

The Global Marshall Plan for a World Wide Eco-Social Market Economy: An Austrian Idea Gains Steam

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Your Royal Highness! Honored Mr. President! Ladies and Gentlemen!

My work from the past 17 years has reached its highpoint with the "Global Marshall Plan for a world wide Eco-Social Market Economy" project!

Eco-Social Market Economy – that is the path for balance. It is an equilibrium of three very different goals:

- 1. A competitively strong economy, based on innovation and outstanding technological performance;
- An effort for social fairness both small and large as conditions for freedom and a stable commonwealth:
- 3. Ecology, in the sense of sustainable protection of mankind's habitat for today's generation and all generations of tomorrow.

Within my knowledge:

Our current economic system often favors the "non-sustainable." Prices, costs, tariffs, taxes, etc. do not represent the "ecological truth." Those who act with sustainability in mind are often at a disadvantage economically and financially.

Therefore, with forbiddances, appeals, controls and little advocacy the goal of sustainability can not be achieved. We must change the state of affairs and make the market the engine for sustainability. This means precisely that ecological truth must be figured into price and cost through a strict practice of the polluter-pays-principle – namely, long-term and systematic reconstruction of our tax and tribute systems, as well as an inspection of the existing laws and regulations, and the conveyance system to determine if sustainability is promoted or hindered.

Eco-social market economics is foremost a demand on politics! Parliaments and

Kommentar: Es müsste geklärt werden, ob Riegler auf dem Begriff Eco-Social Market Economy besteht, oder ob economics verwendet werden darf und wie es geschrieben werden sol.

Global Marshall Plan Initiative Rissener Landstrasse 193 22559 Hamburg Deutschland info@globalmarshallplan.org www.globalmarshallplan.org fon:+49-(0)40-82290420 fax:+49-(0)40-82290421 Konto 212 BLZ 25120510, Sozialbank IBAN DE73 2512 0510 0008 4098 00 SWIFT (BIC) BFSWDE33HAN governments have the task of legislating and implementing all the rules of the game and basic conditions in order to foster fairer competition in the innovative sinews of the economy. Thereby the groundwork is prepared for the solidarity principles and development sustainability. These rules of the game must be achieved more and more on a global level and not just on an EU level. Eco-social market economics demands strong and diverse policies with global networking and cooperation.

The eco-social model started with my program for a <u>new form</u> of agriculture policies in January of 1987. Therein I first defined <u>economic competitiveness</u>, <u>social balance</u>, and <u>ecology</u> as <u>equivalent</u> goals in the realm of protecting our habitat and assigned this concept the mnemonic "<u>Eco-Social Policy of Agriculture</u>."

By 1989 I had developed an Eco-Social Market Economy model with the help of many colleagues in science, economics and politics. In 1991 the European Democratic Union was already acquainted with this model:

"It is our responsibility as the EDU, to give the social market economy a broader dynamic – i.e., an ecological objective. The social market economy should be transformed into an Eco-Social Market Economy. The parties represented in the EDU want the driving forces to be an implementation of these fundamentals in an international strategy for a sustainable and environmentally-friendly development."

(EDU, Bulletin 43, Report on Environmental Politics, 1991)

Then there was a dry spell which challenged our endurance. Luckily I was able to found the Eco-Social Forum Austria with Ernst Scheiber. We had an unaffiliated platform for the eco-social idea that could stem the tide of adversity and ignorance over the years. Our efforts were temporarily marginalized by the wave of neo-liberalism in the 1990s.

Two events were important for its further development:

- 1. Between 1996 and 1999 the "European Model of Agricultural Economics" became more and more manifest. Its main feature was the turning-away from one-dimensional industrial agriculture with maximal crop earnings favored over environmental costs, safety, health and quality. The two-time epidemic of mad cow disease in 1996 and 2000 were a signal.
 - A European model means a multifunctional, sustainable, quality, health and safety conscious agriculture backbone for strong, vital, rural regions for the diverse opportunities and utilization necessities. The eco-social approach had laid their first roots in Europe with the European agricultural model. It was definitely not by chance that Commissioner for Agriculture Franz Fischler and Austrian Minister for Agriculture Willi Molterer led in defining the European model.
- 2. The second groundbreaking incidence was my encounter with Franz Josef Radermacher. At the end of the 1990's, together with five other scientists he had penned "On the way to a globally sustainable Information Society a European perspective."

This was the following conclusion: "It is the point of view of the authors, that to pursue the guiding principles of the European experiences in the last 50 years, especially that of a social and ecological market economy, would be of great import in finding the path to a globally sustainable Information Society."

A unity of global strategy and eco-social market economics had been already foretold!

Realizing that in a time of the European domestic market, the Euro and the EU expansion the general framework must be molded and determined more and more on EU level, we founded the Eco-Social Forum Europe in 2001. It is an autonomous forum associated with forums in Germany, Croatia, Austria, Slovenia and Hungary, as well as supporters from a host of other European countries.

In 2002, with the Franz Josef Radermacher's book "Balance or Destruction", the Eco-Social Forum Europe, as publisher and distributor, along with the Frithjof Finkbeiner's Global Contract Foundation and Uwe Möller of the Club of Rome could create further momentum in the creation of political consciousness.

The EU itself has had an effect on the important turning points since 2000. Sustainability and society were already addressed as integrated EU policy principles in the Treaty of Amsterdam and in the Cardiff Process.

The concrete goals were defined in the Lisbon Process for Europe to develop a dynamic knowledge-based economic atmosphere. Under the Swedish presidency in 2001 a conjoining EU sustainability strategy arose as a specification for all member states in developing their own strategies for economic dynamics, social cohesion and sustainable environmental protection.

The Austrian Federal Government concluded a corresponding sustainability strategy in 2002. The content is as follows:

"Sustainable development is a new, long-term oriented focal point for environmental, economic, employment and social policies that goes beyond administration term limits and national boundaries. An intact environment, economic prosperity and social coherence should all be a common goal in global, national and local policies in order that the quality of life for all people is secured in the long-term. Sustainable development is therefore the solution to the challenge of governing social, economic and ecologic processes.

The Austrian Federal Government combines the political goals for structuring a sustainable life, environment and habitat quality in Austria with the responsibility for development on a global level."

The Global Challenge

Now let us get to the fascinating and rather large challenge of establishing the model of ecosocial market economics on a world wide order! It sounds as utopian as it is in practice. Yet we already have the necessary instruments. They need only be developed and coordinated with the right limits and rules. Moreover, the community of nations has already defined and agreed on essential peaceful and sustainable development goals.

- a) First of all there are the Millennium Development Goals that should be realized, along with other goals by 2015. They were freely agreed to by 150 world leaders at the Millennium Summit in the year 2000.
 - 1. Halving poverty.

- 2. Elementary education for every child.
- 3. Reducing child mortality by one-third.
- 4. Reversing the trend of large-scale health threats, such as HIV/AIDS or malaria and the loss of environmental resources.
- 5. Halving the number of people who have no access to drinking water.
- 6. Procurement of a new partnership for development that would mean open world trade and world financial systems, overcoming the problem of debt, creating job opportunities, access to medicine and modern technology, and a commitment to "good governance."
- b) Ecological goals and standards were defined as a result of the Rio Conference and within the scope of the UNEP, as well as the Kyoto Protocol.
- c) We have the social goals of the International Labor organization (ILO).
- d) We have the World Trade Organization (WTO), the International Monetary Fund (IMF) and the World Bank as highly efficient organizations for world trade and world finance.

What is missing is the necessary link between them and an equality of worth. The truth is unfortunately, as the old saying goes – the strong prey upon the weak.

The "strong" is the World Trade Organization, and in the WTO ecological and social criteria are not provided. In contrast, if, for example, EU products are not allowed to be imported due to the outrage within EU effective social and ecological criteria, they will be punished with fines.

Kommentar:

It is exactly because of these inconsistencies that we want to apply the "Global Marshall Plan for a world wide Eco-Social Market Economy" as a model.

This project is unique in history. There is a long list of more correct, commendable and good single projects and intentions. However, as yet, nowhere is there a model so conclusive and comprehensive in itself than what we have been working so hard on for over a year.

The wherefore and whereto are the two pillars of our concept:

- 1. The innovative additional fundraising for an actual realization of the Millennium Development Goals based on partnership, co-responsibility and "good governance".
- The realization of a world wide Eco-Social Market Economy through the implementation of equal ecological and social standards in all important global institutions and agreements.

It is essential that these two components are inseparable in the quintessential nature and for the uniqueness of the "Global Marshall Plan for a world wide Eco-Social Market Economy" project!

What remains is the question the prospect of realization and implementation. This is where the broad spectrum of skeptics, pessimists and halfhearted start.

Ask yourself the following question: What are the alternatives? The increasingly further discrepancy between poor and rich, strong and week, affluence and desperation is moving inevitably toward catastrophe and a disastrous spiral of violence. Thus we have broken new

ground on the path that promises to be one of the few peaceful co-operations and a possible continuing balance between mankind and habitat.

Our hope is the EU, because the Global Marshall Plan for a world wide Eco-Social Market Economy corresponds with the experience, philosophy and culture of the European integration process – that makes unity in diversity possible.

We are appealing to the EU institutions to embrace our project as their own and to represent it as a powerful actor on the global level.

Our project complies directly with what the current Federal President Dr. Horst Köhler in October of last year, while he was still director of the International Monetary Fund (IMF) devised as the navigation for a better globalization:

"The market alone is not enough. Therefore, we need a system spanning the globe with agreed-upon rules and effective institutions to deal with globalization.

- ...Without respect for the diversity of humanity, globalization is doomed to failure.
- ...The world can not survive without a global ethic!"

The resolutions of the initiators are expressed in the brochure "Global Marshall Plan", and are as follows:

"The Global Marshall Plan for a world wide Eco-Social Market Economy is long over-due and in the best well understood interests of all parts of indivisible humankind. We initiators are therefore Eco-Social Market Economy corresponds with the experience, philosophy and culture of determined to move this initiative forward until it has achieved the desired result."