

# **Economy and ecology are no contradiction**

**Holcim Awards for Sustainable Construction  
Federal Councillor Joseph Deiss**

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Ladies and gentlemen,

“Sustainability” has become one of the ‘in’ words of our times. Whatever we do, we do it sustainably. Or so we claim. But what does that really mean? For me, it means to make sure that future generations are also able to enjoy the wealth and the opportunities nature offers to us today. But sustainability is not a policy of fleeting fashion: it is a requirement of our constitution.

Ladies and gentlemen,

I would like to congratulate the Holcim Foundation for lending substance to the term ‘sustainability’ by creating these awards. And I very much welcome the fact that you are launching these awards with the ETH Zurich here in Switzerland.

I suspect Switzerland’s long-standing tradition of preserving nature might have had something to do with your choice of venue. In 1876 Switzerland – following floods, avalanches and landslides – enacted the first Forestry Act containing the then revolutionary principle of sustainability. The Act still serves as a model for policy makers today, both on a national and international level. For that reason, I would like to use the presentation of the first Holcim Awards for Sustainable Construction as an occasion to outline how ‘sustainability’ is incorporated in Swiss policies by giving a few concrete examples.

In the preamble to our constitution we are called upon to be “mindful of our responsibilities towards future generations”. And Article 2 states that the Swiss Confederation shall promote sustainable development. Heeding this mandate, the Federal Council made the compatibility of growth and sustainability its number one guideline in the 2003 to 2007 legislative period. We have given ourselves the task of improving the framework conditions in such a way that our economy can be brought back to a course of sustainable growth.

In concrete terms, we want to maintain and promote Switzerland’s advantages as a location for business:

- our well-qualified and motivated workforce,
- social harmony,
- a flexible labour market,
- a well-developed infrastructure,
- attractive fiscal conditions,
- well-balanced land use and
- the protection of our environment.

However, we must also tackle Switzerland's weaknesses:

- We have to balance the federal budget,
- Bring prices down through increased competition,
- Make Switzerland's workplace more attractive, for example by extending the free movement of labour to the ten new EU members.

We have a sound basis to build on. Switzerland is a prosperous country. We can count on well-educated, motivated and creative people who produce goods and services with high value-added.

Because we want to be considerate in the way we deal with nature, we have built up a comprehensive body of rules and regulations in the years since the Second World War. This was necessary, because industrialisation and technical advances were increasingly bringing man into conflict with nature. That is why we expanded water protection and wove a tight social net (AHV, IV, ALV, BVG).

Generally speaking, I believe there are 3 approaches to promoting sustainable behaviour.

Firstly, by appealing for considerate action. Much has been achieved in Switzerland in this regard. Take glass or aluminium recycling. Secondly, by establishing principles and setting standards, or even by giving awards, industry is making a big contribution. Thirdly, through incentives such as tax breaks, the State encourages its citizens to adopt sustainable behaviour patterns. Success in all three areas has allowed us to impose fewer rules and restrictions.

Through the presentation of the Holcim Foundation Awards for Sustainable Construction, this change of attitude will be noted – and not just in the construction industry! The Holcim Foundation demonstrates an ethical behaviour that respects the principles of solidarity, social justice and responsibility, and at the same time generates success and growth. And we are dependent on these factors for two reasons. Firstly, it is in our own interest as an export nation to promote sustainable behaviour and sustainably-manufactured products. I saw a good example of this on my last visit to Shanghai where a Swiss designs ecological and energy-saving buildings.

Secondly, we can only make progress in the areas of ecology, economy and social affairs, if we have growth.

- Our social institutions, especially those providing for old age, are dependent on economic growth.
- Without growth we would have to freeze or reduce our investment in the environment.
- Growth is also important if we are to close the gap between rich and poor.

In short: there is a direct link between the prosperity of a society and its ability to improve its environment and its quality of life. A quality of life that is not a luxury reserved to a lucky few, but something to be enjoyed by all.

That is why we need a political framework and minimum legal standards to ensure responsible action. The State had to act, particularly on environmental protection (CO2 Act), but also in terms of building laws or transport policy (traffic transfer policy).

On the other hand, we must not continue down the path of the past decades where we tended to over-regulate. The aim in all areas must be: Deregulation!

We must ensure that our fellow citizens accept their share of responsibility. Many firms – and here the Holcim Foundation is an impressive example – have recognised that and exercise self-responsibility.

Businesses can only do that, however, if the political bodies at national level

- act to reduce the amount of red tape, and
- harmonise and liberalise cantonal regulations (e.g. building trade) governing the internal market.

Global sustainability can be achieved in the economic area

- through the bilateral agreements with the European Union,
- the agreement on the free movement of persons,
- bilateral free trade agreements or
- ongoing efforts within the WTO.

I believe we have a duty to guarantee legal certainty but also to provide breathing space for development. I'm sure we can allow ourselves to be guided by the traditional principle of trust and good faith. Let us have confidence in the abilities and common sense of our fellow human beings.

As a rule they are capable of acting sensibly.

Ladies and gentlemen,

I am pleased to note that Swiss businesses are international leaders in sustainable development:

- That is demonstrated by the various award winners at the "World Summit Business Awards for Sustainable Development Partnerships". (awarded by Int. Chamber of Commerce, ICC, and UNEP)
- It is also demonstrated by the Award for Sustainable Construction presented by the Holcim Foundation.
- As is the case for the many Swiss awards for sustainable activities; such as in biological cultivation.

This proves that companies that take into account environmental aspects in a liberal market economy need not do so at the expense of profitability. Quite the opposite: In the long term they can even increase it. As various examples – both positive and negative - show, investments in environment protection, such as in flood prevention, have direct consequences for the economy.

If we succeed in bearing this in mind, we will be able to pass on to our children a world that is as rich in natural beauty and healthy living as the one we were born.