

## Politics of sustainability



The country needs to recognize that there are no easy and sustainable technological fixes. Reducing energy consumption and the ecological footprint can be started by passing a climate act for cutting emissions annually by 5%. It is time to redefine the sustainable development agenda beyond narrowly interpreted State and business interests. The sustainability agenda can be used by social movements to pressure governments and companies successfully. It is time for an open discussion on the fundamental issues of well-being, equality and development, including forsaking the unending quest for material growth.

KEPA - Service Centre for Development Cooperation Finland  
Otto Bruun

In 2002 then Finnish Prime Minister Paavo Lipponen defined the Finnish approach to sustainability as follows: "Whereas the Brundtland report was focusing on needs of present and future generations, Finland is focusing on possibilities".<sup>1</sup> Social and environmental movements, however, argue that this "possibilities" approach has led to a narrow understanding of sustainability. While Finland wants to see itself as a global sustainability problem solver, the country's track record in this regard is far from convincing.

Finland is showing growing interest in understanding well-being in new ways and to supplement Gross Domestic Product (GDP) with other statistics in the national accounting system. Social movements and scholars have proposed the introduction of the Genuine Progress Indicator (GPI), and the Government has agreed that something of this sort is needed.<sup>2</sup> While GDP measures only economic growth, the GPI distinguishes good growth from undesirable growth. As the costs of negative issues are subtracted, resource depletion and the costs of criminality and pollution are counted as negative.<sup>3</sup> This indicator emphasizes equal possibilities for everyone to fulfill their needs and the money spent on education.

### Setbacks in sustainable development

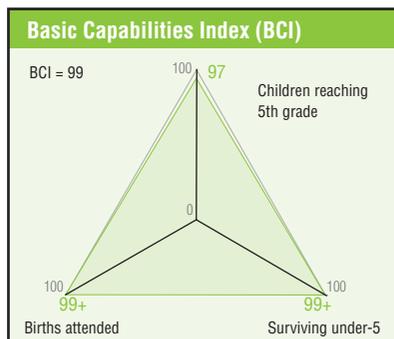
In the case of Finland, the GPI brings in an unpleasant surprise: aggregate GPI-measured well-being rose up to the late 1980s, but has decreased drastically since 1990 in spite of strong economic growth in the period 1995-2008.<sup>4</sup> The explanation for this is that economic growth was resource intensive and benefits were more unequally distributed than previously. The GPI therefore suggests that Finland has actually regressed during the period in which the sustainable development agenda was established.

1 Speech of PM Paavo Lipponen, chair of the Finnish Commission for Sustainable Development, (2002). The Report of the Brundtland Commission, *Our Common Future*, published in 1987 focuses on the change of politics needed to achieve sustainable development.

2 Government of Finland, *Programme 2010*, (Helsinki: 2010).

3 J. Talberth, C. Cobb and N. Slattery, "A Tool for Sustainable Development. Redefining Progress", in *The Genuine Progress Indicator 2006*, (Oakland, California: 2006).

4 V. Ylikahri (ed), *Onnellisuusastolous* (Helsinki: Visio, 2010).



Another useful sustainability indicator is the ecological footprint which highlights the human impacts on the global ecosystem. Based on a combination of CO<sub>2</sub> emissions and land use indicators, the footprint is compared to the planet's renewal capacity. Finland has been consistently among or near the top-10 countries with the highest footprint per person, and as of 2007, the most recent data available, ranks 12<sup>th</sup> out of 199 countries. If everyone on earth consumed like an average Finn, with a footprint area of 6 hectares per capita, we would need three planets to live on instead of one. Some environmental and social movements are therefore seeking to place the political target of planned de-growth or negative material growth in the global North at the core of the sustainable development agenda and the Rio+20 conference.

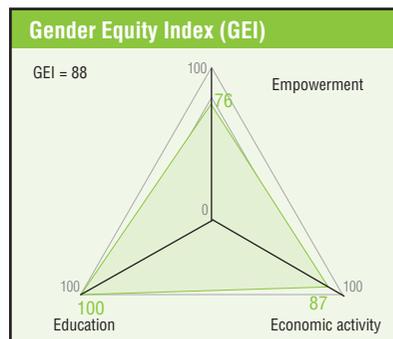
### Energy policies in the quest for sustainability

Energy policies are a key area of sustainable development. In Finland the energy use per capita is comparatively high. This is somewhat mitigated by a positive record in utilizing biomass waste from the pulp and paper industry for energy production. In 2010 renewable energies (mostly biomass) accounted for 25% of all primary energy consumption.<sup>5</sup>

Recently Finnish energy policy has refocused on nuclear energy. The country is considered a forerunner in a worldwide nuclear renaissance since the Parliament made core decisions for building two new nuclear power plants in 2010.<sup>6</sup> If built, these plants will lead to energy production exceeding many estimates of consumption needs. Finland will thus either export nuclear energy or further strengthen its posi-

5 Finnish energy statistics, <[www.motiva.fi/en](http://www.motiva.fi/en)>

6 See <[en.wikipedia.org/wiki/Nuclear\\_renaissance](http://en.wikipedia.org/wiki/Nuclear_renaissance)>.



tion as a European base for energy-intensive industry. It is important to stress that, although the nuclear accidents following the tsunami in Japan have now somewhat altered the tone of political parties, until then, safety concerns and social and environmental problems with uranium mining in countries of the global South have been largely ignored.

As part of the nuclear power decision the Government announced a renewable energy "package." However, close reading reveals that with this Finland is only able to fulfill the legally binding targets within the European Union. Environmentalists have criticized the country for trying to get Finnish peat accepted as a slowly renewable energy source, a position rejected by the European Union. From a climate perspective peat is even worse than burning coal and its renewal lasts for hundreds of years, while peat-land mining is environmentally problematic.

The Government argues that its energy policies are sustainable, with "renewable" peat and "low-carbon" nuclear. There is little emphasis on energy saving and efficiency in Finland's energy policies, which serve short term economic interests. Also, environmental researchers and activists argue that a decentralized renewable energy solution would reduce environmental impacts and risks, while also increasing local well-being if employment is considered.<sup>7</sup> A recent report commissioned by Friends of the Earth argues the country could realistically phase out coal and nuclear power without drastic effects, thus fulfilling its share of the global climate challenge.

7 P. Lund, *The link between political decision-making and energy options: Assessing future role of renewable energy and energy efficiency in Finland* (2007).

## Indigenous peoples' rights

A conflict over sustainability in relation to indigenous peoples' rights has surfaced in the form of an ongoing dispute in Northern Finland over land use and forests between the State and indigenous Sámi.<sup>8</sup> Finland has failed to ratify the ILO-169 convention which would guarantee land rights to the Sámi who claim a historical right to nomadic reindeer herding. From a global perspective, this is a regrettable shortcoming for the realization of indigenous peoples' rights.

Conflicts over Lapland or Sámi forests began in the 1990s as Finnish multinational pulp and paper companies such as Stora Enso bought wood from the State logging company, including from the few remaining intact natural forests. Sámi livelihoods were jeopardized because of threats to reindeer winter grazing, which relies on ground and tree lichen only present in old forests.<sup>9</sup>

After Sámi reindeer herders and Greenpeace International directed an international campaign against Stora Enso and its paper buyers, as the company was about to lose its reputation and its position as an investment target for several ethical investment funds, logging in the Sámi forests stopped and negotiations began. In 2009 and 2010, over 80% of the disputed areas were protected or exempted from logging. However, increasing disruptive tourism flows and mining concessions, supported by the State, are now threatening reindeer herding. Legal recognition of Sámi rights by Finland has not proceeded.

## Shifts in development policy

Finnish Official Development Assistance (ODA) has risen gradually in the past few years and in 2010 reached 0.55% of GDP (projected to be 0.58 in 2011). Most political parties have committed themselves to reaching the UN target of 0.7% of GDP by 2015.<sup>10</sup> However, the current practice of counting climate funding for developing countries as ODA undermines the integrity of ODA commitments and reduces trust in the multilateral climate negotiations.

Finnish development policy made a marked shift in 2007 by emphasizing sustainable development.<sup>11</sup> However, it also introduced guidelines such as: "Finland has know-how and technology that meets the needs of developing countries."<sup>12</sup> The Ministry for Employment and the Economy wants ODA to promote Finnish competitiveness and create employment and new markets for Finnish companies. This implies a renewed push in knowledge services and technology from Finnish companies with ODA funds.

This line of thinking has led to a significant shift in Finnish development cooperation towards water, forestry and energy related projects, where Finland

is thought to have a competitive advantage. But the question remains whether Finnish forest knowledge is useful to export to the tropics. The self-interested emphasis also raises questions about the ownership of the partner countries. Poverty reduction targets are being pushed to the background, and the shifts imply unpredictability in development cooperation, making it less sustainable.<sup>13</sup>

## Finnish companies in the Global South

In addition to ODA, the Government officially measures its global sustainability by the total amount of foreign direct investments by Finnish multinational corporations.<sup>14</sup> Currently there are several examples of key Finnish companies claiming to be world leaders in sustainability establishing large scale eucalyptus monocultures (Stora Enso, UPM) and palm oil plantations (Neste Oil) in the global South, contributing to displacement and large scale land grabbing.

Although it has received several awards for its business ethics and sustainability worldwide, Neste Oil, a Finnish oil company, was voted the most unsustainable company in the world at the 2011 Public Eye Awards. The company is majority State-owned and has the strategic target of becoming world leader in what it calls "green, second-generation sustainable bio-fuels".<sup>15</sup> It recently announced the opening of two of the world's biggest palm oil based bio-fuel refineries, with a total capacity of 2 million tons annually,<sup>16</sup> whose main sources of palm oil are from Malaysia and Indonesia.<sup>17</sup> The demand for palm oil is driving land conversion and deforestation in peat-land rain forest, arguably the world's most concentrated carbon stock. These forests are also socially important as home of forest peoples and important biodiversity hotspots.<sup>18</sup>

Neste Oil claims it will buy raw material solely from certified palm oil plantations by 2015. The total land area needed for plantations to supply its refineries is reported to be 700,000 hectares. Research has established that even the indirect effects of rising palm oil demand is driving tropical deforestation.<sup>19</sup> Although Neste Oil has argued that its raw material for palm oil can be traced, it has not disclosed the sources of its supplies, a worrying tendency in the corrupt-ridden context of Indonesia. Neste Oil's only named source of palm oil in Malaysia was convicted in 2010 for not respecting indigenous land rights and converting tropical forest.

This example shows that the drive to produce "low-carbon fuels" in the name of sustainable development is not only ecologically and socially problematic but can also undermine efforts to create sustainable ways of life in many parts of the developing world. Total greenhouse gas emissions for palm oil bio-fuel from Indonesia is probably higher than for fossil fuels.

## Conclusion

The concept of sustainable development harbours great potential for change, but narrowly understood it is at best unhelpful and at worst destructive. Talk of synergies and win-win opportunities is hiding on-going conflicts. The social, ecological and economic spheres cannot be meaningfully separated when talking about marginalized groups who depend on the environment for their livelihood. Moreover, in the Finnish debate the ecological dimension of sustainable development is normally not understood to include biodiversity or the livelihood-sustaining capacity of an ecosystem, and instead the focus is crudely on measurable carbon emissions.

The Brundtland report of 1987 emphasized respecting ecological limits and meeting human needs. These questions, contrary to the present sustainability debates, involve inherently political issues of burden sharing and justice. Who is allowed to produce emissions, use what natural resources, and on what terms? The sustainability agenda and its focus on synergies sometimes inhibit us from seeing these political questions.<sup>20</sup>

Finland needs to accept that there are no easy and sustainable technological fixes in sight: we cannot offset our climate emissions or our responsibilities elsewhere. It must start by fulfilling its global commitments to ODA without misleading figures. Reducing its ecological footprint can start by passing an act to cut emissions annually by 5% as demanded by social movements.

As the case of the Northern Finland forests shows, the sustainability agenda can be used by social movements to pressure governments and companies successfully. Currently Neste Oil and its palm oil plantations are at the centre of attention. By highlighting individual cases, social movements can work towards the goal of enforcing stricter rules on companies.

In the lead up to the Rio+20 conference, social movements all over the world are placing their hopes on the High-level Panel on Global Sustainability, co-chaired by the president of Finland, Tarja Halonen. The worldwide challenge is to create trust among the peoples and political will to build pathways to genuinely sustainable futures. From the Northern countries, including Finland, this calls for an open discussion on the fundamental issues of well-being, equality and development, including forsaking the unending quest for material growth. ■

8 See K. Mustonen and T. Mustonen, *Drowning Reindeer, Drowning Homes* (Helsinki: Snowchange, 2010).

9 See documentary movie *Last Yoik in Sami Forests*.

10 Ministry of Environment, *Facts on Environment Protection, November*, (2010).

11 Ministry for Foreign Affairs, *Finland's Development Policy Programme*, (2010).

12 Ibid., *Development Policy Forestry Guidelines*, (Helsinki: 2009).

13 Finnish Development Committee, *The State of Finland's Development Policy 2009*, (Helsinki: 2009).

14 Finnish Commission for Sustainability Web Page, *Criteria for sustainability*, <[www.environment.fi/download.asp?contentid=120039&lan=en](http://www.environment.fi/download.asp?contentid=120039&lan=en)>.

15 Neste Oil, *Neste Oil Annual Report 2009*.

16 Ibid., *Neste Oil celebrates the grand opening of its ISCC-certified renewable diesel plant in Singapore*, (Neste Oil Press, 8 March 2011).

17 Neste Oil, op cit.

18 United Nations Environmental Programme, *The Last Stand of the Orangutan*, (2010).

19 C. Bowyer, *Anticipated Indirect Land Use Change Associated with Expanded Use of Biofuels and Bioliqids in the EU*. Institute of European Environmental Policy, (2010), <[www.ieep.eu](http://www.ieep.eu)>.

20 J. Pasanen, and U. Marko, *Sustainable Futures*, Ministry for Foreign Affairs Publication series, <[www.sustainablefutures.fi](http://www.sustainablefutures.fi)>