

Transcript 2

How did we get here? Climate Crisis as a product of unsustainable economics

Intro (150 words – 1 Minute)

In 2023, Earth Overshoot Day fell on August 2nd. (GRAPH1). It marks the date when **humanity has exhausted nature's budget** for the year, and it is months too early. Therefore, it's a fact: We are not able to manage our natural household anymore. **Our economics is simply unsustainable**. Already 15 years ago, the famous Stern Report on the economics of climate change stated clearly: **“Climate change is the greatest market failure the world has ever seen” (Stern 2007: 28)**.

Still, we live in a very paradox situation today: The science is clear that the economic usage of natural resources - especially fossil fuels - leads to the emission of greenhouse gases, which are the main drivers of climate change (Brand/Wissen 2017: 106-110).

However, until today, global resource use has quadrupled since the 1970s (de Witt et. al. 2020), and is leading us into the climate crisis!

Hence, you are completely right when asking: **How could we even get to this point?**

To help you understand the complexities behind this, **in the following video we will:**

- **Delve into the history of economic development**
- **Scrutinize the unsustainability of current modes of living**
- **And take a look at global inequalities related to them**

Main part (450 words – 3 Minutes)

The story of **how humans created an economic system** that led to the on-going destruction of our planet and ourselves is complex and has many starting points. However, the facts are clear that the responsibilities for today's greenhouse gas emissions are unequally distributed. While the **poorest half** of the world's population emits only about **10% of global emissions**, the **richest 10%** are **responsible for 50% of emissions** (Gore et. al. 2020). Further, altogether the countries of the **global North** are **responsible for 92% of global greenhouse gas emissions** (Hickel 2020) (GRAPH2).

The budget used is thus extremely unequally distributed. While earth overshoot day would fall on December 20th in Jamaica, it would be March 13th in the USA (GRAPH3). Therefore, we will look at the most important points in how especially the global North's economies took a wrong path in history.

The economists and political ecologists Ulrich Brand and Markus Wissen (2017) claim that it is especially the development of the so-called **Imperial Mode of Living in the global North** that created today's situation. This means that the populations of the global north started to base their lives and especially their economic production and consumption on the **exploitation of other humans and nature**. And today, this mode of living and its economy start to reach their bio-physical limits.

Historically, the creation of this **unsustainable mode of economy and living** started with **early capitalism** and the so-called **first phase of colonization from the 16th to the 18th century**. The colonization meant a violent appropriation and exploitation of land and humans, with two goals: First, creating wealth and satisfaction of luxurious needs. Second, obtaining natural resources and labour power for the newly developing industries. Self-sustaining and hence sustainably living farmers, as well as hunters and

gatherers, were forced to leave their lands and work at plantations and in factories. **Commonly owned land and its communities were forcefully privatized and put into competition** at developing markets by their new owners.

This created the basis for the times of **industrial revolution and industrial capitalism in the 18th and 19th century**. During this time, an essential change started in European economies and its colonies. Through the usage of **machines powered by fossil energy**, a massive increase in the production, and with it in the consumption of goods, began (Novy et. al. 2023). The **exponential growth** following from this is called “**the great acceleration**”, and can be perceived in a huge variety of economic as well as ecological indicators (GRAPH4). Amongst many others, this graph includes for instance the loss of tropical forest. Whereas less than 1% was lost in the 18th century, today almost a third of all tropical forest is completely gone!

What followed until today was the **global north’s** creation of an economic system and mode of living that established **stable living conditions** for large parts in the system’s **centres, however based on the exploitation of humans and nature outside** of it. Most importantly, the stable conditions were and still are enabled through constant growth based on an unprecedented use of fossil fuel energy. To give a practical example: **Today’s agriculture achieves high yields** using industrial fertilizers, big machines, and irrigation systems. **However**, next to the massive degradation of land, this means **a five times increase in fossil-fuel-based energy consumption**, compared to pre-industrial systems (Rosa et. al. 2021: 1). Scientists showed that industrial agriculture – just like the economy in general – turned into a **high-input/high-output system** that enables mass production but **consumes more energy than it produces and depends on limited resources** (Haberl et al. 2011; Krausmann 2016). Thus, **as long as our energy sources are non-renewables, and resources stay limited, our economy remains unsustainable**.

Outro (150 words – 1 Minute)

Taking a step back, we can now see **how our current economic system developed to be unsustainable**. While increasing growth in production meant more material **wealth** and securities, these achievements were only accessible for small parts of the world’s society through the exploitation of other humans and nature.

Today, **fossil fuels** and **non-renewables** play an essential role, as **almost all economic activity is based “on their credit”** (GRAPH5). Most parts of our economic system are therefore unsustainable and rather imply the destruction of nature. Ever **more economic growth implies more material and more energy use**, and finally, as well **more greenhouse gas emissions**.

If not changed, economic activity thus also implies the destruction of humans. Not only through exploitation of workforce but also through the negative and unequally distributed consequences of the climate crisis.

Nevertheless it’s **never too late to change this**. **Truly sustainable economics exists** and is based on an understanding of economics **that takes the ecological and social as its basis**. The next video will show you how to get there.

Sources:

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