

Schriften zu Regional- und Verkehrsproblemen
in Industrie- und Entwicklungsländern

Band 59

Interactions Between Economy and Ecology

Edited by

Takashi Matsugi
Alois Oberhauser



Duncker & Humblot · Berlin

TAKASHI MATSUGI and ALOIS OBERHAUSER (Eds.)

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Herausgegeben von Theodor Dams und Joachim Klaus

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Editors' Foreword

This publication contains the papers of the 14th Joint Seminar of the Faculties of Economics at the University of Nagoya and the Albert-Ludwigs-Universität, Freiburg. It covers a topic which is of great relevance now and will be of even greater importance in the future: "Interactions between Economy and Ecology". The editors are delighted that this volume, like its predecessors is published in our series.

The following papers cover a variety of aspects of ecological policy, ranging from theoretical basic research, empirical studies, business experiences to legal problems. The interested reader will get a good insight into different points of view of environmental policy.

The Faculty of Economics of the Albert-Ludwigs-Universität wishes to thank the Ministerium für Bildung und Wissenschaft of the Landesregierung Baden-Württemberg, the Rektorat and the Akademisches Auslandsamt, the City of Freiburg and the Regierungspräsidium for substantial financial support of the meeting in Freiburg. Furthermore we are grateful to the European Parliament in Strasbourg/France, the Kehrlichtbeseitigungsanlage (refuse disposal plant) in Schaffhausen/Switzerland and the Badische Stahlwerke in Kehl for their aid in carrying out the Seminar and the pertinent study tours. Last but not least the Faculty would also like to thank the Wissenschaftliche Gesellschaft of the Albert-Ludwigs-Universität who made this publication possible by financing the printing.

Freiburg, June 1994

Theodor Dams

Joachim Klaus

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Japanese and German Positions in the International Debate on Economical and Ecological Issues

Theodor Dams

1. Common concern and responsibility in the 90s

Both Japan and Germany rank among the richest highly industrialized countries, and both have historical similarities in their transition from an agrarian to a post-industrial (affluent) society (see: K. Ohkawa and H. Kohama, 1989; W. Hoffmann, 1931; Th. Dams, 1987). But there are at least two great differences in economic development which are closely connected with ecological problems in the past and at present time.

(1) Japanese economical development has started later than in Germany (Prussia) in the last third of the 19th century, mainly after World War II, and resulted in very high growth rates in a relative short period (see: Th. Dams, 1987, p. 120).

(2) This rapid economic growth has been accompanied by a heavy concentration of population and industry in a geographically very limited area along the coast (400 km) based on the economic potentials of Tokyo and Osaka - In Germany there is a wider spatial spread of industrial locations, more or less in eight areas from north to south (see: Th. Dams, 1957).

In Japan, the industrial growth in a very short time span as well as the regional density of population and working places had caused severe ecological problems. In Germany environmental damages of the magnitudes observed in Japan do not exist. Nevertheless, the German society is confronted with ecological challenges, too, but of another type and dimension.

Both countries - Japan and Germany - are aware of the international ecological challenges; the Brundtland-Report (1984) has stimulated an intensive discussion on greater common responsibility on world wide level, followed by the Stockholm Initiative on Global Security and Governance (April 1991). The summit of all these efforts was the United Nations Conference on Environment and Development (UNCED, Rio de Janeiro 1992).

The ecological positions of Japan and Germany should be considered in relation to the debate in the framework of the international conferences mentioned above. We should realize that the instrumental inputs on the national level to protect the environment and to take into account the ecological problems are closely linked with and will influence the openness to formulate the goals and aims on the international level. And both countries have tried to timely present their concepts in order to bridge the gap between the national and international objectives. Divergent positions have to be reflected in relation to the impact of solutions on competitiveness in international markets.

2. UNCED - positions and impacts for Japan and Germany

The adoption of the Rio-Charter and the Agenda 21 by Japan and Germany is a common basis for a critical consideration of the orientation of politics concerned in both countries.

The "Earth Summit" (UNCED, 1992) has been joined by Governments officials, representatives of Non-Governmental Organizations (NGO's), private business people and members of the research institutions; all of these groups mentioned above have carefully prepared working papers; sometimes these groups have organized special meetings (NGO's, Industrial Federations, etc.) in order to lobby efficiently.

Japan and Germany have presented reports covering their national policy as well as the international objectives linked with the UNCED. Private enterprises (MNCs) have elaborated special documents for this purpose. Last but not least, the Non-Governmental Organizations have demonstrated their strong engagement by presenting the close relationship between poverty and ecological damage in Developing Countries and the production-consumption structures of affluent societies.

The results and recommendations of the Rio-Conference have been signed by Japan and Germany. Both countries have noticed that they will follow the guidelines of the Memorandum of this conference, which should be more than "moral suasion".

A short description of the common positions of Japan and Germany leads to the following conclusions: For the first time, the Rio-Declaration has formulated the principle of "the appropriate inclusion of others" (a wording formulated by R.A. Dahl and Ch.E. Lindblom, 1953). What is the notion of "appropriate inclusion of others" in the ecological context? The following objectives have been formulated: accounting for the need of following gene-

rations in the present use of natural resources; an awareness of the right of development in Third World Countries; alleviating the absolute poverty in Developing Countries by a higher transfer of official aid (ODA) coming from industrialized countries; etc.

Furthermore, the ecological responsibility of the industrial countries has been sincerely expressed by the fact that 80% of the global environmental damages are caused by the "rich nations of the North". As a challenge for economists, the principle of external negative effects' internalization into the account of micro-economic units (private households and industrial enterprises), who are causing external negative costs should be carefully followed. They should also reflect on solutions to protect the environment by adopting ex-ante measures which combine the inclusion of social costs in the private accountancy more effectively.

The Rio-Declaration has put forward its main objective to sign in 1995 the "Earth Charter" which will have the binding character of international law. The "Agenda 21" sets out the programme of action for the near future, but covering the time span for more than one decade. Nearly all sectors, branches of activities and political duties are mentioned - an 800 page volume! This document has been elaborated by the "North" and the "South". Nevertheless, the distribution of duties are quite different on the international level regarding the two parts of the world.

For Japan and Germany the following points of "Agenda 21" have particular impact: (1) The new approach for development policy (anti-absolute poverty concept which integrates the elements of combating man-made-disasters; disaster preparedness; the combination of humanitarian aid, natural disaster reduction and economic cooperation). (2) The protection of the atmosphere (the World-Climate-Convention connected with the objective to reduce CO₂-emissions and so-called greenhouse gases).

The "Agenda 21" "... call(s) for industry to increase energy efficiency, to develop cleaner technologies and production processes, to improve pollution abatement technologies, to replace chlorofluorocarbons and other ozone-depleting substances ...".

To summarize the impact of this internationally agreed paper and the different positions of the two countries concerned:

(1) The bilateral and multilateral Official Development Aid (ODA) favour towards the LFC's should be critically reflected by using "Agenda 21" criteria. The "catch-word" nowadays is the notion of "sustainable development" which has been the centre of the discussions of Rio and which will determine the new project design of developing politics. For the last few