

Statement

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"SUSTAINABLE DEVELOPMENT: MOVING TOWARDS
CONCRETE STEPS FOR INTERNATIONAL ACTION"

A SPEECH BY THE RIGHT HONOURABLE JOE CLARK,
SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

TO

"ENVIRONMENT AND THE ECONOMY:
PARTNERS FOR THE FUTURE

- A CONFERENCE ON SUSTAINABLE DEVELOPMENT"

WINNIPEG, MANITOBA

May 17, 1989.

Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

SYNOPSIS

- A fundamental problem of contemporary society is how to reconcile our economic goals with the natural systems of our planet.
- Environmental change resulting from our economic activities means that economists can no longer assume a predictable environment. They must calculate the costs of modifying production processes now, as compared to the future costs of failing to modify them.
- Sustainable development is about how to make hard choices in situations of scarcity; it is not a way of having your environmental cake and still enjoying the same level of economic development.
- The economy-environment interactions implicit in sustainable development involve an ongoing balance of human harvesting of nature, strategic preservation, and anticipating and preventing disasters rather than reacting after the event.
- Canada is applying the principles of sustainable development to Canadian domestic and international policy.
- At home, the Government adopted a new water policy, preserved significant wilderness areas and created five new national parks, supported the National Roundtable on Environment and Economy, and established a new federal Environmental Protection Act.
- On the international level, Canada is committed to:
 - increasing the share of development assistance dedicated to environmental protection;
 - pressing multilateral development banks to devote more attention to environmental concerns;
 - discussing the environment at meetings such as the Francophone Summit next week.
- Canada has a special responsibility to put its good international and environmental credentials to work at this time of increased recognition that it is urgent to act together to protect the environment.

I am pleased that the Government of Manitoba and its Premier, Gary Filmon, have taken the initiative in bringing us together this week in Winnipeg. It is an action which is fully in line with the record it has established in the National Task Force on Environment and the Economy and in its own policies.

This conference addresses one of the most basic conundrums of modern life - how we reconcile our economic goals with the natural systems of our planet.

The organizers of this conference have obviously recognized some basic facts about the nature of the problem. Bringing together representatives from both the public and private sectors across Canada highlights the reality that the environment is not the exclusive responsibility of governments. Similarly the participation of delegates from outside Canada points to another basic fact - that these issues transcend national boundaries.

Not very long ago it was possible to think of the environment and the economy as separate and mutually exclusive.

Today, thanks to the work of the Brundtland Commission and the appearance of global "mega-problems", it is evident that the environment and the economy are inextricably and symbiotically linked.

Farmers in Africa cannot be productive when desertification takes away their land. No more so than farmers in Bangladesh whose lands are washed away by uncontrollable floods. Fishermen on our Atlantic coast cannot stay in business when the fish stocks they depend on are over-harvested.

Astronauts like Marc Garneau fixed in our minds the image of earth as a single wispy-edged planetary spaceship. From outerspace, some of the impacts of our economic development are distressingly visible - urban smog, Arctic haze, trails of marine pollution in our oceans. With new technology our ability to understand and digest information about the planet is expanding by leaps and bounds. The story it tells is, increasingly, very disturbing. The harvest of our economic systems, in terms of "greenhouse gases", deforestation, acidification of lakes streams and soils, species extinction, and destruction of the ozone layer, is not sustainable. With computers and scientific models, the consequences of current economic trends can be projected ahead and from this we learn that in another two generations:

- tropical forests could have disappeared;
- the world could be warmer by 4 - 6 degrees and accelerating;

- ultraviolet radiation will be a serious threat to animal health and plant yields;
- species depletion and extinction could have wiped out much of the earth's genetic resources;
- and arable land could be barely adequate to feed a human population half again as large as today's.

The acceleration of environmental change resulting from our economic activities now means that every investment project with a life longer than 15-20 years must take into account how the world may have changed. Economists can no longer assume a predictable climate, free access to pure air and water, or negligible pollution control costs. They must begin to calculate the costs of modifying production processes now, as compared to the future costs of failing to modify them.

Phenomena that were previously local and small-scale are increasingly global in their effects. Each chimney belching carbon dioxide adds to the greenhouse effect, so does each hectare of tropical forest burned down. A pandemic like that of AIDs can spread from continent to continent in weeks; so can newly bio-engineered crop strains.

What, then, does the environmental crisis mean for the way economies are managed, and for our international relations? What we are facing is an adjustment challenge extending to all the industrialized and newly-industrializing countries of the world, and affecting the development plans of Third World countries. To carry conviction internationally, we must show ourselves ready to bear the very considerable costs, and, if necessary, to do so before everybody is signed on. The world can adjust to changes of this magnitude, if it knows it must.

The Brundtland Commission on Environment and Development, in its 1987 report Our Common Future, stated this conclusion in no uncertain terms: "It is impossible to separate economic development issues from environmental issues; many forms of development erode the environmental resources upon which they must be based, and environmental degradation can undermine economic development." The Report concludes that the environment and the development challenges really are but one challenge, which can only be resolved by a common pursuit.

In other words, sustainable development is about how to make hard choices in situations of scarcity; it is not, as some might think, a way of having our environmental cake and still enjoying the same level of economic development.

There is still a great deal to be learned about the economy-environment interactions implicit in sustainable development, but some points are clear. For one thing, it involves an ongoing balance of human harvesting of nature, such as we have had for centuries in the Canadian trapping industry. For another, it involves strategic preservation - choosing unique sites such as the South Moresby Islands, and giving them appropriate protection. It involves anticipating and preventing disasters, rather than reacting after the event.

We are seeking to apply the principles of sustainable development to Canadian policy, at home and internationally.

We adopted last year a new water policy which provides a framework to manage the essential resource in an environmentally sound manner.

We recognize the value of preserving significant wilderness areas so have created five new national parks in the past four years - Ellesmere Island, Bruce Peninsula, Pacific Rim, South Moresby and Grasslands.

The National Roundtable on Environment and Economy, brings together leaders from the business, labour, academic and environmental communities to advise on how best to integrate environmental concerns into economic decision-making. It will present annual progress reports to the Council of First Ministers.

The new federal Environmental Protection Act has guaranteed individual Canadians a role in decision-making affecting our environment.

More than \$900 million a year of CIDA's program is allocated to projects designed to improve the management of renewable and nonrenewable resources in developing countries.

We will continue to press multilateral development banks to devote more attention to environmental concerns in the design and implementation of projects. Last year, we proposed that the World Bank should make more information available about the environmental impact of its activities; develop criteria for its lending where it affects such vital resources as rainforests; and promote innovative ways to finance conservation in the Third World.

Last June Toronto hosted a World Conference on the Changing Atmosphere. The work begun there is now being pursued through the Intergovernmental Panel on Climate Change under the auspices of the World Meteorological Organization and UNEP. A follow-up world conference on this issue will be held next year.

My colleague, Lucien Bouchard, has put forward a proposal to the UN for the creation of an International Law of the Air similar to the historic Law of the Sea Treaty. Three months ago Canada hosted an international gathering of legal experts to develop and codify international legal principles to protect the atmosphere.

The Montreal Ozone Conference has been followed this Spring in London by a Ministerial meeting to search for materials that could replace ozone damaging products now in use.

In March Prime Minister Mulroney attended an environmental summit in The Hague where an impressive number of world leaders signalled their intention to make global climate change a first order political problem. These issues will be on the agenda next week at the Francophone Summit in Dakar, the week after that in Paris at the OECD and, in July, at the Economic Summit.

At first glance, it might seem an almost impossible task to achieve the necessary coordinated international responses. There are few precedents for countries agreeing to specific limits on their economic activities for environmental reasons. There are problems in identifying the right international institutions to use, and equipping them with necessary powers. Scientific opinion on the need for action is far from unanimous and the degree of commitment within and among countries differs widely. There is the familiar political problem of a shared general concern not being matched by a willingness of particular regions and sectors to suffer.

These and other concerns affect attitudes in the Third World. These countries tend to regard the greenhouse effect as a problem created by industrialization in developed countries, for which compensation is due. They hold strongly to their sovereignty, and resist, for example, international action affecting control over their tropical forests. In some cases the governments have little control over the use of forests, soil, or water by rural populations or of settlement patterns by urban dwellers. In most cases they are preoccupied by the stresses of poverty, civil strife, and economic insecurity which make environmental concerns seem a distant diversion.

In normal circumstances these impediments would be enough to forestall meaningful action for a long time to come. But these are not normal circumstances, and there is some reason to believe that we can make significant progress internationally.

The next few months and years will be critical. That is for two reasons. One is the wide recognition that it is urgent to act together to protect the environment. The other is that this is an unusually co-operative time in international affairs. The UN enjoys renewed prestige. The superpowers have begun to work together. New trading arrangements have lifted horizons, in Europe, with our own Free Trade Agreement, and in the MTN.

Those circumstances create a special responsibility for Canada. We have good credentials internationally, and on the environment, and we are determined to put that combination to work.