treaty on the conservation of rain forests, reflecting the high level of concern about deforestation in the industrial countries. But this proved impossible. The industrial countries argued that although forests belonged to individual countries, they served the global good by absorbing carbon from the atmosphere, and by preserving plant and animal species. But the Third World countries resented being told by rich countries how to manage their natural resources, particularly ones which played such a major part in their economies. Dr Lim Kent Yaik, Malaysia's minister of primary industries, said: "We feel offended that the whole discussion on the environment in the last few years has been a finger-pointing exercise centred on countries who are commercially exploiting their forest."

With a treaty clearly out of the question, the Summit compromised instead on a Declaration of Principles on Forests, which

has no legal force. This was a carefully crafted document which recognised every country's right to manage its own resources, but asserted that forests are "essential to the ecology as a whole". It also requires all signatories to strive for the "greening of the world", placing a responsibility for afforestation on rich as well as poor countries.

The strongest point won by the Third World was the inclusion of a "ban on bans", a reference to the boycotts of tropical hardwoods which have occurred in Europe and the US. But the Third World had to accept a commitment to a stronger agreement on forests some time in the future.

Just as forests had raised the question of how far global interest could limit a country's right to exploit its resources, the Summit's proposed treaty on bio-diversity exposed sensitivities about national rights. This treaty was designed to protect the diversity of the planet's plant and animal life. But the real issue was not so much conservation as commercialisation. Who had the right to exploit these riches, could they be patented, how should the owning nation be recompensed? These were pressing questions for Third World countries since they possess the greatest natural endowments. Mr Marcos Azambuja, the Brazilian ambassador to the conference said: "Suppose someone develops a medicine from a rare plant in the Amazon. Who should have the rights to that?" The Third World essentially got its way with this treaty – so much so that George Bush refused to sign it because he maintained that it would undermine the patent rights acquired at great cost by US companies.

The second and only other treaty agreed in Rio – on climate change – produced less North/South tension. Here, the industrial countries committed themselves to devising ways of reducing their emissions of gases which are harmful to the atmosphere. They also pledged financial aid to the Third World to help them clean up their air – though as has already been mentioned, this was far from generous.

International trade issues cropped up in many of the debates about specific Rio documents. Three in particular worried Third World delegates. One was



protectionism. As the industrialised countries raise their environmental standards through regulation, the likelihood grows that goods produced in poor countries will fail to meet them, and will be excluded. Although no decisions were taken about this in Rio, it was recognised as a problem to be solved by GATT.

Another was the enforced migration – again through regulation – of “dirty” industries from rich to poorer countries. This was denounced as unacceptable. In fact a number of countries, including the US, announced plans to require their industries to comply with US environmental regulations when they set up plants abroad.

A third was the transfer of environmentally friendly technology. There was no doubting the need for this: much of the world’s atmospheric problem

could be solved if China installed new industrial boilers, for example. And many industrial countries are keen to sell know-how and hardware, notably Japan which sees the environment as a major selling opportunity. But again, the problem was money. The GEF funds will help, but almost certainly not enough.

What all this adds up to is a clear recognition at Rio that economic backwardness damages the environment, that the resources to overcome it must come, at least in part, from the developed world, and that until progress is made, environmentalism will be a low priority in the majority of the world’s countries. Much of this was summed up in the Rio Declaration, the over-arching document expressing the spirit of the Rio gathering. Among the 27 principles it endorses is Principle Six which says “The

special situation and needs of developing countries, particularly the least developed and those most environmentally vulnerable, shall be given special priority. International actions in the field of environment and development should also address the interest and needs of all countries.”

This statement, along with the South’s success in resisting a forestry treaty, mark some success by the Third World in establishing its priorities. On the other hand, the industrial countries showed, in their reluctance to make substantial financial commitments, that they have a separate set of priorities in which environmental aid plays only a small part. In the end, therefore, the Third World probably came out of Rio badly, but the final judgment may not be feasible for several years as the results of this unique event trickle slowly through.