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**The Programme of the Club of Rome
On
A New Path for World Development**

The global issues which were the focus of the 1972 Report, “Limits to Growth” are more severe and urgent today. Over the past year, the Club of Rome has undertaken a process of reorganization and renewal so that it can make a significant contribution to analysis, anticipation and action on critical global issues. It has renewed its leadership, revised its statutes and membership, streamlined its procedures, raised initial funding and established its international secretariat in Winterthur, Switzerland.

At its 40th Anniversary Assembly in June 2008, the Club launched a three year, integrated programme of international research and consultation on the topic: “A New Path for World Development.” This is analysing and developing coherent proposals for action in five key areas of world affairs while a parallel process of systems integration will ensure that the vital connections, the policy choices and contradictions, the risks and opportunities are properly identified.

The Programme will complement the ongoing, worldwide activities of the Club and will use the potential of the internet to engage its Members, its 33 National Associations and its European Support Centre together with experts and institutions across the world in an “open systems” approach. In this way, it will mobilise and focus the best brains available on the critical issues which will determine the future of humanity and of the planet. (*The research strategy and content are outlined at www.clubofrome.org*).

The present path of world development is generating imbalances, vulnerabilities, inequities, exclusion and polarization which constitute clear threats to the prospects of both present and future generations. The Programme draws on the independent, multicultural and interdisciplinary membership of the Club to clarify the key elements of a new path for world development. It will propose new lines of thinking and action which are urgently needed to: avert the risks and consequences of catastrophic climate change; reduce the devastating impacts of human activities on ecosystems and environment and the overuse of the biological and physical resources of the planet; achieve more fairness in the distribution of vital resources and opportunities and of the costs and benefits of globalisation; accelerate global efforts to eradicate poverty and deprivation of a growing world population; adapt and reform the structure of international institutions to address the integrated problems of a world in rapid transformation; and broadly, to achieve equitable and sustainable world development and thus preserve international security and world peace.

In order to manage the complexity of such an extensive “problematique”, the research strategy focuses successively on five clusters of interconnected issues while recognizing the linkages between the clusters. In each case, a small expert conference will develop proposals for action and identify issues for in-depth analysis through internet-based, international research networks. The five clusters are:

1. **Environment and Resources:** Climate Change, Energy Security, Ecosystems and Water.
2. **Globalisation:** Distribution of Wealth and Income, Employment, Economic Restructuring, Trade and Finance.
3. **International Development:** Demographic Growth, Environmental Stress, Poverty, Food Production, Health and Employment.
4. **Social Transformation:** Social Change, Values, Culture, Identity and Behaviour.
5. **Peace and Security:** Justice, Democracy, Governance, Solidarity, Security and Peace.

Programme

November 2008: An international conference was held in Winterthur on the topic: “Managing the Interconnected Challenges of Climate Change, Energy Security, Ecosystems and Water.”

January 2009: The results and proposals of the Winterthur meeting on Cluster 1 above were presented at the policy level to the G8 + 5 in the Houses of Parliament in London at an event co-sponsored by Globe International, (the Secretariat of the G8 + 5), and the Club of Rome, on the topic: “Framing 2009’s Global Challenges in the Context of Global Economic Crisis: Developing a Response to the Interconnected Challenges of Climate Change, Energy Security, Ecosystems and Water.”

April 2009. An international conference will be held in Austria under the patronage of President Dr. Heinz Fischer on “Concerted Strategies for Economic Growth to meet the Environmental and Economic Challenges of the 21st Century.” This will enable the Club to clarify the fundamental linkages between policies to avert the threats of climate change - which imply reorienting the “real economy” onto a low-carbon, energy-efficient path - and policies to reform the financial and economic systems and policies to advance international development.

June 2010: The Club will present its ideas and proposals to the Annual Meeting of the full G8 + 5 in Rome in June, ahead of the G8 summit. It will outline the policy implications of the linkages between financial and economic systems reform, energy security, climate change, ecosystems and the availability of water and other vital resources within the broader framework of world development.

October 2010: An international conference will be held in the Netherlands, in conjunction with the Annual Assembly of the Club of Rome, on the third cluster of issues, related to International Development.

By the end of 2009, the Programme will have analysed and developed strategic proposals covering three critical areas of world affairs within a coherent overall perspective: Environment and Resources; Globalisation and Finance; and International Development. And it will also have transmitted its ideas and proposals directly into the policy process at a high level. It will thus help to bridge the critical gap between science and analysis on one side and decision making on the other.

Three further steps will be implemented in 2010 to complete the Programme: a conference on Cluster 4, Social Transformation in February, and a conference on Cluster 5, Peace and Security in July. Finally, an International Forum of the Club of Rome will be convened in November 2010 to present the integrated results and lines of action. This will be followed by a process to disseminate the results and proposals to leaders in the public and private sectors, to civil society, to the education system and to the public. Throughout the three year programme, interim results, policy recommendations, briefing and educational materials will be produced, together with specific activities to engage the media. In this way, the Club will contribute to awareness, understanding, public support and action on the critical issues which will determine the future.

The Club has a unique opportunity to use its wide “brand recognition”, its independent broadly-based membership, and its access to leading personalities throughout the world to press for a more coherent, systemic approach to the management of world issues, recognizing the fundamental transformations in progress and clearly facing the growing threats to the future.

The Club is seeking additional financial and expert resources to meet rising expectations and the remarkable opportunities which are emerging.



Amsterdam, 27 October 2009

Global Assembly 2009 Climate, Energy and Economic Recovery

The Global Assembly of the Club of Rome met in Amsterdam from 24th to 27th October 2009, bringing together its Members and representatives from its 33 National Associations and its European Support Center and Special Guests to review and guide the global activities of the Club. On 26th and 27th October a major public event was successfully held, with over 700 participants to focus on the critical issues, which will determine the future. They analysed the roots of the various crises that confront the world community today and prepared specific proposals aimed at encouraging international agencies, governments, civil society and individual citizens to address these crises urgently and effectively and to promote immediate action in this direction at the local, national and international levels. They agreed to issue the following declaration.

The Club expresses its sincere thanks to former Presidents Mikhail S. Gorbachev and Ricardo Lagos and to all those Keynote Speakers, Chairmen of the Master Classes and high level participants whose willingness to present their insights from all over the world ensured the success of the Assembly. The Assembly deeply appreciated the honor of the presence of Her Majesty Queen Beatrix of the Netherlands.

The Club of Rome also expresses its appreciation to the generous sponsors of the events and to a large number of individuals and organisations for their commitment and participation. In particular, the Club welcomed the opportunity to hold its Assembly in the City of Amsterdam and to hear from the Mayor, Mr. Job Cohen of all the measures taken by the City to achieve energy efficient, socially inclusive development. Cities can and will play a fundamental role in the transition to sustainable economies and societies.



Amsterdam, 27 October 2009

Amsterdam Declaration of the Global Assembly of the Club of Rome

The Club of Rome calls for urgent action to avert the growing risk of catastrophic climate change. The most recent scientific data presented to the Assembly by the world's top climate scientists demonstrate the accelerating impacts of climate change on the natural systems of the planet. Beyond this existential threat to the future of humanity, the Club stresses the need to find a new path for world development to resolve the connected challenges in the fields of environment, global development and the restructuring of economies onto a sustainable path. We insist that responsibility for care in the use of energy and resources, responsibility for the environment and social inclusion are not simply costs to the economy, but investments in the future of humanity. Governments have directed trillions of dollars to stabilize the financial system: we call for the required levels of finance to salvage the future of the planet.

We should not aim to recover to the pre-crisis path of economic growth, which leads towards disaster. We call on governments and the business community to recognize the reality and urgency of the problems we face and to provide the leadership and sustained commitment to resolve the challenges of the 21st Century so as to leave a decent future to our children and grandchildren.

The simultaneous and apparently sudden emergence of multiple economic and ecological global crises is not a coincidence. There is now an extraordinary opportunity for nations, businesses, civil society and individuals to unite in the common efforts required to solve them.

Today's global challenges – climate change, endemic and pervasive poverty, the loss of biodiversity and species extinction, resource depletion, energy security, ocean degradation and acidification, numerous other environmental breakdowns, growing food and water insecurity and, indeed, the collapse of the global financial system – all largely stem from the same fundamental causes: our profligate consumption patterns, our inefficient and wasteful production systems, our inadequately designed and poorly regulated financial institutions and the weak and influence-ridden structures that govern our affairs.

The underlying causes are systemic and intensely connected. No one of these challenges can be resolved alone. They lie principally in obsolete social and economic models which drive our civilization: these can and must be changed. The root causes must be addressed now and they must be addressed together. The UN climate negotiations in Copenhagen will be the next opportunity to demonstrate the world's commitment to take meaningful action. And this action on climate change must resolve its underlying social and economic causes, not focus on its symptoms. The Club of Rome urges governments to adopt a strong climate treaty that will be fair, that will contribute to energy and economic security, that will respond to the growing urgency of the risks of catastrophic climate change. Governments must therefore put in place the mechanisms and the stable policy frameworks needed to reinforce the provisions of the Treaty, including a high and stable carbon price to drive innovation.

Government and business must realize that climate change mitigation and the protection of oceans and terrestrial ecosystems require drastic changes in the use of natural resources. Targets for resource efficiency must be introduced, supported by tax reform, which should increase taxes on the use of resources and lower taxes on labour.

We emphasize that the transition to an equitable, sustainable low-carbon society must also engage the business and investment community, civil society and communities at large. There is enormous potential for business in rapidly emerging markets for new sustainable low carbon products. Business leaders must commit to the re-design of business models, to innovative solutions and to new energy and resource-efficient products. They have a responsibility to regain public trust in the ethical and sustainable basis of banking and business activities.

The goals of concerted international climate action must be:

- To adopt, at the UN Climate Conference in Copenhagen, legally binding agreements that will initiate immediate action to achieve a stable climate with atmospheric concentrations of CO₂ not exceeding 350 ppm. This will primarily require action by the industrialized countries, coupled with improved energy efficiency and mitigation in all countries. The technologies to do this already exist.
- To establish financial mechanisms, including a carbon market, that will enable countries, companies and communities to reduce their net carbon emissions to the levels required.
- To accelerate support for adaptation and humanitarian assistance in developing countries as an integral component of national development so as to reduce the impacts of climate change.
- To promote the development of new models and strategies for growth, development and globalization which place a real value on natural capital and ecosystems services – including the removal of CO₂ from the atmosphere.
- To agree upon an international study, to be concluded within one year, which will propose how the framework of international policies and institutions must be adapted to meet the connected, systemic challenges of the 21st Century.

The economic “progress” of the past decades has been accompanied by increasing concentrations of income, wealth and by rising levels of inequality, exclusion and environmental degradation. The world of finance, in particular, has become an end in itself. The continuing dominance of the financial sector over public policy leads to a concern that the lessons learned from the recent financial crisis will quickly be forgotten and powerful interests will again demand conditions of minimum regulation that can only lead to greater crises in the future.

The finance industry must be converted into an instrument to promote ethical, equitable and sustainable world development. Banks and businesses must increasingly see their role as providing services to society: we must move from fast money to slow money. Insider trading must be prosecuted more severely as organized crime; corruption must be strongly repressed, and tax evasion through off-shore trusts and foundations must be stopped by disclosing the beneficiaries; speculation with essential commodities such as oil and food must be disallowed. Corporate incentives for bankers and money managers to seek high-risk, short-term returns should be discouraged.

We must move on various fronts. Economic growth must be reconceived, because quantitative growth in consumption has not proved to be an adequate measurement of human well-being. New measures of wealth must be defined that go beyond the current, narrow concept of GDP. New incentive structures are needed to motivate businesses and consumers to move towards sustainable development: a radical greening of tax systems is a first step. Increased technology transfer from developed to developing countries is essential, but not sufficient – affordable and simple eco-innovations must be made available throughout the world.

Massive investments in inter-disciplinary research and education are needed to generate new solutions and to enhance public understanding of the challenges ahead.

The understanding and insights of science and analysis of the realities and risks of climate change must be transmitted and understood in the process of policy formulation. The Club of Rome welcomes the participation and cooperation of GLOBE International which engages senior legislators from the G8 and G5 countries.

Recent developments in the spheres of energy, climate and economy have proved that we cannot leave world development to the dynamics of lightly-regulated markets and unleashed globalization. Change is indeed possible and it is in our hands. We call on individuals and communities across the world to commit their energies to achieving a sustainable future. The financial crisis has mobilized enormous political will to tackle a crisis of global scope - the same must now be achieved on the interconnected challenges of climate, energy and economic recovery.



R. Martin Lees
Secretary General

14th January 2010
EU/1.2

Consultation on the Future "EU 2020" Strategy

Summary Submission from the Club of Rome

In its communication of 24th November 2009, the Commission invites comments and suggestions on the above topic. The Club of Rome is engaged in a world wide programme of research and collaboration to define the elements of A New Path for World Development, (*Please see www.clubofrome.org.*) These comments are drawn from the intermediate results of this programme, as presented to senior legislators of the G8 and G5 countries in June 2009.

First, four broad considerations should underlie the EU 2020 strategy:

1. The world is in a phase of massive transformation in the structure of economic power and influence. Extension and improvement of established policies will not be sufficient to preserve competitiveness and employment, to manage major threats and to assure a prosperous future. **EU 2020 must therefore recognise that radical change in strategies and policies is required to surmount the challenges of the 21st century.**
2. The EU and the world community of nations as a whole confront an array of emerging crises in the areas of finance and economics, climate, environment and resources and equitable and sustainable world development. This "perfect storm" of connected economic, environmental and development crises cannot be resolved through ad hoc, incremental, sectoral or national responses. **The EU 2020 strategy must explicitly recognise the systemic nature of global challenges**, which are different in scale and complexity from those of the past.
3. **EU 2020 must be explicitly formulated in relation to the scale of future problems**, not simply to the issues of today. Issues of energy security, climate impacts, ecosystems degradation, rising inequalities in the world economy and demographic growth will create a complex of challenges more dangerous than those of today: the EU must play a leadership role in understanding and acting on this array of emerging global challenges.
4. In a world of growing interdependence and globalisation, national and international policies are becoming effectively integrated. The EU has been preoccupied by internal issues for several decades: **EU2020 must be formulated to achieve a new balance and integration of internal policies and external considerations.**

Some more specific considerations in the framing of EU 2020 should be:

- The deep transformations in the structure of world production, consumption and financial power have major implications for the competitiveness of the EU, the largest trading entity in the world, and thus for employment and the well being of its citizens. China and other emerging economies are increasing their competitiveness in sectors with greater technological content and value added. As demonstrated by several EU states, such as Germany and Sweden, it is possible to remain internationally competitive while preserving the "acquis social". But this will become far more difficult. Capacity for innovation and creativity and enhanced productivity must be key goals of EU2020 and resources for R&D increased to generate the breakthrough technologies which will be the basis for employment in the new sustainable economy.
- The onward march of globalisation has produced undoubted benefits for many, but it is increasingly excluding those who, as a result of location or lack of relevant skills or education, cannot participate. EU 2020 must assure that the benefits and opportunities of globalisation are fairly distributed throughout societies. The pressure to improve competitiveness together with this need to provide citizens with the necessary skills to find employment imply that radical change is needed in the content and methodology of education.

Also, the radical transformations now in progress in the global economy will have very different impacts on the competitiveness and opportunities of different EU Member States. EU2020 must anticipate and minimize the tensions which may arise within the EU as a result of these differential impacts.

- It is becoming clear that the models and strategies on which consumption-led economic growth has been based are destroying the global environment, destabilising the climate, overusing resources, generating widening disparities and excluding billions from the benefits of progress. The present path of world economic development is not sustainable in the longer term. This implies that explicit strategies must be put in place to restructure and reorient economies onto a sustainable path. This is a major challenge but also a huge opportunity to lay the foundations of the new economies of the 21st Century which will be innovative, resource efficient, environmentally sustainable, and more inclusive and socially just. This will require new models of growth, development and globalisation, new policies, and adapted and flexible institutions. EU2020 should have the ambition to initiate the internal partnerships and processes to lay the base for such a fundamental breakthrough and to provide leadership in the world community in this direction

In order to restructure and reorient EU economies onto a low carbon, green and sustainable path, EU2020 should define specific policy measures and lines of action, for example to:

- Adapt and complement the measurement of GDP to become a measure of real welfare and progress;
- Take proper account of the value of natural capital by assigning a value to ecosystems services and biodiversity;
- Introduce targets and policies to improve resource productivity so as to encourage job creation and halting the overuse of resources and degradation of the environment;
- Remove all subsidies which harm the environment and encourage the use of energy;

- Fully apply the Polluter Pays Principle and the Precautionary Principle to avoid the risk of damaging environmental impacts;
- Encourage the development of new business models in favour of new, green economic activities and the move from material-intensive products to services.