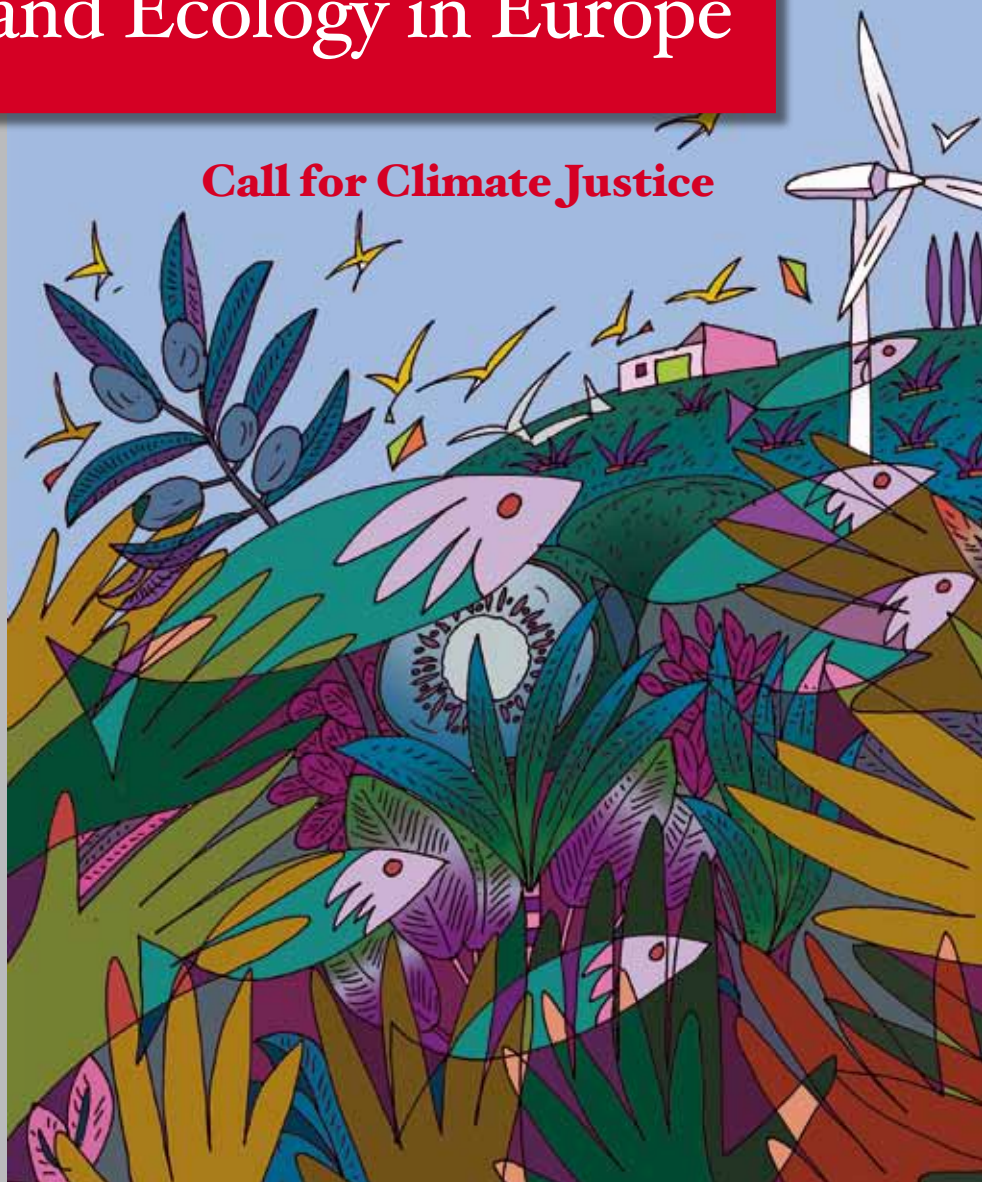


# Poverty, Wealth and Ecology in Europe

**Call for Climate Justice**



**cec csc**

Conference of European Churches  
Church & Society Commission



**World Council  
of Churches**



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April 2011

## Call for Climate Justice

The world is confronted with urgent challenges. The global impacts of climate change constitute the greatest threat to the future of our planet. The concurrence of climate change, limitation of fossil fuels, climate change induced migration, food crisis, water crisis, energy crisis, biodiversity crisis and the 2008-2009 financial and economic crisis, deepening the debt crisis affecting individuals and states, might be an indicator that the whole system of production, consumption, profit maximisation, poverty and ecological destruction prevailing in industrialised countries is running into a deep and open-ended transformation crisis. The concurrence of these crises calls for urgent action.

To handle these challenges, extensive and radical changes are needed. These changes will have to be implemented locally, regionally, nationally and globally. Climate justice should be the guiding principle for these changes. Climate justice should be realised between people, countries and generations, humans and non-humans and with the Earth itself. Climate justice requires social justice. Climate justice includes the implementation of the right to development, particularly in weaker economies. Climate justice requires the development of renewable energy and economies of sufficiency inspired by an ethic of self-limitation. Climate justice is a condition for the eradication of poverty and the eradication of poverty is a condition for climate justice. Climate justice demands the primacy of democratic politics over economics and the embedding of market economies in social and cultural contexts (further developing the Social Market Economy). Therefore holistic answers to the challenges are required – from the individual person, from the economy, from states and internationally. The time for fragmented and technocratic solutions is over. We need a Great Transition.

(From the Budapest Call for Climate Justice addressing Poverty, Wealth and Ecology, p.145)



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## Foreword

Let me at the outset begin my remarks by thanking the Conference of European Churches (CEC), the Latin American Council of Churches (CLAI), the Ecumenical Council of Churches in Hungary and Hungarian churches for organising and hosting the Consultation on Poverty, Wealth and Ecology in Europe, which took place in Budapest from 8-12 November 2010. The consultation contributes to deepening the Alternative Globalisation Addressing People and Earth (AGAPE) process initiated by the World Council of Churches (WCC).

Problems of poverty and inequality, ecological destruction and violence have worsened against the backdrop of intensified economic globalisation, characterised by rapid trade and financial integration, in the last three decades. At the 1998 WCC Assembly in Harare, an important question was thus raised: "How do we live our faith in the context of globalisation?" It was in response to this question that the AGAPE process was born.

At the 2006 WCC Assembly in Porto Alegre, however, it was evident that churches had differing experiences with and analyses of globalisation, as well as divergent perspectives on the neo-liberal paradigm underlying the process of globalisation. Reminiscent of North-South tensions that have existed since the Church and Society Conference in 1966, some voices at the Assembly, mainly churches in the North, condoned the paradigm, while other voices, mainly from the South, condemned it for marginalising a majority of their peoples. The Porto Alegre Assembly in the end called for:

- "...a follow-up of the AGAPE process to be undertaken and expanded, in collaboration with other ecumenical partners and organisations, to engage*
- (1) in the work of theological reflection on these issues that arise out of the centre of our faith;*
  - (2) solid political, economic and social analysis;*
  - (3) on-going dialogue between religious, economic and political actors; and*
  - (4) sharing practical, positive approaches from the churches."*
- (The Programme Guidelines Committee Report)

The WCC was thus mandated to facilitate open and critical dialogues on globalisation within and among churches and ecumenical partners in the South, North, East and West, between Christian churches and various religions and faiths, and between churches, social movements and civil society organisations. While building on commonalities and respecting the diversity of views, these encounters are envisaged to discuss and confront the systemic roots of socio-economic injustice in our world today as well as churches' complicity in perpetuating these injustices. Immersion in contexts of injustice is important in deepening theological reflection and building solidarity among churches and church people on AGAPE issues. Creating awareness of AGAPE issues among church leaders, congregations and seminaries, including through the development of alternative educational materials grounded in local contexts, remains an important task.

Following the Porto Alegre Assembly, the Poverty, Wealth and Ecology Project was developed to move forward the AGAPE process. This consultative study process with regional ecumenical organisations and churches poses three major questions: How does wealth creation result in the scandal of poverty? How does exploitation of the Earth put the poor and marginalised closer to the edge? How can we transform this inequality into a shared wealth? The methodology of addressing these questions involves, first of all, the conduct of research on prevailing economic models and their impacts on poverty and ecology at the regional level with a view to developing a “greed line” (or an upper limit to consumption and production) and elucidating how wealth accumulation creates ecological debt. Regional church consultations are organised to discuss the research findings, explore further the interconnections between poverty, wealth and ecology, and develop church responses to issues raised. These consultations are generally informed by hearings of theologians, women, youth and Indigenous Peoples and are aimed at establishing or strengthening regional networks of church people working for economic and ecological justice.

The AGAPE consultation on Poverty Wealth and Ecology in Europe is therefore one of five regional consultations. The Africa consultation took place in Dar es Salaam in 2007, the Latin American and Caribbean consultation in Guatemala City in 2008 and the Asia-Pacific consultation in Chiang Mai in Asia in 2009. The North American consultation will be held in Calgary in 2011. Building on the regional consultations, a global consultation on Poverty, Wealth and Ecology is planned to take place in Nanjing in 2012 in order to synthesise findings and draw up a common message to the 2013 WCC Assembly in Busan on the structural causes of and ways to deal with the interlinked problems of escalating poverty, inequality and environmental destruction.

This report highlights the process that went on in Europe. The design of the European consultation was different in that the hearings were organised around three themes, namely: (1) poverty and wealth in Europe, (2) facing up to a low-carbon economy and an economy of sufficiency and (3) dialogue with power structures and among churches: churches addressing the economic and financial crisis. The bilateral dialogue between CEC and CLAI on the threats and challenges of globalisation greatly enriched the discussions and was done in the spirit of the AGAPE process, strengthening relationships between European and Latin American churches on the road towards arriving at a better understanding of economic and ecological justice.

The studies and papers on theology, economy and ecology presented during the European consultation were many, varied and constitute a wealth of resource materials. The time for their digestion and reflection on them was limited, but it was clear from the findings and discussions that the mainstream way of creating wealth within the current paradigm is not sustainable. The critical question remains: Why is wealth creation failing to eradicate poverty and to address ecological destruction? The role of Europe in the world, particularly how it relates to third world countries, was not fully discussed though the gist of the relationship was highlighted by the CLAI. While Europe struggles to transform its economies, it is necessary to analyse how this affects poor countries. Unjust trade links between Europe and Africa, the Caribbean and the Pacific is an issue that churches in Europe will



have to continue to work on. European efforts to build a low-carbon society must also be done with a view to addressing their ecological debt to poor countries – inasmuch as Northern nations are accountable for the bulk of global, ecological destruction – including through financial and technological transfers to mitigate ecological damage and to enable people in poor countries to adapt to the threats posed by a warming climate. Again, churches in Europe have an important role to play in raising awareness on and advocating for the recognition of ecological and climate debts.

The consultation was held at a turbulent moment when Europe was struggling to recover from a global financial and economic crisis caused by Northern-designed financial models. Many churches suffered losses on their pension fund investments, underscoring the need to address the issue of ethical investments in the follow-up work to the consultation. The immersion programme organised by churches in Hungary enabled participants to see the impacts of the crisis on communities. While it was very inspiring to learn about efforts of local churches and Roma cooperatives to work out collective responses to the crisis, it is clear that nothing less than a new international financial architecture – one that is not based on speculation and greed but, rather, supports production for basic needs, social reproduction and ecological protection – needs to be built with the participation of all people (whether from South or North, women or men, youth, etc.). Churches must contribute to this important effort. Overall, it is hoped that the European Consultation on Poverty, Wealth and Ecology has generated among European churches new energies and synergies as well as a stronger, unfaltering commitment to building just, sustainable and caring economies as a matter of faith.

Dr. Rogate Mshana  
Director, Justice, Diaconia and Responsibility for Creation  
World Council of Churches



## Poverty, Wealth and Ecology in Europe – a Contribution to the Global Ecumenical Discussion

The involvement of the Church and Society Commission of the CEC in economic, social and environmental themes and the engagement of churches in Europe in this work has a long-standing tradition. The contextualisation of the basic truths of Christian theology and ethics in a rapidly-changing European political and social setting, and in relation to developments on other continents, has been a significant element of our efforts over a number of years. Progressing economic globalisation, accompanied by impacts on a number of other fields of human activity, has become an area of study and active involvement for a number of churches in Europe, as well as for the CEC.


The recommendation of the 3<sup>rd</sup> European Ecumenical Assembly in Sibiu in 2007 *"to work on a consultative process, addressing European responsibility for ecological justice, facing the threat of climate change, European responsibility for the just shaping of globalisation and to do it in cooperation with the churches of other continents"* gave a fresh impulse to these efforts. Following this spirit, the 13th Assembly of the CEC in 2009 in outlining areas for future work, in response to the challenge of globalisation, recommended to focus attention on:

- the deepening of ethical and spiritual reflection on the causes and meaning of the financial and economic crisis;
- the promotion of examples of faith-based economic praxis which provide alternatives to current economic structures;
- offering a space for dialogue on global concerns with partners of other continents.

Therefore for the CEC, as well as for a number of churches in Europe, it was obvious to welcome the WCC efforts incorporated in the project on Poverty, Wealth and Ecology and to share its goal *"to engage churches and specialised ministries in a consultative work on poverty, wealth and ecology and to contribute through it to the ecumenical history of the 'Life and Work' movement"*.

The efforts of the CSC-CEC to address a number of themes related to Poverty, Wealth and Ecology are marked by the context of EU policies. The dialogue between churches and the European political institutions has become a sign of the active witness of churches in Europe and an acknowledgement of the churches' responsibility for developments in the society we live in. From the perspective of the challenges which the Poverty, Wealth and Ecology Consultation aimed to address, it is therefore important to take into account EU initiatives in these thematic fields. Together with continuing initiatives to address climate change and a response to the economic and financial crisis in particular, the year 2010 has been significant for the introduction of the EU 2020 Strategy and for a number of activities around the designation of 2010 as the European Year for Combating Poverty and Social Exclusion. Churches have been actively contributing to these programmes.





In comparing experiences of life in a globalised world, it has become evident in recent years that economic concerns and evaluation of progressive globalisation have to a large extent been divisive for churches. This has also been noted as one of the characteristics of the situation in Europe. It is obvious that different social and political histories of Central and Eastern Europe, on the one hand, and Western Europe, on the other, needed time and space to be articulated. The immense and multifaceted transformation of economics and society witnesses to a different experience than that of the occurrence of long-term stability. The key here is not only to acknowledge the difference. Along with this, goes the necessity to know each other and avoid shortcuts in this process. What is needed is to have time one for another, to give space to a variety of experiences and the ability to listen to each other in Europe, as well as on the global scale.

The variety of experiences and forms in which globalisation impacts, not only on the performance of states but also on the life of individual people and grassroots communities, requires a space for their expression as the necessary precondition for which hope for an authentic unity can grow. This underlines the need for a genuinely open and critical dialogue on poverty, wealth and ecology taking into consideration different realities, as well as different hopes and expectations. We need a dialogue which goes beyond simplifications, too quick divisions and easy moralising.

On the basis of the experience in Europe, churches and ecumenical organisations in their various contributions to the discussions on the impacts of globalisation have been emphasising a close link and mutual inter-relationship between economics and politics, the need for an ethical orientation of economic policies, renewal of social market economy, strong and effective regulation of the capital market, as well as the need for sustainable development, which not only holds together economic, social and environmental aspects, but underlines that long-term views must prevail before short- terms profits.

The European Consultation on Poverty, Wealth and Ecology, which met from 8-12 November 2010 in Budapest aimed to be a contribution to the global ecumenical process and was supported by these considerations. The agenda of the consultation combined the contributions of a variety of actors and set as its goal the creation of a space for discussions at different levels. We were honoured to welcome, as speakers, church leaders, political representatives from the national government, as well as from the EU level, and experts. Particular attention was given to the participation of youth.<sup>1</sup> The outcomes of the dialogue between churches from Europe and Latin America have a specific place among the contributions to the Consultation. A face to face exchange between churches from different parts of the world offers a special opportunity to address joint social, economic and environmental concerns. We were able to feed the benefits of this dialogue into the Budapest conference.

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1 The conference has benefited from the coordinated contribution of three youth ecumenical organisations associated with CEC: Ecumenical Youth Council of Europe (EYCE), World Student Christian Federation – Europe (WSCF – Europe) and Syndesmos.

Most of the contributions delivered at the consultation are presented in the first part of this publication. They offer richness, as well as basic orientation, not only focusing on the content side of the complex problematics of the interrelationship between the permanence of poverty, distribution of wealth and ecological concerns. The theological aspects of this theme were the special focus of the conference, as well as the role of the churches in responding to challenges of this kind.

The consultation was marked not just by an intensive dialogue and sharing during the days in Budapest. In preparation for the conference, study documents were elaborated with the aim of providing arguments for the conference work, as well as to demonstrate churches' engagement in addressing themes related to the topic of the conference in different parts of Europe. They are presented in the second part of this text. Some of the studies have been prepared specially for this consultation; others have been published as separate publications in their own context. The content of the conference discussions has been enriched by the contributions emphasising the concrete action of the churches in Europe and the activities of the church-related partner organisations. Along with the youth organisations, the following organisations particularly contributed to the Consultation: the Churches' Commission for Migrants in Europe (CCME), Eurodiaconia and APRODEV.

It has become obvious that in the limited space of the conference not all documents marking the engagement of churches in Europe in this thematic area could have been introduced and discussed. The organisers of the meeting are thankful to all who contributed to the meeting and will continue to contribute to the process of sharing and stimulating dialogue on the issues addressed in the follow-up to the conference.

The conclusions of the consultation form the third part of the publication. Along with the document adopted by the plenary focusing on the need for climate justice, as an extension to this and going beyond the frequent limitation of justice to its social dimension, the youth delegates prepared a text emphasising their perspectives on the issues discussed. The outcomes of the thematic discussions in the hearings on:

- ▶ Poverty and Wealth in Europe
- ▶ Facing up to a low-carbon economy and economy of sufficiency and
- ▶ Poverty, Wealth and Ecology as a challenge for a dialogue with power structures and among churches

offer insights indicating the level of the churches' commitment, as well as particular viewpoints on some elements of the topics discussed.

The conference benefited from an intensive and fruitful cooperation between the organisers and the local churches, especially the Reformed Church, Evangelical Lutheran Church and the Ecumenical Council of Churches in Hungary. They provided not just logistical support for the meeting, but they also contributed to the content of the discussion and enriched it by providing their experience of the life of the Church in a specific socio-economic context. Thanks should similarly be expressed to all those who enabled the organisation



of the conference through their financial contributions. As well as the contributions of the organisers of the meeting, the Consultation has been supported through the generous contributions of the Church Development Service (Evangelischer Entwicklungsdienst - EED) from Germany and by the Protestant Church in the Netherlands.

Preparations for the conference were overseen by the CSC Task Force on Globalisation, extended for this purpose by the European members of the WCC Reference Group on Poverty, Wealth and Ecology. We were pleased to welcome to the consultation colleagues and guests from all over the world. Along with the delegates from a number of churches in Europe and ecumenical partner organisations, it was through their engagement and passion that the spirit of life was breathed into the conference agenda.

Through this summary of the consultation, we would like to invite churches in Europe and in the broader ecumenical family to participate in the follow-up to the consultation. We would be interested to receive your comments and reactions to the outcomes of the meeting, as well as your proposals, which may help to further shape the follow-up process and the continuing ecumenical discussion of the themes addressed by the consultation.

Rev. Dr. Peter Pavlovic  
Study Secretary  
Church and Society Commission  
Conference of European Churches

# Part 1:

Keynote Addresses





## 1. Poverty, Wealth and Ecology in Europe – an Opening Speech

Metropolitan Emmanuel of France,  
President of the Conference of European Churches

Your Excellencies,  
Reverend Clergy,  
Representatives of the Hungarian authorities  
and the European Institutions,  
Ladies and Gentlemen,

As the financial crisis continues to grow, the gap between poverty and wealth continues to widen. Not only do the extremes oppose one another, but also the visibility of inequalities becomes more evident. As a witness to a world that is going wrong, of a world in crisis, the environment also suffers from excessive individualism. Economic liberalism, as advocated by Adam Smith, that was theoretically self-regulating before, has arrived at the limit of its expression. Some blame globalisation. Would it not be fairer to see a recrudescence of indifference? But behind this phenomenon there is a crisis of values that places man in front of his own responsibilities, as a person of relation, or better yet, as a person of relationship. Man has his place in history, and belongs to a natural environment, a society, a culture. These themes have been the subject of previous discussions in the extension of the process initiated at the Assembly of the World Council of Churches in Harare in 1998 and then in Porto Alegre in 2006. The Conference of European Churches considers these themes as crucial and has welcomed this meeting beforehand, leading to an increased awareness that the inconsiderate actions of humanity have an impact on locations and times with signs of recklessness. Ecumenical Patriarch Bartholomew had already mentioned this at a seminar on the environment in Halki in 1997: *"Man has sought to take from the natural world not only that which is necessary for his stability and survival, but often seeks to satisfy his perceived and ultimately false psychological needs, such as his need for self-display, luxuries and the like. Twenty percent of humanity consumes the world's wealth and is accountable for an equal percentage of the world's ecological catastrophes."*

Poverty, wealth and ecology are the challenges of our times whose complexity is heightened by their correlation. I am therefore delighted that this meeting could become a forum for discussion and reflection. Due to the sharing of our knowledge, the fight against social exclusion and inequality will be reinforced. We need to emerge after these few days with concrete proposals valid not only for ourselves, but for our partners as well.

As we noted last July before the European Commission, during a meeting of religious leaders on the struggle against poverty and social exclusion, the Conference of European Churches has made it a point of honour to remind political leaders of the ethical dimension of the economic crisis and of its consequences in the increase of inequalities, promoting in particular the excessive poverty of a certain segment of the population. We mentioned it then, and repeat it today, that these sections of the population most at risk are primarily migrants. We therefore insist on the fact that governments develop policies to integrate migrants both on a European and a national level. Religious institutions, civil society and





state power are not interchangeable; they should strengthen their synergy for this purpose. This issue is particularly important for the CEC, which has consecrated the year 2010 to the vast field of immigration.

The economic crisis, the social crisis, and the problem of the integration of migrants apply also to the issue of the integration of young people. Indeed, the generations that are now entering the workforce know that they will not enjoy the same benefits as their elders, namely in terms of access to full employment, the extension of working time until their pension, or even the use of the over-exploited natural resources. Given this pessimistic picture, we should restore courage to our children, while showing that we are fully aware of the debt we are leaving them. Therefore, not widening the intergenerational gap must also be taken into account as a fact in our thoughts.

Ecology has become an expression of rational altruism, not only at the time of this presentation in the here and now of our lives, but also in considering the future of the generations to come. It is in this sense that the Charta Oecumenica declares: *"Believing in the love of the Creator God, we give thanks for the gift of creation and the great value and beauty of nature. However, we are appalled to see natural resources being exploited without regard for their intrinsic value or consideration of their limits, and without regard for the well-being of future generations."* Ridiculed, beaten and starved, nature looks like the man that the Good Samaritan found and helped. Because, behind these scars lays the hidden power of a resurgence in the colours of the resurrection.

We will resume at this point the call of the great Jean Malaurie who ingeniously composed the different aspects of our discussion today: *"The time has come to ask ourselves about the future that we reserve for Mother Earth, who is not just the biological nurse of our lives, but also the spiritual nurse of our civilization, of our imagination, of our dreams, of our cultures, and truly of our human condition."*

Ladies and Gentlemen,

I have the honour of opening this conference on "Poverty, Wealth and Ecology". I sincerely hope that our thoughts and our discussions will lead to concrete and reasonable proposals, as many as there are venues that nourish this debate. Indeed, I am convinced that there is an authentically Christian perspective with which to consider this issue. In order for our speech to be heard, it must first be made clear.

Similarly, for our message to acquire all its magnitude, our words must also be raised into actions. Our commitment makes sense only to the extent of the testimony that we give to it. So we have to promote the development of a new lifestyle, while getting rid of the pressures of the economy and consumerism; we must focus on a responsible ethic for our life, conducive to sustainable development. Faith and works are intimately related as the Apostle St. James says in his epistle: *"How does it help, my brothers, when someone who has never done a single good act claims to have faith?"* (James 2:14).



Finally, let me congratulate the organisers of this meeting. It remains for me to wish you all good work.

I thank you for your attention.

## 2. Poverty, Wealth and Ecology - a Call for a Social and Environmental Transformation - a Theological Perspective

Rev. Dr. Heinrich Bedford-Strohm, University of Bamberg

### 2.1 Introduction

Talking about Poverty, Wealth and Ecology, and connecting it with a call for social and environmental transformation, demands an understanding of the present and at the same time a vision of a transformed future. Actually, sometimes the best way to understand the present is a look into the future. We need distance from the practices of our own time in order to understand the deep contradictions in which we live and which we have become used to, often without noticing. One of the fascinations of science fiction movies is their implicit or explicit assessment of our own time as either a lost paradise or a dark age from which we will have been delivered in a fictitious future. Being aware of the limits of such simplifications, I want to take you into the future for a moment. Go with me on a journey into the year 2100 and when you are there, listen to a News Report from the Global Electronic Observer, the world's leading newspaper at the beginning of the 22<sup>nd</sup> century with two billion readers.

The report gives some interesting insights into the results of an international conference of historians, and maybe you will recognise yourself or people you know in what they talk about. Here is the report:

*At an international millennium conference in Cape Town, South Africa, leading historians yesterday pleaded for new efforts to gain an understanding of the history of the 21<sup>st</sup> century. Worldwide renowned German historian, Michael Misakwani, recalled the massive violation of human rights characterising the whole first half of the 21<sup>st</sup> century. Misakwani, who himself has African family roots, pointed especially to the immense misery which was caused by the lack of food and basic medical care in many countries in Africa. Nowadays unbelievable, some 25,000 deaths had to be mourned every day as a result of poverty. Even at that time, it was clear that there was enough food and medicine to guarantee a minimum existence for every human individual. Especially in the first decade of the 21<sup>st</sup> century, wealth in parts of the world increased massively, but was not used to seriously fight poverty. Not even the global, economic and financial crisis of the year 2008 generated a fundamental reorientation. The guaranteed global basic income, which is an entitlement for every citizen of the earth today, was then seen by many as an illusionary idea, even though the resources for it were there. The faith communities – said Misakwani – continuously pointed publicly to those global injustices. But many of their members were in positions of power without stopping the massive poverty which caused violations of human rights. Until this day – said the German historian – historical science has not really understood how this could happen.*



*Harvard historian John Obama, a descendant of the first black president of the USA, pointed towards the complexity of the economic situation in those first decades of exploding globalisation. The economic dynamic was so strong that the humanitarian dynamic did not keep up with it. Many of the leading economists and politicians of that time honestly thought that overcoming poverty would automatically follow if economic activities were hindered as little as possible. Therefore, they were not really aware of the moral questionability of the existing economic system.*

*A widely-acknowledged point was made by Chinese church historian Ka Wee Yan. Yan who represented the OECC (One Ecumenical Church of Christ) at the conference, analysed the role of the churches in her lecture. The churches which were then still divided in different denominations – said Yan – were in many cases so much occupied with themselves that they underestimated the moral explosiveness of the existing circumstances. In addition, despite the media coverage on a global scale, the direct confrontation with the daily misery and death was lacking in the churches of the North. Many Christians engaged in helping already at that time when they were personally confronted with misery. However, they deemed global injustices to be insurmountable, as little as this is understandable from a present day point of view. Yan advocated further efforts for a just and sustainable future. Even though it was made possible in the last decades for every human being to live a life without serious material worries, the complete integration of robot technology into daily environments had created new challenges for human social life.*

*Australian historian Irabinna Ngurruwutthun spoke about ecological reorientation in the past 21<sup>st</sup> century. Today – said the historian – we can hardly imagine the massive amount of violence which human beings had perpetrated against the earth at the beginning of the 21<sup>st</sup> century. At that time, people spoke of "garbage" meaning many things used in daily life. They combusted or buried these materials. With some materials like glass and paper, recycling processes were already developed. The complete recycling system which we are used to today - she said - was, however, considered too expensive at that time. In only a few decades those societies had taken precious resources from the earth which had developed there over millions of years. The great resettlement programmes of the last decades, in which Australia had carried the main load – said Ngurruwutthun – had become necessary because of massive climate change which had still developed more or less unrestrained at the beginning of the 21<sup>st</sup> century and which had increased sea levels considerably. At that time, many politicians and scientists had still seen the complete conversion of energy supply to regenerative sources, then later completed by the middle of the 21<sup>st</sup> century, as an illusion. Life styles were still based on waste of water and energy. Only through the well-organised internet-based global civil society movements of the early 21<sup>st</sup> century a fundamental change of consciousness became possible. The Australian historian emphasised that today people could not even imagine anymore why people one century earlier had considered ever more material consumption as a source of happiness. This insight – she said – should teach present generations to overcome present day ignorance about issues of the future.*

*Various other contributions to the symposium equally emphasised the necessity to learn from history. The 21<sup>st</sup> century – such was the common perception – had a special place in*

*modern history, only comparable with the age of reformation in Europe. During that age constellations were formed which shaped the following centuries. The 21<sup>st</sup> century was seen as the age of global transformation towards a true 'world society'.*

What I want to present to you today is nothing more than a commentary on this news report. My comments are firmly rooted in the theologically-based conviction that another world is possible and they reflect a reading of the signs of the times today which sees God at work. Nobody has described this theological basis as lucidly as Dietrich Bonhoeffer. Bonhoeffer, in his Ethics fragments written only a few years before his execution by the Nazis, affirms his christological understanding of reality and emphasises the necessity to fully engage in the reality of the world without simply repeating what the world says: *"In Christ we are offered the possibility of partaking in the reality of God and in the reality of the world, but not in the one without the other. The reality of God discloses itself only by setting me entirely in the reality of the world, and when I encounter the reality of the world it is always already sustained, accepted and reconciled in the reality of God. This is the inner meaning of the revelation of God in the man Jesus Christ."*<sup>2</sup>

With this perspective, our reading of reality can neither demonise the world nor be blind towards its grave inner contradictions. Rather, it looks at the world with love, which includes grief in the face of suffering, as much as hope in light of potential change.

I will therefore, after this first introductory step, in a second step look at where we are in our societies but also especially in our churches. I will then recall some of the sources we come from, beginning with the Bible and continuing with some of the rich traditions of our churches. I will further plea for overcoming some false alternatives in how we as churches act in a developing global civil society. I will finally propose 20 theses for a new consensus of the churches in the North and in the South in how we deal with the challenges of globalisation.

## 2.2 Where are we?

The assessment of risks and chances of our increasingly globalising economy is highly dependent from its starting point. If we assess globalisation in terms of developments from an earlier point in time, we will have to tell good news and bad news. Many people are materially better off. Some countries, above all China and Brazil, have seen considerable progress in combating poverty and developing their economies. On the other hand, on a global scale far too many people's situation has remained poor or become even worse. In terms of ecological destruction the overall situation has become worse, especially due to the consequences of climate change and its negative impact primarily on many poor countries. Ecological justice questions are only beginning to enter international debates. Given these downsides the overall assessment of the United Nations Development Report 2010, which was published just a few days ago, is relatively optimistic in its assessment of the global Human Development indicators even though backlashes are named as well. For the first time the authors looked at long term developments. They summarise:

<sup>2</sup> D. Bonhoeffer, Ethics, New York et al. 1995, 193



*"The past 20 years have seen substantial progress in many aspects of human development. Most people today are healthier, live longer, are more educated and have more access to goods and services. Even in countries facing adverse economic conditions, people's health and education have greatly improved. And there has been progress not only in improving health and education and raising income, but also in expanding people's power to select leaders, influence public decisions and share knowledge. Yet not all sides of the story are positive. These years have also seen increasing inequality - both within and across countries - as well as production and consumption patterns that have increasingly been revealed as unsustainable. Progress has varied, and people in some regions - such as Southern Africa and the former Soviet Union - have experienced periods of regress, especially in health."*<sup>3</sup>

And if we look at the graph showing long term developments in different countries we can see how heterogeneous the picture is.

If we do not base our assessment on relative improvements but on normative accounts of what would have to be considered a "natural" situation, the assessment is far more negative. Every human being dying from lack of food or medication is a grave moral shortcoming. This is why the churches' assessment of globalisation has and must have an inbuilt critical bias. Even if we could state considerable improvements, we can never be satisfied with the speed and with the extent of them. To be sure, assessments of what are the relatively best options to improve the situation are highly relevant. Therefore we need an intensified discourse within the churches on exactly this question.

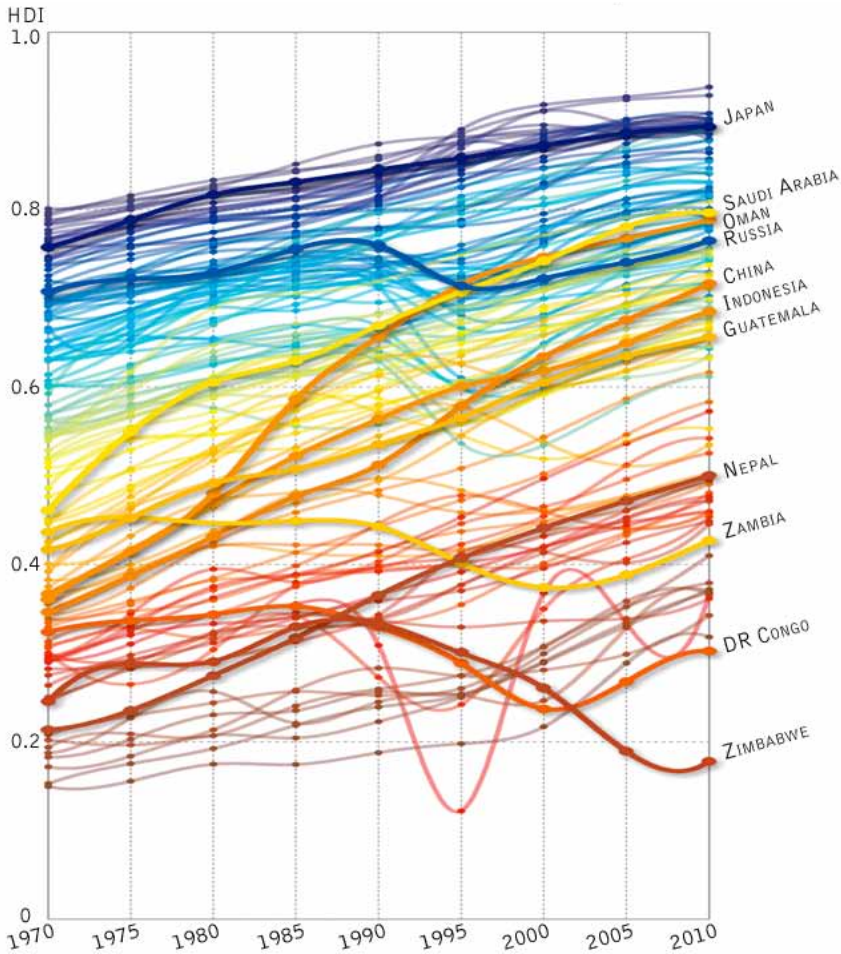
So far, there is no agreement. Konrad Raiser, in a recent excellent comprehensive article, has shown how many churches in Europe and worldwide have addressed the challenges of globalisation in specific public statements.<sup>4</sup> Among the most vividly discussed contributions to an ongoing debate are - as you well know - the document of the 24<sup>th</sup> General Assembly of the World Alliance of Reformed Churches (WARC) in Accra/Ghana from August 2004, the WCC document "Alternative Globalisation Addressing Peoples and Earth" (AGAPE) launched in 2005 in preparation for the 9<sup>th</sup> Assembly of the WCC in Porto Alegre in February 2006 and the document of the Conference of European Churches "European Churches Living their Faith in the Context of Globalisation" (2005). For the European churches I mention also the document of the German Protestant Churches (EKD) Synod "Organizing the Global Economy Responsibly" already issued in

3 Human Development report 2010, summary (<http://hdr.undp.org/en/mediacentre/summary/> access Nov 6 2010). The report summary continues: "In some basic respects the world is a much better place today than it was in 1990 or in 1970. Over the past 20 years many people around the world have experienced dramatic improvements in key aspects of their lives. Overall, they are healthier, more educated and wealthier and have more power to appoint and hold their leaders accountable than ever before. Witness, for example, the increases in our summary measure of development—the Human Development Index (HDI), which combines information on life expectancy, schooling and income in a simple composite measure.

The world's average HDI has increased 18 percent since 1990 (and 41 percent since 1970), reflecting large aggregate improvements in life expectancy, school enrolment, literacy and income. But there has also been considerable variability in experience and much volatility".

4 K. Raiser, Globalisierung in der ökumenisch-ethischen Diskussion, in: Verkündigung und Forschung 54 (2009) 6-33.

Overall Progress, significant variability  
Worldwide trends in the Human Development Index, 1970 - 2010



2001 and the document of the Federation of Swiss Protestant Churches (SEK-FEPS) "Globalance: Christian Perspectives on Globalisation with a Human Face" from 2005.<sup>5</sup>

Since the Porto Alegre Assembly the world has experienced a serious economic and financial crisis which confirmed some of the worst fears that had been expressed by the ecumenical movement for a long time. The Central Committee of the WCC, meeting in Geneva,

<sup>5</sup> Federation of Swiss Protestant Churches (SEK-FEPS) , "Globalance. Christian Perspectives on Globalisation with a Human Face", Bern 2005. See also Section IX of the final document of the 10th Assembly of the Lutheran World federation in 2003 in Winnipeg with the title "Transforming Economic Globalization

Switzerland, 26 August - 2 September 2009, called upon governments to take the actions which would express a deep understanding of the necessary fundamental reorientation of the dominant ways of doing economics. Similar insights can be gained from a recently published book which is a fruit of the WCC's now running study process on Poverty, Wealth and Ecology. "Justice Not Greed" was produced by the WCC Advisory Group on Economic Matters and can be seen as a call for finally drawing the consequences of the deep ethical questionability of the world economic mechanisms now even more evident than before the crisis.

I will not introduce the content of all these statements and documents. Many of you are well aware of them. What I want to comment on is the lack of impact which they made on the public debate. This lack of impact is not natural at all. The Christian churches are one of the most important religious traditions on this globe. It lies in the nature of religious traditions that they touch the deepest levels of existence in their followers. They have power over their wallets. People give tremendous amounts of money to their religious communities. But - and this is even more important - they also have power over their souls. Therefore, the lack of impact of economic justice statements by the ecumenical bodies on global political life is not natural at all. Especially in the wealthy countries of the North, where many of the far-reaching decisions on the global economy are made, Christianity is the formative religious tradition. If the churches in these countries, together with the churches worldwide, succeeded in drawing Christians in their countries into a process of ethical reflection and self-examination on their place and possible calling in economic life, the seed for a reorientation of economic life on the whole planet would have been planted.

Why has this not been the case? To summarise my response to this question: because the churches did not listen to each other and, therefore, did not find a unified voice in global civil society.

Many voices in the North have reacted against the radical condemnation of globalisation in the Accra and AGAPE documents. Many of those who at least took notice of these documents are closely connected with market economies as consumers, as business people, as employees or as politicians, and could not see the statements as helpful contributions because they did not see their orientation value for daily life and the political processes in their own countries. What some of the critics in the North did not understand is the clear focus of Accra and AGAPE on neoliberal globalisation as an ideology. They read these documents as a condemnation of globalisation as such rather than of a certain version of it. And maybe they also did not sufficiently understand in their souls how destructive the concrete experience of capitalism was in many countries of the South.

On the other hand, many voices in the South were so much under the impression of the detrimental effects of certain practices of global trade that they did not see the grave differences between Swedish Social Democratic policies and the rigorous free-market policies of the Bush administration. Both approaches run under the label of capitalism; their consequences, however, are very different, and so is their moral value. Especially in light of the situation in Europe, the label of "neoliberal globalisation" and the notion of



empire did not take enough account of these very different approaches. In Germany, for example, where the model of a social market economy is held highly in the social teaching of the churches, the ecumenical documents were falsely understood as a critique of market approaches as such, including the social market approach. For some in the churches it therefore seemed to be easy to dismiss them. The potential for common ground was not seen.

It is time to move beyond such miscommunication. It is first of all the biblical tradition and its reflection in the teaching for the churches which provides such common ground. What I will give you now is not an in-depth analysis of all these teachings but something more like a summary. The purpose is to highlight how big the consensus actually is across the very different traditions we come from. If we raise awareness about this common ecumenical ground, we might develop new strength in forming a strong united ecumenical voice in global civil society.

### 2.3 Where do we come from?

The biblical option for the poor has become the key phrase for a characteristic of both the Old and the New Testament which has meanwhile gained wide consensus in the churches all over the world. No ideological distortion of the biblical witness has ever been able to extinguish this key feature of the Bible, so prominent in its various layers. We must only recall the notion of the human being as the image of God as a source of equality or the astonishing fact that the very founding story of God's people is a story of liberation from slavery. We may simply look at the specific character of the law of the torah as protecting the weak and marginalised or listen to the prophets' passionate critique of a religious cult which ignores the struggle for justice. We only have to take account of Jesus' understanding of his mission as proclaiming the gospel to the poor (Luke 4), his critique of a wealth detached from the needs of the community and his radical identification with the hungry, the thirsty, the naked, the strangers and the sick (Mt 25).

We must simply make an effort to understand the deep social, ethical implications of a God whose incarnation on earth ends as a victim of torture, and we may only take seriously Paul's reflection on the cross as a key for God's action in the world (1 Cor. 1). If we reflect all this, we cannot but understand that care for the situation of the poor and disadvantaged and every effort possible to improve their situation is not a special interest of some politically biased Christians influenced by radical theologians, but a central characteristic of the Christian understanding of God and therefore an indispensable dimension of Christian faith and the personal practice which comes from it in every Christian's life, including its political consequences.

It is therefore not surprising that in the fundamental traditions of the churches and their denominational expressions, this concern plays a special role.

Alexandros Papaderos has shown how the witness of the church fathers, so central for the Orthodox tradition, has always expressed this concern. He quotes Basil the Great in his homily against the usurers, condemning oppressive attitudes towards the poor which



are guided by greed and self centeredness<sup>6</sup>. He points to the continuous admonition of the wealthy by John Chrysostomos to share their possessions with the poor.<sup>7</sup> Many other examples could be given.

A similar plea for the poor can be seen in Martin Luther's work. Whole libraries have been written on his two kingdoms doctrine and his rediscovery of the idea of justification by faith. But his ethics of economics with its passionate critique of early capitalism was widely forgotten. Even in the Lutheran world almost nobody knows that Martin Luther was quoted by Karl Marx in his famous book "Das Kapital" many times – and in most cases in an affirmative sense. Luther's critique of the practices of the banks and the multinational corporations of his time such as the Fuggers cannot be directly applied to our world today. It was motivated by a conservative defence of the old feudal system. His scepticism against the new practices of early capitalism, however, was fed by the biblical love commandment and the Golden Rule which he interpreted in a way similar to what we today call the "preferential option for the poor"<sup>8</sup>. Let me give you an example. As regards the economic practice of the multinational companies, such as the Fuggers, which at that time were becoming increasingly powerful, Luther says:

*"Kings and princes ought to look into this matter and forbid them by strict laws. But I hear that they have a finger in it themselves, and the saying of Isaiah (1:23) is fulfilled, 'Your princes have become companions of thieves'. They hang thieves who have stolen a gulden or half a gulden, but do business with those who rob the whole world and steal more than all the rest, so that the proverb remains true, 'Big thieves hang little thieves'. As the Roman senator Cato said, 'Simple thieves lie in dungeons and sticks; public thieves walk abroad in gold and silk.'"*<sup>9</sup>

These words express a protest against the alliance of power and money denying the interests and rights of the poor.

If we look at the work of John Calvin and its connection to modern capitalism, most people think of Max Weber's thesis on the close connection between Calvinism and capitalism. It has therefore often been overlooked that for Calvin himself, the social obligation of economic activity was beyond doubt. Matthias Freudenberg has shown how Calvin emphasised the social responsibility of wealth. While Calvin was no social revolutionary, says Freudenberg, he '*pleaded for a balance between economic growth*

6 A. Papaderos, Aspekte orthodoxer Sozialethik, in: I. Gabriel/U. Körtner/A. Papaderos, Perspektiven ökumenischer Sozialethik. Der Auftrag der Kirchen i größeren Europa, Mainz 2005, 23-126 (78).

7 Ibid. 79

8 For a closer look at Martin Luther's ethics of economics see H. Bedford-Strohm, Poverty and Public Theology. Advocacy of the Church in Pluralistic Society, in: International Journal for Public Theology 2 (2008) 144–162 (151-154). There is an excellent interpretation of Martin Luther's works on these lines from a South African Perspective which has not gotten the attention which it deserves: K. Nürnberger, Martin Luther's message for us today. A Perspective from the South, Pietermaritzburg 2005. See also U. Duchrow, Global Capitalism: A Confessional Issue for the Churches? (Geneva: WCC Publications, 1987), 53-56.

9 Martin Luther, 'Trade and usury (1524)', in Luther's Works, vol. 45: The Christian in Society II, ed. by W. Brandt, (Philadelphia: Muhlenberg Press, 1962),, pp. 271-72.

10 M. Freudenberg, Economic and Social Ethic in the Work of John Calvin, in: A. Boesak/L. Hansen (Eds.) Globalisation. The Politics of Empire, Justice and the Life of Faith, Stellenbosch 2009, 153-172 (163).



and social justice<sup>10</sup>. But also the assessment of later Calvinism in theological scholarship results in a different understanding than popular use of the Weber thesis might suggest. In an article on taking interest in the Reformed church, German early 20th century church historian Karl Holl came to the conclusion that Calvinism was “the strongest enemy of capitalist striving” until the middle of the 17<sup>th</sup> century<sup>11</sup>. Ulrich Körtner has even stated that in original Calvinism there was always a tendency to turn to a Christian socialism<sup>12</sup>. In all its decisiveness to contribute to society and its economic well being, says Körtner, Calvinism, in its history, has always criticised capitalism and called for a social and practical involvement of the church in politics.<sup>13</sup>

The distance to socially blind capitalism, which we have now found in basic witnesses of the Orthodox and the Protestant tradition, can certainly also be stated for Catholic social teaching. The Papal encyclicals since Pope Leo XIII's *Rerum Novarum* in 1891 have until today tried to develop what was often called a “third way” between capitalism and socialism. The four principles of Catholic social teaching clearly point into this direction. The “person principle” can never be interpreted in an individualistic or even greed driven way because it is always limited by the “common good principle”. And the “principle of subsidiarity” attributing responsibility to the lower societal units rather than the state can never be taken as a legitimisation of an ideological critique of the welfare state because it must always be interpreted in light of the “principle of solidarity”. Given this architecture of Catholic Social teaching, it was not a challenge but a deepening for this teaching when Latin American Catholic liberation theologians began to use the phrase “preferential option for the poor” in the '60s and '70s of the last century and when in 1986 the U.S. Catholic bishops introduced this notion into their famous Pastoral Letter on the Economy which has become the role model for many church statements in the rich Western world since then.

We can conclude that not only the Bible but also the teachings of the great traditions of our churches speak a clear language concerning the very moral basis of economic activity. The exclusion of the poor is irreconcilable with Christian faith. The goal of the economy is just participation for all members of society.

I have no time to go through the different traditions in terms of the theme of how we deal with non-human nature. I have dealt with it elsewhere at large<sup>14</sup>. But what Musa Panti Filibus has described as the consequence of the “*principle of enough*” can very well be seen as a summary of all the work that has been done in developing a new ecological understanding of creation in the last decades: An economy built on the principle of enough – says Filibus “*urges us to shape our thinking differently, to recognise that the earth is not just a place for unrestrained growth but also a place of stewardship and responsibility towards each other; a place where human beings can live in peace and justice and, together*

11 Holl, quoted in U. Körtner, Calvinismus und Kapitalismus, in: M. E. Hürzel/M. Sallmann (Hgg.), 1509 – Johannes Calvin – 2009. Sein Wirken in Kirche und Gesellschaft. Essays zum 500. Geburtstag, Zürich 2008, 201-217 (211).

12 Ibid. 213.

13 A.a.O. 215.

14 H. Bedford-Strohm, Schöpfung (Ökumenische Studienhefte 12), Göttingen 2001.



*with all creation, can relax and share God's gifts of nature*<sup>15</sup>. Very much in line with this biblical job description, German economist Hans Diefenbacher has pointed to the way from a growth-oriented towards a sustainable world economic system: a *"way to manage a reduction of economic growth in the developed world by the combination of an efficiency 'revolution' and a positive change of lifestyles. Such a strategy would aim at a deliberate and democratically planned reduction of economic growth. Such a reduction would have to be the consequence of political influence and control, a result of changing values in our societies, and not the consequence of a bellicose world economic crisis that inevitably will occur if we keep on following the current growth strategies"*<sup>16</sup>.

What Diefenbacher has stated for the ecological question can be applied to the necessary reorientation of the global economy as a whole: it is a consequence of Christian faith and its constructive "will to the future" (D. Bonhoeffer) not to wait until some detrimental catastrophe definitely forces us to radically change but to become aware that we are not facing a blind fate but that we are historical agents being able to shape the world according to the will of its creator.

To fulfil the task connected with this vision - this is my firm conviction - we need to develop a new public theology which is firmly grounded in biblical and theological tradition and at the same time supports concrete political reform steps, as limited as they may be. If we want to be more successful as churches in making an impact on global, economic and political processes we need to move beyond false alternatives.

What do I mean by that?

## 2.4 Towards a Public Theology Moving Beyond False Alternatives

### 2.4.1 Inspiration or Incentive

The first false alternative, I call inspiration or incentive. In much of the work on economic and ecological justice in the ecumenical movement the existing economic order is criticised because it heavily relies on the profit motive. And indeed, there is a wide consensus in the churches globally that greed as an attitude which knows nothing but one's own self-interest is in clear contradiction to Christian faith. But does this apply to the majority of all those business people who make their living, sometimes also a very good living, by making a profit in selling their products on the market? Their daily activity as business people is not a charitable activity, but based on incentives. If they can increase their chance to sell their product they try really hard to make it the best on the market. They are not greedy but they pursue their self-interest while at the same time respecting everybody else's right to make a living. And if they are Christians, they might even stretch their readiness to

15 Musa Panti Filibus, *Justice not Greed: Biblical Perspectives on Ethical Deficits of the Present Global Financial System*, in: P. Brubaker/R. Mshana (eds.), *Justice not Greed*, Geneva 2010, 45-59 (54).

16 H. Diefenbacher, *Climate Change and the (Economic) Value of Nature – The Role of Economic Thinking in the Public Sphere*, in: C. Deane Drummond/H. Bedford-Strohm (eds.), *Religion and Ecology in the Public Sphere*, London 2011, 77-88 (86).

distribute the fruits of labour to all workers involved in it to its limits without taking the risk of going bankrupt. Still, the profit motive plays a role in their economic activity as an incentive beyond pure engagement for the community.

How do we evaluate their activity as Christians? In many of the ecumenical documents the instrument of incentives doesn't play any role. Therefore, any efforts towards an ethic of entrepreneurial action are suspicious because they seem to sanctify what is in fundamental contradiction with gospel values. The WCC Central Committee has stated in its document on 'Just Finance and the Economy of life': *"... the system that privatises productive goods and resources, disconnecting them from people's work and needs and denying others access to and use of them is a structural obstacle to an economy of cooperation, sharing, love and dynamic harmony with nature. Alternative morality for economic activity is service/koinonia (fellowship) to human needs; human/social self-development; and people's well being and happiness"*<sup>17</sup>.

One can only wholeheartedly support this call for an economy of solidarity, love and sharing. And if this call is successful and leads to a conversion of all people to this new way of doing economics, it is all the better. But we must be aware of the fact that this call relies on inspiration, not on incentive. It does not offer any solution to our economic problems short of a world in which people are willing to share freely. This is why I think we need both inspiration and incentive. Concern for incentives is based on the assumption that people do not always spontaneously act in an ethically responsible way but only or only effectively act in such ways when it is in their own good self interest. A solidarity model of economics would tend to dismiss this assumption because its point is exactly to overcome self-interest driven economics.

Let me give an example: Luckily there are ecologically-conscious people - usually well educated and morally highly motivated - who make conscious sacrifices by doing everything to save energy. They avoid using the car whenever possible, they use electric lights at home as little as possible, and they save water wherever they can. In a way they are ecological heroes. And if they visibly enjoy their lives rather than being a personification of moral accusation to others, they can indeed be a strong inspiration. We clearly need more of them and maybe we try ourselves to be one of them. Nevertheless, there is good reason to not exclusively or even primarily rely on their inspiration. There is good reason to be aware of the role of self-interest in a world yet unredeemed from sin.

Therefore, we must honour inspirational examples as signs of a new world in which sin has been overcome; but to effectively generate change, we must put equal emphasis on incentives which connect ethical goals with self interest. This raises for example the political question of which incentives have to be created, so that it is in everybody's self interest to save energy. One of the possible outcomes of this reflection would be the call for an ecology tax which makes ecologically damaging goods expensive and gives market advantages to those products which save energy. The appeal to consumers to live more in tune

17 Central Committee Statement on Just Finance and the Economy of life, in: P. Brubaker/R. Mshana (eds.), *Justice not Greed*, Geneva 2010, 219-222.



with the environment would be supported by good economic reasons for every individual in their consumer habits but also for the companies to produce their goods more ecologically. Ecological consciousness on the socio-cultural level would both support such ecology tax and be strengthened by it.

Moving beyond the false alternative between incentive and inspiration would mean directing much more energy towards conceptualising incentives for ecological and justice-oriented economic action. It would mean acknowledging the value of ethically grounded entrepreneurial action and dialoguing with business people on the ethical dimensions of their daily professional lives.

I come to a second false alternative.

### 2.4.2 Prophetic speech and dialogue

With good reason the prophetic tradition has always played a prominent role in church history, even though often enough a close alliance between throne and altar has silenced critical voices to protect church privileges granted by power. Those who have used the form of prophetic speech have often been put down as naive, unconstructive or overly negative.

On the other hand, defenders of prophetic speech have attacked those in dialogue with power as betraying the moral values of the gospel by adapting to power, by trying to reform and influence a system which is in fundamental contradiction to the gospel. Probably quite a few of you have been part of this kind of discussion on whatever side it may have been.

We need to move beyond such a false alternative. We need both prophecy and dialogue. What is the role of both?

The primary task of prophetic voices is to call for repentance and change of mind and attitude. Therefore, prophetic voices need not always be constructive. They can passionately criticise injustice without already knowing a clear workable path towards justice. Yet deconstructive prophetic voices cannot claim any moral prevalence over those approaches which work towards justice in little steps in the daily political process. There is a time for both and both can even be elements of the same church statement.

Prophecy has an especially prominent role in dictatorships in which fundamental criticism, delegitimising the system, is the most appropriate mode of achieving change. In democratic societies prophetic speech must be related to the "ecology of consciousness" of a dynamic civil society. If prophetic speech can help to change basic attitudes, it is ethically requested. If it blocks changes of mind in the public realm, it can even be ethically questionable.

In a democratic public with many voices, but unequal possibilities of getting public attention, prophetic action, creative forms of protest and civil disobedience in morally crucial situations have an important function. But they must be related to free discourse and the

exchange of arguments about the best way to achieve moral goals. If prophetic witness blocks such exchange of arguments, it is an obstacle for change. The churches mode of action in democratic societies is therefore an “inclusive prophetism” based on biblical truths and supported by good arguments in the public discourse.

In terms of theological paradigms one can say that where dictatorships have given room to the development of civil societies, Liberation Theology has to be further developed into Public Theology. Public Theology provides the grounding for church-based inputs into the public discussion in pluralistic democratic societies. Since in such societies through democratic elections, voters decide on political questions deeply ethically relevant, the churches, in order to reach the public, must be bilingual, that is, they must have a clear theological profile and speak a biblical theological language, but at the same time they must speak the language of public discourse and show why their inputs into the debate in civil society make sense not only for Christians but for all people of good will.

Therefore prophetic speech must be mutually related to discourse and dialogue. This leads me at least briefly to describe a third and final false alternative to be overcome.

### 2.4.3 Moral rigor and discursive openness

Church statements have often been attacked for their moral rigor. Those who make the attack usually state that moral rigor does not replace expertise in the field. But there is also a frequent attack from the opposite side. The word “experts” sometimes becomes a pejorative word. Experts are people who believe in numbers and ignore stories of witness by those who are victims of grave injustices. Numbers by experts which for example show a certain success in fighting poverty are countered by the moral scandal of undoubtedly still existing poverty.

We need to move beyond the false alternative between numbers and stories, between moral outrage and sober statistical analysis.

If economists can convincingly show us that certain mechanisms have increased participation of the poor, we need to leave all political prejudices behind and learn from it. There must be completely open discourse on what the best ways are to overcome poverty and ecological destruction. We need as much data as possible to make a judgment on what works and what doesn't work.

At the same time the moral rigor in pursuing these goals cannot be high enough. Deep solidarity with the victims of human-caused suffering is exactly the reason to look as thoroughly as possible for the best ways to overcome this suffering. Only complete discursive openness can make sure that effective ways to a better future are not overlooked only because they do not fit into our political world view or into our common intellectual designs. Moral rigor needs radical curiosity. Sometimes it will be a desperate curiosity - in other times it will be a hopeful curiosity. But it will live from the eschatological vision of the kingdom of God and it will breathe the air of shalom which is promised to us on earth.



I conclude with an example of new efforts to move beyond the false alternatives which I have described. On 11-13 October 2010 leading representatives of German and South African churches came together for a consultation in Stellenbosch, South Africa joining global church bodies such as the World Council of Churches, the World Communion of Reformed Churches and the Lutheran World Federation in trying to find a new consensus between North and South on the ethical foundations of globalisation and its consequences. The meeting included church leaders, theologians and economists ranging from the President of the World Communion of Reformed Churches, a representative of the World Council of Churches process on Wealth, Poverty and Ecology, to the Chairman of the Social Chamber of the EKD which has recently published several public memorandums with quite a different tone. In the final meeting they discussed 20 theses which found wide consensus. In light of the so far seemingly different approaches that the churches of the South and those of the North have taken, this "Stellenbosch Consensus" is remarkable and can possibly strengthen already existing efforts in the ecumenical bodies to move beyond unfruitful polarisations.

Let me give you an insight into this consensus document which is still in the making - what I present here is still work in progress.

## 2.5 Stellenbosch Consensus

When churches or individual Christians speak about the economy we are aware of the complexity of economic problems. However, we also know that Christian faith is deeply relevant for the goals and guidelines of economic life. The creation of human beings in the image of God, the protection of the stranger and of the widows and orphans in biblical law, the plea for justice by the prophets and the encounter with Christ through the least of his brothers and sisters are only some of the examples for this fundamental characteristic of the biblical tradition. It is on the basis of the biblical story, which has become our own story that we offer the following insights on the ethical foundations of globalisation and its consequences.

1. Given the global consensus about universal values represented by modern human rights, the fact that around 25,000 people die every day from humanly preventable diseases and reasons is a moral scandal. Responding to this moral scandal must move from the margins of daily political business into the centre and become part of real life experiences. This is even more urgent in light of recent global financial and economic crises whose costs are borne by the weakest instead of by those who primarily profit from "polluted and poisoned" mechanisms.
2. Rapid climate change increasingly manifested through droughts, storms and flooding has made it impossible to further deny the social, cultural and ecological destruction that characterises the dominant ways of "doing economics". The wide gap in the consumption of natural resources between the wealthy countries of the North and many poor countries of the South reveals the major injustices which need to be addressed in search of a sustainable and just economy for this and subsequent generations.

3. We must overcome simplistic qualifications that evaluate globalisation as good or bad and carefully analyse the effect especially of economic globalisation on different countries or regions. We need to understand why some countries profit from globalisation while others do not and also evaluate how these different effects coincide with the global dynamics of inequality deeply rooted in the historical injustice of colonialism.
4. If markets are to be recognised as playing a role in the allocation of resources of the economy - and this is not in doubt - national and international regulation must be considered to ensure effective ways of redistribution that enable especially the poorest to decide for themselves about their needs and preferences.
5. Furthermore, markets need a framework of rules which ensure fairer trade, which prevent the exploitation of developing and impoverished nations and which lead to the most possible mutual benefit in trade relations. To strengthen the legal foundation of this effort we call on all Christians globally to advocate - where this has not yet happened - that their governments sign and ratify the International Covenant on Economic Social and Cultural Rights (ICESCR).
6. While we note that the intention of liberalisation of markets over the past three decades was meant to enable impoverished nations to participate equitably in the market and gain access to goods and services at far more affordable prices, the reality has yielded many more serious unintended moral and spiritual consequences. On the contrary, some of the undesirable effects have been the further weakening of impoverished nations and the prevention of their national development which could lead to a viable and dynamic domestic economy.
7. The basic criterion for judging the ethical quality of economic globalisation is not so much liberalisation of markets but whether markets possess the potential - in outcome and process - to benefit those who are marginalised and excluded from mainstream economies. In Christian ethics this criterion is based on the biblical "preferential option for the poor" as well as divine justice which seeks to heal the breach between right and wrong. Secular ethics and moral discourse base such judgments on practical reason, human dignity and on philosophical arguments for the maximisation of the least advantaged position (Rawlsian difference principle). These philosophical arguments are further supported by new empirical research (e.g. R. Wilkinson/K. Pickett "The Spirit Level: Why Equality is Better for Everyone") which argues for the wisdom of creating more equal societies. It confirms all the more the indisputable ethical task of faith communities to turn their members' attitudes and behaviour away from a culture of greed fuelled by consumer-driven debt and market-based acquisition.
8. This ethically grounded vision leads to a concept of just participation for all on a global scale.





9. Just participation for all must go hand in hand with a use of renewable natural resources (wind, air, wave and sun) by human beings which is ecologically sustainable, freely available, gives every human being more equal access to energy needs and which is -unlike fossil fuels such as coal, oil, gas and nuclear - environmentally beneficial for future generations.
10. An ethical reorientation of globalisation must take account of both incentive and inspiration. Alternative models of a global economy of solidarity which presuppose an anthropology of sharing are an important inspiration. And the more successful they are the better. But we also need to take into account the existence of self-interest and even egoism. Therefore we need to develop models which maximise ethical concerns even under the circumstances of this imperfect world. We need to develop an ethic of incentives which make it easier for people to follow their ethical impulses on the basis of an enlightened self-interest and how that self-interest impacts on the world around us. No person is an island.
11. If capitalism means that profit from capital is the highest or even single goal, it is irreconcilable with the ethical perspectives of Christian faith. By contrast, if the possibility of gaining a profit, as an incentive to generate wealth, really increases the participation of everybody, especially the weakest, it is an ethically acceptable option.
12. In light of the fact that the profit motive has a tendency to sustain a self-perpetuating dynamic, it risks becoming an end in itself, even an idol. But the appropriate role for profit is instrumental. Hence an economy, national or global, can never be primarily built on the logic of profit. Rather the profit motive must be embedded in the logic of a social contract (understood as secular analogy to a covenant) expressed by a system of Global Governance with an elaborate framework of rules and an institutional setting which put market mechanisms and profit incentives in the service of just participation for all, thus generating a people-centred approach to economics rather than a mere profit mentality.
13. The most fundamental challenge for concrete political and economic steps is the creation of a framework for the global market which, by analogy with existing national models of social market economies, strives for an appropriate share of globalisation's benefits for all countries and all segments of societies so that they can profit from the economic advantages of globalisation.
14. International trade negotiations have to be redirected unambiguously towards the strengthening of weak economies globally. The strong economies of the North and East have to accept protective measures for weak economies - for example in Africa - where they can help the latter to become more dynamic. Development policy has to be redefined along these lines and must be based on long-term common interest instead of short-term national interest.



15. Financial markets must be based on a set of rules which re-establishes their role of serving the real economy. A new financial transaction tax contributes to limiting financial speculation, to generate much-needed revenue and to seek compensation for the costs of the crisis at the place where it was caused.
16. Economic approaches must be adopted that promote an economic order which does not require a growing use of natural resources. Incentives must be developed that ensure that our prosperity will not have to rely on an ecologically destructive growth.
17. Indicators of economic well-being should not focus merely on quantitative GDP growth. Improvements in education, the enhancement of environmental well-being and measures that seek to eradicate structural poverty and inequality should all be considered when measuring economic progress.
18. The churches must affirm the radical critique of unquestioned neoliberal dogmas (processus confessionis of Accra) and at the same time move towards an open discourse beyond any dogmas about which policies can best reflect the fundamental ethical orientations of both Christian faith and secular human rights traditions.
19. The churches must make use of their global societal importance and their influence among the global decision makers to help develop a new global consensus for giving priority to global justice over national interests. Their use of financial resources must reflect the urgency of worldwide justice issues. One consequence could be a strategic decision to fund dialogue programmes between grass roots groups, business leaders and political decision makers worldwide which help to bring the moral urgency of global injustice into the centre of political debates and which support the development of new policies potentially overcoming such injustice. In promoting educational programmes at schools and universities which support justice and ecology-oriented approaches to the economy, the churches can support a process of reorientation. Through strengthening the work of their development organisations they can help the victims and at the same time support the development of alternative models for the economy.
20. Poverty eradication can be seen as a minimum means of economic justice. Therefore, the Millennium Development Goals (MDGs) play an especially important role. The churches are called to participate critically in national policies that seek to promote the attainment of MDGs. Through this engagement, they witness what the gospel promises: "fullness of life" (John 10:10) for all peoples.

## 2.6 Conclusion

Let me end by quoting Dietrich Bonhoeffer. His famous words are a beautiful description of our task as Christians. In the midst of his involvement in the resistance against Hitler, Bonhoeffer writes:



*"It is true that there is a silly, cowardly kind of optimism, which we must condemn. But the optimism that is will for the future should never be despised, even if it is proved wrong a hundred times ... There are people who regard it as frivolous, and some Christians think it impious for anyone to hope and prepare for a better earthly future. They think that the meaning of present events is chaos, disorder, and catastrophe; and in resignation or pious escapism they surrender all responsibility for reconstruction and for future generations. It may be that the Day of Judgment will dawn tomorrow; in that case we will gladly stop working for a better future. But not before."*<sup>18</sup>

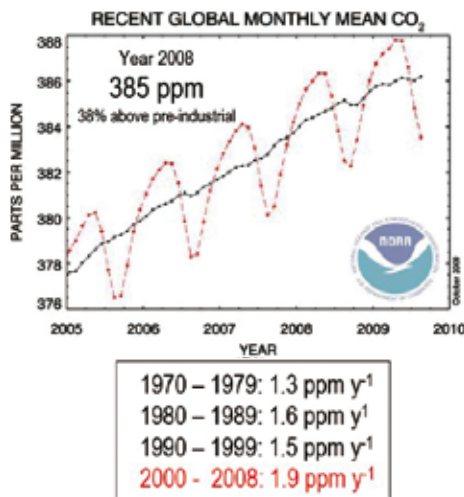
### 3. Facing up to a Low-Carbon Society and Economy

Roland Zieschank, Environmental Policy Research Centre, Free University Berlin

#### 3.1 Present situation

Despite different scientific studies about future trends in climate change and their impacts on ecosystems and regions, measurements of recent periods indicate an unbowed trend in rising CO<sub>2</sub> concentrations in the atmosphere. In 2008, this concentration amounted to 385 parts CO<sub>2</sub> per million molecules in the global atmosphere, an increase of round about 38% compared to a pre-industrial level. Moreover, during the last decades the speed of CO<sub>2</sub> emissions seems to accelerate, so that concentration levels are rising more than at any time in the last 100,000 years. (See Figure 1)

Figure 1 : Global Climate Change



18 D. Bonhoeffer, Letters and Papers from Prison, New York 1972, 15f.

Scientists, environmental NGOs and many politicians in OECD Countries introduced the concept of a Low-Carbon Society less dependent on fossil energies. As the main processes in production and consumption and the economic growth of nations up till now show a strong correlation to the usage of oil and coal, the way to a Low-Carbon Society needs ambitious goals, in order to coordinate the activities of all parts of society.

### 3.2 Policy Goals and socio-economic ways to reduce CO<sub>2</sub>

Some of the most common goals are the

- ▶ 2°C goal, that means the temperature increase of the atmosphere should not go beyond this limit, which is also compared to pre-industrial times in Europe;
- ▶ European Union targets of a 20% reduction of greenhouse gas emissions by the year 2020, increase in renewable energy usage by 20%, and cut in energy consumption through improved energy efficiency by 20%.

The international Climate Change Conferences of Copenhagen and Cancun may have led to additional agreements (some experts, however, are very sceptical about the future results of global governance processes and approaches), but even a complete goal attainment is not sufficient. There is no guarantee of avoiding severe ecological problems, like a further loss of productive agricultural areas, the loss of biodiversity or the loss of glaciers, for example the Tibetan Plateau as the world's third-largest store of ice (once they vanish, the water supply of rivers like Indus and Ganges will be endangered). But even compliance with the 2°C goal implies a strong reduction of greenhouse gas emissions in the range of 80% to 95% for the industrial countries. On the other side, there are some additional, nevertheless important reasons for facing up to a Low-Carbon Society:

- ▶ The so called "peak oil" means that the available reserves of crude oil are declining and since 1995 - the top-year of oil production - the yearly rates tend to diminish, due to rising costs, political risks and/or technical expenditures. Many industries are directly influenced in their economic results by changing oil prices.
- ▶ From an international and even churchly point of view, fossil energy reserves are bearing economic and often military conflicts. Whereas proponents of renewable energies argue that there will be no "fighting for wind" in the future.

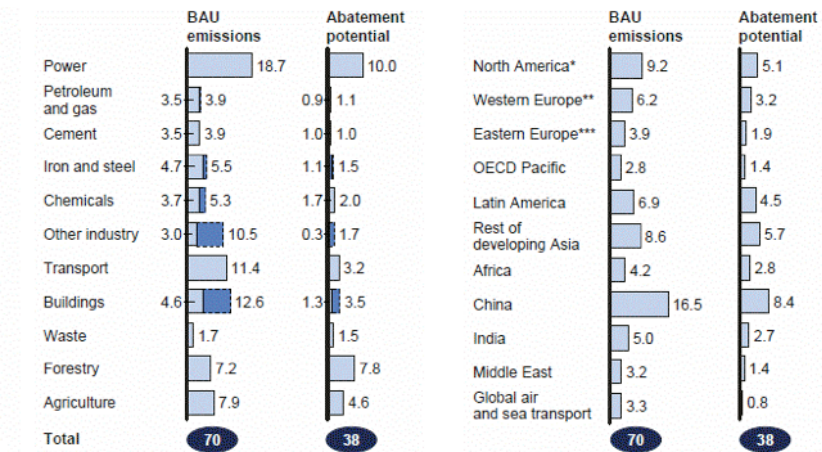
For a first impression of the relevant policy areas for carbon-reductions, Figure 2 illustrates the abatement potential by economic sectors and by regions.

If one compares the emissions induced by 'business as usual' (BAU) and possible reduction measures, the biggest savings could be gained in the power generation and using sector, as well as transport and forestry/agriculture (here by land use change). As to regions, not only North America but also Latin America and developing Asia countries could save big amounts of emissions. As a result, in the year 2030 around 38 GtCO<sub>2</sub>-emissions per year could be saved, more than a half of the BAU emissions (McKinsey & Company 2009). There are surely many ways in order to reduce CO<sub>2</sub>-emissions, some well-established socio-economic ways are:



- ▶ Fostering energy efficiency;
- ▶ Use of cogeneration (producing heat and power together);
- ▶ Capacity-building in the sector of renewable energies;
- ▶ Development and market introduction of new electric vehicles;
- ▶ Conservation of resources (not only energy, because any extraction of material resources and their conversion into products needs more or less energy);
- ▶ Land use change (forestation, conservation of fens, reduction of methane-producing agriculture).

Figure 2 : Policy Areas for Reduction of CO<sub>2</sub>  
Emissions and abatement potential by sector and region - GtCO<sub>2</sub>e per year; 2030



\* United States and Canada

\*\* Includes EU 27, Andorra, Iceland, Lichtenstein, Monaco, Norway, San Marino, Switzerland

\*\*\* Russia and non-OECD Eastern Europe

Note : To obtain the total BAU emissions are to be summed up. To obtain total abatement potential, indirect emission savings need to be included in the sum.

Source : Global GHG Abatement Cost Curve v2.0; IEA; UNFCCC; US EPA.

### 3.3 Challenges of transformation

In the following paragraphs five perhaps uncommon lines of argument to foster a Low-Carbon Society will be introduced.

#### Transformation - Part 1

Financing by private actors and government spending on Low-Carbon Society are investments, not only costs

The economist N. Stern (2006) showed in his analysis that avoiding measures to combat climate change will also produce severe problems: during the next few years these costs of inaction could rise to risky levels between 5% and 20% of the global GDP. A Study on behalf of the UN Environment Programme recommended a "Green New Deal" as a

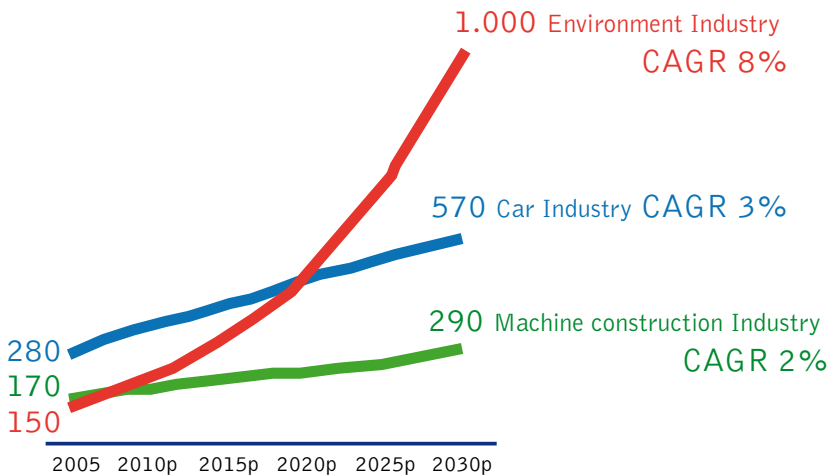
vision on a global scale: industry, labour organisations, policymakers, ministries as well as scientific institutions should collaborate and foster the greening of societies, especially in the fields of climate policy, renewable energies and energy efficiency (UNEP 2009).

Furthermore, the OECD launched a Green Growth initiative. The main insight of this important international and economic affairs oriented organisation in this context could be formulated as: "To address Climate Change also makes economic sense" (OECD 2009).

Jacobson and Delucchi (2010) argued that if some 100 billion US dollars up to the year 2030 would be invested – not by consumers or the national states – but by investors in respect of the economic sector, then nearly 100% of the international power supply could derive from renewable energies.<sup>19</sup>

One of the pioneering states on this topic is Germany, because many companies are working in the field of environmental protection, renewable energy, resource efficiency and other technological areas dealing with climate change. The planned investments of these "ecoindustries" (for a definition in detail see Ernst & Young 2006 and Jänicke/Zieschank 2011) in Germany are very high. Official prognosis assumes the development of a new industrial sector; see Figure 3 below.

Figure 3 : Prognosis for the Environment Industry in Germany



<sup>19</sup> The natural scientists argue from an economic and technical point of view, at first, and neglect existing political priorities, path-dependencies or stakeholder-interests, which lead in many countries to different decisions e.g. of the energy suppliers.

## Transformation - Part 2

Some countries are now starting a “green race”

Germany has also been a lead market for environmental products and services, due to ambitious environmental standards (pollution control) and to environmental goals relating to climate policy (resource efficiency and renewable energies). As a result, many companies gained “first mover” advantages in the response to an early adoption of environmental regulations, compared to enterprises in countries with less aspiring environmental quality targets.

In the meanwhile, Germany has some advantages in technological patents and in exporting environmental products and services, with a 16% world market share. Other countries, like Japan and South Korea developed a similar strategy, sometimes even more coordinated between the national Government and Industry, in order to tackle climate change. Japan especially is working on scientific concepts for a Low-Carbon Society. For example, the Minister of the Environment in Japan, Dr. Saito presented a programme “The Innovation for Green Economy” in 2009. He stated the need for “investments to keep Japan’s advantage and continue to be the environmental super power for the future”.

In the meanwhile, further countries like Canada, for many years not a frontrunner in producing environmentally-friendly products or in climate policy, realised the importance of green markets. In a study on “Benchmarking Canada’s Competitiveness in a Low-Carbon World”, the National Round Table on the Environment and the Economy wrote in big letters on the second page of this study: “This is not just about coping with climate change, but prospering through it.” According to Roland Berger, the global market of the Eco-Industry has an average annual growth rate of 6.5%. It could rise from 1,400 billion Euros in 2007 to 3,100 billion Euros in 2020 (BMU 2009). A forecast made by McKinsey shows that the global demand for energy efficient technologies in energy-intensive sectors alone could rise from 500 billion Euros (2008) to 2,100 billion Euros (2020) (McKinsey 2009).

## Transformation - Part 3

The green race leads to further innovations and progress in the direction of ecological structural change

If new markets are still established, the “economy of scale” innovation effects through new competitors and technological as well as managerial learning curves could take place, for example, in the sector of renewable energy. One important milestone - perhaps the most important one for getting closer to a Low-Carbon Society - is the so-called “Grid Parity”: Electricity is then able to be produced from renewable energies at the same price as electricity from fossil energies. Grid-parity implicates:

- *The contradiction between climate protection and further economic growth is disappearing.* Because over a long time a strong correlation between economic

growth rates and additional CO<sub>2</sub>-emissions had to be stated<sup>20</sup>.

- ▶ *The chance for a more decentralised energy production*, less dependent on some big and partially monopolistic energy providers.
- ▶ *Additional new value creation on regional and community levels*. Till today, for Germany in 2011 about 8.9 billion Euros value-added will be gained by extension of RE. This amount could be dramatically extended.
- ▶ In a longer run: *Electricity from renewable energies is able to lower the energy demand*, because of a substantive higher efficiency factor. Following calculations of the U.S. Energy Information Administration, the energy demand worldwide in 2030 will reach 16.9 Terawatt (12.5 trillion watt). If the energy supply could be transformed by the same year to a bigger part in electricity preferably generated from renewable energies - the worldwide energy use could be reduced to 11.5 Terawatt, especially in the case of a successful substitution of fossil fuels by electric engines and cars.

## Transformation - Part 4

### Solving complex problems together

Many discussions on Policy and Society deal with three problems:

- ▶ ongoing climate change
- ▶ energy problems of the future in respect of the fear of rising oil prices and
- ▶ economic problems after the financial crisis and economic downturn.

But often these problems seem to be tackled in a one-dimensional and separated way. It is not self-evident to add to one severe problem two new more and bear them altogether in mind.

Some countries realised this new insight at first, e.g. South Korea, Denmark, Germany, now also U.K. A remarkable example could be mentioned from Japan. One of its most influential ministries, the Ministry of International Trade and Industry (MITI)<sup>21</sup> introduced Japan's plan to the year 2060: "The Cool Earth - Innovative Energy Technology Program", see Figure 4.

Impressive are the combination of innovation in efficient technologies, products and processes and the idea of fostering international diffusion of existing and new energy technologies, associated with the whole world goal of reduction of greenhouse gas emissions by half in 2050. One must not agree with all approaches, like new nuclear reactors, to recognise a more integrative perspective in problem solving.

<sup>20</sup> A doubling of economic growth leads normally to a 80% rise of CO<sub>2</sub>-emissions.

<sup>21</sup> MITI provides industries with administrative guidance and other direction, both formal and informal, on modernisation, technology, investments in new plants and equipment, and domestic and foreign competition.





The diagram illustrates the timeline of technological innovation and diffusion from 2010 to 2050, categorized into three periods: Short and Medium-term, Medium and Long-term, and Long-term.

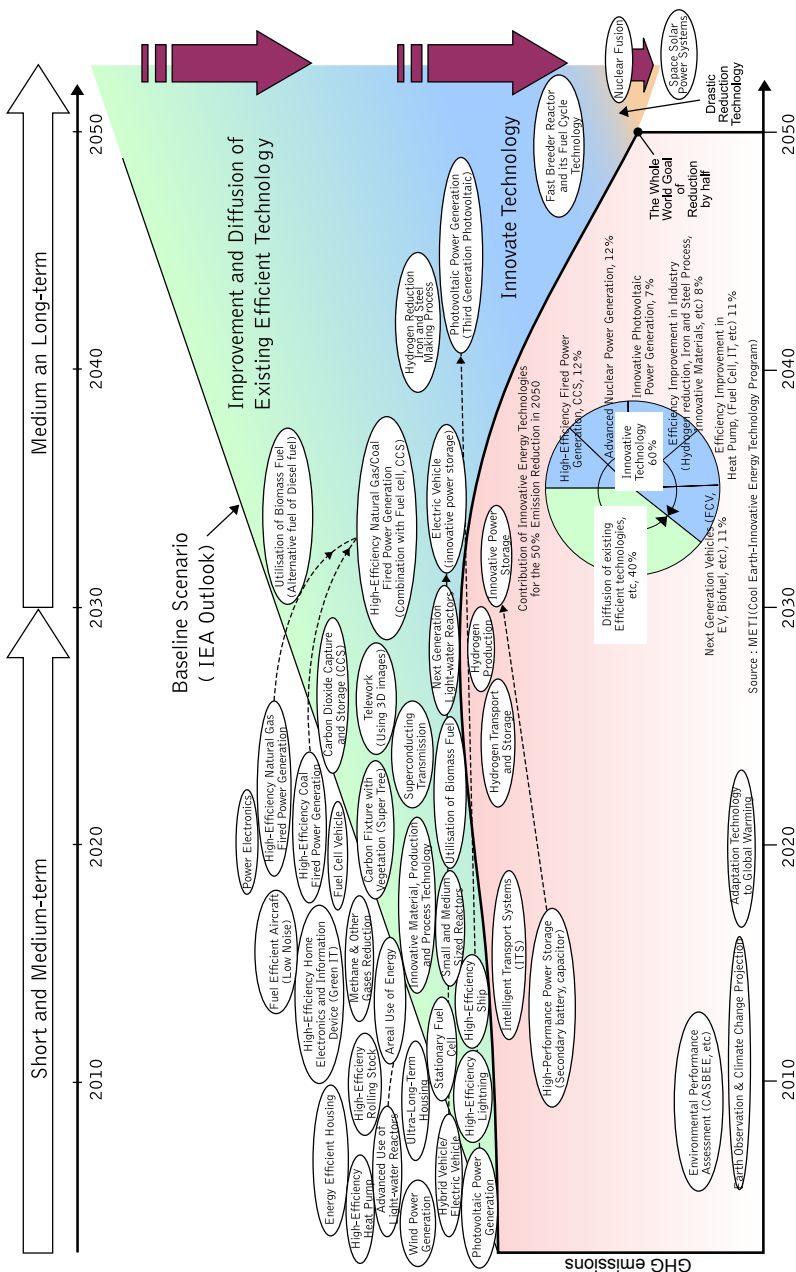
**Baseline Scenario (IEA Outlook):**

- 2010-2020:** Fuel Efficient Aircraft (Low Noise), High-Efficiency Coal-Fired Power Generation, High-Efficiency Coal-Fired Power Generation, Fuel Cell Vehicle, Carbon Dioxide Capture and Storage (CCS), Methane and Other Gases Reduction, Areal Use of Energy, Innovative Material Production and Process Technology, Small and Medium-Sized Reactors, High-Efficiency Lighting, Ultra-Long-Term Housing, Stationary Fuel Cell, Hybrid Vehicle/Electric Vehicle Generation, Photovoltaic Power Generation, High-Efficiency Power Generation, Intelligent Transport Systems (ITS), High-Performance Power Storage (Secondary battery, capacitor), Environmental Performance Assessment (CASBEE, etc), Earth Observation and Climate Change Projection, Adaptation Technology to Global Warming.
- 2020-2030:** Power Electronics, High-Efficiency Natural Gas-Fired Power Generation, High-Efficiency Coal-Fired Power Generation, Fuel Cell Vehicle, Carbon Dioxide Capture and Storage (CCS), Methane and Other Gases Reduction, Areal Use of Energy, Innovative Material Production and Process Technology, Small and Medium-Sized Reactors, High-Efficiency Lighting, Ultra-Long-Term Housing, Stationary Fuel Cell, Hybrid Vehicle/Electric Vehicle Generation, Photovoltaic Power Generation, High-Efficiency Power Generation, Intelligent Transport Systems (ITS), High-Performance Power Storage (Secondary battery, capacitor), Environmental Performance Assessment (CASBEE, etc), Earth Observation and Climate Change Projection, Adaptation Technology to Global Warming.
- 2030-2040:** High-Efficiency Natural Gas/Coal-Fired Power Generation (Combination with Fuel Cell, CCS), Electric Vehicle (Innovative power storage), Hydrogen Production, Hydrogen Transport and Storage, Innovative Power Storage, Innovative Photovoltaic Power Generation, Innovative Technology, Diffusion of existing Efficient technologies, etc., 40%, Next Generation Vehicle (EV, Fuel Cell, etc), 11%, Heat Pump, (Fuel Cell, etc) 11%, Efficiency Improvement in Innovative Materials, etc 8%, Efficiency Improvement in (Hydrogen) reduction, Iron and Steel Process, Innovative Materials, etc 8%, Innovative Photovoltaic Power Generation, 7%, Advanced Nuclear Power Generation, 12%, High-Efficiency Fossil Power Generation, CCS, 12%, Contribution of Innovative Energy Technologies for the 50% Emission Reduction in 2050.
- 2040-2050:** Photovoltaic Power Generation (Third Generation Photovoltaic), Hydrogen Reduction (Iron and Steel Making Process), Fast Breeder Reactor and Fusion Fission Hybrid Technology, Nuclear Fusion, Space Solar Power System, Drastic Reduction Technology.

**The Whole World Goal of GHG Emissions Reduction by half:**

- Contribution of Innovative Energy Technologies for the 50% Emission Reduction in 2050.
- Advanced Nuclear Power Generation, 12%.
- Innovative Photovoltaic Power Generation, 7%.
- Diffusion of existing Efficient technologies, etc., 40%.
- Next Generation Vehicle (EV, Fuel Cell, etc), 11%.
- Heat Pump, (Fuel Cell, etc) 11%.
- Efficiency Improvement in Innovative Materials, etc 8%.
- Efficiency Improvement in (Hydrogen) reduction, Iron and Steel Process, Innovative Materials, etc 8%.
- Innovative Photovoltaic Power Generation, 7%.
- Advanced Nuclear Power Generation, 12%.

**Source:** METI/Cool Earth-Innovative Energy Technology Program





In fact, eco-industries producing:

- ▶ Clean technologies
- ▶ Renewable energies
- ▶ More material and energy efficiency in production and consumption
- ▶ Measurements for energy savings
- ▶ Waste avoiding processes and recycling technologies
- ▶ Sustainable water supply or
- ▶ Sustainable mobility

create new jobs and income. They contribute, therefore, not only to environmental protection or prepare a Low-Carbon Society but also unroll to a new source of welfare. Studies for Germany show that the size of the eco-industry was about 8% of the GDP in 2007, with 1.8 million-odd jobs in 2009 (Jänicke/Zieschank 2011). The turnover of the eco-industry in the EU-27 countries rose in 2008 up to 2.5% of GDP. At the same time dependencies from oil or coal imports are declining and the security of energy supplies in the future will be backed. International discussions are intensifying in relation to the integrated problem-solving mentioned above. For example, in February 2011 a synthesis report on "A New Growth Path for Europe" summarises: *"Post-crisis Europe can revitalize its economy by tackling the climate challenge. Raising the European climate target from 20% to 30% emissions reductions can open the way towards higher growth and increased employment"* (Jaeger/Paroussos/Mangalagu et.al. 2011, 4).

### 3.4 Constraints

Some scientists and members of environmental NGOs hold the view that advancing to a Low-Carbon Society is firstly not a technological problem, indeed other obstacles against such a far-reaching structural and social change must be taken into account. Some aspects therefore should be mentioned:

- ▶ Political and economic influence of traditional industries, which sell fossil energy or buy a lot of preferably cheap energy (oil companies, utility companies, steel, glass, chemical industry);
- ▶ Energy from nuclear power plants which discourages investments in alternative and clean energy production (instead of gas and combined heat and power facilities as more suited "bridging technologies");
- ▶ Lack of political will and skills;
- ▶ Under such conditions, investments for a Low-Carbon Society stay at risk;
- ▶ "Smart Grids" are not available enough for transporting electricity from renewable energy generation to the users in other regions;
- ▶ Rising costs for consumers (mainly due to feed-in tariffs);
- ▶ Social impacts of rising costs for energy and resource use, which is relevant for poorer people and countries as far as renewable energies are not yet competitive;
- ▶ Rebound effects: Energy savings are often for nothing, because of counterproductive effects, e.g. more efficient diesel cars, but more cars over all.



## Transformation - Part 5

### The social process to gain a Low-Carbon Society is mainly policy-driven

Despite Citizens and Cities often developing best practice solutions and despite the success of eco-industries and resource management, national policy plays an important role in shifting societies to a more sustainable development. Because we need to address path-dependencies and institutional arrangements between energy-intensive industries, regions, labour organisations, related scientific institutes and public institutions: "*The more a technology is adopted, the more likely it is to be further adopted*" (Arthur 1994; Foxon/Pearson 2007).

Without new political steering mechanisms, requirements and regulations, many actors tend to persist in existing routines or societies' lack of sufficient coordination, which is important for such an ambitious goal. Otherwise too fragmented activities take place, presumably without using the available time slot. Long-term policy goals therefore are an important aspect, not only for innovation processes, but also for investors in low-carbon technologies or shift in mentality of many social groups.

Another important policy approach in the context of 'building' a Low-Carbon Society should be mentioned, the Eco-Finance-Reform (EFR). This approach belongs not to the dominant environmental policy instruments discussed now in the European Union, but new research results, based on modelling concepts, show promise. One should wait and see whether pioneering countries will be able to enhance the advantages of an EFR at least on a national level. EFR consists of at least two parts - first, of an Eco-Tax-Reform and second, of lowering subsidies:

- ▶ A CO<sub>2</sub> tax for the industrial sector and energy-consuming sectors in a range between 50-70 Euros/ton emitted CO<sub>2</sub> would be able to shift the financial system in the direction of a lower carbon society. As far as "good" activities like labour or earnings of investments in companies will not be charged with a tax, but more the "bad" activities, like resource use and emissions or waste generation, a new orientation on environmental aspects of production and consumption will take place. 10% of the revenues should be used for technological innovations in energy intensive sectors and 90% for reductions in labour costs (pension scheme).
- ▶ The second part addresses the phasing out of environmentally harmful subsidies: Following the German Federal Environment Agency (2010), 48 billion Euros have been used for assisting the building sector, agriculture, energy production as well as transport and traffic, in the end connected with negative impacts on the environment.

The advantages of an abatement of CO<sub>2</sub>-emissions by EFR (see Ekins/Speck 2011) are:

- ▶ At a European level: meeting even the higher EU-targets, therefore a 30% reduction of CO<sub>2</sub> by the year 2020.
- ▶ CO<sub>2</sub> taxes prepare the industries in advance of rising oil prices, they deliver a mitigation and modernisation strategy for societies (relating to environmental standards see Porter 1995; to environmental taxes Ekins 2009). The economic impact of strong

environmental standards has shown that energy efficiency has now become a main driver of future growth of innovative industries (Allianz Dresdner Economic Research/ The Lisbon Council 2008, based on a study in 11 European Countries).

- ▶ Reduced money flow from Europe to OPEC-countries, respectively rising national income for European states with ETF.
- ▶ Additional money for tackling social impacts; this in Europe is especially relevant for the Czech Republic, Poland and other coal-dependent countries.

Yet a flexible mechanism is needed, because lower CO<sub>2</sub> taxes in case of rapidly rising oil prices could be necessary in order to protect the industrial base of an economy.

As a first interim conclusion, the following could be discussed:

- ▶ Should churches be more active in changing institutional structures and influencing governance? For example, is a large-scale centralised electricity generation part of a Low-Carbon Society or are renewable energies and strong energy savings programmes better options?
- ▶ Will consumer education or Life-Style Discussions really help? They need much time and campaigns have to be started again every year.

At least one field of action unifies the political macro- and the social or community level: the use of resources and goods. There is a chance to leave the "American way of life" of the throwaway society.

But this includes a public debate on the function of material products for well-being, psychological satisfaction and the social position of individuals in different sub-societies.

Figure 5 shows that personal happiness and average annual income are not very closely connected: beyond more or less 9,000 US dollars GDP per person, much more money does not lead to the same amount or more happiness of people in many rich countries.

Up until now, in our society we often follow the principle of "time is money". Investments in a Low-Carbon Society could be considered as "money is time" – in order to postpone further impacts of climate change on our societies. Perhaps in the future a new viewpoint emerges: "time is time" – a new currency for personal and societal flourishing. An important study of the British Commission for Sustainable Development, titled: "Prosperity without growth" comes to the remarkable finding that the overarching goal should be going beyond the "culture of consumption" (CSD 2009). In an economy with rising productivity it is possible to change between

- ▶ growth - for new jobs and
- ▶ time - for more leisure of the working people.

Having enough is sufficient, or following the German critical psychologist E. Fromm (1976), one of the central questions for somebody's life is "To have or to be".



Figure 5 : Happiness and average annual income,  
Source : Sustainable Development Commission, UK (2009, 33)



### 3.5 Conclusions

Societies have to act immediately - we have to speed up the measures for a Low-Carbon Society

The next 10-20 years constitute the time frame for social and economic transformations. Some of the most important new targets will be:

High Resource Efficiency and Dematerialisation of production and consumption.

Climate Change is - in fact - a problem of resource use (raw materials, energy and land). In many political debates dealing with pathways to sustainable development or the "limits to growth" the question has arisen, "Is there an alternative to an Economy of Sufficiency"? Most people are afraid of it instead of searching for it. Even in Germany now concepts about an "Industrial Revolution" seem an appropriate alternative.

In this context, one answer is remarkable (without raising a claim of the best solution). In 2010, the German Federal Environment Agency published an energy target for the year 2050 of reaching 100% electricity from renewable sources and stated: "*The technological change towards an electricity supply system completely based on renewable energies by 2050 is possible. By doing so, Germany's status as a highly industrialised country can be maintained, as can its subsequent ways of living, patterns of consumption and behaviour.*"

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## 4. Linking Poverty, Wealth and Ecology

### - The role of the Church in the Global Transformation Process

The Rt. Rev. Julio E. Murray, President of the Latin American Council of Churches

May I express a word of gratitude to the WCC and CEC for extending an invitation to members of CLAI to be part of this Consultation on "Poverty, Wealth and Ecology". Our time in Budapest gives us an opportunity to experience Europe from another reality, to see the commonalities and the struggles of people that are similar to those of the people in Latin America and how the Church and the people in this context face these challenges with faith, hope and decision. The Latin-American Council of Churches - CLAI - has served for more than 30 years with the responsibility of the ecumenical journey with 188 churches and ecclesiastical organisations in 20 countries in Latin America and the Spanish-speaking Caribbean. We serve from Pastoral Programmes with Women and Gender Justice, Youth, Culture of Peace, Pastoral Programmes with people of Indigenous and African descent, Liturgy, Unity-Mission and Evangelism, Communications to a Faith-Economy and Society Programme.

We also look forward to continue the ecumenical journey with CEC. We started a dialogue in May 2009 and produced a document entitled "Threats and Challenges of Globalisation" of which you have heard some presentations earlier in this Consultation. Our hope is to continue the journey as we identify new themes for our dialogue.

Some questions on the Role of the Church in the Global Transformation Process:

- ▶ Do people still believe that the church has a trustworthy voice?
- ▶ Do people in the Church have an opportunity to listen to experts of other disciplines like economics, sociology, politics and social ethics?
- ▶ Do people in the Church respect other expressions of God that come from the plurality of religious expressions? Do they participate in interfaith dialogue or relations?

These are some of the questions that we need to ask when we take a look at the role of the Church in the Global Transformation Process.

## 4.1 Brief description of the context

Social inequalities, exclusion, misery, external debt, speculation, financial instability - these are some of the words and concepts that are used not only by the economist or sociologist or by politicians who are interested in responding to the needs of the people. These are the terms or concepts that are also used in some of our churches these days, as we seek to describe the context in which we are called to do mission.

The neoliberal economic system has produced in the so-called Third World countries a growing number of impoverished, marginalised and persecuted people along with other types of victims to whom the churches are giving some type of response. And because of this action, the resources for traditional diaconal service are becoming less. But the reason for this service is also giving the Diaconia a new sense and meaning. The Diaconia response is not only out of compassion and charity, but out of Justice. At the same time, Christians are recognising the need to become more active in the process to denounce these facts and also to seek for alternative answers.

After decades of applying the recipes from the neoliberal economic system, countries in Latin America are now suffering: the middle class is disappearing, the external debt is draining them, the capacity to feed the people is in danger and poverty is also rising. But the economic crisis is not the only one we face; we also experience a profound crisis in the social, political, energy and food systems, in security and the effects of climate change.

## 4.2 Stories that tell the signals of change

Every day on the streets of countries in Latin America you see more and more children working: on the street corners selling candy, cleaning the windshields of the cars at the stop light, or as the helpers on the public buses, or simply asking for help to buy food to survive the day.

They are on the street because their parents do not have jobs and they have no grandparents to take care of them, as in other cases; they don't go to school, or if they do, they need to go to work first or afterwards. This sign of extreme poverty leads to domestic violence - violence that at times is against the same children or the mothers.

Unemployment, lack of social security, lack of health services and education are all related to the high level of government expenses, who dedicate their resources to pay the interest on the debt to developed countries or international banks.

The debt has to be paid in US dollars and in some of our countries they receive dollars from the income or the sale of the products they export. Unfortunately, the money they receive comes from the prices that are set by the rich countries, versus the prices that are paid for products that are imported.

Because of this, the government has to take a new loan to pay the interest on the debt and





the capital of the previous loans. The country then is in more debt, as time goes by.

That is the reality in Latin America. Money is being paid for interest and the total amount has surpassed the original debt. In order to pay these debts, millions of dollars are budgeted putting in danger opportunities for development, health services and education and other vital services.

As a Church, we cannot close our eyes to this reality, because it jeopardises the invitation offered by God to all the nations to share on an equal level the gifts that God has created.

### 4.3 For a sufficiency economy

Debts now exceed all proportions. Not having at hand satisfactory instruments for the management of debts, they became a driving force of the economy, producing impacts far beyond the economy.

The ethical dimension of the crisis reminds us that debt, as the category underpinning the economic fabric of society, needs to be seriously reconsidered. Prosperity built on disproportionate and unjust debts cannot be sustainable. The Bible, in the words of the prophet Ezekiel, reminds us that what is required in a healthy society is not only the need to avoid oppression of anyone, but also to restore the debtor's pledge in due time, to commit no robbery, to give bread to the hungry and to cover the naked with a garment (Ezekiel 18.7).

We need – in a common and differentiated way – to shift from cultures and economies of greed and de-limitation, to cultures and economies of sufficiency.

The ethics of sufficiency means recognising limits in all our activities: in the economy, in the use of natural resources, also in our personal lives as well as in the performance of public authorities. We see particular promise in the idea of sufficiency and the Christian ethic of self-restraint.

These are reasons why many features of our personal and public life need to be increasingly questioned. In Latin America, inspired by an old indigenous tradition (Sumak-kawsay), the concept of 'good living' in contrast to 'living well', is expanding more and more. The latter model 'living well' imposes on us a hedonistic life style, each time with greater force, based on values of consumption that does not accept any limits to its ambitions of accumulation and satisfaction.

We need an economy that serves people. For the economic system must serve the people and not the other way around. What is missing is to determine how these values could be brought into reality: from paper to streets, from statements to daily life. For its proper functioning, the economy needs the counterbalance of democratic politics based on a strong civil society. Such politics need to be open to constant renewal, accepting an ethical framework, which cannot be invented by politics itself.



## 4.4 Regional integration

Another alternative to the economic crisis is regional integration and the church has played a role in this too.

Latin America is now looking for new models of integration allowing not just for integration of markets. New ways of integration mean to recognise the market, but not to allow the market alone to be the driving and regulatory force of the integration process.

Churches play an active role in the integration process. At the beginning of 2009, the President of the Republic of Paraguay requested that the CLAI be the chair of an interreligious round table of the four countries of the Southern Common Market (MERCOSUR): Argentina, Brazil, Paraguay and Uruguay. In following that initiative, the dialogue of religious leaders on subjects such as faith and environment, wealth and poverty, religion and state, citizenship and political participation took place between May and July 2009. For the first time, religious leaders sat round a table and engaged in a dialogue on common subjects beyond their own borders, but from the specificity of each religious expression (Jews, Muslims, Bahai, Christians of the different currents and traditions, Umbanda and others). The role of the Church in the integration processes does not have to be limited only to accompanying political and economic engineering but, in addition, it will have to be open to speak with others, from its own specificity, on what these models mean for the different religious groups that coexist within their geographical region.

## 4.5 Role of the churches

*A Testimony:*

*Alejandro and Susanna went to talk to their Pastor. They are worried about the current crisis the country is living through and to their surprise the ears of the government cannot hear the cry of the people. For months now the country is broke; the banks are retaining the people's savings. The lines of the unemployed are longer and longer. The international financial instruments – IMF, World Bank – continue to demand more re-structuring and more reductions at the cost of social expenses. There are few laws to defend the poor and the needy.*

*Alejandro – "But Pastor, you are a respected person in the community. Look at our people, look at our needs! We need the Church to be supportive of our people; we need your support as we seek justice for all the needy people".*

*Susanna – "What can we do?"*

*Pastor – "Pray, so that God gives wisdom to our government leaders..."*

*Alejandro and Susanna – "...but Pastor, we have prayed already. I think our government is deaf – hard of hearing... they can't hear the voice of God".*

- ▶ What is the attitude of Alejandro and Susanna and the Pastor?
- ▶ What do you think about what the Pastor said - "just pray"?
- ▶ What does Scripture say about those who seek social justice, economic justice for all people?

## 4.6 Ministry of presence

Churches are present in the places where people are and they should be signs of hope through caring, witness and their own praxis and example. At the same time, the Church has a prophetic role and should be ready to confront decision-makers and make them aware and awake regarding their roles, responsibilities and objectives. The prophetic voice of the Church needs to be heard clearly and eloquently and on time, but also as articulately as possible on the issues of the day.

## 4.7 Prophetic voice

The churches' prophetic voice needs to be more than just criticism of injustice. It takes time to identify the cause of the injustice: to make it known that poverty is the result of a mechanism whereby the rich become richer and the poor become even poorer.

One thing is to talk about the poor Third World countries; another thing is to say the Third World countries that have been made poor by rich countries...

To the churches in rich countries, to the churches in Europe, a prophetic word from the Latin American churches: "*Take a risk, claim your prophetic voice*" and tell the rich governments to beware of searching for scapegoats elsewhere. Tell them to be aware of their complicity in social evil that has caused poverty in the other countries.

Let us not take light the suffering that goes with economic uncertainty and loss. For today we can be affluent and tomorrow we can be like the powerless farmer or woman worker enduring yet another change for the worse in a battered and injured African, Asian or Latin-American economy.

## 4.8 Re-think our faith

The role of the Church in a globalised world demands that we re-think our faith. And we do this not only because there are many who have lost their faith, their trust and their hope. We do this because our testimony has to reflect the message of Jesus Christ, which is justice, solidarity and care for the most vulnerable and love to face a system that is violent, a system that excludes, a system that does not believe in solidarity, a system that is selfish and unjust.

We do this because we understand that our task is to turn people's eyes back to the vision of a human dignity that is indestructible. This is the vision that will both allow us to retain a hold on our sense of worth even when circumstances are painful or humiliating and sustain a sense of obligation to the needs of others, whether near at hand or strangers far away. So that dignity may be made manifest. So that respect for people will be greater than tolerance.

The dignity of the human being and the fair use of earth's natural resources also have implications for the system and for concrete political decisions.

## 4.9 Service of dialogue

The role of the Church in the globalised world is to be at the service of dialogue. The dialogue methodology consists of creating a trustworthy space and bringing people to the table so that they can speak their word. Sometimes the Church does not need to be the voice of those who do not have a voice. Sometimes the church needs to be the body that articulates the idea and makes sure that the voice of the most vulnerable can be heard. .

*An example: In Honduras during the coup against President Zelaya, CLAI was invited and visited the member churches in Honduras to accompany them and present a testimony of solidarity, as this event was a clear act of violation of the Constitution of a country and also a violation of all Human Rights.*

*The dialogue table was established and those who were in favour of the coup and those who were not in favour met at the same table. At times, there were leaders of the same church, members of the same family that opposed each other. The people were so polarised that it was difficult to listen to each other without becoming violent and defensive.*

*There was also another dialogue that was set in place called "acuerdo de San José". But the people from the grass roots had no trust in this dialogue because they were not welcome here. The people trusted the ecumenical movement and the organised pastors' movement for resistance.*

*As we followed our agenda for the visit we planned to see President Zelaya at the Brazilian Embassy. Heavily armed guards were at the door of the Embassy. As we approached, we were received by a Captain who said we could not go in to see the President because we did not have permission from the chancellor's office. At the same time, we saw a group of people in a demonstration coming towards us. We were standing in the middle of the people and the heavily-armed guards. This was our opportunity to address the media, radio, television, national and international and send a message of peace and the hope for dialogue with the affected parties to find a solution to the problem where no more blood was shed. After we did this, those who were in the demonstration continued on to the public park.*

*Here the Church had to be strategic and take the opportunity to send a message of Hope to all people.*

The complexity of the problems and the magnitude of the challenges need to move us to recreate our Hope. It is, therefore, even more important for us to mutually encourage one another in our local congregations, churches and as members of the worldwide ecumenical community of churches and to take practical steps to take risks, with the help of the Holy Spirit and be a sign of hope for the world.

In the Christian belief, the Earth and all that exists is because of the free act of generous love by the Creator. God has made a world in which, by working with the limitations of a material order declared by God to be "very good", humans may reflect the liberty and generosity of God. And our salvation is the restoration of a broken relationship with the whole



created order, through the death and resurrection of Jesus Christ and the establishing of a community – the Church – by the power of His Spirit in which mutual service and attention are the basic elements through which the human world becomes transparent to its Maker.

## 4.10 Conclusion

We need to continue our work on deepening our understanding of socio-political concepts that may have different connotations in different circumstances in our different conditions of life. We recognise that we have the same call to be witnesses and constitute signs of hope of God's presence in this world. Special attention needs to be given to the significant political and economic transformations which many countries in our respective regions are now going through.

Witnessing to our Christian faith requires us to offer spiritual and practical resistance to economic injustice and ecological destruction and to do everything we can to promote an economy in the service of life, both globally and in our own respective countries, in Latin America as well as in Europe. To this end, our spirituality needs to be deepened and our lives transformed, as promised by Jesus Christ. In order to be able to do so, and as we were told in the opening service of this Consultation, we have a special source of power, a prayer that spans the entire world: **the Lord's Prayer**. The Lord's Prayer is the common prayer expressing the special identity of the worldwide community of Jesus Christ as a new human community. In this context, the fourth and fifth requests are particularly important and can guide us in our joint commitment and engagement: *"Give us this day our daily bread. And forgive us our sins, as we forgive those who sin against us"*. (Matt. 6:11–12).

The request "Give us this day our daily bread. And forgive us our sins, as we forgive those who sin against us" guides CEC and CLAI in our joint commitment as we journey together. God wants everybody to have life in its fullness, as seen in John 10:10. This nurtures our hope. And trusting in these promises and in the Lord's Prayer, I conclude, as it ends: *"For the kingdom, the power, and the glory are yours, for ever and ever. Amen"*.

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## 5. Poverty, Wealth and Ecology in Europe - The Role of the Churches in Global Transformation Process Rev. Serge Fornerod, Moderator of the Church and Society Commission of the Conference of European Churches (CEC)

### 5.1 Introductory remarks

It is certainly not by coincidence that we gather at this time in this place to address this kind of issue. Twenty one years and one day ago, the fall of the Berlin wall initiated the biggest global transformation process in Europe since World War II. If one can say that the main political changes due to that event have now come to a sustainable degree of stabilisation and democratic transformation in most of the Eastern European countries, we also have to face the fact that the economic changes, initiated through the collapse of the planned central economy system and the victory of the capitalistic model, still cause many difficulties and a lot of new unexpected problems and suffering to populations which had already suffered for decades under the communist economy. We no longer have the "wild wild west", but we have a new "wild wild east". Recent examples of ecological catastrophe in this country just remind us how relevant it was for CEC and CSC to organise this Consultation in this part of Europe.

Moreover, it has also to be said that the democratic changes in Europe started in Central Europe in the Eighties with the Trade Union movement Solidarnosc in Poland and that the Hungarian reformist government in 1988 and 1989 first opened the iron curtain towards Austria already in spring 1989, provoking a haemorrhage of fleeing people from East Germany, that led to the collapse of the communist regimes in Europe, like in a domino game. Hungary had been a reformist country in the Soviet block since the sixties, which allowed it for instance to be the first communist country to accept a "McDonald's" restaurant in Budapest already in 1984.

These changes hit the churches in Europe too of course. On an institutional level, the Conference of European Churches is now in the process of reflecting on how these political changes impact on the future role and task of CEC for this continent over the next 20 years, and what these changes mean also for ecumenical collaboration and vision. CEC was created in 1959 to overcome the division of the continent. Twenty years after the end of the division, one can see that all the countries of Europe are more or less intensively connected and united into the framework of the European Union and that the new economic order is deeply influenced through the common currency of the Euro. Europe, as a more or less united continent is in a strongly competitive situation with other big players like the US, but also China. If we look here today at the role of the churches in these huge transformation and conflict processes, we should keep in mind that Europe is only one of the players, certainly not the most powerful. If we should come together on recommendations and insights as to how Europe should be further politically and economically directed, and where Europe should take decisions, we should then also ask ourselves what would be the impact of these recommendations in terms of competition with the other big players on whom we will not have any impact or influence, and how do we deal with these consequences for our people? Would the world be better for the poor and for the



middle classes of our countries, if the world economy is ruled without a European voice and inputs, but only through US or Chinese corporate rules? I would very much doubt that.

Because of this, I very much welcome the fact that we Europeans are not here alone, but that we have with us partner churches from Latin America, as one of the other six continents that can bring its own experience, and that we have the WCC here too, which will help us to keep an overall perspective, and perhaps we could transfer the work we are doing here to other Church partners around the world.

Finally, allow me a small precision that might be surprising to some of us. I will try here not to use what I used to call the "ecumenically correct" language to address our issue. Not because I would oppose that, not at all, but because I think we should try to go beyond this here and to find new languages. So apart from this sentence, you will not hear from me words like "the prophetic role of the churches", the need to "speak the truth to powers", the "preferential option for the poor", or "the empire". But I hope you would recognise in my remarks that these issues are in the background of what I try to say.

## 5.2 What is the role of the Church in the global transformation process?

**5.2.1** I would like to start with this: churches are actors in the societies; they are not outside of it. Be they small or big churches, they are part of the system, because our members are part of it. One of the first things the churches have to do would be to reflect on their own ecclesiology, whether they consciously or not really adhere to the fact that the Church and society are not two separate entities but are closely interwoven and interlinked. In a sense, they both are part of God's people. We should wait a little bit before saying "us" and "them" when we speak of economy and ecology. For sure, there are very few active church members among the CEOs of transnational companies and at Lehman Brothers, and more or less all our church members are part of the middle or lower classes, but still that does not allow us to speak as if these people were only strangers to us. The Church as an institution, as a body has also a vocation to play a role beyond the borders of the interests of its own membership. Even if we are a small minority, we have to think and act for the whole of our society.

**5.2.2** There should be no doubt amongst us about what role the churches should have. The role of a church is to be a church, to preach the gospel in word and deed and administrate the sacraments according to the scripture. Let me bring here a quotation. Just three days ago, as I was trying to finish this presentation, I received a newsletter from specialists on China. I read by coincidence the beginning of an article by a Professor Liu Peng, Professor for American studies at the Chinese Academy of Social Sciences in Beijing and Senior Fellow Researcher for Law and Religion at the University of Atlanta (USA), about the religious situation in China. The title of the first chapter was very much like ours here, "The function of religion in times of social transformation" and you can read this: "*The main problem today (in China) is the spiritual and moral vacuum of the (Chinese) population. A possible way to solve the problem is to distinguish between political and religious belief*". Translated into our European context here, one could say: to allow and develop a modern articulation between citizen and believer, between church and society.



Church can be nothing else than a church, otherwise it fails to be the instrument of God. A Church is not a trade union, it is not a political party, it is not a High School in economics, it is not an NGO. It is the Body of Christ, living only through its grace. When Church speaks, also on economic problems or on the global transformation process, it should do it out of the gospel, and it should be recognisable as a voice of churches. Of course, the voice of the Church will in the end take one side or the other, but it should speak clearly out of the Christian faith.

**5.2.3** Let me add here some short remarks regarding the specific role of CEC and CSC in this regard:

- a. Although their influence and weight are diminishing, churches in Europe, compared to other regions, still benefit from a very broad social and political base that allows them to be actors in the public sphere. This is certainly the case individually for some bigger churches, like in northern Europe, but it is also to a certain extent the case for smaller ones, if they can be supported and networked with and through CEC. The churches in Europe are thankful that the new Constitution of the EU (Lisbon Treaty) in its Art. 17 foresees an “open, regular and transparent dialogue” between religious communities and the European Commission. It does not yet spell out how this has to happen, and what can really be achieved through that, but nevertheless it is an immense opportunity for the churches to bring their voice forward. It means, and this seems to me a very important point for our gathering here, churches have a possibility to address and influence policies, the making and implementation of laws and so on. Of course they are not alone. The big companies and banks etc. have many more opportunities and means to achieve their own goals. But at least the churches have this instrument and it is up to them to use it or not and to do the job professionally, efficiently, in a clever way. There is no one else to blame, if the churches’ voice has not been heard, than the churches themselves. For this to become efficient, the churches are in front of a very huge challenge. The staff of CSC is day by day confronted with this challenge: what do the churches have to say in a concrete way? What is their technical proposal and expertise? Which change of wording do they propose for this law? In my opinion, it is of the utmost importance that the churches might address the policy level and the governance principles.
- b. There is a clear need for a change of policies and way of governance of our countries. This seems to me the most important point. Of course everybody in his behaviour on a daily basis can help bring or support these changes, but the individual level of ethical responsibility is far from being the only one the churches should rely on. In my country, Switzerland, it has been recently noted that today we have a majority of women in the government, that out of seven ministers, three are vegetarian, and two do not use anything else than public transport. This is not bad on the level of individual witness about their awareness of the ecological challenges, but it will not directly change the policy of the big players on this issue. It is obvious that every Christian is called to live according to his beliefs. There is nothing special about that. But there is something special when churches try to address the collective ethical framework and the sets of values that are used or referred to in our societies, and try



- to bring other values into discussion.
- c. In that sense, I do very much think that one of the main roles of CEC-CSC to this extent is to enable the small- or medium-size churches to speak, to come out of their voicelessness, to inform them about the EU or other issues, to qualify and help them to articulate their message for their context.

**5.2.4** The vertical and the horizontal: justice is not only an ethical or political concept. Justice has a deep theological meaning. Only God is just. Justice flows out of the justification God gives us as a gift. Justice is first of all the justice God gives us through his Son, calling us just, although we are not. All our actions towards earthly justice should recall and be marked by this understanding that justice has an eminent vertical dimension before getting horizontal. The newly created WCRC put it this way in its first Assembly in Grand Rapids: communion and justice belong together.

**5.2.5** If we consider this seriously, that a communion of churches and peoples and justice before God and amongst peoples go tightly together, we can also consider that there is not only one agenda on justice for the churches around the world. "Justice" as such has to be on the agenda of all, because this is linked to our faith. But the way each particular church addresses it, the themes and the priorities they choose to work on, the instruments, the language they speak, all this is in the responsibility and freedom of each particular church, according to its situation. The aspect of being a communion of churches allows us to recognise the commitment of the other churches. We don't need to all do the same, to address all the same points, to communicate it in the same way. If we are in communion, there is no problem that the Latin American Churches make strong declarations against the IMF or the World Bank, or consider the Accra Confession as a binding document for their communities. And there is no dispute about the fact that the European Churches engage themselves rather, for instance, in the discussion and definition of rules and principles of good governance for the financial institutions or look for ethical and sustainable criteria for the investment of the pension funds.

**5.2.6** Of course, it is easier to say what role the churches should not have or play. Basically, I believe the main role of the Church in any situation is to call for faith in God, and to be so persuasive that it helps God to develop faith in the people. We have to preach the love of God. Jesus didn't come to preach to the already saved but to the sick and sinners. We have **to preach the gospel, not moralise**. I am quite often surprised when I see how our Church bodies speak to the people out in the world: they regularly accuse, speak about "idolatry"; they use apocalyptic, ideological language, out of a position which might look like self-righteousness. One example in these recent years of economic and financial crisis, the word "greed" was very much used, especially, but not only, in the ecumenical networks: "the bad greedy people have been punished through the way they sin". I don't think this is the kind of message the churches should give. There are enough people around the world that use this moralistic approach. If my son, who is eight years old, wants a third piece of chocolate for his lunch, I might of course tell him how bad it is and that he is too greedy about chocolate, but feeling a bad boy will not help him very much. A few weeks ago, the French trader Jérôme Kerviel was condemned for several years of jail and to reimbursement of

the 4.9 billion Euros loss he provoked in his bank. If bankers or traders do things like that, it is much too short as an analysis to speak of greed. To earn 25 million dollars instead of 22 millions, this is not so much a symptom of greed, it is more related to a huge corporate governance problem: what kind of company is this which is able to bring its employees to this behaviour? I am not sure that the notion of greed is good enough to address the issue of corruption, which is such a problem in many countries and churches. I think this way of reacting is not wrong, but is not the best way churches should react.

**5.2.7** This relates very much to the question of the language we use, the way we communicate to the people outside. To be or become the voice of the voiceless in our society is definitely a task for our churches. But the question is how does the voice become loud? I guess one of the frustrating experiences of the ecumenical world after Accra and the financial crisis is that their voice actually and globally did not seem to be heard. The outcome was very limited in the circles we wanted to address. In many papers coming from churches about justice, one can see this attitude of speaking loudly and making claims against injustice in an accusing way. One favourite biblical quote you will find in these papers is often the story of King David and the prophet Nathan: David sinned and the Prophet stood up against him, preached a strong story and David repented, acknowledged his sin and changed. My impression is that churches often still behave in this pattern. They still believe that it is enough to preach a strong story to bring the “bad guys” to repentance. I don’t think this strategy is really working. I would argue that the change in David is not so much about truth and lies. It is about hermeneutics: if David changed his mind, it is because he was able to understand the language Nathan spoke to him, the cultural references, the common religious background between him and Nathan, the similar set of values, the symbolic, the feeling of a common responsibility. All these contextual factors allowed him to understand what Nathan meant. He could translate it into his function and role of King of the country and see the consequences. Because of the secularisation and the marginalisation of the churches, we are not at all in the same situation any more, and this has been the case for more than 100 years. For churches, it’s not enough to shout if the other side cannot understand what we are talking about. At least, this is our experience in Europe: we need beside accusations also other communication strategies, other languages to address the powerful, in order to be understood and taken seriously. The churches in Europe, although they might still have a moral authority, are not in the position any more to be sure that their message will be heard. They have to translate their messages for the world in terms that the CEOs or Heads of States can understand and cope with. Another hermeneutic point, while reading again this story, is that we keep concentrating on the sin and not on the change. Do we believe in the sin? Or do we believe in forgiveness of the sin?

In our reformed perspective on ethics, we follow the double principle of freedom and responsibility: the man has been made free, not to be allowed to do anything that comes into his mind, but to handle it in a responsible way and enable future generations to continue to “play the game”. This is in the genuine interest of the players that the game keeps going on. Churches should focus more their commitment, where it is possible, on this aspect and of course to have a permanent look and concern for the weakest players



on the field to protect them. Preaching the gospel to my mind would mean rather that people should understand that it's in their own interest not to handle it that way: that my son should understand that it is not good for him to get sick because he ate too much chocolate. Once again, I am not saying that this is the only way to go but, as Professor Bedford-Strohm said during this conference, to avoid false alternatives in the strategies and not to oppose "prophetic role" and "dialogue". In my understanding, the European churches are probably the best placed to act according to this maxim within the ecumenical movement.

**5.2.8** The churches should concentrate on what they know to do best. One thing churches are good at is networking and dialogue among each other. One concern the churches should have in the global transformation process is about their sister churches in transformation countries. Where do the churches in China, India, Singapore, Brazil stand on this issue? We should look to engage much more with the churches of these countries which are so-called emerging countries, but are actually already very big players in the economic world.

**5.2.9** In conclusion, I would like to tell you about John Irving, the famous U.S. writer. I was looking a few weeks ago to see if his last book was already translated into French. I went on his web page and read an interview where he confessed something that hit me: he said that when he is writing a very good novel, he is able to start writing with the last sentence of his book. I have to confess: I never assumed that it would be possible to start a book of 500 pages like the "World according to Garp" by writing the last sentence! He writes the last one and then goes "backwards, through the plot where the story should begin". As a pastor, I was always afraid of the "white page", meaning that to find the first sentence and the right structure of the text was the most difficult issue. But no - the most difficult is to find the last one and to start with the end. I found actually a deep theological meaning in this sentence. In fact, God also writes history like this! We do know this. God has already written the last sentence of His book with us men and women and with the earth. And this last sentence of the history of earth and mankind is good news, the victory of the faith. He said: Jesus Christ is risen; he has won over death; nothing will ever be able to separate us from his love. I wish very much that our churches and this conference would act and speak on the global transformation process out of this last sentence of the story He has already written.

## 6. Poverty, Wealth and Ecology from the Perspective of the Government of Hungary Imre Nyitrai, State Secretary, Ministry of Natural Resources of the Hungarian Government

Dear Ladies and Gentlemen,

First of all, let me thank the Conference of European Churches for organising this conference here in Budapest and paying specific attention to the situation in Hungary. I think the issue of poverty, wealth and ecology are of utmost importance and it is high time to address them appropriately. We experience day-to-day how globalisation facilitates the growing gap

between poor and rich, despite the words of Proverbs, which state: *"He who oppresses the poor to increase his wealth and he who gives gifts to the rich – both come to poverty"*.

In Hungary 1.24 million people – around 12.4% of the whole population – live under the at-risk-of-poverty threshold. This ratio may not seem to be too high in comparison with the average of the EU which is 16%. However, if we take those people into consideration living in material deprivation and jobless households, then around 3 million people can be considered to be poor.

It is also essential to analyse which social groups face mostly the risk of poverty. I sadly have to mention that Hungary is among those five EU countries where the biggest gap can be found between the child poverty and average poverty rate of the population. The poverty rate of children reaches 20% which is above the EU average of 19%. The poverty rate of single parent households or families with three or more children is even worse. The most important factor affecting the situation and opportunities of children is the employment of parents. Currently 14% of children live in jobless households in Hungary and 60% of children in poverty live in inactive or low work intensity families.

Another vulnerable group facing disproportionately the risk of poverty is the Roma population. What I would like to emphasise is that poverty is not a Roma issue in itself, even if Roma are very much concerned with poverty. Among people lagging behind and living in deep poverty, we find a great number of people of Roma origin. Some statistics mention a poverty rate of 70 % for the Roma population. Their complex disadvantaged position is based on territorial, social and ethnic grounds. All of these problems need to be addressed by policy solutions.

Material deprivation data are very important and a warning as they highlight housing, financial and consumption difficulties. In Hungary this indicator points not only to the problems of the poor but also to the fragile situation of the middle class. Therefore we cannot focus on fighting poverty only and disregard the middle class, as this would soon lead to increasing social tensions.

The new Government intends to tackle poverty issues along the following principles: complexity, territorial and horizontal approaches. Accordingly, we are working on a complex and comprehensive policy mix, including employment policy, housing, health, transport, education, social and regional development policy, etc. As a continuation of the above train of thoughts, I would like to mention some core elements of the measures that the new Hungarian Government has planned in order to reduce poverty:

## 1. Low employment rate

Hungary's prime problem is the low level of employment. Therefore the new Hungarian Government has made job creation one of its prime macroeconomic goals. The target is ambitious: to create 1 million new jobs in a decade. This will be a real breakthrough taking into account the current employment rate of 60.5% for the population aged 20-64, which is the second worst in EU comparison. We will mobilise various instruments for that



purpose, including promoting atypical working arrangements, strengthened work incentives, improving the employability of the most disadvantaged people, supporting labour market programmes with adequate, targeted social services, etc.

## 2. Child poverty

Tackling low employment rate will be essential to reduce child poverty as well. The detailed figures related to child poverty have to be seriously considered by the new decision makers. Should no targeted actions be implemented and support provided, children brought up in poverty will be likely to remain at the edge of the society as an adult and will most probably bequeath poverty to their own children. Therefore, we put child poverty high on the national agenda, urging long-term commitment and a comprehensive approach from the earliest ages.

## 3. Segregation and integration issues, with specific attention to Roma

The above-mentioned can be closely considered together with segregation and integration issues. Daycare centres from early ages are essentials, so parents can be part of the labour market again. Nevertheless, day care centres can play an important role in the socialisation of children as well. We all know that we have to intensify these roles, and all children, but especially disadvantaged children must have access to the service.

In the future, we have to assure the conditions of active integration, as we have to learn to live and think together from early childhood. Wherever integration is not possible, school developments need special attention. In this matter, we rely on the support of the historical churches. We have seen it so many times, that churches went to rescue schools, and these schools have not only survived but functioned very prosperously since then.

## 4. Territorial differences

Last but not least, policies need to address the regional imbalances in development, since growing gaps between regions may lead to impoverishment and depopulation of some regions. Accordingly, it is very important to raise the potential of regions lagging behind, to keep their population in place and to promote and develop local investments. In this context, we have to pay specific attention to those areas where Roma people live. Some of these territories suffer from unemployment 3 times (or more) higher than the national average and lack of investment. Furthermore, housing conditions are also deteriorating which has further serious consequences.

Although the Government should play a central role in reducing poverty, we also intend to strengthen the role of NGOs and churches in fighting poverty and social exclusion as, at local level, they are the best placed to provide flexible and effective assistance. Historical churches can take part in cultural transmission and caritative missions, in education and employment too.

The new Hungarian Government has already recognised this role of the churches and civil society in their National Cooperation Programme, in which they call for urgent and prompt action to counter social problems and threats. For this task, they invite and expect the local government, the churches and NGOs as colleagues and volunteers. The programme points out the following priorities:

- Support for strengthening families and needy children;
- Respect, honour and security of the elderly;
- Amendment of the situation of people with disability;
- Improvement of social, child defence-care services;
- Improvement of the living conditions of Roma;
- Alleviation of destitution;
- Improvement of housing;
- Building the future: support youth and sport.

To support the above-mentioned priorities, the Hungarian government has established regular and ad-hoc consultations with the representatives of the churches. There are consultations on a regular basis with the representatives of the four historical churches - the Catholic, the Reformed and the Evangelical Churches and with the Association of Jewish Congregations in Hungary (Mazsihisz). In addition to all these, there are consultations whenever needed in any policy field. I hope that churches will have an even more active role in social integration in the near future. I kindly ask all the representatives of the churches - who are present at this event - to seize this opportunity and enhance your role in tackling social issues in Hungary.

NGOs have been playing a key role in our actions within the current European Year of Combating Poverty and Social Exclusion. We very much hope that this European Year will not only contribute to various projects carried out by NGOs, but will also lead to an innovative working relationship between the Government and the civil society which could be a long-lasting asset in our joint effort to fight against poverty and social exclusion.

We need to strengthen that way of thinking which emphasises the responsibility of the whole society, since the issue of poverty is not only the concern of Governments and the poor, but all of us. And as I mentioned in my introduction: it is high time to act. Let me finish my presentation in the light of this with a quotation from the Bible: *"I went past the field of the sluggard, past the vineyard of the man who lacks judgement; thorns had come up everywhere, the ground was covered with weeds, and the stone wall was in ruins. I applied my heart to what I observed and learned a lesson from what I saw: A little sleep, a little slumber, a little folding of the hands to rest – and poverty will come on you like a bandit and scarcity like an armed man"*.

Thank you for your attention!





## 7. The role of the EU in Addressing Poverty in Europe

Tamás Szűcs, Head of the Representation of the EU in Hungary

Excellencies, Ladies and Gentlemen,

Thank you for the invitation. It is an honour for me to address one of the most important topics in Europe today. Poverty has many faces. It is a global phenomenon and sometimes we tend to believe that it is so far away and that Europe can remain unaffected, in splendid isolation. Of course you, who are committed to help the poor and the starving, know well that this is not the case. Poverty is very much also with us, in wealthy Europe, and it is a very complex issue. In Europe it has to do primarily with economic factors, the ageing of the population, bad housing conditions, missing social support, health problems and, in certain cases, with ethnic discrimination, to mention just a few. It is obvious that these problems require an urgent and complex treatment.

It is common knowledge that the social dimension of Europe has not progressed as rapidly as the economic one. This is partly due to the fact that originally Europe was cooperating on coal and steel. The idea was to establish primarily an economic cooperation. Equally, it was clear that Member States considered - and most still consider - social policy to be their own prerogative, a very costly and politically sensitive issue. Therefore, they preferred to limit the role of the Community to one only, complementing and supporting the actions of the individual Member States in this field (TFEU Article 153 {ex-Article 137 of the EC Treaty}).

Nevertheless, despite this widely shared view, significant efforts have already been made at EU level to reduce poverty earlier, especially since the early '90s. A major milestone came when, in March 2000, the EU Heads of State agreed at the Lisbon European Council that the number of the poor in the Union was unacceptably high. Therefore, concrete actions must be taken.

The so-called Lisbon Strategy aimed at creating more jobs and a greater social cohesion. At the same time, anti-poverty goals, new programmes and methods were suggested. The Lisbon Strategy called for a 70% employment rate (60% for women) for the population by 2010 and also expected results from economic growth and lifelong learning programmes. To achieve the Lisbon Strategy social goals, EU Member States decided to coordinate closely with each other on their national social policies (Open Method of Coordination).

However, 10 years later, despite some success, poverty rates and long-term unemployment did not fall significantly. National policies have not always given the right response to the problems of the most vulnerable persons. On top, the recent financial/economic crisis hit people in poverty the most, bringing a drastic cut in social services and jobs all around Europe. Poverty further spread, and the unemployment rate (not to mix it up with the employment rate!) is now above 10%, which means some 84 million people in the EU (or 16% of the population). In addition, a shockingly high figure, 19% of the children in Europe are currently at risk of poverty.

This is why in 2010, Europe has decided that it will make renewed efforts to tackle this unbearable situation and launched the new ten year long Europe 2020 strategy for sustainable growth and jobs. The new strategy was adopted in July 2010 and contains an overall programme to overcome the consequences of the crisis. The EU2020 focuses on a more balanced, environmentally-friendly economic development, aiming to prevent any future crises, or at least to soften substantially the impact on people. But it is not limited to economic development only. In fact out of the five headline targets of the new strategy, three directly pursue anti-poverty goals. These are:

- ▶ Reaching a 75% employment rate; increasing especially the employment of young people, older workers and low-skilled workers and migrants;
- ▶ Promoting social inclusion, in particular through the reduction of poverty, by lifting at least 20 million people out of the risk of poverty and exclusion;
- ▶ Improving education levels, reducing school drop-out rates to less than 10% and increasing the number of tertiary degree holders to at least 40%.

Still within this overall context, the Europe 2020 Strategy also suggested seven flagships, seven key priority actions, out of which two closely target poverty. These are called the European Platform against Poverty and the Agenda for New Skills and Jobs. By the end of this year, the Commission will prepare detailed proposals on what to do and how, and in which time frame to act.

And this is far from being an exhaustive list of targeted EU actions. The EC/EU supported the poor from the beginning through the various EU Funds. The ESF helped tens of millions of people to find a job or take part in training (with a huge budget of 75 billion Euros for 2007-13). The ESF is currently being revised to make it more useful and accessible for all, especially for disadvantaged groups, including the Roma. The European Regional Development Fund integrates poverty-reduction goals into regional development (like house renovation programmes in depressed zones) while the Globalisation Adjustment Fund offers quick assistance for those who lost their jobs due to sudden economic changes.

The Commission also regularly produces reports and statistics on the social situation in the EU for the social programme planning of Member States. Among others, income levels, living conditions, demography, health status, health care and long-term care are being monitored. This year, 2010, was devoted to become the European Year of Combating Poverty and Social Exclusion to give a special focus for these issues throughout the year. Our Representation itself also played an active part in many initiatives linked to the European Year. We organised, for example, a workshop in June on child poverty in the European Union, raised awareness on those in need or at a disadvantage in the Diversity Day and Europe Day programmes in May and supported several programmes for children living in poverty.

Finally, let me close with two interrelated topics, both of which will have a decisive role next year. In the first half of 2011, Hungary will hold the EU Presidency. This will offer this country a number of new opportunities and a much bigger say in European affairs. The drafting of the Presidency programme is already well advanced and it contains plans



which show a clear commitment to deal with sensitive issues in this field. There are high hopes to establish an EU-level Roma strategy framework and tackling child poverty is also high on the agenda. The European Commission is ready to support these initiatives.

We will also set out concrete measures in 2011 to improve employment and pension systems. To ensure social cohesion all over Europe will also be a key issue when we draw up the new multiannual EU budget/financial framework in the 2<sup>nd</sup> half of next year. Equally, the 2010 European Year of Combating Poverty will not simply end in December; its message shall remain valid in the future. All the more so, as 2011 will become the European Year of Volunteering, offering a natural link between the two special, dedicated years.

I believe that there are only a few who are better equipped than the participants of this conference to understand and practice the values of charity, giving and compassion. Therefore, I am sure you can have a very important contribution to the success of next year, and in more general terms, to the efforts to reduce poverty in Europe and the world. As we all remember, "*Man does not live by bread alone*" and even bad circumstances can be made more bearable with a little care...

# Part 2:

## Thematic Studies





## 1. Introduction to the Thematic Work of the Consultation

Thematic studies representing the work and engagements of CEC member churches and ecumenical partner organisations were presented to the Consultation on the three following themes:

- ▶ Wealth and poverty in Europe;
- ▶ Facing up to a low carbon economy and economy of sufficiency;
- ▶ Poverty, wealth and ecology - a challenge for a dialogue with power structures and a dialogue among churches; churches addressing the economic and financial crisis.

### Theme 1: Wealth and Poverty in Europe

#### Study text: **Do Not Deny Justice to Your Poor People**

2010 has been declared the European Year for Combating Poverty and Social Exclusion in the European Union (EU). The European Council agreed as one of its key priorities to lift at least 20 million people out of poverty by 2020. In the year 2000, the EU embarked on a strategy “to make a decisive impact on the eradication of poverty by 2010”. Despite its growth and job strategy, a substantial part of the population still suffers from poverty and social exclusion and faces serious obstacles in accessing employment, education, housing, social and financial services. Recent figures refer to 84 million people or 17% of the EU population living at risk of poverty (i.e. living with 60% or less of the median income). The political declaration of intent in 2000 was not sufficient to reduce poverty and exclusion. Will it be different now? This paper is a call on the European Union and its Member States for a strong political commitment to work towards a society that prioritises people’s well-being so that all its people can experience a dignified life.

#### Study text: **Poor Rich Europe**

Since its last enlargement in 2004-2007, the European Union has been divided into two parts: the rich West and the far poorer East. This is one of the deep socio-political challenges of the Union. The reality of poverty in the ‘rich’ Union, as well as the existence of poverty in Europe outside of the EU borders, is a call for an intensive dialogue of churches and the wider civil society with the political establishment of the EU, as well as with the political power at the national level. The study provides arguments as well as statistical figures supporting this engagement.

### Theme 2: Facing up to a Low-Carbon Economy and Economy of Sufficiency

#### Study text: **Justice in Practice**

The roots of the poverty problem are in many ways fundamentally linked to the structures of wealth creation. Wealth is too often generated at the expense of the environment and poor people. A change in how we look upon wealth and the methods for wealth creation is needed urgently.



This paper is the Church of Sweden's contribution to the discussion on Poverty Wealth and Ecology. It is a call for recognising sustainable development as an effort to improve the quality of life for all of the Earth's citizens, without increasing the use of natural resources beyond the carrying capacity of life-sustaining ecosystems. It is about recognising the limits. At the bottom line of such an understanding is the recognition that current production and consumption patterns in affluent societies are not sustainable. We must find innovative ways to change institutional structures and influence individual behaviour.

### **Theme 3: Poverty, Wealth and Ecology - a Challenge for a Dialogue with Power Structures and among Churches; Churches Addressing the Economic and Financial Crisis**

#### **Study text: Remodelling the Social Market Economy from an Ethical Standpoint**

- **Embedding the market economy in a social and cultural context**
- **Ensuring the ecological and social sustainability of competition**
- **Strengthening the primacy of politics in a global context**

The economy has to be perceived in its social, political and cultural contexts. Society does not live from competition, performance and profit orientation alone. There is a task for the Church to analyse the fundamental values characterising the way people live together. An abstract economy interested solely in monetary market relationships fails to do justice to Christian social ethics or sustainable development. The document offers 10 theses giving the basic direction for efforts leading to necessary re-orientation of the current economic model.

The document is accompanied by background material providing facts and arguments to support the text.

#### **Study text: Threats and Challenges of Globalisation - Churches in Europe and Latin America in Dialogue**

In different parts of the globe, the impact of globalisation on the every day life of people is experienced in a different way. Different histories and traditions have also played a role. One of the biggest gaps in the experience of the impacts of globalisation and the churches' approaches to globalisation has been witnessed between the churches from Europe and Latin America. The presented document is an outcome of a dialogue between the Conference of European Churches (CEC) and the Latin American Council of Churches (CLAI) on commonalities and differences related to impacts of globalisation between both continents. The text is a contribution of churches from both continents to the overcoming of mistrust, prejudices and lack of information on both sides and a contribution to a trust-building between churches from both continents.

The following were also presented to the conference in particular:



- ▶ The official position document on the economic and financial crisis of the Federation of Swiss Protestant Churches (SEK-FEPS) - Just Finance and Fair Play. The Recent Financial and Economic Crises from a Protestant Perspective;
- ▶ Outcomes of the joint study session of the ecumenical youth organisations EYCE and WSCF-E on "Climate Justice Now!";
- ▶ Input of the Churches' Commission for Migrants in Europe (CCME);
- ▶ Report of the Poverty Truth Commission of the Church of Scotland on engaging in the dialogue between poverty and wealth.

## 2. Do Not Deny Justice to Your Poor People (Ex 23:6) - Proposals for Combating Poverty and Social Exclusion in the European Union in the New Framework of the Lisbon Treaty

*Joint recommendations of Caritas Europa, the Church and Society Commission of the Conference of European Churches (CSC of CEC), the Secretariat of the Commission of the Bishops' Conferences of the European Community (COMECE) and Eurodiaconia.*

*"On the basis of our Christian faith, we work towards a humane, socially conscious Europe, in which human rights and the basic values of peace, justice, freedom, tolerance, participation and solidarity prevail." Charta Oecumenica (Strasbourg, 22.04.2001) The full text of the document can be found on [www.ceceurope.org](http://www.ceceurope.org).*

### Foreword

In the context of the European Year for Combating Poverty and Social Exclusion, and in view of the adoption of the new European Union social, economic and environmental strategy for the next 10 years (Europe 2020), Caritas Europa, the Church and Society Commission of the Conference of European Churches (CSC of CEC), the Secretariat of the Commission of the Bishops' Conferences of the European Community (COMECE) and Eurodiaconia have come together to state their common concerns, hopes, responsibilities and vision. We call on the European Union and its Member States for a strong political commitment to work towards a society that will focus on the well-being of all people and enable everyone to live in dignity.

### Executive Summary

In June 2010, the European Council agreed on a poverty and social exclusion target of lifting at least 20 million people out of poverty by 2020, based on the aggregate of three indicators of poverty: relative poverty, material deprivation and jobless households. However, Member States have been left free to set their own national targets on the basis of the most appropriate indicators, taking into account their national circumstances and priorities. This policy is considered as taking a good step towards the reduction of poverty and social exclusion; however the lack of political incentives for Member States might hinder the practical implementation of this strategy.

In the year 2000, the European Union (EU) embarked on a strategy "to make a decisive impact on the eradication of poverty by 2010". Despite its growth and job strategy, a



substantial part of the population still suffers from poverty and social exclusion and faces serious obstacles in accessing employment, education, housing, social and financial services. Before the financial crisis struck, 80 million people in the EU (16%) were estimated to live at risk of poverty (i.e. living with 60% or less of the median income). More recent figures refer to 84 million people or 17% of the EU population living at risk of poverty. The political declaration of intent in 2000 was not sufficient to reduce poverty and exclusion. Will it be different now?

Poverty takes away the means and possibilities for those individuals affected to participate fully in society. It places them in vulnerable and often stigmatised positions. As Christians, we consider every human being to be created in the image of God, endowed with inherent dignity. We consequently advocate that every human being should be able to live in dignity, holistically and to autonomously develop their capacities, to contribute to and participate in society. We hold as guiding principles the 'universal destination of goods' to serve all humankind (including future generations), equal accessibility of goods and services for all and the social function and responsibility of every form of private or corporate ownership.

Consistent with this basic principle of 'the common good' for every person, and recognising the urgent need to recover from the financial and economic crisis, we call on the European Union and its Member States for a strong political commitment to work towards a society that prioritises people's well-being so that all its people can experience a dignified life. This is a call for both distributive and participatory justice. We believe this is the very minimum that we owe to the dignity of every human being and which we believe is the will of God.

2010 will be remembered as the year which brought the first serious test to the solidity of the European Monetary Union. At the same time 2010 is the first year for the European institutions to exercise new tools and competences to move beyond short-time crisis management to a long-term reform of the current socio-economic model and to shape a Europe based on the values of solidarity and justice. Article 3 of the Treaty on European Union (TEU) and Article 9 of the Treaty on the Functioning of the Union (TFEU) introduced a specific reference to promoting the well-being of European citizens and included a 'social clause' stating that the EU must pursue social objectives.

After recalling our common experience and convictions and analysing the various aspects, causes and effects of poverty, we will present our joint recommendations to the European Union institutions and to the Member States for a stronger social Europe.

## Summary of Policy Recommendations<sup>21</sup>

### 1. Implementation of the new social clause in the EU Treaty by means of

- ▶ The inclusion of a specific chapter with regard to this clause in the European Commission's annual policy strategy;
- ▶ A specific chapter with regard to this clause in the annual general report from the European Commission to the European Parliament (Article 249 TFEU); and
- ▶ The establishment of a group of highly renowned social experts to review annually the implementation of the social clause.

### 2. The European Council and the 'Social Clause'

The President of the European Council should reflect in his reports to the European Parliament after each Council meeting how the social clause has been implemented.

### 3. The Charter of Fundamental Rights

The European Union's Agency for Fundamental Rights should focus its annual work programme in the forthcoming years on aspects related to Chapter IV (Solidarity) of the Charter.

### 4. Access for All to Services of "General Interest"

The European Union and its Member States ought, in cooperation with civil society, Churches, Caritas and Diaconal organisations, to take action to ensure that quality services of general interest, in particular social and health services, are universally accessible in the European Union.

### 5. Living Wage

The European Commission should work with Member States to develop a system of minimum wages to ultimately address the phenomenon of the working poor and ensure a living wage for all.

### 6. Minimum Income

Member States should work towards adequate minimum income schemes, allowing empowerment and full participation of all individuals. We ask the European Commission to intensify its support to Member States, by facilitating exchange of best practice and policies.

<sup>21</sup> These recommendations focus on poverty and social exclusion inside the EU. They have to be seen in the context of other statements of the Churches, Caritas Europa and Eurodiaconia on Europe's role in the world, e.g. Church & Society Commission of the Conference of European Churches, "European churches living their faith in the context of globalisation", Brussels 2006.



## 7. Homeless and Housing Exclusion: Adopt a Long Term Vision

Go beyond the provision of only emergency services and set out a strong long-term political vision to permanently eradicate homelessness and improve the living conditions of people with inadequate housing.

## 8. Promote Alternative Consumption

Strengthen efforts towards alternative consumption and production patterns; towards a real questioning of current cultural trends in which unnecessary consumption and greed are encouraged and valued; and instead promote alternative values such as moderation and generosity.

## 9. Use New Indicators

Recognise the informal economy and quantify the “economics of life” by using a new methodology and indicators that focus on measuring the impact of poverty and social exclusion on women and on men.

## 10. Value Unpaid Work

- ▶ Promote volunteering which is an active expression of citizenship and contributes to community welfare and cohesion.
- ▶ Increase the recognition of unpaid work done especially in the family and in the care sector; for instance by health insurance, the right to a pension and by the recognition of informal qualifications.

## 11. Support Families at Risk of Poverty

- ▶ Member States should be given the flexibility to reduce the VAT rate on all products related to infancy and early childhood.
- ▶ We strongly recommend that a child allowance should be given for every child.
- ▶ Families with three or more children are a gift to our European society. However they often also encounter serious material problems and they should therefore be included in the groups particularly at risk of poverty, mentioned in the Commission’s Communication EU 2020.
- ▶ The EU could introduce a period of up to 10 days in a year for unpaid leave, to give every parent the additional flexibility to adjust better to unexpected family situations.

## 12. Protect Sunday as a Weekly Rest Day

We recommend the European Union to protect the Sunday as a collective day of rest for society to preserve the health of workers and as an important pre-condition for a participatory society.

### 13. Involving Churches and their Organisations

- ▶ An exchange about the ways and means to combat poverty and social exclusion should become a permanent feature on the agenda of the dialogue with the Churches and religious communities following Article 17 (3) TFEU.
- ▶ The planned European Platform against poverty should actively involve representatives of civil society and the Churches, including faith based service providers.

### 14. Invest More in the Protection of Poor People in the Context of the Review of the ESF and the Budget

Reducing the number of people at risk of poverty should be considered a primary objective of the European Union to which 10% of the annual EU budget, which itself amounts to 1% of the EU GDP, should be devoted. Devoting at least 1 ‰ of EU GDP to the needs of the poorest and socially excluded could be enshrined as a general rule in the Regulations on general provisions for European Regional Development Fund (ERDF), European Social Fund (ESF) and the Cohesion Fund, which should be revised by 31 December 2013 at the latest.

This text was prepared by a joint experts group composed of individuals invited by Caritas Europa, the Church and Society Commission of the Conference of European Churches (CSC of CEC), the Secretariat of the Commission of the Bishops' Conferences of the European Community (COMECE) and Eurodiaconia:

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### 3. Poor Rich Europe – Overcoming the New Split Between East and West

*The following text is the first part of the comprehensive Yearbook on Social Justice IV. It is a Church Statement with the title 'Priority to European Social Integration – not to Sacrifice the Combating of Poverty to Competition' issued on the occasion of the 2010 European Year For Combating Poverty and Social Exclusion summarising the arguments presented in the whole study.<sup>22</sup> Selected articles of the Yearbook on Social Justice can be found at [www.woek.de](http://www.woek.de) and [www.ceceurope.org](http://www.ceceurope.org).*

The European Parliament and the EU Commission have declared 2010 to be the European Year for Combating Poverty and Social Exclusion, because “the strengthening of social solidarity as well as the removal of poverty and social exclusion” must “become a priority for the European Union”. This is indeed a major task. The increase in poverty and the simultaneous concentration of wealth are enough to pose the question of the structural preconditions for a sustained combating of poverty. One of these conditions is that the social integration of Europe must no longer be subordinated to an economic integration which is determined by competition.

Sustainable poverty eradication in the European Union therefore requires measures for strengthening the European social integration. This has become more obvious than ever since the eastward enlargement of the EU: On the one hand this is an important step towards the realisation of the vision of a “Common House of Europe”, whose core the European Union could build. On the other hand it has led to the fact that the economic and social divide between the member states of the EU is greater than ever before. This divide has exposed the national social and economic models to the sharp wind of internal European competition between the states. For the Member States of the EU did not combine the expansion to the East with measures of political integration adequate to serve the fight against poverty. However, for the sake of social solidarity the “Common House of Europe” needs decisive and sustainable combating of poverty. It demands an architectural plan for the entire house that takes account of the rights of even its poorest inhabitants.

Churches, Church organisations and groups remind us of this in the light of the biblical insight that justice is indispensable for social coherence. On the basis of their daily grappling with poverty, they know at the same time that markets do not by themselves ensure social justice. Just as every market needs rules to enable social justice, so does the common European market require rules to strengthen national social models and to develop a common European social order. Precisely because churches, Church organisations and groups decidedly welcome European unification, they also stand up for a construction plan for social integration.

<sup>22</sup> The original German text Kirchlicher Herausgeberkreis Jahrbuch Gerechtigkeit (2010): Vorrang für die soziale Integration Europas – Armutsbekämpfung nicht dem Wettbewerb opfern. Ein kirchlicher Diskussionsbeitrag zum Europäischen Jahr 2010 gegen Armut und soziale Ausgrenzung, in: Kirchlicher Herausgeberkreis Jahrbuch Gerechtigkeit: Armes reiches Europa. Die neue Spaltung von Ost und West überwinden. Jahrbuch Gerechtigkeit IV, Oberursel, S. 12-22 (Teil I des Jahrbuches Gerechtigkeit V), for details see: [www.woek.de](http://www.woek.de).

### 3.1 After the Eastward Expansion of the EU: A new European Division of Labour Puts Pressure on National Labour and Social Systems

The European Union has changed radically through its eastward expansion: in no previous round of accessions so many countries joined the Union whose economic strength and welfare levels lay so far below the previous EU average as is the case with the new Central and Eastern European members, if we leave Slovenia out of account. The gigantic economic and social divide between the old and new Member States results in the fact that the European Union today is no longer a uniform economic and social area. At the same time, however, unified rules of competition apply, to which the EU and its Member States largely gave priority over the regulations of national economic and social systems. There has thus arisen a new European division of labour which puts pressure on national labour and other social standards:

- ▶ *Exports of jobs:* By exporting jobs, companies take advantage of the lower labour standards, for instance in terms of wage levels, associated costs and length of holidays, in the new EU Member States. In 2007 the Finnish shipping concern Viking announced its intention to transfer the flag of one of its ferries to Estonia in order to replace the expensive Finnish workers with cheaper Estonians step by step. In 2008 Nokia transferred its factory from Bochum, Germany, to Romania. Over against the sharp protests of the Bochum workers and the trade union IG Metall stood the jubilant reactions of the Romanian public. The immediate impact of such dislocations on the national economies has not so far been very incisive. However, firms are attempting through threatening with dislocations to push through lower standards in the old EU Member States; in addition they must scarcely reckon with worker solidarity across national boundaries.
- ▶ *Posting of workers:* Companies from the new EU Member States use their freedom of establishment to post workers to the old EU Member States under the conditions of their home countries. Thus in 2008 the Latvian building company Laval sent Latvian workers to Sweden to build schools there – for wages at the Latvian level and under Latvian tariff conditions. If companies with factories in the old EU Member States wish to remain competitive in the face of such undercutting, they will attempt to lower wages and other working standards. Here too it is still the case that it is not so much the immediate impact on the local economy of the posting of such workers from the new EU Member States that puts national labour conditions under pressure; much more is it the possibility this opens up for firms to make such threats.
- ▶ *Labour migration:* With the eastward enlargement of the EU a new East-West migration has come about. While seasonal or longer term workers came mainly from Poland, Romania and Bulgaria to the Western parts of the EU, the gaps they left at home were filled by workers from East European countries outside the EU, who sometimes had no work permits. Since as a rule both groups of immigrant workers accepted lower standards than were normal in their host country, this has led to an East-West pressure on national labour conditions. This development will accelerate





with the expiry in a few years of the short-term limits which some of the old EU Member States imposed on free movement of workers from the new EU Members.

Thus in general the danger exists that the new division of labour within the EU will lead to a lowering of wage levels and other labour standards, for example by loosening of job protection, further increases in short-term employment or continued expansion of the low-wage sector. This is significant for the search for ways of sustainably combating poverty, for a secure and adequately paid job is still the best protection from poverty. That is why it is alarming that ever more people in the EU are no longer in a position to escape poverty by working. Although the average unemployment figures in the old EU Member States declined up to 2007, poverty levels increased. This increase in poverty thus cannot be explained by unemployment; it has other causes. A factor here is that ever more people are relatively poor in spite of working (working poor). Against this background it is also a challenge for the fight against poverty if the new European division of labour intensifies the trend to lowering of wages and other labour standards.

### **3.2 No Priority for "Fundamental Freedoms" at the Expense of National Labour and Social Systems**

The considerable social and economic divide between the old and new EU Member States could only lead to the development of a new division of labour at the expense of social orders because the Member States and the EU institutions had not combined with the eastern expansion new initiatives for political integration, such as for example a strengthening of national labour and social systems or the creation of European framework guidelines to secure social standards. Instead the EU organs and the governments of most Member States substituted competition in wages and other significant labour conditions for the goal of adapting living standards upwards. This has meant that the Member States of the EU have lost more in control over their own social policies than the EU has gained in new possibilities for shaping the European social system.

With that, a historically conditioned development with significant social and political consequences was carried further: In the face of the failure of attempts at a social and political integration of Western Europe, the Treaties of Rome of 1957 had limited themselves to economic integration through the four so-called "fundamental freedoms" (free movement of goods, services, capital and labour); only the EU institutions are responsible for maintaining these. Welfare and labour systems, however, remained largely in the responsibility of the Member States. This means that the central social-state responsibilities of the Member States find their limits in the specification of European competition policy through EU institutions.

This asymmetry is by no means unavoidable, as the history of the EU shows. In spite of the considerable differences in the national economic and social models which had made their comprehensive harmonisation impossible, the Community had responded to the challenge of its southwards expansion (1986) with the Posting of Workers Directive (1996). In view of the threatened undercutting of labour standards by cheap labour

from Spain and Portugal, it was laid down that the minimal conditions in the host country would hold good for workers posted to EU Member States if they were regulated by legal and administrative prescription or by collective labour agreements declared to be generally binding. Thus the Posting of Workers Directive did indeed touch upon national competences for social and political structuring, but precisely thereby strengthened them. When now following the eastern expansion the EU institutions dispense with similar framework conditions of social protection, and justify this in part by reference to the responsibility of Nation States for the structuring of welfare and labour systems, they actually restrict these precisely by the fact that their social-political restraint runs together with a deregulatory politics of competition. Yet precisely the example of the Posting of Workers Directive shows that EU secondary legislation, which is developed by the EU institutions on the basis of the treaties of the EU Member States and thus is derived from these treaties, already offers possibilities of strengthening national welfare and work systems.

In principle, European primary legislation offers such possibilities to an even greater extent, since the EU Member States can drive the social integration of Europe forward by mutual treaties. Corresponding initiatives have been missing, however, since the eastern expansion of the EU. A consequence of that was that the European Court of Justice continued its concentration on the guaranteeing of the four “fundamental freedoms”. It is true that the Court has indeed also strengthened social rights so far as it saw an adequate basis for that in European primary legislation; but since it regards itself as the protector of the European treaties, it sees itself as bound to push through the core of these treaties – and these are after all the “fundamental freedoms” and the competition rules along with the provisions of the Economic and Monetary Union. In this context the court interpreted the “fundamental freedoms” from the start as individual rights, not as political goals. Since in the 1960s it also developed the principles of the autonomy of European law and its priority over national law, it was consequently concerned to maintain the “fundamental freedoms” even against national welfare and work systems.

- ▶ In the case mentioned above of the Finnish shipping company Viking, the responsible Finnish trade union threatened to strike against the transfer of the flag, and called the relevant Estonian trade union not to agree with Viking a labour agreement for the new Estonian workers under poorer conditions than the Finnish. The European Court of Justice judged that the right to strike is limited by the right to freedom of establishment and may only then be exercised if work places in Finland are actually threatened.
- ▶ In another case mentioned above, the Latvian building company Laval refused to conclude with the relevant Swedish trade union a labour agreement for the Latvian workers sent from Latvia to Sweden, which would involve upholding the minimum wage conditions regulated by labour agreements. The union called a strike. The European Court of Justice ruled that the strike constituted an impermissible hindrance of freedom to provide services – impermissible, because not covered by the Posting of Workers Directive. For this Directive does prescribe the observance of host country minimum wages for labour sent there, but only if the minimum wages in the host



country are legally regulated or if their fixing by collective labour agreements has been declared generally binding. However, the Swedish system of wage regulation exclusively by collective labour agreements is not covered by the Posting of Workers Directive. Thus the court stood the intention of the Posting of Workers Directive on its head – where it was originally meant to protect minimum standards, the judges' interpretation made of it a final enumeration of maximum standards. In this way a central element in Swedish work regulation is set in contradiction to European secondary legislation, and this by appeal to primary legislation. In this sense too the region of Lower Saxony was forbidden by the court to make the granting of a public contract conditional upon the observance of minimum wages as regulated by collective labour agreements, for European freedom to provide services may not be restricted by protective provisions which go beyond minimum standards. It is also along this line that the European Court criticised the Luxembourg Posted Workers Directive because it visualised the application of provisions valid in Luxembourg to, e.g., minimum wages for labour sent abroad.

In view of this restriction of national socio-political regulations through the judgements of the European Court of Justice, national protective provisions for labour and social order can only then be protected if a further development of primary and secondary legislation is carried through. This requires initiatives both by the EU Member States and by the EU institutions. It is therefore problematic in terms of social politics that most governments of the new EU Member States incline – because of scepticism towards the state arising from state socialism – to neo-liberal views, and are attempting in the mean time to push these through decisively. In their perspective, both the state and the EU have to exercise restraint in the shaping of social order. At the same time, they are hoping for national advantages through the emergence of the new European division of labour if the old EU Members make their economic and social orders more flexible.

### 3.3 Initiatives of Integration Politics for Combating Poverty

As early as 1981 the first poverty programme of the European Community observed: *"If the Member States would stand together in the struggle against poverty, progress would be less hindered by fears about maintaining competitive ability."* The struggle against poverty will indeed be hindered if the EU gives the maintenance of free competition priority over social-political goals. The belief in the positive social effects of deregulation politics has proved mistaken; that is shown by the EU eastern expansion as well as the most recent global financial and economic crisis. What is good for a society must be worked out socially in a democratic discussion and cannot be expected merely from economic growth, much less from particular economic interests. This means for the EU that European primary and secondary legislation must be so further developed that it advances European social integration. Such a contribution of integration politics to the removal of structural obstacles to sustainable combating of poverty is more urgent than ever.

- The social dimension must be given the same weight in the European treaties

and thus in European primary legislation as the realisation of the “fundamental freedoms”, the competition and the conditions of economic and monetary union. Since a comprehensive harmonisation of national economic and social models is neither desirable nor possible, primary legislation must guarantee that European minimum standards for the combating of poverty and social exclusion can be defined and put into effect – from the enforcing of minimum wage prescriptions to rules for the level of social benefits. In view of the clearly different welfare levels it will thereby be a matter above all of rules for the national definition of minimum standards and the protection of the same against the competition rules. Primary legislation must therefore give priority to the protection of basic rights and fundamental labour standards – including such social rights as freedom of association and collective bargaining – over the maintenance of the “fundamental freedoms”. Thus it should be tested whether primary legislation can be brought to include a social impact assessment of regulations for economic integration. Not least must harmonisations of primary legislation be striven for where they are constitutionally possible; this applies e.g. with regard to minimum levels for company taxes or for ecological standards.

- ▶ To the necessary further development of the secondary legislation derived from the European treaties belongs an amendment of the Posting of Workers Directive and the Directive on Services to ensure that the minimum standards established in Directives may be exceeded upwards by the EU member states.
- ▶ *European Regional Policy* needs a new pattern in view of the structural divide between West and East. The aim cannot be to make the new EU Member States transfer-dependent, but instead to encourage the integration of the national economies of these countries in the European Economic and Monetary Union. This integration should not be limited to a complementary incorporation – where the form of the economic development is determined by the national economic requirements of the old EU Member States – with a resultant drifting apart of winning and losing regions.
- ▶ The EU needs a new migration policy to strengthen the rights of migrants. Internal migration may not lead to a lowering of social standards. Migrants not coming from a member country of the European Union should have the right to an unrestricted residence permit after five years legal residence. Refugees must have access to asylum procedures.

### 3.4 Civil Societies and Churches are Challenged

Such a further development of European primary and secondary legislation to create the basis for a sustainable combating of poverty requires the mobilisation of public support and thus of civil society in all the EU Member States. This includes reaching a fundamental agreement in civil society about the mandate, structure and resource equipping of the welfare state. In this regard there are still considerable differences between the old and the new EU Member States. The danger exists that competition between the EU countries and the marginal economic position of the new EU Members will be reflected in an East-West split in the civil society. Thus organisations of civil society in the old EU countries



are pressing for the protection of achieved social standards and their further development, while some agents in the civil societies in the new EU Member States are hoping for better development prospects for their country through a lowering of standards in the old Member States. However, initiatives in civil society will only then be able to encourage political integration reforms for the combating of poverty if the national civil societies develop a comprehensive European perspective which is not subordinated to the rules of the new European division of labour, but instead seeks to overcome them.

Such a European exchange between civil societies is still only at the beginning. Its development demands a European network of agents. The churches belong here. They have available institutional resources as well as both structured and informal multilateral dialogues, which can be built upon. To that end the corresponding structures – as for example the Church and Society Commission of the Conference of European Churches – must be strengthened. For an extension of the European ecumenical exchange throughout the social architecture of the shared European house is urgently needed. It is already necessary for the reason that different historical experiences have led to the churches in the old and new EU Member States having frequently varying conceptions of the structures and functions of the welfare state: In many churches, church institutions and groups in the old EU Member States the insight has won through that the state as a welfare state has to protect and guarantee social justice and with it people's economic and social rights. In the new EU Member States, however, many churches tend to a distancing from the state which is also widespread elsewhere in their society on the basis of negative experiences with state performance in the times of the socialist state, for the socialist state was anything but a trustee of the common good. The churches must take these very different perspectives seriously and bring them into dialogue with each other.

Such a dialogue must clarify the question how the churches in the old and new EU Member States can join together for the biblical understanding of freedom and justice. In this understanding the legal dimension of justice combines with the question of successful social relations between people in a social community. It is thus a matter of the social enabling of social justice and thereby of the structures of the welfare state. Christian ethics can contribute in this to a new evaluation of the action of the state. If social justice is to become the standard, we need a democratic and rights-based welfare state in European perspective and a positive ethical evaluation of the activity of the state for the common good, for humanity and for justice. The churches in Europe ought therefore to be encouraged towards a new assessment and further development of the nature of a European welfare state.

For this, the churches must involve themselves in the discussion and reorientation of the goals of the European Union. These include a debate on the character and limits of the so-called "fundamental freedoms". The application of the term already falsifies the concept of freedom and suggests that fundamental human freedoms are involved. Yet the so-called "fundamental freedoms" apply solely to the free movement of goods, services, capital and labour. However, the emphasising of such economic freedoms in dealing with property and capabilities benefits only those people who possess precisely these possibilities and in

terms of social politics disadvantages those who are threatened by poverty.

Freedom is, however, on the biblical understanding not a collection of “freedoms”, but liberation from forces and powers which oppress people. The freedom to sell one’s labour throughout the EU must not be valued more highly than the freedom from economic need which is laid down in human rights instruments.

Freedom is not primarily freedom from something, but freedom for the unfolding of life. On the biblical understanding it is fulfilled precisely in the furthering of the life of others. Freedom involves the obligation to social justice and to orientation on the needs of the poorest. Liberation from slavery in Egypt must be proved by keeping the social laws of the Torah. The strength of those liberated in Christ shows itself in their service for the weak. Thus it is the task of the churches throughout the EU to join together in support of the political and juridical priority of social equality and ecological protection over economic freedoms.

*The Church Statement was drafted by the Steering Committee for Publishing the Yearbook on Social Justice and adopted by the Editors’ Conference on January 27th, 2010.*

The German ecumenical Yearbook on Social Justice IV is edited by the following 35 churches and church organisations, bodies and groups:

Akademisches Zentrum Rabanus Maurus, Haus am Dom, Bistum Limburg ♦ Arbeitsgemeinschaft Mennonitischer Gemeinden in Deutschland ♦ Bischöfliches Hilfswerk Misereor ♦ Brot für die Welt ♦ Bundeskommission Betriebsseelsorge ♦ Caritasverband für die Diözese Limburg e.V. ♦ Diakonisches Werk Baden ♦ Diakonisches Werk Bayern ♦ Diakonisches Werk der Ev.-Luth. Landeskirche in Braunschweig ♦ Diakonisches Werk Evangelischer Kirchen in Mitteldeutschland ♦ Diakonisches Werk in Hessen und Nassau ♦ Diakonisches Werk in Kurhessen Waldeck ♦ Diakonisches Werk im Rheinland ♦ Diakonisches Werk in Württemberg ♦ Evangelische Kirche in Hessen und Nassau ♦ Evangelische Kirche im Rheinland ♦ Evangelische Kirche von Westfalen ♦ Evangelische Landeskirche in Württemberg ♦ Evangelisch-Lutherische Kirche in Bayern ♦ Evangelisch-methodistische Kirche in Deutschland ♦ Evangelisches Missionswerk Südwestdeutschland (EMS) ♦ Gossner Haus Mainz – Arbeitswelt und Gerechtigkeit e.V. ♦ Gossner Mission Berlin ♦ Katholische Sozialakademie Österreichs ♦ Kirchlicher Dienst in der Arbeitswelt ♦ Konferenz Europäischer Kirchen (KEK-CEC) – Kommission Kirche und Gesellschaft ♦ Konfessionskundliches Institut Bensheim ♦ Nordelbische Evangelisch-Lutherische Kirche ♦ Ökumenischer Trägerkreis Armut/Reichtum – Gerechtigkeit ♦ Oswald von Nell-Breuning-Institut für Wirtschafts- und Gesellschaftsethik ♦ Pax Christi ♦ Plädoyer für eine ökumenische Zukunft ♦ Renovabis ♦ Stiftung Ökumene ♦ Werkstatt Ökonomie e.V.

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## 4. Justice in Practice - the Church of Sweden's work on Sustainable Lifestyles

### 4.1 Introduction

*"Then he looked up at his disciples and said: 'Blessed are you who are poor, for yours is the kingdom of God. Blessed are you who are hungry now, for you will be filled'." (Luke 6:20-21)* These are hopeful words that might inspire to engagement for global justice. But when Jesus calls out: *"But woe to you who are rich, for you have received your consolation. Woe to you who are full now, for you will be hungry."* (Luke 6:24-25) there are for sure many rich people who do not want to listen. What does Jesus actually ask of us? The feeling of being rejected can be strong. But when Jesus meets Zacchaeus, the tax collector, Jesus manifests the challenging love of God. Zacchaeus is rejected by others as a sinner and an exploiter. But Jesus does not reject, he meets him and shares a meal. Jesus reveals the destructive living of Zacchaeus. But at the same time he shows undoubting trust in Zacchaeus' ability to change his way of living. Jesus trusts him to find new motives within himself, beautiful ones, given by God, which will make change possible.

There is something here for those who need to change into a more sustainable lifestyle. If we can rest in God's confidence, we might be able to look upon ourselves with love and forgiveness and free ourselves from selfishness: a selfishness that is nourished by the consumption culture and a society where a narrow individualistic perspective of life is predominant and where quality of life is measured in material things. If we can be set free from a narrow individualistic perspective we might be able to regain that lost sense of belonging to a larger society, and stop searching for approval, meaning and quality of life through material consumption.

If we, like Zacchaeus, dare to switch from having ourselves in the centre to instead having God in the centre, things might fall into place. Reconciliation with God can help us to be reconciled with ourselves and life. But reconciliation also requires justice; a good and just order needs to be restored. In reconciliation we find strength to work for this. The confidence Jesus has in Zacchaeus helps him to give back what was taken from others. Giving back here does not just signify restitution to others, but also a restitution of ourselves and our dignity as human beings.

This paper is Church of Sweden's contribution to the discussion on Poverty Wealth and Ecology. We take our stand in our understanding of sustainable development - improving the quality of life for all of the Earth's citizens without increasing the use of natural resources beyond the carrying capacity of life sustaining ecosystems. It requires an understanding that current production and consumption patterns in affluent societies are not sustainable. As a global community we must find innovative ways to change institutional structures and influence individual behaviour. It is about taking action and changing policy and practice at all levels, from the individual to the global societal level. It is important to state that sustainable development is not only an environmental issue. Sustainable development is built on three pillars: ecological, social and economic and all three pillars



must be considered simultaneously when you assess whether a specific development trajectory is sustainable or not.

Church of Sweden is a rich Church in a country where the citizens have experienced a social market system which has balanced freedom and solidarity and has brought economic growth and social security to a majority of its people. At the same time it is a Church which believes in global justice. When Jesus says "I came that they may have life, and have it abundantly" (John 10:10), it's more than just the physical life he's talking about. He includes the spiritual and existential dimensions of life. Life in its fullness is something that is overflowing; there are no limits to this as there are no limits to the grace of God's love. Just like in John 6 where Jesus feeds the five thousand and later says "*I am the bread of life*".

When we talk about sustainable development, we too must include the fullness of life. We can take food as an example. The vision that the whole of humanity gets access to adequate, safe, and nutritious food must be reached! The vision is also for everyone to have access to food, so it is about empowerment. Since there is enough food in the world to feed everyone, it is obvious that food insecurity is a matter of injustice. Some take more than they need, at the expense of others. It is as if the meaning of "abundantly" has been interpreted to mean a life in material affluence for some, rather than as a vision of food for life, for all. Jesus includes both food for nutrition and food for the soul. The two are inextricably linked to each other. In our search for a just world, we have to deal with our physical and spiritual life.

## Purpose and methodology

The purpose of this paper is to give an overview of the work on justice and sustainable development - with a specific focus on sustainable lifestyles - that Church of Sweden carries out together with its parishes and dioceses. The purpose also includes stimulating a discussion on justice in practice.

We are very much aware of the fact that our perspectives are formed by our context, living in a materially rich part of the world and being a rich church. We, the authors of this paper, hope that this study can stimulate the dialogue among WCC and CEC member churches on issues of Poverty, Wealth and Ecology. We have chosen not to undertake an academic exercise. Instead, we want to stimulate dialogue and discussions, by describing different dimensions of our work through stories and voices of people from our Church. We hope throughout this paper to shed light on the grassroots involvement in justice in practice that is a strong feature of our Church.

The study is an attempt to illustrate how a rich Church tries to deal with the values and ideologies that inspire the Church, the lifestyles we as Church members have chosen and the theology that we as churches preach and practice in our faith communities. We believe that all this has influences on choices that we make as individuals and as a collective in the different dimensions of sustainable development.



The crucial questions we ask in this study are: how can we as a Church promote a lifestyle which allows for a reorientation of current production and consumption patterns? How do we understand the concepts of justice and equity and their impacts on the social and the economic pillar? How can we work against a system that creates more richness for some, and instead be part of an economy that works for all, taking the poor and excluded as key starting points in any discussion on efficient economic systems?

## **a. Theoretical basis**

### **i. Who needs to change?**

The roots of the poverty problem are in many ways fundamentally linked to the structures of wealth creation. Wealth is too often generated at the expense of the environment and poor people. A change in how we look upon wealth and the methods for wealth creation is needed urgently.

We choose Zacchaeus as a model to exemplify that the individual needs to change, both for the sake of his/her own dignity and well-being, and for the sake of the sustainability and equality of the society. We also lift Zacchaeus to point out the possibility for the individual to change. Yet we say that the responsibility to change the global development into a more sustainable and equal path, should not primarily rest on us as individuals. We need to take action as individuals, communities and churches but we must also fundamentally change the societal patterns and structures that sustain the status quo of our economic incentives and systems.

But how to transform and change these structures? When we talk about structures upon which our society is built (economic, political, cultural, etc.), we can't neglect that structures are human made. We can't abdicate responsibility. These structures are built upon the choices and acts of groups and individuals and our attitudes and values are reflected in these structures. The macro- and micro-social level cannot be separated. The structural discrimination of black and so called coloured people in South Africa during the apartheid era was possible through the discriminative laws instituted by individuals pursuing their own self interest at the expense of democracy and human rights for all South Africans. At the same time, without the acts of individuals coming together to fight apartheid – inspired by the word of God and the dignity of every human being, the fall of the system would never have occurred.

Often the structures prevent us from making good sustainable choices for the earth and others. Different factors – such as, for instance, too low prices on many material goods because the environmental costs, with which the production are associated, are not taken into account - that we cannot influence in the short term might take us into a certain behaviour. Change is not easy coming. Nevertheless, change is needed. And the more power you have; economically, politically, culturally, etc., the more responsibility you have to transform the structures and incentive systems and contribute to real change. We as churches and Christians must not be passive and just let the systems and structures remain intact.

We must always ensure that our own actions do not contribute to the continuity of unfair systems and structures.

## ii. What makes us change?

If one will change into actions for a sustainable and equal development, one needs the ability to act. This includes both knowledge about development and the will to influence it.<sup>23</sup> We state that awareness raising and popular education on issues of sustainable development cannot be reduced only to informing about the link between poverty and wealth, but must also allow for the possibility for people to become engaged and at the same time strengthen their will to act for a sustainable and equal future.

In Church of Sweden's work on education and awareness raising we base our methods on a model that describes how people can change. It describes that we as human beings go through four levels of change and we use this model to understand what causes people to change.<sup>24</sup>

The most superficial level relates to a change in verbal attitudes. Below this, but still on a rather superficial level, lies peoples' behavioural pattern of action. On a deeper level, which is more firmly linked to our identities and therefore more difficult to change, we have the socially constructed roles that we uphold, such as immigrant, Swede, rich, poor, men, women etc. Deepest and therefore most firmly rooted and enduring are the changes in people's understanding of themselves, that is to say when the question "Who am I?" is given a new answer. The model claims that a change in verbal attitudes rarely leads to change on a deeper level and this explains the shortcomings of information campaigns. If the goal is to bring about permanent change, then the most effective way is to work with the deepest level, but that is most difficult. As an example, one could speculate what the consequences of an alternative view of "Swede's" self-image would have in terms of integration. Or, how would the global trade be structured if the rich consumers saw themselves as equal partners with the poor producers? One may also wonder whether CO<sub>2</sub> emissions would drop dramatically if all human beings saw themselves as being organic parts of the world's eco-system.

### Level of Change

Social roles	Self understanding
Verbal attitudes	Patterns of action

*We can describe our behaviour as four levels of change. The model gives a theoretical understanding on what causes people to change. There is a need to work on many levels at the same time to encourage different ways of achieving changes and actions towards sustainability. To bring permanent change the level of self-understanding must be dealt with. Focusing on this deepest level of change self-understanding does not however exclude us from working with issues relating to the other levels of change.*

23 According to SOU 2004:14 "Att lära för hållbar utveckling" (Educating for sustainable development) handlingskompetens, (the ability to act), is a central term in education for sustainable development.

24 SOU 2004:104 "Att lära för hållbar utveckling" ("Educating for sustainable development"), model by Ziller

Parishes are religious meeting places which are uniquely placed to provide possibilities for dialogue and sharing of experiences which reach down into humanity's deepest level of change. The Church of Sweden has therefore an especially important mission working in Sweden for far-reaching and profound behavioural change for a sustainable society.

Church of Sweden's focus on popular education and mobilisation in Swedish parishes and dioceses aims at changes in lifestyles and making people take action for structural changes (political, economic and cultural). From our understanding of the Church's mission and the model of levels of change, we want to explore and develop methods and tools that include human beings' self-understanding. This level of self-understanding is the one closest to what the Church understands about people being spiritual and is where many people rightly expect to find the Church. It is also on this level that existential questions about what life contains and life's meaning are revealed, when the unsustainability of our lifestyles becomes obvious, both on an individual and global level. On this deepest level of change, we can question and challenge the self-centeredness, greed and materialism that are inherent in the western consumerist culture. It is also on this level that we can search for new answers on questions such as: What is a meaningful life? What is a good quality of life? Is there a contradiction between loving oneself and/or the world? What does it mean to be truly human in a globalised world? What type of lifestyle expresses my belonging/communion with humanity and creation?

Giving space for these questions allows for exploring the links between the global questions of survival and sustainability with the problems growing in our own economically wealthy society such as Sweden; such as significant numbers of sick leave, increasing depression rates among adults, children and youth, exclusion, segregation and discrimination, feelings of meaninglessness and isolation. Can these problems be caused by the stress of living in a globalised consumption culture, where individualistic and competitive perspectives on life force you to keep asking whether you're "in" or "out", "right" or "wrong"? And what are the linkages between these phenomena in our society and the living conditions of the majority of the people who live in the South?

To be able to meet humanity's existential questions is part of the mission of the Church. Focusing on this deepest level of change does not however exclude us from working with issues relating to the other levels of change. There is a need to work on many levels at the same time to encourage different ways of achieving changes and actions towards sustainability.

To work on these lifestyle issues in parishes is also about understanding life in a wider context. A feeling of context can create meaning and awaken a commitment which grows from within and becomes deeply entrenched in the understanding of my own dignity. This internalisation of important values may free us to act - rather than force us to act because of a never ending sense of moral obligation.

### iii. Taking action as a communion and as a community

Private individuals can react against the dominant unsustainable lifestyle patterns and the unfair accumulation of wealth and can, to some extent, influence development through individual choices and, politically, as members of society. But the worldwide Church with its global reach and ability to grasp a broader picture of global challenges can and should react in its capacity as community. If we work together, our impact will be more significant and our actions more credible. In community the power of change is possible.

The structures and incentive systems that create wealth are in many ways the same as those producing poverty and inequality. It is quite apparent that problems of poverty and ecological devastation – where climate change is one dramatic effect – in many ways are caused by a one-sided material consumerist culture. The promise of satisfaction through material consumption is given to individuals. And the images of human beings as individuals always searching for self-fulfilment are reproduced globally by strongly emotional advertisements promoting the consumerist way of life as a way to individual happiness. This belief in human beings as being independent of nature and of one another does not promote sustainable and fair societies.

As Christians, we believe that we are created by God to live in communion with the rest of creation. As a Church we must therefore highlight the shortcomings of a culture that centres on individual self-centredness and contribute to a sustainable development. If we practice a just stewardship based on the knowledge that we are completely inter-dependent with creation and one another, we could not go on increasing wealth for some at the expense of others, nor continue the exploitation of fragile ecosystems. To believe in a global communion also creates a feeling of belonging that is necessary for every human being.

### b. Justice in practice - tools for action

For the Church of Sweden, the international diaconal work is very much about the responsibility to influence structures and policies that in various ways maintain poverty, global inequality and unsustainable development. Through advocacy and lobbying officials and politicians, the Church of Sweden influences the Swedish and the EU's aid policy, climate policy, trade policy, migration policy, etc.

However, the challenge is how to commit parishes and dioceses in a rich Church to act for global justice. As explored above, actions need to be taken not only in developing countries but by the society in developed countries and in the daily life of parish members.

Sweden is a small country, far away from extreme poverty. At the same time, there are many people committed to global justice who are active in the congregations. The objective of this chapter is to listen to some voices about motivation and commitment and to describe the different tools for action for global justice.

The tools for action have been developed by Church of Sweden on a national level,



together with other organisations and committed people on regional and local levels within the church. The tools have been developed to facilitate work on lifestyle changes and advocacy work. We aim to highlight the links between the structural global problems, people's everyday life in Sweden and existential questions in a form that is relevant to people in Sweden today. We want to express trust in people, that they have the ability to act in a way for the good of all, now and in the future. The tools are provided to parish workers, volunteers and churchgoers to organise and take part in different activities aiming for a change of lifestyle as well as to be part of a regional, national or global advocacy work on poverty, wealth and ecology. Many times the tools facilitate work on different "levels of change"<sup>25</sup> at the same time. The certification of Churches for Fair Trade and Eco-parishes provide possibilities to work both with peoples' patterns of action, as well as social roles and self-understanding through theological reflection and dialogue. The work on "Hållbar inåt och utåt" (Sustainable inside and outside) has its main focus on the two deepest levels of change: people's social roles and their understanding of themselves.

### i. Small but strong – Churches for Fair Trade

An important example of a church taking social responsibility, locally and globally is Gunnarsbyn, a small Swedish village not far from the polar circle. Gunnarsbyn's parish only has 656 members but covers a geographical area of 4000 square kilometres. Here lies perhaps Sweden's most northerly "Världsboutik" Worldshop, housed in a part of the Church buildings. With a conscious strategy and vision the parish has become a social entrepreneur. The local priest's commitment together with the parish's response has created a positive spirit. The parishioners have gone from singing in the choir to running the parish's work on questions of justice. For the parish in Gunnarsbyn this is about "practising faith".<sup>26</sup>



In 2005 there were not many people in the small Swedish town of Gunnarsbyn, north of Boden, who knew what fair trade was. Today the shop is significant for the whole parish and people travel from all over the neighbouring counties (Norrbotten and Västerbotten) to shop. Goods from the South are neatly stacked on the shelves or hanging from hooks.

Today, over 20 people work in the shop as volunteers. They give of their time to work in the shop and many of them have taken part in study groups about fair trade arranged by the Church. Everything started with a 5000kr grant from the local Church Council. With that money goods were bought that fitted on one shelf in a corner of the parish buildings. Sales went well and the goods took up more and more space. Now the Worldshop in Gunnarsbyn takes up two rooms and with over 1000 products in stock it is the 4th biggest of the 40 Worldshops in Sweden. The shop is open in the afternoons, from Tuesdays to Fridays, and is run entirely by volunteers.

25 See figure 1.

26 24 tretton, Nr 2 April 2008 article "Liten men stark"

The shop is also a natural place for confirmation candidates. It was indeed the will to find a way to engage the parish and particularly youth in international questions that led the parish to decide to work with fair trade.

In 2009 Gunnarsbyn parish was amongst the first of five parishes to receive the award Churches for Fair Trade Church. The Christian Council of Sweden and the Swedish Fair Trade labelling organisation give the award to churches that promote and encourage ethical consumption and fair trade.<sup>27</sup>

**Key facts: Churches for Fair Trade**

*The majority of the parishes in Church of Sweden now serve Fair Trade coffee and tea. But a demand came from these committed people; they wanted to be able to do more and also to have something to show for their commitment. It was from these beginnings that Churches for Fair Trade was born in Sweden.*

*Fair Trade Church is an award that encourages parishes in their work with ethical consumption and fair trade. This ecumenical project is a tool for individuals and groups in churches and parishes who want to make the world a little bit fairer. To be awarded Churches for Fair Trade, the parish has to decide to fulfil a number of criteria which have been worked on together by churches, denominations, Christian Council of Sweden and the "Fairtrade" Association in Sweden. For example, a parish should use certified Fair Trade products in their work, spread information and get people thinking about questions of justice and fair trade and also be involved in campaigns and other awareness-raising activities for Fair Trade.*

*The Church for Fair Trade started in Great Britain where now more than 4500 churches/parishes have fulfilled the criteria to be a Fair Trade Church. The award is also given in other countries, particularly in Finland and the USA. Fair Trade Church was launched in Sweden in 2009. Any Church that fulfills the criteria can be given the award, regardless of denomination.*

[www.kyrkaforfairtrade.org](http://www.kyrkaforfairtrade.org)

## ii. What would Jesus do? - Confirmation for justice

Ragnhild Johansson, priest in Karlstad diocese, is the driving force in her parish's work with "Environment and Justice confirmation candidates". When the candidates meet, theory and practice are combined, all of it grounded in the Christian faith. The teaching comes out of the perspective of creation, with reflection on one's own responsibility/trusteeship. It is about raising awareness without inducing feelings of guilt, to dare to see the evil in the world without being paralysed, but instead to find the strength to act. At the centre lies the question – "What would Jesus have done?" A part of it is also to realise that it could have been me/us who had been affected. Ragnhild is convinced that if you feel that you are doing something for someone else and at the same time see that you can affect

<sup>27</sup> [www.kyrkaforfairtrade.org](http://www.kyrkaforfairtrade.org)



your surroundings, then your self-confidence will grow. You step away from powerlessness and leave the feeling that we cannot do anything. Young people want to do things, act and Ragnhild wants to show that together, with simple means, we can change things.

### What are the driving forces in your work?

“Through my work in pastoral care and counselling, I was increasingly coming into contact with people who experienced guilt over the injustices in the world and/or had ‘climate anxiety’. I felt that we must do something. Faith must have consequences. A faith without action is not a real faith. I usually think like this – about what Jesus would have done in my work and also the golden rule – ‘it could have been me/us that had been born in Somalia, poor, lost a child to measles, who didn’t have enough to eat’. It then becomes obvious to try to change and advocate”.

### What is your vision for the churches’ future work with global sustainability and justice?

“It’s a question of survival, on two levels. All our credibility as a Church depends upon whether we can succeed with this. We must be a prophetic voice in society and stand on the side of the poor and the marginalized regardless of where they are. If we can’t manage this then no one will listen to us when we want to spread the Good News. What we say will be irrelevant if we’re not rooted in Creation”.

“Through our fantastic network of churches across the whole world we can contribute with stories, pictures and perspectives from peoples’ real lives from other countries. We must be role models in everything that we do, on all levels in the Church of Sweden. We must change the power systems in our buildings, refrain from driving so much in our work, give of our resources and last but not least, work with opinion building and advocacy. We should use both quiet diplomacy and a loud voice. There is no going back”.

## 4.3.3 Existential dimensions - Sustainable on the inside and the outside

Elisabeth Pettersson is priest in Church of Sweden and pastoral counsellor/psychotherapist. She has been a central figure in developing methods and forums where people can reflect on the connection between existential questions, daily life and global structural problems. The concept that has been developed is called “Eftertankedagar” (Reflection days) and has as its aim to create a place to share, exploring personal, spiritual and existential aspects of “globalness” and sustainability.

### The deepest level of change (see figure 1)

The Reflection days are a kind of retreat/discussion days that in its basic form stretches over two days. Times of silence alternate with times to talk together. Painting is used in order, at an early stage, to open paths between different levels within the participants. The participants’ paintings are used for discussions. Meditation and relaxation are used in order to strengthen presence in the present. The overarching method used during the

discussion can be described as exploratory conversations. Using in-depth follow-on questions the discussions are steered towards personal and existential feelings, experiences and thoughts about sustainability and “globality”. The days are rounded off with theory and discussion about concrete changes in lifestyle and other forms of continuing commitment.

### Who participates in the Reflection days and why?

“Volunteers and parishioners committed and involved in global questions and international group, Church employees of every kind. Two things are obvious as to why someone takes part: they often say that there is not really room for spirituality and global commitment in their normal every day work. Deep down, people are affected by questions about the future of the world. “At last I got the chance to talk about this” is a comment that is often found on the evaluation forms”.

### What is your own motivation for working with this? (How did you come up with the idea?)

“The way that spirituality and commitment for a just and sustainable world fit together has been one of the most important threads throughout my life. Ever since I was a teenager and came into contact with the Church, I have been so perplexed about how the outer and the inner constantly splits. At the same time, it is so clear that theology comes alive when it helps us to interpret how our society and spirituality, the inner and outer, fit together”.

“A good theology and praxis from the Church can help us to become more real and thus make us less caught up in ourselves. It will become important to see the significance of climate anxiety. Anxiety (angst) is an important force before and during change. I believe that the Church has a unique competence stemming from the experience of feelings which are suppressed in our culture: shame, guilt, despair, vulnerability and anxiety/angst. These feelings are transformed into power and insight when processed. Through rites and discussions, there is a unique possibility for the Church to contribute to such processes”.

### What is your vision for the churches’ future work with global sustainability and justice?

“The vision is that the Church will be able to communicate what we call the gospel into the work for a sustainable world. I think this work will then be sustainable and non-reducing in itself. The reality is allowed to be as big as it is. Lately my respect for forms of life other than humans has become increasingly important for me. This is where I think a theology based on creation can help us. It enables us to see “the others” and our specific vocation as creatures with the ability to choose. A very communicative Church, comfortable in her identity, is my vision. The most relevant of all approaches is awe. That anything exists at all”!

## 4.3.4 Creating opportunities for Advocacy

Today Celina Falk is employed by the Church of Sweden Youth to develop the international work of the organisation. Global issues have always been a large part of her volun-





tary work. She started off by becoming engaged in the international group in her parish and then went further as a member of Church of Sweden Youth's National Committee for Global Issues. The work has involved everything from running workshops to writing advocacy letters and organising demonstrations. Her engagement has also sent her out into the world in different ways, where she has experienced injustice, joy and the feeling of being part of a worldwide Church.

### Why did you start working with this? What are your driving forces?

"Dear children, let us not love with words or tongue but with actions and in truth" is what it says in 1John 3:18. For me, action is the only reasonable consequence of my faith. I think it is important not to become dejected about all the world's injustices, but instead do something to counter them. Since all of us here on earth are interdependent, we are also responsible for each other. I'm convinced that everyone can always do something to make the world a little bit better - if that means buying Fairtrade bananas once a month, asking in shops whether the clothes are produced under fair conditions or devoting one's life to charity/aid work is up to each and everyone to decide".

"Now I'm also privileged to be employed to work on these issues at Church of Sweden Youth. To be employed to work on global issues in the Church is the best thing I've done! The feeling of taking part in creating creates opportunities to work for change and that what we do as a Church makes a difference in the world is great. This feeling gives me hope for the future".

### What is your vision of the Church's future work with global sustainability and justice?

"My dream is that the whole parish can work together for global sustainability and justice and that we feel that we are part of the worldwide Church. If everyone could see the person behind the product instead of the price tag, that would be a step in the right direction. I think that the Church and its members should be a role model of how we can live a sustainable lifestyle. How can we otherwise be a Church if we do not see our neighbour near and far"?

## 4.3.5 Eco-Justice - Environmental certification for parishes

Most of Church of Sweden work and commitment on climate and the environment takes place here in Sweden. It does not often make the headlines. It is the day to day work that proves whether our words actually are carried out into action. The engagement in many parishes and dioceses show that environment and issues of sustainability concern the Church, and many already have action plans for their work with environmental issues.

The environmental network of Church of Sweden has developed and introduced a management system for Church of Sweden called Environment Diploma. This is a system that

### **Key Facts: Agera (Act)**

2009 saw a petition for a fair climate deal in Copenhagen being signed by 25,000 people in Sweden and 500,000 around the world. "Countdown to Copenhagen" was an international campaign mobilising people from all over the world, calling for leaders in the rich world to agree to powerful and binding commitments in order to tackle climate changes

Following the Haiti earthquake in January 2010, 220 people sent emails to Sweden's Minister for Finance and Minister for International Development. The letters were sent through the national "Ageranätverket" (Act network) and demanded that Haiti's foreign debts be cancelled and that all emergency aid be seen as donations, not loans.

Political initiatives are also needed to improve the structures that counter unsustainable development. Church of Sweden wants to make it easy for individuals to be able to advocate for fair structures. The national Agera (Act) lobby network reminds Swedish politicians that across the country there is an opinion working for a more sustainable world. A monthly email is sent out to members with tips on how to act for change as well as information about campaigns on important international issues. [www.svenskakyrkan.se/agera](http://www.svenskakyrkan.se/agera)

has similarities with EMAS and ISO 14001<sup>28</sup>. Yet, the Church of Sweden system has added theological thinking as a part of the process. The question: "Why do we do this as a Church?" is an important part of the identity of the management system.

The management system is a tool for any parish which wants to use it as a management instrument for sustainable development in the parish. In the eco-management system, the parish should first analyse what is the biggest impact they have on the environment and out of the analysis set goals in seven different areas, like energy, water, chemicals but also for the worship life and the theological aspects of being Church in a local context and how it relates to the global context and sustainable development. The parish should also formulate a vision and a policy in the area of environment/sustainable development.

This is an ambitious concept that urges the parish to have an overall view of the impact on the environment and also to set new targets to improve their actions.

Since it also involves a theological part, it is not like any other eco-management system. This way of putting together practical actions to lessen the ecological footprint with a theological reflection and having services on the environment and eco-justice are unique. But at the same time, it is crucial if you want to be Church in a Nordic context to connect the lifestyle and consumption patterns with a global perspective. This also puts on a stronger pressure to act, for example, when you see the connection between the carbon dioxide emissions from transport and heating Church buildings and the problems that climate change creates for poor people in the South.

<sup>28</sup> EMAS – Eco-Management Audit Scheme and ISO 14001 are two different environmental management systems.



It has been evident that the eco-management system also has an effect on the life of the congregation. When decisions that are made have to be scrutinised with an ecological/sustainable perspective, it also affects the everyday life in the congregation. Congregations and their members can connect the global consequences of their action, when it comes to lower emissions of greenhouse gases, to the gospel and that we serve God when we act for the poor and vulnerable. This way of being Church leads to an awareness that is more than just information. It is a reality that we share the world with every living creature and it will have spiritual dimensions.



**Ingemar Petersson** is accountant in the Värnamo Parish. His parish is part of the Environmental Certification Scheme for parishes. Their emphasis is to see the entire parish as one unit and not to select just one department for the environmental work. This way of working has had some difficulties in getting all employees and elected officials on the boat. But it has been worthwhile, according to Ingemar, to show the entire Church's involvement in the environmental work. It is about seeing the connections between the Bible, the Creation and our responsibility. Environmental work cannot be seen as something

outside of the Church activities that one can choose whether to engage in or not.

New objectives, targets and activities are frequently revised since there are always possibilities to return to the old and accustomed behaviours. The aim is that the process is moving forward at all times. The parish has for example invested in wind power covering 80% of the parish consumption of electricity. They have purchased bicycles for the office and increased the grant for sharing cars when travelling to the office. The parish has also invested in micro finance activities (Jamil Bora project) and they try to influence the diocese and its forest management certification scheme.

### **Why did you start working with this? What are your driving forces?**

"Environmental issues were completely in line with my faith and values. We also had a pastor and one elected official who were committed in terms of these issues. The Church was also pressured by the ecology department of the municipality. Together, I believe that these factors interacted in a favourable way to start the environmental work within the church".

### **What is your vision of the Church's future work with global sustainability and justice?**

"The sustainability and justice approach is a natural part of the Church. The Church must act in harmony with our belief as good and responsible stewards of God's creation. As a Church we must act for the long-term and show responsibility".



#### 4.3.6 Influencing companies - a part of the Church's diaconal work

The first thing most people think of when you talk about a sustainable lifestyle is how to influence companies through the power of consumption. By choosing goods which are produced in a sustainable way both for the environment and people, each and every individual can influence and contribute to change. Church of Sweden has been a driving force in the Swedish Fair Trade organisation, a system of product labelling which is becoming more and more established in Sweden from year to year.

Nevertheless, it is important to influence companies in several different ways and from different directions. Church of Sweden is one of the member organisations of SwedWatch, a small organisation which investigates Swedish companies operating in developing countries. By actively influencing companies, Church of Sweden is taking responsibility for inducing change in the companies' way of thinking about corporate social responsibility. Church of Sweden can then be an active force and be a significant and trustworthy social entrepreneur.

Using well-documented reports, the organisation SwedWatch exposes examples of how people – employees or local residents – and nature come to harm. The reports may be about how goods, which are imported to Sweden, have been produced. What is the situation for the young people, adults and children working on the cocoa plantations in Ghana and Ivory Coast? What about those in China who produce a large part of the toys, clothes and mobile phones we buy in our shops? What happens to the indigenous population of Ecuador who see their drinking water being polluted from an oil spill stemming from the oil mining activities in which Skanska (a Swedish company) is involved? What responsibility does a company have in ensuring that the mining of ore in Ghana and Indonesia does not harm the environment and violate the rights of the local people?

The aim of Swedwatch is to decrease social and environmental mismanagement in connection with foreign business undertaken by companies related to Sweden. The work is done by observation, advocacy and publicising such mismanagement. SwedWatch also wants to encourage, influence and, through open dialogue, work together with companies in Sweden so that the business world pays greater attention to these issues. By coming with recommendations and holding a dialogue with companies, SwedWatch shows what the companies can do to improve the situation. SwedWatch always lets the companies have their say. They are able to read the reports, comment and correct any inaccuracies before they are made public. They are also given the opportunity to write a comment on the completed report, a comment which is usually published in the report.

**Why has Church of Sweden chosen to work with SwedWatch, and in what way does this contribute to our mission to carry out diaconal work on an international level?**

The method of investigating companies lies close to the fundamental basics of diaconal work. In the order of service used at the ordination of deacons to the Church of Sweden

it is said that “*The deacon is to defend peoples’ rights, stand on the side of the oppressed and encourage and liberate the people of God to what is good, so that the love of God is made visible in the world*”. This connects very well to the work of promoting human rights.

### Can the Church of Sweden’s involvement in SwedWatch be connected to the work of deacons in the parishes of Church of Sweden?

Reports point to the difficult questions about how far the company’s responsibility stretches in different situations and can lead to both questions and strong feelings among the employees of the company. Employees and other people living in places where the company is based often have a strong loyalty to the local company. They might feel threatened when their company is criticised. In many cases, the companies that have been examined have an obvious geographical home such as the fruit importers which all are based in Helsingborg, the industrial company, Sandvik, or the coffee roasters and producers with obvious “homes” in particular Swedish cities; Malmö (Zoégas), Gävle (Gevalia) and Karlstad (Löfbergs Lila). In these cases, Church of Sweden bears a responsibility to create space for local talks on what responsibility, loyalty and solidarity mean in practice and also about how one can contribute to solving the problems that are highlighted by the investigations.

### 4.3.7 A Well-Resourced Church and its Global Investments

The Church of Sweden is a wealthy church with high demands to undertake responsible capital investments. The assets owned by the Church are to last for generations and are to contribute globally to sustainable development. As a big holder of financial capital it is not uncommon for the Church of Sweden to be a significant owner in the companies which SwedWatch investigates. This adds another moral dimension to the work. The national board of Church of Sweden recently adopted a new finance policy. It is very similar to the previous one, but has an important change: Church of Sweden can now invest in companies which are not listed on the stock market. That brings the opportunity to invest in companies more closely linked to the core values of the Church. Moreover, there is currently work being carried out to adjust the climate impact of the Church’s share holdings. This means that companies which contribute to a continued dependency on fossil fuels will give up space to companies which work towards sustainable energy solutions. Church of Sweden also chooses all companies in her stock portfolio depending on how well they deal with environmental issues and pays special attention to their commitments in mitigating climate change.<sup>29</sup>

### 4.4 Looking Forward

The purpose of this paper is to give an overview of how the Church of Sweden has approached the reality that people in Sweden need to act against global inequality and work for justice and sustainable development. The Church of Sweden has chosen the approach that



*"Our focus is always to find the best, not those who simply meet certain demands, but those who actively strive to contribute to a sustainable development of society. In the long run, this will be the best investment. [...] Now that we are no longer restricted to placing our investments in listed companies, there is an opening for new possibilities. We have begun looking at companies which are closely connected to our core values, for example, those active within micro finance and energy technology."*

Anders Thorendal, Church of Sweden's Financial Director

the problems the world is facing can no longer be treated as isolated phenomena. With a focus on hope and to act the Church of Sweden has developed a programme that deals with the fact that we live in a global interdependent world where the concepts of "national / international" are obsolete and where boundaries must be overstepped in the search for new perspectives and solutions. How a person in Sweden lives her or his life, what he/she buys, what cars he/she drives or what vacation he/she chooses has an impact on the global society. By choosing differently and to act actively, committed people in Sweden take a stand against global injustice. By developing tools for action the Church of Sweden facilitates members and congregations to see and be part of a bigger picture – and to change the world.

This study also demonstrates that the Church has a unique role to play. People in our unequal world live with anxiety, guilt and despair. The anxiety concerning the effects of climate change is one example. The challenge is to transform these feelings into power and insight when processed. The Church can, through rites and discussions, contribute to such processes. It is difficult to change on a deeper level, which is more firmly linked to our identity. However, to bring permanent change, this level must be reached and here the Church has an obvious role to play.

This study also gives examples of where a rich Church in the global north takes steps for taking its responsibility. It examines how the Church of Sweden works with advocacy towards Swedish companies who operate in developing countries and how the new finance policy opens up space for the Church of Sweden to invest in microfinance institutions and to take an active shareholder role demanding that companies shoulder responsibility for issues of justice, human rights and the environment.. These are steps in the right direction. However, the Church of Sweden cannot sit down and relax. The work for global justice is ongoing and must be continuously developed at different levels in the Church. And new tools and pedagogical methods have to be created.

One future tool is Climate Justice that Church of Sweden is in the process of developing as a tool for individuals to measure and reduce their climate impact. It calculates how much carbon dioxide we, as individuals, emit in our daily food consumption, travel, use of washing machines, car driving etc. The price is set at the same level as the Swedish carbon dioxide tax, which is at a much higher level than normal climate "compensation" schemes used by travel agencies<sup>30</sup>. Then the tool indicates an amount for how much energy you should save and an amount that preferably should go to sustainable development projects in a partner country in accordance

<sup>30</sup> An average-consuming Swede would then emit greenhouse gases in the order of 5000 to 7000 ppm co2 per year, which means he or she has to pay a "climate gift" amounting to roughly 2000 Swedish crowns.

with the idea of climate justice: rich Swedes paying a fee/tax to the people of the global South for emitting greenhouse gases above the level that is globally sustainable.

One challenge is the lack of education on global justice issues for upcoming priests. Priests and other staff in the congregations are key players in the work with ethical lifestyle and advocacy for global justice. A new educational tool is being developed. It is called *Världens kurs* – the World's Course. The purpose of the *Världens Kurs* is to give staff and committed members the opportunity to work with others to learn more about the Church of Sweden's international work. It gives the opportunity to reflect on and discuss the role of the Church, the congregation and you as an individual in global life. And most important of all: it is not a static tool. It can be developed all the time with different topics and different methods. Most recently a Sustainability Course has been developed within the World's Course. This section particularly deals with existential questions of living in a globalised world. It asks questions about how we understand ourselves, one another and our common human conditions and our faith.

The Swedish Archbishop Anders Wejryd began his welcoming speech at the Interfaith Climate Summit, 28-29 November 2008, by talking about hope. The meeting was attended by more than 2000 people and comprised more than 50 different seminars apart from the opening and concluding ceremonies. The event gave hope for many people in Sweden and beyond to continue to fight for global eco-justice knowing that we are not fighting all by ourselves.

*"Hope is a desire for something to happen combined with an expectation that it will. It is sometimes only a dim light in the midst of a sea and a heaven in darkness. One wonders whether this flickering light will also surrender to darkness but the light continues to flicker.*

*Losing hope means losing a decisive driving force in life. It is easy to lose hope when we hear about climate change and environmental break-down. It is easy to lose hope when we see the complexity of the climate issue. It is easy to lose hope when we realise the difficulties of international politics. It is easy to lose hope when we see how many times the poorest already have had to pay the price.*

*We need hope and the sense of hope permeates most religious traditions. The apostle St. Peter asks Christians to be people of hope. He says: "Always be ready to make your defence to anyone who demands from you an accounting for the hope that is in you; yet do it with gentleness and reverence" (1 Peter 3:15-16). Similar expressions of hope to resist hopelessness can be found in other religious traditions. There is a communion of hope, providing us with a possibility of encountering each other across barriers, of offering our hope to resist despair and fatalism. We need hope."*

*(Archbishop Anders Wejryd welcoming speech at the Interfaith Climate Summit 2008 in Uppsala)*

Contributors: Sofia Orelund, Erik Lysén, Alexander Sjöberg, Gunnel Axelsson Nycander and Henrik Grape, Editor: Sofia Svarfvar

## 5. Remodelling the Social Market Economy from an Ethical Standpoint

- ▶ Embedding the market economy in a social and cultural context
- ▶ Ensuring the ecological and social sustainability of competition
- ▶ Strengthening the primacy of politics in a global context

The text has been commissioned by the Executive Board of the Evangelical Church of Westphalia (Germany) and printed as a separate publication. The full text of the document is available on [www.evangelisch-in-westfalen.de](http://www.evangelisch-in-westfalen.de).

### Executive Summary:

1. *The Social Market Economy is a model of society.* An up-to-date ethic of the Social Market Economy claims to restore the primacy of politics and redesign the relationship between society and the economy. The economy has to be perceived in its social, political and — internationally seen — cultural contexts.
2. *Society does not live from competition, performance and profit orientation alone.* As a church, we are analysing the fundamental values characterising the way people live together. This study on the Social Market Economy aims to help create an understanding of the ethical basis and ease tension arising from the relationship between the economy and society. Shaping the relationship between the economy and society will require fresh stimuli.
3. *Sound regulatory policy is the best social policy.* The liberalisation and deregulation of the international financial markets were a central economic trigger of the current wave of globalisation. The current global economic crisis manifests the repercussions of deregulation on an unprecedented scale. New, gigantic, financial compensation attempts, funded by the taxpayer to save distressed banks and stabilise the economy ('rescue shields') are emerging. It is also necessary to redesign the overall framework for the financial and commodity markets on the basis of an international approach.
4. *A new awareness is growing.* An economic doctrine of salvation and mindset solely trusting market forces and individual benefit must be overcome. "*Isn't there any well-founded criticism of Political Economy, whose textbooks, after all, are the scripts for the current crisis? This discipline pretends it is based on the laws of nature; this approach, in fact, must be fundamentally questioned.*" (Frankfurter Allgemeine Zeitung, 6 April 2009).
5. *We are experiencing a historical watershed, requiring regulatory measures.* Following the acceptance crisis of economic liberalism, we are now experiencing its real functional crisis on a global scale. In order to facilitate an economy in the service of life, ethical standards have to be incorporated into the economic rationale at the various levels of action (starting from individual responsibility all the way to creating new transnational regulatory structures). The crucial foundation in this regard is to design the regulatory level (regulatory framework) on an ethical and economic basis.
6. *The Social Market Economy has substantially contributed to solving social questions by programmatically balancing 'justice' and 'freedom'.* The 20th century, in particular



the last third, was determined by ecological questions, the limits to growth. In order for an economic system to be sustainable, it has to be able to appropriately respond to this challenge. Accordingly, integrating sustainability in the system of the market economy is the crucial condition for a renewal of the Social Market Economy.

7. *'Public before private' or 'private before public' are false societal alternatives.* Both strategies are tools used to achieve higher societal goals. Opting for either of these variants will depend on the goals and the social, ecological or cultural dimensions they are to serve. Climate protection, social justice and common economic good are directly interrelated. This interrelationship can only be reshaped if the values take account of the social and ecological components.
8. *Today, new coordinates for the building blocks of the Social Market Economy have to be taken into account:* the economy is becoming more international; the gap between rich and poor, globally and within societies, is widening; climate change is a global threat. In order to cope with these challenges from a regulatory point of view, state action, multi-state regulation systems and supranational governance structures will have to be harmonised. A strong and frequently internationally networked civil society and non-governmental organisations (NGOs) must be involved. Assuming their share of regulatory responsibility also means that companies will have to learn to think in political terms.
9. *A Social Market Economy means shaping regulatory policies* rather than only 'repairing' the welfare state. The Social Market Economy serves as a political tool to achieve economic, but in particular also social, ecological and cultural goals. The Social Market Economy may be flexibly shaped and is sensitive to different contexts. It may thus constitute an alternative model to a self-regulating market economy, beyond Germany and other European states. The Social Market Economy includes programmatic intervention based on a large variety of instruments of economic policy. *The key test for the Social Market Economy in times of globalisation is whether it can render a relevant contribution to a global structural policy also involving the developing countries.*
10. *The Church itself is an economic agent.* It must live out its message with its system and practice. It has to implement ethical criteria through its investment and sourcing behaviour, e.g. ethical investment or climate protection strategies. A demanding regulatory area of tension is corporate diaconal policy, in which the church and its social service ministries have to implement their mission while at the same time defending their competitive position as business agents.

### How the Study Came About

The study was commissioned by the executive of the Evangelical Church of Westphalia on 17 October 2007, acting on the 2006 Synod decision to continue work on the study adopted by Synod in 2004 on "Globalisation - Economy in the Service of Life" [www.evangelisch-in-westfalen.de](http://www.evangelisch-in-westfalen.de), quicklink 249. A steering group was responsible for developing, discussing and revising the study. It comprised:

PD Dr Martin Büscher, Protestant Academy Villigst/Institute for Church and Society, Schwerte, lecturer at St. Gallen University (academic responsibility) Authorised representative Alfred Drost, member of the church executive board, Dortmund, Prof. Dr Traugott Jähnichen, Department of Christian Social Science, Bochum University, Christa Kronshage, member of the church executive board, Bielefeld, Oberkirchenrat Dr Ulrich Möller, Regional Church Office, member of the church executive board (chair), Bielefeld, Landeskirchenrat Friedhelm Wixforth, Regional Church Office, Bielefeld.

The following persons and organisations were involved in the process of developing the study:

In the preparation phase:

- ▶ Prof. Dr.Traugott Jähnichen
- ▶ Dr.Peter Pavlovic, Church and Society Commission of the Conference of European Churches (CEC), Brussels
- ▶ Prof.Dr.Christoph Stückelberger, Director, Globethics, Geneva; Dr Hella Hoppe, Federation of Swiss Protestant Churches (SEK), Bern
- ▶ PD Dr.Martin Büscher
- ▶ OKR Dr.Ulrich Möller with the support and advice of Dr Sabine Plonz, researcher at the Protestant Theological Department of Münster University; Michael Frein, Church Development Service (eed), Bonn
- ▶ Ulrich Bartscher, Board member, Sparkasse Schwerte
- ▶ Prof. Dr Udo Krolzik, Director, Institute for Diaconal Studies, Church University of Wuppertal/Bethel, and
- ▶ Rev. Günter Barenhoff, CEO, Church Service Agency Rhineland/Westphalia/Lippe.

The first draft was discussed by the Social Committee of the Evangelical Church of Westphalia. External experts commenting on study drafts:

- ▶ Prof. Dr.Gerhard Wegner, EKD Institute for Social Sciences, Hanover (2008)
- ▶ Prof. Dr.Franz Segbers, Service Agency of the Evangelical Church of Hesse-Nassau, Frankfurt (2008)
- ▶ Prof. Dr.Michael Aßländer, Department for Business and Corporate Ethics, Kassel University (2008)
- ▶ Dr.Ursula Schäfer-Preuss, Vice-President Asian Development Bank (ADB), Manila (2008)
- ▶ Prof.Dr.Konrad Raiser, former General Secretary of the World Council of Churches, Berlin (2008)
- ▶ Jörg Asmussen, under-secretary of state at the Federal Ministry for Finance (BMF) and BMF staff, Berlin (2009)
- ▶ Dr.Wolfram Stierle, deputy chair of the Department at the Federal Ministry for Economic Cooperation (BMZ) and the BMZ employees, Berlin (2009).



### Discussions with experts

In order to discuss the result of the first development phase in 2008, OKR Dr Ulrich Möller and Dr. Martin Büscher held talks with the following persons:

- ▶ Wolfram Kuschke, Member of the Regional Parliament, SPD, former head of the state chancellery of North Rhine Westphalia, Member of European Parliament, Arnsberg/Unna District President
- ▶ PD Dr.Dirk Solte, Vice-Chairman, Research Institute for Applied Knowledge Transfer (FAW), Ulm, Global Marshall Plan Initiative (GMPI)
- ▶ Franz Peter Falke, entrepreneur, Falke KGaA, Schmallenberg
- ▶ Peter Wahl/Peter Fuchs, World Economy, Ecology and Development, scientific advisory council ATTAC Germany, Berlin
- ▶ PD Dr.Norbert Reuter/Ralf Krämer, Economic Policy Department, ver.di national executive board, Berlin
- ▶ Max A. Höfer/Dieter Rath, managing directors of the Initiative for a New Social Market Economy (INSM), Dr Dominik H. Enste, Department for Legal and Institutional Economy, Economic Ethics, Institute of German Economy, Cologne
- ▶ Birgit Riess, Director, Programme for Corporate Social Responsibility (CSR), Bertelsmann Foundation, Gütersloh
- ▶ Stefan Pfeifer, head of Department for Economic and Structural Policy/Technology Policy, Confederation of German Trade Unions DGB - North Rhine Westphalia, Düsseldorf
- ▶ Reiner Priggen, Member of Regional Parliament, economic policy spokesman for Alliance 90/the Green Party, Düsseldorf
- ▶ Dr.Bernhard Keller, deputy managing director, Regional Federation of Employer Associations NRW (LAV), Düsseldorf
- ▶ Lutz Lienenkämper, Member of Regional Parliament, economic policy spokesman of the CDU parliamentary group, Düsseldorf
- ▶ Dr.Harald Nadzeyka, chairman of the technical committee on Economy and Work, FDP NRW, Düsseldorf.

The results of these technical discussions were used as inputs in the further development of the study. In the light of the current economic crisis, the study was once again fundamentally revised in 2009. Specialist journalist Andreas Zumach (Geneva) was involved in this work. Superintendent Rüdiger Höcker, Gelsenkirchen and Wattenscheid church district, and Andreas Duderstedt, press officer of the regional church office, reviewed the linguistic quality of the study. The final version developed by the steering committee was discussed, finalised and adopted by the church executive board in October 2009.

## 6. CSC/CEC-CLAI Threats and Challenges of Globalisation - Churches in Europe and Latin America in Dialogue

### 6.1 Executive Summary

In different parts of the globe, the impact of globalisation on the everyday life of people is experienced in different ways. Different histories and traditions have also played a role. One of the biggest gaps in the experience of the impacts of globalisation and the churches' approaches to globalisation has been witnessed between the churches from Europe and Latin America. This has been the main reason leading to the initiative of the Church and Society Commission of the Conference of European Churches (CSC/CEC) to establish the direct link between with the Latin American Council of Churches (CLAI) with the aim of organising a dialogue focusing on commonalities and differences related to globalisation between both continents. From the beginning, the main objective of the dialogue was to contribute to the overcoming of mistrust, prejudices and lack of information on both sides and to serve as a trust-building measure between churches from both continents.

Information about life in Latin America is not sufficiently up-to-date in many parts of Europe. On the other hand, Latin American churches asked churches in Europe to provide substantial information concerning the European integration process, the situation in Central and Eastern Europe after the fall of the iron curtain, as well as about basic characteristics of the social welfare state model and the role of the churches in it.

The dialogue between CSC/CEC and CLAI, which took place in the course of 2009-10, was a contribution to this aim. It has been a confidence-building process that has enabled the opening of doors for a further exchange and deepening of cooperation between churches from both continents, as well as between the ecumenical organisations, CEC and CLAI.

The document presented is a result of this dialogue in three parts. The first part addresses areas in which churches of CEC and CLAI differ in their positions. Dialogue, although intensive and sincere, does not always and necessarily eliminate differences. The different histories of Europe and Latin America, different socio-political set-ups and different impacts, in form and intensity, of the current globalisation processes are the causes of different experiences and different standpoints, sometimes using the same language in a different way. Similar words may have different connotations. Explanation and careful clarification is the way forward. The section identifies, in particular, two major key-phrases, the role of the state and the function of the empire, which are widely used and bear with them a load of connotations which need to be further clarified and explained. The text also identifies another key-phrase, the role of the market, for which the dialogue was able to summarise a conclusion in which the approach of churches from Europe and Latin America are very close to each other. Both parties agreed on common values which should underpin and guide an efficient and functioning market serving the needs of people.

The second part, 'Signals of change', outlines the grounds on which churches from both





continents are able to speak with a common voice and delineates the basis for a common position. It is a joint plea for a stronger interdependence between politics, economics and civil society and for a strengthening of the effort towards a sufficiency economy, which is set as a counter-image to an economy based on greed and financed through extensive and ever-increasing debts. The section addresses some topics in the complex area of work and employment and puts emphasis on the experiences of churches with the process of regional integration. Churches in Europe have accumulated a lot of experience, having been in an intensive dialogue with the political structures of the European Union through the decades of the gradually-evolving European integration process. Churches in Latin America stand at the beginning of regional integration efforts on their continent and are seeking ways of positioning themselves vis-à-vis the various elements of the process.

The third part focuses on the identification of areas of common action. Churches from both continents are aware of the particular responsibility they have in their work on common concerns; in protection of the vulnerable, in addressing the gap between wealth and poverty, in the work for protection of creation. The text identifies several concrete areas for possible joint action of churches from both continents: climate justice, ecological debt, illegitimate debts, hunger and food crises and water as a global challenge and a human right.

The document does not represent the final outcome of the process. The text maps the positions of both sides, creates a framework for continuation of the dialogue between churches from both continents and fosters a consultative process, expressing the engagement of the churches in addressing the impacts of globalisation in its various forms as well as a commitment of churches from the two continents to work together.

The document has been approved by the decision-making bodies of the CSC/CEC and CLAI. It represents a joint contribution of CSC/CEC and CLAI to the WCC Process on Poverty, Wealth and Ecology.

## 6.2 Introduction

The joint CEC-CLAI Task Force, appointed to work on the impacts of globalisation in Europe and Latin America, gathered in Buenos Aires and Oslo in May and November 2009 and in Budapest in November 2010. The results of this work have been approved by the respective decision-making bodies of the Church and Society Commission of the Conference of European Churches (CSC/CEC) and the Latin American Council of Churches (CLAI). The following text is an expression of growing trust, increasing respect and learning from each other, as well as an expression of joint commitment for further work and action.

Churches in Europe and Latin America have gone through different histories, live in different realities and therefore in many respects have different perspectives on the challenges stemming from globalisation. We have come together in respectfulness and appreciation of each other's position and consider that this enriches our dialogue. In sharing our pers-

pectives, we have learnt from one another and envisioned the particular content of our mission as churches in the context of our societies within the global challenge we have as the Church of Jesus Christ in the world.

Our dialogue has been influenced by the fact that both in Europe and Latin America we live through a time of crisis. This is a crisis of the financial and economic system and of the ecological and climatic balance of the world we share as our living space. The churches, especially the churches of the South, warned that the financial and economic crisis would come and churches all over the world have for decades challenged the fact that our lifestyle leads to an over-consumption of the resources of the Earth.

Today, when this crisis has become reality, we are challenged as churches and human beings to invent genuinely new approaches where the solutions are owned by all parties affected and where the integrity of creation is respected. We agree that the enforced neoliberal policies have led to grave injustice, to an unequal distribution of wealth, to an overstraining of the Earth and finally to the near-collapse of the financial and economic system that we are now seeing.

We wonder whether this near-collapse has brought defenders of the neoliberal model to recognise its failure or at least to profoundly acknowledge the need for change. Although some concrete political measures have been taken or are under consideration, it appears that at this point in time powerful sectors, for example the financial sectors, are not supporting - and often work against - necessary changes in the system.

Together, we call for the reinforcement of responsible, just and legitimate governments in order to play a decisive role in meeting the present challenges. To ensure this, it is imperative that the peoples of all states can get decent living conditions with regard to health, food, housing and education and are empowered to participate in decision-making and that systems of transparency and accountability are implemented on the local, national, regional and global levels.

We also call for all actors from private, civil and political sectors to see their roles in this and to account for both the internal results and the external effects of their planned actions. Democratic politics must regain its primacy over the economy if we are to achieve a development that is both just and sustainable.

As churches, responsible to God, we have to play our roles in both Latin American and European contexts, to raise our voice in order to make decision-makers aware and awake regarding their roles, responsibilities and objectives. Responsibility needs someone to respond to. Churches are, in principle, well-placed to be such instances to which the powerful will have to respond, together with other parts of civil society.

The Church has a prophetic role and should confront decision-makers. We acknowledge that, as churches, we are called to protect basic human rights, promote life in dignity, and raise questions pertaining to illegitimate debt and the links between the unjust system and



the production of poverty. The dignity of the human being and the sacredness of the Earth also have implications for the system and for concrete political decisions.

Therefore, we need to become actors who are not spellbound by globalisation, neither in a positive nor negative way. We must enter the field of action, opt for the poor and, although we should try to keep our hands clean, we must not let this fear keep our hands from working for a peaceful and just future. We are called to be constantly aware that the role of the church is not only to be responsible for addressing the crisis but also for taking care of the individual person. Churches are present in the places where people are and should through caring, witness and our own praxis and example be signs of hope. In the dialogue, we have listened to each other's successes and mistakes and are ready to learn from each other.

Both parties agree that the way to just trade does not go through the imposition of unfair so-called 'free-trade' conditions. We also agree that the market is not evil per se and that wherever there are human beings, there will be a market for trading of goods. We need, however, to work closer on the questions of what this means, for example, with regard to state-market relations, to alternative economics and to the primacy of politics. We also need to continue to deepen our understanding of each other, the different contexts in which we exist as churches and the ways to challenge the power structure in order to promote life. Special attention should be given to the significant political transformation which Latin America is now going through. We will also need to include themes of exclusion on the basis of gender, ethnicity, class and culture.

Despite our differences of perspective, we recognise that we share the same call to be witnesses and to constitute signs of hope. We need to keep the spaces for dialogue open, both to deepen our understanding of each other and to be able to meet future challenges. On one fundamental perspective we agree: neither the climatic nor the economic crisis can be solved without respecting freedom at the same time as a commitment to justice.

"Freedom" and "justice" are words which have been misused historically and presently in Europe and Latin America to justify exclusion and the continued dominance and privilege of a powerful minority over and above the options for life of the majority. As one example, whether it be the demand for a "free" press or for "free" enterprise, the precious ideals of "liberty" and "freedom" have often been used to exclude rather than include and to maintain the advantages of elite sectors while the majority continue without due representation. On the other hand, similar mechanisms can be noted in the repression of freedoms in the name of "justice" and "equality". The questions "Freedom and justice for whom?" and "Freedom and justice for what?" have rarely been asked. Because of this, and considering the severity of the economic and climatic crises, we call for a robust reflection on the meaning of freedom in its relationship to justice and in light of the necessity to curb the historical and present advantages which dominant societal sectors have maintained and which have contributed directly to these crises.

Our work has been inspired by the words of the Bible:

*"Steadfast love and faithfulness meet; righteousness and peace kiss each other. Faithfulness springs up from the ground, and righteousness looks down from the sky."*  
Psalms 85:10-11

## 6.3 Churches from Europe and Latin America in dialogue: different experience and common concerns

### 6.3.1 Different experience

Latin America is a continent characterised by dynamic changes and struggling with substantial social and economic challenges. In the understanding of the Latin American churches of CLAI, most of these have their cause in external forces influencing the continent from outside. Latin America is a continent struggling with the heritage of colonialism, which influenced the continent through the creation of unnatural and artificial borders, through the impact of a neoliberal development paradigm, through structural adjustment policies resulting in major debt problems and, in recent decades, through the dramatic impact of free market policies imposed on countries in the framework of neoliberal globalisation.


Latin America has been a victim of external influences caused by the dominating world power relationships. The prevailing far-reaching and fundamental criticism on the current form of globalisation characterises it as a process of imposing the structure leading to accumulation of wealth in the hands of those who are already wealthy and impoverishing those who are poor and voiceless.

Europe, for its part, does feel itself more a master of its own history. Although the experience of Central and Eastern Europe with state socialism, sustained by an external military power for most of the 20<sup>th</sup> century, demonstrates a dramatic experience of a different kind than the history of Western Europe, the overcoming of totalitarian regimes at the end of the 20<sup>th</sup> century gives Europe more confidence in its own capabilities. The successful process of European integration and the existence of the EU and its increasing economic strength confirm this trend. Globalisation is considered a mix of positive and negative effects: Europe, as a continent having the power to impose its policies on other continents and to attract the benefits of globalisation, is at the same time a victim of these processes.

A feature of the specific European attitude to globalisation is the experience of the social market economy significantly rooted in the continent. With all its deficiencies, the combination of an effective market with social considerations and a model of the welfare state, as demonstrated to the joint Task Force by the example of Norway, proved in many respects to be efficient guidance in looking for an effective answer to the challenges of globalisation.

Although we are using the same word, we acknowledge that "socialism" means something quite different for Latin America and Europe. In Europe, socialism has been a reality in much of its territory for most of the 20th century. State socialism was sustained by an





extensive military power and scrupulous state control over the lives of the people. The experience of socialism in Central and Eastern Europe has been accompanied by enormous suffering, imprisonments, violation of basic human rights and millions of deaths. In Latin America, in general, socialism is seen as a social and economic system which comes from the grassroots, empowers and involves communities, and embodies a democratic and representative political option which strives for equity and equality. A Latin American perspective on socialism is closely linked with the indigenous concept of *buen vivir* (Sumak Kawsay/Suma Qamaña), which is akin to an abundant communal life lived in harmony within and between human communities and the rest of nature. We do recognise that the European as well as Latin American perspectives on socialism come from different contexts and are influenced by different historical experiences; whereas the Latin American perspective on socialism is still very much an ideal which has been historically disrupted, often by external forces, and is currently being struggled for, in Central and Eastern Europe it is a part of the history which needs to be overcome.

### The concept of 'Empire'

The concept of 'Empire' has been controversial in the ecumenical debate for several years. It was used, among other places, in the Accra Declaration (2004) of the World Alliance of Reformed Churches (WARC) and in the AGAPE document presented to the General Assembly (2005) of the World Council of Churches (WCC). Also, in the context of our dialogue, we have not reached full agreement on this concept.

From the perspective of the Latin American churches of CLAI, as well as from the popular view of the majority of the population in Latin America, 'Empire' is a familiar word. Colonial history and also the recent historical context of the relationship of Latin America with the United States have particular significance in this respect. 'Empire' in this relationship is not a term describing a geographical concept, but more a reflection of a dominant ideology, on the basis of which different actors, e.g. transnational corporations, etc., exploit countries, pillage natural resources and negatively affect people living in Latin American countries. It always has a negative connotation.

CLAI views 'Empire' not simply in terms of a territorial or geographic positioning but as a hegemonic web which exerts a coercive power oftentimes based more on indirect control and dominance, and involves both States and Corporations, with increasingly blurred lines between them. 'Empire's' control is thus less cohesive and centralised and its geography is at the same time both indefinite and pervasive. However, it imposes its will and exacts its tribute on a global scale all the same, with attendant cultural, political, economic and social coercion and domination, and is enforced as well through military, ideological, linguistic, legal and mediatic means. There is a reality of State and regional domination and imperialistic designs which cannot be ignored, yet at the same time the realm of the 'Empire' is more diffuse and its power oftentimes less absolute than traditional definitions might allow. It should be noted that the regional notion of 'Empire' is still valid, however, as overdeveloped States in a more advanced stage of capitalism, and the corporations which pertain to them, by their very nature must dominate other peoples and regions – as

well as their own in differing ways – so that the unsustainable modes of production and consumption can continue and ‘growth’ can be achieved.

‘Empires’ have had a further negative impact on ethnic diversity and the ancestral cultures and traditions that frame the identity of Latin America. ‘Empire’ also has its theological expression that dominates souls and minds under the so-called ‘Theology of Prosperity’.

In Europe, opinions regarding the use of the concept of ‘Empire’ differ: although the term ‘Empire’ finds its use in a description of the hegemonic political and economic powers within the process of globalisation, the use is not widespread. ‘Empire’ as a term describing the dynamics of globalisation is mostly seen to be both too general and too simplifying, not contributing to reaching practical solutions. A simplified division of the world between North and South with the identification of the North with the power of the Empire and the South with suffering victims of globalisation is not considered a helpful reflection of the reality. It leaves aside the existence of poverty in the so-called ‘rich North,’ within segments of society of the countries concerned, as well as in some individual countries belonging geographically to the North, but which have a level of per capita income belonging more to the poor, developing and transition countries. This simplified view leaves aside the existence of wealthy countries in the geographical South, as well as wealthy segments of society within other countries of the South. It also leaves aside the dynamics of economic and social transformation within a number of these countries. Moreover, the term ‘Empire’ is reminiscent of ‘the system’, which was a term used during the Cold War era referring to the all-dominating rule of Communist Parties in Central and Eastern Europe.

In the message from the Global Dialogue on the Accra Confession, issued by 58 representatives of churches of the Reformed tradition and global ecumenical institutions from Africa, Asia, Europe, Latin America and the Caribbean, North America and the Middle East, who met in South Africa in September 2009 to reflect and dialogue on the Accra Confession, the following text on ‘Empire’ was agreed :

*“We speak of empire, because we discern a coming together of economic, cultural, political and military power in our world today, that constitutes a reality and a spirit of lordless domination, created by humankind yet enslaving simultaneously; an all encompassing global reality serving, protecting and defending the interests of powerful corporations, nations, elites and privileged people, while imperiously excluding, even sacrificing, humanity and exploiting creation; a pervasive spirit of destructive self-interest, even greed - the worship of money, goods and possessions; the gospel of consumerism, proclaimed through powerful propaganda and religiously justified, believed and followed; the colonisation of consciousness, values and notions of human life by the imperial logic; a spirit lacking in compassionate justice and showing contemptuous disregard for the gifts of creation and the household of life.”*

Although several churches in Europe agreed to this text, the notion of ‘Empire’ has not entered the mainstream vocabulary of the churches.



## The role of the state

Throughout the last two centuries, two fundamental principles have been underlined in the development of the European understanding of the state. These are the principles of freedom and democracy. The first one emphasises that the power of the sovereign is not a goal in itself, but should rather be seen as legitimised only through its adequacy in ensuring the well-being and freedom of individuals and groups. The democratic principle states that the powers of all authorities within a state ultimately stem from the people. This principle is safeguarded partly through regular elections on the national, regional and local level, but just as importantly through the possibility of popular participation in political decisions and the processes leading to such decisions.

Positive appreciation of the role of the state is rooted in particular in Western Europe. Central and Eastern Europe, with the negative experience of the totalitarian state, is historically more sceptical towards the role of the state. The European integration process, which has significantly marked European history in recent decades and which is characterised by the voluntary transfer of a number of competencies belonging to nation states to the transnational European level, puts again the role of the state and considerations about it in the European set-up into a new context.

Latin American historical development, marked by colonialism and military dictatorships, offers many fewer reasons for developing a positive appreciation of the role of the state. The state in Latin America in many cases has offered an even more blatant example of failure to respond to the manifold tasks of modern days, compared to the experience of Central and Eastern Europe, with undemocratic and ineffective organisation of the state administration.

Therefore, there is an intensive effort in various parts of Latin American society, including the churches, to consider a new concept of the state. There are growing aspirations for the development of a social state: the state of rights, in which all the social actors have a role to fulfil and which will establish the rules of economic activity in such a way as to guarantee to everyone the exercise of their fundamental rights as well as of their duties as citizens. The Social State of Right is to be an entity exercising control over economic freedom and protecting the economically weak. The role of the state is expected to not only be the guarantor of economic progress, but equally to guarantee the integral development of the human being, that includes economic, political, social and cultural development with proper protection of the environment. It is the state of social integration that reconciles the various interests of different groups existing in the wider civil society.

In both Latin America and Europe the shared conviction is that nation states are no longer able to regulate their economies autonomously. The global economy requires global politics. In addition, the economy and the markets are not in a position to create on their own the solidarity and social coherence necessary for the proper functioning of society. The global economy needs global rules and global democratic institutions. It is increasingly recognised that the nation state alone is not able to face the challenges of moder-



nity. These include climatic change, environmental destruction, global wealth distribution/poverty, health/diseases, and the protection and just distribution of global common goods.

### **6.3.2 Common context: Christian values as a benchmark for the life of Churches in Latin America and Europe**

In the Christian perspective, the world as God's creation is God's household, given to humankind for responsible use. God invites all creatures to be the guests. Human beings are called to "cultivate and conserve" (Genesis 2:15) the globe, its resources and beautiful diversity as good stewards, on the local, regional and global level, in a globalised world.

Responding to God's offer and invitation leads us to aim at and strive for the following goals, which are the basis for value judgments of globalisation from a Christian perspective:

*Justice:* since all human beings are equally invited by God, justice as equal treatment and equitable access to resources is the consequence. Equal opportunities have to be given to everyone. This includes present and future generations.

*Solidarity and respect:* since many inequalities exist, solidarity and respect between people, and especially of the stronger with the weaker, is needed in order to implement justice. Inclusive communities are signs of God's kingdom.

*Sustainability:* since God invites all creatures to be the guests and since the globe has its limits, sustainable behaviour is needed in order to allow long-term life in dignity.

*Freedom:* reconciliation through Jesus Christ liberates from sin. This leads to freedom from destruction, oppression and dependency. This new freedom liberates and empowers life-saving behaviour for the whole community. The freedom to decide and to act is the basis for self-responsibility.

*Participation:* equality includes the right to participate in decisions and actions. God entitles everybody to contribute to building his kingdom, which allows inclusion of the manifold capabilities of human beings. Participation also leads to power sharing, which is necessary for its control and the limitation of its abuse.

*Stewardship:* the efficient, effective and careful use of limited resources is an expression of good stewardship and behaviour as a guest on God's Earth. The Earth is given to us a gift, not as a property.

*Accountability:* as stewards we are accountable to God and the community. Trust, control, transparency and, if needed, sanctions are a means for accountability.

It is the interaction between and the balanced relationships of these various concepts which lead to societies in which human beings can flourish.



We also would like to look together at a less human-centred perspective on creation and the human role within it. We are interested in exploring how the concept of *buen vivir* and the integral interrelatedness and intended harmony of the whole of creation might illuminate our reading of Genesis and all of Scripture and might transform our theologies around the role and relationship of human beings with the rest of nature. We commit ourselves to exploring more precisely the implications of viewing the Earth not as a gift for the human but as a gift and inheritance for all life.

### 6.3.3 From the financial crisis to human-centred financial markets

The CEC-CLAI dialogue took place in the period of time marked by the deepest economic and financial crisis for seventy years. The crisis gave a new face to the progressive globalisation we have experienced in different forms for more than two decades. The financial crisis became an economic, political, social, ethical and finally systemic crisis. The economic order itself, the relationship between economy and politics, as well as between economy and society, economy and environment, and economy and individual is being questioned.

It has been argued that almost twenty years of gradually intensifying globalisation has led to positive and negative effects. According to this argument, living standards have improved and well-being has been enhanced for significant parts of the global population. However, these improvements have been very localised. The number of those living in hunger and in despair of poverty has been reduced, mainly in Asia, but remains high. Statistical figures reported increased GDP in some parts of the world, but this did not help to achieve fair distribution of achieved wealth. The gap between wealth and poverty is still increasing and globalisation seems to contribute to this trend. The globalised world is not a significantly safer place now and instead selfishness, greed and consumerism are increasing.

We recognise that GDP is not an adequate measure of well-being and often not relevant when attempting to assess just distribution and improved life options for the majority. GDP often hides gross inequality and systemic injustice. Apart from the inadequacy of GDP as a proof of the success of globalisation, we should also stress that any mention of economic growth needs to seriously and critically view how this growth was obtained. We know that economic growth itself is neither positive nor negative, and how and from what sources the growth was achieved always needs to be examined and taken into account in a profound way. In many cases wealth is created by taking from and exploiting human groups and the rest of creation.

The current global crisis has revealed, along with dramatic economic and financial losses, what caused or contributed directly or indirectly to the crisis: deregulation, loss of efficient control over financial transactions, the existence of tax havens, the rise of virtual money, the virtual economy, speculation detached from the real economy and an unsatisfied desire for virtual wealth. The crisis has also demonstrated the need to rediscover the values and virtues described above under point 6.3.2 as ethical benchmarks.

In our opinion, in seeking the response to the financial crisis of 2008-9, particular concern needs to be given to the following:

- ▶ Instability, volatility and insecurity of the existing financial and economic system and its susceptibility to a sudden change from prosperity to depression. A close interrelationship between insecurity and freedom has once again been revealed.
- ▶ Over-proportional global concentration of financial power. Some finance and economic institutions became “too big to fail”, which is an indicator that the international regulations had not been adequate to the size and internationalisation of the financial markets.
- ▶ Deregulated financial markets became more powerful than some states and societies.

The crisis unmasked the inhumane character of the model, which is susceptible to these failures. A new relationship between state and economic private sector has to be established. The ideal of the primacy of market and trade over people cannot function anymore. There is a deep-seated recognition of the need for change. Technical improvements in the existing model of state supervision over the finance market are not sufficient. What is required is the reform of basic principles of the system in order to improve the service given by the economy to the community and the common good. The financial markets on all levels, from local to global, are very important for the economy and society. But they are not a goal in themselves; they have to be a service for a human-centred economy. The economy should serve people.

This means the need for a profound re-orientation of the financial markets in order:

- ▶ to support job creation and avoid jobless growth;
- ▶ to invest in sustainable solutions and avoid short-term perspectives;
- ▶ to serve the needs of the many and not the greed of a few;
- ▶ to invest in the real economy and limit speculation where it is detached from it;
- ▶ to contribute to financial stability and decrease volatility;
- ▶ to offer transparent, understandable and controllable financial products;
- ▶ to decrease capital flight and support the use of capital where it is needed;
- ▶ to allow wealth creation while supporting equity and solidarity.

### 6.3.4 Markets: meeting places or cheating places

Following the original meaning, ‘markets’ can be considered as the places where people meet, either physically or virtually, in order to exercise their economic and financial activities. They are the centres of economic life and the places where economic globalisation takes form.

We agree that the existence of the market is in itself a potential good. The market, however, needs to function within the proper regulatory framework. A market, in its original meaning, is a place for people to meet, to exchange, to relate with each other, to share. We



may use this space for the good of the community or misuse it. Power relations within the functioning market may be a cause of injustice demonstrated by these relations. Although justice cannot be attained by the market alone, it is an important and necessary condition under which the market operates. Environmental concerns must be given proper consideration in market relations and in products being exchanged on the market. The final purpose is a sustainable market, without the devastating effects of speculation and hidden costs. The pricing of the products needs to take into account their costs in relation to the environment, often wrongly considered as external effects.

Equally, it also has to be recognised that a certain number of values for life cannot be distributed according to the market logic alone: basic food, housing, jobs, education, health care and social goods, such as justice, security, respect, affection, as well as basic social services and common goods, such as water and air, flora and fauna. The reason for this is that these values have to be considered as a right for everyone.

In recent decades, the functioning of markets became more and more deficient because of the lack of appropriate regulations. This has been expressed in the concept of neo-liberalism that is based on the absolutism of the market and the diminished control of the government. This lack of appropriate regulation of the market could be seen not as an irregularity but in fact as an integral component of neoliberalism, which serves the interest of its beneficiaries. Churches of CLAI and CEC fully agree on many of the elements of criticism concerning free market globalisation. Although the wording, as well as the proposed actions, may be different - more radical for those who consider themselves victims of the system - the substantial criticism of the free and unregulated market is shared.

Current globalisation has to be significantly changed. The inherent perversity of its value system is based on inequalities and the law of the strongest and on economic and cultural domination to the detriment of life (including nature), well-being and human dignity, outside the control of the political decision makers (States). Significant economic actors (e.g. TNCs and international banks) have often proved to be corrupt and dominant within a largely unregulated global economy, which in itself is unable to create solidarity and social coherence.

The global economy needs global policies, laws and regulations within a global political framework with sufficient democratic guarantees. The danger that powers administering the prevailing system to their own advantage will try to defend themselves by all means, including corruption and even war, should not be underestimated.

## 6.4. Signals of change

Before the crisis broke out, CLAI and CEC were already active in tackling the negative effects of globalisation on societies. CLAI has associated itself with the social movement against free market globalisation (the World Social Forum) and formulated alternatives to the exclusively free market approach. A number of initiative groups within the European Churches are in solidarity with this approach.

As stated before, in 2008 the current model of globalisation broke down through a financial crisis closely followed by a deep crisis in the overall economy, which unmasked the systemic failure of the neoliberal model. In this period, it is important to create shared solutions in order to determine together what could be the answers of churches at this moment in time. Our dialogue may be one of the elements on the way towards this.

Along with significant negative impacts, the financial and economic crisis contributed in a positive way to several areas. The crisis opened the possibility to strengthen effects that may play a role in avoiding similar negative impacts in the future:

- ▶ Strengthening of multilateralism and openness for joint action;
- ▶ More openness for alternative economic models;
- ▶ New emphasis on personal virtues and integrity;
- ▶ New chance for environmental measures;
- ▶ Chance for new models of relations between politics and economy;
- ▶ Opportunities to resist imperial dominance.

However, after the impacts of the crisis, these possibilities seem to be again disappearing and major actors responsible for the crisis, e.g. banks, financial institutions and financial speculators, give the impression of not having learnt anything. Churches have to express a call of concern towards the governments and ask them to consider appropriate and urgent steps to make the institutions affected aware of their responsibilities.

#### **6.4.1 Stronger interdependence between politics, economy and civil society**

A call for an adequate regulatory framework, especially for financial markets, has become one of the first outcomes of the present economic crisis. Such a framework is seen as a prevention of the recurrence of similar excesses in the future. Churches all over the globe joined those calling for stronger and effective regulation of markets by the political sphere. What does the primacy of politics mean? What criteria need to be fulfilled? Is the primacy of politics a sufficient remedy? In answering these questions, we should avoid simplifications. All too often states have been victims of their own failures: corrupt state bureaucracies, irresponsible spending, public debt trap, greed and selfishness. How can the state fulfil its core task to serve people? The relationship between markets and politics is now, more than ever, an open question.

The history of the 20<sup>th</sup> century in substantial parts of Europe and Latin America demonstrates that the principle of the unqualified primacy of politics gives ground for serious concerns. The primacy of ideological, often authoritarian and sometimes even dictatorial politics pursued without regard to the will of people often leads to tragic consequences. On the other hand, the welfare state has brought enrichment of life and should be seen as a positive force.

Even in democratic politics a number of concerns remain. First of all there is a gap



between politics and society. The hearts and minds of people are presently filled with deep mistrust against political institutions and politicians themselves. There are many instances demonstrating this in different forms.

The link between economics and politics is necessary. This link, however, should not be seen as one-sided. Economics must not prevail over politics. It is equally unacceptable to claim that politics should rule the economy. The relationship between politics and the economy is mutual, dialectical and interactive. Many phenomena that finally helped to develop the current crisis in a direct or indirect way would not have become so widespread, nor would they have materialised at all, if they were not supported by the political push for intensification and unjustified growth of the economy. A substantial part of the political elite sees in economic growth an end in itself, without any regard to its costs, such as dramatically increased public debts and indebtedness of entrepreneurs and consumers.

Economies should be assessed on the basis of their ability to serve the majority of society. All external costs, including the economic activity's environmental footprint, must be taken into consideration.

A responsible policy has to avoid the danger of a populist provision of 'goodies' to the public to push it to take the bait and to vote for those who promise most. Politicians ought to be responsible guardians of the economy. The above 'gifts', in reality purchased by the taxpayer, may lead to a vicious circle of rising illegitimate debts incurred by irresponsible politicians.

What is needed is a different kind of politics. A call for the primacy of politics needs to be, therefore, accompanied by an appeal for participatory politics and for the involvement of citizens. The market is an economic instrument probably most aptly characterised by its fluidity, dynamism and by its ability to renew itself. It is therefore obvious that the market cannot be brought under efficient control by inflexible political structures reflecting persisting social inertia.<sup>31</sup>

Only participatory forms of democracy, aiming at a higher degree of social mobility and standing firm against perpetuating and solidifying structures of political and economic

31 Symptoms of societal inertia characterised by diminished societal mobility can be found in Europe, in Latin America as well as in other parts of the globe. Paradoxes characteristic of Latin American society can be summarised as follows:

- Paradox of the electoral victory of the political left and the power of the political right Democracy has been established as a system, but democracy has not solved the problems of the poor and has not overcome corruption. Even democracy did not give the possibility of a real choice for the left.
- Paradox of development and hunger  
The bigger the hunger, the bigger the gains from the export of food. Latin America has enormous natural resources, which do not serve the population: sugar and corn are produced for foreign markets. A balance between internal demands and offers for export has not been established. The result is the stepping up of social unrest in the streets and polarised civil society.
- Social Paradoxes  
The more the governments support the poor, the less support they receive from the middle class, which is disappearing. Never before did democracy have to live with such high inequalities. Progressive poverty, inequality and exclusion are a danger to democracy.

power, can effectively regulate the market and provide leadership for society.

Primacy of politics needs criteria to be worked out and constantly adhered to. Political decisions based on corruption or providing one-sided benefits to some cannot give politicians broad public authority. Only openness and transparency with inbuilt self-regulatory mechanisms can provide politicians with desired legitimacy. Politics must be seen as a 'service' rather than a 'power struggle'.

'Private enterprise comes before State intervention' or vice versa are wrong alternatives. Both approaches are instruments to be used to achieve general social goals. However, the responsibility of both actors differs. Which of the variants is chosen depends on the goals and the social, ecological or cultural dimensions they are committed to.

### 6.4.2 For a sufficiency economy

It has been agreed that the following have to be included among the significant elements contributing to the crisis: too much trust in the self-regulating power of the 'invisible hand' of the market and the economy, over-expanded debts and human greed. Trust in the economy, giving it almost a religious cloth, is closely linked with the function of debts as an accompanying effect of personal, collective and institutional greed.

Credits and loans are the driving forces of the economy. The Christian perspective is not negative towards debt as such. However, in order to manage debts, historical experience calls for the utmost attention. The notable passages in the Bible include those calling for putting limits on debts and counterbalancing debts with justice and mechanisms releasing their burden. Periodical jubilees as occasions for releasing of debts did not only serve economic aims, they played an equally strong and positive role in healthy, just relationships in society. Luther and Calvin in the era of reformation, which coincided with dramatic changes in the whole of European society characterised by new mobility and by the new status given to trade and economic exchange, very strongly and in an articulated way expressed the need to keep debts under control. Economic globalisation has put these key principles aside. The debts of the 21<sup>st</sup> century have overstepped all acceptable and sustainable limits. Countries, nations, institutions and individuals are losing a sense of adequacy. Debts now exceed all proportions. Not having at hand satisfactory instruments for the management of debts, they became a driving force of the economy, having impacts far beyond the economy.

The ethical dimension of the crisis reminds us that debt, as the category underpinning the economic fabric of society, needs to be seriously reconsidered. Prosperity built on disproportionate and unjust debts cannot be sustainable. The Bible, in the words of the prophet Ezekiel, reminds us that what is required in a healthy society is not only the need to avoid oppression of anyone, but also to restore the debtor's pledge in due time, to commit no robbery, to give bread to the hungry and to cover the naked with a garment (Ezekiel 18:7). Enormous debts created by financial transactions which are the source of the current crisis must not simply be covered by government loans. Up to now, we have heard very little





evidence from responsible decision-makers of a change that would substantially address those structures of the global financial system that have led us into the current crisis. We need – in a common and differentiated way – to shift from cultures and economies of greed and de-limitation, to cultures and economies of sufficiency.

Equally, dramatically increasing governmental debts in a number of countries must be brought under control. The state has to be a respectable actor in dealing with public finance. It is unethical and unacceptable to solve current problems at the expense of future taxpayers. Debt is becoming the critical issue not only for poor and developing countries, but equally for wealthy economies.<sup>32</sup> The question of the sustainability of this way of acting is increasingly on the agenda of the major political decision-makers.

The ethics of sufficiency means recognising limits in all our activities: in the economy, in the use of natural resources, also in our personal lives as well as in the performance of public authorities. We see particular promise in the concept of sufficiency and the Christian ethic of self-restraint. Personal ethics of self-restraint have belonged to the Christian worldview for centuries. It is an inseparable part of the Christian understanding of justice, without which freedom and real prosperity in any society cannot be attained. The assumption that the economy and a reasonable way of life would collapse if it is not supported by ever-increasing demand needs to be called into question and must be re-examined.

These are reasons why many features of our personal and public life need to be increasingly questioned. In Latin America, inspired by the indigenous concept of *Sumak Kawsay*, 'good and right living' in contrast to 'living well', is expanding more and more. The latter model of 'living well' imposes on us a hedonistic life style, each time with greater force, based on values of consumption that do not accept any limits to its ambitions of accumulation and satisfaction.

We need an economy that serves people, based on a means of livelihood for future generations. Global society has to regard improving the situation of its poorest and most vulnerable members as its prime responsibility. We need a financial system that is subordinated to these responsibilities.

Finally, economics and politics are considered as the main driving forces of modern society. Dependent on their own rational schemes of operation, economics and politics frame a society which is functioning beyond rational prescriptions. In an effort to bridge the gap, there are enough voices at hand, even from inside of politics, calling out for values such as solidarity, social cohesion, equality, quality of life, etc. What is missing is to determine how these values could be brought into reality: from paper to the streets, from statements to daily life.

Even more, what is missing is clarity as to how these values can withstand pressure from other values; how sustainable these values are against the background of the dynamically

<sup>32</sup> Public debts in the developed and industrialised world are rocketing. In 2010, according to Eurostat, the public debt as a percentage of GDP reached 83.2% in Germany, 80.2% in Hungary, 81.7% in France, 119% in Italy and even 142.8% in Greece.

changing situation in a globalised world and how these values need to be implemented if they are in conflict with other values, such as the value of competition. The basic question is whether politics and economics are the only driving forces, even if they would be functioning in the best possible harmony, that are able to offer satisfactory answers to the challenges put before us by progressive globalisation. For its proper functioning, the economy needs the counterbalance of democratic politics based on a strong civil society. Such politics need to be open to constant renewal, accepting an ethical frame, which cannot be invented by politics itself.

### 6.4.3 Work and employment

Globalisation has brought increased competition and a drive for efficiency: it rewards particularly those who can produce efficiently and at lower costs. Pressure for ever-increasing productivity and efficiency has consequences: there are winners and losers. Those who remain stuck with old methods and products are destined to lose in the competition. It has always been like that, but globalisation made such competitive drives much more prominent.

The drive for work efficiency has brought many positive effects. Linked with mobility of capital, it has had far-reaching impacts on the situation of employment and the status of work. Globalisation contributed positively to the rapid economic development of many transition economies in Central and Eastern Europe and elsewhere. Countries without enough domestic capital have been able, through economic globalisation, to open doors for a rapid influx of foreign investment, relatively quick consolidation of their economies and, in several cases, a remarkable increase of their GDP.<sup>33</sup>

The drive for efficiency also has a counter effect. Taking as an example the Czech Republic: it is, above all, the Far Eastern competition that has put out of business many traditional makers of textiles and glass, some of them traditional producers for two or more centuries. This is not an isolated case. Fluidity and instability have become significant marks of the current economic situation.

However, a positive role for efficiency is fulfilled only if calculated costs are fair, without omissions in the calculation and without hidden subsidies. External costs need to be fully calculated into the production costs. Otherwise, the positive value of efficiency turns to be the opposite and competition becomes unfair and disruptive. We note that omissions, hidden subsidies, and so-called externalities are integral components of neoliberalism and it could not function without them. Additionally, these omissions are a primary basis for perceived economic growth and for the benefits which neoliberalism promises. In the new situation it is no longer tenable to keep the old concept of Third World countries being objects of exploitation by traditionally rich Western countries only. Globalisation is now not only pushed by traditional economic 'empires' like the United States or the EU, but increasingly by newly-rising giants like China and India, and perhaps by other rising South and East Asian economies like those of the Republic of Korea, Taiwan and Singapore.

<sup>33</sup> GDP per capita has increased between 2000 and 2008 in Estonia, Latvia and Lithuania by 120%, 103% and 95% respectively, in Slovakia, Czech Republic, Poland, Hungary and Slovenia by 57%, 79%, 41%, 50% and 50% respectively.



This has dramatic consequences for the situation of employment. The work force, not being equipped with the same mobility as capital, has had to face shortfalls of work opportunities with consequences for family income, quality of life, and many other aspects of the existence of individuals and communities. Rising unemployment has become a steady accompanying phenomenon of economic globalisation. Even more, employment in the era of economic globalisation is not anymore a guarantee for a decent income. Poverty has become a steady effect of economic globalisation.

The changing character of the status of work is also one of the accompanying effects of globalisation. Work has ceased to be a way of personal fulfilment; instead it is becoming a fight for survival. Human alienation in a globalised society has become a more visible reality than it was at any time beforehand.

In this respect, we also see an increasing discrimination in terms of gender. Women are very often the first victims of unemployment. Our societies should promote a more active participation of women in all the different sectors of life - economic, political, civil, cultural and social - as full and equal participants in decision-making, as leaders and beneficiaries.

A human being in a globalised economy is valued first of all as a consumer. The role of production is more and more given to robotic and mechanised instruments. Alienation, solitude and individualism then receive status as hallmarks. More and more people are afraid of economic redundancy.

An important role in this regard is played by various forms of informal employment. The efforts of functional states need to be directed to minimise these forms of income-generating economic activity. In situations where the state is not in a position to fulfil its basic role as a provider of social security, it is the task of churches and social organisations to step into the process as an actor providing a space for necessary transformation and in looking for new models of economic engagement of these people.

There is a role for churches in community building, even in harsh economic and social circumstances. The aim of achieving social cohesion is not only possible through political instruments. Cooperation of the state and civil society, including churches and religious communities, is a necessary precondition to achieve this aim.

The embeddedness of the economy, an economy which is not only a source of meaningful employment, and the relationship of the economy to the status of work and its impact on the life of individuals, families and communities, need to get much more attention. The economy has to serve everybody; not only those who are the best fitted.

#### **6.4.4 Regional integration**

For Latin America the term 'integration' has connotations linked to the experience of the hegemony of neoliberal policies. Integration of markets under the terms of NAFTA is, in the perception of the majority of the population, based on the dominance of the rules of

the market and commerce. This model of integration based on linking together economically different and unequal partners left serious traces on the quality of life of people in Latin America. As a result of this policy, it seems that the strong became stronger and the weak even weaker. Therefore, Latin America is now looking for new models of integration allowing not just for integration of markets. New ways of integration mean to recognise the market, but not to allow the market alone to be the driving and regulatory force of the integration process.

In this sense, the Latin American Council of Churches (CLAI) has stated repeatedly that the future of their churches, member organisations and associates is directly linked to the destiny of the people and countries of the continent where they are rooted.

Churches play an active role in the integration process. At the beginning of 2009, the President of the Republic of Paraguay requested that CLAI be the chair of an interreligious round table of the four countries of the Southern Common Market (MERCOSUR): Argentina, Brazil, Paraguay and Uruguay. In following that initiative, the dialogue of religious leaders on subjects such as faith and environment, wealth and poverty, religion and state, citizenship and political participation took place between May and July 2009. For the first time, religious leaders sat around a table and engaged in a dialogue on common subjects beyond their own borders, from the specificity of each religious expression (Jews, Muslims, Baha'i, Christians of the different currents and traditions, Umbanda and others). The role of the Church in the integration processes does not have to be limited only to accompanying political and economic engineering but, in addition, it will have to be open to speak with others, from its own specificity, on what these models mean for the different religious groups that coexist within their geographical region.

The European continent has gone through the experience of regional integration over a period of 50 years. Efforts to achieve modern integration were launched after the 2<sup>nd</sup> World War in the Western part, and expanded successfully in the last decade of the 20<sup>th</sup> century to Central and more Eastern parts of the continent.

The integration process in Europe has been supported by churches since its inception. Characteristic signs and core values of the European integration project were mentioned already in 1950: peace, reconciliation, solidarity and justice. Commitment to these values does not make integration in Europe a Christian project. The Christian conviction of the 'founding fathers' of the integration, however, played a strong role in the motivation and shaping of the whole process. In its original intention, the European integration process went beyond reconciling states; it aimed at reconciling the peoples of Europe. This can also be seen in the preamble of the Treaty of Rome (1957) that established the European Economic Community: its first objective was "an ever closer union among the European peoples". This phrase has remained in all new treaties ever since. The human dimension of European integration was made even more explicit in some statements by Jean Monnet, one of the founding fathers of European integration and architect of the Schuman plan. He emphasised in 1952: "We are uniting people".



This is close to the churches' understanding of the process: that the core of the integration process has to be the person, the human being and a better quality of life. Churches have always been convinced that the process of integration of peoples, countries and nations must not be limited to the economic agenda. The integration process has to have strong political, social, cultural, ethical and spiritual components, as well as economic ones. In this sense, every process of integration must guard and take care of the improvement and quality of life of the people; to assure the right and the access to all the goods the culture can offer and to remain open to cooperation with other experiences of integration, based on the principles of cultural inclusiveness between people and right relations among countries. For that reason, we say that the search for unity is based on respect and right relations of coexistence. This is at the core of the ecumenical cooperation in the search for unity for service and giving testimony.

*"The primary motivation behind the Churches' involvement is the theological understanding of engagement within God's creation, with consequences and benefits for the people in Europe and the participation of the European peoples in shaping a united continent. Therefore an aim of the Churches' engagement with European integration is to accompany it with a theologically based ethical and anthropological perspective, which can provide criteria for the evaluation of the European policies aimed at fostering integration,"* as stated in the policy document of the CEC dealing with the integration process.<sup>34</sup>

Dialogue between churches in Europe and European political institutions has become a tradition over the past several decades. The possibility of such a dialogue has also become an opportunity for churches to work closely together in presenting their concerns to the political institutions through a common voice. The possibility for an effective dialogue between the churches and religions and the European Union has been reinforced by the new legislation of the EU that entered into force in December 2009. The Lisbon Treaty in its article 17 calls for an open, transparent and regular dialogue between the EU and the churches and religions, and provides the legal framework for it.

This kind of regional integration progressing in Europe, as well as that just starting in Latin America, is one of the promising answers to the deficiencies of economic globalisation driving global development at the current stage.

Although churches in both continents welcome these integration processes and accompany them in a constructive and critical way, it is agreed however that the values which are valid internally within the regional entities should also be applied by them to the outside world. In this light, some external impacts of the EU have to be addressed, e.g. protectionism, agricultural subsidies, restrictive immigration policies, intellectual property and patenting of biodiversity. Values which apply inside the structure of the EU should not at the same time be violated outside.

<sup>34</sup> 'European integration – A way forward?', Church and Society Commission of the Conference of European Churches, 2009.

### 6.4.5 Globalisation as an opportunity for building relations

In spite of many reasons for concern because of its negative effects, globalisation offers a new way of relationship between people from different parts of the world. Modern communication makes it possible to transmit news and information to different parts of the world and enables sharing of information to an unprecedented extent.

This is closely linked with the favourable setting globalisation offers for the support and strengthening of political freedoms that are unavoidable preconditions for healthy development and for the betterment of society. Freedom of expression, freedom of speech, freedom of communication and sharing are basic and natural human needs. The states that quell them degenerate into police states and the society withers. In the case of some countries, political barriers that hamper these freedoms are however not the only concerns that need to be taken into consideration.

The communications revolution caused by advances in technical means exceeds even the most courageous expectations of the previous generations. This leads to an overflow of information, the result of which is a need for development of a personal protective mechanism against the syndrome of 'too much information'. It would seem that with access to more information people would be better informed. Taking into account the situation, we need to be aware that often real substance is missing from the communications media, given the struggle for the right to freedom of speech and a special interest to set the agenda of the different issues that are at hand. We are witnessing an increasing role of populism in politics and advertising in the economy. Marketing is becoming a universal tool for both economics and politics. A fading ability to make a choice causes information to lose its original value and to become a source of apathy, isolation and human coldness.

What is missing is taking the needs of others seriously; what is missing is a response. Globalisation then makes the suffering of the other at the same time closer to us, but also more distant. What is missing is the ability or interest to build healthier relations in an interdependent world.


There is a growing need for more occasions for personal exchange, solidarity and sharing, which is not based on electronic communication alone - which does not necessarily call for a response - nor on economic categories of profit and loss but, on the contrary, on human interest and human closeness. Churches and social organisations can make people aware of this and be themselves examples in this respect.

## 6.5 Joint commitments stemming from the dialogue

### 6.5.1 Role of the churches

Churches need to be constantly aware that the role of the Church is being responsible to take care of the individual person and his/her community. Churches are present in the places where people are and they should be signs of hope through caring, witness and their own praxis and example. At the same time, the Church has a prophetic role





and should be ready to confront decision-makers and make them aware and awake regarding their roles, responsibilities and objectives. This prophetic voice of the Church needs to be heard clearly, eloquently and timely, but also as articulately as possible on the issues of the day. Churches insist on protection of human rights and promotion of life; they deal with questions pertaining to illegitimate debt and the links between the unjust system and the production of poverty. The dignity of the human being and the fair use of Earth's natural resources also have implications for the system and for concrete political decisions.

In many places in our communities the gap between rich and poor, powerful and powerless, is threatening to widen and increasingly alienate us all over the world. The complexity of the problems and the magnitude of the challenges may place an excessive strain on us and perhaps cause us to give up hope. It is therefore even more important for us to mutually encourage one another in our local congregations, churches and as members of the worldwide ecumenical community of churches and to take practical steps to overcome these divisions, with the help of the Holy Spirit and as a sign of hope for the world.

We need to continue our work on deepening our understanding of socio-political concepts that may have different connotations in different circumstances in our distinct conditions of life. Despite our differences of perspective, we recognise that we have the same call to be witnesses and constitute signs of hope of God's presence in this world. Special attention needs to be given to the significant political and economic transformations which many countries in our respective regions are now going through.

We recognise that we have experienced some challenges because of diversity in culture and language. The reality of coming from different experiences and different cultures can be an obstacle at times, but the possibility of dialogue has helped us to strengthen relations and be more supportive of each other.

In view of the joint experience of the dialogue and shared interest to work on issues concerning the relationship between church and society, as well as church and state, CLAI and CEC should continue to inform each other of their work in these thematic areas in order to learn from each other's experiences.

As regional bodies, CEC and CLAI have a special focus on the regional integration going on in both continents. In the dialogue, we have listened to each other's successes and mistakes, but we will have to work further on the issues which are relevant to regional integration within our respective continents.

The particular attention of churches needs to be given to migration. Immigration to the continent, as well as internal migration within the continent, need to be faced. Churches in both Europe and Latin America play a role in responding to different challenges linked to migration: raising their voice in protection of the dignity of the person, protection of human rights, integration of migrant communities and helping them in their basic needs and many other areas. Following the initiative of the Churches' Commission for Migrants



in Europe<sup>35</sup>, 2010 was declared the Year of Migration for the churches of CEC: a period of time with more intensive attention to this work.<sup>36</sup>

We see the need for dialogue with other religions, with other faith-based groups and organisations. We need to keep the spaces of dialogue open, both to make our understanding of each other more profound, and to be able to meet future challenges.

Because we have noticed the tendency in the market to work in one language, we were cautioned that a dominant language was not desired; so, we were well aware of the need to be open to the challenge of working in and with multilingual experiences.

CEC and CLAI trusting together commit themselves to the following:

### 6.5.2 Climate Justice

#### Churches' responsibility for climate justice

Global climate change represents one of the greatest existential threats for the present and coming generations. It exacerbates poverty and threatens life itself. Global climate change destroys natural resources, undermines opportunities for development and intensifies injustice. People living in poverty worldwide are the main victims, i.e. from the overconsumption of energy by the industrialised countries and the global consumer classes. In addition to this, misdirected climate protection strategies - like the massive use of agro-energy to cover high-energy consumption - threaten the food security and development of many developing countries.

The Earth is the Lord's and everything in it, and all who live in it (Psalm 24:1). *This biblical promise places human beings in a community with all other creatures and obliges people to face the world in a spirit of awe, shape it so as to turn it into an inhabitable place and maintain it as such a place (Genesis 2:15). The biblical statements on people being made in God's image (Genesis 1: 26f) create human dignity and are based on an understanding of people as representatives of God's working in creation. God has entrusted his people with dominion as stewardship - not domination - over creation. The vision of a sustainable civilisation in harmony with the Earth meets this fundamental element of biblical theology. Human dignity and the common good, love of one's neighbour and justice, freedom and solidarity are all coordinates of Christian social ethics for a sustainable civilisation.*

There is an urgent need to devise a production system that would respond to human necessities and which is also in harmony with the Earth as God's creation. In this the limits of the ecosystem need to be respected and combined with equity, including our solidarity with future generations. This urges us to strive for climate justice. CEC and CLAI are committed to intensify their respective activities in this area.

<sup>35</sup> <http://www.ccme.be/>

<sup>36</sup> For further information see: <http://migration2010.eu/index.php?id=579>



CEC and CLAI are dismayed by the failure of a number of governments to acknowledge their historic responsibility for climate change. They have failed to take responsibility for agreeing to a set of consistent goals in order to reduce the emission of greenhouse gases to save the climate and life on Earth. A task of the churches is to alert citizens to the consequences of our actions, including the consequences of our lifestyle, and to work on our own contributions to reduce contamination of the environment.

The Copenhagen Summit on Climate Change in December 2009 failed to make legally binding commitments to reduce Green House Gas (GHG) emissions to keep the temperature rise in check. Copenhagen was a missed opportunity. However, it is imperative to come to a binding global institutional framework. CEC and CLAI commit themselves to build on the mobilisation by churches and civil society over the next few years with prayers and advocacy action to reach a fair, ambitious and binding deal, which in Copenhagen was not achieved. CLAI and CEC will continue to strive for climate justice, to urge the governments of their member churches to contribute to a binding global institutional framework with ambitious and fair commitments by all countries according to joint but differentiated responsibility. CLAI and CEC encourage members of their respective churches to promote alternative lifestyles with the objective that 'the rich live more simply so that the poor can simply live.'

The atmosphere is a global and public good and is at the disposal of all people for sustainable usage. However, the atmosphere has been, and continues to be, misused as a 'dump'. In keeping with the polluter-pays principle (taking responsibility) and their respective capacity, the industrialised countries are the ones required to take over greater burdens for climate protection.

A climate protection convention enshrined in international law, verifiable and enabled to impose sanctions for the period after 2012 must therefore be based on the principle of the common but differentiated responsibility of all states. They should also guarantee a quick alignment of GHG emissions per capita at a sustainable level. It is equally necessary to reach agreements on how to internationally distribute the costs for the reduction of GHG and for adapting to the consequences of climate change.

Developing and newly industrialising countries must be supported financially and technologically to a significant extent so that they can build up a climate-friendly system of energy supply and adjust to the inexorable effects of climate change. Financing the cost of climate change and the required adaptation must not lead to a further indebtedness of the developing countries.

### **Development and climate protection**

The way forward is to work on energy-saving solutions and on renewable energy sources and techniques. Adequate attention needs to be given also to agricultural production. Agriculture is one of the major contributors to GHG production.

Rising meat consumption and energy crops threaten food sovereignty. The sufficient production of basic foodstuffs deserves priority over the production of animal feed and energy crops. Ongoing climate change and increasing global meat consumption – coupled with the rising demand for agro-fuel – are already contributing to a worsening of food security in developing countries. States need to review and modify their policies on this issue, in order to guarantee the implementation of the human right to food. The production and use of agro-energy must therefore meet certain criteria:

- ▶ Human food security takes priority over the production of animal feed and energy crops.
- ▶ The production of agro-energy must be socially and ecologically sustainable.
- ▶ Establishing regional value chains should take priority over trading with agro-fuels. Agro-energy should be produced to meet regional demand and should not increase the dependence of producers on the world market.
- ▶ Genetically modified plants must be excluded from the cultivation of energy crops.
- ▶ Grain must not be used as a source of agro-energy.
- ▶ The production and trade in biomass should only be allowed under strict rules with independent inspections (bio-energy certification). The certification criteria must be comprehensible and verifiable at all times and support socially and environmentally sustainable development in the producing countries.

### Climate justice begins with us!

The transition from a 'fossil age' of seemingly limitless growth to a low-carbon, environmentally and socially sustainable global economy forces us into a critical debate with the values that have hitherto formed our lifestyle, our economy, politics and society. However, values are never abstract; they are supposed to be lived – and demonstrated. Our churches will be able to engage in this value debate credibly, also as an example of our ecumenical commitment to belonging to the one worldwide body of Christ, if we set our own house in order and face up to the challenge of justice and environmental protection in a totally practical way. Also within the church there is a joint but differentiated responsibility in different contexts.

We encouraged member churches of CLAI and CEC to discover their respective fields of practical action by naming some examples from churches in Latin America and Europe. These do not provide a complete list of churches' activities in taking care of creation. They offer a foretaste of what has been done and an inspiration for further strengthening of this work.

Cooperation, exchange of experience and mutual support between the churches from both continents, particularly on the protection of the environment, may be strongly beneficial and needs to be encouraged.



### *Examples of the environmental work of churches*

#### *Latin America:*

- Coordinated efforts between the 'mesas nacionales del CLAI' of Peru, Bolivia and Chile with the '21 Mission' under the motto: "Water of life for Earth as God's justice", based on the text of Amos 5:24, "Justice will flow like rivers of living water." In the next three years the initiative will continue with providing a space for reflections on climatic change and especially on water and land resources.
- In Bolivia, the CLAI member churches jointly launched the project under the title: "Unifying hands for life" (Uniendo manos por la Vida). Under the leadership of the Independent Presbyterian Church, the churches are working together on a study focusing on the impact of the residual water from mining in the department of Oruro.
- The Methodist Church in Bolivia, under the leadership of Methodist women, launched the campaign 'not to use plastic bags'. The campaign helps to raise people's awareness on environmental care, especially among church members.
- Within the Lutheran Church in Bolivia, the programme for 'care of water, no waste' is under way. The programme focuses on organising workshops and encounters at local and national levels.
- In Chile, the CLAI member churches intensively participate in governmental programmes focusing on care for the environment.
- The 'Water Encounter' in Lima (Peru), was organised with the active involvement of the Pentecostal Church. Working on protection of the environment, CLAI member churches are coordinating efforts with the local government authorities.

#### *Europe:*

European Christian Environmental Network (ECEN) is a network assisting the churches in Europe to address care for creation in a mutually supportive way throughout the continent. The following examples offer a glimpse of many initiatives in protection of the environment that churches in Europe are involved in. Other examples can be found on the web site of the respective churches, or on the web site [www.ecen.org](http://www.ecen.org).

- Germany  
 'Green Rooster': EMAS certification programme for congregations and church institutions according to international environmental standards. In order to utilise this potential and to practise climate protection, more than 400 parishes and church facilities throughout Germany have introduced the *Green Rooster Programme*. The system is based on the European Union's eco-audit regulation EMAS II/DIN ISO 14000. With the help of this system, parishes and church facilities carry out environmental and climate protection in continual, verifiable steps, systematically lowering their energy consumption and involving many people in the process. ([www.kirchliches-umweltmanagement.de](http://www.kirchliches-umweltmanagement.de))

*'Buying the Future'*: Since January 2008 the buying behaviour of the churches in Germany has been the focus of the project *Zukunft einkaufen* (Buying the Future). The ecumenical project of the Protestant Church in Germany (EKD), together with the Roman Catholic Church, is designed to prove that 'buying' climate protection is not only possible but also very effective in the light of the huge volume of goods purchased by the churches on all levels. They range from fair-trade coffee to recycled paper and even subscribing to green electricity is not the end of it. The transition from a 'fossil' age of (apparently) limitless growth to a low-carbon, environmentally and socially sustainable global economy forces us into a critical debate with the values that have hitherto formed our lifestyle, our economy, politics and society. However, values are never abstract; they are supposed to be lived – and demonstrated. ([www.zukunft-einkaufen.de](http://www.zukunft-einkaufen.de))

For this reason, the EKD-member churches aim to further develop church environmental management systems from projects into principles and introduce them throughout the entire church so that parishes and church facilities can experiment with sustainable and climate-friendly consumption. This also includes the introduction of binding Carbon Reduction plans for the churches. As the first EKD-member church, the Evangelical Church in Westphalia has started a binding programme to reduce its overall CO<sub>2</sub>-emission by 40% by 2020.

#### ■ Czech Republic

##### **Churches for the Future: 50 Solar Roofs**

Demonstrating the possibilities for solar energy utilisation in parishes, centres and colleges of various churches in the Czech Republic, the Centre for Application of Renewable Energy of the Orthodox Academy in Vilemov launched this new ecumenical and environmental project in 2004. The project aims to demonstrate the possibilities for solar energy utilisation in parishes and diaconal and educational institutions of various churches in the Czech Republic. The project enjoys the particular interest of the Czech Brethren Church, Hussite Church, Silesian Lutheran Church and the Orthodox Church in the Czech Republic. An important partner is the International Baptist Seminary in Prague. Czech parishes and church institutions have already submitted more than 30 applications and the Environmental Team of the Orthodox Academy has helped them with the preparation and specifications of their individual projects, energy audits and the completion of their applications according to the standards of the Czech Environmental Fund. The programme also includes the provision of seminars and lectures about solar energy for churches and the preparation of a book containing information about the possibilities for environmental work in the church and information about the project.

#### ■ Eco-Congregations Ireland

##### *An ecumenical environmental programme for churches*

Eco-Congregation Ireland is part of the wider Eco-Congregation Programme, which encourages churches to become more environmentally friendly by providing



resources and an award scheme. It is run as a partnership between the Church of Ireland, Methodist Church, Presbyterian Church in Ireland, and Roman Catholic Church. Churches are planting wildlife gardens, keeping bees, collecting aluminium cans for recycling, promoting ideas for a 'green Christmas', and much more. [www.ecocongregationireland.org](http://www.ecocongregationireland.org)

■ **Belgium: inter-religious and philosophical approach to ecology and climate change**

*Inter-religious and philosophical appeal to the UN Climate Summit in Copenhagen*  
All Christian churches (Anglican, Roman Catholic, Orthodox, Protestant) and other religious and philosophical communities (Muslims, Buddhist, Humanist) issued a common call in view of the UN Climate Summit of December 2009 in Copenhagen under the title "Wake up! Global Warming must stop. It can!"

*Cooperation between Protestant and Roman Catholic partners*

The Belgian Catholic Justice and Peace Network works closely together with the United Protestant Church of Belgium on globalisation and ecology. It has published a book 'Care for the creation – an inspiration book for eco-spirituality', gives practical support to Christians to reduce their ecological footprint and makes available to churches who ask for it a professional 'energy master' to help them make an 'energy scan', which forms the basis for making church buildings energy friendly and to become real 'eco-churches'.

### 6.5.3 Ecological Debt

In connection with climate change, the concept of ecological debt was the topic of a WCC-statement adopted by the Central Committee in September 2009. CEC and CLAI have studied this document carefully. Together we underline the importance of this concept as an expression of the deep moral obligation to promote ecological justice in full awareness of the historic responsibility of the industrialised countries for the gradual destruction of this planet. Ecological debts are owed to Mother Earth and forthcoming generations whose very futures are endangered by dominant production and consumption patterns that fail to respect the regenerative limits of our planet.

To speak of ecological debt is to demand environmental, social and economic justice. It is also a way to understand why there is wealth and poverty. It is to identify the people in charge of social and cultural deterioration and environmental global goods. It is to fight against impunity. It aims at stopping the destruction of the life of the peoples affected and their cultures. In this context, in the WCC Process on Wealth, Poverty, Ecology there are attempts to explore how a people's court for ecological debts could give voice to the victims of ecological debts and hold accountable those responsible. CEC and CLAI encourage their member churches to support and participate actively in this WCC Process, together with movements and organisations, in the preparation and follow-up.

For the churches and their spiritual understanding of the interrelatedness of God's sustaining justice, and justice and sustainability within and among peoples, the concept of eco-justice and ecological debt opens a space for committed spiritual reflection and action. It offers ample opportunities to address the personal dimension as well and to focus on the issue of a necessary paradigm shift in lifestyle. CLAI and CEC encourage their member churches to deepen the theological and spiritual reflection and joint action within the Latin American and European member churches, as well as in joint partnership relations and future cooperation.

To make the concept applicable in the international political arena, it is vital to identify and develop precise criteria for ecological debts. This includes differentiation between different ecological 'creditors' and 'debtors' worldwide, not only between the North and the South, but also within countries of the North and the South, including emerging economies.

The concept of ecological debt is an important approach to expand climate justice beyond the dimension of the impacts of carbon emission. In its focus on debt, it is compatible with the concept of the ecological footprint, defined as a measure of human demand on the Earth's ecosystem, comparing human over-consumption with planet Earth's ecological capacity to regenerate. In this context the Green House Development Rights (GDR) scheme could be of help. The approach is geared toward climatic policy, but can be adapted to all environmental burdens that cross national borders. It puts the principle into action that all states have common but differentiated responsibilities (UN Framework Convention on Climate Change, Art. 3.1) in accordance with clearly defined universal criteria. A concept of resource justice involving both a right to development and an obligation of sustainability, as exemplified in the GDR approach, is politically feasible. CEC and CLAI commit themselves and ask their member churches to support the process of developing a strategy to further develop the concept of ecological debt to make it compatible with concepts applicable in the political arena in the context of the United Nations.

#### *Example of ecological debt in the context of Central and Eastern Europe*

Prior to 1989, the countries of Central and Eastern Europe were occupied for decades by the Soviet Army. Environmental damage caused by a reckless and disdainful attitude towards nature was not limited to the location of their garrisons. The environment, and in this case especially the soil, was damaged by the dumping of oil products in such a way that has required special cleaning operations by expert teams taking a significant amount of time. The costs of the removal of this environmental damage cannot be repaid by the perpetrators because either they no longer exist or they refuse to even consider such a possibility. Some of the costs of removal have been borne by the European Union. However, most of this damage will continue to persist for a generation or more.





### 6.5.4 Illegitimate Debts

External debt is one of the root causes preventing a just and sustainable development of indebted countries especially in the developing world. CEC and CLAI and their member churches have committed themselves to external debt relief and to the cancellation of illegitimate debts for many years. In 2005, CLAI hosted an international conference on illegitimate debts in Buenos Aires to further develop the debate within the churches, as well as in the international political arena including the field of international law. In the meantime, CEC member churches in Norway and Germany have taken this issue forward by challenging their governments on concrete cases of illegitimate debts on the basis of the odious debt doctrine. In the case of Norway, the government in the meantime has written off part of the debts they had claimed from Ecuador, Peru and Jamaica. CEC and CLAI see the fight against illegitimate debt as part of the struggle for the further development of an international independent court for just and transparent arbitration on external debt.

According to the classical doctrine of odious debts, demands for repayment on debts incurred by a non-democratic government, without the consent of and contrary to the interests of the people, are ineffective if the lender was aware of these defects. Precedents from state practice and the work of the International Law Commission during the codification of the Law of State Succession imply general recognition of this principle of non-assumption of odious debts in the event of a state succession. These legal consequences also arise out of a simple change of government or other cases of government succession. The non-assumption of specific illegitimate debts is based not so much on the intensity of the change in the person of the debtor, but rather the knowledge on the part of the lender of the illegitimacy of the debts resulting from the character of the regime and the use of the resources. The Tinoco precedent, the central international law decision on the odious debts doctrine, displays very clearly that the doctrine is based on general legal principles. This includes not only the principle of good faith, the prohibition on abuse of rights, the 'clean hands' doctrine, the fundamental principle of public order and the bans on deceit, fraud, coercion and corruption, but also fundamental elements that make repayment entitlements for illegitimate debts, in the sense of the odious debts doctrine, more difficult or impossible.

Furthermore, the notion of 'odious debts' may be extended to debts incurred for a purpose contrary to the core values of public international law. Debts incurred for purposes contrary to the basic values of the public international legal system or which contradict the interests of the people to a degree that constitutes a violation of the general principle of good faith must be qualified as dubious. If a lender knew or ought to have known about the character of the contract or treaty partner at the time of contracting the debts, then it is plausible for that party to lose its entitlement to repayment of the original debt based on general principles of law.

CEC and CLAI commit themselves to continue to fight for the overcoming of illegitimate debts and encourage their member churches to identify cases in order to bring this process forward to make a difference for the victims as well as for the development of a just international law system ensuring future rights of the peoples.

### *Example of illegitimate debt cancellation*

Approximately NOK 2.9 billion of the debt owed by developing countries to Norway (including accrued interest) was related to the Norwegian Ship Export Campaign (1976-80), under which Norway exported 156 vessels and ship's equipment totalling NOK 3.7 billion to 21 countries.

The campaign was financed through the Norwegian Guarantee Institute for Export Credits (GIEK) of the general guarantee scheme and its old special scheme for developing countries. A great many of these projects proved to be economically unsustainable, so that government guarantees were triggered and the Norwegian government became the creditor.

In 1988-89, the government conducted an evaluation of the Ship Export Campaign, in which the campaign was criticised for inadequate needs analyses and risk assessments. The main conclusion was that this kind of campaign should not be repeated.

A little more than NOK 1.1 billion of this debt had been cancelled previously, primarily in connection with Norway's follow-up to the debt relief initiative for the poorest countries.

It was then generally agreed that the Ship Export Campaign was a development policy failure. As creditor, Norway shares part of the responsibility for the resulting debts. By cancelling these claims, Norway agrees that Ecuador, Egypt, Jamaica, Peru and Sierra Leone no longer are obligated to service the remainder of these debts.

See: [www.regjeringen.no/en/dep/ud/Documents/Reports-programmes-of-action-and-plans/Reports/2006/Cancellation-of-debts-incurred-as-a-result-of-the-Norwegian-Ship-Export-Campaign-1976-80.html?id=420457](http://www.regjeringen.no/en/dep/ud/Documents/Reports-programmes-of-action-and-plans/Reports/2006/Cancellation-of-debts-incurred-as-a-result-of-the-Norwegian-Ship-Export-Campaign-1976-80.html?id=420457)

## **6.5.5 Hunger and food crisis**

### **Disturbing trends**

According to the Food and Agriculture Organisation (FAO), poverty and hunger affects more than 1 billion persons on the globe. The FAO figures show that hunger has been on the rise ever since the late 1990s. Children, youth, women and indigenous peoples, small farmers and fisher folk, small scale producers and people with disabilities are the most affected. Due to rapidly rising food prices in 2008, the number of hungry people increased dramatically by hundreds of millions of people. Since 2007, the FAO food price index went up by 53%. Prices of staple foods have risen even more. The price of wheat, for example, increased by 140% while corn prices went up by 40%. The food crisis affected 37 countries. Poor people who live on less than US\$2 a day, and who have to spend 80% of their income on food, were the hardest hit. In many of the affected countries, poor people took to the streets in food

revolts. Often they were joined by people from the middle class who also saw their purchasing power decrease as a result of the increasing food prices.

Hunger is primarily the result of poverty and injustice and not the result of insufficient food production. This is visible in the countryside of poor and developing countries, in the 'comedores' in Latin America and in the long rows in front of the soup kitchens in some of the Northern countries.

Soaring international food prices have only in part been caused by the poor harvest in Australia (due to droughts, possibly as a result of climate change), the increasing demand for animal food in Asia, or the price hike in fossil-based petrol. Other important causes were agricultural commodity speculation and unfair competition on global agricultural markets.

The economic reform conditionalities attached to the aid packages of donors and to loans of international financial institutions have driven developing countries to privatise state marketing boards and agricultural services, open up their agricultural markets and single-mindedly invest in export-oriented agriculture. This often leads to mono-cropping which reduces agricultural biodiversity, deteriorates the quality of the soil and is, therefore, basically unsustainable from an ecological point of view. In addition, local farmers, in some notorious instances, have been driven out of their jobs by food imports that were dumped on their markets by exporters from rich industrialised parts of the world.

Many governments of developing countries affected by the food crisis have cut import tariffs on staple foods instead of increasing support for local farmers and passing price incentives on to them. While these actions are intended to benefit urban consumers, they are short-sighted as they decrease the food security and the food sovereignty of their own countries and regions.

The above-mentioned trends have been exacerbated by the production of agro-fuels, which in many cases replaces the production of food for local markets and the land used to produce it, encourages deforestation, is not produced in an environmentally-friendly way and which, in certain cases, puts more strain on the environment than other energy sources. The increase in oil prices has made farming practices which rely on energy-intensive inputs more expensive and the use of biomass more profitable than the production of food. In addition, focusing on agro fuels is a highly inefficient way to reduce GHG emissions in the transport sector.

Yet another cause for concern is the leasing of large portions of land by certain countries for agricultural production by foreign countries and/or their corporations ('land grabbing'). Although such practices may enhance the food security of foreign countries, they may have devastating effects on food production for local markets. In addition, tenants, smallholders, pastoralists and indigenous peoples are forced off their lands and are driven from their homes, thereby seriously threatening their very livelihoods.

Current often wasteful production and consumption patterns in industrialised countries are not sustainable. Merely increasing yields or land use efficiency will not make production more sustainable; the consumption patterns and lifestyles of the rich need to change as well. Hunger in the South cannot be reduced without addressing abundance in affluent countries.

Meat consumption in particular is responsible for the use of a large proportion of the world's arable land for animal feed instead of food for human consumption. The production of food calories from animal sources uses a much greater share of land and water than the production of food calories from plant sources. Bovine meat, moreover, is adding considerably to the emission of GHG.

### The need to rethink global food policies

The current food crisis has been used by different stakeholders to advance their respective interests. Those who believe that the laws of supply and demand will deliver development argue that only by liberalising markets will food supplies increase and become more affordable. Others maintain that food is not just any commodity that can be bought and sold on 'free markets' because people's lives depend on it. They argue that world markets cannot be relied upon if one wants to combat hunger and achieve food security.

According to CLAI and CEC, there is an urgent need for a rigorous political, economic and normative rethink of the very logic of food policies that has led to the food crisis and to the persistent phenomenon of hunger that we have witnessed over the past decades. Such an exercise should include the following considerations:

- ▶ Food security objectives should have absolute precedence over energy security objectives. The production of agro-fuel maintains the prevailing capitalist system, emphasising financial gain instead of human needs. By the same token, the production of agro-fuel should give primacy to considerations of food security and ecological sustainability.
- ▶ Providers of food aid should aim at buying food on local and regional markets rather than using their domestic surpluses.
- ▶ Intellectual property rights of age-old agricultural products should be secured and should not fall prey to big agricultural companies.
- ▶ Governments should follow the FAO and recognise 'the right to food'. This principle should also be included as one of the foundations of the World Trade Organisation (as a counterweight to the prevailing trade liberalisation ideology).
- ▶ Government policies should respect the land rights of indigenous peoples as well as the interest of the small farmers who have tilled their lands for generations but have insecure legal land titles.
- ▶ The main food producers in the world are women. Agricultural research should draw on the expertise built up over the centuries by local farmers, many of whom are women. Their understanding of how to manage biodiversity in their existing social and environmental context is key to sustainable farming methods.



CEC and CLAI call on the governments of Latin America to devise and implement policies which give priority to the food security of poor people in urban and rural areas. We call on countries of the European Union to re-assess the Common Agricultural Policy in the light of its social and environmental effects and to refrain from policies which threaten the food security and livelihoods of poor people in the South. Nothing less than a radical rethink of the current politico-economic and agricultural paradigms is necessary if the world is to achieve the first Millennium Development Goal, i.e. to reduce the number of people suffering from hunger by 400 million by 2020.

### 6.5.6 Water as a global challenge and a human right

*Water is a prerequisite for all life.* Without water there is no life. To have or not to have access to water is a matter of life and death. Water is a gift which God provides for everyone for life in its fullness and for responsible use. Therefore water in principle is a common good, which cannot be privatised.

*Water has a spiritual meaning.* Water is not only an asset but it has a social, cultural, medical, religious and mystical meaning. Already in the creation story the Bible says: "... the Spirit of God was hovering over the waters" (Genesis 1:2). Through Moses, God provided his people with water during their pilgrimage through the desert. For us Christians the symbolic power of water as a source of life is deeply connected with baptism: "*Whoever believes and is baptised will be saved*" (Mark 16:16).

CEC and CLAI are members of the Ecumenical Water Network (EWN), the network of churches and Christian organisations promoting people's access to water around the world. Together we commit ourselves to ensure a common Christian witness is heard in the debate on water issues, to protect water as a gift of God, to promote community-based initiatives and solutions to overcome the water crisis and to advocate for water as a human right at the local, regional and international levels.

CLAI and CEC with its member churches and specialised organisations are committed together to defend the right to water as was demonstrated recently at a conference on Latin America under the theme 'Water for Life and Creation' in Lima, Peru, 23-25 November 2009, organised by EWN and CLAI.

In the 21<sup>st</sup> century the availability of drinking water and water for other purposes will become one of the central challenges of development and human rights. The damage of ecosystems which are essential for sustainable water supply, high water consumption per capita through unsustainable lifestyles, the growing total population, inadequate water management, the destruction of forests, water pollution, waste of water, growing consumption of water for industrial purposes and especially for water-intensive farming are major factors of the water crisis. Today more than 70% of available water is being consumed by (often ineffective) irrigated agriculture. Climate change will deepen the water crisis dramatically. Water on a global scale will become a scarce good. Its future distribution on the national as well as international level will lead increasingly to conflicts.

Today 1.1 billion people are living without equitable access to safe drinking water and 2.6 billion people are excluded from basic sanitation. Every day, more than 6.000 people die from the consequences of a lack of drinking water and sanitation. If drastic progress is not made, it is unlikely that the Millennium Development Goal to reduce the number of people without access to drinking water and sanitation by half by 2015 will be achieved. According to UN statistics, by 2050 more than 50% of the then 9 billion people on Earth will live in cities. Especially with regard to the fast-growing megacities, it will require enormous efforts to provide the necessary infrastructure for drinking water and sanitation.

The scarcity of water, however, is not the heart of the global water crisis. It is rooted in power, poverty and inequality rather than in physical availability. The fast-growing demand for commercial water use (for energy, irrigation, industry) competing with the access to water for domestic use makes it essential to differentiate clearly between the human right to water and water user rights.

The United Nations Human Development Report 2006 points out that, in order to address the current scarcity of water for so many people, water security has to be developed as an integral part of overall human security:

*"In broad terms water security is about ensuring that every person has reliable access to enough safe water at an affordable price to lead a healthy, dignified and productive life, while maintaining the ecological systems that provide water and also depend on water"* (UNDP 2006:3).

CLAI and CEC fully support the fundamental human rights approach of the UNDP Report:

*"Human rights are not an optional extra. Nor are they voluntary legal provisions to be embraced or abandoned on the whim of individual governments. They are binding obliga-*

### ***Ecumenical Declaration on water as a human right and a public good***

In 2005 the National Council of Christian Churches of Brazil (CONIC), the National Conference of Bishops of Brazil (CNBB), the Swiss Conference of Bishops (CES) and the Federation of Swiss Protestant Churches (SEK-FEPS) jointly adopted the 'Ecumenical Declaration on water as a human right and a public good'.

The text expresses the joint concerns of churches from Europe and Latin America and underlines that water is a basic precondition for all life. Water is at the same time a human right as well as a force of faith. Water is not only an economic commodity, but it also has a social, cultural, medical, religious and mystical value.

Water is becoming scarce for many human beings. Therefore the Declaration demands that:

- the human right to water be recognised at the local and international level in the same way as the right to adequate food. This right must be respected by all sectors of society;



- water must be treated as a public good;
- in terms of water consumption legal priorities need to be laid down;
- the right to water should be regulated through an international convention on water to be adopted by the UN.

The Declaration is at the same time a commitment for further work. Signatories commit themselves:

- to convince our churches, congregations, institutions, ecumenical groupings and partner organisations to support this declaration and to pray for its aims;
- together with the movements and NGOs in Brazil and Switzerland interested in these issues, to motivate public opinion, political forces and the population of our countries to work in favour of the terms set out in this declaration and to oppose privatisation;
- to lobby the governments of our countries to guarantee, through appropriate laws, the human right to water and to declare water as a public good and to work for the drawing up of an international convention on water to be adopted by the UN.

*tions that reflect basic values and entail responsibilities on the part of governments. Yet the human right to water is violated with impunity on a widespread and systematic basis – and it is the human rights of the poor that are subject to the gravest abuse” (UNDP 2006:4).*

The implementation of the human right to water requires that policy choices are discussed by using human rights norms and standards in relation to the local situation in order to overcome discrimination in access, to monitor progress as well as steps backward and to lead to policy learning at all levels of governance.

### *Example of a successful implementation of the human rights’ approach in water policy*

#### **Uruguay**

In October 2004, a plebiscite on water policy took place in Uruguay. After two years of intense sensitisation and campaigning work of a broad civil society alliance formed by a diversity of environmental and social groups, trade unions, academic and religious groups, a proposal for a constitutional reform concerning water was submitted to the general popular vote. With the support of 64.7% of all registered voters, Article 47 of the Uruguayan constitution was modified in the sense of introducing explicitly the concept of the human right to water. Beside the general affirmation that access to water and to sanitation is a human right, it is stated that water must be managed in a sustainable and solidary way in consideration of future generations and the hydrological cycle, that



user and civil society participation must be guaranteed at all levels of planning, management and control of water resources, that water management should be organised along regions and watershed areas, prioritising human needs, that water supply management systems must be ruled by social welfare principles in the first place before economic ones. The constitutional reform confirms also that water has to be managed in a public trust and explicitly excludes the privatisation of water supply services.

The new Uruguayan constitutional paragraphs, by inferring more concrete and unequivocal policy principles for public water policy from the right to water in the interpretation of General Comment No.15, manifest the potential of the rights' approach as a policy guiding tool and thus contribute considerably to the international discussion on rights-based legal frameworks.

The human right to water puts a focus of governments on the poor and vulnerable of society. Without measures against injustice in access to water and sanitation, there is a high risk that the interpretation of water user rights will exclude particularly vulnerable groups such as women and small farmers. This is why, in line with the Human Development Report, CEC and CLAI highlight the responsibilities of governments to act properly, including the fact that access to water and sanitation will hardly be achieved through a private measures scheme. The key is for countries to have public policies in place that help to convert the economic income increases of the country into human development results. CEC and CLAI ask their member churches to actively engage in the EWN advocacy work for the right to water and to support its work by making their engagement an integral part of their witness in church and society.

See: Achkar, Marcel (2006): Una Expresión de Democracia Directa: La Comisión Nacional en Defensa del Agua y la Vida (CNDAV) y la Lucha por el Agua en Uruguay (Stuttgart/ Germany: Bread for the World [www.menschen-recht-wasser.de](http://www.menschen-recht-wasser.de))



## 6.6 Conclusion

The experience gained in the dialogue and the trust developed give reason to hope for a continuation. Questions raised already at this stage are: Can we define together joint programmes empowering civil society, to think anew the role of the Church in a prophetic and contextual way? Can we create a strategic alliance between CEC and CLAI? These are challenges for the next stage of the joint process.

Witnessing to our Christian faith requires us to offer spiritual and practical resistance to economic injustice and ecological destruction and to do everything we can to promote an economy in the service of life, both globally and in our own respective countries, in Latin America as well as in Europe. To this end, our spirituality needs to be deepened and our lives transformed, as promised by Jesus Christ.

In order to be able to do so, we have a special source of power, a prayer that spans the entire world: the Lord's Prayer. The Lord's Prayer is the common prayer expressing the special identity of the worldwide community of Jesus Christ as a new human community.

In this context, the fourth and fifth requests are particularly important and can guide us in our joint commitment and engagement:

*"Give us this day our daily bread.*

*And forgive us our sins, as we forgive those who sin against us" (Matthew 6:11–12).*

*"Give us this day our daily bread."*

The request is an expression of the fact that the resources we obtain for our daily lives are a gift from God. He gives us what we need and we are accountable to him for the way we handle these resources. God ensures the survival of all of humanity. Thus, the expression "our bread" reminds us not only of the obligation of all Christians to share all resources and make sure that economic justice prevails. It also signals our responsibility to fight injustice wherever it occurs. 'Our bread' is 'bread for the world'. It must not be accumulated and amassed in the hands of a few at the expense of others.

For Christians in the 21<sup>st</sup> century, the fourth request is a constant reminder of their responsibility to contribute to sustainable economic justice for all people. Christians all over the world should do so according to their wealth and the talents with which they have been endowed – individually and as communities – both in their own society and in international economic relationships.

Since the early days of the church, Christians have related the fourth request for their daily bread with the celebration of Holy Communion. Jesus chooses bread, the most common food of his time, on which the survival of humanity depends, and wine, the symbol of fullness of life and celebration, as the sign of his presence as the risen Lord among his people. He does not only want to physically preserve the community of his followers but also to give a sense of direction to their lives. Time and again, he supplies them with God's forgiveness and gives them the power to facilitate fundamental change in human rela-

tionships. In sharing bread and wine, we participate in the fullness of life, for which Jesus Christ gave his life. At the same time, he engages us in his service of life.

This also irrevocably obliges CEC and CLAI, together with their member churches, to commit themselves to resolutely work towards a just and fair international economic order in which no one has to starve and all can live a life in dignity and fullness.

*"And forgive us our sins."*

The fifth request convinces us of the fact that Christians who have experienced God's forgiveness in its deepest form have powerful resources enabling them to contribute to peace and justice in human relationships. In order for the churches to make a useful contribution to globalisation with a human face, we have to confess our guilt and trust in God's forgiveness, made real in Holy Communion. At the same time, the fifth request reminds us how closely the forgiveness of sins is related to debt release: *"Forgive us our debts as we forgive our debtors"* is also a possible translation of the fifth request. In the Bible there is a strong stream giving witness to God's liberating power. God is setting people free from their bondage and enslavement. The year of Jubilee is but one of the many biblical traditions giving witness to the fact that God's forgiving and liberating power aims at the renewal of human relations among each other as well as in relation to the rest of nature.

The request, *"Give us this day our daily bread. And forgive us our sins, as we forgive those who sin against us,"* guides CEC and CLAI in their joint commitment, stemming from their dialogue, to face the challenges of (1) Climate Justice, (2) Ecological Debt, (3) Illegitimate Debts, (4) the Hunger and Food Crisis and (5) the Human Right to Water.

As we share in the bread and wine in the presence of the risen Christ, we partake of God's transforming power and hence we are taken into the divine service of life.

God wants everybody to have life in its fullness. This nurtures our hope. Trusting in this promise, the Lord's Prayer ends:

*"For the kingdom, the power, and the glory are yours, forever and ever. Amen."*



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# Part 3:

## Outcomes of the Consultation





## 1.1 Budapest Call for Climate Justice Addressing Poverty, Wealth and Ecology

We, delegates of churches from 32 European countries and participants from churches from all over the world met in Budapest from 8-12 November 2010 for the Consultation on "Poverty, Wealth and Ecology in Europe". The consultation was part of a broad ecumenical process initiated by the General Assembly of the World Council of Churches in Porto Alegre in 2006.

In visiting local communities, we have been faced with the impacts of the economic crisis in Hungary. We have learned about the exclusion of Roma and the difficulties of migrants. We have discussed widespread poverty on the rich continent of Europe, worsened by the present financial collapse. We are concerned by the growing injustice, social polarisation and sharpening of regional disparities in Europe. We note the broad social and economic gap between old and new Member States of the European Union. We recognise that great sections of Eastern Europe and many in the Western parts in the present situation are confronted with the suffering of people living under abject poverty and that this is, therefore, a priority of the churches concerned. We acknowledge that we are part of societies which are obsessed by the ideology of growth and consumerism. We demand that people should be in the centre of economic policies.

We have criticised the primacy of economy over people and creation as a whole. We recognise the relational character of life in the "community of creation" and the special God-given responsibility of human beings in this community. We recognise the fundamental interdependence between human societies and the rest of creation, and their ultimate dependence on God the Creator, the Redeemer and the Sustainer. Therefore, we as the people of God are called to participate in the work of God in this world, extending God's love and care to all human and non-human members of the "community of creation".

We recognise that unsustainable methods of wealth creation and the adherence to unlimited growth impoverish communities and harm creation as a whole. We have learned how challenges of injustice and climate change are interlinked. We have stressed that social and climate justice belong together.

In the light of these insights, which we identify as signs of a profound spiritual crisis, we, the delegates of European churches have released the Budapest Call for Climate Justice – addressing Poverty, Wealth and Ecology.

*"And what does the Lord require of you?  
To act justly and to love mercy  
and to walk humbly with your God".  
(Micah 6:8)*





## Call for Climate Justice

### The Great Challenge calls for the Great Transition

The world is confronted with urgent challenges. The global impacts of climate change constitute the greatest threat to the future of our planet. The concurrence of climate change, limitation of fossil fuels, climate change induced migration, food crisis, water crisis, energy crisis, biodiversity crisis and the 2008-2009 financial and economic crisis, deepening the debt crisis affecting individuals and states, might be an indicator that the whole system of production, consumption, profit maximisation, poverty and ecological destruction prevailing in industrialised countries is running into a deep and open-ended transformation crisis. The concurrence of these crises calls for urgent action.

To handle these challenges, extensive and radical changes are needed. These changes will have to be implemented locally, regionally, nationally and globally. Climate justice should be the guiding principle for these changes. Climate justice should be realised between people, countries and generations, humans and non-humans and with the Earth itself. Climate justice requires social justice. Climate justice includes the implementation of the right to development, particularly in weaker economies. Climate justice requires the development of renewable energy and economies of sufficiency inspired by an ethic of self-limitation. Climate justice is a condition for the eradication of poverty and the eradication of poverty is a condition for climate justice. Climate justice demands the primacy of democratic politics over economics and the embedding of market economies in social and cultural contexts (further developing the Social Market Economy). Therefore holistic answers to the challenges are required – from the individual person, from the economy, from states and internationally. The time for fragmented and technocratic solutions is over. We need a Great Transition.

Therefore, the delegates of the Budapest Consultation on “Poverty, Wealth and Ecology in Europe” call upon the Conference of European Churches (CEC), its organs and member churches to address European governments and parliaments, both inside and outside the European Union (EU), as well as the institutions of the EU, on the following urgent issues:

- Climate justice, and therefore both social and ecological values, should be a central goal of policy-making. In industrialised countries economic growth should no longer be seen as an aim in itself.
- European countries and the EU should politically and financially support green growth in developing countries in order to allow for the development of renewable energy.
- Tax systems must be reformed in order to be at the service of just, participatory and sustainable societies and communities, as well as to promote justice on the global scale.
- Financial transaction tax must be implemented, if necessary starting unilaterally in the EU.
- Prices on goods and services should reflect true social and ecological costs and benefits.

- “Green Investment Banks” helping to finance green investments should be promoted.
- Coal-fired power stations and nuclear power stations should be replaced by renewable energy as soon as possible. Richer European countries should support poorer ones in so doing.
- A redistribution of wealth and income as a key element of environmentally sustainable societies is necessary.
- The redistribution of wealth and sharing of technology between rich countries and poor countries affected by climate change are crucial elements of climate justice and have to go along with additional support for climate change mitigation and adaptation.
- The EU should commit itself to more ambitious greenhouse gas emission reduction targets, regardless of policies of other large economies.
- The market sphere needs to be informed and limited by the public sphere and the real “core economy” - namely our ability to care, teach, learn, empathise and live in solidarity.
- Democracy should be strengthened so that long-term perspectives shape political decisions and so that people affected by decisions have a say. Economies based on renewable energy entail the development of new employment opportunities. This also requires education that enables people to participate and contribute in this emerging society.
- People living in poverty and social exclusion, including marginalised migrants, should participate in the definition, design and implementation of all measures, which affect them according to the principle “Nothing about us without us is for us”.

The Great Transition will not be easy. But it is possible. We can take first steps. We have the technologies, we have the knowledge, we have the resources required. We only need the will to do what we should do.

### God’s promises encourage us to start

*“The earth is the Lord’s, and all it contains,  
the world, and those who dwell in it”.*  
(Psalm 24:1)

In addressing Poverty, Wealth and Ecology, we should build on the Church’s mission in society and act in harmony with creation. We are committed to carry out this work with other people of faith and together with all who share this aspiration. Working towards the spiritual and moral renewal of society, Christians are meant to be the salt of the earth, the light of the world (Mt 5:13-14). They are sent to bring peace, understanding, and hence social justice, since all creation belongs to God.

Jesus says: *“What you did to one of the least of these, who belong to me, you did for me”* (Matthew 25:40) and he asks us: *“In everything do to others as you would have them do to you; for this is the law and the prophets.”* (Matthew 7:12)



This should be the fundamental motive and measure of the relationship of Christians to solving the issues of injustice and poverty.

Human beings and the entire creation live with the consequences of sin. Created in the image of God, as human beings we are called to reflect the liberty and generosity of God. Our salvation also is the restoration of a broken relationship with this whole created order. Through his death and the power of the resurrection, Jesus Christ has overcome the powers of death and has become our hope. Therefore the Church is called to be a sign of hope to this world. The way of recovery lies in repentance and "synergeia" with Jesus Christ concerning the renewal of human society. The churches have to provide a witness of Christ's Truth and to work on spiritual rebirth of the human being. Self restraint and simplicity, asceticism, are essential in order to be conformed to the way of Jesus.

Churches in their different contexts have common but differentiated responsibilities. They need global ecumenical dialogue in order to define these responsibilities and to strengthen each other in living it out.

The communion within the global ecumenical movement helps churches to discover the signs of hope. This we experienced through the promising outcomes of the first stage of the direct dialogue of the Conference of European Churches (CEC) and the Latin American Council of Churches (CLAI) on threats and challenges of globalisation.

The global ecumenical movement helps churches to understand to what extent their work and witness for climate justice is a matter of faith.

There are encouraging examples of European churches already making many efforts in order to contribute towards climate justice. But there is still a long way to go.

Therefore we, the delegates of the Budapest Consultation on "Poverty, Wealth and Ecology in Europe", call upon European churches and on European church-related and diaconal organisations to:

- Be prepared to use their influence and positions to take a firm stand and to take a risk where necessary when it comes to conflicts following God's preferential option for the poor.
- Make use of the WCC statement on Eco-Justice and Ecological Debt in their approach to governments and in their relationship with official institutions, companies and church members.
- Acknowledge the close link between the fight against poverty and the struggle for climate justice in their strategic and practical approaches.
- Reflect on the impact of their policies as well as the lifestyles of their members on both the climate and on vulnerable and poor people.
- Contribute the necessary financial and personnel resources to the World Council of Churches (WCC) so that it can take a lead in the global fight for climate justice. This needs to be developed in close cooperation and coordination by the WCC with

Regional Ecumenical Organisations and, in Europe, with CEC. Direct links between churches from different continents and regional ecumenical organisations have to be strengthened and more structured.

- To fully support the call of the General Council of the World Communion of Reformed Churches (WCRC) 2010 in Grand Rapids, *"in co-operation with WCC and other ecumenical bodies, networks and organisations to prepare a global ecumenical conference to propose the framework and criteria for a new international financial and economic architecture that is based on the principles of economic, social and climate justice"*.
- Be pioneers and examples on the way to sufficiency by implementing practical programmes on reducing CO<sub>2</sub> emissions, e.g. environmental certificates for parishes, increasing knowledge and solidarity, as well as exemplifying different sets of values and their fulfilment as alternatives to consumerism according to the *"principle of enough"*.
- Finally, the delegates of the Budapest Consultation on "Poverty, Wealth and Ecology in Europe" call upon the World Council of Churches: to put climate justice and poverty eradication and the relationship between the two as a priority on the agenda of its 10th General Assembly in South Korea in 2013.

*"It is true that there is a silly, cowardly kind of optimism, which we must condemn. But the optimism that is the will for the future should never be despised, even if it is proved wrong a hundred times".*

(Dietrich Bonhoeffer, Letters and Papers from Prison, 1945)

*"For surely I know the plans I have for you, says the Lord, plans of peace and not of suffering, to give you a future and a hope" (Jeremiah 29:11).*

## 1.2 The Budapest Ecumenical Youth Declaration Addressing Poverty, Wealth and Ecology

In response to the call to raise the voice of young people on climate justice, we the young delegates of WCC-CEC Consultation on "Poverty, Wealth and Ecology", representing young Christians in Europe through the Ecumenical Youth Council in Europe, World Student Christian Federation Europe Region and SYNDESMOS, the World Fellowship of Orthodox Youth, present the following contribution to be taken into account in the process of the global ecumenical AGAPE consultation.

Our disharmony with God and Creation has led to a deeply complex global crisis, which calls for urgent action. Following up the statement by the participants of the WSCF-E and EYCE joint study session, "Climate Justice Now!", "as young Christians we acknowledge that we should be agents of change, living examples and multipliers of a sustainable way of life. Solidarity and social justice on local, national and Global levels should be manifested through education, prayer, lobbying and sharing our expertise".



We call upon CEC, WCC and the Global Ecumenical Community to:

- Be the headliner and example in living according to the sufficiency way of life, “principles of enough” and just treatment of all the Creation.
- Address poverty and economic injustice on the Global level as the main underlying factor of climate change. Embracing solidarity on a personal, local and worldwide level must be the first step in the Global Transformation Process.
- Initiate and strengthen the dialogue with the stakeholders, through enabling and empowering the churches to bring the local realities, good practices and expertise into this dialogue, thus working for possible joint solutions.
- Approach education from a broader perspective by building a knowledgeable society for economic and social justice and solidarity, through formal, non-formal and informal education, i.e. school programmes, youth activities, volunteering, media, art, family, pastoral work etc. The churches have the capacity and role to play in shaping all of these sectors.
- Provide more opportunities for youth to participate in, contribute and influence CEC’s work on poverty, wealth and ecology as young people and youth organisations have enthusiasm, possibilities and methodology to reach out to groups in society, which are not always accessible for churches and official structures.

We as young people, being representatives of the churches on the grassroots level and in the local structures, commit ourselves to strive to fulfil these recommendations.

Declared in the WCC-CEC Consultation on “Poverty, Wealth and Ecology”, Budapest, 12<sup>th</sup> November 2010.

## 2. Thematic Outcomes

### 2.1 Poverty and Wealth in Europe

- a. Participants in the Hearing on Poverty and Wealth heard about the work of ecumenical organisations in Europe in this area and listened to stories and testimonies of people who are personally and on a day-to-day basis struggling against poverty and exclusion.
- b. It was underlined that non-voluntary poverty is humiliating, de-humanising, and can lead to physical violence.
- c. Poverty in Europe disproportionately affects children, elderly, differently abled, sick people and minorities. For example, the poverty rate among Roma people in Hungary is as high as 50%. Employment is no guarantee against poverty as the growth of the number of "working poor" illustrates.
- d. Due to the economic crisis, there is a dramatic increase in the number of poor people who are calling on churches (and mosques) for help, in the form of diaconal support, debt restructuring, food ("soup kitchens") and assistance to guide them through government bureaucracies.
- e. The economic crisis is part of a much broader and deeper moral crisis in many societies in Europe. This is reflected in the growing gap between rich and poor, between the "haves" and the "have nots" and contributes to a growing polarisation in European societies. The rise of populist political parties which single out large groups in society as a cause of many problems, adds to this polarisation.
- f. In view of stigmatisation and exclusion, it is important to make "unheard voices" listened to in the public arena. In the struggle against exclusion, it is of vital importance to build up relations of trust with those who are affected. Nothing replaces the importance of personal encounters when one tries to understand each other and to set up effective programmes. Those who are privileged need to step outside their "comfort zone" and engage, for example, in "twinning relations". This requires courage but it may also lead to the discovery of the transforming power of building up equal relations across social barriers and divides, even though such a process may take many years and requires a long breath.
- g. The European Union unites countries and peoples but, at the same time, also creates divides between those who are inside and those who are outside of the Union. Also within the European Union the process of enlargement has led to parallel societies at different speeds, especially in the new Member States. The EU Member States and the European Commission should be held accountable for their social commitments in the EU Treaty.
- h. The EU should use indicators (in addition to GDP) in order to measure progress in a society, including social and environmental indicators.
- i. A guaranteed minimum income and a living income should be pursued. By the same token, there is a need to reflect on maximum levels for income and wealth.
- j. The impact of the economic crisis on young people is felt in different ways, through high youth unemployment, exclusion and migration. In addition, the funding of (ecumenical) youth movements is going down.
- k. Church-related youth movements are going through difficult times as they have to



compete with other youth movements but also because young people can choose from many other activities, while they often also face high demands from the education which they are following.

- I. Churches should pay more attention to the importance of providing voluntary work for young people. The activities of Kerkinactie in the Netherlands, which has various programmes for young people, could serve as an example.

## Reflections on Limits to Wealth

In response to the question whether there are any “reasonable” and ethically justifiable limits to wealth, we would like to respond that it would be unreasonable not to limit wealth! There are limits to unbridled accumulation because of social as well as environmental reasons.

“Trickle down” economics does not work and the growing inequality in European societies creates anxieties and undermines social cohesion. The growing gap between rich and poor literally kills people; in Scotland, for example, the average life expectancy of men in the poorest areas is now down to 54 years....

The finite ecosystem clearly sets limits to unchecked accumulation as resources are limited and global warming and the destruction of the environment present dangers to humankind and, indeed, to Creation as a whole.

Goods can be a blessing of God as the word “good” already suggests but the endless accumulation of earthly possessions and “being possessed by possessions” can actually lead to spiritual poverty.

Biblical stories and notions teach us about the need for setting limits, both for the well-being of human beings and for the protection of Creation as a whole. The Sabbath, Sabbath Year and Jubilee Year constitute cases in point.

Our conclusion is that churches need to far more and far more firmly address the issues of wealth and riches in the churches as well as in society as a whole. Thereby, we should be mindful of the fact that setting limits to wealth is a contextual exercise and that regulations will only go so far in effectively addressing the issue of unlimited accumulation and greed. In the end, nothing less than a change in the moral texture of society is necessary. In this context, churches have a specific task.

## Basic principles for the engagement of churches in issues of poverty and wealth

- Our primary partnership should be with people who are, on a day-to-day basis involved in the struggles against poverty, deprivation and exclusion. In the end, only participatory and empowering approaches will be effective and produce the desired results.
- In view of stigmatisation and exclusion, it is important to ensure that “unheard



voices" are listened to in the public arena. In the struggle against exclusion, it is of vital importance that churches build up relations of trust with those who are affected. Nothing replaces the importance of personal encounters when one tries to understand each other and to set up effective programmes. Those who are privileged need to step outside their "comfort zone", and engage, for example, in "twinning relations". This requires courage but it may also lead to the discovery of the transforming power of building up equal relations across social barriers and divides, even though such a process may take many years and requires a long breath.

- Churches also need to step outside of their "comfort zone" and engage in participatory approaches in confronting poverty and exclusion. This may lead to a search for new models of being church and to live out the "Good News to the Poor" (as opposed to Good News to the Rich, as in some churches and theologies).
- Churches and church members would also do well to seek and to enter into alliances with other movements and organisations which pursue similar aims.
- Relations with those directly involved in the struggles must be empowering and on an equal basis.
- Strategies for engagement should involve all levels of the churches, local, regional and national.
- Such strategies should be well-organised and take account of the fact that "quick fixes" do not exist and that churches are in this "for the long haul".
- Theological education, seminaries and faculties, departments of practical and systematic theology, should be invited to reflect upon and build into their curriculums these basic principles for the churches' engagement in the issues of poverty and wealth.
- Only when churches practise what they preach, can they be credible in their call on political actors and society as a whole to actively engage in the struggle against poverty and exclusion.
- It would be good to set up systems and mechanisms through which churches and church-related organisations can exchange experiences of their activities in the area of poverty and wealth.
- There has been a dramatic increase in the number of poor people calling on the churches for diaconal help, be it in the form of money, food (through "soup kitchens"), debt restructuring, or guiding them through bureaucratic institutions. Churches respond to these calls for help but do this "under protest", as these tasks are considered to be the responsibility of the state. This "diaconia under protest" should be accompanied by challenging the structures which produce unacceptable levels of poverty and exclusion.
- Churches should pay much more attention to the issue of wealth, and in their dealing with affluent people, recognise the yearning for justice that is in most human beings.

## Recommendations

In addition to the basic principles, we would like to submit some more specific recommendations.



To the churches:

- Churches in Western Europe which are supporting churches in Eastern Europe should do so in the spirit of promoting ownership, empowerment and sustainability which, in the end, leads to churches that will be able to function without structural, material assistance coming from abroad.
- In the activities concerning poverty and wealth, inter-confessional, interdenominational, and interfaith cooperation should be promoted.
- Churches which "see the parish as their world" should be encouraged to "see the world as their parish" and also be concerned in "life before death".

To the churches in relation to young people:

- Churches should pay more attention to the importance of providing voluntary work for young people. The activities of Kerkinactie in the Netherlands, which has various programmes for young people, could serve as an example.
- The year 2011 will be the Year of Volunteering. It would be good to use that occasion to emphasise the need to recognise unpaid work.

To the governments:

- Like churches, governments should also include those struggling on a day-to-day basis against exclusion and poverty in their policies and see them as part of the solution rather than part of the problem.

Regarding the European Union:

The European Union unites countries and peoples but, at the same time, also creates divides between those who are inside and those who are outside of the Union. Also within the European Union the process of enlargement has led to parallel societies at different speeds, especially in the new Member States. Therefore:

- The European Union institutions as well the governments of the Member States, should study the recommendations made in the publication "Do Not Deny Justice to Your Poor People" (that was presented to the Consultation).
- The EU Member States and the European Commission should be held accountable for their social commitments in the EU Treaty.
- The EU should use indicators (in addition to GDP) in order to measure progress in a society, including social and environmental indicators.

(Notes of the Hearing compiled by Rob van Drimmelen)

## 2.2 Facing up to a Low-Carbon Economy and Economy of Sufficiency

### Inputs to the Hearing

- i. The Thematic study “Justice in Practice” – the Church of Sweden's work on Sustainable Lifestyles. The focus was given to the activities at parish level aiming to link global issues to local terms.
- ii. Introduction to the activities of the European Christian Environmental Network (ECEN). ECEN is a network of Christians delegated by their respective churches to be responsible for environmental work, as well as experts and committed individuals active in this field. Assemblies of the ECEN, which meet every second year, are good opportunities for sharing experiences and positive examples from the environmental work of churches. ECEN is particularly engaged in:
  - ▶ promoting Creation Time (1<sup>st</sup> September – 2<sup>nd</sup> Sunday in October)
  - ▶ activities in addressing climate change
  - ▶ Eco-Management (Twinings).

Similar programmes on other continents are: INECC (Indian Network on Ethics and Climate Change), Programme on Ecological debt (Latin America), Networking in Canada on human rights and ecology in “Canada 11” involving 11 churches.

- iii Ecumenical Youth Council in Europe (EYCE) and World Student Christian Federation/ Europe (WSCF-E) presented in an original way a proactive game on personal responsibility for the environment. Attention was given to different forms of ecological education.

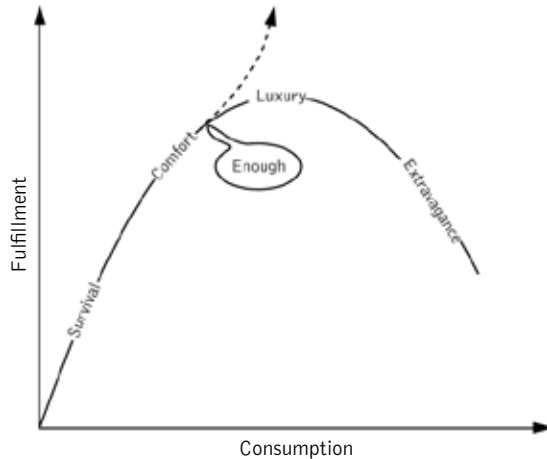
### Recommendations

- Instead of a low-carbon economy, we have to speak about a low-energy economy. There is an urgency to reduce carbon dependency but this should not be used as an excuse for full-scale promotion of other bad energy sources, such as nuclear energy.
- For a competent debate about global North-South relations there is a need to distinguish between countries in the South according to their level of development and use of technologies.
- There is a need to pay attention to the relationship between level of consumption, happiness and fulfilment. We have to change our consumption patterns and link them to theology and spirituality. Moderation and self-restraint are important virtues in Christian faith.
- Actions at different levels are needed. At the global and national levels, we support political action aiming to achieve far-reaching targets of CO<sub>2</sub> reductions in accordance with the Greenhouse Development Rights Framework, i.e. countries should contribute with CO<sub>2</sub> reductions in relation to their economic capacity and historical responsibility for past emissions. Churches must come together in promoting and advocating these targets, as well as pushing for additional support for climate adaptation in poor countries.
- Solidarity must be the guiding principle at all levels: global, regional, national and local.



- In view of the inadequacy of the GDP measure, we need alternative measures of welfare/well-being that are taken into account along with economic parameters and ecological and social indicators measuring the social and economic performance in this most complex set-up.

Fulfillment Curve



### Recommendations for the specific action

In its work for a low-energy economy, CEC and its member churches should:

- Advocate for climate finance to be additional to development aid.
- Promote global carbon taxes, financial transaction tax, and tax on airfares etc. taking into account social criteria.
- Advocate for more investments in public services (health, education etc.) and in the public transport systems (trains, buses).
- Advocate for just compensation for developing countries in exchange for not exploiting fossil fuel resources.
- Use and promote the WCC Statement on Ecological Justice and Ecological Debt.
- Promote the Greenhouse Development Rights (GDR) framework by disseminating, translating and making available popularised versions of GDR documents.
- Recognise and promote ECEN and its resources and advocate for stronger member representation in its work.
- Provide more opportunities for youth to participate, contribute and influence its work.
- Further promote theological reflection on issues of sufficiency and low-energy development.
- Start work on how to better link church activities at the local level with advocacy at the structural/political level, and provide methods for that purpose.
- When organising conferences, sustainability should be taken into account, e.g. by providing mainly vegetarian food, using recycled paper etc.

(Notes of the Hearing compiled by Tamas Kodacsy)

## 2.3 Poverty, Wealth and Ecology – a Challenge for a Dialogue with Power Structures and among Churches; Churches Addressing the Economic and Financial Crisis

### Introductory process

The facilitators of this process allowed participants the opportunity to express their concerns and comments related to the inputs by Bishop Julio Murray, President of CLAI and Serge Fornerod, Moderator of the CSC/CEC on “The Role of the Churches in the Global Transformation Process”. This was a positive intervention which highlighted some of the complexities and misunderstandings that have accompanied north-south dialogues on the issues of economic and ecological justice and the need for our respective contexts and theological perspectives to be factored into our language.

In summing-up these comments, it was acknowledged that:


- The Consultation on Poverty, Wealth and Ecology was part of a long journey in the dialogue between European churches and their international partners on the role of the Church in social transformation (in the context of globalisation) in which both set-backs and successes have been registered. It was therefore important to consider the use of language which incorporate the social and theological contexts of dialogue partners in this Consultation.
- The memories of resistance (related to slavery) and of the positive contribution that European churches have made to reforming public policy in previous centuries are important.
- The churches in Europe have a long track record of responding to the issues of poverty and oppression in other parts of the world based on a human rights and justice perspective (as opposed to charity) which needs to be carried forward in responding to the issues of this Consultation.
- The public discourse of churches in Europe needs to be grounded in the language of their theological traditions to ensure that the distinctive contribution of churches is registered in debates on the issues of poverty, wealth and ecology.
- Churches need to address the issue of their own complicity in disempowering others in seeking to establish a dialogue with power structures on behalf of those who are socially excluded and to ensure that advocacy incorporates an element of empowerment in future dialogue.
- Churches in Europe need to consider what it means to take risks in their respective contexts which includes (but is not limited to) “speaking truth to power”.

### Inputs to Hearing

The following inputs helped to shape the discussion and outcomes of this hearing:

- i. “Just Finance and Fair Play. The Recent Financial and Economic Crisis from a Protestant Perspective” – this input provided an ethical framework for assessing the impacts of the economic and financial crisis from the perspective of the Federation



- 
- of Swiss Protestant Churches. This input highlighted the need for churches to contribute to the debate on developing a consensus on a new set of indicators for achieving a more socially- and environmentally-sustainable economy.
- ii. "Statement from the World Student Christian Forum and Ecumenical Youth Council of Europe" – this statement was presented within the context of this hearing, as the youth were seeking guidance on how best to engage churches and power structures in Europe on the issues raised in their statement, related to responsible consumerism, a culture of sufficiency, holistic education and the issue of lobbying to have the definition of 'refugees' extended to include people fleeing climate chaos.
  - iii. Churches Commission for Migrants in Europe (CCME) – this input stressed the need to consider migration as a cross-cutting issue for the Consultation, as the issues of poverty, wealth and ecology are all key factors in the displacement and movement of people from the South to Europe (as well as the East-West movement of people within Europe).
  - iv. "Remodelling the Social Market Economy from an Ethical Standpoint" – this input highlighted the crucial differences between a liberal market economy and a social, embedded economy such as that in Germany, as a model which incorporated the principles of solidarity, sustainability, subsidiarity and social justice in Europe. This model was offered as an alternative model for the distribution of public goods within a framework of the common good.

### Outputs from Hearing

Whilst the questions posed for this Hearing - *i) Which national political structures are needed for a low carbon transformation? ii) Which global governance structures are needed for a low carbon transformation? iii) How can societies manage interest conflicts, conflicting interests and trade-offs which are unavoidable elements of low carbon transformations? iv) How should churches deal with conflicts and trade-offs?* – were not specifically answered, the following key discussions and outputs sought to respond to the general theme of the challenge for dialogue with power structures and dialogue among churches:

- i. Firstly, the complexity of the issues discussed in this consultation was acknowledged and it was clarified that no one preferred model for ordering our economic relationships in Europe has been advocated (although it was accepted that the embedding of a Social Market Economy which was oriented towards the common good, offered the most hopeful model for Europe). This requires the economy to be restructured to be in the service of life, to facilitate human flourishing and life in its fullness.
- ii. It was also acknowledged that despite addressing the concept of 'global transformation', we had not defined what was meant by this term and that churches might gain more of a hearing in Europe by using the language of transition to a low carbon, more sustainable society underpinned by certain moral principles which reflected our respective theological traditions. An example was cited of the principle of subsidiarity, which is linked to accountability, which treats the needs of people as holy by affording due respect, mutuality and compassion to those whose lives are

impacted by public policies.

- iii. In identifying where best to focus their dialogue and discussion with political structures, churches need to engage in critical analysis of the participatory democratic structures in Europe to decide where best to engage time and energy. Renewal of democracy was recognised as both a challenge and an opportunity for churches in Europe and Article 17 provided a mechanism for more effective dialogue between political institutions and religious communities in the EU region.
- iv. Churches in Europe are strategically placed to engage with Transnational Corporations (many of which have their headquarters in Europe) to ensure that they are held accountable for their actions in other countries? which negatively impact the natural environment, human rights of communities or economic well-being of the regions in which they operate (by tax avoidance and other unethical practices).
- v. In response to Bishop Julio's challenge, churches in Europe need to be seen to be taking risks by naming the powers which are preventing the transition to a more just, equitable and sustainable global economy by highlighting both the positive benefits of a low carbon society and naming the injustices in which Europe has been complicit in creating and perpetuating in the current global system.
- vi. This prophetic/advocacy role needs to be communicated within the framework of climate justice and the urgency of the now based on the global kairos confronting us as a result of the concurrent economic, ecological, energy and food crises.
- vii. Churches also need to continue advocating for the primacy of fundamental human rights (and rights discourse) over economic and security concerns rooted in our understanding of a theistic grounding of human rights based on the imago Dei.
- viii. Churches in Europe also have an obligation to continue being the "voice for the voiceless" by advocating on their behalf whilst engaging in grass-roots community empowerment programmes to enable socially-excluded communities to speak for themselves on the issues that impact on their rights and well-being.
- ix. Churches are uniquely positioned to influence the education policy and agenda in Europe to seek to reorient it towards more holistic and life-enhancing curricula and learning within a framework of moral formation, the virtues and the common good.
- x. Finally, in response to the issues raised by participants from other parts of the world related to reparations, it is contingent on European churches to factor this issue into their dialogue with power structures and with churches across Europe in responding to historic and current claims of communities and countries in the global South of social, economic and environmental abuses by European powers and corporations.

### Reflections from Asia-Pacific delegate

The reflection of the Asia-Pacific participant in the hearing was considered important and is summarised as follows:

- It was noted that churches need to explain what is meant by 'power structures' as churches have ecclesial authority and that an analysis of the structures of CEC member churches is deemed important as part of a power analysis, i.e. who holds power and how is this used to influence others?





- European churches have a responsibility to influence politics indirectly but also need to re-educate church members by using the pulpit to share on principles of sufficiency, economic justice and climate justice to raise the moral imperative of justice within the global ordering of economics and social interaction.
- The churches' advocacy role in relation to political institutions and corporate governance is also a critical issue in light of the global economic crisis and the need for democratic renewal.
- The interest of the good of the whole (common good) needs to be extracted from the political, and the common good should provide the singularity of the overall objectives of the consultation.
- It was noted that not much had been said about wealth creation in the Hearing and that this needs to be addressed from a theological perspective based on the richness of sufficiency and life in its fullness.
- The need for a multiplicity of different approaches at different levels of church life was suggested, i.e. individual, congregational, regional, and across Europe.
- Finally, the need for the coherence of policies across different Departments of the EU was needed and churches were uniquely positioned to provide the meta-narrative for such coherence whilst encouraging multiple approaches to achieve the transition eagerly sought.

(Notes of the Hearing compiled by Frank Kantor)

### List of participants

1. Ms Guro Almås (Norway)
2. Rev. Dora Arce (Cuba)
3. Ms Katarina Babicova (Denmark)
4. Ms Erika Balogh (Hungary)
5. Prof. Dr. Heinrich Bedford-Strohm (Germany)
6. Dr. Tamas Beres (Hungary)
7. Ms Mária Beszédes (Hungary)
8. Rev. Dr. Zoltán Bóna (Hungary)
9. Dr. Attila Borsi (Hungary)
10. Mr Dieter Buchholz (Liechtenstein)
11. Ms Omega Bula (Canada)
12. Mr Oscar Franklin Canelos (Ecuador)
13. Mr Paul Crome (United Kingdom)
14. Ms Mária Csóka (Hungary)
15. Ms Sophie Dhanjal (Switzerland)
16. H.E. Metropolitan Emmanuel of France (France)
17. Pasteur Serge Fornerod (Switzerland)
18. Ms Katalin Frank (Hungary)
19. Rev. Ian Galloway (United Kingdom)
20. Mr Vladimir Gerka (Slovak Republic)
21. Ms Elvira Gömböcz (Hungary)
22. Rev. Henrik Grape (Sweden)
23. Mr Martin Gück (Germany)
24. Mr Adam Hátori (Hungary)
25. Mr Klaus Heidel (Germany)
26. Dr. Roderick Hewitt (South Africa)
27. Rev. Dr. Elizabeth Hinson-Hasty (Hungary)
28. Drs Jaap Houtman (Belgium)
29. Rev. Martin Huhn (Germany)
30. Fr. Heikki Huttunen (Finland)

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 World Council of Churches (WCC)  
 Ecumenical Patriarchate of Constantinople, Conference of European Churches  
 Federation of Swiss Protestant Churches, Church & Society Commission of CEC  
 Hungarian Interchurch Aid  
 Church of Scotland, Church & Society Council  
 Orthodox Church in the Czech Lands & Slovakia  
 Evangelical-Lutheran Church in Hungary  
 Church of Sweden  
 Kairos Europa  
 Reformed Church in Hungary  
 Evangelical Church in Germany  
 Council for World Mission  
 Presbyterian Church in the USA  
 United Protestant Church of Belgium  
 Ökumenischer Trägerkreis Armut/Reichtum – Gerechtigkeit  
 Finnish Ecumenical Council



- 
31. Mr Murray Ismeli (Fiji) Pacific Conference of Churches
  32. Ms Stanka Jankovic (Serbia) Ecumenical Humanitarian Organization
  33. Ms Kristine Jansone (Belgium) Ecumenical Youth Council in Europe
  34. Rev. Tilewa Johnson (Gambia) All Africa Conference of Churches
  35. Rev. Martin Johnstone (United Kingdom) Church of Scotland and Poverty Truth Commission
  36. Ms Laura Jones (Belgium) Eurodiaconia
  37. Mr Oleg Kalimullin (Russia) Russian Orthodox Church
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  45. Ms Karolina Kosa (Hungary) Hungarian Reformed Women's Association
  46. Mr Nikos Kosmidis (Greece) Ecumenical Youth Council in Europe
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  50. Ms Helle Liht (Czech Republic) European Baptist Federation
  51. Mr Erik Lysen (Sweden) Church of Sweden
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  53. Colonel Michael Marvell (Denmark) Salvation Army Europe Zone
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Rev. Raag Rolfsen	Church of Norway



## **Church and Society Commission of the Conference of European Churches**

The Conference of European Churches (CEC) is a fellowship of 120 Orthodox, Protestant, Anglican and Old Catholic Churches from all countries of Europe, plus 40 associated organisations. CEC was founded in 1959. It has offices in Geneva, Brussels and Strasbourg.

The Church and Society Commission of CEC links member churches and associated organisations of CEC with the European Union's institutions, the Council of Europe, the OSCE, NATO and the UN (on European matters). Its task is to help the churches study church and society questions from a theological and social-ethical perspective, especially those with a European dimension, and to represent common positions of the member churches in their relations with political institutions working in Europe.

## **World Council of Churches**

The World Council of Churches (WCC) brings together 349 churches and church fellowships in more than 110 countries and territories throughout the world, representing over 560 million Christians. As part of this fellowship, member churches are called, among others, to engage in Christian service by serving human need, breaking down barriers between people, seeking justice and peace and upholding the integrity of creation.



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