

Corona versus Climate?

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Fridays for Future

Not so long ago, the committed young people in the "Fridays for Future" demonstrations massively urged the established older generations to do something about climate change and thus to preserve their future. Now it is predominantly younger people who insist on their parkland picnics and op-air concerts, and who, as potential virus carriers, endanger sick and elderly people.

So does Corona stand in contradiction to Climate change and are both events a question of the generation conflict? There may well be a conflict between the generations, but in both cases it is primarily about the ability of society to act in a socially responsible and forward-looking manner, but also in solidarity.

If we take a look at the original definition of sustainability - which comes from forestry - we find interesting clues:

The Forest Industry

A Sustainable Economy has its origin in forest cultivation, where the grandfather would plant, the father would tend the crops well and the son would harvest (in the best case). But the business model only works, if any generation is committed to the welfare and needs of the next generations – short term profit maximisation without planting new trees will give a short term maximum profit, but destroys the longer term prospects.

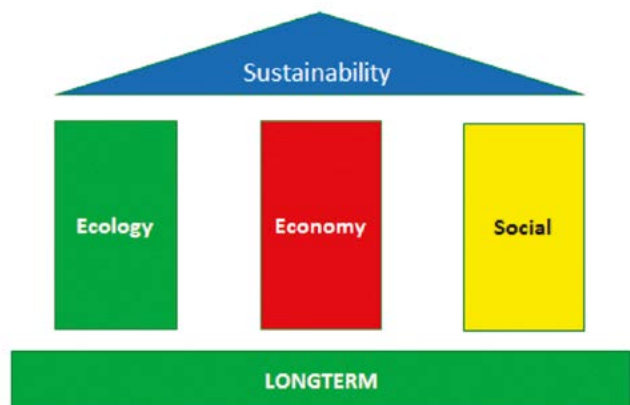


What does Sustainability mean? A generational contract!

Sustainability is more than Protection of Nature

Sustainability means balancing ecological and economic aspects as well as taking social aspects into account in the long term over several generations!

Three Pillars of Sustainability



If we apply this principle, it can help us both in the current corona crisis and in the requirements of climate change.

Are there Learnings from Corona for Climate Change?

Home office working and video conferences have proven their efficiency and are being used to an unprecedented extent due to social distancing measures and ban on personal contact.

This shows the enormous potential that changes in behaviour and new technologies can have when used to create a more sustainable economy

The corona crisis forces us to apply the 'AIR' principle (Avoid, Improve, Replace) in a less radical form that makes sense and is useful in terms of a sustainable economy:

AVOID:

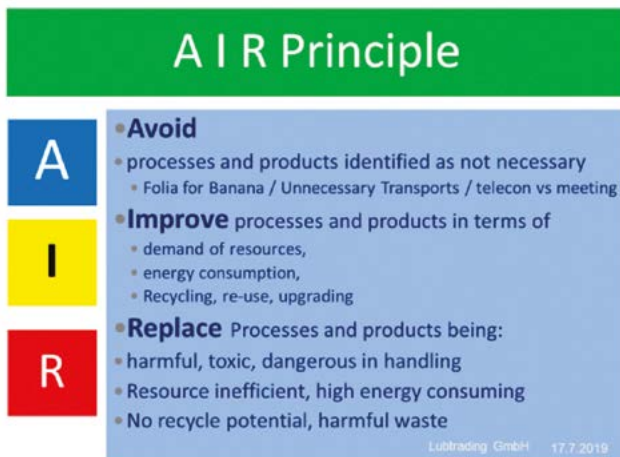
Which processes are not necessary in the interest of overall optimisation or target achievement?

IMPROVE:

How can necessary processes be simplified, improved and made more efficient?

REPLACE:

Which processes and products have to be replaced due to excessive environmental influences or risks?



The Three Tickets Dilemma

In addition to protective measures, we urgently need the development of the latest medical technology, vaccines and medicines to solve the corona crisis. Climate protection is also impossible without the use of innovative technologies if we do not want to revert to pre-industrial lifestyles.

Many of these technologies are already available:

Wind energy, photovoltaics, hydrogen from hydrolysis, renewable fuels, xtl and ptx processes and Carbon2Chem as well as carbon capture. Last but not least, the enormous advances in low-friction and low-wear lubricants, which in practice can save many times more!

Many of these technologies are of a technical maturity that makes large-scale industrial use possible - but why doesn't this happen?

One key problem is cost-effectiveness: For example, hydrogen obtained from hydrolysis and renewable electricity is about twice as expensive as hydrogen from natural gas - this applies analogously to many other environmentally friendly technologies

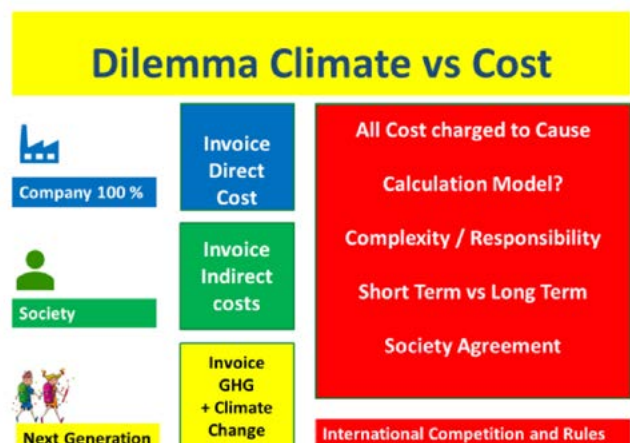
There is a dilemma here: Naturally, a company makes its decision for raw materials, processes and products based on economic criteria and must do so.

In fact, there are almost three calculations for each process and product:

The immediate one, which is based on material costs, logistics, investments and process costs, wage costs etc. This is the only basis for business decisions.

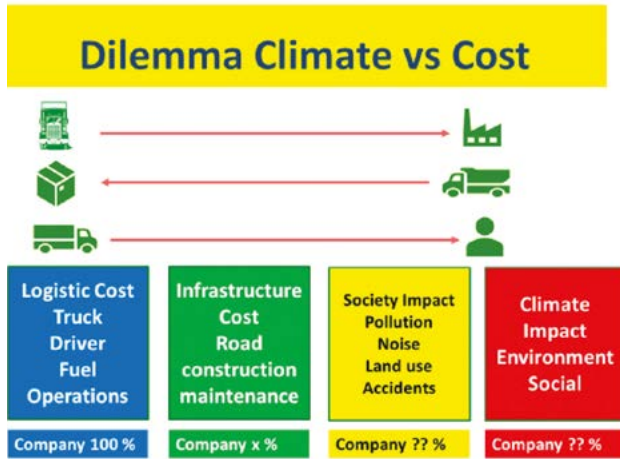
In addition, there are social and environmental impacts that are not necessarily reflected in business costs - these can be the consequences of noise, emissions, influence on infrastructure.

So one could say this second invoice is paid by society.



Another important aspect is the costs caused by climate change, e.g. through level coastal protection, costs of flooding, crop failures which essentially are a third-party bill for the next generation.

It is a social challenge to include these costs gradually and appropriately in the business considerations based on the polluter pays principle. However, this can only succeed if it is achieved in a broad social consensus and in a competition-neutral market as much as possible.



Global Logistic Chain

This is also evident in our complex global supply chains. Global trade has been key to high standards of living and technical development since ancient times

But the dependency on drugs from China, chemical raw materials from India and many other dependencies on a single manufacturer worldwide also show the vulnerability of such systems. A sensible balance between cost-optimised production in large units - economy of scale, with adequate supply security through redundant systems is urgently required.

It is important to weigh the advantages of global trade against security of supply with regional structures.

If we gradually and calculably include the indirect costs in the business calculation, such structures will in many cases become competitive and are economically, ecologically and socially advantageous.

Economic Needs and Focus after Corona?

It is probable we will see a dramatically tense global economy after the Corona crisis.

And many recent examples show that with low economic growth and high unemployment, economic concerns - especially the creation of jobs have high priority - so you can say again: Corona versus Climate?

Will the economic requirements push the concerns of environmental and climate protection into the background? Will the expected high level of government debt lead to the abandonment or postponement of climate targets in favor of a rapid economic recovery?

Time will tell us - but the possibility is there!

The current crisis also shows us one thing very clearly: as long as a danger or a risk is abstract, people tend to underestimate or even suppress the danger; at the moment when the effects are immediately noticeable, the personal concern and willingness to act increases.

When the number of infected people in China increased, Wuhan - a city of millions was quarantined and a hospital was built in just 14 days - we watched in fascination - but the risk was far away... two months later, Corona is the dominant topic in almost every country in the world!

But in addition to all the tragic images and facts, we also see enormous opportunities in this crisis: I would not have thought it possible how quickly, after initial bewilderment and paralysis, unpopular decisions are made, enforced and followed across all parties of all countries because of the highest understanding of them. There is a need, but there is also a broad solidarity among the global population.

When the EU Commission presented the Green Deal and funded an investment of one billion euros - many considered such an amount unimaginable.

A few months later, entire economies can and must raise a multiple of this sum in order to master the gigantic consequences of the corona crisis.

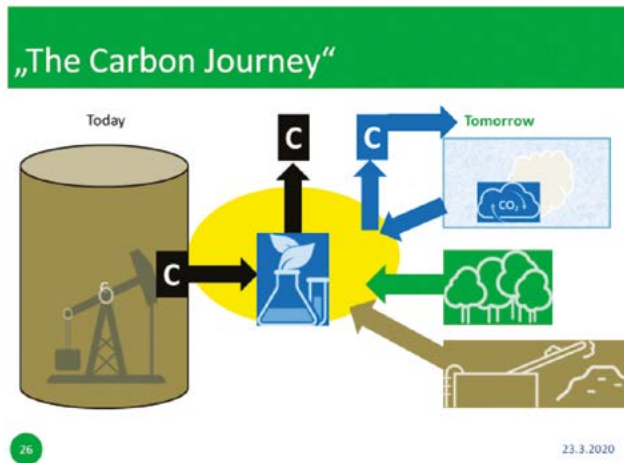
We will master this crisis - and we will face gigantic challenges afterwards. I do not know how we will decide: To put the efforts to avoid climate change in the foreground of our efforts or to build the economy in the sense of the old economy without considering climate aspects?

But one thing is certain: the change in climate is not waiting for us, and every year we lose will end up demanding higher efforts and more! We can ignore these challenges for a while, but then we will have a direct impact on forest fires, floods and crop

failures, and remember that we must deal with these challenges with the same rigor as Corona does now!

Converting our economy into a greenhouse gas-neutral approach remains one of the greatest challenges of our time and will massively change our companies as well as our private lives.

Innovations, creativity, long-term predictable framework conditions, and social balance are key to success. Let's take up the challenge!



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