



**The Foundation for the Economics of Sustainability**

"Designing systems for a changing world"

29th Feb 2012

## **FEASTA Submission on the Draft for Public Consultation of A Framework for Sustainable Development for Ireland.**

We welcome the opportunity to input into this Framework. Our recommendations are as follows:

1. Increase the extent and depth of the Framework.
2. Incorporate a review of the last 10 or 15 years into the Framework.
3. (Re-)Establish a National Sustainable Development Council.
4. Recognise the roots of the economic crisis in the growth-dependence of the monetary system and constrained energy resources.
5. Implement a Job Guarantee to achieve full employment and move towards sustainability.
6. Adopt a programme of Environmental Tax Reform.
7. Strengthen local economies, by means including local currencies.
8. Prepare for major disruptions due to peak oil.
9. Continue and develop engagement aimed at assisting international agreement on Climate Change.
10. Bring forward a Climate Change Bill.
11. Expand building retrofit.
12. Develop better statistics and analysis for sustainable development.
13. Integrate Sustainable Development into research policy.
14. Develop and implement Waste Policy based on Sustainability.
15. Educate for systemic change not just individual responsibility.
16. Develop agricultural policies to mitigate climate change impacts.
17. Accelerate the implementation of the Smarter Travel policy.
18. Link health with transport, spatial planning and agricultural policies.
19. Expand on education/training.
20. Support transparency for extractive industries and multinationals.
21. Specifically give County/City Development Boards a Sustainable Development remit.

### **1. Increase the extent and depth of the Framework.**

This document follows on from the original *Sustainable Development; A Strategy for Ireland* published in 1997 and *Making Ireland's Development Sustainable; Review, Assessment and Future Action*, published in 2002.

Overall, we welcome the ongoing development of official and governmental thinking about sustainability. However, whereas one would expect developing thinking to lead to a more comprehensive policy statement, the document itself is less detailed than the 1997 "Strategy", instead being about the length of the 2002 "Review Assessment and Future Action". Whereas the 1997 Strategy contained 121,000 words, this draft contains only 47,000. The reason for the draft Framework being so much shorter is that it is much less detailed than the previous Strategy.



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We urge increased reliance in this Framework on theoretical and analytical approaches to sustainability such as the Natural Step, Ecological Footprinting, Materials Flow Analysis, etc.

## **2. Incorporate a review of the last 10 or 15 years into the Framework.**

On the first page of the Framework, we read the following:

“Despite the challenges, much progress has been achieved in embedding the principles of sustainable development across all policy areas in the years since the publication in 1997 of *Sustainable Development: a Strategy for Ireland*, progress which was facilitated and assisted by a prolonged period of economic growth which commenced in the 1990s and continued up to 2007.”

We contest the accuracy of this statement. While the principles of sustainable development are now more commonly recognised in Ireland, the claim that much progress has been achieved is belied by the statistics which demonstrate that Ireland is less sustainable now than it was in 1997. However, this is not something which can be resolved easily. The logical way to address the essential question of what progress if any has been made over the last 15 years is to do a full review of achievements and developments over that period. Such a review would be very valuable in identifying where progress has and hasn't been made and reasons for the same; it should be part of this document.

We ourselves, given time and resource constraints, have not had an opportunity to carry out such a review. However, we have noted some significant instances where a lack of progress or a reversal of progress should correctly be noted in the current document. Two instances are tropical timber imports and the National Sustainable Development Council.

The issue of tropical timber imports is addressed in the 1997 Strategy but is not referred to at all in the current document. This is an issue which has not been solved and has been the subject of significant media attention in recent years.

## **3. (Re-)Establish a National Sustainable Development Council.**

In 1997, the Strategy heralded the establishment of Comhar:

“The Government will establish a **National Sustainable Development Council**, independently chaired and with wide representation from Social Partners and environmental NGOs to facilitate participation in the achievement of sustainable development and promote consultation and dialogue.”

The current draft says:



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“Under new arrangements, from 2012, the sustainable development role previously performed by Comhar Sustainable Development Council will be integrated into the work of the National Economic and Social Council (and on which the Environment Pillar is now represented) as it develops its analysis of significant national challenges.”

The NESC was established in 1973 and was available to the Government in 1997 to carry out this function. However, the Government decided, correctly in our view, that it was necessary to establish Comhar as an independent Council.

The establishment of Comhar was a major step forward in sustainability policy in Ireland. Furthermore, Comhar developed over the years and in recent years housed researchers with a sophisticated understanding of sustainability, sustainable development and the policies and measures needed for the transition to sustainability. As far as we can tell all of this is being lost with the abolition of Comhar.

An examination of the NESC's report referenced on p.4 of the draft, which essentially fails to grasp or even grapple with any of the analysis available from the work of ecological economists or modern monetary theorists, demonstrates the distance which NESC has to go to integrate sustainable development analysis into its work. Unless the NESC is recast as the National Sustainable Development Council and its remit amended accordingly, little credence can be given to claims that Comhar's role is being integrated into NESC's work.

### **4. Recognise the roots of the economic crisis in the growth-dependence of the monetary system and constrained energy resources.**

We very much welcome the fact that in sections 1.2 and 2.1 the financial/property/currency/fiscal crises are analyzed as part of the sustainable development challenge. However, the analysis presented fails to rely on the work done by ecological economists over recent years and, unsurprisingly, fails to identify the fact that the current crises have to do with the fact that a growth-dependent money system is meeting limits to growth. We refer you to *The Growth Illusion* (Douthwaite, 1992) *Prosperity Without Growth* (Jackson, 2009) and *Managing Without Growth* (Victor, 2008) In particular we draw your attention to the analysis of the money system in *The Ecology of Money* (Douthwaite, 2000) and to Lawn's (2010) exposition of “the fundamental macroeconomic principles and policies required to facilitate the transition to a steady-state economy.”

### **5. Implement a Jobs Programme/Guarantee to achieve full employment and move towards sustainability.**

Seen through a sustainable development lens, unemployment is a double crisis; it is a failure to provide for the needs of the current generation as well as a wasting the valuable renewable resource of human labour. We recommend that the Framework include a commitment to progress Smart Taxes' proposal for a Jobs Programme (Smart Taxes, 2011) based on the job guarantee scheme developed by modern monetary theorist Michael Forstater (2001).



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## **6. Adopt a programme of Environmental Tax Reform.**

We are encouraged by the commitments in Measures 2 (Develop a framework for environmental tax reform) and 4 (Shifting the fiscal focus towards the Green Economy). Feasta's recent work in this area has been through the Smart Taxes Network which the Department of the Environment has kindly funded. We have in particular focussed on site value taxation and urge the inclusion of this important environmental tax reform as part of the Framework.

In 2010, Smart Taxes and Feasta were co-organisers with Comhar, UCD and EEA of a workshop in Dublin on Environmental Tax Reform. Two documents from that workshop – an EEA paper entitled *Further Environmental Tax Reform – Illustrative Potential in Ireland* (Anderson *et al.*, 2010) and *Environmental Tax Reform (ETR) and its contribution to dealing with the Irish Budgetary Crisis* (Convery, 2010) lay out an initial work programme for environmental tax reform in Ireland. In particular, we ask you to note the significant potential of a site value tax estimated by the EEA.

## **7. Strengthen local economies, by means including local currencies.**

More attention needs to be given to the development of active and resilient local economies, characterised by high velocity local trading and the relocalisation of supply. In particular the idea that this is a 'zero sum game' should be refuted. The role of local currencies in both accelerating relocalisation and in documenting the nature of underlying local economic circuits should be actively explored. In this way as centralised supply chains become less economic due to energy costs, localities will be more prepared - more resilient and ultimately less dependent on national government support.

## **8. Prepare for major disruptions due to peak oil.**

One of the key challenges identified in the draft report is peak oil. However, the extent of the risks which the peaking of oil supply pose to our economic and social systems is not recognised in the report. We refer you to work by David Korowicz (2010, 2011) of FEASTA and urge you to include within the Framework planning for the possible short-term economic and social disruption which could occur as a result of the impact of peak oil on our unresilient systems.

## **9. Continue and develop engagement aimed at assisting international agreement on Climate Change.**

We welcome Ireland's recent engagement with UNEP to commission work from WRI on proposals for moving the climate negotiations forward and we urge you to continue this kind of engagement in favour of fair and adequate global responses to climate change.



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#### **10. Bring forward a Climate Change Bill.**

We note that measure 22 under the heading Climate Change is “Publish appropriate legislative instruments”. We can only read this as a retreat from previous commitments to bring forward a Climate Change Bill. It is very clear to us that the multi-generational and multi-sectoral nature of the climate change challenge requires long-term policy commitments and obligations on Ministers, Departments and other emanations of the State. Those obligations can only be effective if enshrined in primary legislation. The well-made comments on p.78 of the draft about long lead in times and lock-in to solutions which are costly in the long term further support the case that there should be a legal obligation to consider the long term and in particular climate impacts.

#### **11. Expand building retrofit.**

The programme of work on building retrofit needs to continue to be stepped up and the Framework should commit to this.

#### **12. Develop better statistics and analysis for sustainable development.**

The references in the document on materials flow analysis and ecological footprinting are very welcome.

We very much welcome the fact that the first measure presented is the integration of environmental and social indicators into measures of economic progress. We also welcome measure 14 “Development of Indicators and Accounting Systems (satellite accounts) for natural capital”.

The Framework should include specific commitments in relation to progressing these areas. FEASTA is eager to engage in discussion on this area of work.

#### **13. Integrate Sustainable Development into research policy.**

We note that section 2.10 of the draft on “Innovation, Research and Development” makes no significant commitments in relation to integrating sustainable development into public policy on research and suggest that this area needs a lot more attention.

#### **14. Develop and implement Waste Policy based on Sustainability.**



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The International Review of Waste Management Policy published by the DoEHLG in 2009 is an excellent example of the use of sustainability criteria as the starting point for policy development. We urge that the provisions of that review be implemented.

### **15. Educate for systemic change not just individual responsibility.**

We welcome the commitment to a “communication and research plan” in measure 26 but we point out that the need for awareness and education relates as much to systemic as well as individual change; there is little point in telling members of the public of their obligations to change their ways and consider climate when State agencies do not do so. Indeed such bodies can and do point to statutory duties, terms of reference, mission statements etc. which make no reference to the climate or other aspects of sustainable development, which demonstrates the need for the Climate Change Act referred to above.

### **16. Develop agricultural policies to mitigate climate change impacts.**

Feasta has done significant work in the area of Carbon Cycles and Sinks (Byrne and Douthwaite, 2011). Our conclusions from this work include the following, many of which are points of agreement with Department of Agriculture and other Departments:

Food security is a key issue for climate change. The key food security issue is the impact of climate change on production, especially by poor farmers in Least Developed Countries. Livestock are of considerable importance to the food security of poor farmers in grassland areas in many LDCs. This is different to livestock production in Ireland, 90% of which is for export.

Ireland is an emissions-efficient producer of beef, sheep, and dairy. There is a risk of carbon leakage in the agriculture sector. Due to Ireland's efficiency, this could lead to increased emissions if demand was maintained.

There is significant potential for increased sequestration in Ireland's grasslands, including through different grazing regimes.

We welcome the work Ireland has done in putting food security on the climate negotiations agenda and in helping to move forward the inclusion of more forms of carbon sequestration in the UNFCCC process.

In the light of the above, it's important to correct the statement in the draft that

“In relation to emission levels, the recently published European Commission Joint Research Centre *Evaluation of the livestock sector's contribution to EU greenhouse gas emissions* clearly shows that based on a life cycle analysis approach, Ireland is among the most emission efficient producers of food in the world.”



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We are among the most emission efficient producers of *beef, sheep, and dairy products* in the world. However, beef and dairy products, however, are among the least emission efficient forms of *food* in the world (whether measured in g CO<sub>2</sub>e per kg or per calorie.)

**17. Accelerate the implementation of the Smarter Travel policy.**

It seems that some aspects of the Smarter Travel policy process have been slowing down. We suggest that the Framework commit to accelerating the less capital-intensive elements of the policy.

**18. Link health with transport, spatial planning and agricultural policies.**

We strongly welcome the inclusion of a specific section on health, which had been missing from the 1997 and 2002 documents. The section could be strengthened with the inclusion of links with transport and spatial planning policies, as evidenced by the reports from the Institute of Public Health in Ireland referenced below.

In addition, there is a clear requirement for policy integration between agricultural and health policies so that agricultural policy is supportive of and promotes healthier diets.

**19. Expand on education/training.**

The discussion on education in the draft Framework indicates that progress is being made. We would welcome the inclusion of more details in the document.

**20. Support transparency for extractive industries and multinationals.**

We are very concerned at recent media reports that Ireland is opposing proposed amendments to the Transparency Directive aimed at improving the transparency of extractive industries which could have particularly beneficial consequences in developing countries. We urge the inclusion in the Framework of specific commitments recognising the importance of corporate accountability and transparency as part of equitable relationships between the people of developed and developing parts of the globe.

**21. Specifically give County/City Development Boards a Sustainable Development remit.**

Although *Towards Sustainable Local Communities: Guidelines on Local Agenda 21* explicitly designated County/City Development Boards as the “institutional framework for Agenda 21 at county/city level”, the CDBs themselves appear not to recognise this. For this responsibility to be actively taken up, the CDBs will need to be reminded.



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