

Great expectations, limited outcome



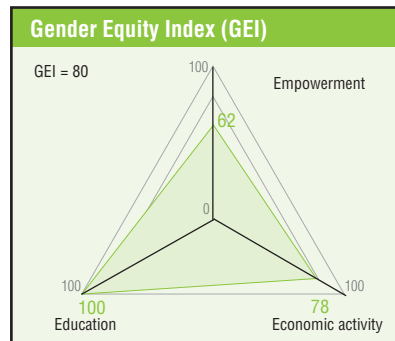
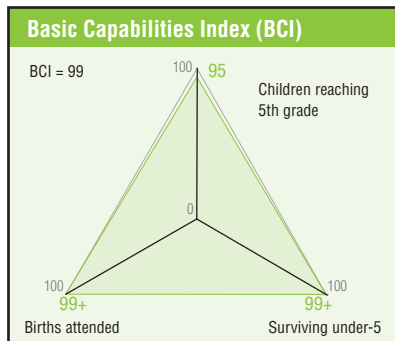
Sustainable development in general seems to be widely accepted in the country. A more detailed look however shows that there is still some resistance. Climate change is not properly addressed, and renewable energy sources are still reliant on subsidies from the Government and consumers. Moreover, these subsidies are being reduced, particularly for solar power, while the operating life of nuclear plants is being extended. In addition, the budget item for economic compensation to countries affected by climate change has been deleted from the 2011 draft budget. Meanwhile, the gap between rich and poor is growing and social policies are not fully implemented.

Social Watch Germany Uwe Kerkow

The concept of sustainability is now firmly embedded in German politics, science and research. The German Council for Sustainable Development's primary tasks,¹ for example, are to contribute to the advancement of the National Sustainability Strategy,² to propose projects and fields of action, and to position sustainable development as a key issue of public concern. Also, a National Sustainability Strategy, adopted in 2002, contains numerous references to the social dimensions and implications of sustainability, but it has not been updated since it was adopted.

In 2009, the German Council for Sustainable Development conducted a Peer Review which arrived at a somewhat ambivalent conclusion about the implementation of the sustainability concept: "At the level of ideas the concept of sustainable development has been widely accepted in general terms. But when broken down to specific issues and at sectoral levels there appears to be much more reluctance, resistance and mistrust."³ It adds: "The biggest single potential mismatch between objectives for 2050 and the state we are in now lies in the field of climate change."⁴

In the Coalition Agreement between the Christian Democratic Union (CDU), the Christian Social Union of Bavaria (CSU) and the Free Democratic Party (FDP) a section on "Climate protection, energy and the environment" notes that policy is shaped by the principle of sustainability. It includes a target to "limit global warming to a maximum of two degrees centigrade" and "continuously expand the role of renewable energy," while increasing "assistance to developing countries for combating climate change and coping with its consequences."⁵



Sustainability in practice: the energy sector

The status of Germany's sustainable development policy is most apparent in the field of energy policy. On one hand, German industry is a formidable player in the energy sector, notably in system design and construction; on the other, renewable energy sources are still reliant on subsidies from government and consumers.

The Parliament's decision in late October 2010 to extend the operating life of nuclear power plants marked a radical break with previous energy policy.⁶ In 2002, Parliament had voted to phase out the use of nuclear power over the long term, to limit the remaining operating life of existing plants to a maximum of 32 years, and to build no new plants. The 2010 decision extended the plants' operating life by an average of 12 years,⁷ and was implemented even though a solution for the final storage of nuclear waste is not in sight⁸ and the majority of Germans have consistently opposed nuclear power for decades.⁹

At the same time, subsidies for renewable energy sources are being reduced, particularly for solar power,¹⁰ despite firm evidence that their use reduces power generation costs.¹¹ The German Advisory

Council on the Environment has concluded that a 100% renewable electricity supply is possible by 2050.¹² In response to the Fukushima nuclear disaster in Japan in early 2011, the Government shut down seven nuclear reactors and announced that it intends to speed up the nuclear phase-out.¹³ But whether this will result in a genuine change of policy remains to be seen.

Sustainability in practice: the social dimension

A holistic sustainability strategy must also take into account the social dimension. The most significant social policy debate in Germany in 2010 followed a decision by the Federal Constitutional Court on 9 February 2010, which said that welfare benefits must be calculated "in a transparent and appropriate manner according to actual need, that is, in line with reality" and that "the assessment of benefits must be justifiable on the basis of reliable figures and plausible methods of calculation." The judgement forced policy-makers to review the welfare benefits system.¹⁴

1 See: <www.nachhaltigkeitsrat.de>.

2 Federal Government, *Perspectives for Germany: Our Strategy for Sustainable Development*, (2002), <www.nachhaltigkeitsrat.de/fileadmin/user_upload/English/pdf/Perspectives_for_Germany.pdf>.

3 German Council for Sustainable Development, *Peer Review on Sustainable Development Policies in Germany*, (Berlin: 2009), p.15, <www.nachhaltigkeitsrat.de/dokumente/studien/studien/peer-review-report-nov-2009>.

4 Ibid., p. 21.

5 *Growth, Education, Unity. The coalition agreement between the CDU, CSU and FDP for the 17th legislative period*, p. 17, <www.cdu.de/en/doc/091215-koalitionsvertrag-2009-2013-englisch.pdf>.

6 Federal Government, "Energy policy legislation," (Berlin: 2010), <www.bundesregierung.de/Content/DE/Artikel/2010/10/2010-10-01-energiekonzept-bt.html>.

7 Ibid, <www.bundesregierung.de/Content/DE/StatischeSeiten/Breg/Energiekonzept/energiekonzept-final.html>, p.18.

8 Ibid.

9 Zeit Online, *Schon wieder Ärger mit dem Volk*, (2011), <www.zeit.de/2010/30/Atomausstieg>.

10 Tagesschau.de, *Solarförderung wird weiter gekürzt*, (2011), <www.tagesschau.de/inland/solkuerzung100.html>.

11 Energie und Klima-News, *Erneuerbare verbilligen den Strom*, (2011), <www.heise.de/tp/blogs/2/149246>.

12 German Advisory Council on the Environment, *Wege zur 100 % erneuerbaren Stromversorgung Kurzfassung für Entscheidungsträger*, (2011), <www.umweltrat.de/SharedDocs/Downloads/DE/02_Sondergutachten/2011_Sondergutachten_100Prozent_Erneuerbare_KurzfassungEntscheid.pdf>.

13 Federal Government, *Energiewende beschleunigen*, (2011), <www.bundesregierung.de/nn_1021804/Content/DE/StatischeSeiten/Breg/Energiekonzept/07-energiewende-beschleunigen.html>.

14 Diakonie, *Sachgerechte Ermittlung des Existenzminimums*, p.1, <www.diakonie-portal.de/presse/zum-herunterladen/Kurzuebersicht%20Diakonie-Studie.pdf/at_download/file>.

A study by Diakonie, the Protestant Church welfare organization, calculates that a 10-30% increase in welfare benefits is needed in order to comply with the Court's ruling.¹⁵ Instead, a decision was taken in February 2011 to increase benefits by around 1.5%, with a further increase of less than 1% planned for 2012.¹⁶

At the same time, the gap between rich and poor has widened. A 2010 Organization for Economic Co-operation and Development (OECD) report¹⁷ states: "the distribution of gross wages widened significantly after 1995" and "the share of jobless households has increased [...] to 19%, the highest level across the OECD area." It adds that social transfers "are less targeted to lower income groups than in other countries."

Sustainability in practice: development policy

According to figures published by the OECD in early April 2011, German Official Development Assistance (ODA) increased slightly in 2010 – but not enough to bring it into line with the European Union's timetable to raise ODA to 0.56% of gross national income (GNI). In 2010, the country spent 0.38% of GNI on development assistance – and has therefore stalled at the 2008 level. What's more, in 2009 it actually decreased to 0.35%. In absolute terms, the country has fallen from second (2008) to fourth place in the international ranking of donor countries and is trailing behind the United States, France and the United Kingdom, while its ODA spending of just 0.38% of GNI ranks it 13th out of 23 Western donor countries.¹⁸

The Government is not expected to substantially increase development spending. In fact, according to its medium-term financial planning, ODA spending will be cut by more than half a billion euros by 2015.¹⁹

Moreover, a change of strategy will change the allocation of funds, with bilateral development cooperation taking precedence over multilateral cooperation. There are also plans to cut budget support and reduce the number of partner countries from 58 to 50. However, the centrepiece of this conservative-liberal policy restructuring is the forging of closer links with the private sector. To that end, the Federal Ministry for Economic Cooperation and Development's (BMZ) budget for "development partnerships with the private sector" has already been increased by 25% in 2010 to the present figure of 60 million euros.²⁰

There are shortfalls in Germany's climate change financing as well. According to non governmental organizations *Terre des hommes* and *Welthungerhilfe*, Germany should provide around 7.6 billion euros to the costs of climate change mitigation and adaptation in the global South.²¹ This would represent a more than threefold increase in official spending on global climate protection. In advance of the Climate Conference in Copenhagen, the Government pledged to contribute EUR 420 million a year to the EU's fast-start climate funding for developing countries of 2.4 billion euros a year for 2010-2012. Under the Copenhagen Accord, this should constitute "new and additional" funding. Germany has failed to honour this however, ear-

marking just 70 million euros in the 2010 budget. Moreover, this item has been deleted from the 2011 draft budget entirely.²²

The unwillingness to make a substantive contribution to climate protection is epitomized by the Government's refusal to contribute to Ecuador's 2010 Yasuni Initiative²³ to "leave the oil in the soil" – that is, to refrain from tapping the oil reserves in the Yasuni National Park in the Amazon basin. In exchange, Ecuador is seeking compensation from the international community amounting to some USD 1.5 billion, equivalent to around 50% of the revenues forfeited as a result of the decision not to drill.²⁴

Outlook

In response to the global economic and financial crisis and in advance of the Rio+20 Conference in 2012, Germany's sustainable development debate is steadily gaining momentum. In November 2010, Parliament established a Study Commission on Growth, Well-being and Quality of Life – Paths to Sustainable Economic Activity and Social Progress in the Social Market Economy. Its purpose is to "consider the role of growth in the economy and society, develop a holistic measure of wellbeing and progress, and explore the opportunities and limits for decoupling growth, resource consumption and technological progress."²⁵ It remains to be seen whether this group of experts will provide significant impetus for the progress towards more sustainability that is so urgently required. ■

15 Ibid., p. 3.

16 See Federal Government, *Bildungspaket für Kinder*, (2011), <www.bundesregierung.de/nn_774/Content/DE/Magazine/01MagazinSozialesFamilie/03/s-c-bildungspaket-fuer-kinder.html>.

17 OECD, *Growing Unequal?*, (2008), <www.oecd.org/dataoecd/45/42/41527936.pdf>; OECD, *Country note Germany*, (2008), <www.oecd.org/dataoecd/45/27/41525386.pdf>.

18 Terre des hommes, *Trotz leichten Anstiegs verfehlt Deutschland erneut Entwicklungshilfeziel*, (2011), <www.tdh.de/content/presse/pressemeldungen/detail.htm?&view=detail&id=343&year=2011>.

19 Finance Ministry, *Eckwertebeschluss zum Regierungsentwurf des Bundeshaushalts 2012 und zum Finanzplan 2011 bis 2015*, (2011), <www.bundesfinanzministerium.de/nn_124500/DE/Wirtschaft_und_Verwaltung/Finanz_und_Wirtschaftspolitik/Bundeshausalt/Bundeshausalt__2012/16032011-Eckwertebeschluss.templateId=raw.property=publicationFile.pdf>.

20 Terre des hommes, *welt hunger hilfe, The Reality of Development Aid*, (2010), p. 6, <www.tdh.de/content/materialien/download/download_wrapper.php?id=319>.

21 21. Ibid., (2009), p. 34, <www.tdh.de/content/materialien/download/download_wrapper.php?id=305>.

22 Ibid., (2010), p. 23.

23 Federal Government, *Regierungspressekonferenz vom 17 September*, (2010), <www.bundesregierung.de/nn_774/Content/DE/Mitschrift/Pressekonferenzen/2010/09/2010-09-17-regpk.html>; see: <www.klimaretter.info/umwelt/hintergrund/6848-deutschland-kein-geld-fuer-yasuni>.

24 See Amerika 21, (August 2010), <amerika21.de/meldung/2010/08/7430/itt-yasuni-vertrag>.

25 Deutscher Bundestag, *Enquete-Kommission "Wachstum, Wohlstand, Lebensqualität - Wege zu nachhaltigem Wirtschaften und gesellschaftlichem Fortschritt in der Sozialen Marktwirtschaft"*, (2011), <www.bundestag.de/bundestag/ausschuesse17/gremien/enquete/wachstum/index.jsp>.