INDIGENOUS WISDOM:
Living in Harmony with Mother Earth
KAIROS is ten national Canadian churches and religious organizations working together for human rights and ecological justice through research, education, partnership, and advocacy. In 1996, the Royal Commission on Aboriginal Peoples (RCAP) concluded that public education is key to realizing a renewed relationship between Indigenous and non-Indigenous peoples – one based on sharing, respect and the mutual recognition of rights and responsibilities. Through creative and innovative public education initiatives and campaigns such as the Blanket Exercise, KAIROS works towards a just, peaceful and respectful relationship between Indigenous and non-Indigenous peoples that recognizes Indigenous peoples’ rights, including the right to self-determination.

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In an age when climate change and other ecological crises threaten life on Earth, we humans must learn to live within the carrying capacity of our planet. Yet we are now on track to reach four, or even five, degrees Celsius of global warming by the end of this century. Renowned climate scientist James Hansen warns that continuing to burn fossil fuels at current rates will render most of planet Earth uninhabitable. Looming crises include mass extinctions of plant and animal species, land degradation, ocean acidification and depletion of vital resources, especially groundwater. The ancestral wisdom of the Indigenous peoples of the Americas can guide us towards finding solutions to these unprecedented challenges.

One way to measure whether humanity is living within the Earth’s capacity is the size of our ecological footprint. Ecological footprints measure how much of the Earth’s arable land, pastures, forests, oceanic food production and carbon dioxide absorption capacity is used by humans relative to the ecosystem’s carrying capacity.

As illustrated in the chart, when ecological footprints were first calculated in 1961, humans lived well within the regenerative capacity of the natural world. By the 1990s, however, our overall consumption exceeded the Earth’s biocapacity by a significant amount. By 2007, humanity’s ecological footprint exceeded the planet’s carrying capacity by 50%. In other words, it would take one-and-a-half Earths to sustain the rate at which we are exploiting natural resources. As the blue segment on the bottom shows, rising carbon dioxide emissions are the biggest contributor to this unsustainable reality.

This paper will examine how Indigenous peoples’ teachings can guide us in learning how to reduce our ecological footprint. Indigenous peoples speak of living in harmony with Mother Earth, taking only what we need, always conscious of the impact of our actions on seven generations to come. This ancestral wisdom provides a vision of genuinely sustainable societies where people care for one another, engage in creative work and deepen their spiritual lives while sharing in the Creator’s gifts of clean air, water and nutritious food.
The original languages of Andean Indigenous peoples each have an expression that embodies this ancient wisdom: *suma qamaña* in Aymara; *sumak kawsay* in Quechua; *teko pora* in Guarani; and *kume mogen* in Mapuche. During an exchange with Indigenous peoples in Ecuador, facilitated by KAIROS, George Poitras, former chief at Fort Chipewayan in Northern Alberta, explained that the Cree term for the same concept is *miyo matsuwin.* These terms can be approximate translated into Spanish as *buen vivir* or *vivir bien* and into English as “living well” or “the good way of living.” A fuller translation might be, “living appropriately so that others may also live.”

Latin American church leaders and theologians urge us to take the Indigenous teachings on living well seriously, not as a Utopian vision, but as a guide to action. The editors of *The Latin American Agenda* point out: “*Sumak kawsay* is not just a marginal theme, or simply cultural or folkloric, or for those who focus on Indigenous issues. It is a serious proposal, presented by an authorized interlocutor – the native peoples of this Continent – that challenges not just one detail or element of the model of Western civilization, but its deepest understanding of itself, its fundamental ‘values.’”

In his introduction to *The Latin American Agenda,* Brazilian Bishop Pedro Casaldáliga regards the vision embodied in *sumak kawsay* as completely in harmony with seeking God’s Reign as proclaimed by Jesus. He writes: “Social movements, and especially the Indigenous movement, have proposed a new paradigm of living and living together that is not based on development or the idea of growth but rather on different concepts such as those of conviviality, respect for nature, solidarity, reciprocity and complementarity.”

Theologian Leonardo Boff extends the invitation to participate in a “profound community”, not just among humans, but also, “with Pachamama, with the energies of the universe and with God.” He writes: “A ‘good life’ invites us not to consume more than what the ecosystem can support,” to avoid producing wastes that cannot be absorbed, “and spurs us to re-use and to recycle that which we have already used.” He concludes: “Then, there will not be scarcity.” In contrast, capitalism requires that for “some to ‘live better,’ millions and millions have to ‘live poorly.’”

In a 2013 message, Latin American Indigenous theologians asserted: “We original peoples of *Abya Yala* [an Indigenous name for the Americas] affirm that *sumak kawsay* and the Gospel are the same project of the God of Life!”

In Part One of this paper, we explore Andean peoples teachings on how to live well without destroying the natural world on which life depends. In Part Two, we investigate what these teachings mean for us here in Canada. There we shall also consider what we can learn from social movements in Bolivia and Ecuador inspired by these teachings. In Part Three, we address how “living appropriately so that others may also live” challenges us to face the impact of our consumer society on other peoples.
Part One: How Indigenous Peoples Describe Vivir Bien

Before exploring what living well might mean in our Canadian context, we must first challenge ourselves to appreciate an Indigenous world view that differs fundamentally from the dominant Western mindset that we tend to accept uncritically. We must put aside our preconceived notions about what constitutes “development” or a “good life” and listen carefully to Indigenous peoples.

A. The Aymara Philosophy of Vivir Bien

David Choquehuanca, an Aymara who is also the Foreign Minister for the Plurinational State of Bolivia, distinguishes vivir bien from the Western concept of development: “Vivir bien goes much farther than the simple satisfaction of needs and access to goods and services. It goes beyond wellbeing based on the accumulation of goods. Vivir bien cannot be compared with development, since development, as conceived in the Western world, is inappropriate and highly dangerous for indigenous societies. The introduction of development among indigenous peoples slowly destroys our own philosophy of vivir bien because it disintegrates the communal life and the culture of our communities by liquidating the bases for our subsistence as well as our knowledge and capacity to meet our own needs by ourselves.”

At a conference in Quito in January 2010, he described 10 characteristics of vivir bien:

1. Vivir bien means living well based on the knowledge of our peoples, not living better at the cost of others. Vivir bien means living in community, in fraternity, and especially in complementarity where there are neither exploited nor exploiters, excluded nor those who exclude, marginalized nor those who marginalize. Vivir bien means to complement one another, not to compete; to share and not to take advantage of one’s neighbour; to live in harmony between persons and with nature. Vivir bien is opposed to luxury, opulence, lavish spending and consumerism.

2. For vivir bien, individual wellbeing is not the most important concern, but the community where all families live together. We are part of a community just as a leaf is part of a plant.

3. Work leads to happiness; we learn to work as we grow just like breathing or walking. No one should live off somebody else’s labour. Not working and exploiting one’s neighbour might possibly allow one to live better, but this is not vivir bien.

4. Faced with the threats to humanity and the planet posed by climate change and all the other crises, as children of Pachamama, Mother Earth, we offer our principles and our cultural, spiritual, linguistic and historical codes; the ancestral knowledge of our forbearers; the historical memory that rests in our architecture, ceramics, textiles; all the Wisdom of our elders.

5. Vivir bien involves recovering the knowledge gained from the experiences of our peoples; recovering the

Vivir bien means living well based on the knowledge of our peoples, not living better at the cost of others.—David Choquehuanca

Culture of Life; restoring our life in harmony and mutual respect with Mother Nature,
Indigenous Wisdom: Living in Harmony with Mother Earth

Vivir bien involves achieving equilibrium, enabling harmony among people, but most fundamentally harmony between humanity and nature.—David Choquehuanca

with Pachamama where everything is alive, where we are reared as part of nature and of the cosmos; where nothing is separate; where the wind, the stars, plants, stones, dew, hills, birds, the puma are our brothers and sisters; where the Earth is alive and the home of all living beings.

6. Reconstructing vivir bien involves returning to the path leading to equilibrium, enabling harmony among people, but most fundamentally harmony between humanity and nature.

7. Each of us maintains our own identity, individuals, trees and plants are all respected. If we don't respect our own identity we are going to die, to disappear.

8. Our struggle transcends social justice which deals only with relations among humans and therefore is exclusive of nature. We seek to achieve equilibrium and complementarity among humans, between men and women and equilibrium between humans and nature.

9. To achieve vivir bien, we are fashioning a sovereignty where we take decisions, resolve conflicts, and come to agreements by consensus and not by democracy. Democracy entails submission where minorities yield to majorities or majorities force minorities to yield. It is very important that everyone has the right to participate and be heard. We must commit to consensus where all contribute to decision making.

10. From our forbearers we learn respect for earth, water, air and fire. From time immemorial we are accustomed to relating to our waters, sun, moon, winds, the four directions, and all the animals and plants that accompany us on our lands. We have always considered nature to be as important as we are ourselves. The water we receive from the sky, the mountains, the forests and the land still live in the hearts of our peoples.

Elsewhere, David Choquehuanca discusses another principle of vivir bien – knowing how to listen. He states it is enormously important “to listen to each other, to listen to Mother Earth, to all beings, the river, our birds, above all, to the humblest. And those that listen learn, change, and are prepared to serve their people.”

B. Sumak Kawsay as Explained by an Indigenous Leader in Ecuador

Floresmil Simbaña, a former leader of Ecuador’s largest Indigenous organization, the CONAI (Confederación de Nacionalidades Indígenas del Ecuador), explores what the incorporation of sumak kawsay into the constitution of Ecuador should involve, recognizing that the current government has failed to fulfill this vision. He situates the revival of sumak kawsay as a response to neoliberalism, the ultra-free market policies imposed on Southern countries by international financial institutions through Structural Adjustment Programs and free trade agreements.

He characterizes sumak kawsay as having subsisted in the historical memory and practice of Andean Indigenous peoples as an ethic that gives order to community life. In pre-Columbian times it served as the organizing principle not only for the community, but for the society and even the state itself. This latter function was destroyed by conquest and colonial rule, but it was never forgotten nor abandoned at the community level.

Sumak kawsay is fundamentally different from the Western mindset where humans are seen as separate from nature, where nature is seen as something to be controlled, as an object of domination and source of wealth. For Indigenous peoples, humans are not separate from nature but part of it and nature is not a resource but the mother of all that exists. Sumak kawsay involves living in harmony with the cycles of Mother Earth.
Simbaña insists that *sumak kawsay* cannot be reduced to simply a better distribution of the benefits of development, as some government officials imply. Rather it involves “a reorganization ... of the political-economic model ...above all of the State.”  
*Sumak kawsay* opposes the exploitation of petroleum and mineral resources, in contrast to Ecuadorean President Correa’s recent decision to allow petroleum extraction in the biologically fragile Yasuní National Park, supposedly to raise money to fight poverty. The state tends to accord a very limited role to local communities as places where services, such as potable water, are delivered and cooperatives are formed among individual producers. Under *sumak kawsay*, the commune, or *ayllu* in Quechua, is one of the fundamental backbones of society around which the cultural, political, social and ideological dimensions of life are organized.

According to Simbaña, community and communal living spaces embody the ethical norms and practices of reciprocity; collective property; living in communion with nature; social responsibility; and consensus.

C.

**Moving from the Western paradigm to vivir bien in harmony with Mother Earth**

Diego Pacheco, Rector of the University of the Cordillera in La Paz, asserts that the principal transitions involved in moving from the Western paradigm of civilization toward “well-being in balance and harmony with Mother Earth” are the following:

“The transition from the anthropocentric view of the world toward the construction of a cosmocentric approach. The anthropocentric view of the world is centered on the achievement of peoples’ well-being through the irrational exploitation of nature, viewed as natural capital: an inert object that can be owned, operated, transformed and marketed as a source of income without limits. By contrast, the cosmocentric approach is based on the vision of Indigenous peoples in which living beings and nature are in dialogue one with the other, sharing the same level of hierarchy. In this approach, Mother Earth is a sacred, living being, our mother. ... The battle for the recognition of the rights of Mother Earth appears as the only way to stop global collapse linked to the impacts of climate change and loss of natural biodiversity.

“The transition from the monocentric colonial and capitalist world system toward the recognition that in the world there are multiple ways of living and thinking. In the predominant political and economic model of the capitalist world system, diversity is not possible. Therefore, divergent views are eliminated in the construction of the homogenous world. ... The transition from only one predominant view of a world that has only one center of authority (developed countries), one developmental model and one dominant economic model (capitalism) requires the recognition that we live in a polycentric world where there are many centers of authority, many approaches to achieve happiness of the people, and many economic models involving public, private and community arenas.

“The transition from a market-oriented mindset towards the economy of Mother Earth, which is based on the non-commodification of Mother Earth. The capitalist countries of the world are oriented to expand market instruments, building upon the idea that nature is an inert object that can be economically valued and monetized. This is done by promoting the notions of natural capital, the economic valuation of ecosystem services and payment for...
Conversely, in the societies promoting Living well, the way to protect Mother Earth is through avoiding the commodification and financialization of the environmental functions of Mother Earth. In the economy of Mother Earth, the creation of wealth is achieved by respecting the limits of regeneration of the components of Mother Earth, articulating monetary and non-monetary means as interrelated forces, respecting the fact that Mother Earth, rather than capitalist accumulation is at the center of society.

“The economy of Mother Earth originates in the views of Indigenous peoples, in which nature is sacred and therefore its environmental functions cannot be monetized and converted into a commodity. In this vision, contradictory parts can be part of the whole and opposite forces can reach equilibrium; this is why the Western and the Indigenous world can coexist as two opposite but interrelated forces. In the economy of Mother Earth, monetary-based and non-monetary-based means are articulated (like day and night or man and woman), but money has a different meaning to that held in the Western view. Financial resources are not only the result of the individual effort but a complementary gift of Mother Earth. ... [Money] is not for accumulation but for redistribution in order to achieve collective Living well of society.”

D. Vivir Bien as a Model for the State and the Economy in Bolivia

Raul Prada Alcoreza was a member of the constitutional assembly that successfully promoted the inclusion of the concept of vivir bien into the constitution of the Plurinational State of Bolivia. He was also a Deputy Minister of Strategic Planning who oversaw the drafting of an official plan for incorporating its principles into government policy. Although that plan was approved by cabinet in 2010, it has yet to be implemented by the government of President Evo Morales which faces challenges from powerful political opponents.

In a 2011 essay, Prada Alcoreza draws on elements of that plan to describe what its actualization could mean. Vivir bien is grounded in an understanding of the involvement of both humans and nature with Mother Earth and in a dialogue mediated by a ritual that treats Nature as alive and sacred. Humans must take from Nature only what is necessary to sustain life. The reproduction of life is only possible where there are relationships of interdependence characterized by reciprocity and solidarity. Vivir bien achieves a sense of fulfilment when it realizes the ideal of feeding and nourishing the community through its own production. This involves more than just the intake of food but is achieved through an equilibrium among the living forces of Nature and human communities.

Vivir bien embodies the following principles of plenitude:

• social solidarity among humans;
• production through communal work;
• reproduction of the labour force and collective, public responsibility for family life;
• complementarities – interdependence of humans with different capacities and attributes;
• respect and harmony with Nature; and
• Nature is sacred and covenants with Nature are renewed through ritual.

Measures such as Gross Domestic Product, the sustainable development paradigm and programs to combat poverty are not adequate social goals. Vivir bien seeks to replace the market system with one that asserts the right to life where the economy is subordinated to political and social criteria. Neither wealth accumulation nor industrialization are ends in themselves but means for achieving a harmonious living together of humans in communities and with Nature.

Vivir bien does not reject the generation of wealth or economic activity but radically

Humans must take from Nature only what is necessary to sustain life.—Raul Prada Alcoreza
changes objectives such as how to calculate efficiency or utility. Seeking maximum gain gives way to seeking the survival of interdependent human beings. Defending life should be the guiding principle for a state that incorporates vivir bien into its constitution.

Such a state will make decisions by consensus based on trust, openness and accountability. It will delegate decision-making to regional bodies to allow participation by the people most affected and take into account each region’s ecology. Governance practices may differ from region to region depending on the ethno-cultural composition of its inhabitants. Both traditional Indigenous knowledge and modern science and technology are valuable for seeking solutions to new, unprecedented ecological challenges such as climate change. These two types of knowledge should remain in dialogue in search of solutions.

The Bolivian constitution foresees modifying a mixed economy of private, state and cooperative enterprises to make room for a communal economy based on ancestral practices. The state has a role in this transformation through participatory planning, regulation, direct participation in the economy to promote equity, integration of different modes of production and promotion of industrialization of renewable and non-renewable resources within a framework of protection for the environment. In some sectors, the state will retain monopoly control.

Prada Alcoreza recognizes that there will inevitably be tensions between the goals of state planning and communal decision-making, between the industrialization of raw materials and ecological practices. However, by encouraging democratic participation in decision-making, the state will not act as it did in the past when nationalization led to what became known as “state capitalism” in Latin America.

The economic model will aim to break free from the dictates of international markets that require a country like Bolivia to remain primarily an exporter of raw materials. This will require state control over strategic materials to ensure both their industrialization and respect for ecological limits. While there are parallels with past efforts at industrialization such as import substitution and the strengthening of the internal market, this does not mean an uncritical following of the path trod by nations now deemed industrialized. A process guided by the principles of vivir bien and Indigenous practices will be different.

Prada Alcoreza concludes by observing how, on the one hand, vivir bien may appear a dream of returning to an utopian past, while at the same time it seeks to shape an uncharted future through participatory democracy. Vivir bien requires changes both in culture and in political institutions mediated by the conditions that exist at a given moment in history. It seeks to move away from the extractivist, export-oriented economy by developing several sovereignties: food, energy, technology, economic and financial.

E. Vivir Bien and Global Relations

In Living Well in Harmony and Equilibrium with Mother Earth: A proposal for changing global relations between human beings and nature, Diego Pacheco, rector of the University of the Cordillera, examines how Bolivia has incorporated its commitment to vivir bien into the positions it advances at United Nations negotiations on the environment, climate change and biodiversity. He contrasts the vision of an economy based on vivir bien with the “green economy” elaborated at the 2012 UN conference in Rio de Janeiro on the 20th Anniversary of the 1992 Earth Summit. He characterizes the Rio+20 outcome document, The Future We Want, as promoting the expansion of capitalism into the environmental functions of Mother Earth based on the concept of “natural capital,” putting a price on “environmental services” and the use of market mechanisms to address climate change and conserve biodiversity.
In contrast to the “green economy” that turns nature into a commodity, marginalizes non-monetary values and excludes other world views, Pacheco draws on the outcome of the April 2010 Peoples’ Conference on Climate Change and the Rights of Mother Earth held at Tiquipaya, Bolivia. That conference was convened by the Bolivian government, in cooperation with numerous civil society organizations, after the failure of the 2009 Copenhagen climate conference to deal adequately with the challenges posed by climate change. The 30,000 persons who attended crafted proposals based on recuperating the knowledge, wisdom, and ancestral practices of Indigenous peoples as affirmed in vivir bien, recognizing Mother Earth as a living being with whom we have an indivisible, interdependent, complementary and spiritual relationship.

The negotiating position adopted by the Bolivian government affirms the principle embodied from the beginning in the UN Framework Convention on Climate Change of “common but differentiated” responsibilities for addressing climate change. According to this principle, all peoples must act to mitigate climate change but the heaviest responsibility for curbing greenhouse gas emissions lies with the industrialized countries who are responsible for three-quarters of the emissions that have occurred since the Industrial Revolution. Thus the Bolivians recognize that industrial nations owe a “climate debt” to the peoples of the global South.

While asserting the need for a monetary contribution from industrialized countries towards the redress of the climate debt, the primary means of repaying this debt should be reducing emissions in the global North. Pacheco says the contributions of Indigenous and campesino communities in maintaining healthy ecosystems and biodiversity are much more valuable than monetary compensation. He notes how collective actions by Indigenous peoples and their communities are important in ensuring that ecosystem functions, such as the purification of water, the recycling of nutrients into the soil or the sequestration of greenhouse gases, are maintained.

Furthermore, Bolivian negotiators oppose market mechanisms such as those embodied in the “REDD plus” initiative for Reducing Emissions from Deforestation and forest Degradation and the carbon market. The REDD plus mechanism is identified as a denial of Indigenous peoples’ right to free, prior and informed consent embodied in the UN Declaration on the Rights of Indigenous Peoples. Many REDD plus projects involve taking control over forest ecosystems on Indigenous territories and disrupting natural ecosystems with tree plantations in return for promises of monetary compensation. Market mechanisms for reducing carbon emissions have not only failed to achieve their stated goal but have also been “infested by corruption and non-transparency.”

Carbon sequestration projects for tradable carbon credits have been known to disrupt traditional agricultural practices and displace poor farmers from their lands.

Pacheco identifies some minor gains that Bolivia, in collaboration with 20 other like-minded developing countries, has achieved in the UN climate negotiations. These include the initiation of work programs on climate mitigation mechanisms and on forest management that are not market-based. He notes that Bolivian law prohibits conversion of forested land to other uses except when it is in the national interest.

At the 2013 UN Climate Change Conference in Warsaw,
a group of developing countries, under Bolivia’s leadership, won agreement for the establishment of a mechanism for dealing with loss and damage associated with climate change impacts. While the mechanism may entail monetary compensation for losses, it is intended also to deal with non-economic losses resulting from the destruction of ecosystems. These include the loss of statehood when small island states are inundated by rising seas and the challenges posed by migration and displacement due to climate change.20

Bolivia, in collaboration with like-minded developing countries, has achieved the inclusion in the UN climate negotiations of work programs on climate mitigation mechanisms and on forest management that are not market-based. —Diego Pacheco

Although Pacheco heavily criticizes the outcome document of the Rio+20 conference he notes that Bolivia and its allies won recognition of a diversity of visions, economic models and instruments. He points to paragraph 56 in The Future We Want that affirms: “There are different approaches, visions, models and tools available to each country, in accordance with its national circumstances and priorities, to achieve sustainable development.”21

Photo credit: http://polisci.uoregon.edu/2014/02/24/scaling-up-buen-vivir-globalizing-local-environmental-governance-from-ecuador-by-craig-kauffman/
Part Two: Applying the Indigenous Concept of ‘vivir bien’ in Canada

While vivir bien as described in Part One is rooted in Andean Indigenous culture, the idea of living well in harmony with Mother Earth is not limited to a model applicable to that region alone. It embodies a number of concepts that take different shapes, reflecting particular historical situations, cultures and ecologies. As Raul Prada Alcoreza notes, there is no single interpretation of vivir bien and even within Bolivia there are numerous cultures, social structures and regional differences. Vivir bien embodies common principles for collective well-being based on respect for life that can be applied anywhere.

Furthermore, Belgian philosopher François Houtart cautions against an idealization of sumak kawsay as though it were a formula to be applied from one culture to another. He urges us to draw on its fundamental values to learn how to reconnect humans with nature and to realize “a way of living without [an] ever greater eagerness to accumulate and to consume, which is the driving force of capitalism.”

In contrast to those who would interpret vivir bien as a return to an idyllic rural life, Argentinean sociologist Atilio Boron insists that aspects of vivir bien can be adopted by urbanized societies. But he notes that this will engender conflict and resistance by defenders of an existing order built on patterns of over-exploitation and over-consumption.

Prada Alcoreza, former Deputy Minister of Planning in Bolivia, identifies several imperatives for building an economy and a society consistent with the principles of vivir bien, all of which have relevance for Canada:

- rejection of the dictates of international markets that require a country to remain primarily an exporter of raw materials;
- state control, rather than private transnational corporate control, over strategic raw materials, especially the hydrocarbon sector when it is the principal generator of economic surplus;
- state redistribution and reinvestment of economic surplus through taxation, including a carbon tax, to guarantee that wealth remains within the country;
- prioritizing internal markets before turning to exports;
- industrialization of natural resources to overcome dependence on the export of raw materials, while respecting the integrity of life-giving ecosystems;
- provision of clean technologies for small and medium producers; and
- recognition and promotion of local community economies as having rights, with access to credit.

A. Canada’s ‘Extractivist’ Economy

Since Canada faces many of the same challenges as other resource-dependant countries, we can learn from the social movements in Andean countries inspired by the vision of vivir bien. We begin with an assessment of how an over emphasis on resource extraction is reshaping Canada’s economy and society.

While there are differences of degree, Canada shares many commonalities with Ecuador and Bolivia. Since colonial times, all three countries have depended on the export of raw materials, first to Europe and later to the U.S. or other centres. From 2007 to 2011, natural gas accounted for 41% of Bolivia’s exports, while unprocessed minerals made up another
32%. During those same years, crude oil comprised 52% of Ecuador’s exports and bananas constituted another 11%.²⁵

Although Canada is not quite as dependent on exporting a single commodity, crude oil and natural gas constituted 19% of Canadian exports in 2013, while mineral ores and mineral products made up another 15%. During the last century, Canada successfully diversified its economy away from over-dependence on the export of raw materials, a trend that has been reversed in the past 15 years. The proportion of Canadian exports consisting of unprocessed, or lightly processed, resource products rose from 39% in 1999 to 59% in 2013.²⁶

While we may think of Canada as a mature industrial economy, even one in transition towards a post-industrial age where high technology service industries predominate, we are in fact more and more dependent on the extraction and export of raw materials. Naomi Klein describes what is happening in Canada as an extreme case of “extractivism” – an approach to the world based on taking and taking without giving back. Taking as if there are no limits to what can be taken … [from] workers, communities, public services … [and] the life support systems of the planet itself.”²⁷

Consider how our Canadian economy, our ecology and our society are being shaped by a growing dependence on extracting raw materials, especially bitumen from the tar sands, for export. Debates on foreign investment in resource industries, large infrastructure projects such as pipelines, environmental regulations, responsibility for air or water contamination and recognition of the rights of Indigenous peoples dominate much of our political discourse.

In The Bitumen Cliff, Tony Clarke and co-authors describe what happens when a country is caught in a staples trap:

“Staples-based economies must make enormous fixed-cost investments in production and transportation infrastructure, generally undertaken by large, often foreign-owned companies. To pay off these overhead costs and reward investors, staples industries face an enormous motivation to produce and export their staple faster. …

“As staples are exported in raw form to more industrialized trading partners, Canada is left to buy back processed, value-added products and services at a much higher cost. The combined outcome is a self-reinforcing staples trap, whereby the faster Canada exports its latest staple, the less diversified and capable the economy becomes and hence all the more dependent on finding more staples to export … .

“All the classic features of a ‘staples economy’ have become increasingly visible [in the bitumen trap] as this trend gathers momentum: Our Canadian economy, our ecology and our society are being shaped by a growing dependence on extracting raw materials, especially bitumen from the tar sands, for export.

Alberta author Andrew Nikiforuk calls Canada a “petro-state” that has embarked on an unsustainable trajectory burdened by what is often referred to as “the resource curse.”²⁸ While the terms “petro-state” and “resource curse” are typically applied to oil-exporting, developing countries such as Nigeria, there are many Canadian parallels, including the political power exercised by resource extraction industries. Professor Albert Berry adds three other characteristics that are visible in Canada: widespread ecological damage, increasing levels of inequality and particular impacts on Indigenous populations.²⁹

Canadian political economist Harold Innis was the first to analyze Canada’s early role as a “staples” economy, supplying fish, fur, wheat and forestry products to France and Britain. Innis noted how dependence on resource extraction and exports led to what he called the “staples trap.”
The disproportionate influence petroleum corporations wield over public policy is manifest in the weakening of environmental regulations, public subsidies, low tax and royalty rates, and the absence of meaningful regulations to reduce greenhouse gas emissions.

including heavy investment in production and transportation infrastructure, growing reliance on foreign capital, disproportionate political influence of staples-producing corporations, and growing regional inequality.30

Petroleum Corporations Exercise Enormous Power

One of the chief characteristics of a petro-state is the disproportionate influence petroleum corporations wield over public policy. In Canada this influence is manifest in a number of ways – the weakening of environmental regulations, public subsidies, low tax and royalty rates, and the absence of meaningful regulations to reduce greenhouse gas emissions.

Consider the changes to environmental protection legislation embodied in federal Omnibus Bills C-38 and C-45 which made changes to the Fisheries Act, the Environmental Assessment Act, the Navigable Waters Protection Act, the Species at Risk Act and the Indian Act. These changes will allow serious harm to fish habitat and remove protection from Aboriginal commercial fisheries. They remove constituent elements, such as water, fish and birds, from the definition of "environment" and significantly shorten the time allowed for assessments of resource projects. They remove protections for endangered species as well as for thousands of lakes and rivers. They infringe on the self-government rights of Indigenous peoples and facilitate the privatization of lands on First Nation reserves.

It was exactly such changes to environmental laws that were requested in a December 12, 2011, letter addressed to then Environment Minister Peter Kent and Natural Resources Minister Joe Oliver from a group called the Energy Framework Initiative.31 The letter was signed by the Presidents of the Canadian Association of Petroleum Producers (CAPP) and the Canadian Energy Pipeline Association (CEPA) along with two other petroleum industry bodies.32 This letter was only one element of an intensive, ongoing lobbying process.

Between September 1, 2011, and September 1, 2012, the CAPP held 326 meetings with Members of Parliament, bureaucrats and ministers, including 14 with cabinet members, where they specifically called for changes to the Fisheries Act and Species at Risk Act. Over the same period, the CEPA met 126 times with government officials, including five times with key ministers, to discuss alterations to the same Acts as well as changes to the environmental assessment process to facilitate pipeline projects. Other frequent visitors to Parliament Hill included TransCanada Pipelines (117 visits), Imperial Oil (59 visits), Suncor (90 visits) and Enbridge (73 visits).33

Subsidies Support Petroleum Extraction

In 2008, KAIROS published a study on Federal Subsidies to Fossil Fuel Producers that found subsidies to the oil and gas industries were then worth around $1 billion a year.34 Although some of the subsidies described in that report are being phased out, a more recent study by the Global Subsidies Initiative of the International Institute for Sustainable Development indicates that combined federal and provincial subsidies to the petroleum industry amount to $2.8 billion a year.35 Most of these are delivered through tax breaks and low provincial royalties.

In The Petro-Path Not Taken, Bruce Campbell, director of the Canadian Centre for Policy Alternatives, describes how the petroleum industry successfully fought back against attempts to raise royalties collected by the province of Alberta:

“A 2007 government-appointed panel to review Alberta’s royalty system ... concluded, ‘Albertans do not
receive their fair share from energy development and they have not, in fact, been receiving their fair share for quite some time.' The panel recommended an immediate 20% royalty increase, rising to 37% by 2016.

“The petroleum companies reacted furiously to the report, saying that if the government accepted its recommendations it would destroy jobs, projects would be cancelled and companies would move to other jurisdictions. Company representatives blitzed cabinet ministers’ offices. They launched an aggressive campaign to discredit the report even though its proposed increase would only, as one analyst observed, move Alberta from the bottom ranks to the middle ranks in terms of royalty rates. ...

“In the face of company attacks and withdrawal of party financing ... the Stelmach government backed down. ... After the 2008 Alberta election, [Premier] Stelmach announced a five-year royalty break for industry worth $237 million per year. He also reneged on a commitment to ensure that at least 72% of bitumen extracted would be refined in the province by 2016, and approved two new pipelines to ship unrefined product elsewhere for upgrading.

The actual extent of the gift to the oil industry has been documented by the Parkland Institute at the University of Alberta. Its landmark study, Misplaced Generosity: Extraordinary profits in Alberta’s oil and gas industry, examined the role of low provincial royalty rates and land acquisition charges. The authors define “excess profits” as those that exceed a normal 10% rate of return on investments.

The study found that between 1999 and 2008 the provincial government allowed conventional oil and gas corporations to collect $121 billion worth of excess profits because royalty rates were so low. Similarly, between 1997 and 2008, tar sands companies earned between $97 billion and $167 billion in pre-tax profits, of which 80% to 90% were in excess of a normal rate of return.

The principal author, Regan Boychuk, sums up his findings:

“Put simply, tar sands operations are given virtually royalty-free oil to cover all of the costs of constructing and operating these enormous projects. In effect, these projects are built and run through a transfer of public wealth.”—Regan Boychuk

In 2012 the Parkland Institute updated its original study. The Misplaced Generosity Update found that, “Since 1986, more than $285 billion worth of bitumen and synthetic crude oil have been produced from the tar sands. From these resources, the oil companies have netted approximately $260 billion in pre-tax profits, while the public has received less than $25 billion in return.”

As we can see in the graph below, public revenues amount to only 6% of the total value extracted from the tar sands over 24 years.
Bolivia Taking a Different Path

In contrast to Canada’s submissive approach to the petroleum industry, President Evo Morales nationalized Bolivia’s petroleum industry on May 1, 2006. He was responding to a popular movement led by Indigenous Bolivians fed up with centuries of exploitation of their natural patrimony, first by the Spanish conquerors and later by foreign corporations.

Morales’ election in 2005 as the first Indigenous president of Bolivia followed a popular uprising known as the “gas war.” In October 2003, half a million people took to the streets carrying banners demanding “Gas for Bolivians, not for multinationals.” They were protesting a US$5 billion plan by transnational corporations to export liquefied natural gas to the United States and Mexico via a pipeline through Chile. These same companies had refused to invest US$40 million to provide western Bolivia with much needed liquefied petroleum gas.

The mass mobilization, with strikes and road blockades, was met with repression that left more than 70 demonstrators dead and hundreds wounded. Nevertheless, it succeeded in halting the gas export project, forced President Gonzalo Sanchez de Lozada to flee to Miami and set the stage for Morales’ election.

In a 2004 referendum, 89% of Bolivian voters backed the nationalization of the hydrocarbon industry. This overwhelming support reflected popular anger aroused by the 1996 privatization of Bolivia’s oil and gas industry and a growing consciousness of the incompatibility of export-oriented resource extraction with the concept of vivir bien. As explained in our 2006 Briefing Paper Bolivia Emulates Norway; Why Doesn’t Canada?:

“After [the 1996] privatization royalties on “new hydrocarbons” were reduced to just 18% from 50%, it left 82% of revenues in the hands of private investors. Reclassifying several existing gas fields as “new” cost Bolivia US$3.2 billion.

“The May 1 decree turned this arrangement on its head by allocating to the public purse 82% of the revenues from the two largest gas fields (that produce more than 100 million cubic feet of natural gas a day) while leaving 18% in private hands. …

“The nationalization aimed at ensuring that Bolivians benefit first from their non-renewable hydrocarbons. It did not expropriate all the assets of foreign corporations. As President Morales told European investors: ‘We don’t want masters any more. We want partners.’

In demanding an 82% return from the largest gas fields Bolivia is … following the lead of Norway which has shown how a sovereign country can reap most of the benefits from exploiting natural resources in partnership with private corporations.”

When drafting its new hydrocarbons law, Bolivia benefitted from advice from Norwegian consultants. Currently Norway collects about 85% of the net revenues from oil and gas extraction within its territory through a 28% corporate tax, a 50% special tax on petroleum extraction, a carbon tax and ownership stakes in oil and gas companies. Private corporations still earn adequate returns and show no signs of wanting to withdraw or sell their investments. Nor did foreign petroleum corporations such as Brazil’s Petrobras and Spain’s Repsol abandon Bolivia. They continue to operate profitably selling gas through pipelines to Brazil and Argentina.

Canada Should Learn from Bolivia and Norway

According to University of Alberta economics professor André Plourde, in Canada the petroleum corporations capture as much as 65% of the total revenue from tar sands operations – depending on
oil prices, exchange rates and deferred taxes allowing write-offs of capital expenditures. The most the Alberta government ever receives is 55% and the maximum accruing to the federal government is 10.6%.39

Bruce Campbell recommends: “The federal government should appropriate a larger share of petroleum wealth by imposing a Norwegian-style excess profits tax – over and above the general tax – on petroleum companies. ... It should also cut the generous petroleum development tax breaks that further drain the federal treasury and accentuate regional fiscal imbalances. The Alberta government should boost its share of the petro wealth by increasing royalties and reversing its corporate tax cuts. It should also commit, as the OECD recommended, to establishing strict rules for allocation and withdrawal of petro-revenues into the Alberta Heritage Fund to prevent backsliding.” 40

**The federal government should appropriate a larger share of petroleum wealth by imposing a Norwegian-style excess profits tax. The Alberta government should boost its share of the petro wealth by increasing royalties and reversing its corporate tax cuts.**

—Bruce Campbell

Although investments in the tar sands have been extremely lucrative under current tax and royalty regimes, their future profitability is in doubt unless the oil companies continue to receive substantial state support. Since the more accessible bitumen deposits, reached through mining, are being depleted, the industry has to turn to reserves buried deeper underground that can only be extracted through in situ methods, principally Steam Assisted Gravity Drainage (SAGD).

SAGD involves burning natural gas to produce steam that is pumped underground to melt bitumen to allow it to flow up to the surface. Around 1,000 cubic feet of natural gas must be burned for each barrel of bitumen recovered. Another 500 cubic feet of gas is required to upgrade bitumen into a barrel of synthetic crude ready for refining. Companies can deduct part of the cost of this gas from the royalties owed to the Alberta government and from their provincial and federal corporate taxes. In 2010, these deductions reduced their natural gas costs by half.

Various sources estimate that new SAGD projects will depend on selling oil for $80 to $100 per barrel in order to break even.41 Currently tar sands oil is sold on North American markets at a discount as U.S. markets have access to cheaper and lighter “tight oil” from the Bakken field in North Dakota. During 2013, the discount for Western Canadian heavy oil varied from $12 to $40 per barrel below the price for West Texas Intermediate (WTI), the North American benchmark price. During the first quarter of 2014, WTI sold for between US$96 and $103 a barrel.

At current prices, new steam-assisted tar sands projects would barely be profitable, or even operate at a loss, if their product reaches only North American markets. Thus the industry remains determined to build pipelines to the West, East or Gulf of Mexico coasts where oil can be sold on world markets at higher prices. In the meantime, state subsidies to the tar sands industry are crucially important for the industry’s expansion.

**D. Canada Caught in a Carbon Trap**

The “bitumen trap” that has ensnared Canada has yet another dimension, namely a “carbon trap.” As the authors of *The Bitumen Cliff* explain:

“The bitumen industry is premised on exploiting one of the most carbon-intensive resources in the world, at a time when it is recognized that the entire global economy must ultimately and radically reduce greenhouse [gas] emissions to avert catastrophic climate chaos.42

“Perversely, the growing importance of the bitumen industry locks Canada into an increasingly carbon-
dependent development path at the very moment in time when other countries are shifting aggressively toward more sustainable, low-carbon strategies. By investing so heavily in an industry that is ultimately constrained by climate change, Canada limits its capacity to adapt to climate realities, and undermines our ability to foster new, sustainable industries. ... 43

“Our economy becomes increasingly locked into a carbon-dependent paradigm while other countries in the world (even lower-income emerging economies, like China and Brazil) invest in the transition to a low-carbon future. Canada risks isolating itself from the next wave of industrial innovation.” 44

Greenhouse gas emissions from tar sands operations play a significant role in augmenting the danger of climate change. Extracting synthetic fuel from the tar sands generates from 3.2 to 4.5 times as many GHGs as conventional oil extraction. Planned expansion of tar sands production would “add 72 megatonnes (Mt) of carbon dioxide to the atmosphere by 2020 [relative to 2005 emission levels], more than cancelling out the 67 Mt of reductions that are expected in Canada’s other industry sectors.” 45

The following graph illustrates how tar sands emissions have overtaken those from every other sector with the exception of all modes of transportation.

As a consequence of these excessive tar sands emissions, Canada will not meet even the modest GHG reduction goal that the federal government adopted after the 2009 UN Climate Change Conference in Copenhagen, let alone the more ambitious reductions needed to keep global temperatures from rising by more than two degrees Celsius.

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**Canada’s Projected GHG Emissions by Economic Sector**

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modest GHG reduction goal that the federal government adopted after the 2009 UN Climate Change Conference in Copenhagen, let alone the more ambitious reductions needed to keep the global temperature from rising by more than two degrees Celsius.

Another graph from the Pembina Institute illustrates how Canada’s projected emissions are growing far beyond official GHG reduction targets:

**Canada’s Historic and Projected GHG Emissions Compared to Commitments**

![Graph showing Canada's Historic and Projected GHG Emissions]


Indigenous peoples in the country’s Amazonian region who endured contamination of their lands due to oil extraction by Texaco Petroleum Corporation between 1964 and 1990.

The list of damages caused by Texaco (taken over by Chevron in 2001) includes water pollution, deforestation, loss of biodiversity, the death of wild and domestic animals, and human illnesses, including high rates of cancer. The company dumped toxic water into open air pits poisoning the water used by 30,000 Amazonians, “including the entire populations of six Indigenous groups (one of which is now extinct).”

The proposal to keep 850 million barrels of heavy crude underground in the Yasuní National Park can also be traced to the demand for a moratorium on petroleum extraction first put forward in 2000 by Oilwatch, a consortium of international civil society organizations, many of whom are KAIROS partners, including Acción Ecológica in Ecuador. A precedent was set in 2003-2004 when an Ecuadorian Indigenous community prevented the Argentinean-owned Compañía General de Combustibles from exploiting a petroleum block, despite

**E. The Yasuní Proposal to Keep Oil in the Ground**

The growing call to leave bitumen in the ground follows an initiative that began in Ecuador, inspired by the spirit of *buen vivir*. It emerged in part from the bitter experience of

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permanently underground in ecologically sensitive areas like the Yasuní National Park. The park is home to two Indigenous peoples who choose to live in voluntary isolation and is deemed to be the one of the most biodiverse areas in the world, containing more bird species than all the rest of South America and more tree species than all of the U.S. and Canada.

In response to popular demands, President Rafael Correa announced the Yasuní Initiative in 2007. He said he would not develop the ITT block (named after three oil fields, the Ishpingo, Tambococha and Tiputini) provided that the international community paid Ecuador US$3.6 billion in compensation, equivalent to roughly half of what the oil was deemed to be worth at 2007 prices. From the beginning, Correa made it clear that if Ecuador did not receive the money, he would issue licenses for the Yasuní-ITT oil tracts.

In 2008 the Ecuadorean people approved by a wide margin a new constitution incorporating the principles of buen vivir. Several articles in the constitution reinforced the argument for keeping the oil underground. These articles called for the protection of the rights of the Indigenous peoples living in voluntary isolation and for the conservation of biodiversity and the capacity for regeneration of ecosystems to meet the needs of future generations.

Unfortunately, by the end of 2009, President Correa began to back away from the Yasuní proposal at the UN Climate Change Conference in Copenhagen. In August 2013, Correa announced that he would allow exploration for oil to proceed in parts of the ITT block on the grounds that, with only roughly US$300 million pledged and just US$13.3 million actually deposited in a trust fund, not enough money was forthcoming from the international community. He also claimed that income from oil exports was needed for social programs to improve the lives of Amazonian communities.

Civil society groups in Ecuador responded with a campaign demanding a Popular Consultation on the issue, pointing to provisions in the constitution promising community consultations prior to decisions affecting the environment. In June 2013, an opinion poll found that 92.7% of the population supported the Yasuní Initiative. Civic groups also pointed out that historically communities affected by oil extraction are among the most underserviced, the most impoverished and the least likely to benefit from oil revenues.

On April 12, 2014 a procession of some 2,000 persons from social organizations and Indigenous groups marched to the headquarters of the National Electoral Tribunal in Quito to deliver petitions containing
more than 750,000 signatures demanding a referendum. Alicia Cahuilla, a waorani woman from the Yasuní district, thanked the organizers saying “We want to live in the Yasuní without oil, where our children can live” without the sicknesses that accompany petroleum extraction. Under pressure from President Correa the electoral tribunal invalidated 359,781 of the signatures, claiming many were duplicates or by children, so that the total fell short of the 584,000 needed by law. Campaign organizers called this move a fraud and have vowed to take the issue to the Inter-American Commission on Human Rights.

While President Correa’s decision to abandon the Yasuní Initiative is clearly a setback, the idea of keeping fossil fuels and other resources underground has spread beyond Ecuador’s borders. There are initiatives in Bolivia to keep its Amazonian territory free from oil exploitation and in Brazil, Costa Rica and El Salvador for banning large-scale mining. There is opposition to further oil extraction in the Niger delta in Nigeria and proposals in India to leave coal deposits unexploited. Far from being a discredited idea, the Yasuní Initiative has inspired a “Leave fossil fuels in the ground” coalition whose statement of purpose proclaims: “Good living with zero fossil fuels is definitely possible and the transition is urgent.”

Perhaps the best popular expression of the global reach of the Yasuní Initiative is a verse composed by Nigerian Rev. Nnimmo Bassey, former chairperson of Friends of the Earth International and a KAIROS partner: Leave the oil in the soil, the coal in the hole, and the tar sands in the land.50

F. Indigenous Peoples Lead Resistance to Tar Sands Expansion

In Canada, Indigenous Peoples are leading the movement to resist the expansion of tar sands operations and export pipelines. As in Ecuador, Indigenous peoples have rights under the Canadian constitution to be consulted before resource development projects can proceed on or near their territories. Several First Nations are asserting this right by challenging tar sands projects in court:

- The Athabasca Chipewayan First Nation, whose people, living downstream from the tar sands, have suffered from cancers at rates 30% higher than elsewhere in the province, has challenged the expansion of Shell’s Jackpine tar sands mine and Teck’s Frontier mine.
- The Beaver Lake Cree, on whose land an in situ well blew out in July 2013, killing many animals, has undertaken a court challenge over the erosion of their ability to hunt, fish and trap.
- First Nations belonging to the Yinka Dene Alliance are contemplating legal challenges in light of the National Energy Board’s recommendation that Enbridge’s Northern Gateway bitumen export pipeline through British Columbia to the Pacific be allowed to proceed.51

While section 35 of the Canadian constitution clearly establishes a duty on the part of governments to consult First Nations, legal challenges initiated by Indigenous peoples aimed at asserting this right have had mixed results. As Maria Mortellato writes in The Crown’s Constitutional Duty to Consult and Accommodate...
Aboriginal and Treaty Rights: “The difficulty arises, of course, as to what is meant by consultation. The [Supreme] Court suggests a continuum where one end would comprise ‘mere consultation’ ... and the other end of the continuum would require the full consent of a First Nation prior to government action. Presumably, joint decision-making lies somewhere in between. Unfortunately, the law has not yet developed in a way to provide any greater clarity on the particular issue of when consent is required.”

KAIROS has joined Indigenous organizations in Canada and around the world in demanding full recognition of Indigenous peoples’ right to grant or withhold their free, prior and informed consent for resource extraction projects on their territories as set out in the UN Declaration on the Rights of Indigenous Peoples.

While court challenges are one way Indigenous peoples are asserting their rights to self-determination, they are unlikely to prevent the large number of bitumen extraction projects planned by the petroleum industry. The Canadian Energy Research Institute projects $253 billion in new capital spending on tar sands projects between 2010 and 2035. A wider movement led by Indigenous peoples through initiatives like Idle No More in alliance with ecologists, trade unions and church groups like KAIROS, will have to mobilize to stop the expansion of tar sands extraction projects.

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Photo credit: http://www.macleans.ca/authors/andrew-tolson/idle-no-more-ottawa-protest/
**Part Three:**

‘Living appropriately so that others may also live’

As stated in the introduction to this report, *vivir bien* is a rich concept that can be at least partially captured in the phrase: “Living appropriately to that others may also live.”

A major obstacle to “living appropriately” is the impact of the consumer society that is so prevalent in the global North.

David Choquehuanca, the Aymara Foreign Minister of Bolivia, poses a direct challenge to those who consume a disproportionate share of the Earth’s resources: “The construction of *suma qamaña*... [requires] ending consumerism, excessive spending and luxury, consuming only what is needed, lowering the global economic bar to levels of production and consumption of energy that the health and resources of the planet allow.”

—David Choquehuanca

A countercultural movement rejecting consumerism is gaining strength in the North, but it is hardly visible in the mainstream media that is preoccupied with selling ads promoting the latest consumer items. Juliet Schor in *Plenitude: the new economics of true wealth* and Tim Jackson in *Prosperity Without Growth: Economics for a Finite Planet* make the case for living well while consuming less. These books reflect a wider movement for achieving an ecological economy within the Earth’s carrying capacity.

Bob Thompson proposes a dialogue between Andean and Canadian Indigenous peoples and Northern movements that call for “voluntary simplicity,” “degrowth” or a “steady state economy.” Thompson notes that these related, but not identical, movements emerging in Europe and North America share many similarities with the perspectives of Andean Indigenous peoples.  

The term “degrowth” is a literal English translation of the French word *décroissance* coined by ecological economist Nicholas Georgescu-Roegen in 1971. It is widely used to describe a movement that criticizes conventional economic assumptions on the grounds that growth in Northern industrial countries has become socially counter-productive and ecologically unsustainable. Advocates of degrowth point to the depletion of natural resources, particularly conventional oil and gas reserves, climate change, the loss of biodiversity and the overuse of resources by industrial nations at the expense of Southern countries, as motivations for questioning the sustainability of the classical economic model based on limitless growth.

The French *décroissance* school puts more emphasis on shrinking the size of the economy while the North...
American approach, represented by Herman Daly, calls for a “steady-state economy” maintained by the lowest feasible throughput of matter and energy. In Daly’s view, some types of “development,” understood as qualitative improvements through better technologies and more productive use of resources, remain possible.

The term degrowth is problematic as it implies that the overall goal is simply to shrink the size of the economy. But whether the size of a given economy grows or contracts as measured by Gross Domestic Product is not the essential point. Gross Domestic Product is a flawed indicator of wellbeing, giving equal weight to both beneficial and harmful activities. Hence some promoters of ecological economies prefer to speak of “agrowth” since it is irrelevant whether GDP rises or falls. They emphasize reducing the over-exploitation of natural wealth and overconsumption of consumer goods by affluent groups while improving the quality of life for all through more production of public goods and better sharing of goods that are produced.

Can we overcome poverty without growth?
A frequent objection to proposals to slow growth is, “What about poverty? Is not economic growth necessary for overcoming deprivation?” Peter Victor, an ecological economist at York University, answers: “Looking at Canada since the 1970s we saw that economic growth has not brought full employment, it has not eliminated poverty – in fact by some measures poverty has increased – and it has not solved our environmental problems. Clearly economic growth is not sufficient for meeting any of these objectives.”

In Managing Without Growth: Slower by Design, Not Disaster, he discusses how poverty involves not only a lack of income but also social exclusion, experienced as a lack of power and self-esteem. The measures he advocates for fighting poverty include not only using the tax and transfer system to redistribute income, but also programs to assist marginalized groups to participate in society. Measures to combat poverty and social exclusion for single parents, for example, need to include not only adequate income supports but also access to child care, social housing, health care, education, skills training and employment opportunities.

Research by the Canadian Centre for Policy Alternatives confirms that growing the size of the economy is not leading to poverty reduction. In fact in recent years, growth in Canada has accelerated the gap between the rich and the poor. CCPA research shows that the gap between the richest 10% of non-elderly Canadian households and the poorest 10% was higher in 2011 than at any point since 1976. “The richest 1% received 32% of all income gains between 1997 and 2007; that is four times their share of total income gains during the 1960s, a similar period of robust growth, and almost double their share of growth since the 1920s.”

The CCPA reports that one out of eight Canadians lives in poverty as defined by Statistics Canada’s low-income measure after taxation is taken into account. The CCPA’s 2014 Alternative Federal Budget contains a variety of measures that would reduce poverty in Canada by 75% within 10 years: reinstate national standards for provincial social assistance; increase refundable tax credits; double the National Child Benefit Supplement; raise minimum wages; provide affordable housing; provide universal public child care.

“Economic growth has not brought full employment, it has not eliminated poverty – in fact by some measures poverty has increased – and it has not solved our environmental problems. Clearly economic growth is not sufficient for meeting any of these objectives.”—Peter Victor
campaigner Michael Polanyi reminds us, fighting poverty also involves overcoming “a perceived sense of deprivation and dissatisfaction that is an offshoot of a market society hooked on ever-increasing consumption. Government policies and priorities need to be changed, but at the same time, we need to build a renewed sense of compassion and community among and between citizens.”

Polanyi encourages us to reflect critically “on our participation in a culture of consumption and gain that itself is creating poverty.” He cites Mary Jo Leddy in her book Radical Gratitude where she observes that “consumerism works only as long as we are even slightly dissatisfied with what we have ... This dissatisfaction is not natural. It is a culturally induced dissatisfaction that is essential to the dynamic of the culture of money. …Genuine social and political change can occur only if it is ... accompanied by an attempt to transform the spirit of craving and dissatisfaction.”—Mary Jo Leddy

We Can Move Towards Living in Harmony with Mother Earth

The quest to embrace buen vivir can seem daunting, but there are many decisions and actions that can advance us along that life-supporting path. Here are a few ways by which we can begin to live in harmony with Mother Earth.

Keep the bitumen in the ground.
Given the threat that excessive greenhouse gas emissions from the tar sands pose for the global climate, Canadians should insist on keeping most of the bitumen in the ground. In 2010 KAIROS adopted a policy paper entitled Drawing a Line in the Sand calling for no new approvals of tar sands projects and the development instead of a clean and sustainable energy strategy based on conservation and renewable energy. At the time the capacity of operating, under construction and approved tar sands projects amounted to 3.3 million barrels a day (mb/d). According to the Canadian Association of Petroleum Producers, tar sands production capacity could surpass 5 mb/d by 2035 if current expansion plans are allowed to proceed. The International Energy Agency (IEA) has calculated that if we are to have even a 50% chance of keeping the increase in global temperatures below two degrees Celsius, “No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050.” Specifically the IEA calculates that this means that production from the Alberta tar sands must be no bigger than 3.3 mb/d by 2035, the same limit advocated in Drawing a Line in the Sand.

Invest in energy efficiency, conservation and renewables.
A clean and sustainable energy strategy requires policies for enhanced energy efficiency, conservation and use of renewable energy sources. KAIROS is a member of the Green Economy Network that has developed a three-part strategy involving retrofitting residential, public and commercial buildings for energy efficiency, expanding public transit within cities and building high speed rail links between cities, and increasing public investments in wind, solar, and geothermal energy. If the Green Economy Network’s platform were implemented...
over a 10-year period, Canada’s greenhouse gas emissions would be reduced by over 100 million tonnes a year or roughly 16% of this country’s annual emissions. 70

**Ecological taxation.** A carbon tax would be one of the best ways to finance the transition to an ecological economy. The Canadian Centre for Policy Alternatives estimates that a modest carbon tax starting at $30 a tonne of CO2 would generate about $15 billion in revenue annually. It calls for the tax to rise gradually to $200 a tonne by 2030. According to a study by M.K. Jaccard and Associates, a $200 per tonne tax would result in sufficient reductions in greenhouse gas emissions to keep global temperature increases below two degrees Celsius. 71 Ending subsidies to fossil fuels would free up another $2.8 billion for federal and provincial investments in clean energy alternatives. In addition, a Norwegian-style excess profits tax on petroleum companies would be a disincentive to excessive investments in the tar sands.

**Shorter work time.** Peter Victor asserts that “the way to expand employment without increasing output is to reduce the average time that each person spends at work and to spread the same amount of work, income and leisure across a larger number of people.” 72 The Netherlands’ Hours Adjustment Act of 2000 allows employees to reduce work hours to part-time simply by asking their employers. Samuel Alexander, Co-Director of the Simplicity Institute in Australia, comments: “Unless there is a clear hardship for the firm – something shown in less than 5% of the cases in Holland – the employer must grant the reduction. … This law … allows workers to exchange money for time, without losing their jobs or healthcare.” 73

**Reduce, re-use, recycle, redesign and relocalize.** By now the three R’s – reduce, re-use and recycle – motto is well known if not always well followed. Bob Thomson insists these programs are insufficient and other R’s need to be added. These include redesign – a demand for an end to built-in obsolescence and disposable gadgets, and relocalize – procuring more products close to home, for example at farmers’ markets, minimizing long-distance transport. A related concept is the movement towards community sharing rather than individualized ownership of many kinds of goods. Some communities are experimenting with tool-sharing programs that operate on the same principle as public libraries. Auto-sharing is an alternative to private ownership in many communities. A University of California study concludes that each auto-sharing vehicle replaces from nine to 13 private automobiles. 74 More ideas are presented in an entertaining video called *The Story of Solutions.* 75

**Adopt holistic indicators.** Many commentators insist that the transition to an ecological economy requires the adoption of new indicators of progress to replace Gross Domestic Product. GDP measurements treat the inputs humans appropriate from the natural world as free of cost. If a forest is cut down for wood, GDP increases. But the costs in terms of lost habitat, lost conversion of carbon dioxide into oxygen and the greenhouse effect are not taken into account. There are several alternatives to using GDP such as the Genuine Progress Indicator (GPI) and the Canadian Index of Wellbeing. While none of these alternative indicators is as yet widely used, they share some of the following characteristics:

• recognition of the intrinsic value of the Earth and its renewable and non-renewable resources;

• assigning value to unwaged work done within households preparing meals, cleaning and caring for children;

• reflecting the need to minimize resource throughputs; and

• promoting income distribution, e.g., the GPI grows if income is shared more equally and falls when income is concentrated in fewer hands.

“The way to expand employment without increasing output is to reduce the average time that each person spends at work and to spread the same amount of work, income and leisure across a larger number of people.”
—Peter Victor
Dismantle the culture of consumerism. While there is no simple formula for overcoming the consumer culture, several authors suggest a place to start is to curb the influence of advertising. Tim Jackson proposes banning advertising from public spaces and adequately funding public media so that it can be commercial-free. Some countries, such as Sweden and Norway, have banned TV advertising to children under 12. Jackson recommends setting up commercial-free zones such as exist under São Paulo’s “Clean City Law.” Herman Daly recommends that “instead of treating advertising as a tax-deductible cost of production we should tax it heavily as a public nuisance.”

Amend or abrogate free trade Agreements. Free trade agreements that promise cheaper products from abroad regardless of the human and environmental costs are an obstacle to reducing our ecological footprint. While manufacturing offshore may appear to reduce greenhouse gas emissions from industrialized countries, it merely shifts them to other jurisdictions that may have lower environmental standards.

The proportional sharing obligation contained in the energy chapter of the North American Free Trade Agreement, obliging Canada to continue to make oil and gas available to the U.S. in the same proportion as was exported over the previous three years, is an obstacle to cutting back on tar sands production. The proportion of Canada’s oil production that Canada would have to make available to the U.S. has risen from 38.3% in 1989, the first year of agreement, to 74.5% in 2013.

In addition, the investor-state clauses in NAFTA and other free trade or foreign investment promotion agreements are obstacles to ecological justice. These provisions enable transnational corporations to challenge domestic laws or regulations, including those designed to restrain fossil fuel extraction or to establish clean alternatives. U.S.-based Lone Pine Resources has launched a suit challenging Quebec’s moratorium on hydraulic fracturing for natural gas until environmental impact assessments are carried out. It is demanding US$250 million in compensation for the “expropriation” of its permit to explore for shale gas.

Bolivia and Ecuador have taken the lead in resisting transnational corporate challenges to domestic laws. After the water system in Cochabamba, Bolivia was privatized and sold to U.S.-based Bechtel Corporation in 1999, water rates rose by an average of 35% to more than the average citizen could afford to spend on food. After a widely supported citizen’s movement forced the government to restore public control, Bechtel sued Bolivia for US$25 million in compensation before the International Centre for Settlement of Investment Disputes, the arbitration body administered by the World Bank. In the face of strong opposition from within Bolivia and an international outcry, Bechtel backed down and agreed to withdraw its claim in January 2006.

In 2011, an Ecuadorean court ordered Chevron Corporation to pay US$9.5 billion in compensation for the damages Texaco had wrought in the Amazon as described above in the discussion of the Yasuní Initiative. Chevron is attempting to avoid any payments by appealing to courts in the United States. It has also won a decision from an investor-state panel instructing Ecuador to stop demanding restitution which the government of Ecuador has refused to do. Brazenly, Chevron is asking that Ecuador also pay the corporation’s legal fees under a bilateral investment treaty signed in 1997, despite the fact that Chevron’s investment ended in 1992.

In light of this experience, Ecuador has established a special commission to audit bilateral investment treaties. Since 2008, that country has cancelled nine bilateral investment agreements. Both Ecuador and Bolivia have withdrawn from the International Centre for Settlement of Investment Disputes. Canada should also re-examine the investor-state provisions of the international agreements it has signed, including NAFTA, and the new agreements it is negotiating with the European Union and through the Trans Pacific Partnership.

Bolivia and Ecuador have taken the lead in resisting transnational corporate challenges to domestic laws.
Reducing our oversized ecological footprint is an urgent necessity. We in Canada have much to learn from the wisdom of Andean Indigenous peoples whose traditions can teach us how to live in harmony with Mother Earth. We can also learn from social movements in that region inspired by the spirit of *vivir bien*.

A movement in Bolivia successfully halted a huge natural gas export project and led to a landmark hydrocarbons law. Another popular mobilization in that country, supported by international public opinion, forced a transnational corporation to abandon an investor-state claim for compensation. Similarly, the Yasuní Initiative, despite a setback, has sparked an international movement to keep fossil fuels underground.

Movements in Canada resisting ecologically destructive projects such as new bitumen extraction projects can take inspiration from these social movements and Indigenous teachings on living well.


11 Ibid. p.10-11. The citations here are adapted from the original text and not necessarily direct translations.


14 Ibid. p. 223.


17 Diego Pacheco Balanza. Vivir Bien en Armonía y Equilibrio con La Madre Tierra: Una propuesta para el cambio de las relaciones globales entre los seres humanos y la naturaleza. La Florida: Universidad de la Cordillera/Fundación de la Cordillera. 2013.


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63 Ibid. p.6.

64 Ibid. p.14.


75 See http://act.storyofstuff.org/page/s/growing-solutions


The members of KAIROS are: the Anglican Church of Canada, the Canadian Catholic Organization for Development and Peace, the Canadian Religious Conference, the Christian Reformed Church in North America (Canada Corporation), the Evangelical Lutheran Church in Canada, Mennonite Central Committee Canada, the Presbyterian Church in Canada, the Primate’s World Relief and Development Fund, the Religious Society of Friends (Quakers), and the United Church of Canada.