Values for the Future

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Ladies and Gentlemen,

Our annual conference is focussing on the topic of values and we have chosen to put an exclamation mark after the word "values!" I would firstly like to speak about our reasons for choosing this motto, and then go on to comment on some current sustainability policy issues.

I

Along with economic rationality and questions of purpose, I believe that the time has come to work on defining the values that determine our daily lives and finding out whether these values are the right ones for us.

Our society's ideals are in upheaval. Those things we used to consider to be normal, good, and valuable often do not apply to today. Much has changed: our families, the working world, our career expectations, and our relationship to nature and culture.

- Our once-predictable careers now include on-going education and training. We no longer learn only one profession, but several in succession, all of which may be accompanied by upheavals and the need for personal re-orientation.

- We are unsure because our values allow us to enjoy a lifestyle that cannot possibly be a model for the whole world, but which nevertheless determines our every day lives.

- The present level of unemployment is depressing and means that our society has to do without the knowledge and skills of millions of unemployed people – to say nothing of their own individual fortunes .

- Progress in medical technology has presented our system of ethics with a whole range of new problems as we explore the definition of life and possibilities of helping and healing.

I attribute a large part of the economic paralysis in Germany today to economics and politics that give people too few answers to their questions about values. The "Ich AG", Hartz IV, and Agenda 2010 do not provide complete answers. They sound cold. They do not sound like policies inspired by the central values of humanity, solidarity, and sustainability.

The **first key issue** of our annual conference is thus the great importance that a debate about values in our society holds for the future.

Our **second key issue** relates to politics. Some politicians and opinion makers think that the current social and labour market reforms are sufficient, and that they now deserve to take a breather. Some even believe that the National Sustainability Strategy is a luxury. I have great respect for these social reforms, not for every single detail, but for their basic direction. And I know how difficult it is to reform a social welfare state when society is affluent. Every one

seems ready for reform – provided it doesn't affect them The more one's own standard of living is a topic of debate, the weaker the desire for reform.

But in spite of everything, this winter – and I don't have to be a prophet to say this – will show that the unemployment rate has remained high, that economic growth has remained lower than 2 %, that the belief in a positive future hasn't really grown, and that we are a far cry away from effective climate protection even though the Kyoto Agreement has finally come into effect. Reality compels us to accept that Agenda 2010 must be based on a much more broader agenda for sustainability.

In my opinion, a simple conclusion can be drawn for politics. **Contributions toward a sustainable future for Germany are expected from those who are successful in linking the three important themes of values, innovation, and sustainability.**

The present situation is anything but encouraging. Politicians and business leaders are avoiding a discussion about values. The sustainability reports issued by large corporations and the sustainability strategy of the federal government are positive documents, but they fail to question basic values. The great debate simply hasn't taken place.

Stimulus for a change in values today comes from the daily lives of many people who seldom allow themselves to be assigned to fixed groups or institutions. These stimuli are related to food, housing, energy use, and consumer behaviour. They are increasingly related to the depiction of people in an aging society. Corporate responsibility is playing an increasingly important role here. But a landmark debate on the subject of values has not got off the ground yet. No one wants to be labelled a "do-gooder", the person who pleads the cause of the noble, the true, the beautiful, and the good.

This is a confession that we all can make – at least I can: even with the best intentions it is true that we cannot achieve a perfectly sustainable lifestyle. Many people in Germany have made many changes in the past few years – in the East as well as the West – and not only, as is often said, the easy changes. The desire to change is alive . But exaggerated demands such as "live well instead of having a lot", or "everything in moderation" often overtax the individual. And I myself am no exception . We all more or less live patchwork lives. For example, we are shocked and at the same time react indifferently to environmental damage and global poverty. We fear climate damage, and climb aboard the next airplane. Although we are uneasy, it is easy to soothe our fears. Woody Allen once said: "I hate reality, but where else can you get a good steak?"

One cannot blame everything on the individual. But there can of course be individual lifestyles that fit the requirements of sustainability, especially in the sense of individuals putting their behaviour to the test and not following set formulas.

This begins when we learn to take our own needs seriously; for example, our interest in good food. Renate Künast made a positive contribution to this just a few days ago which I particularly enjoyed. She introduced the new cookbook by the English star cook Jamie Oliver entitled *Cooking for Friends*. Jamie Oliver summarised his message at a press conference in two simple sentences: "Cooking is a lot of fun", and "A healthy diet has nothing to do with money." This is a good example of what form the "desire for sustainability" – a phrase coined by Hubert Weinzierl – might take in people's daily lives.

We need more positive examples like this. When an international firm boasts about no longer having to pay taxes in Germany, it is espousing the wrong values. Your average person takes this to mean "stinginess is sexy." Absurd advertising slogans like "good price, everything nice" are similarly misguided. These prices are simply not good – they are not honest prices because they do not reflect total social and ecological costs.

There must be a more vociferous social debate on the value system of our lifestyles, and on the values inherent in public issues. This is a cultural challenge. Each and every one of us is called upon: we need this fight about values. Which values will make our lives sustainable? What characterises a sustainable society?

Somewhat abbreviated and pointed:

Policies without values, policies that are not based on the quest for values that unify ecology, economy, and society, policies that do not embody values of use to the people – such policies are ultimately worthless. This cannot form the foundation of new beliefs or trust. We need this belief in a good future more urgently than anything else.

This, Ladies and Gentlemen, is what persuaded the members of the Sustainability Council to hold this annual conference on the theme of values. Please take this as **encouragement!** "Values for the Future – Values on which Germany can Base its Future" – don't expect a fixed canon of sustainability values from the Sustainability Council. We want to encourage all of you, each and every one of you , to take a look behind the façades of your daily life in your family, the office, the media, technology, and the world of politics, and to ask about values regarding a society that lives together, in harmony with nature.

II

My esteemed Ladies and Gentlemen,

How does sustainability look now – three years after the Chancellor formed the Sustainability Council – at a time when the federal government is presenting its first balance sheet?

In some parts of society we are witnessing the beginnings of lively debate and great innovative capacity. But not everywhere, and certainly not enough. In the economy, sustainability is being recognized more and more as the "basis of a lasting future." In many places we see positive initiatives founded by people with the courage and willingness to try out new strategies for overcoming the conventional opposition of environment and commerce. Word is spreading: the term "sustainability" can be useful.

Granted, some people still believe that these are mere trappings, entertaining but basically unnecessary. Some use the term as a buzzword, a fashionable PR instrument. This is exasperating and must be criticised wherever it appears. But this doesn't change the fact that **sustainability, once an "empty notion", is now being considered a modern "signpost."**

Our real problem isn't one of semantics. It lies in the way people – be they in the supermarket or the German Parliament – think. It lies in the fear about the future consequences of today's actions.

This can be clearly felt:

- in the reform of the social system;
- in the battle against unemployment;
- in the discussion about our aging society;
- in the search for a new architecture for the security of our country, our continent, our world.

This fear is an important element of the present paralysis in Germany. An undifferentiated and more-felt-than-conscious dissatisfaction with the current situation mixes with a fear of the future that is just as diffuse. This mixture is dangerous. Cheap populism from both the right and the left may be seductive, but will neither lead us to a viable future nor help us to manage old problems.

I warmly welcome the business initiatives calling for ethical action.

- A project established by the German Federal Working Circle for Environmentally Conscious Management is making a concerted effort to improve the motivation of company employees, so that sustainable solutions are more efficiently integrated in the business world.
- Spurred on by Ulrich Wickert, I and many others are committed to the initiative "Ethics in Business", which will reward companies that act ethically – in the hopes that ethically motivated economic actions will become more visible.

Such initiatives are urgently needed because German firms do not fare well in the international ratings of ethical investment and sustainability. It is also damaging that the negative headlines on irresponsible management practices in Germany haven't abated. Some managers create the impression that ethics, integrity, respect, and consideration are just noble words.

When a respected bank calls a sum that exceeds the personal assets of over 90% of the population "peanuts", then something must be wrong. And when a board chairman receives a severance payment that exceeds the expected lifetime income of over 90% of the population, then we may do well to question our values. This has nothing to do with envy. But a lot to do with sustainability.

III

Ladies and Gentlemen,

We are facing enormous challenges worldwide:

- in energy policy,
- in the fight against worldwide poverty,
- in security policy,
- in climate policy.

In 1987 the Brundtland Commission recommended new policies, which they entitled "Sustainable Development."
What does the global balance sheet on sustainability look like? The implementation of the sustainability strategy led to important progress throughout the world after Rio in 1992 and Johannesburg in 2002. But – and this must be said honestly and self-critically – we have not achieved a real breakthrough. Whether the Millennium Goals of the United Nations can be reached is questionable. I'd like to give some examples here:

Münchener Rück recorded the damage caused by the climate change and came up with a figure of over 60 billion euros. And it is increasing, every year. Storms, hurricanes and tornadoes, and heat waves destroy people's lives and property. My criticism is that our economy and society read such facts and simply do not care. As if only the reinsurer was affected, and not everyone else who is active in the economy. People aren't connecting this with the need for preventative action. Doesn't anybody feel uneasy about this ? Everybody wants to do business with China and India today, which is in itself not a bad thing, but they forget to ask how the face of the world will change when 2.6 million Chinese and Indians increase their CO2 emissions from the current 2 tonnes per capita to the Bavarian 7, let alone the German 11, or even the US-American 22? China is fuelling its 10% economic growth rate with a 20% growth in energy consumption. As long as we continue in this way, those responsible in China and India are not going to stop speaking about their country's need to catch up. We have to do something here in order to change the decisions over there, too.

We have to search with great intensity for new approaches to the market, politics, and technology. We have to foster a new generation of environmental politicians. The well-known US diplomat Gus Speth, who has been involved in all-important cornerstone decisions of global environmental policy for the last 20 years, draws this conclusion. And I agree with him.

Respect for human dignity, freedom, democracy, and the due process of law are the mortar between the stones of the European house, as the current European Council president, Dutch Prime Minister Balkenende said not too long ago. In the past, these values functioned well with the lubrication of continuous economic growth. But today growth has become an awkward issue Our understanding is still informed too little by knowledge about the development of nature. Trees do not grow up to the sky. But they do keep on growing. This is something that the economy still has to learn to do.

This new agenda on fairness between the generations can surely be called a historic agenda. It will take its place among Germany's greatest political achievements:

- Konrad Adenauer made overtures to the West
- The name Ludwig Erhard is synonymous with the social market economy,
- Willy Brandt with a policy of rapprochement with the East.
- Helmut Kohl stands for reunification,
- Gerhard Schröder stands for a chance to implement policies of peace in a time of global terrorism, and for the European emancipation from the Iraq policies of the United States.

This is an impressive historical agenda. **But something is missing: sustainability, meaning prosperity for future generations too.**

What does this mean in concrete terms? I'd like to explain using an example. You all know the history of the Apollo missions. You know what a powerful visionary statement the first landing on the Moon made. What followed was progress: Internet, the personal computer, semi-conductor technology, new radio technology, solar cells, the plastics revolution. These have all changed a lot. But progress didn't come from technology alone. It was identified with a very special picture, that of the blue planet. This picture changed our values and our way of thinking. The view from outer space heightened our view of the value of nature, the beauty and the fragility of the Earth.

How did this breakthrough come about? Back then the economic miracle of the *Wirtschaftswunder* was over. The Cold War used up resources, with no apparent solution and no future. Everywhere in the world, the West had become entangled in sordid "conflicts." The intellectual and technical elite were coasting . People were demoralised.

This was the situation in which John F. Kennedy gave the go-ahead for the Apollo project. One day he asked his ministers about the status of the US space voyage to the moon. He wanted to know which options were available, whether people were working toward their goals and opportunities 24 hours a day, and if not, why not. The Kennedy question is a good example of political leadership through values, through clear goals, even today.

Ladies and Gentlemen, just imagine what would happen if one morning the German Chancellor were to ask some modern "Kennedy question" in his cabinet:

What is the status of our economy and society in terms of sustainability? Are standard-bearers for the world in sustainability issues? Which options do we have? Are we working 24 hours a day toward our goals and opportunities? If not, why not?

And then he would ask more precisely:

- Are we able to gear our health system toward a value system that finances health, not sickness, one that works efficiently, with differentiation and fairness?
- Are we able to make the working world more family-friendly?
- Do we want to articulate the interests of coming generations in a better way?
- Will we be able to develop an alliance for sustainable prosperity with China, India, Brazil, Russia, and South Africa?
- What options do we have for reshaping the effects of the demographic change in Germany to the advantage of everyone?

As I said before: the big topic is sustainability. It is linked to another question that is not hard to answer: what do we have to do to make prosperity possible for future generations as well?

IV

Ladies and Gentlemen,
The German Federal Government has taken a courageous and internationally respected first step with its National Sustainability Strategy. The first progress report is on the table. It should answer the question regarding whether we are on course or not.

No one can expect great progress after only two years. However, the progress report is an important instrument, because it stands for the continuity and process attributes of sustainability policies. It proves that it makes sense to measure sustainability policies according to quantifiable indicators, to begin pilot projects, and to work on focal issues. This is necessary and important. Despite the short reporting period, some successes have been announced.

For the first time, a government report contains original contributions from the general population. The progress report has obviously viewed the Sustainability Council's contributions on land use and social dialogue as a challenge. This procedure is very valuable, even if all of our recommendations cannot be implemented on a one-to-one basis.

With its focus on automotive innovation, on energy, and on the self-image of an aging society, the government report reads like a laboratory for progress, even with points that are obviously still open.

Its balance sheet on renewable energy is very impressive.

We on the Sustainability Council will surely undertake a differentiated assessment of the progress report. But at this point let me say in general: the effort that the German Federal Government has made is considerable. The government report not only fulfils a duty, but it has also triggered an important process within the government. This effort has proved worthwhile .

But I will also say quite clearly: when it comes to implementing good resolutions, the thread of sustainability is not recognizable in the actions of the government. The Sustainability Strategy is too isolated from other areas of politics. Agenda 2010 is actively supported – sustainability is not. There is an obligation to perform here.

In the last chapter, "Outlook," the Federal Government decided not to identify its key issues for 2004 – 2006. Because there is no doubt in my mind that the Federal Government feels committed to the continuity of sustainability policies, I assess this decision as an invitation to all of us to make recommendations about which important questions should be focal issues from now until 2006. The Sustainability Council will definitely participate in this.

V

Ladies and Gentlemen,

Niklas Luhmann once said about the debate on values that one is always happy to speak about values – above all, on festive occasions – when real decisions do not have to be made. With this he expressed a certain general suspicion of "empty speeches" on values. I share this general suspicion. Because of this, I would like to mention three suggestions at the end of my deliberations. All three make it clear that a debate on values can truly lead to concrete actions and decisions.

The first suggestion is directed at policy, at the German Federal Government. It pertains to local sustainability initiatives.
Sustainability policies must be anchored at a local level. “Global thinking – local action” is still the appropriate slogan. The Sustainability Strategy still hasn’t completely arrived at the local level. And despite all the success and merits of Agenda 21 – at this time, local Agenda 21 is experiencing a low. We spoke about this at the annual conference last year. New ideas and new approaches are required. One example is local family alliances. I made a suggestion to the Chancellor that a signal should be given. This should underscore that local sustainability initiatives are an important source of social and political innovation. A symbol of recognition and encouragement is required. This can be reached by supporting initiatives from the general public at the local level.

The second suggestion is aimed at commerce and politics and pertains to the presentation and discussion of good examples of value-imbued innovation, to make a positive impression on the public. It is primarily targeted at business and science.

There has been a series of good contributions to sustainable production and consumption patterns, as examples from the construction industry, nanotechnology, IT applications, agricultural research, automobile technology, and the social sciences show. After all, both the State and businesses spend considerable sums on this. It is with great regret and a touch of surprise on my part that these many good examples have hardly been made visible to the public. I believe that the time has come to improve upon this. The time is ripe for a public trade fair on sustainability. Trade fairs were originally places for competition, discussion, and public participation. Sustainability needs all of these things, and in the meantime one can confidently say: it can deliver them too.

The third and last suggestion pertains to the generation dialogue, and is directed at the general population.

“There is barely enough to go around today!” This message is often heard, and it seems we do not notice that no effort has been made to empirically support the claim. At least it would be interesting to find out what exactly is meant by “barely enough”, and how much of this there really is.

Up until now the Generation Balance Sheet has been applied to problems of pure economic distribution. I am of the opinion that fairness between generations should not be limited to questions of money. I suggest that we open up a *Sustainability Generation Balance Sheet*. This would include ecological and social issues as well.

The idea of a balance sheet brings me to a very personal closing remark:

We need to use a more imaginative, better language when discussing sustainability. Instead of renunciation and austerity, we should talk about freedom, enjoyment, pleasure, and pride. The pleasure we get from nature, the enjoyment of good food, the joy experienced in new knowledge, freedom from economic dead ends, enthusiasm for value imbued innovation, qualitative growth, and growing quality, pleasure taken in our willingness to assume global responsibility. And the pleasure we feel when with other people.

We need more pride. The ability to consciously perceive success, to be proud about being successful, has to be re-learned. I am proud that 17 years after the Brundtland Report and 12 years after Rio, Wangari Maathai, the initiator of the Green Belt Movement, has become the

first African and the first environmental protectionist to be awarded the Nobel Prize for Peace. What a wonderful sign for sustainability! In the commemoration by the Oslo Nobel Committee, it was stated that above and beyond environmental protection, Ms. Wangari stands for the "holistic approach on sustainability which includes democracy as well as human rights, and the rights of women in particular."

In this spirit, I would like to encourage all of you who have come together here. I would like to persuade you to make it clear to your families, in your professional life, in your community , your firm, your school, to your friends and acquaintances, that the value of sustainability is very much alive. And that it pays to use the idea of sustainability as orientation, as value-related orientation to equity, the future, and the preservation of nature wherever and whenever possible.