

Global Energy Ethics for a Sustainable Future

Azerbaijan 2020: Renewable Energy and Sustainable Development Conference. Baku/Azerbaijan, 24-25 April 2012, organized by the International Ecoenergy Academy, Baku

Prof. Dr. Christoph Stückelberger
Director and Founder of Globethics.net
Professor of Ethics at the University of Basel/Switzerland
stueckelberger@globethics.net www.globethics.net



Content

- 1. Challenges and obstacles of an Energy Ethics
- Excuses and motivations to act
- 3. Values for an Energy Ethics
 - 2.1 Sustainability
 - 2.2 Responsibility
 - 2.3 Stewardship/Accountability
 - 2.4 Caring and Sharing
 - 2.5 Justice/Fairness
- 3. Energy ethics as Climate Ethics
- 4. Energy Ethics as Financing Ethics
- 5. Energy ethics as Tax Ethics
- 6. Better sooner than later: «Ethics on time» is money



0) Globethics.net: Voices from Azerbaijan

Globethics.net is a global network on ethics

A Swiss Foundation based in Geneva

53'000 registered participants from 200 countries, +3000/month Global online library on ethics with 1,1 Mio full text free documents Voices from registered participants from Azerbaijan

- Student, 22, female, Qafqaz university: "I appreciate and look for truth, kindness, honesty in <u>people's character</u>. I am so happy that there is such an electronic library and can use this opportunity."
- Male, 49, male: "I am an ICT teacher and study ethics in ICT."
- Female, 57, Univ prof at Institute for Information Technologies
- PhD student: «Doctoral thesis on <u>political ethics and voters</u> <u>morality</u> in Azerbaijan»
- Male, 31, Lawyer: <u>Ethics in law</u>.



1.1 Challenges of an Energy Ethics

- Access to energy resources means <u>power</u>. Energy ethics therefore is economic ethics and political ethics: responsible use of economic and political power.
- Non-renewable energy sources are limited. How to avoid fast extrem short term growth and wealth with fast mid term fall and collapse? How to implement a <u>sustainability</u> policy, based on a 2000 Watt society?
- Baku as «Dubai of the Caspian Sea»: how to combine an <u>energy-based</u> society with a <u>knowledge-based</u> society?
- How to implement ethical, <u>fair and just climate</u>, <u>financial and tax</u> <u>policy for the benefit of all?</u>



1.2 Ethical Obstacles: Non-Values

Before speaking about values, we have to recognize that unethical behaviour and non-values are present in all societies - in different ways.

- Greed (dependency from material needs)
- Egoism (own interests, no balance with onterest of others)
- Powergame (increase own power as ultimate goal)
- Satisfaction (through pleasure, gambling, violation, exploitation)
- Narcism (lack of ability for compassion)
- Destruction (Criminal or destructive energy)
- Nepotism (Peergroup-solidarity first, ethnicism, racism, sexism)
- Mistrust (caused by/linked to corruption, intransparency)



2. Excuses and Motivations to Act

There are many excuses not to act:

- 1. "I am too small and weak to solve the problem (e.g. of climate change, war, earth quake victims, hunger, greed)"
- 2. "It will happen anyway, whatever we do"
- 3. "We have to accept this fate as God's will"
- 4. "We may profit from the disaster"
- 5. "Others have to act first"
- 6. "Not in my lifetime, I am too old"
- 7. "We have to postpone action and solve the economic crisis first."



"I am motivated to act because ..."

- 1. "We act for our children." We received life from our parents/ ancestors and wish to bequeath to future generations the same opportunities we enjoy.
- 2. "We act for self interest." Favourable climate conditions are a prerequisite to our survival. Self interest is legitimate because everybody has the right to care for their well-being.
- 3. "We act for others." Do not visit upon others what you would not wish visited upon yourself. The ethic of reciprocity according to which one has a right to just treatment and a responsibility to ensure justice for others balances self interest with the interest of others.
- 4. "Now we know, now we must act." We can not say we did not know.
- 5. "We act for Human Rights." Fundamental human rights represent a major accomplishment of humanity and we wish to maintain and protect them.



- 6. "We act to observe a legal duty." We take seriously the responsibility to fulfil the legal obligations.
- 7. "We act under the blessing of divine authority." Life and creation emanate from this divine authority. We respond to this gift with responsible behaviour and good stewardship.
- 8. "We act for the moral imperative of equity and solidarity." All human beings are born free and equal in dignity and rights
- "We act for the planet." Earth is a gift to humanity. We act to pre-serve life and diversity for the well-being of the human community.
- 10. "We act for new business opportunities." We act with creative solutions that will enable us to advance scientific research, generate new business opportunities and create employment in a sustainable environment.



3. Values for an Energy Ethics

What is the ultimate criteria for decisions?

Energy policy can be

Power-driven: «The decision should give me more power»

Money-driven: «The decision should give me more money»

Value-driven: «The decision should implement my values»

Ethical decisions are not in contradiction to power or money, but money and power are not the ultimate goal, but a means to implement values! Four core values:



3.1 Value: Sustainability

<u>Definition (Stückelberger</u> extending the classical definition of the Brundtland Commission)

Sustainable development enables a life in dignity of present generations of human and non human beings without endangering a life in dignity of future generations of human and non human beings.

Five key dimensions: Economic, environmental, social, cultural and religious sustainability.



3.2 Value: Responsibility means response

The word responsibility is composed of two words:

- "Spondere" (Latin) means to promis, to offer, to commit, to sign a contract (in the theological perspective: God offers his earth, he commits it to humankind), he empowers (gives power) human beings.
- <u>"Re-spondere"</u> (Latin) <u>means to respond</u>, to answer to this offer by responsible behaviour / responsible use of this offer.

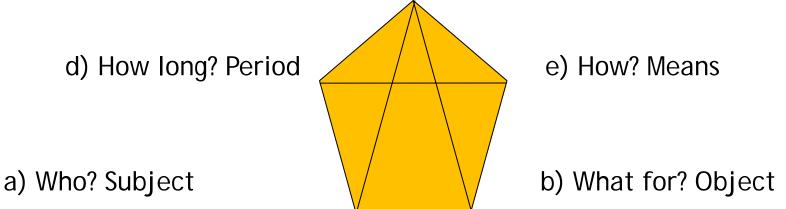


3.2 Responsibility: Five Key Questions

Five key questons for responsible decisions and behaviour

a) who is responsible b) what for c) to whom d) for how long e) with which means?

c) To whom? Instance





3.2 Power and Responsibility

- Each human power is tamed by responsibility toward an <u>authority</u> that is above the holder of the power: The state of law, the electorate, God, the Self, the own conscious/ratio, the wisdom of the forefathers, the needs of suffering people, nature.
- In <u>political perspective</u>, power is entrusted by the people for responsible use for the community
- In <u>religious perspective</u>, power is entrusted by God who claims responsible use of it.
- Power and Responsibility are interconnected: the more power one has, the greater the responsibility is!



3.3 Value: Stewardship/Accountability

The steward is not the owner (with absolute power) of something, but the manager, caretaker, economist (oikonomos: housekeeper) on behalf of the owner.

The steward is accountable towards the owner.

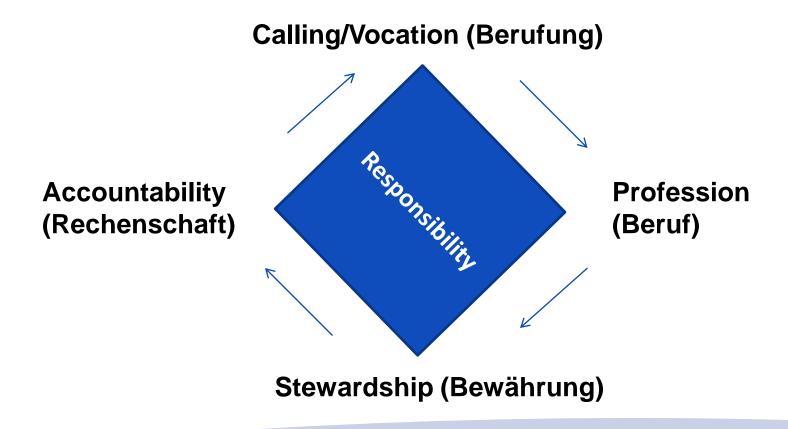


3.3 Stewardship in Islam and Christianity

Islamic Environmental Ethics	Christian Environmental Ethics
Stewardship/Halifa: Human beings are stewards on God's earth (Qu'ran 2:28-37)	Stewardship/oikonomos: Human beings are stewards on God's earth. Oikonomos = the good housekeeper and steward, (Luke 12:42-48 the good+bad manager)
Allah is creator , human and non-human beings are together his creatures (86:4)	God is creator , human and non-human beings are together his creatures
See the Halifa concept above	Not proprietor, but guest: «We all are God's guest on earth» (e.g. Psalms)
Signs of Allah's merci: each creature is a sign of God's merci (3:190; 41:53)	Liberation/Reconciliation : All creation is part of the liberation, healing and reconciliation process with God (Rm 8)
Concrete environmental rules: Natural and human resources are entrusted gifts of God for responsible use	Concrete environmental rules: Natural and human resources are entrusted gifts of God for responsible use



3.3 Stewardship: Accountability





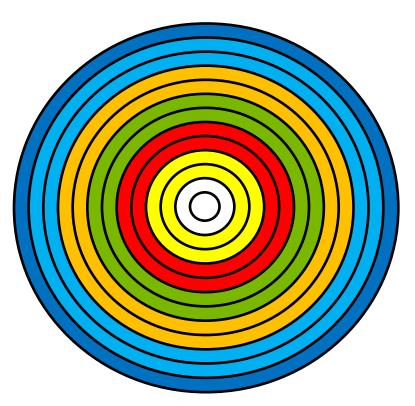
3.4 Value: Caring for the Common Good

- Implicit in the common good is a full respect for both the individual and collective interests of society while at the same time asking the individual to demand less while the community at large concedes some of its power.
- Responsibility of individuals and institutions means to balance individual and community interests from the perspective of furthering the common good.



3.4 Caring: on all levels

Caring from myself up to the biosphere



White:

1 Myself

2 Inner Family: partner, children

Yellow

3 Broader Family: Clan

4 Professional Community: team

Red

5 Neighbourhood: village, quarter

6 Religious Community: parish/temple

<u>Green</u>

7 Peers: sport, ethnic, interest groups

8 Professional Community: company

Brown

9 Nation: state, peoples,

10 Regions: EU, Asean

Blue

11 All Religions: world spirituality

12 Humankind: all human beings

Dark Blue

13 Biosphere: all living beings



3.4 Caring includes Sharing

- Caring means sharing of resources, goods and services. It includes fair, equitable sharing of resources, knowledge, while respecting the right to property and the obligation to performance.
- Sharing is based on mutuality. Fair sharing means –
 in economic terms a win-win situation and is
 therefore a key for fair, sustainable business
 relations.



3.5 Value: Justice/Fairness

- 1. Capability-related Justice
- 2. Performance-related Justice
- 3. Needs-related Justice
- 4. Distributive Justice
- 5. Justice as equal Treatment
- 6. Intergenerational Justice
- 7. Participatory Justice
- 8. Procedural Justice
- 9. Functional Justice
- 10. Punitive Justice
- 11. Transitional Justice
- 12. Restorative Justice
- 13. Transformative Justice
- 14. On Time Justice

just recognition of capabilities, charisms just recognition of performance just recognition of needs just balancing needs, capacities, performance equal chances (of men and women) just sharing of resources with future generations just participation in decision making just and transparent procedures just, efficient structures and resource allocation just instruments to overcome injustice fair provisional justice in transformation periods restore justice from occured injustice

healing and reconciling processes after injustice

act on time in order to avoid further injustice.



4. Energy Ethics as Climate Ethics I

The basic ethical question today is how to invest and distribute limited resources for the triple duty of prevention, adaptation and reparation related to climate change in order to minimize the number of victims.

Climate change becomes a question of global <u>climate</u> <u>justice</u>: Climate Justice means just and fair instruments, decisions, actions, burden sharing and accountability for the prevention, adaptation and reparation related to climate change.



4. Energy Ethics as Climate Ethics II

Principles of Climate Ethics:

- *Prevention* has ethically speaking a higher priority than adaptation because it avoids victims and is more effective than reparation.
- Adaptation aims at accepting new climate conditions and adapt the own living place. Capability will more and more have to include the capability to adapt to the new challenges.
- The <u>Polluters-Pay-Principle</u> means that the polluter has to pay the costs of the damage caused by his behavior/action.
- The <u>Capability-to-Contribute-Principle</u> means that responsibility is related to the economic, structural, spiritual capability to contribute.
- The Responsibility and Capability Index RCI combines the cumulated CO₂ emissions of a country and its purchasing power parity and the distribution of wealth.



4. Energy Ethics as Financing Ethics I

Energy policies depend to a great extent on investment policies and the conditions of available investment capital.

Principles of Finance and Banking Ethics:

- «Prices must tell the truth» (internal and external costs)
- Investment Ethics: creditor and debitor must equally gain (win-win)
- Debt Ethics: soft loans for poor people and debt cancellation in cases of disasters or unsocial debt burdens
- Fair capital gain: usery (excessive capital gain) is prohibited and may be taxed
- Agreement between supplier (e.g. Azerbaijan) and consumer (e.g. Switzerland/EU) on a RE Fund (Carbon tax for oil and gaz)!
- 1% of all oil/gaz income for foundation for post-fossilfuel Azerbaijin (see the Quatar Foundation as an example)



4. Energy Ethics as Financing Ethics II

Practical proposals

- Agreement between supplier (e.g. Azerbaijan) and consumer (e.g. Switzerland/EU) on a Renewable Energy Fund (Carbon tax for oil and gaz)!
- 1% of all oil/gaz income for foundation for post-fossile Azerbaijin (see the Quatar Foundation as an example). SOFAZ Fund of Azerbaijan exists as a good start. Put an emphasis on future knowledge based society: scholarships, good education as the future resource (human resource) of Azerbaijan.
- **Include ethical education** to strengthen the ethical foundation of the society for long term economic success. www.globethics.net with its online library on ethics is willing to be partner.
- Azerbaijan is member of the Extracting Industry Transparency Initiative EITI as a good step. Implement its standards.



4. Financing Ethics: include Religions III

Islamic Banking Ethics	Christian Banking Ethics (Calvin)
Qu'ran Basis	Biblical Basis
Yes to economy and trade, but based on fair exchange and relations. - No interests (Riba) 2:275-280 - No unclear risks (Gharar) - No gambling (Maisir) Reason for these restrictions: interests can destroy fair, honest human relations and community	 Old Testament: prohibition of taking interests from poor or "brother" (Ex. 22:25; Deut. 23:20f) 8th commandment "Do not steal" (Ex. 20:15) Golden Rule "Do for others what you want them to do for you!" (Mt. 7:12) and love your neighbor
Principle : to get a return on lent capital is fair business. Sharing profit and losses in commercial transactions.	Principle : to get a return on lent capital is fair business. Interests allowed between equal partners in commercial transactions. 25/04/2012 25



Islamic Banking Ethics	Christian Banking Ethics (Calvin)
Sharia Banking Rules	Practical Rules («Restrictions»)
No interests (riba), but share in profit and losses instead. No profit from indebtedness of the other.	Poor people should not be charged interest, they should be granted interest-free loans instead. No repayment of loan when in misery
Zakat, donation (3:130): wealth tax paid on non-working capital, savings, all types of wealth. One of five pillars.	Money may be invested with profit, but money should also be given away as a donation.
Creditor has right to a return, but this has to correspond to risk and effort	The golden rule of mutuality must be observed.



Islamic Banking Ethics	Protestant/Calvins Banking Ethics
Islamic Banking Products	(Calvins') Christian Banking Products
No speculation and gambling, but investments in real economy	No speculation and gambling, but investment in real economy
Profit from indeptedness is unethical	Debt forgiveness in case of misery or unforeseen disasters (restriction one)
Sharia Boards as ethical Boards to advice, control, decide and innovate on products and investments	New, since 19th century (e.g. Raiffeisen Bank): Ethics committes, ethical investment funds and standards
Islamic Rating: Islamic International Rating Agency IIRA	Ethical Rating (influenced by Christians): Socially responsible Investment standards SRI, Principles of Responsible Investments PRI



5. Energy Ethics as Tax Ethics

Each state needs fair tax revenues to serve the needs of its population, to develop a country and to push environmental policie.s Principles of tax ethics:

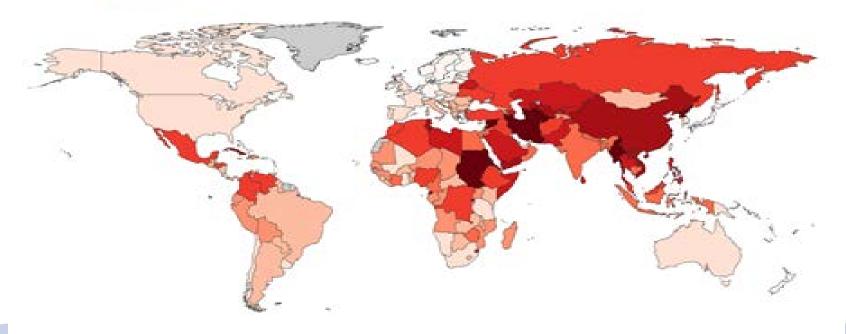
- White money strategy: international cooperation and legal aid to avoid tax heavens and money laundering
- <u>Transparent and accountable use of tax income</u> by governmental authorities. Anti-corruption laws and regulations
- <u>Higher taxes on non-renewable energy sources and incentives for renewable energy sources</u>



6. Energy Ethics as Media Ethics

Globethics.net

Freedom of Media 2010 reporters without boarders, index freedom of press





7.1 Is energy ethics not a luxury for good days and not feasible in bad days?

- No, the contrary: the current crisis as well as earlier crises shows that economy and use of energy which is not based on strong ethical values is not sustainable. Only an ethical energy policy and consumption will reduce the number of economic victims and global and regional financial crises and will survive.
- Ethics pays. Not always in short term, but in long term: reputation gain, environmental gain, security gain etc.



7.2 Better sooner than later: «Ethics on Time» is money

- «Time is money» Benjamin Franklin
- «Ethics on time saves money» (Stückelberger)
- The later we act, the more expensive are the corrective steps
- Ethical and economic rationality can be reconciled.





Dialogue, reflection and action for responsible leadership



Library
Global online library on ethics

Networking
Participants from 170 countries

Research

International projects and online workgroups

политическая этика الأخلاق الإسلامية Medienethik Etika Bisnis **Environmental Ethics** Islamic Ethics Ética de la medicina Political Ethics



thank you

adube 謝謝 oshe

obrigado gracias

धन्यवाद asante sana

merci danke grazie