

## Executive Summary

This study presents a chronological history and a behind-the-scenes analysis of the origins and evolution of the international system that today governs sustainable development. Known as the “Stockholm-Rio-Johannesburg process”, the study begins in 1967 when Sweden proposed that the United Nations General Assembly convene a conference on the environment. This led to the pioneering 1972 United Nations Conference on the Human Environment in Stockholm which was followed by the 1992 United Nations Conference on Environment and Development in Rio de Janeiro and culminated with the 2002 World Summit on Sustainable Development in Johannesburg.

The study offers a detailed look at the farsighted norm-setting preparation stages for Stockholm, when decisions were made by the Conference’s strong leadership that would impact the entire process. It presents a critical look at the constraints faced in the operational follow-up, including lack of accountability, draws attention to the secret group of western industrialized countries that worked against follow-up success of the Stockholm Conference and gives high marks to the strong, creative leadership that supported the process throughout. The study also sets the scene of the worsening global environmental situation and the major geopolitical changes in which this series of momentous events took place. It concludes with suggestions on possible ways forward.

### *Global context*

The 1967 initiative was a reaction to the visibly increased ecosystem disturbances and destruction that occurred when human activities started to impact the entire planet around the middle of the 20<sup>th</sup> century. This led to the emergence of a global environmental agenda in the 1980s that included the critical issue of climate change. The negotiation process took place within a scenario of vastly increased long-term global governance requirements that confronted the rigidity of short-sighted political and sectorial administrative systems that promoted the immediate national interest.

This multilateral process distinguished itself by the vast scope and long-term importance of its agenda. For the first time, the highest global political level examined the relationship between human civilization and the surrounding biosphere. From its initial 1967 objective of mitigating the negative effects of the rapid technological and scientific developments after World War II that mainly focused on pollution, the agenda broadened considerably during a continuous 34-year process.

### *Overall findings*

The process brought important normative advances although political and institutional constraints largely prevented their practical applications. It was only after the Rio Conference that focus shifted from agenda development to actual implementation which

required bringing national priorities into sharper focus. However, in spite of the participation of most world leaders both in Rio and Johannesburg, the study finds that the process as a whole failed to influence these national priorities in any tangible way.

#### Normative achievements

Throughout the entire Stockholm to Rio to Johannesburg process, outstanding leadership and the effective use of the UN as a global forum were particularly positive catalysts for the normative achievements.

#### Overall:

- the process contributed to a global paradigm shift in which the artificial conceptual split between man and nature started to be removed. This development was underpinned particularly by major advances in international legal development and science.

#### Stockholm and the Rio processes:

- raised awareness of the critical importance of meeting environment and sustainable development challenges, particularly in industrialized countries, even though its political repercussions would be strongly conditioned by prevailing political and economic circumstances at a given time,
- established international environmental diplomacy and diplomacy for sustainable development as strong new negotiation tools,
- legitimized inclusion of the non-state-sector in policy development with the post Rio recognition that governments alone could not drive the sustainable development agenda.

#### Johannesburg:

- led to the first steps to operationalize the economic, social and environmental dimensions of sustainable development, which reflected a deepened understanding of the development process.

#### At process end:

- started to bring the ethics and the security dimension into the sustainable development agenda.

A multitude of international legal agreements and extensive institution building at the national level grew out of these changes and resulted in some regulatory successes, particularly with regard to specific pollution problems in western Europe and North America.

#### Political and institutional constraints

Many of the problems related to sustainable development would have been solved easily, or would not have evolved if the agreements reached early on actually had been implemented. However, by the end of the process, a huge implementation and accountability gap had accumulated – a failure that lies at the core of the challenges today.

Short-term political decisions with immediate popular appeal continued to be rewarded as political leaders tried to maintain popularity and advance their national interests. This system was not capable of reacting to diffuse and long-term threats, except in a piecemeal, fragmentary way, or to deal rationally with emerging global threats. This prevented reform of sectorial institutions at all levels, even though they had been seen as obsolete from the beginning of the process and constituted a continuous impediment. The resulting inertia evolved into a major governance handicap that largely escaped political control with these lasting effects:

- environment factors have not been integrated into overall economic decision-making, leaving the environment to be treated consistently as an add-on issue of limited political weight,
- controversy over the additionality concept in development assistance has been used by both North and South to keep environment a low priority, side issue,
- limited government coordination of national and international policies on environment and sustainable development has allowed institutional fragmentation and loss of policy control to continue, in spite of specific and agreed recommendations that began in Stockholm,
- serious international institutional deficits have affected the ability of governments to deal effectively with today's major economic and social challenges as well as global environmental threats,
- severe global imbalances in terms of human well-being and security have continued, despite progress in certain areas.

The globalization paradigm that evolved in the 1990s proved not to be the right answer to the challenge of sustainable development.

The destructive political North/South confidence problem lay just under the surface in Stockholm, but no serious attempts were made in the following decades to resolve it. After Rio, this failure evolved into a major, all embracing international dilemma affecting all follow-up processes, including climate negotiations. The problem has increased with the considerable broadening of the substantive agenda and now, the study points out, can only be solved in a broad, overall political context.

#### *Key reference points of the process*

Several factors converged in the 1960s that laid the basis for national and international political responses to the environmental problems that emerged after World War II. They included strong public reaction in industrialized countries, influential publications and spectacular environment-related accidents. Favourable UN dynamics, combined with the geopolitical position of Sweden and the key role of the chief architect of the initiative, Sverker Åström, Permanent Representative of Sweden to the UN, were the main assets supporting Sweden's role as initiator and facilitator.

In December 1968, the UNGA endorsed Sweden's proposal for a UN conference. In doing so, it determined that the conference should focus on action-oriented political

consideration of the environmental problems, as opposed to earlier endeavours that had been scientifically oriented.

### **Stockholm Conference**

The Stockholm Conference was much more successful than had been expected. This was again attributable, to a very large extent, to personal leadership, through the Secretary-General of the Conference, Maurice Strong of Canada. A main challenge was to engage developing countries constructively.

Industrialized countries – argued that developing countries might be able to avoid the kinds of costly mistakes industrialized countries had made during their own process of economic and social development. This focus on the self-interest of developing countries did not call for major changes in the international economic system.

Developing countries – led by Brazil, who initially opposed the initiative to convene the Stockholm Conference, emphasized that the industrialized countries were responsible for most of the environmental problems and therefore should be responsible for their solution. In addition, developing countries argued that:

- developing countries should not be held back in their quest for rapid economic and social development,
- rights of developing countries to exploit their own natural resources should not be infringed upon under an environmental pretext,
- rich countries had a duty to put additional resources needed for environmental protection measures at the disposal of developing countries.

This last item – the additionality concept in development assistance – became a dominating feature in the process. It was introduced in the General Assembly in the fall of 1970 and further discussed in the Founex Seminar in June 1971, which proved instrumental in persuading developing countries to attend the Conference.

The Stockholm Conference legitimized the environment as an area of both national and international concern and cooperation and its tangible outputs breathed life into this new global understanding. These outputs included the Stockholm Declaration, the ambitious Stockholm Action Plan and the establishment of a new institution with overall coordinating functions under the General Assembly, the United Nations Environment Programme.

With a North-South conflict avoided, the Conference initiated a drive to widen the environment agenda beyond conservation and pollution concerns to include issues such as development assistance and trade and development. Stockholm also was the first UN event in which civil society participation was directly supported and had a concrete impact in an intergovernmental negotiating process.

### **Stockholm to Rio**

In the follow up to Stockholm, there were several issues and areas where political and other constraints had a restrictive effect or where developments proceeded in unintended directions.

- Restrictive effects included the difficulty of adapting economic policies to the environmental challenge. The Action Plan focussed on the symptoms rather than the causes of environmental problems, and did not support the integrative message that had been developed during the preparatory process. There was a prevailing perception that the Conference and its follow up would not affect national interests and priorities, and as a consequence, environmental measures were considered additional rather than integrated parts of economic policy.

In addition, limitations put on the follow-up organization kept it from having its intended system-wide UN policy guidance role. These limitations resulted from influence of UN specialized agencies, backed by the United Kingdom, France and the Soviet Union. This, in turn, was closely linked to the weaknesses of sectorial decision-making structures at national level, and the corresponding lack of will and ability to reform the obsolete structure of the UN system. The new organization became located in the periphery – in Nairobi – as a result of extraneous political circumstances in the UN. It was revealed in 2002 that a secret group of western industrialized countries (the Brussels group) had worked actively to limit the results of the Stockholm Conference, and reduce the power of the United Nations Environment Programme.

- Unintended results primarily resulted from issue fragmentation. The initial post-Stockholm progress in reducing complex ecological problems to manageable levels by negotiating a multitude of legal agreements led eventually to institutional fragmentation and loss of coherence and policy control.

The increasingly visible environmental deterioration from 1972 to 1989 validated the need to integrate environmental considerations into economic and social policies. However, the responses followed the Stockholm Action Plan with its focus on local and transboundary pollution and neglected the real culprit – the prevailing pattern of environmentally unsustainable and shortsighted economic policies.

Environment was rapidly established as a separate, but invariably weak, sector within governments and was accompanied by institution building and national regulatory measures, primarily in industrialized countries. The rapidly expanding and diversified system of Multilateral Environment Agreements was a successful development in a historical perspective, and in light of the prevailing difficult international conditions. However, the Stockholm Action Plan was quickly superseded by the reality of the global reach and seriousness of the environmental problems. Also, at the end of the period, governments were not in full control of the vast new proliferating international legal machinery.

The United States' withdrawal from its UN leadership position led to crucial loss of international leadership and contributed to weakening the UN. This happened as the global environment agenda started to emerge in earnest in the beginning of the 1980s. Unfavourable political and economic conditions contributed to a decline in political

support for the United Nations Environment Programme, in addition to its built-in operational constraints. Nevertheless, it achieved some important successes, including the 1987 Montreal Protocol on the protection of the ozone.

In the latter part of this period, more positive political and economic conditions led to a stimulus for the work of the World Commission on Environment and Development. Its landmark report in 1987 gave the concept of sustainable development international legitimacy.

Influential countries both in the North and the South were not willing to embrace the operational aspects of the sustainable development agenda. The North feared that this would weaken its possibilities to resist demands for additional development assistance. The South feared it would be used by the North to impose environmental conditionalities on its national economic development.

The North continued to drive the international environmental agenda. Its priority remained promotion of international cooperation to deal with specific transboundary pollution problems.

The newly independent countries of the South suffered from fragile economies and weak institutions. As a policy option, they tried to emulate the western consumer and welfare models through economic growth. However, their hopes for a better economic deal from the North that had underlain the Stockholm deliberations were waning, causing disappointment and frustration.

The 1987 report was instrumental in achieving a universal acceptance of broadening the Stockholm agenda to include the economic and social dimension more tangibly. It strongly influenced placing the UN process that led to the 1989 decision to convene the Rio Conference in the political framework of the broader North-South relations. This moved the center of gravity in the process from the United Nations Environment Programme to the UN itself and was a precondition for the Rio initiative to go forward.

The end phase of the 1989 negotiations, when the Group of 77 took the lead, marked the beginning of the group negotiation pattern which from then on characterized the process.

This period saw an increased interest and role of non-state actors in environment and development issues. Science was underpinning the expanding domain of international environmental law, the involvement of non-governmental organizations increased including in developing countries, and the private business sector became much more engaged.

### **Rio Conference**

The Rio Conference was the culmination of a negotiation process that had been continuous since before the Stockholm Conference. The end of the Cold War, including the consequences of the collapse of the Soviet Union that took place immediately before

Rio and an economic recession, reduced the political willingness and possibilities of western industrialized countries to accommodate the South.

The main factors that ultimately secured a positive end result were the leadership of the Conference preparations and the tenacity of the delegates. The dual leadership of Tommy Koh, Chairman of the Preparatory Committee, and Maurice Strong, who again was appointed Secretary-General, was key to the success.

The three main outcomes – the Rio Declaration, Agenda 21 and the Forest Principles – took the Stockholm agenda much further in terms of normative development and conceptualizing the operationalization of measures on the ground. In addition, two framework conventions – climate and biodiversity – were adopted in Rio. Although they were not sufficient responses to the critical issues they addressed, they represented indispensable first steps.

### **Rio to Johannesburg**

The Rio Conference fundamentally changed the nature of the process. Through Agenda 21, a detailed blueprint was agreed for the transition to sustainable development at all levels. This became the key reference point for the follow-up process up to the Johannesburg Summit in 2002. Agenda 21 also linked UN normative influence to national policy-making which had been politically impossible before. Now it was reflected in numerous local Agenda 21 initiatives around the world. Agenda 21 also confirmed the rise of the role of the non-state sector in policy-making related to sustainable development.

The post-Rio legacy also had some limiting factors.

- On-the-ground, national-level implementation of Agenda 21 was dependent on governments that faced their own constraints and competing domestic agendas.
- Agenda 21 lacked political strength in key areas such as population, energy and forests as well as consumption and production patterns.
- Relevance of poverty alleviation for achieving sustainable development had been recognized, but the implementation would require resources that were not ensured.
- Political willingness to implement Agenda 21 was seen by developing countries as directly related to industrialized countries' fulfilment of the financial and other commitments which they had made in Rio. This would inevitably impact on the effectiveness of the institutional follow-up arrangement that had been agreed. This was fragile from the outset. The new Commission on Sustainable Development would have no direct authority of its own and would have to depend on uncertain high-level national support.
- Prospects for achieving only one UN agenda for development would remain dim. This became clear at the General Assembly session following Rio and would further prolong the road to sustainable development.
- The United States abdication from its leadership role in Stockholm weakened the overall result of Rio, and the prospects of the follow-up, not least in the central area of consumption and production patterns.

The key problem of how to break out of the North-South impasse could not be resolved in the Rio follow-up process. Even if the agenda went forward and achievements were made, this was a severe handicap that slowly undermined Rio's promise for a global partnership for sustainable development. This could not be glossed over at the 1997 five-year review of Rio.

Group system disintegration: The follow-up negotiations became even more complicated and unpredictable when the traditional group system started to disintegrate. This was particularly evident in the Group of 77, which found it increasingly difficult to adopt common positions except in its overriding demands on industrialized countries for additional financial resources and technology transfer. The European Union emerged as a stronger common political force during the period. The non-accommodating substantive positions of the United States in Rio remained largely unchanged.

Millennium Development Goals and the development agenda: The broader concept of development enshrined in the outcomes of Rio was applied in a series of global UN conferences during the remainder of the 1990s. This was assisted by Secretary-General Kofi Annan's initiatives to promote a coherent UN vision and strategy, which ultimately led to the adoption of the Millennium Development Goals in 2000 – a first step in the direction of one agenda for development.

Norms development: Rio had decided on certain further development of norms and legal instruments with a strong environmental focus. The period up to 2000 saw rapid progress of this needs-driven process, begun in Stockholm and largely driven by industrialized countries.

Short-term economic paradigm: Trends toward economic globalization after the Cold War hindered the Rio follow-up process. These developments strengthened a short-term paradigm, seemingly more successful than Agenda 21, that believed in free markets with minimal regulation and increased liberalization of trade, saw increased consumption as a desirable objective in itself, and proposed that resources would be available for environmental protection through wealth generation in the market. By the end of the period, economic globalization proved to be volatile, and unable to provide a solution to the quest for sustainable development. The key to the overall problem, which Agenda 21 found first answers to, lay in placing true value on ecosystem services.

Institutional follow-up constraints: The Commission on Sustainable Development could not overcome its formidable political and institutional constraints. Its innovative role in promoting dialogue with the non-state sector proved to be the most successful part of its operation. It was particularly constrained by the fact that it mainly attracted environment ministers who had limited influence in their governments.

Refocus of the United Nations Environment Programme: Suffering from further reduced political support after Rio, the United Nations Environment Programme initiated a recovery process that refocused its mandate, through the 1997 adoption of the Nairobi Declaration, and the 1999 establishment of the Global Ministerial Environment Forum..

However, the organization still faced long-term structural problems, including its financial dependence on a few donors, problems with recruitment, and the location of this catalytic body outside the mainstream of UN activities.

### **Johannesburg Summit**

Taking into account the constraining political, economic and institutional circumstances in the post-Rio period, including the effects of the 9/11 terrorist attacks, the Johannesburg Summit was a successful event. It managed to keep its implementation focus and resisted attempts to renegotiate parts of Agenda 21. The Summit was especially effective in the following three areas.

- Sustainable development with its three pillars – economic, social and environmental – was finally recognized as the framework within which development should take place. A broader sustainability perspective was formulated with regard to poverty eradication, and more emphasis was placed on the social pillar, gender equality and the importance of science and education. Through these decisions, the international community took a decisive step in establishing only one agenda for development and the institutional framework agreement provided a first set of tools to implement such an integrated agenda.
- The Millennium Development Goals were supplemented by a critical mass of intergovernmentally agreed concrete commitments. These included targets on sanitation and on biodiversity.
- Partnerships among many different state and non-state actors at all levels were recognized as key to efforts to support sustainable development in a globalizing world.

The lack of clarity during the Johannesburg process as to the degree of real governmental commitment to carry out the new agenda was a major deficiency. This was largely due to the shortcomings of existing governance structures, which had not adapted to the requirements of sustainable development. Significantly, just as in Rio, the international community had been unable to identify where the resources required to implement most of the Johannesburg recommendations would come from.

The major confidence problem between North and South was not overcome. The Group of 77 used its remaining leverage to block negotiations on issues driven by industrialized countries, such as international environmental governance, to mark its frustration over the lack of progress in their priority areas such as finances, technology transfer and trade.

The post-Johannesburg governance developments cast a spell of uncertainty over the follow-up of the results of Johannesburg.

### *Possible ways forward*

A fundamental reassessment is necessary to deal with several interconnected, sustainable development-related problems that reached crisis proportions after Johannesburg, namely: climate change, the food crisis, involuntary large-scale migration flows, deforestation, unsustainable energy systems, the rapidly unfolding biodiversity crisis,

chemical contamination and the severe stresses in the financial systems of the world. The study argues that a continued incremental approach is impossible if governments are to remain in control.

Unless much more determined action is taken, there are risks of serious systemic changes. This could lead to a worsening of the ecosystem crisis when key tipping points are reached, implosion of present international governance mechanisms, increased protectionism and worsening economic crises, as well as violent conflict and large-scale natural disasters.

With regard to the present challenges, the study argues that a successful turnaround requires political willingness to adopt a broad and coherent perspective that goes well beyond the present focus on climate change. This includes readiness to accept shifts in policies that support lifestyles compatible with sustainable development. Western industrialized countries must take the lead as they remain the global role model.

Three main political challenges stand out at this point: overcoming the North-South confidence problem, strengthening critical parts of the sustainable development regime and placing strong political emphasis on implementation.

Unstable financial markets together with the pressure of the climate negotiations provide a unique opportunity to mobilize political leadership. Initiatives focusing on these challenges would have to be politically interconnected in order to create the necessary conditions for breaking out of the present stalemate. The study offers the following suggestions, among others:

- Undertake unilateral, substantial measures in the North, including reduction of agricultural and fisheries subsidies and of ecological footprints.
- Modernize the Bretton Woods institutions, involving both democratic and sustainable development-oriented reform. Lay the basis for a modernized GNP that factors in costs and benefits of ecosystem services
- Broaden the perspective of the climate negotiations to include other critical parts of the Rio and Johannesburg agendas. Consolidate operational activities of the UN and the Multilateral Environment Agreement structure and strengthen the United Nations Environment Programme by upgrading it to a specialized agency and moving it to Geneva, and strengthen Nairobi as a UN location focusing on operational and humanitarian activities with an African focus.
- Develop strong political focus in the UN system as a whole and in the Multilateral Environment Agreement system aimed at overcoming the implementation and accountability deficit.
- Strengthen the overall vision for the work of the international community related to sustainable development through measures that include realization of earlier proposals for a mechanism at the highest UN level to safeguard the global commons.

In addition, the study recognizes that actions at national and local levels remain key to ensuring success. The actions recommended include the following.

- Mainstream gender and rights perspectives in the true sense and not just in rhetoric.

- Ensure involvement by the highest government level in credible mechanisms for implementing recommendations on coordination of national and international policies on environment and sustainable development. Make deliberate efforts to identify and promote individuals with leadership talent and experience.
- Reform obsolete government administrative structures into cross-sectorial, flexible departments with increased interaction with non-state sector.
- Base all government and local community budgetary and policy-making processes on the sustainable development concept.

In light of the experiences of the Stockholm-Rio-Johannesburg process and the escalating post-Johannesburg sustainability crisis, the concluding suggestions in the study illustrate the wide scope and reach now necessary for a sustainable development strategy. The high price to be paid for not trying to meet this challenge should be a compelling stimulus for action. Looking at it from a more positive point, the vision of a world with sustainable development unfolding at all levels should offer a powerful and positive incentive and a much needed unifying factor for global sustainable development.

The concerted energy put into recent efforts to deal with unstable financial institutions shows what can, in fact, be accomplished globally within a very short time span. This example underpins the final conclusion of this study – that there should be reason to hope that the collective experience, political will and energy exist to move forward in mitigating and adapting to the current challenges as well as those that are yet to emerge from our planet's sustainability crisis.