

# EXTERNAL DEBT - ECOLOGICAL DEBT WHO OWES WHO?

*There is considerable debate about what a sustainable future might look like. This has led Friends of the Earth (FoE) to develop the concept of 'environmental space with equity'; based on the understanding that all people have a right to equal access to resources. At the present time, there is also increasing debate within 'Southern' members of FoE about the 'other side of the coin': the environmental debt owed by the rich countries to the south.*

*The following is a declaration from Accion Ecologica (FoE Ecuador) on Ecological Debt and External Debt themes. This is based on a resolution recently presented to a World Trade Organisation meeting.*

## To the Countries owed the Ecological Debt:

We declare that sustainable development is not possible while the weight of the External Debt continues to exist, and while the Ecological Debt continues to increase, both of which are the principle causes of unsustainability in the countries of the Third World.

We are therefore calling for the following Resolution.

### RESOLUTION

Considering:

1. That in 1492, America was subjected to a process of stripping of resources and a loss of human life. And due to this process we are now carrying a great historical weight of environmental degradation on our shoulders; due to the use of mercury in silver amalgam, to the exporting of gold almost without cost from the mines of Minas Gerais, of guano from Peru, of the skins of the Chinchona Ofialis of the Andes, due to the pollution from the sulphur dioxide of the copper smelters of Chile and other countries ..... In the last few years, this degradation has been increased, due in greater measure to the pressure for exports than to population pressure.
2. That the technologies and the way of life of the industrialised societies have had irreversible impacts on the biosphere and have provoked the impoverishment or disappearance of a great number of peoples, cultures and ethnic groups, thus putting at serious risk the continuation of life on the planet, and turning these industrialised societies into owners of an Ecological Debt with the biosphere and the peoples of the South. There is a debt to the biosphere, and therefore a debt to the peoples that have used the biosphere sustainably. This debt must be paid by those who abuse the biosphere, by those who go beyond ecological limits with their disproportionate pollution and by those who force an unsustainable extraction of resources.
3. That the External Debt has been used as political pressure for the over-exploitation of natural resources, which affects the way of life and basic survival of many people. The rich countries, especially in the United States, are greatly indebted. The debts grow at compound interest rates, while the natural world cannot grow at rates greater than those of nature itself.

The economy must be adjusted to the rhythm of the ecological economy.

But rather than this, the World Bank and the International Monetary Fund impose brutal structural adjustment programs on the Southern countries causing serious social and environmental costs, since in order to comply with the adjustment programs and to pay the external debt, the degradation of the natural world is increased. However, to oppose structural adjustment does not imply the defense of inflation and the increase in prices. It signifies the defense of the poor and of the natural world.

4. That the ecological debt of the industrialised countries with the Third World continues to accelerate due to:

(a) the intellectual appropriation of ancestral knowledge, above all, that related to the improvement of seeds, the use of medicinal plants and other knowledge on which biotechnology and the modern agro-industry is based, and for which we have to pay royalties;

(b) the extraction of our natural resources, such as oil, minerals, and marine and genetic resources, which

are subject to unequal exchange and which as part of their extraction processes are destroying the very basis for the survival of communities.

(c) the use and degradation of the best soils, the air and the water, and human energy, in order to establish cash crops for export, putting at risk the food and cultural security of local communities.

(d) The inequitable manner in which climate change is being confronted, transferring responsibility to the countries of the Third World through joint implementation programs. The disproportionate carbon dioxide emissions of the rich of the world are the principal cause of the increase in the greenhouse effect.

We therefore ask for the adoption of the following resolutions:

1. To recognise the existence of the Ecological Debt which the industrialised societies maintain with the biosphere, and with the people of the Third World.
2. To recognise that the external debt of the Third World countries has already been paid, as it is minimal in comparison with the Ecological Debt of the industrialised countries, which is measured not only in financial terms, but also in terms of its devastating social, cultural and environmental impacts.
3. To exert pressure on all countries especially those of the Third World to stop all projects which promote the intellectual appropriation of ancestral knowledge specially those related to the improvement of seeds, destruction of natural resources, and projects which as part of their processes are destroying the very basis of the survival of communities and peoples, the use and degradation of the best soils, the air and the water and human energy, and projects that increases the disproportionate carbon dioxide emissions.
4. To exert pressure on all countries, especially the industrialised nations, for a substantial change in technologies, styles of life, and policies which put at risk the continuity of life on the planet.
5. To demand the cancellation of the structural adjustment programs, as a derivation of the external debt and as they presently constitute one of the major causes of pressure on natural resources.
6. To demand that the International Monetary Fund, the Multi-lateral Development Banks, and international, regional and national decision making forums, terminate programs and lines of credit which put ecological equilibrium and human survival at risk.
7. To demand that the World Trade Organisation stop increasing the ecological debt through its free trade policies.

***" There is a debt to the biosphere, and therefore a debt to the peoples that have used the biosphere sustainably. This debt must be paid by those who abuse the biosphere, by those who go beyond ecological limits."***

#### - THE INTERNATIONAL CAMPAIGN FOR THE RECOGNITION AND PAYMENT OF THE ECOLOGICAL DEBT

Aurora Donoso, ACCION ECOLOGICA  
Quito / Ecuador 1999

Accion Ecologica/ FoE Ecuador, Casilla 17-15-246-C, Alejandro de Valdez N24-33 y La Gasca, Quito - Ecuador  
Tel-fax: (593 2) 547516 / 527583 / 230676 Email: red@hoy.net

FoE Australia background paper #4, May 1999.

FoE Australia national liaison office, c/o Box 222, Fitzroy, 3065. Ph 03 9419 8700, Fax 03 - 9416 2081, Email: foe-fitzroy@peg.apc.org

These papers aim to provide a grassroots, international perspective and context for Australian-based environmental activism. FoE Australia is a national federation of independent groups working towards a socially equitable and environmentally sustainable future, and is active in most States and Territories.

FoE Australia is the national member of FoE International, which has members in 59 countries. FoE is a membership-based organisation: please contact us for details.