

Corona Declaration 2020

THE VIRUS, CLIMATE CHANGE AND
THE SOCIAL INEQUALITY

Rising poverty rate

In addition to the various tasks related to the Corona Virus, there are two special challenges to be overcome in the next few years: climate change and the rise in inequality. In the past few decades there has been a reduction in inequality and thus poverty worldwide. Although the virus threatens everyone equally, it has indirectly led to a global increase in poverty. The different lockdowns have different effects on the different income groups. The poorer, especially those who are more or less dependent on informal work and markets, are far more affected. While the World Bank "only" expects the positive trend to be interrupted, the UN expects the poverty rate to increase sharply.

Furthermore, a longer lockdown in some countries would mean more deaths than the Corona Virus itself would bring. Closing schools over a long period of time (e.g. four months) would also reduce the living income of those affected by up to 15%. This is especially true for those students who have difficulty participating in digital learning. In mid-April, 86% of the young people between the ages of 5 and 17 in the poorer countries had no access to school. In the richer countries it was only 20%. Additional global efforts will therefore be required to curb the growth of inequality and, above all, the poverty rate and to start a reversal trend again. However, compared to the general measures to stimulate the economy, the distribution policy measures are only a small percentage. So, for example, the establishment of a digital access for all students means only 1% of general economic recovery expenditure.

Ecological inequality

An efficient climate policy must not forget and deny the challenges of inequality. This applies both domestically, for the group of rich countries per se, and globally. On average, the rich pollute the environment more through their consumption and lifestyle, and are generally less affected by environmental damage. This is particularly blatant when we look at things globally and over time. US CO² emissions per capita are about the same as those of 580 Burundi people, 51 Mozambique people and 35 Bangladeshis. For Europe, the comparable values are about half as large, which is still significantly more than in poorer countries. Although China has now become the largest emitter of CO², its per capita emissions are only half that of the United States.

The differences in terms of time become more serious. Serious calculations show that developed industrial countries such as the USA, Europe, Japan, Australia were responsible for 77 percent of emissions over the period from 1751 to 2006.

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A report from the US National Academy of Science shows that between 1961 and 2000, poor countries' emissions caused \$ 740 billion in damage to rich countries. But the other way round, the rich countries have caused losses of \$ 2.3 trillion (= 2,300 billion) in the poor countries. The wealth in Europe, the United States, etc. and the climate change that this has caused has contributed significantly to inequality. Unfortunately, the repeatedly promised "compensation measures" of the wealthy have not yet reached the promised extent. And especially from the US, no new initiatives can be expected in this regard - especially as long as Donald Trump is president. Rather, it intends to reduce international obligations.

This means that climate policy in Europe has special tasks. Any green deal must keep an eye on global development and, in addition to measures in the direct own interest, also contain a redress element. It should be clear that the damage to the environment and the exploitation of resources in poorer countries continues through the consumption of the rich. This also affects some "greening" in the wealthy regions, such as the switch to electric mobility. The rare metals required for the batteries are usually neither man-friendly nor environmentally friendly. And scrap and other waste is still exported to poorer regions, especially Africa.

It is therefore not enough to make our lives in Europe etc. more environmentally friendly and climate-friendly. We have to think and act globally. This does not mean disregarding national or European action plans and measures. But we should always consider the global dimension and especially help improve living conditions in poorer countries. We should consider what a takeover of "western" consumer behavior by the poor countries would mean for our environment and the development of the climate: a disaster.

It is clear that conscious and deliberate political decisions are required to counter climate change. Nothing comes of itself. We can see that in the example of the sharp decline in the oil price. Some poor countries can benefit from it. Others – including poor countries, such as Nigeria – suffer when suddenly significant income ceases to exist. Overall, the low oil price does not reduce inequality. It could even be environmentally disadvantageous, as could the low price for coal. This could result in incentives for continuing climate-damaging action. On the one hand, the low petrol price could lead to more use of the car. The spread of the virus could be used as an additional argument to avoid public transport. And the low coal price leads to the construction of additional coal-fired power plants, which unfortunately also happens in regions that are blessed with sufficient solar energy.

Seize the opportunity

So there needs to be a clear political decision to use another low price as an incentive to invest: low interest rates on loans. As we can see in the light of the current high level of borrowing by many countries, there is enough money available and it is also available on reasonable terms. These favorable conditions should be used to make sensible and sustainable investments.

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If states and politicians, who have so far been striving for the "black zero" for their budgets, are highly indebted to overcoming the current crisis, it should be possible to combat climate change even more. We can only support the Economist's most recent editorial entitled "Seize the moment", which meant that the Corona Virus is not climate-friendly as such due to the interruption of emissions, but the states should use the chance of the virus.

It will not be easy to convince people that measures must also be taken to deal with the less acute challenges. Some things may appear to be sacrifices, some things may actually require sacrifices. In any case, many habits have to be thrown overboard. We don't like doing that unless we are convinced of the necessity and / or we expect a better life.

The results of climate policy should therefore in principle be perceived as - necessary - improvements. Whether it is an investment in the public transport system, the preservation of forests, biodiversity and above all one's own health or the living conditions in the European and non-European neighborhood. Politics should show the advantages and not play national against European and European against global interests.

However, we can also learn from history. In his monumental work "Collapse" Jared Diamond demonstrated that in many cases environmental disasters and political decline were linked. Overpopulation - in relation to resources - and climate change lead to emigration pressure and struggles for land and other resources. This is often exploited by terrorists and leads to conflicts in remote regions. As mentioned above, climate policy should also immediately lead to a better life. But it can also get support by averting current and future threats.

The virus has shown mutual global dependency. Not everything has to stay that way. But it is an illusion to think that we can only pursue climate policy nationally. It must be embedded in Europe and globally. It also gives it more persuasiveness. The writer Margaret Atwood wrote: "So if we fail, we all fail together and we fail big, on a scale unimaginable in the past."

In any case, individual well-considered measures of "deglobalization" must not weaken global cooperation - on the contrary. However, each country must of course make its own contribution. And one can also show a little social conscience in view of the immense global inequality. It's even in our own interest. Reducing inequality contributes to a more peaceful world with less forced mobility.

Dr. Hannes Swoboda, President of the Board of Trustees
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