

From thoughts to action

World Resources Forum WRF, Davos (14 – 16 Sept. 2009)

Workshop No 8 Panel Discussion: “Resources and Risks”

Sept. 15, 2009, 16.30h – 18.00h

Briefing Notes

Chairman: **Walter J. Ammann**, President/ CEO Global Risk Forum GRF Davos

1. Introduction

The growing number of people on our planet, coupled with globalization, urbanization, and an increase in lifestyle consumption, has greatly increased the need for natural resources. Natural resources, be it oil, gas, coal, iron, copper and other metals, water, wood, fertile land, etc. are limited and not efficiently used, and the current development of mankind is far from being sustainable. The World economy is relying on many valuable raw materials from over 50 developing countries – some of these belonging to the poorest class. Shortage of resources or even scarcity, combined with an excessive pricing, in particular of water and food, may lead to social unrest and migration. Climate change and the associated impacts will aggravate the situation.

Exploitation and use of raw materials differ in terms of space – requiring long distances in transportation – and ownership. Whereas exploitation is often done in developing countries without caring about environmental impact, the value added is created in industrialized countries. Pricing and trading rules are made by globally active raw material dealers, including just a few beneficiaries. The returns seldom are used for reinvestment in the respective countries of delivery, but for defending particular, even personal interest. Local people often are used only as cheap labor force for exploitation. The losers are the poor people, the environment and society as a whole.

Exploitation and use of resources may yield too many different kinds of risks and conflicts. Exploitation may be subject to rivaling groups of interest and transportation, and the whole supply chain security may be endangered by discriminative and unstable national and regional political interest. Risks to the society and the international community as a whole, including the private sector are therefore increasing.

2. Goals

The panel will address the risks from different perspectives and will discuss ideas and possible solutions on how to use the resources in an efficient and sustainable way, taking climate change into account, on how to limit the risks for conflicts and social unrest, and on how to better balance the interest of raw material exploitation, transportation and usage.

3. Structure of the workshop/ panel

Each panellist will have 15 minutes max for providing facts and figures, and elaborating his/her perspective and to provide some solutions. The statements will be followed by a 30 minute panel discussion and a 15 minute open plenary discussion. Finally, the panellists will be asked to present their vision for the future in a 1 minute statement.

4. Panellists

R. Martin Lees, Secretary General, the Club of Rome, Winterthur

Focus: Resources and their limits: In 1972, the Club of Rome published its "Limits of growth". What are the perspectives 40 years later? Population growth, demographic shifts, climate change, limited resources and renewable energy - Where are the limits for a sustainable development?

Tamer Afifi, Associate Academic Officer , Environmental Migration, Social Vulnerability, and Adaptation Section at the United Nations University Institute for Environment and Human Security (UNU-EHS), Bonn, Germany.

Focus: Resources and forced migration: Limited resources, water scarcity, food insecurity, environmental degradation due to climate change and overexploitation renders the poor people in the developing countries even more vulnerable, makes sustainable development impossible, and forces them to migrate within their own country, over borders and continents.

Karan Khosla, CEO Earthsafe Enterprises, Delhi, India

Focus: Human resources: Raising the quality of human life, providing access to education, eradicating poverty and improving the lives of the poor and in particular of the women in developing countries may provide a least cost route to reducing carbon emissions.

5. Proposed discussion topics

- The growing number of people on our planet, coupled with globalization, urbanization, and an increase in lifestyle consumption, has greatly increased the need for natural resources.
- The current development of mankind is far from being sustainable.
- Natural resources, be it oil, gas, coal, iron, copper and other metals, wood or fertile land are limited and not efficiently used.
- The world economy is relying on many valuable raw materials from over 50 developing countries – some of these belonging to the poorest nations.
- Shortage of resources or even scarcity, combined with an excessive pricing, in particular of water and food, may lead to social unrest and migration. Climate change and the associated impacts will aggravate the situation.
- Exploitation and use of raw materials differ in terms of space – requiring long distances in transportation – and ownership. Whereas exploitation is often done in developing countries without caring about environmental impact, the value added is created in industrialized countries. Pricing and trading rules are made by globally active raw material dealers, including just a few beneficiaries.
- The returns seldom are used for reinvestment in the respective countries of delivery, but for defending particular, even personal interest. Local people often are used only as cheap labor force for exploitation. The losers are the poor people, the environment and society as a whole.
- Exploitation and use of resources may yield to many different kinds of risks and conflicts. Exploitation may be subject to rivaling groups of interest and transportation, and the whole supply chain security may be endangered by discriminative and unstable national and regional political interest.

6. Outcomes of the panel

Panel and audience have identified climate change as number one threat for mankind. The use of resources has to be seen from the perspective of minimizing CO₂ emissions. Environmental degradation, forced by over-exploitation of natural resources, and accelerated by the impact of climate change (heat waves, lack of precipitation, etc.) increasingly causes migration – within a country but also across boundaries.

It has been emphasized that the target for CO₂ emission should be set as low as possible, i.e. at 380 ppm and not at 450 ppm. The discussions also revealed the importance of education. It has been stated that education is not only important for advancing sustainable development and resource management, but to be also a very cost-efficient way of birth-rate reduction – thus, education as a mean to stop or at least drastically decelerate the growth of the global population. It has been postulated that education with the additional effect of stabilizing the population's growth-rate might thus become one of, if not the most effective investment for CO₂ emission reduction.

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