

ANNEX 11
TO MINUTES OF THE JAKARTA MEETING

STATEMENTS MADE BY
H.E. K.K.S. RANA AND DR. ARCOT RAMACHANDRAN

Statement by Mr. K.K.S.Rana, Acting Chairman of IIPC
at the Meeting of the World Commission on Environment
and Development, Jakarta (March 28, 1985)

It is a great privilege to appear before the World Commission on Environment and Development, and I bring to you Madame Chairman, Mr. Vice-Chairman and Commissioners, the greetings and good wishes of the Inter-governmental Intersessional Preparatory Committee (IIPC) established by the Governing Council of UNEP in May 1984.

2. IIPC, like the World Commission, derives its origin and guidelines from UN General Assembly Resolution 38/161, and that resolution had envisaged three sets of interaction between these two bodies. Firstly, IIPC was enjoined "to articulate to the Commission at an early stage in its work the Governing Council's expectations regarding the matters which it hopes will, inter-alia receive consideration by the Commission". Secondly, it was stated that "the Commission at a preliminary stage, in the formulation of its conclusions on matters within the mandate and purview of UNEP, should make them known to the Committee, with a view to giving consideration to views of the Committee thereon." Thirdly, the Resolution declared that "the report of the Commission should in the first instance be considered by the Governing Council of UNEP, for transmission to the General Assembly together with its comments, and for use as basic material in the preparation for adoption by the assembly of the environmental perspective." The Resolution also "welcomed the desire of the Governing Council to develop the Environmental Perspective and transmit it to the General Assembly for adoption, benefitting in carrying out that function from its consideration of the relevant proposals made by the Commission."

3. By transmitting to the World Commission on the 30th October 1984 the paper entitled "Expectations of the Governing Council for consideration by the World Commission on Environment and Development" IIPC has carried out the first of the tasks set forth above. More important, with the friendly cooperation and understanding of the Chairman, Vice-Chairman and the members of the World Commission, a process of close dialogue has been established between our two bodies, which was exemplified in the discussions that took place in May and November 1984 when the Chairman and Vice-Chairman of the World Commission participated in meetings of the IIPC.

4. Our paper of October 30, 1984 speaks for itself, in setting out broad areas which in the view of IIPC merit the World Commission's attention. In this personal statement I would like to highlight the following points:-

- (a) Environmental and development strategies for the future. For developing countries, faced with interlocking problems of the debt burden, a difficult global trade situation, shrinking aid flows, and inadequate economic growth, financing of long-term environmental programmes is a daunting task. In demonstrating global inter-dependence, the Commission can mobilize the will to tackle these problems of humankind's shared future. May the Commission also succeed in strengthening the prevailing global perception of mutuality of interests on environmental issues, and translate this into action on the inter-twined environmental and development issues.
- (b) International cooperation for environmental management of development, in terms of transfer of technology for pollution control and environmental improvement, bilateral development assistance, and trans-national investments. Better understanding and tangible action is needed in these vital areas.
- (c) Population growth and distribution as a major factor in determining environmental quality. The trends of environmental change, food availability in conjunction with population growth and distribution suggest that solutions for sustained development have to be satisfactory in terms of providing for minimum needs in the short term and ensuring sustained growth in the long run. For instance, the central task in drought situations currently affecting vast regions is to strengthen the resource base that would engender long-term solutions. The interface between population policies and environmental policies needs to be better understood to guide harmonized action to attain both objectives.

- (d) The World Commission in its first set of documentation had highlighted the inadequacy of sectoral solutions. One method of demonstrating the potential for integration of sectoral interests from a pragmatic standpoint is, to highlight and analyse successful experience in regard, both at the macro-economic level and the community level.

5. The World Commission on Environment and Development differs critically from two other major world commissions that had in the past examined issues relating to development and disarmament in that the UN General Assembly mandate provides a built-in follow up to the report and recommendations. IIPC, as a subsidiary of the UNEP Governing Council, has a responsibility in this follow up, in the form of interacting with the World Commission in the period leading up to the finalization of the World Commission's report, and thereafter taking this report as the primary material in the preparation of an "Environmental Perspective to the year 2000 and Beyond". The mechanism of the IIPC also enables governments of UN member countries to follow the World Commission's deliberations and conclusions. It is my expectation that at the forthcoming UNEP Governing Council session governments would be urged to initiate their own assessment of medium and long-term environment-related needs, and how best they can be met in the light of interaction between humankind and its environment. This could serve as an input in the work of both the IIPC and the World Commission.

6. May I in conclusion thank you, Madame Chairman, for inviting me to this meeting of the World Commission. IIPC greatly looks forward to further dialogue with the distinguished experts constituting the World Commission, under your eminent leadership.

STATEMENT BY DR ARCOT RAMACHADRAN,
EXECUTIVE DIRECTOR OF THE UNITED NATIONS CENTER
FOR HUMAN SETTLEMENTS (HABITAT)

Madam President, distinguished members,

I wish to thank you for this opportunity to address the Commission and present my views on the linkage between human settlements, environment, and economic and social development. I have already presented a written paper to the Commission in which I have made the main points I wish to stress, and I do not want to repeat the details of that paper. A crucial theme in that paper is that the failure of environmental programmes is directly attributable to the fact that environment and development are still seen as two separate, even conflicting, issues. Until we can overcome this fundamental misconception, until this Commission makes the case for breaking away from that misconception, environmental goals will continue to be regarded as secondary and separate and environmental programmes will fail to achieve the priority they require.

HOW TO OVERCOME THAT MISCONCEPTION:

We must constantly emphasize the basic fact that environmental planning is an integral component of development planning and not a set of constraints and controls designed to protect natural systems against development. This is, regrettably, the thrust and the image of many environmental management activities. What we must strive for is to have the macro-economists introduce environmental management activities. What we must strive for is to have the macro-economists introduce environmental coefficients into their leontieff tables as a normal and necessary part of the planning process and into the calculus of activities in the policy and decision-making process. In this way, environmental costs and benefits will become properly weighted factors in decision-making procedures.

However, we cannot achieve this goal unless we have the techniques to match environmental factors with other economic variables. I now wish to suggest that these techniques can be developed by viewing environmental issues in a human settlements framework. Since all human beings live in settlements, carry out almost all economic activities in settlements and establish their patterns of social interaction in settlements, human settlements planning should be a prime integrating mechanism for decision-making on social, economic and physical elements of development.

This is the message I wish to convey to the Commission and, through the Commission, to the global community.

It will be recalled that, at the Stockholm Human Environment Conference, human settlements were seen as one of the highest priority concerns. It was recognized that, by dealing with environmental concerns through human settlement instruments, it would be possible to tackle basic causes and not merely treat symptoms of environmental problems after they have arisen. Unfortunately, this purpose seems to have been lost in the intervening years since Stockholm, and we have seen continually diminishing attention given to the relationships between human settlements and environment.

HOW TO MOVE FROM CURE TO PREVENTION?

In the developed countries, the initial concern with environmental issues was of the crisis-management variety. The problems of air pollution, water pollution, habitat degradation and resource destruction clearly called for crash responses focused on immediately implementable actions. However, it now appears that the point of steeply diminishing returns has been reached with this approach. From this point on, we have to look at the environment as part of an holistic system and plan for it in conjunction with all other development elements.

If I may draw a parallel from the health sector, for many decades - even centuries - the focus of health research and practice was on medicine and on medical treatment. As a result, we can now cure most of the diseases which, until a few years ago, were the main causes of death in the world. Now, we find ourselves in a situation where further advances in health standards are dependent on bringing about changes in dietary regimes, exercise habits and environmental sanitation. We have moved from a concentration on curing illnesses as they occur to one of creating healthier environment as conditions in which sickness will diminish. But moving from cure to prevention is not easy, even in the medical profession, because in some cases it means changing health standards, and the standards themselves are the cause of health problems for many especially the poor.

We must make the same difficult but necessary shift in the environmental sector. Adding on pollution - control devices to conventional industrial practices, for instance, is a strategy with no future. This kind of protection is always seen as an imposition and an extra costs burden, and it will be resisted bitterly by those who have to pay the price directly. The fact that polluting factories impose other costs on other people and society is never taken into account. What we need are decision-making frameworks in which all the real costs and benefits to all the actors can be accounted for. This means a search for new measurement tools which cannot be found through conventional environmental and economic approaches.

The environment has to be seen as a natural resource to be managed to the optimal benefit of everybody. This means we have to create a sustainable development balance, and every development decision must be taken in this light. This does not mean that all technical change must be stopped in order to preserve the environment as it now exists - that would be an absurd notion. The environment has been constantly changing

since man set fire to the first piece of wood, and it will continue to change. The people who bemoan the impact of urbanization on the environment - the phrase itself is revealing - fail to grasp that the urbanized area is the environment. What we should be asking ourselves is how the environment can sustain the expansion of human settlements and provide the best quality of life that can be achieved for the world's population.

These are not easy questions, and we are far from having all the data and understanding needed to answer them. The international community has an important role to play in assembling information and testing approaches, and I hope the Commission will give some stress to this matter. However, fundamentally, environmental issues have to be dealt with at national and local levels, with some exceptions which, I'm sure, we all recognize. The building-up of national-level capabilities to measure environmental considerations and evaluate environmental components of development decisions is vital.

HOW TO MAKE DECISIONS IN THE FACE OF COMPLEXITY AND UNCERTAINTY

We must not be unrealistic in our expectations of this approach. It is unlikely that environmental input-output coefficients will ever be established with the same precision as, for instance, energy-balance calculations will eventually be made. We shall always be dealing with an element of uncertainty in environmental management because environmental processes are influenced by too many factors, some not even recognized, to be reduced to simple simulations. For this reason, our approach must be multidisciplinary. On the one hand, the scientists must seek understanding of fundamental environmental processes in order to strengthen our decision-making base, and, on the other hand, we have to make

practical decisions on technology, economics, social engineering etc., in the light of whatever knowledge we have at hand.¹ Hence environmental and settlement planning both call for an integration of disciplines - a synthesized approach - which makes them naturally complementary, if not synonymous.

Where can we start to bring about this changed perception of the linked significance of economic, environmental and human settlements development? It must be brought about during the educational process of the future technocrats who will control the machinery of development planning. If I may draw another parallel from a different discipline, I should like to remind you of a revolution which took place in the architectural profession during the middle years of this century. In the early years of this century, there was a furious controversy within the architectural profession between the advocates of the so-called 'classical' approach. The controversy was settled by a brilliant strategic stroke of the modernists who simply set themselves to gain control of the architectural schools. Within a few years, the graduates emerging from architectural schools had been trained only in the 'modern' approach and were technically incapable of designing a 'classical' building, so that the 'classical' approach simply became extinct for lack of anybody to practise it.

I do not suggest that the battle to establish human settlements and environmental planning as the basis for developmental decision-making will be as simple as this --or that you should recommend a take-over of our schools and universities by environmentalists. The macro-economists will strenuously object to introducing judgmental components to their beloved mathematical models, and dogmatists of the 'invisible-hand' school of political science will see environmental managers as dangerous subverters of the natural evolutionary economic order. We have to be prepared to face these obstacles and, in this situation, we and this Commission have a vast body of natural allies. I refer here to the

overwhelming majority of the world's people who are poor and disadvantaged and who bear the brunt of the adverse impacts which result from the current approaches to economic planning and even to environmental/settlement planning. They will be the main beneficiaries of the new approach I have been describing, and the marshalling of their support will be crucial to promoting its acceptance. I ask that WCED give special consideration to this point in its deliberations.

Here I would like to clarify some misconceptions of science, technology and development. While science enables us to probe deeper into an understanding of the complex variables and processes, technology is concerned with the optimizing of a solution which has many possible answers and of doing so long before all the facts are known or can afford to be discerned. Technological development is thus the pursuit of the possible, seldom the perfect at a point of time. I mention this so that technologists/engineers are involved in decision-making from the planning stage and not afterwards as is the case at present in most countries.

In conclusion, Madame Chairman, I have posed a few fundamental questions. I have briefly and in the spirit of the Commission's commitment to a new agenda and to new thinking and approaches, provided a few elements of how I would address them.

But I would like to pose a final and equally fundamental question to the Commission which I will not attempt to answer. It relates to two of your key issues areas which are not traditionally considered together: "Human Settlements" & "International Economic Relations". The question is based on a quote from a recent book by Jane Jacobs in which she insists that macro-economic theory is based on and contains a fundamental but flawed assumption which is, and I quote, "the idea that national economies are useful and salient entities for understanding how economic life works and what its structure may be: that national economies and not some other entity provide the fundamental data for macro-economic analysis."

That "some other entity", the real creator and measure of economic vitality she identifies as cities. Her book, without any apologies to Adam Smith, is called "Cities and the Wealth of Nations".

My question is therefore a very short and simple one:
"What is your view on that view?"

Thank you

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