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**If it is Non-Sustainable and Not Development, What  
can be done?**

**Asia's Path to Development and the Rio+10 Processes**

Dorothy Guerrero

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## Vorwort

Im September 2002 werden sich Vertreter von mehr als 180 Ländern in Johannesburg zum "Weltgipfel für nachhaltige Entwicklung" treffen. Auch die internationalen Nichtregierungsorganisationen nehmen diese Gelegenheit zum Anlaß, um ihre Forderungen vorzutragen und gleichzeitig ihre Enttäuschung über die mangelnde Verwirklichung der Beschlüsse von Rio zum Ausdruck zu bringen.

Das Asienhaus hat mit seinem Programm „Nachhaltigkeit und Lokale Agenda 21“ vor allem das Augenmerk auf die Entwicklung des Nachhaltigkeitsdiskurses in Asien gelegt und einen Beitrag zum asiatisch-deutschen Dialog in dieser Frage geleistet. Ein wichtiges Ereignis war dabei die Konferenz „Zukunftsmusik - Nachhaltigkeit und Entwicklung im Duett“, die im November 2001 in Königswinter durchgeführt wurde (siehe die Konferenzdokumentation in Focus Asien, Nummer 7).

Vor dem Gipfel in Johannesburg knüpfen wir an dieser Tagung an. Dorothy Guerrero, die im Asienhaus für das Projekt Nachhaltigkeit verantwortliche Mitarbeiterin, präsentiert in dieser Ausgabe von Focus Asien den gegenwärtigen Stand der Implementierung der Beschlüsse von Rio in verschiedenen asiatischen Ländern und stellt dabei insbesondere die Initiativen von Nichtregierungsorganisationen aus asiatischen Ländern dar.

Mit diesem Beitrag soll ein besseres Verständnis über die asiatischen Perspektiven auf den kommenden Gipfel geleistet und damit ein Beitrag zur Stärkung des asiatisch-europäischen Dialogs geleistet werden.

Klaus Fritsche, Asienhaus  
Essen, den 15. August 2002



## Introduction

Is it really possible for the people of the South to develop in a sustainable way considering the reality that the two hundred years of industrial development in the North occurred largely at the expense of the lands, resources and people of the South? Now that the era of colonisation is already beyond us and that most countries in Asia have already gone through their respective transition period from authoritarian rule, our development planners are now talking about the need and prospects of leap-frogging towards economic growth in order to catch-up with the North. Such leap-frogging however have measures and implications that are in no way compatible to the ideals that we know now as sustainable development. Big questions remain on how developing economies in the region ensure appropriate stewardship of their natural resources and at the same time steer their development towards a path that could address the needs of their ever-increasing population. This tremendous challenge, however present in the consciousness of engaged individuals in development work is still begging for corresponding action despite the last ten years since sustainable development was promoted globally.

The first Earth Summit in Rio de Janeiro produced two international agreements signed by 167 states. The first one was the *Rio Declaration on Environment and Development* which carry 27 principles that defines the rights and obligations of nations as they pursue human development and well being. The second one was Agenda 21, which is a blueprint on how to make development pursuits become socially, economically and environmentally sustainable. It was clear from the very beginning that the implementation or non-implementation of the two agreements would affect the realisation of sustainable development. By including elements that comprises social and economic dimensions; conservation and management of resources for development; strengthening the role of

major groups and means of implementation, signatories binded their states to what is seemingly a very well crafted plan to proceed and maintain life in this planet.

It is a prevailing perception now that subscription to sustainable development holds the key to the solution of many of our current interconnected problems. The constituency and problem-solving processes that were held in the last ten years, called for strong partnerships that do not just concern particular political players and stakeholders in a certain society. More importantly, this whole, grand and still unfinished project is a partnership between societies and the environment that sustains all living creatures. Its complex nature requires that it be dealt with holistically with the public interest as guiding principle.

At present there are already around 140 major conventions connected to the management of the environment, including regional agreements of global relevance that has to do with forest, land, climate, and seas<sup>1</sup>. The reviews of progress from the fifth conference (Rio+5 – New York), the documents produced now from all the conventions, plus the four Preparatory Committee meetings for the tenth World Summit on Sustainable Development shows however that even a decade of work in all the themes have not brought us any nearer to what is conceptually known as sustainable development. The difficulty in understanding, implementation, and internalisation of the sustainable development model is still very much prevalent.

UN Secretary General Kofi Annan pointed as well to the gap in implementation which was brought about by a dual complexity of compliance with the many commitments that governments have adhered to and coherence amongst the policies that are supposed to promote equitable and environ-

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<sup>1</sup> Töpfer, Klaus, „Implementing Multilateral Environmental Agreements at the National Level: The Search for Synergies and Complementaries“, d’Eve, F. and Beeler, B. eds., Earth Council NCSD Report 2001: Integrating Global Environmental Conventions at National and Local Levels, New York, Earth Council 2002.



mentally sound development. This failure of compliance and problem of coherence can be seen at the international, national and local levels.

Asia and the Pacific region plays a critical role in promoting global sustainable development. It is consistently rated as the fastest-growing region in the world in terms of both economic and population growth. It is host to over half of the world's population. It is also home to seven of the 17 mega-diversity nations (Australia, China, India, Indonesia, Malaysia, the Philippines, and Papua New Guinea)<sup>2</sup>. Since the UNCED of 1992, many important events and historic efforts were initiated by governments and NGO networks from Asia to bring the region along the path of sustainable development. This included the creation of physical and social infrastructures for the promotion of economic activity and eradication of poverty, formulation of environmental laws and policies, creation of institutions that monitor the conservation and management of natural resources and ecosystems. The countries within the region signed and gave their commitments to various international environmental, economic and societal agreements and conventions that addresses the efforts mentioned above.

However, many factors continue to hinder the realisation of sustainable development in Asia. First on the list is the widespread poverty that is afflicting many countries like a scourge. An equivalent of 75% or about 900 million of the world's 1.2 billion poorest of the poor live in the Asia and the Pacific region<sup>3</sup>. The ripple effects of the financial crisis of 1997 are still making it difficult for the economies within South-east Asia to recover their economic achievements during the growth period of the early 90s. The political instability and the lack of peace and security in some countries due to continuing civil conflicts are also posing major stumbling blocks for

the implementation of sustainable development strategies and poverty alleviation programmes.

This paper aims to present the current location of the region and specifically of some selected countries within it in terms of legislation, programmes, implementation and state-society partnerships on sustainable development. The author combined findings and official reports from development institutions and governments as well as independent studies and assessments done by environmental and development NGOs. It also discusses some autonomous initiatives launched by NGOs and local peoples and their way of doing alternative development. By assessing the gains and problems in major initiatives, the author would like to present the status of the region and frame it within the growing interest for the strengthening of Asia-Europe dialogue, which is the main concern of Asienhaus.

What has been achieved so far...

It is generally acknowledged now that changes towards a more secure, equitable and sustainable future will not come from acts of governments alone, but rather only through a multi-stakeholder approach. The UN has turned this operating premise into concrete and operational programs. Foremost of which is that of building National Councils for Sustainable Development (NCSDs) or similar entities. As of December 2001, there are already over 90 countries with operating NCSDs and 28 of which are found in the Asia and Pacific region. The NCSD 2001 Report by the Earth Council concluded that "more action on sustainable development has been seen where NCSDs are active".

NCSDs facilitated focused participation and co-operation of the civil and economic society with governments. It played an important role in encouraging inputs from non-governmental actors for consensus building in the formulation of national sustainable development strategies (NSSDs). Civil society participation in the processes of national agenda formulations bestow not just legitimacy to a democratic process, it also gives a higher possibility for policy

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<sup>2</sup> ADB, State of the Environment in Asia and the Pacific 2000, (ADB) Manila, 2001.

<sup>3</sup> ADB, Asian Development Outlook, Manila, 2002.

implementation because of the stronger sense of ownership among the stakeholders who got involved in the processes.

As found in the Earth Council Report, the following are the countries within the Asia Pacific region with an established NCS D:

<b>COUNTRY</b>	<b>NCS D</b>	<b>e-mail-address</b>
<b>Australia</b>	Inter-governmental Committee on Ecologically Sustainable Development (ICESD)	igu@dest.gov.au
<b>Bangladesh</b>	National Environment Committee	
<b>Bhutan</b>	National Environment Commission (NEC)	
<b>Cambodia</b>	State Secretariat for Environment	
<b>China</b>	The Administrative Centre for China's Agenda 21 (ACCA21)	huangji@info.acca21.edu.cn
<b>China, Taiwan</b>	Committee on Global Change Policy	igchen@sun.epa.gov.tw
<b>Fiji</b>	National Council for Sustainable Development (NCS D)	
<b>Hong Kong Special Administrative Region</b>	Hong Kong Sustainable Development Forum	annec@hkpc.org
<b>India</b>	National Environmental Council	secy@envfor.delhi.nic.in
<b>Indonesia</b>	National Council for Sustainable Development	eas@menhl.go.id
<b>Japan</b>	Japan Council for Sustainable Development	jcsd@eic.or.jp
<b>Republic of Korea</b>	Presidential Commission on Sustainable Development	<a href="mailto:environ1@ktnet.co.kr">environ1@ktnet.co.kr</a> <a href="http://www.me.go.kr">http://www.me.go.kr</a>
<b>Malaysia</b>	National Steering Committee for Environment and Development	sengsung@kln.gov.my
<b>Maldives</b>	National Commission for the Protection of the Environment	mphre@dhivenet.net.mv
<b>Marshall Islands</b>	Inter-Departmental Groups	
<b>Mongolia</b>	National Council for Sustainable Development	agenda21@mongol.net
<b>Nepal</b>	Environmental Protection Council	
<b>New Zealand</b>	Ministry for the Environment and State / UNCED Implementation Officials Group	
<b>Pakistan</b>	Environment and Urban Affairs Division	
<b>Papua New Guinea</b>	Ministry of Environment and Conservation	
<b>Philippines</b>	Philippine Council for Sustainable Development	<a href="mailto:rml@mail.neda.gov.ph">rml@mail.neda.gov.ph</a> <a href="http://www.ncsd.neda.gov.ph">www.ncsd.neda.gov.ph</a>

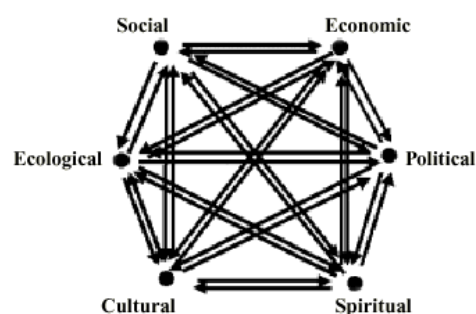
<b>Singapore</b>	Singapore Environment Council	
<b>Sri Lanka</b>	Ministry of Forestry and Environment	envecon@sltnet.lk
<b>Thailand</b>	National Environment Board	
<b>Tuvalu</b>	Ministry of Natural Resources and Environment	
<b>Vanuatu</b>	Ministry of Lands and Natural Resources	
<b>Vietnam</b>	National Environment Agency	tphuong@nea.gov.vn

Many inter-government and NGO development initiatives have already singled out *political will* as the most important and critical element in the preparation and implementation of an NSSD. This means that there must be genuine commitments from a society to make the pursuance of development compatible with sustainable development principles. Political will must emanate from two levels: the official leadership and the people. Governments must set down implementable and cohesive policies and the people must follow a sustainable production and consumption norms. Win-win solutions are brought about by the harnessing of potentials and co-operation between the different stakeholders within the society as well as good balancing of concerns from different sectors. The sustainability of development depends as much on the participatory process by which the planning or strategy-formulation is accomplished. A major component in ensuring a planning approach and methodology that would integrate development and multi-stakeholder participation in the sustainability plan is called *Multi-stakeholder Integrated Sustainability Planning* (MISP).

In Asia the MISP ideally features the political, economic, social, ecological as well as highlight the cultural and spiritual dimensions in various documents to correspond with the sectors of society that must be included in reaching basic consensus on the path to take towards sustainability. This is in recognition of the equal importance to and critical role of these sectors of society in attaining sustainable develop-

ment. The relationship may be shown diagrammatically below.

The Earth Council adopted the concept in their suggested MISP standard procedure in planning NSSDs.



The MISP steps features the following specific questions:

- Formulate the Vision: *What do we want to be?*
- Analyse the current situation: *Where are we now and why?*
- Set goals, objective and target: *Where do we want to go and when?*
- Craft development strategies: *How can we get there?*
- Formulate Investment Program, implementation mechanism, action agenda (including Legislative Agenda): *How do we ensure that we get there?*
- Establish monitoring and evaluation mechanism: *How do we know we are getting there?*

The above were generally followed, sometimes with slight innovations, in the plan-

ning workshops of NCSO building in the region.

### **The View from Below...**

The whole decade, following all the UN Summits on various issues, saw the birth of numerous concepts that animated processes which ended in many new government commissions, laws, programmes and corresponding civil society watchdog groups and initiatives. It is true that governments in the Asian region were quick in setting up the NCSOs, it is however another story if one would investigate how the new structures operated since their inception and whether they really produced a positive and incremental influence on the practice of development. The cases of the Philippines, Indonesia and South Korea will be discussed as examples here.

#### **I. Being First is Not Enough: the Philippine Case**

The Philippines pride itself in being the first country in Asia, if not in the world, to establish an NCSO. The Philippine Council for Sustainable Development (PCSD) was set up in about three months after the Rio Summit. The expertise of Filipinos to easily absorb international discourses and adapt them in Philippine context are already tested by now. The different NGO networks that are engaged with the PCSD, likewise has already produced hundreds of local and national dialogues and published scores of commendable papers. There are autonomous and alternative development projects in almost every barangay or local political unit in the country. Very few processes in the Philippines could replicate the level and broadness of alliance between government ministries and the NGO community like the PCSD and the Philippine Agenda 21 processes. However, the current conditions in the country begs the question: Why is it that despite the many very well crafted government documents and impressive processes that produced specific targets and ways of implementation, the only record that shows progressing and sustainable growth in the Philippines is poverty?

The various accounting concerning the state of sustainable development in the country done by NGOs however paints a situation where many contradictions exist. The contradictions can be seen through looking at: a) the liberalisation policies of the government and sustainable development principles, b) good laws and policies that are already made and implementation of such, and, c) very strong private sector incorporating both local and transnational firms and a very weak state<sup>4</sup>.

In the Philippines, sustainable development served as a uniting concept and process for the social movements, NGOs and activists who used to be in the underground during the Marcos dictatorship. The principles embedded in sustainable development finds resonance on the advocacies for alternative social order and economic arrangements that the various issue-based, geographic and ideological groups in the country are supporting. The transition government of Corazon Aquino and the preceding governments saw a very dynamic civil society that are prepared and capable of recommending possible policies on every aspect of governance issue.

However, the governing elite failed to institute the badly needed reforms that the Filipinos expected since 1986. The continuation of crony capitalism led to many disappointing evolution in the government programmes that concerns agrarian reform and rural development, poverty alleviation, structural adjustments covering privatisation and liberalisation of investments, recovery of the ill-gotten wealth of the Marcoses to finance development projects, good governance and measures to curb corruption, etc. During his presidency, President Ramos added "sustainable development" to all his pet projects to popularise the term. His Medium Term Development Program nicknamed Philippines 2000 vowed to make the Philippines the new Asian tiger. He even clarified that compared to its

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<sup>4</sup> Malig, Marie Louise, *Sustaining Poverty: The National Report on Sustainable Development in the Philippines*, FOCUS on the Global South, Manila, 2002.

neighbours, the Philippines will be a “green tiger”. This vision however was accompanied by an all-out opening of the economy to foreign investments. The actions that followed showed a shortage of innovations in comparison with the big, impressive words.

The Estrada and the current Macapagal-Arroyo government are being described generally by Filipinos as the “downward spiral of politics”. All hopes seems to be extinguished as poverty continued its grip on the majority, the social and economic crisis that came one after the heels of another made people lose faith and interest in the government. The accumulation of unresolved problems, the stagnation of the economy, and Arroyo’s unimaginative policies mounted on neo-liberalism are merely breeding more despair and creating the push for the middle class to migrate as a last and remaining way for survival.

It is indeed disappointing that the first country in Asia to translate Agenda 21 into a national sustainability plan through an NCSD and the first to implement a Global Environment Facility project through the Integrated Protected Area is now moving progressively away from the sustainable development ideals. The very promising start and the now localised Agenda 21 is losing in the battle between sustainability objectives and the exigencies of following the economic demands of the increasingly globalised economy.

## **II. Trapped to Debt: Indonesia and Sustainable Development**

The case of Indonesia is not very different when it comes to measuring how government rhetoric fared with actual achievements. The government of Indonesia is likewise signatory and supporter to all the agreements made after Rio. However, Indonesia is continuing the development model that supported the dictatorship of Suharto, which produced massive environmental destruction in the past. Transnational companies are still having a grand time in exploiting the rich resources offered by Indonesia’s copper, gold and oil mines,

the extensive forests and its rich ecosystems. Majority of the Indonesians are still kept unaware about the environmental havocs created by the foreign investors who are extracting their natural resources and how this are maintained through the connivance of military officials and the remaining corrupt people in the government. The country have already formed an NCSD and established an Agenda 21. Unfortunately, critics within the country blame the top-down approach and authoritarian style of governing which discourages popular participation to development processes. NGO involvement is still very minimal. In general, the Indonesian people do not know about the various international treaties that the government ratified<sup>5</sup>. From the time of establishment until the UN PrepCom for WSSD held in Bali, the knowledge concerning that body and the Agenda 21 objectives are known only to a few government officials and national level NGOs. When the Indonesian People’s Forum started to hold nation-wide consultations on sustainable development and Agenda 21, the organisers were met by questions concerning the presence of such processes. NGOs like WALHI have already done their best in educating and popularising the issues connected with Agenda 21 in Indonesia, the government however failed to do its job of harnessing popular participation through information.

Indonesia’s Agenda 21 came out in March 1997 with priorities on four major areas that include human services, waste management, land resource management and natural resource management. Government critics repeatedly cite how the government seems to consider environmental conservation as a hindrance to economic development. WALHI reported that the rate of deforestation in Indonesia is still the highest in the world. The disappearance of the forest is also affecting the in-

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<sup>5</sup> Hidayati, Nur. Sustainable Development in Indonesia Nine Years After Rio, paper presented to the Asienhaus Conference „Zukunftsmusik: Nachhaltigkeit und Entwicklung im Duett“ held Nov.2-4, 2001 in Königswinter, Germany.

indigenous peoples who are living there and are dependent on the forest for subsistence. Many of the lands used to be occupied by the indigenous people are being taken over by timber estates and plantations, thereby creating social conflicts.

The Asian economic crisis rolled back Indonesia's status as one of Southeast Asia's miracle economies. It also placed Indonesia as one of the most indebted country in the world with a total external debt of around US\$154 billion or around 102% of the annual GNP<sup>6</sup>. This huge foreign debt is also a major hindrance to the country's attainment of sustainable development. The cozy relationship maintained by Suharto to lenders in the past is a prime example how bad debts supports bad governments. The lack of supervision and accountability regarding the corrupt use of many loans as well as the lack of people's participation continue. The weaknesses of the Indonesian economy due to the impact of adjustment lending and debt burden on the poor and marginalised groups call for fundamental reforms to the aid business in general. The IMF's structural adjustment program, like in the Philippines, demands rapid privatisation of state-owned companies.

The democratisation in Indonesia could have opened spaces for the realisation of sustainable development, however political and economic reforms that could lead to sustainable development are meeting the remaining ripples created by the 1997 economic turbulence. Indonesia could have avoided incurring the huge debts that it has now because its income from oil exports far exceeded its official loans during the Suharto era. In those years, Indonesia could have financed its development alone. The fall of the authoritarian government did not enabled it to get out of the debt trap. An average of 33% yearly is still allocated to debt servicing even if the principal loans never really gets smaller and that the country actually gives more than it re-

ceives<sup>7</sup>. The annual interest payment alone already exacts major human costs through the absorption of funds that could be used to foster growth, finance basic services and alleviate poverty.

### III. Beyond Poverty Issues: The Case of South Korea

What could be better than having former activists and environmental NGO veterans running the NCSA? Such is the question in South Korea where the Presidential Commission on Sustainable Development are peopled by distinguished names from the NGO community personally appointed by no less than President Kim Dae-jung himself. The country's transition to democracy following the political and economic reforms in the 1990s opened up the political space for the discussion of issues like the environment, local concerns, women's issues, etc . The newly industrialised country (NIC) model for development left a trail of pollution and environmental degradation for South Korea. This produced movements like the Korea Federation of Environmental Movements and the Green Korea United.

The South Korea Agenda 21 speaks strongly about addressing domestic problems of air and water pollution, urban waste management, depletion of the ozone layer and wanton logging of forests. As a developed country, the South Korean Agenda 21 do not share the obstacle shared by its Philippine and Indonesian counterparts on widespread poverty. Not everyone in South Korea however, benefited from its prosperity. There are pockets of poor communities that are questioning the lack of equity in the country's distribution of wealth. Most of the South Korean NGOs view the sustainable development debate in the country with more emphasis on the environmental dimension. This is a reaction against the government's unquestionable promotion of more economic develop-

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<sup>6</sup> Hidayati, N. *ibid.* p.5

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<sup>7</sup> Hafild, E., Furqon D., Hidayati, N. and Sangkoyo, H., WALHI Briefing Paper, Addicted to Loan: The World Bank's Footprints in Indonesia, 2000.

ment without putting equal consideration to social and environmental protection. It is also very much connected with good governance. The capital city of Seoul for example came up with a six-year development plan which incorporates the establishment of a “Digital City” where local government development initiatives could be followed by the inhabitants in the internet<sup>8</sup>. This transparency is also a way to solve the problem of petty corruption which is being targeted for reduction through the gradual decentralisation and improvements in local governance.

The Asian crisis which brought the 11<sup>th</sup> largest trading nation with a record average growth of 9% over three decades to its knees showed the unsustainability of the growth path followed by South Korea. The IMF recovery package and the social effects of the crisis showed as well the country’s vulnerability to the economic intervention of multilateral development institutions. At the moment there are very visible divisions on the NGOs’ partnership role with the government within the PCSD. The NGOs are pointing to the lack of discussions concerning the negative impacts of globalisation on the environment. Several NGO stalwarts resigned as well from the PCSD in 2001 as an act of official protest against the government’s decision to continue the construction of the Saemangeum reclamation project<sup>9</sup>, which was seen as a threat to the environment.

The role of the state in the implementation of Agenda 21 is absolute<sup>10</sup>. The current process of devolution of powers from the national government to local authorities is a strong impetus in promoting the concept of role sharing of environment administra-

tion, transparency and generation of people’s participation in governance. However, despite the presence of an Agenda 21 National Implementation Plan since 1996, the influence of NGOs as stakeholders in the Agenda 21 is not yet evenly spread between the national and local level. Thus, the process of Local Agenda 21 building was also being criticised for the lack of innovation on the part of the local government and the absence of genuine participation from local people’s organisation. Some Local Agenda 21 councils are organised in an expeditious way just to show that the government unit established one in order to get funding for activities. Such activities were also mere copies of projects initiated by other areas and not reflective of the constituent’s interests or concerns<sup>11</sup>.

Many South Korean experts on sustainable development expresses the impression that for their people to feel the ownership of the Agenda 21 processes, the definition of sustainable development must first be given a distinct Korean character and respective local values. The National Association for Local Agenda 21 that was set up in June 2001 is now composed of 184 local governments, however the goals and policy measures that are available now are still abstract for most stakeholders and lacking in concrete actions where the growth of civil society can be encouraged.

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<sup>8</sup> Seoul Metropolitan Government, OPEN: Making Seoul Transparent, Seoul City’s Anti-Corruption Program, <http://open.metro.seoul.kr>

<sup>9</sup> Green Korea Report No. 10, Yoo, Jae-Hyun’s Perspectives on Rio, Rio+5 and Rio+10, October 2001.

<sup>10</sup> Presidential Commission on Sustainable Development, Report on the Review of Achievements of Agenda 21 National Implementation Plan and its Improvement Direction, October 5, 2001.

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<sup>11</sup> Kim, Kwi-gon, *Korea Perspective on Sustainable Development and the Rio+10*, paper presented to the Asienhaus conference „Zukunftsmusik: Nachhaltigkeit und Entwicklung im Duett“ held 02-04 November, 2001 in Königswinter in Germany.

## Key Elements and Issues in Agenda 21 and their current status in Asia

The resolution of multi-sectoral and cross-cutting issues that cover economic, social, political, and environmental spheres are crucial and priority steps for sustainable development. The equal and simultaneous promotion of economic growth, social development, equity, and environmental regeneration is needed to address all problems that afflicts Asia today. The issues enumerated in the succeeding pages are the areas of common concern identified both by governments (in various intergovernmental preparatory run-ups to the Johannesburg Summit) and NGO workshops in Asia in order to take stock of what has been achieved in the past decade of implementing Agenda 21 in the region. They are also the handles that engaged NGOs used in their critiques.

### I. Poverty Eradication and Social Development

In September 2000 the UN Millennium Summit adopted a set of 'development goals' together with appropriate targets on the eradication of poverty. In summary, they are as follows:

**Target 1** Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

**Target 2** Halve, between 1990 and 2015, the proportion of people who suffer from hunger

According to combined estimates of multilateral development banks and international financial institutions like the World Bank and the ADB, one-third of the population in the Asia Pacific region is living in poverty. Two thirds of them are women. The poor people in South Asia alone, which is currently pegged as 522 million is twice as many as those living in the whole of Africa. China has a record of 213 million poor. The Asian Development Bank cited in its many documents that Asia's freedom from poverty is an achievable and realistic goal. Numerous high-level fora have already produced comprehensive reports of

poverty analysis per country. The combination of **poverty eradication** and **social development** as complementary goals are considered central to the realisation of sustainable development. Since 1995, the Country Strategies developed through multistakeholder dialogues in respective countries within the region point to the need for **sustainable livelihood** generation as a crucial step to arrive at the goals of poverty eradication and social development<sup>12</sup>. Sustainable livelihood is believed to be achieved through environmental regeneration, adequate health, effective use of resources, human resource development, good settlement and education.

Since problems are supposed to have corresponding solutions, the World Bank and the International Monetary Fund in partnership with governments came up with the Poverty Reduction Strategy Paper (PRSPs) approach which was adopted in 1999. PRSPs are now deemed as the centerpiece for policy dialogue and negotiations in all countries that receive concessional financing from the WB/IMF. PRSPs are originally conceived in the context of the Heavily Indebted Poor Country (HIPC) debt relief initiative. The approach is meant to help poor countries and their development partners strengthen the impact of their common efforts on poverty reduction. In general, PRSPs describe a country's macroeconomic, structural and social policies and programmes over a three year or longer horizon, to promote broad based growth and reduce poverty, as well as associated external financing needs and major sources of financing.

Based from the World Bank description PRSPs follow a four pronged approach to poverty reduction: First, **broad based growth**, or more recently rendered as 'pro-poor' growth, focusing on 'employment creating growth'; Second, **investments in human capital**, which could be interpreted as the Social Development compo-

<sup>12</sup> ADB, The Poverty Reduction Strategy 2001.



ment. This calls for the generation of comprehensive social protection and access to basic necessities like education, primary health care, water, and sanitation as well as effective social institutions and developed social capital of various groups.

The third is **good governance**, which has grown from anti-corruption and public accountability measures to embrace macro-economic fiscal management and decentralised governance. It is also widely understood that strategies should also cover the improvement of governance and political accountability, the rule of law, economic policy and management, political participation, and respect for human rights as prerequisites for its attainment. The Poverty Reduction Strategy defined good governance to mean „public policies that encourage the inclusion of the poor and other vulnerable groups in the development process“. This involves pro-poor public expenditures, social services that are nearer to the users and have more relevance for the poor, policies that generate equity and access to socio-economic assets, and enhanced social relations—including gender equity and the improved status of women. The fourth element includes **special purpose financing arrangements**, sometimes called 'social safety nets', for those adversely affected by the adjustment process and/or unable to participate in the growth.

PRSPs are part of a 'post Washington consensus' re-morphing of neo-liberal approaches, in which governments and agencies of various stripes in both OECD and developing countries are renewing focus on linkages between the poor, their capabilities, and market opportunities; between local and central governance, between 'social cohesion', (or 'social capability'), and 'wellbeing'<sup>13</sup>. When it first came out, the

NGO communities from various regions quickly recognised and reacted towards the contradictory nature of the programme. It is indeed problematic how neo-liberal economic policies vent on promoting globalisation and economic integration aided by privatisation and state deregulation of assets and enterprises could mix at all with concerns like increasing global inequality and social exclusion of the poor majority from the economy.

Since it was adopted by the World Bank and the Asian Development Bank, development planners from member developing countries in Asia scrambled to include the PRSP in their medium and long-term development plan in order to avail of loans from the two institutions. The Country Strategy and Program Updates in year 2002-2004 of China, the Philippines, Thailand, Cambodia and Vietnam posted in the ADB Website on Poverty for example have already carried poverty analyses and targets that correspond with the ADB proposed instruments.

Is the PRSP approach the good solution to the poverty problem then? After two years of implementation, reviews of actual PRSPs made by transnational activist networks and NGOs show that the PRSP is more of a continuity than change on the usual business of the international development institutions. In the name of poverty reduction the World Bank and the IMF were able to expand the basis for sustaining externally driven structural adjustment plans which caused massive poverty in poor and indebted countries in the past<sup>14</sup>. In Asia, the fundamentals of the ADB and the Japan Bank for International Cooperation lending programs remain the same even with the supposed inclusion of poverty reduction. Indebted countries

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<sup>13</sup> Craig, D. and Porter, D., „*Poverty Reduction Strategy Papers: A new convergence. What does it miss, and what can be done about it?*“, in Background paper for Theme 1: Governance and Participation in Developing and Implementing Poverty Reduction Strategies, Regional Conference on Poverty Reduction Strategies organised by the World Bank, UNDP, IMF, and the ADB in Hanoi, Vietnam,

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UNDP, IMF, and the ADB in Hanoi, Vietnam, 4-6 December 2001.

<sup>14</sup> Joint Statement by the Jubilee South, Focus on the Global South, Awepon and the Centro Estudios Internacionales titled „The World Bank and the PRSPs: Flawed Thinking and Failing Experiences“ in Ottawa November 16, 2001. [www.focusweb.org](http://www.focusweb.org)

would have to continue to swallow the familiarly called bitter pills of mandatory policy reform which includes liberalisation, privatisation, fiscal and administrative reform, assets management, etc. The battle against poverty then just became the rationale for the same prescriptions for the achievement of economic growth that was applied before and in essence delivered the same results: to open further the host country to external economic actors and free market rules. Ironically, the very same approach that impoverished indebted countries in the past is being used now under a new package of poverty-relief thinking.

This brings back the old development debate concerning the limitation of economic growth as a priority at the price of other social considerations. It was long argued by the so-called “*challengers of the current development models*” (the engaged development NGOs that are grouped together in various formations and networks) in the region that economic growth should not be the only path to development. The model is flawed and it is not working and it will not certainly work as poverty reduction solution. It is also providing the banks with a way to cleanse their image and dupe the public away from understanding the fact that external factors like past and current macroeconomic prescriptions issued by these banks to indebted poor countries are in fact multipliers of poverty in the South. This hinges on the long-standing emphasis on growth (whether high growth or meagre growth), which do not necessarily address issues that has to do with inequality and imbalance in the life options between rich and poor people.

Asian critics to the PRSP also argue that the WB/IMF/ADB poverty alleviation program also intends to veer the development discussion towards mere poverty alleviation and avoid the more crucial discourse on the development model and the problems brought about by economic globalisa-

tion<sup>15</sup>. The Philippine experience with PRSP for example produced bottlenecks on policy and measures issues on related topics inherent to the problem of poverty in the Philippines like land and agrarian reform, progressive taxation, support for domestic markets and protection, food security, access to environmental resources and environmental management, labour and social standards, etc<sup>16</sup>. In many parts of Asia like in other formerly colonised countries, issues of entitlements, and uneven development form part of the poverty problem that must be tackled as well when formulating a diagnosis for the problem of poverty.

Another area for critique pertains to the understanding of participation in poverty alleviation measures. In most instances Asia’s poor, in whose name poverty alleviation measures are formulated and discussed, were not adequately represented in the PRSP consultations in particular and in the development discourse in general. There is so much more to be desired when it comes to the understanding on consultation, ownership and participatory processes by international financial and development institutions like the World Bank and the IMF as well as the ADB. NGOs are still unhappy about the continuing difference between the more operational „semblance of participation as legitimising aspect“ of poverty alleviation and development programs and genuine participation.

The Ottawa NGO paper discusses the NGO’s critique on the participatory process in PRSPs as a wake-up call on the need to define ownership on poverty alleviation programmes. It points to the basic shortcomings of donor-designed poverty analysis that avoids mention of external macroeconomic factors that produces poverty. The

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<sup>15</sup> Bello, Walden, *The Future in the Balance: Essays on Globalisation and Resistance*, Quezon City, University of the Philippines Press, 2001.

<sup>16</sup> Serrano, Isagani, *The Philippines 10 Years After Rio* paper presented to the Asienhaus conference „Zukunftsmusik: Nachhaltigkeit und Entwicklung im Duett“ held Nov. 02-04, 2001, in Königswinter, Germany.

NGOs maintain that to insist on the export-oriented growth model (which came as SAPs before and now disguised as PRSPs) is just to go once again to the same circle of poverty inducing management of the economy. Furthermore, the process of merely selecting a number of nationally based NGOs in government-designed poverty discussions and consultations seems to feed on a gradual, but growing segregation of local/national societies into those who can, and those who cannot participate in negotiations over poverty and development planning. Large numbers of people--particularly those who live in hardship conditions and/or have been socially and politically marginalized for long periods of time--are alienated from decision making processes that deeply affect their livelihood and future. This in turn erodes local political capacities for representation, negotiation and socially-rooted advocacy.

For these reasons, there is sufficient ground to doubt that the 2015 development targets on poverty reduction, if left to its current processes now, could really reach the target goals. It will not be surprising in the end that it might even come up with negative results when the time for accounting comes. It would just be too cynical of course to say that there would always be events to mark Rio+X years anyway with which to review and hope for chances to change development gears.

## II. Sustainable Production and Consumption Issues

The centerpiece of the political agreement in Rio was the principle of „*Common but Differentiated Responsibilities*“. This compact was a short-lived victory for the South. The principle embodies a recognition that the North was able to amass the wealth that it is currently enjoying because of the uneven nature of the world economy that it dominates. This domination was made possible by the previous history of colonisation which was greatly characterised by heavy exploitation of the global environment and the natural resources of the South. It also takes into consideration that

the process of industrialisation in the North itself also fed greatly from the environment. Due to this historical and environmental debt of the North to the South, it is only just that the responsibility for the resolution of the current global ecological crisis should rely heavily on the North. Until now, the amount of energy being used by an average person living in a developed country is also way beyond the amount being used by people in poorer regions. The principle that encapsulated this acknowledgement of equity in environmental preservation and renewal was not voluntarily delivered by the North in Rio, it came out from contentious debate and paradigmatic skirmishes between the country negotiators from the North and the South, as well as lobby from NGOs.

The Rio Summit also produced several statements about the management of natural resources such as the *Principles to Guide the Management, Conservation and Sustainable Development of All Types of Forests*. In addition two major international conventions were separately negotiated from, but parallel to, the preparations for the Earth Summit. The first is the *UN Framework Convention on Climate Change*, which was aimed to stabilise greenhouse gases in the atmosphere at levels that will not endanger the global climate system. This requires a reduction in the emissions of such gasses as carbon dioxide, which is a by-product of the use of burning fuels for energy. The second is the *Convention on Biological Diversity*, which requires countries to adopt ways and means to conserve the variety of living species, as well as ensure that the benefits of using biological diversity are equitably shared.

There is a general acceptance now in rhetoric that the need to effectively reverse the current trends in the rate of environmental degradation is urgent. However, reality and practice shows that the integration of environmental concerns in development has not occurred as anticipated. The environmental deterioration continued in all aspects, which was recognised in the ADB paper *Asian Environmental Outlook 2001*. The high rates of growth in the region came at the price of environmental

came at the price of environmental degradation. China for example, which is Asia's fastest growing economy, is also following a form of development that is producing polluted environment, social dislocation, and intra-regional inequality, which in the long run is not sustainable even from an economic point of view<sup>17</sup>. This path to development was also experienced by Japan, South Korea, Taiwan, Malaysia, Thailand and other tiger economies.

Asia's forests continue to disappear at a rate of 750,000 hectares per year. Half of the region's forest area has already vanished. The per capita freshwater resources are the lowest among the regions of the world. Singapore is already experiencing water scarcity while South Korea is under water stress. Twelve of the 15 cities in the world with the highest levels of CO<sub>2</sub> suspended particulate matter in the air are located in the Asia Pacific region. Compared to the US which rejected the Kyoto Protocol, the gas emissions in the developing countries of the region are well below the US standard. Average Americans accounts for 21 times as much carbon as the typical Indian. The loss of irreplaceable biodiversity is still occurring at alarming rate, while the rate of desertification is still worsening. Furthermore, new environmental and health threats are emerging due to genetic engineering of our food and other similar products of new technology. All these environmental and health crisis are largely caused by unsustainable production and consumption patterns of developed countries, upon which developing countries in Asia have formulated their development model.

Since the Rio Summit in 1992 the following Multilateral Environmental Agreements are already discussed and/or ratified by governments in Asia:

- The Kyoto Protocol on Climate Change

- The Montreal Protocol on Ozone Depleting Chemicals
- The Cartagena Protocol on Biosafety (GMOs)
- The Basel Convention on the Trade in Hazardous Waste
- The Convention to Combat Desertification
- The Forest Declaration
- The POPs (Persistent Organic Pollutants) Treaty
- The Convention on Straddling and Highly Migratory Fish Stocks
- The Convention on the International Trade in Endangered Species (CITES)

These conventions, however, as shown by the processes are merely rich in principles that proved to be inadequate when faced with reservations or non-subscription by the world's powerful states. What then is the purpose of a good document when it is impotent to impose compliance? The Kyoto Protocol was in the end signed by the EU, but still the earlier resistance by some Northern countries and the outright rejection of it by the US made it very obvious that power politics will always be far more important than the general good.

Ironically, the people's movements in Asia that aims to pursue and uphold environmental sustainability are facing more and more repression from their governments such as the case of environmental groups in Indonesia. In many cases the suppression of the activities launched by environmental NGOs are done systematically with support from foreign companies. It could be remembered that even prior to the Rio Summit, principled movements are already active in the region. Probably, one of the most widely known among the grassroots movements would be the Chipko movement or „tree-hugging movement“, which was initiated by indigenous women in Northern India's Himalayan highlands in the 1970s. The practice of resistance that the Chipko movement used against the exploitation of forests was a merge between a traditional Hindu devotion to the integrity of the forests and the tradition of Gandhian non-

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<sup>17</sup> Yu, K., Towards a Harmony of Man and Nature: China's Praxis and Perspectives on Sustainable Development, paper presented for the Asienhaus conference „Zukunftsmusik: Nachhaltigkeit und Entwicklung im Duett, Nov. 2-4, 2001, Königswinter, Germany.

violence. The women and men of Chipko have intervened for the protection of their native forests and the preservation of indigenous ecosystems by their advocacy against the plantation of commercially valued trees.

Many other movements are also scattered all over East and Southeast Asia which are very unique and are using diverse approaches of using appropriate technology in terms of meeting basic human needs without inflicting harm to the environment. These movements are not simply "environmental" in the terms seen by most Westerners. They evolved from historical and complex interplay of social, political, cultural, spiritual and ecological factors. This broader framework finds contradiction with the North's dualistic notion of public vis a vis private ownership, morality vs. self interest, biocentrism vs. anthropocentrism, militancy vs. pragmatism, etc. This traditional system put emphasis on the reciprocal bond between humans and the environment, which forms the basis used by traditional people in their concept of livelihood, production and resource allocation. Such concepts fit the communal life-world and social patterns of the local people.

In the Philippines, Thailand, Indonesia and even Malaysia where NGOs are repressed, environmental protection groups are existing and actively implementing autonomous projects. NGOs are making use of Integrated Area Strategy approaches to development projects, which are not only designed for environmental protection. They are also addressing the issue of power relations which is an important aspect to ecopolitics. Their arguments on the environmental debate links the problems of environmental destruction to issues of basic needs provision, distributional equity and social justice, local self reliance and popular empowerment. The alternative normative lifestyle advocacy which is appropriate to the individualistic order or arrangements in the North, is valuable in the search for a sustainable lifestyle. However, it will only be effective to a certain extent in the South because the promotion of sus-

tainability in the South is by definition based from political grounds. Transforming the destructive production ways in the South could be strategically approached by altering social structures and by curbing the predatory operations of transnational corporations operating there.

Japan could offer a case where a city that turned brown was able to transform into green again. The city of Kitakyushu, like many Japanese cities that made huge environmental payback for its modernity is a model of environmental clean up and restoration that was applauded during the Rio Summit. The city's shift to clean production and effective management of end-pipe problems benefited from the co-operation between citizens, local and central government, industry and the academe. Something that could be easily emulated by other cities with enough political will.

India on the other hand could boast how changes in local democratic institutions as well as the legal and financial framework of local management was able to harness economy and ecology. During the Asienhaus conference in 2001, Anumita Roychoudhury from the Centre for Science and Environment gave the examples of Sukhomajri, Ralegan Sidhi and Jhabua. Sukhomajri showed how limited financial investments through participatory micro-watershed management produced a sustained rate of return and efficient water catchment that withstood even droughts. Ralegan Sidhi was also able to autonomously manage its water resources through elaborate system of small dams and watershed development, drip irrigation and biogas. Jhabua, like many other excellent case of participatory resource management in India proved that people's involvement when mixed with appropriate financial and institutional strategies could achieve success. It also showed that if local officials are not stunted by a narrow agenda could imbed equity and sustainability to development initiatives.

### III. Economic Globalisation

Many are accustomed to question whether the continuing degradation of the environment and the widespread poverty in Asia means the failure of the sustainable development paradigm. Governments often neglected or refused to admit the fact that sustainable development, even after one-decade of expensive multilateral meetings and discussions concerning how to save this world and “make life better”, was not really given a chance to work. The South’s victory of making the North commit to *The Common but Differentiated Responsibilities* in Rio was simply diluted and run-over by the corporate-driven globalisation that took off afterwards. The more powerful paradigm of globalisation as promoted by the WTO is far more faster in implementation than all the UNCED objectives. In short, Rio was taken over and was crushed by Marakkesh!

The establishment of the World Trade Organisation in 1994, and its accompanying agreements that were signed by the very countries that subscribed to the Agenda 21 and the Rio Declaration was the prelude to the demise of the spirit of Rio. The WTO Agreements, unlike the Rio Agreements, possesses a strong enforcement capability that could sow obedience to all signatory members especially the South. If the Rio Summit gave birth to North-South partnership, the WTO conferences produced the resurrection of the South’s subordination to the North.

The adoption of the Doha Declaration in the WTO Ministerial Conference in Doha in 2001 was condemned by the Asia Pacific People’s Forum for turning “new issues” into legally binding agreements<sup>18</sup>. Majority of the developing Asia Pacific countries disagreed for negotiations to be launched on new issues, which includes investment, competition, transparency in government procurement and trade facilitation. Although final decisions on these issues will

only be done after two years due to resistance of developing countries led by India, the NGOs nonetheless decried the non-transparent, discriminatory, biased and manipulative process of decision making in Doha.

A number of recent documents coming from the UN have already declared the failure of the current form of globalisation in solving the problems related with poverty. Furthermore, there is also an acknowledgement now about the contribution of globalisation to the multiplication of problems emanating from poverty. The free trade policies being followed in the Philippines now, together with a host of other structural economic factors, for example have already contributed to the collapse of many local companies. The closure of local companies in the Philippines between 2001 and mid-year 2002 have produced a staggering unemployment and underemployment rate of 13.9% and 19.7% respectively<sup>19</sup>. Low level income households could barely make ends meet. The IBON Institute’s mid-year assessment revealed too that an average of 2,500 Filipinos apply for a job abroad everyday because of such situation.

Another major reason for the failure to implement the UNCED objectives is the absence of any kind of effective framework of accountability and disciplines for the behaviour and practices of big corporations. It is also alarming that sustainable development principles are now being used skewedly by corporations to increase their profit-seeking activities. Under the guise of fighting hunger, corporate agribusinesses has heightened social inequality in many of the world’s agricultural regions and are making poor farmers increasingly dependent on the global economy. At the same time, the industrial farming methods encouraged by corporations lower groundwater levels, poison the land with chemicals and undermine the species diversity that has long sustained indigenous agricultures. The UN Conference on Trade and Devel-

<sup>18</sup> Phnom Penh Statement of the Asia Pacific People’s Forum on Sustainable Development, 25-26 November, 2001.

<sup>19</sup> IBON, Midyear Birdtalk: Stabilization and Recovery? July 10, 2002, Quezon City, Philippines, July 10, 2002.

opment's (UNCTAD) Trade and Development Report 2002 has observed that developing countries are trading more whilst earning less. Meanwhile prices of goods in the North are falling. This situation definitely do not augur well for developing countries.

There is a growing consensus that the current notions of development does much more than perpetuate poverty and sustain the institutions of northern domination. It is indeed devoid of logic how in a huge and culturally diverse region like Asia, the poor countries are being forced to follow the same basic model of development and its unsustainable consumption patterns. The Asian crisis of 1997 was a wake up call about the mistake in this "one size fits all" model. It systematically demeans the knowledge, skills and cultural practices that have made it possible for people to survive and flourish independently from the trade-ruled and fast-cash-oriented economy that is defining the world now. In many poor countries, today's-kind-of-development and globalisation transformed previously self-reliant farmers into credit-dependent and chemical-dependent losers. Their population are reared and educated simply to supply low-paid labour and services that feeds unsustainable consumption patterns and consumer culture that are now becoming globally dominant as well. The spread of poverty and desperation is also producing corresponding movements against the growing global corporate control. According to Vandana Shiva, farmers in India have developed a militant movement against the corporate control of agriculture. The farmers in the south-western Indian state of Karnataka have focused on the increasing dominance of Cargill and other transnational corporations, and the threat they pose to land, water and regional food security<sup>20</sup>. She described how activists entered Cargill's regional office in

Bangalore, removed records and supplies of seeds and tossed them into a bonfire in 1992. A year after, members of the state's peasant organisation dismantled Cargill's regional seed storage unit and razed it to the ground. In October of 1993, half a million farmers joined a day-long procession and rally in Bangalore to protest corporate control of agriculture, the patenting of seeds and other life forms, and the new trade and patent rules required by the then-proposed GATT agreement. Their demands included a strong affirmation of the tradition of free cultivation and exchange of seeds by India's farmers, a tradition that is threatened by the emerging global regime of "intellectual property rights."

Traditional or non-western peoples do not wish to altogether reject the whole model of development of the North but are rather seeking for another model which could give them long-term possibilities that could nourish their immediate economic needs without the harsh ecological consequences. The so-called Third World must seek a different kind of vision for the future, which embraces indigenous traditions and provide real development. Unfortunately, the stories and promising cases where the resistance against intrusions of the market economy to traditional lands and economic practices are rarely reported in the official local and international press. It is true that there are more organising efforts being done now, increasingly the people of the South are becoming more politically conscious but the bad effects of globalisation however, are far more powerful in many ways.

In many parts of Asia, farmers are returning to traditional farming methods and rejecting the use of chemicals, but it is still a big question how this could compete against the fast-food world mentality of the majority. Northern farmers could still avail of existing subsidies from their states, however small these subsidies are reduced to now. Such facilities are not available for indigenous people and poor farmers of the South who must fight for their mere survival every day.

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<sup>20</sup> Shiva, Vandana, Indian Farmers Protest Against Pro-Liberalisation Agricultural Policy, Third World Network Environement Page Website [www.twinside.org/env.htm](http://www.twinside.org/env.htm).

#### IV. Financing for Development

The UN held the first-ever international conference on Financing for Development (FFD) in March this year in Monterrey, Mexico. The conference aimed to provide solutions for the financial crisis of the countries of the South as well as the dilemma concerning the means of raising the funds needed to implement the Rio Agreements. Since the 1992 UNCED, ways to produce new and additional financing for sustainable development was one contentious issue on North-South discussions. The last Preparatory Conference for the Johannesburg WSSD held in Bali also tackled the following points:

The traditional official development assistance (ODA) where target goal is 0.7 per cent

International flows of private capital (direct and portfolio investments)

International regulation within the global monetary and financial system

The major debate in this issues featured again the differing view of the Northern and the Southern governments. The G77/China group look at the conference as venue to discuss the future of development assistance as well as reform in the whole structure of financial markets and the international trade system. The EU and the USA on the other hand insist on the mobilisation of domestic resources as the center of negotiations. The US led its economic allies in many such occasions to hinder the discussion concerning the restructuring of the international financial architecture, which could have a longer-term positive effect for the South. NGOs in Asia. Those within the Third World Network, Jubilee South, and ATTAC are daunted that discussions around this theme will not go so far primarily because of the UN's weakness in the face of the Bretton Woods and the WTO. As cynical saying goes, the UN will just be eaten for breakfast by the financial institutions.

Based from OECD data, aid followed a drastic downward turn in the last years despite the UNCED's 1992 promise of new and additional financial resources from the

developed countries. OECD countries have steadily decreased their spending on ODA as a percentage of total Gross National Income and per capita over the past decade. In 2000, ODA represented only 0.22% of national income compared to 0.33% in 1970.<sup>21</sup> The reduction in the amount of aid naturally affected efforts to implement the Rio Agreements and other UN follow-up mechanisms, leading many to conclude that Northern countries are not really serious on their commitments made in Rio. So far, only five countries have met the target of putting their yearly official development aid or ODA based on the 0.7% of their gross national product or GNP. These countries are: Denmark, Finland, the Netherlands, Norway and Sweden. Since 1992, the rest of the OECD's donor countries even reduced their aid budgets.

The Monterrey Conference on Financing for Development did not go beyond the reaffirmation of the Rio target of 0.7% of GNP as ODA from donor countries. Nonetheless, Southern governments continue to fear that donor countries will continue to fail in meeting even the said target. ASEAN ministers expressed a concern in Bali that the commitments in financial assistance, technology transfer and capacity building have not been fully realised and called upon the developed countries to achieve the commitments in line with the principle of common but differentiated responsibilities<sup>22</sup>. The European Union member countries committed an average of 0.33% of their GNP as ODA. The Preparatory Committee Meetings for the Johannesburg Summit showed the resistance of the developed countries to change the *"Means of Implementation Agreement"* beyond what was set in Monterrey and the WTO meeting in Doha last year.

Despite the argument of the poor countries concerning the direct link of poverty with

<sup>21</sup> OECD, Working Together Towards Sustainable Development: The OECD Experience, 2002.

<sup>22</sup> Joint Statement of the Ministers Responsible for Environment of the Member States of ASEAN to the World Summit on Sustainable Development, Bali, Indonesia, 04 June, 2002.



the current level of debt repayment, the US, Japan and the rest of the donor countries refused to extend debt relief to debtor countries. The payment of foreign debts is a major reason cited by NGOs as a major hindrance to economic recovery of poor indebted countries. Instead of allocating funds for basic social services and environmental projects, poor countries have to put debt servicing as priority expenses in their annual budgets. The contentious side of this debate is the fact that many of such debts are private debts accrued by the corrupt governments of the South, like the respective cases of the Suharto and the Marcos regimes in Indonesia and the Philippines, in collusion with partners from the donor countries. These debts were vouched by governments and being treated as public debts even if they did not benefited the public, nor worked for development.

On the other hand, more and more private sector investment designed for maximum profit attainment are being allowed to handle development projects. Their surges has overtaken public financing for development. The private sector, contrary to what is being promoted in Asia as a more efficient provider of public service, have shown to have the tendency to monopolise resources and place business priorities first instead of public service. Environmental accountability and exchange of best practices and technologies have yet to spread within the business community, despite lobbies from the NGOs.

Related to this would be the North's commitment to transfer technology on special and preferential terms to the South as entrenched in the UNCED agreements and many Multilateral Environmental Agreements. It is also a key element of sustainable development. However, this commitment essentially remains on paper. The current dominance of private corporations

in technology is a major factor. The impact of TRIPS is also being felt now as developing countries find that these rules tend to put much of the environmentally friendly technologies and life-saving products beyond the reach of developing countries. A very glaring example is the AIDS epidemic case where the prices of medicine continue to be at levels which are not accessible to millions of victims. Without the necessary technologies, the development as well as environmental prospects of the South will continue to be undermined.

The developing countries need to build the capacity to assess technologies when these are available and accessible. Experiences of the dumping of obsolete or hazardous technologies by the North to the South are by no means the agreeable way of doing technology sharing. During the first session of the Commission on Sustainable Development, it was already stressed that the need for technologies to be assessed for their health, safety, environmental, economic and social impact before they are transferred is a must.

The Asia Pacific People's Forum statement on sustainable development also made mention of the over-riding, but never acknowledged, role of militarism in blocking sustainable development. It stated that the most wealthy, powerful, and warlike countries are the drivers in both economic liberalisation and militarism, which most countries in the region could not confront. It is ironic that there is never enough money to commit when it comes to implementing the agreements under Agenda 21, but in reality if the expenses for all the required actions will be summed up they will never really come close to the military expenditures that is being rationalised now as necessary to address global security.

## **From Bali to Johannesburg**

Many negative reports are already written, said and disseminated about the failure of governments to reach agreements during

the Fourth Preparatory Committee Meeting held in Bali. The blame was collectively thrown at the IMF, World Bank, the ADB,

the WTO and the transnational corporations by developing countries and the NGOs. Originally, the Bali conference should have produced an evaluation of progress of the Agenda 21 processes of the past 10 years and come up with an implementation plan that will guide the next coming years. As known to observers now, the negotiations collapsed. During the meeting, an extensive divide between the Northern and Southern government negotiators concerning the reform of international relations was seen as clear as day in that tropical island. Key developed nations retreated from their previous commitments on finance, debt relief and poverty reduction.

The Bali negotiations followed four themes<sup>23</sup>:

environment and natural resources – covering water, biodiversity, and special programmes for small-island developing states or SIDS;

institutional framework for sustainable development – with focus on the modalities and reform of global, regional and national governance institutions;

trade and finance – including the Means of Implementation

the political declaration for the Johannesburg Summit

All these critical issues were not negotiated owing to disagreements and reservations of Northern delegates on key texts in the documents. Japan, the United States (US), Canada, Australia and New Zealand (the JUSCANZ group) have blocked most attempts to set specific targets and timelines for inter-governmental commitments and multilateral initiatives. The EU clamoured for the ratification of Multilateral Agreements but was not totally successful. The Chairman's Text or the Draft Plan of Action is still 25% bracketed signifying that much of its parts could be deleted. Dissatisfied NGOs accused that only the interests of the developed countries and their TNCs were accommodated in the negotiations.

The G77 and China failed to come up with collective positions owing to the diverse priorities of its members. It was mentioned in several reports of NGO participants in Bali that progressive delegates from southern governments were either absent or silent in key negotiations. The OPEC agenda served as the common position of the G77 in crucial meetings. This led many observers to conclude that this trend shows that no real change in development practices could be expected after Johannesburg and probably over the next ten more years. The heavy conflicts on the contents of the draft text, especially on paragraphs in Section IV on *Sustainable Development in a Globalising World* and Section IX on the *Means of Implementation* will most probably continue in Johannesburg. Southern countries are accusing the developed countries of undermining the progress on both environment and development issues since Rio, citing the contradictions between the UN processes and the results from the successive WTO and G8 meetings.

The WALHI network in Indonesia, which served as the backbone of the NGO host committee for the International People's Forum in Bali, officially expressed that the PrepCom IV does not reflect nor fulfill the interests of civil society. Since the Johannesburg Summit will just most likely formalise the free trade agenda that were put in place in the WTO conference in Doha, it called on member organisations and partners to reject all the PrepCom IV results and boycott the WSSD Summit. The same call to boycott the Summit reverberated as well amongst the big NGO networks across Europe. Currently, the document that is being negotiated undermines rather than implements previous agreements. After four preparatory meetings the trends are very obvious.

23 Tan, Celine, Johannesburg Watch: Why Trade and Finance Groups Should get Involved in the World Summit Process, Third World Network, July 2002.

## Conclusion

The last ten years in the life of a concept supported by global agreements showed a fundamental and remaining issue – sustainable development is beyond rhetoric about a common environment or a common better world. The Johannesburg Summit should serve as a reality check. There is a great need to once again emphasise the key words that had been used time and again in the negotiations for one decade now. First, sustainable development is about **equity** within the world order. Development will continue to remain impossible if the development paradigm is erroneous and if the priorities are wrong.

Second, **unity of Asian governments and the South**. Despite the various efforts of forming a regional unity and the importance accorded by its states to international processes, Asian governments like their counterparts in Africa and Latin America showed weakness in negotiations as a region or as single developing states. The political leadership of the majority of countries in Asia failed to prepare for international negotiations with Northern governments. Because of the lack of unity among the South and the particularly contending interests among Asian developing countries, they ended up accommodating legally binding international policies that are detrimental to their national interests. This shows more than weakness, it shows a lack of imagination, and capacity in finding what is beneficial for their own development.

Most of the Asian leaders and bureaucrats are aware of the current environmental and development dilemma of their developing countries. However, they could not assert their position or are simply oblivious about the possibility of other forms of political and economic arrangements that could be better for their poor constituents. Many articulate instead a sense of resignation over the power of liberalisation and the power of global elites rather than a critical or principled stand against the continued hypocrisy of the current world or-

der. Many poor countries, even if they want to thread the path of sustainability experienced sheer difficulty to do so. In 2001 for example, the government of Sri-Lanka was forced to “suspend” a law adopted by its Parliament to ban genetically modified crops, because of reported threats of WTO sanctions by the US.

Despite these there are still reasons to come to Johannesburg as strongly urged by Vandana Shiva during a conference in Germany organised by local Agenda 21 networks in April, 2002. Committed individuals should add their warm bodies in various activities in the Global NGO Forum as well as in the protest activities being organised there. If governments would fail, it must be shown that not everyone is prepared to accept their failure. The governments could still actually save the principles of Rio and rectify the concessions made in Monterrey and Doha. The WSSD Plan of Action could still be rescued if there is enough good will to do so. This once again necessitates the third principle which is **political will**. The UN must be supported and pushed to stand against the WTO and the Bretton Woods institutions. International financial institutions and transnational corporations must be disciplined. The emphasis on market-based and private sector financing must be separated from the Summit’s programmatic outcomes for this reflects an implicit endorsement of the neoliberal policy prescriptions imposed by the World Bank and the IMF in their lending programmes. The Group of 77 and China must keep on addressing the systemic flaws in the international financial architecture and the global trading system. There is no lack of inter-governmental and national framework concerning the implementation of Agenda 21. The Association of Southeast Asian Nations expressed it through the *ASEAN Vision 20/20* which stands as the member countries’ commitment to the pursuance of sustainable development in the region. It is backed by the *Hanoi Plan of Action* which is consistent with the global strategies and plan of ac-

tion. There are counterpart documents as well corresponding to the same commitments and plan in the APEC level.

The value of all these papers however dissolve when met by the countries' development framework and concrete efforts for the accomplishment of the WTO rules and the agenda of international financial institutions. The last ten years did not show any changes in the models and processes of development in Asia. As a result the public trust for the capacity of each country to actually implement sustainable development eroded.

However, the engaged civil society organisations and concerned individuals continue to remain vigilant and are enhancing the effort to form linkages with other networks and peoples for joint actions. Unity of purpose among groups is important to see that the debt burden of the South, specifically of Asia's poor countries will not put more pain as declining terms of trade, volatile global capital flows and skewed multilateral trading rules continue to create havoc on the lives of the growing number of people pulled to poverty. Instead of progress and implementation of Rio's Agenda 21, the processes are moving backward. We have no choice but to continue the battle, which are becoming harder at all fronts.

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