

Coordinates and Strategies of Sustainable Development

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Abstract

This paper aims to analyze the relations established between sustainable development and environmental issues in Romania. The premise of this approach is that real sustainable development requires a revised relationship between environment, society and economy; such a relationship can not be achieved without serious changes in the states' legislation, structure and functioning of the economy, people's behavior. Today, especially in the EU, sustainable development means a new environmental reporting, limiting the consumption of raw materials, labor productivity growth, increasing the share of renewable energy sources and recycling of industrial and domestic waste. Although Romania has made a considerable effort, it still has some important differences with other European Union member states. In Romania, the process of learning and putting into practice the principles of sustainable development in a globalized world is still in its early stages.

Key words: *sustainable development, strategy, environment, multilateralism, gaps*

JEL Classification: *Q01, Q56*

Introduction

The concept of sustainable development has its origins in the years 1960-1962. Carol R. in *Silent Spring*, published in 1962, was taking into account the harmful effects of pesticides. P. Ehrlich, in *The Population Bomb* 1968, highlighted the relationship between population, resources and environment. The Americans have emphasized the relationship between environment and economy. In 1969, the U.S. established a Council on Environmental Quality. Gradually, it was concluded that the liberal statist and neoliberal development models must be replaced by the sustainable development.

The concept of sustainable development is still in the process of crystallization, following the decision of the international community to handle the environmental problems through global measures, and which seek to be defined and promoted for implementation through a regulated framework. This framework for action at the international level is in a process of continuous development, including legal action with a binding character under the form of treaties and conventions or with a non-binding character, in the form of declarations, resolutions or sets of policy guidelines.

Highlights of the Concept of Sustainable Development Evolution

A reference point for the evolution of the concept of sustainable development is represented by the International Conference regarding the Human Environment held in Stockholm in 1972. The debates with the occasion on environmental issues and development needs have led to the following results:

- o Stockholm Declaration - containing 26 principles;
- o Action Plan for the Human Environment, having three components: the global environmental assessment program (Eathwatch), the environmental management activities and the support measures;
- o United Nations Environment Programme - UNEP;
- o Voluntary Fund for the Environment, established in January 1973 in accordance with the financial procedures of the United Nations.¹

Significant *contributions* were made by the Club of Rome:

- o *The first report of the Club of Rome (Growth Limits)* was published in 1972 under the direction of Professor Dennis Meadows. There were five factors which highlighted the restricting growth: population, agricultural production, natural resources, industrial production and pollution. Among the conclusions: The exponential growth of population and industrial production produces pollution, depletion of natural resources and famine; The world economy will have to turn to the “zero growth”; It is possible to create an ecological and economic stability that can be maintained for a further period of time, if the development of the first two factors will be corrected.
- o *The second report to the Club of Rome* (M. Mesarovic and E. Pestel) was developed in 1974, and entitled “Humanity at the crossroads”. The authors appreciated that the company should be treated as a living organism, which in the first period (childhood, adolescence) is growing rapidly, exponentially, and in the next period, a slow maturity and then a cap. Among the conclusions, it was repeated the idea that it must be nuanced the definition of the economic growth, treating it by regions; in industrialized regions, wasteful consumption reached absurd proportions, while in other regions the lack of it jeopardize the very existence of human growth.²
- o A new report of *the Club of Rome - The restructuring of the international order* - was developed in 1976 under the leadership of Jan Timbergen. It reserved the environmental topics a central place in this report and an important additional dimension of development. It expresses the idea that the environment can affect development “as a potential resource to be used for the good of humanity in a healthy way of ecologically and as a direct component of life through physical and aesthetic values of natural components, transformed by man forged by man”.³
- o *Another report of the Club of Rome (Let's get out of the wasted era)* due to D. Gabor and U. Colombo, it centered on managing unreasonable planet's resources, seeking to answer the numerous criticisms addressed to the “limits of growth”. According to the authors, a balanced society would provide an adequate standard of living in the material plan without compromising the quality of life. The development must be carried out in harmony with

¹ C. Ionescu, *Environmental Management Policy Course*, 2003 Lecture 1.

² See M. Mesarovic, E. Pestel, *Mankind at the crossroads*, Politic Publishing, Bucharest, 1975.

³ J. Timbergen, *Restructuring international order, Report to the Club of Rome*, Politic Publishing, Bucharest, 1984, p 280.

nature. There must be reformed the national and international institutions, must change their lifestyle and working conditions in the long term, making the scale of values of society etc. The economy will turn to the inexhaustible energy sources (hydro power, wind etc.).

In 1983, the United Nations established the World Commission on Environment and Development - WCED, known as the Brundtland Commission. In 1987 it was drafted by this committee the document "Our Common Future" (Brundtland Report), a document which defined sustainable development as "the development that meets the needs of present generations without compromising the ability of future generations to meet their own needs" and which formed the basis of the 40 chapters of Agenda 21 and the 27 principles of the Rio Declaration.

United Nations Environment Programme Activity targeted: sectoral issues of environmental factors: pollution, air and soil (especially land degradation) and global problems: acid rain, ozone depletion, climate change, deforestation and desertification, conservation biodiversity, international trafficking in toxic and dangerous products and waste, protecting the environment in times of armed conflict.

The UN Conference on Environment and Development held in Rio de Janeiro in 1992, there were integrated formally approaches to economic development and environmental protection objective of sustainable development. The *results* of the conference were materialized into:

- o The Rio Declaration, which contained 27 principles;
- o Agenda 21, which became an action plan for sustainable development starting in the XXI century, translated into 40 chapters (bases of action, targets to be achieved, tasks to be performed, methods of implementation);
- o Principles for the conservation and sustainable management of all types of forests;
- o Institutional organization of the World Commission for Sustainable Development;
- o The funding mechanism for the implementation of Agenda 21.

There were also adopted the Convention on Biological Diversity and the Framework Convention on Climate Change.

The Conference on Sustainable Development in New York, in 1997, found the extension of inequalities expressed by reducing official development assistance provided for development and growth of international debt; the failure to improve technology transfer and capacity building for participation and development of institutional coordination failure; the inability to reduce excessive levels of production and consumption. Also in 1997, *the Kyoto Protocol* (unenforceable by the U.S. and China) established the reduction of greenhouse gas emissions.

UN Summit on Sustainable Development⁴ was held in 2002 in Johannesburg. On this occasion were voted: *the Johannesburg Declaration on Sustainable Development* and *the Plan of Implementation of the World Summit on Sustainable Development*. The sustainable development was closely linked to the combating environmental degradation and the rational use of natural resources. The summit defined as pillars of sustainable development: economic development, social development and environmental protection at the local, national, regional and global levels. They set strategic objectives as: poverty eradication, changing patterns of production and consumption, protecting and managing the natural resource base for economic and social development. *It was established a world solidarity fund to eradicate poverty*. It was emphasized the role of civil society in the implementation of the sustainable development and promoting partnerships.

⁴ C. Ionescu, op. cit., p.4.

The international law included several fundamental principles for environmental protection. Specialist as G. T. Gardner and T. Prugh⁵ appreciated that the traditional economic system - based on the "spoliation of natural resources" and the growing irrational - is in a major impasse. This tolerates both strident richness and endemic poverty. Economic independence from nature is an impossibility. The growth theory should be replaced by the sustainable development. Also, the current global crisis demonstrates that the market alone can not solve the complicated social and economic problems of the present and near future. The market alone can not ensure a relatively fair distribution of goods. The current economy undermines and seriously perpetuates the economic and social gaps. It is therefore, imperative a "conceptual economic reform, which should include:" economic adjustment of the permitted dimensions of ecosystem; the transition from growth to development; ecological realities reflected in prices; the introduction of natural factors in economic calculations; use of the precautionary principle; encouraging community management etc.

A New Approach to Sustainable Development

The financial and global economic crisis returns to debate the economic fundamentals, financial, social and political development. The UN states that if the countries of the world will not coordinate their efforts in order to combat the current crisis and if the government stimulus packages will prove to be inefficient and delayed, then the global economy could contract in the future to 0 4%. The situations and prospects of global economy in 2009 report pleaded for stricter regulation of institutions that operate in the financial markets, providing necessary liquidity to global financial reserves reform and better governance of the global economy. "The fact that analysts and the government now express dismay over the extent of the crisis suggests not only underestimating its root causes, and lacking confidence in their own ability to regulate unruly financial markets."⁶

R. B. Zoellick⁷, the World Bank's top personality, highlighted the efforts to combat global crisis, emphasizing the role of multilateralism. In October 2008, we made a call to modernize multilateralism and markets so that they can better reflect the changing of the global economy and allow states to take concerted action in order to address the interconnected problems. Looking beyond the old G7 system, we need a XXI century approach to multilateralism, one that includes a dynamic and flexible network and a new hierarchy of a fixed or static system. The new multilateralism must potentiate to the maximum the forces of the actors in public and private institutions, taking into consideration their interdependence and overlapping. It should go beyond the traditional priorities such as finance and trade, and should cover the new pressing economic and political issues: development, energy, climate change, and stabilizing the fragile states or those in a post-conflict stage. The new type of the multilateralism of international institutions must attract existing expertise and resources to reform them when necessary and encourage cooperation and joint actions.

The reputed American H. P. Minsky argued that it is utopian to try to stabilize the financial capitalist economic system. This system is based on an economy largely competitive in the market but with the intercession of governments, corporations with monopoly power, interest and pressure groups, consumer associations etc. Economists who have advised governments after 1960, have exaggerated the monetarist and consumerist assumptions as excessive liberalization measures of capital markets. "What we need to do now, is to restructure the economy, which to reduce the inflation impulse ... at the same time as to retain the state power to prevent deep depressions. After an initial period, the fundamental destabilizing trends of the

⁵ More in *State of the World*, the Worldwatch Institute, 2008.

⁶ *Adevarul*, December 2nd, 2008.

⁷ *Saptamana Financiara*, January 19th, 2009

capitalist financial structure will push back the limits. When this happens, it will need a new era of reforms.⁸

In the centre of the development there must be humans. "Providing more resources and strengthen the markets ... are still important aspects of effective development. (...)Equally important is the strengthening of the government and identification - as each country reaches a certain stage of development – the right ratio of the government interference in the market (...). Strategies on education and employability of the workforce should be considered in these double perspective: how they stimulate the development and influences directly the individuals(...). World Bank studies have highlighted the importance of community involvement and found that local participation in selecting and drafting increases the chances of success."⁹

J.E. Stiglitz added: "Improving the globalization process will not be very useful if we can not solve global environmental problems. The atmosphere and our oceans are global resources; globalization and so-called economic progress have stopped us to increase the capacity to exploit these resources."¹⁰ "Modern economic theory has shown that social welfare does not increase when corporations maximize their profits taking into account only their own interest. For the economy to become effective, corporations must consider the impact of their actions on their employees, the environment and the communities in which they operate."¹¹

Guillermo de la Dehesa, Chairman of the Centre for Economic Policy in London, insists that:"Industrialized countries must ensure that the poor and those disadvantaged by the change are not neglected and that all workers have access to the benefits of education and vocational training in applying the new technologies.The leaders of developing countries must shrink the gap between rich and poor and to ensure that governments and institutions are open and transparent. This is essential for attracting foreign investments necessary for improving the development coefficients and solving social problems. There is a limit in which the industrialized economies can act in order to help the developing countries that do not take the necessary measures. "¹²

Sustainable Development Strategies at European Level

Sustainable development strategies have been promoted by the major international organizations and most countries. Within the EU environmental policies and strategies have overtaken the concept of sustainable development adopted at the Community level. The first Environmental Action Programme was adopted in 1973, when the pollution issue focused on economic sectors. There have been introduced regulations and directives regarding the limiting the air, water and noise pollution and nature conservation.¹³ Green Plans were adopted and there were introduced environmental taxes. From 1993 dates the Environmental Management and Audit System (EMAS). The companies should have obtain environmental certification and elaborate environmental annual plans.

The Treaty of Maastricht (1992) adopted a special environment policy, in the responsibility of the European Commission. It was established the principle of the "polluter pays". It was created a General Directorate for Environment. The EU has committed to build the EU's internal market, to trigger the creation of the euro and to promote the economic and social progress,

⁸ H.P. Minsky, *How to stabilize an unstable economy*, Public, Bucharest, 2011, p 653.

⁹ Ibid, p 56-58, see also A. Sen, *Development as Freedom*, Economic Publishing House, Bucharest, 2004.

¹⁰ Ibid, p.161

¹¹ Ibid, p.165

¹² G. de la Dehesa, *Învingători și învinși în globalizare*, Editura Historia, București, 2007, p. 15.

¹³ J. A. Carmine, S.D. Van Deveer (coordinators), *EU Enlargement and the Environment*, ARC Publisher, Chisinau, 2009, p. 31

balanced and sustainable. In 1997 the Amsterdam Treaty established that the EU will respect the principles of the sustainable development.

The European Union has set its own sustainable development strategy from 2000-2002, under the Lisbon Strategy (revised several times). Sustainable development has economic, social and environmental components. EU should become the most competitive and dynamic economy, based on knowledge and sustainable growth. EU promotes the creation of a more prosperous strategy, with a clean environment¹⁴. Economic growth will be correlated with social progress.

The European Parliament adopted, on the 17th December 2008, a climate change package, so that the EU objective will now consist in reducing greenhouse gas emissions by 20%, increasing the share of renewables to 20%, reducing energy consumption and improving efficiency to 20%, all by 2020. The final agreement stated that by 2020, all companies trading scheme will receive at least 30% of the free allowances, the percentage of bids will grow from 20% in 2013 to 70% in 2020 and to 100% in 2027.

The EU development strategy adopted in June 2010 states: a firm fight against the school dropout; 40% of young people should be graduates of tertiary structures of higher education; 3% of GDP should be assign to research; the employment rate of workers should achieve a level of 74%; drastically reducing poverty in the EU. Energy efficiency will increase by 20%. It will also increase the renewable energy by 20%. In March-June 2010 the EU has revised the sustainable development strategy, pointing out the scientific research, education, environment, combating unemployment, economic recovery etc. At the EU summit from 23-24 June 2011, it was decided to apply further sustainable growth strategy and measures in order to increase economic governance and to strengthen the European Stability Mechanism and the European Financial Stability Fund.

Sustainable Development in Romania

A first state document for the Sustainable Development of Romania has drafted in 1997-1999, with the assistance from the United Nations Development Programme (UNDP). Between 2000 and 2007, the attention focused on legislative and institutional alignment to the EU, the programming documents and sectoral strategies developed in this period encompassing a number of provisions and targets that prepared the framework for the strategy development.

In 2008 it designed a new National Strategy for Sustainable Development. Horizons 2013-2030, which respects the commitments undertaken by Romania's in the EU Accession Treaty, and the general guidelines in the National Development Plan 2007-2013, the National Strategic Reference Framework 2007-2013, the National Reform Programme and the Convergence Programme. The strategy outlines the strategic objectives on domains and subdomains and introduces ideas for actions and solutions required and/or recommended in order to achieve them. The central aim is to reduce the gap between the sustainable development level in Romania and the average level of sustainable development in the EU countries. The strategic objectives are structured on three temporal milestones:

- o 2013 – sustainable development principles and practices, as defined and agreed at EU level, are embodied within all Romanian programmes and public policies;
- o 2020 – the values of the main indicators of sustainable development in Romania are expected to be aligned with the average level of EU members;
- o 2030 – the sustainable development indicators will have close levels to the average performance of the EU Member States at that moment.

¹⁴ V. Campeanu, op.cit. p.82-83

Thus, taking into account the main indicator of convergence in real terms of GDP / capita at purchasing standard parity, it aims that in 2013 the GDP per inhabitant in November of that year to be more than half of the EU average in 2008. For 2020, Romania wants to reach the threshold level of 80% of the average of the EU indicator from 2020 to 2030 that will slightly exceed the EU average in 2030.

The National Strategy for Sustainable Development has as main directions: the increasing of the economy competitiveness and development; improving the energy efficiency and the use of renewable energy in order to reduce the climate change and its adverse impact to society and environment; the raising at the European standards of the basic infrastructure emphasizes the sustainable transport infrastructure and reducing environmental impact, promoting intermodal transport, improving traffic safety and critical infrastructure protection; improving the living standards on the delivery of public utilities, especially regarding water and waste management; improving sectoral and regional systems of environmental management; conservation of biodiversity; ecological reconstruction; risk prevention and response to natural disasters.

In accordance with the National Strategy, the Sectorial Operational Programme “Transport”, approved by the European Commission in July 2007, defines as main objectives for the 2007-2013 period: the Development and modernization of the priority trans-European transport axes (TEN-T) in the territory of Romania, the upgrade and development of the national transport infrastructure and the improvement of transport sector performance with regard to environmental protection, human health and traffic safety.

The Environmental Sectorial Operational Programme 2007-2013, which was approved by the European Commission in July 2007, is also correlated with the development strategies and with other EU and national funded programs and aim the compliance with the EU directives. The programme is specifically targeting the improvement of quality and of the access to infrastructure for water supply and wastewater treatment, the development of integrated waste management systems, the reduction of negative environmental impact of urban heating systems, the preservation of biodiversity and of the natural heritage and the reduction of the risk for natural disasters.

The objectives of the Sectorial Operational Programme for the Development of Human Resources, approved in November 2007, contribute to the implementation of National Strategy for Sustainable Development, as from seven priority axes three focus on the national education and training system.

Overall, the national strategies and programs relating to the environment meet the guidelines of the EU Sustainable Development Strategy.¹⁵ However, the crisis of 2009-2011 had a strong negative impact on the society. It determined the drastic reduction of incomes, including the pension. There were outlined measures in order to reform the wage system, education, or health system. Labor market in 2010, introduced new codes of “flexibility”. But the crisis has left nearly 1 million unemployed to 4.3 million employees.¹⁶

Several financing sources for the implementation of the National Strategy for Sustainable development are also indicated, in correlation with National Development Plan, the Operational Programmes and other domains specific action plans. This includes the contribution provided by EU through structural instruments along with the national co-financing from public and corresponding private sources, external borrowing from international financial institutions, funds from state and local budgets.

¹⁵ Ibid, p. 60

¹⁶ In the Romanian society, it is placed the fundamental directions of development issues. If by 2005-2007 these lines were synchronized with those of the EU, then nothing came of developing coherent strategies. Recently, the president even said that Romania should apply only programs stemming from the EU Sustainable Development Strategy.

Conclusions

A sustainable development strategy can not exclude: the issue of climate change; the energy issues; public health; natural resource management; poverty and social exclusion; aging and demography; migration; land use and regional development etc.. The sustainable development is correlated with democracy, human rights, and good governance. We note that discussions on development in general preceded the definition of the concept and the development strategies.

As essential requirements for sustainable development we signal: resizing economic growth, taking into account that resources are distributed more equitably and to be focused on qualitative sides of production, ensuring an acceptable level of population growth (it is questioned the controlled population growth); the elimination of poverty, in terms of satisfying the necessary needs: jobs, food, energy, water, housing and health; the conservation and enhancement of natural resources, maintenance of ecosystem diversity, monitoring the impact which economic activity has on the environment; reorienting technology and putting under control the implementation risks; decentralized forms of governance and increased participation in decision making; corroborating the decisions on environment and development national plan with those on the international plan.

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