



RESOURCE SCARCITY, FAIR SHARES AND DEVELOPMENT

A WWF/Oxfam discussion paper

SUMMARY

Issues of resource scarcity are rising rapidly up the political agenda – in both developed and developing countries and at multilateral institutions from the UN to the G20. Demand for resources of all kinds is rising sharply due to both a growing population and rising affluence in emerging economies. But at the time, supply growth has sometimes struggled to keep pace, and there are concerns that these tensions could intensify. For example:

- Demand for food is projected to rise by 50% by 2030. However, the world consumed more food than it produced in 7 of the 8 years between 2000 and 2008, rates of productivity growth driven by the “Green Revolution” are running out of steam, and the world is having to make up for a long period of under-investment in agriculture.
- The amount of arable land per capita halved from 1960 to 2007, from 0.39 to 0.21 hectares, but demand for it is increasing from multiple sources including food, feed, fibre (paper, timber etc.), biofuels, carbon sequestration, conservation and cities.
- Demand for water is likely to rise by 25% by 2025, but is already beyond sustainable use levels in many areas of the world, leading to depletion of both ground and surface water resources. Climate change will further exacerbate the problem. By 2025 up to two thirds of the world’s people are likely to live in water-stressed conditions.
- Despite countries’ continuing unwillingness to define a safe global carbon budget in the UNFCCC, the amount of carbon space for any stabilisation level continues to shrink rapidly as emissions continue to grow, meaning that carbon budgets will have to fall even more steeply in the future.
- And scarcity concerns have also been mooted in many other contexts, including rare earths and metals that are essential for many clean technologies.

At the same time, recognition is also growing of the centrality of these issues to development, given the higher vulnerability of poor people and their greater reliance on natural assets. For the most part, political attention on resource scarcity issues has focused on the two areas of supply side measures: increasing the availability of food, water, energy etc. through greater investment, technological innovation etc, and reducing vulnerability to the shocks and stresses that resource scarcity can drive, for example through crisis management systems.

However, given that demand for key resources may well outstrip supply, a third key theme – which has so far received less political attention – is the need to confront the distributional issues that arise in a world of environmental limits. As total global consumption levels start to hit sustainable (or in some cases absolute) limits for resources like land, water, food, oil and carbon space, the need to advocate for “fair shares” of these resources for poor people and poor countries will become increasingly central to international development.

Mapping out this new development agenda will involve unpacking some highly political questions. What definition of “fairness” is most appropriate – just ensuring that poor people’s basic needs are met, or a more egalitarian approach that tries to reduce inequality in access to resources?

Some policy implications

1. Invest in improving the data. Any agenda of “fair shares in a world of limits” will depend on accurate data. But current surveillance systems on resource scarcity suffer from major gaps, and are poorly integrated across both issues and levels of governance.
2. Recognise that scarcity isn’t just relevant to specialists in environment, climate and rural livelihoods. On the contrary, resource scarcity will become increasingly central to governance, economics, social development and conflict advisers, and should be incorporated into training and professional development.
3. Rather than seeing scarcity as a stand-alone issue, donors and NGOs need to understand how it fits in to the larger political economy context and relates to urban / rural tensions, political parties, spending decisions, civil society dynamics, the politics of ethnic groups and so on.
4. Access to justice. Even where legal frameworks are in place to ensure a certain level of resource access, poor people may find their rights abrogated – for example through forced displacement from land – as scarcity increases. Focusing on access to justice will therefore be critical.
5. Be clear that this isn’t just an in-country agenda. It is at international level where there is most to be done, given that the key drivers of resource scarcity are global – so donors should scale up work on areas like policy coherence for development, international institutional reform and sustainable consumption in OECD countries.
6. Start developing policy options now, before the policy space for them opens up. As impacts of scarcity and climate change increase in frequency and severity, political space will open up – often after shocks, for a limited time. This places a premium on having ideas “on the shelf” that can be deployed rapidly when opportunities open up.
7. Focus on basic needs to start with. Much support for development already depends on the idea that all people have a right to the basic needs of life. The fact that resource scarcity imperils these basic needs can create a bridgehead narrative that opens up space for talking about more difficult aspects of fair shares.
8. ...but start building up the broader ‘fair shares’ narrative too. Donors and NGOs should do everything they can to deepen awareness that individual consumption choices have global impacts, and that taking equity seriously is a prerequisite for sustainable management of shared resources.
9. Focus on poor people, not just poor countries. A focus on resource scarcity necessarily implies looking at inequality within countries – partly because poor people are most vulnerable to resource scarcity and environmental shocks, but also because scarcity will create new opportunities for elite rent-seeking, corruption and exploitation
10. Avoid getting tangled in the limits to growth question. Debate is starting to open up on whether limits apply just to certain resources, or to growth itself. Even if the latter is true (which it could be), it will take time for this to become clear. There is certainly a genuine debate to be had about limits to growth but it is already clear that there are limits to the supply/availability of crucial resources. Therefore policy decisions need to take this into account, and in particular the fair shares issues that are unavoidably involved.

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