

**ENVIRONMENTAL SUSTAINABILITY AND ITS CLASH WITH CAPITALISM**

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**ABSTRACT**

The paper deals with theoretical aspects of ‘Sustainable Development’, one the key issues in international as well as environmental law of the current era. The paper will first give an account about the origin of the concept of sustainability after which various international legislations and conventions will be examined so as to analyse the course of evolution of ‘Environmental Sustainability’. In the final part of the paper, the nexus between ‘Sustainability’, ‘Growth’ and ‘Development’ will be brought out and the author will argue about the irreconcilable nature of our current neo-liberal capitalist economic model with the idea of Sustainable Development and to prove this contradiction, the paper will bring to light the core values of sustainability as well as capitalism ultimately suggesting a path that humanity should preferably adopt in the future to ensure Sustainable Development of humanity and Earth.

**I. INTRODUCTION**

*“Human beings, in their quest for economic development and enjoyment of the riches of nature, must come to terms with the reality of resource limitation and the carrying capacities of ecosystems, and must take account of the needs of future generations.”*

- World Conservation Strategy, 1980

From the glaciers of the Arctic to the animal species in Africa, every part of the earth’s environment is threatened by mankind’s need for growth as defined in terms of material consumption. This model of growth measured in terms of mere increase in material consumption is not only harmful to the ecosystem but, in the long run, is an unsustainable model of progression due to the limited amount of resources available in the planet. Mankind has progressed from the early stage of an ‘empty world’ into the stage of a ‘full world’ where emphasis has to be shifted from rapid growth and cut-throat competition to qualitative development and resource sharing.

In common parlance and in the current context, ‘sustainability’ would mean the ability of a society to ensure conditions for its reproducibility, and viability which, undeniably, are of utmost importance for its continued existence. The problem at hand that we have to address is that owing to mankind’s insatiable hunger for quantitative growth the role of environmental sustainability has

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been severely downplayed and this problem due to which irreparable damage has already been done to our biosphere such as the depletion of the ozone layer, extinction of several species of organisms and the only progressive way to move forward from this point is to completely overhaul our view of progress and to perceive it from an ecological point of view. This adoption of a viewpoint with emphasis laid on environmental sustainability, conservation of our planet and development has led to the flourishing of the concept of sustainable development.

The need for sustainability within the system is not an emerging and new concept, sustainability has long been in debates and international as wells as national/local laws, norms and treaties are dome of the mechanisms through which States have tried safeguarding of the earth's ecosystem. But, however, the problem with achieving sustainability is much more fundamental and is inherent to our current capitalist style of progression that has resulted in consumerism and relentless exploitation of natural resources throughout the world. For the purpose of identifying the problems with achieving a sustainable system it is the need of the hour to understand the nature of sustainability and the nature of concepts such as growth and development that predominate the debate over sustainability. It is also necessary for us to examine the existing regime of international treaties and norms that seek to safeguard the ecosystem and to analyse their effectiveness.

### **A. Methodology**

Doctrinal research methodology has been adopted for the purposes of this project analysing the concept of sustainability, its necessity and the way to move towards a sustainable system.

### **B. Research Questions**

- How are economic, social and environmental sustainability linked together?
- How does 'sustainable development' differ from 'sustainable growth'?
- How effectively can the current international laws and norms ensure sustainability?

## **II. ORIGINS OF 'SUSTAINABILITY'**

The principle behind sustainability, that is the need for preservation of the earth's ecological system, has been a concern of scholars and philosophers for a very long period of time. As early as 5<sup>th</sup> century BC philosophers such as Plato and Strabo during 1<sup>st</sup> century BC have talked

about the need for preservation of the ‘everlasting youth’ of the earth and about the environmental degradation caused by various human activities such as mining, logging and farming. These philosophers have had varying reasons, aesthetic to humanist, for their emphasis on the need to protect natural resources and therefore it is arguable whether these philosophies recognize the main principle behind sustainability. However, in 1848, in his book *Principles of Political Economy*, John Stuart Mill had most definitely expressed the need for preservation of earth’s environment for the sake of continued prosperous survival of mankind. In his book, Mill talks about ‘Stationary State’ wherein he says,

*“If the earth must lose that great portion of its pleasantness which it owes to things that the unlimited increase of wealth and population would extirpate from it, for the mere purpose of enabling it to support a larger, but not a better or a happier population, I sincerely hope, for the sake of posterity, that they will be content to be stationary, long before necessity compels them to it”*.<sup>1</sup>

However, though individual philosophers such as Mill emphasised on the importance of the need for a check on our exploitation of resources the society in general had not paid heed to such calls.

Until early 1970s, the need for being ecologically conscious was very much downplayed and the focus of international organizations was mainly, if not only, on economic growth through increase of material wealth. In fact, international organizations such as the UN actively played a role in undermining conservation of the ecology through adoption of policies such as the *Resolution for Permanent Sovereignty over Natural Resources*<sup>2</sup> and *UN Convention on the Law of the Sea*<sup>3</sup> that even extended the right of Nations over natural resources beyond their territorial limits. Though environmental activists and the global environmental movements were conscious about the need for environmental protection, it is only in the 1970s that the international community acknowledged their presence and put forth the UN Conference on Human Environment<sup>4</sup> which was an output of the first global environmental conference.

But however, the UNCHE did not mention the term ‘sustainability’ and it was yet to take-off. It is in 1980 that the term was first used in the *World Conservation Strategy* prepared by the *International Union for Conservation of Nature and Natural Resources (IUCN)* after which the UN

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<sup>1</sup> John Stuart Mill, *Principles of Political Economy*, (7<sup>th</sup> edn, Longmans, Green & Co., 1909).

<sup>2</sup> Permanent Sovereignty over Natural Resources, 14 December 1962, UNGA Res. 1803, (XVII), 17<sup>th</sup> Session, Supplement No. 17 (A/5217); 2 ILM 223 (1963).

<sup>3</sup> United Nations Convention on the Law of the Sea (UNCLOS), 10 December 1982, 21 ILM 1261 (1982).

<sup>4</sup> Declaration of the United Nations Conference on the Human Environment, June 16, 1972, UN Doc. A/CONF 48/74 and corr. 1., 11 ILM 1416 (1972)

appointed a separate commission comprising of 22 people called the *World Commission on Environment and Development (WCED)* better known as the Brundtland Commission to analyse the existing problems and to map out solutions to solve them. The next step taken by the UN to promote sustainability within the system came in 1992 as the *Rio Declaration on Environment and Development*<sup>5</sup> which emphasizes that development and environmental protection should not be viewed in isolation<sup>6</sup> and that peace, development and environmental protection are interdependent and correlated. This declaration also sought to make State actors more responsible for their actions that may cause environmental degradation and barred States from engaging in any activity that may result in irreversible environmental damage.<sup>7</sup>

### **III. THE STATUS QUO-EVOLUTION OF THE CONCEPT**

To understand the state of the principle of sustainable development in the international community we have to first start by analysing the various international conventions and treaties that have adopted the concept and examine the effectiveness of the same.

#### **A. The Stockholm Declaration**

The United Nations Convention on Human Environment (or The Stockholm Declaration) is the first main document by the UN to bring the debate and discussion on sustainability into mainstream. The declaration comprises of seven universal truths and twenty-six principles that focused on environmental issues and sought to preserve the earth for both the present as well as the future generations. During the debate on the convention, UNCHE was described as “...an important milestone in the history of the human race” and to be a “starting point in the task of making the planet a fit place for future generations”.<sup>8</sup> The document describes that the present generation has a duty to know environmental quality and that it also has a duty to preserve the environment for the future generations.<sup>9</sup> While the UNCHE still asserted that States have sovereignty over their territory to exploit any natural resources the document also sought to bring into picture the notion of State Responsibility with respect to environmental damages. Principle 21 of the UNCHE proclaims that States have a responsibility to ensure that their activities do not

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<sup>5</sup> Rio Declaration on Environment and Development, 14 June 1992, UN Doc. A/Conf.151/26, reprinted in 31 ILM 874 (1992).

<sup>6</sup> Ibid Principle 4.

<sup>7</sup> Ibid Principle 15.

<sup>8</sup> Louis B. Sohn, ‘The Stockholm Declaration on the Human Environment’, (1973) 14 Harv. Int’l L. J., 423, 515.

<sup>9</sup> cf Rio Declaration (n-5) Principle 15.

cause environmental damage that extends beyond their territorial limits.<sup>10</sup> It also called for cooperation among the States to further develop international environmental law regarding liability of polluters and compensation for victims of pollution either within a polluter State or outside of it.<sup>11</sup> Hence, while few parts of the document can be interpreted to mean that man has right over environment the other part focuses on the need for preservation of the environment and the obligation that the current generation owes towards the future generation in terms of that preservation. However, the essential goal of the document was to prevent further environmental degradation since the parts of the document that argue for economic and social development also tend to have a heavy focus on the need to preserve the environment.

### **B. The Brundtland Commission**

The Brundtland Commission submitted its report titled '*Our common future*' to the UN in the year 1987. The report had made a major progressive step by acknowledging the conflict between economic growth and environmental protection and it concluded that economic growth was more important, especially, with the developing countries in view. The report defined sustainable development as "...*development that meets the needs of the present without compromising the ability of future generations to meet their own needs...*" which is, to date, the mostly cited definition for sustainable development. The commission and its report became vital in the development of the concept of sustainable development since the commission, for the first time, brought out the essential elements of sustainable development which are the environment, the economy and the society which later came to be known as the triple bottom line. However, the Brundtland report was critiqued as being a servant of neo-liberal ideological interests that did not challenge the idea of economic growth and consumer culture enough to bring solution to the problem of sustainability. Further, several conservative, free-market advocates also criticize the concept of sustainability as being a 'stasis' that hinders human development and the market's ability to meet the demands of the growing populace<sup>12</sup> with the free-market advocates expressing the view that human ingenuity will be able to answer the issues of growth and development and resist problems of environmental degradation. The report of this commission marked an important milestone in the development of and has been adopted in various UN agreements.

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<sup>10</sup> Principle 21, Declaration of the United Nations Conference on the Human Environment, June 16, 1972, UN Doc. A/CONF 48/74 and corr. 1., 11 ILM 1416 (1972)

<sup>11</sup> Ibid Principle 22.

<sup>12</sup> Jacobus A. Du Pisani, 'Sustainable Development – Historical Roots of the Concept', (2006) 3 Environmental Sciences, 83, 96.

### C. The Rio Declaration

Also called as the *UN Convention on Environment and Development* or as *Agenda 21*, the Rio declaration aimed at consolidating the interests of developed as well as developing countries in preserving environment and conservation of resources. This document was the result of the second UN environmental conference held at Rio de Janeiro which, initially, envisaged an *Earth Charter* envisioned to be a declaration on the rights and obligations of States with respect to environment and the ecosystem. The earth charter proved to be lofty promise that went undelivered instead of which the Rio conference resulted in the Rio declaration which marks yet another milestone in the development of international environmental law.<sup>13</sup> This declaration built upon the principles laid down in the Stockholm declaration utilizing the reports of the Brundtland commission. The importance of Rio declaration lies in the fact that it brought to the forefront the concept of ‘*Common but Differentiated Responsibilities (CBRD)*’<sup>14</sup>. This concept expressed in principle 7 of the document does not make any reference with respect to the ‘capabilities’ of countries in context of environmental protection though it does acknowledge the relevance of capabilities with respect to the developed countries due to the financial and technological resources that they command. Hence, principle 7 refers to the capabilities of countries in the context of developed countries but omits to do so in the context of developing countries.

However, it remains unclear, at any rate, is whether “CBRD” implies that developing country status in and of itself entails a potential diminution of environmental legal obligations beyond what a contextually determined due diligence standard would indicate as appropriate for the particular country concerned.<sup>15</sup> At Rio, the US had even made an express remark stating that it does not accept or recognize any diminution of responsibilities with respect to environment with respect to developing countries.<sup>16</sup> Therefore, while CBRD implies the increased responsibility for developed countries in environmental protection, it does not imply any reduction in the responsibility of developing countries. The Rio declaration also called for improved environmental protection and regulation in national laws building upon the Stockholm declaration that called for development of the international environmental law.

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<sup>13</sup> Günther Handl, ‘Declaration of the United Nations Conference on the Human Environment (Stockholm Declaration) 1972 and the Rio Declaration on Environment and Development 1992’, (2012).

<sup>14</sup> cf Rio Declaration (n-5) Principle 7.

<sup>15</sup> cf Handl (n-13).

<sup>16</sup> Ibid.

Thus, these three conventions/declarations form the most important milestones in the development of international environmental law. However, no matter the euphemisms, the most important fact that we should not forget is that none of these documents are ‘formally binding’ or enforced by any international institutions. While it is true that some parts of environmental protection paradigm have become *jus cogens*, it is also true that most principles laid down in these declarations are mere empty sets of promises that have failed to deliver beneficial results. Despite being debated on for around 50 years we are yet to come anywhere closer to ‘sustainable development’. Some critics of the concept of ‘sustainable development’ express optimism on human ingenuity and argue that technological advances will find solutions for resource limitation problems but, however, there are several problems with adopting such a free-market theory since it is a far cry to call for perception of the environment as a ‘product’ in the market and, more importantly, it is accepted by the neo-classical mainstream economists that for economic growth to occur there is a need for capital (of various types) to remain constant and that the diminishing of one type of capital will be compensated by the substitution of it with another type of capital but, however, environmental economists critique this concept on the basis that ‘natural capital’ (i.e., the environment) is not substitutable at all and therefore allowing for the diminishing of natural capital amounts to an unsustainable system.<sup>17</sup> There have also been criticisms aimed at ‘sustainable development’ wherein the developing countries have expressed concern as to it being an ideology that can be restrictive of development and growth of their capabilities.

#### **IV. SUSTAINABILITY, GROWTH AND DEVELOPMENT**

The underlying problem with achieving sustainability has largely been ignored by international organizations. To understand this problem, we have to analyse and grasp the essence of what we call sustainability and superimpose it with growth and developmental models of our progression.

##### **A. Sustainability**

Environmental sustainability is to be defined, firstly, by identifying it distinctly from economic and social sustainability. Though there is an overlap among the three, a strong linkage exists between economic and environmental sustainability.<sup>18</sup> Social sustainability is about the maintenance of ‘moral capital’ which includes values such as love, compassion and brotherhood

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<sup>17</sup> cf Handl (n-13) 93-94.

<sup>18</sup> Robert Goodland, ‘The Concept of Environmental Sustainability’, (1995) 26 Annual Review of Ecology and Systematics, 1, 24.

in a society and this social capital is not yet adequately recognized though the above said values are necessary for creation of ‘human capital’ which is now recognized as a part of economic capital. Economic sustainability has always been about maintenance of capital or keeping capital intact, which has been admitted to be important ever since the middle-ages<sup>19</sup> but what is needed now is the interpretation of this capital in a much broader sense so that it will not only include man-made capital (that is, money and other similar forms of wealth) but also natural, social and human capital.

However, for our perspective of capital to change we have to change our underlying perception that measures capital in terms of money. Among the three systems, environmental sustainability has twin benefits. Firstly, environmental sustainability is an essential goal to achieve since the ecosystem is needed for us to live and it seeks to save it. Secondly, environmental sustainability also improves human life and welfare by protecting sources of raw materials from being overexploited and in ensuring that the ‘sink systems’ of nature for waste disposal are not exceeded. Therefore, ecosystem serves us twofold, one, as a provider of inputs (raw materials) two as a sink system for waste disposal.<sup>20</sup>

### **B. Clash between Sustainability and Growth-Ecology and Economy**

The main conflict between our ecosystem and economy is that economy is a subsystem that exists within the ecosystem but, however, the economic subsystem is capable of infinite growth while the ecosystem is finite and this limitation causes a clash between these two systems with the environment severely constraining the capacity of the economic system to grow. For understanding the essence of sustainable development we need to refer to definitions that are less ambiguous than the Brundtland definition of sustainable development. One less ambiguous definition is that *"development without throughput growth beyond environmental carrying capacity and which is socially sustainable"*<sup>21</sup> which is similar to the World Wildlife Fund’s definition that defines it to be *"Improvement in the quality of human life within the carrying capacity of supporting ecosystems."*<sup>22</sup> Thus, the fundamental essence of sustainability is that it seeks to keep ‘growth’ in check and within the ‘carrying capacity’ of our ecosystem without exceeding the limits of source and sink capacities of the environment. Not anymore do we have time to dream of colonizing the moon or exploiting

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<sup>19</sup> Ibid 3.

<sup>20</sup> cf Goodland (n-18).

<sup>21</sup> Daly HE, ‘On sustainable development and national accounts. In Economics, Growth and Sustainable Environment (1988) in Robert Goodland, The Concept of Environmental Sustainability’, (1995) 26 Annual Review of Ecology and Systematics.

<sup>22</sup> cf Goodland (n-18).



Martian surface, trusting human ingenuity and making our model of growth sustainable since it is time for us to save the ‘remnants’ of environment that we have already damaged and invest into regeneration of what has already damaged before which will require huge time-periods. Therefore, time has come for us to accept the fundamental clash between the limitless potential for growth in the ‘economic growth’ model and the finite nature of our planet’s ecosystem that holds that economic subsystem. There is no possibility of ‘growing’ into sustainability and the only way out of our problems is adoption of ‘sustainable development’ models that focus on qualitative improvement of human lives rather than quantitative improvement of it which is characterized through increased material consumption. This ultimately brings into our view the point about development model and social sustainability.

The priority for ‘development’ should be improvement in human wellbeing- the reduction of poverty, illiteracy, hunger, disease, and inequity. While these development goals are fundamentally important, they are quite different from the goals of environmental sustainability, the unimpaired maintenance of human life-support systems- environmental sink and source capacities.<sup>23</sup> It is true that the developmental goals such as eradication of poverty are of significant importance but it is also true that these goals cannot be achieved with mankind following the same kind of ‘growth’ model since it will lead to an unsustainable future. Developing countries can never be as well off as today's OECD average. Future generations seem likely to be larger and poorer than today's generation<sup>24</sup> and sustainable development also mandates us the responsibility that the present generation owes towards the future generation.

### **C. A New Perspective of Development**

Thus, if we are to achieve sustainability, if intergenerational equity is to be preserved and if our developmental goals are to be achieved without compromising on our environment the only way is through a change in our ‘mode adopted for development’ and there is no alternative to that if we are to achieve sustainability of our society. The dominant view of development suggests that the goals such as poverty eradication are achieved though ‘enrichment of the poor’ but, however, the limits of our ecosystem suggest us that this enrichment is not possible due to our biophysical limitations and hence, the require change in our perception is to view the means to development not merely as enrichment of the poor but as a check on the rich to redistribute wealth among the global populace. The existing norms generated by the international community are severely flawed

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<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

since the neo-liberal policies refuse to recognize that the fundamental problem out of which all other problems with respect to sustainability branch out is the ‘logic of capital’. Even policies such as the ‘polluter pays principle’ that are praised to be major progressive steps are highly in favour of the developed countries since they send out the narrative that, *“the polluter may continue to pollute, as long as the benefit is greater than the cost of doing so, causing thus a perhaps irreversible ecological damage.”*<sup>25</sup> Neoclassical economists themselves agree that concepts such as “absentee ownership” that arise within the capitalist system indicate a ‘market failure’ due to a sub-optimal allocation of productive resources resulting from an externalization of a considerable part of the total cost of production, state intervention is hardly adequate to correct this misallocation and market failure.<sup>26</sup>

## **V. CONCLUSION**

*“The logic of capital requires constant growth in order to accumulate wealth, but this growth is dependent on the destruction of nature.”*<sup>27</sup>

The goal of Sustainable development is twofold:

- i. Eradication of poverty, illiteracy, etc., aiding the current as well as the future generations.
- ii. To keep in check the growth of the economic subsystem within the limitless ecological system that sustains the economy.

The only way to eradicate the problem of unequal wealth accumulation without compromising on safeguarding the environment is wealth redistribution. While reformists for the capitalist system who seek to humanize capitalism argue that wealth redistribution can be done through state intervention in markets the central problem of the ‘logic of capital’ that underlies the entire system still exists. While state intervention can be argued to be a cure for ‘market failures’, rampant exploitation and for inequality and poverty that infest the capitalist model we have to now look at the more fundamental problem underlying capitalism. Profit and the thirst for it require the destruction of nature and this requirement is infinite since the growth potential of the economic subsystem is infinite but the more fundamental problem is the notion of private property, which essentially undermines a collective identity among the people and motivates

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<sup>25</sup> George Liidakis, ‘Political Economy, Capitalism and Sustainable Development’, (2010) 2 Sustainability, 2601, 2616.

<sup>26</sup> Ibid.

<sup>27</sup> Garry Leech, *Capitalism: A Structural Genocide* (1<sup>st</sup> edn, Zed books London, 2012).

actions to be taken based on self-interest which ultimately spell doom for the collective property that is environment.

Thus, capitalist mode of production is antagonistic to the aims of sustainability and any attempts by international institutions to shift the issue to individual instances of market or any state's failures is mere intellectual dishonesty. Literatures have also stressed upon the advantages and the problem-solving potential of common property<sup>28</sup>. All of this melts down to suggest to us that, the profit and self-interest motivated logic of capital seeks infinite development within a planet of finite resources while at the same time the motive of sustainable development (eradicating poverty) demands wealth to be redistributed and the way forwards is a system of common property. Hence, there are systemic and dialectical necessities that demand moving into a socialist and communist trajectory of development and social re-organization.

This presupposes the abolition of private property and a supersession of commodity production, the market-imposed social division of labour, and the law of value itself, that is, a shift of focus from economic growth based on material consumption to a model of sustainable development. The issue in the current context is our extreme reliance on sanctions and prohibitions to progress towards sustainable development, which are futile in the end due to the reasons illustrated above. Our institutions should be focusing more on policies that allow for co-operative development models that allow for sharing of natural resources and allow for limited exploitation. The movement towards a development-model and away from the growth-model that is currently dominating our economic system is essential in order for the world to become sustainable for our species.

Further, the colonial past and the statistical evidence of higher pollution rates teach to us that the developed countries ought to be made more accountable for the amount of harm they cause to the environment, directly as well as indirectly through more forms of sanctions and criminal liabilities rather than reinforcing the idea of *'pay to pollute'*. As a permanent solution, the global economy should start focussing on wealth redistribution among the peoples of countries as well as the countries themselves since eradication of poverty is a great leap in the path of our sustainable development goals.

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<sup>28</sup> Ibid.