



Non-Renewable

"My grandfather rode a camel. My father rode in a car. I fly in a jet airplane. My grandson will ride a camel." (alleged Saudi saying)

THE CONCEPT of non-renewable resources is not difficult. The litres of gasoline we burned yesterday are gone. They are not resting and recuperating. They are not off somewhere pining for the fjords. They did not leave behind a clutch of little litres growing into adulthood. They were one-time opportunities that have now passed away.

That is true for crude oil, natural gas, coal, mineral ore bodies, potash, ancient groundwater and other resources that cannot renew themselves. (It is also true of other over-exploited resources, such as fish stocks, that would be renewable if we were less boneheaded.) One-time opportunities, all of them.

It does not follow that using non-renewable resources is a profound moral error. Non-renewable-resource projects can be beneficial. They can even contribute to sustainability, oxymoronic though that may seem. It all depends on whether we ensure something desirable and lasting is left behind.

That should be obvious in Canada. The history of our resource communities has mostly been boom and bust. When the resources are exhausted, the companies and the jobs move on. The usual legacy is scars, contamination, rust and ghosts.

In the winter of 2006, Robert Goodland (formerly a senior environmental advisor to the World Bank) offered a better idea to the environmental assessment panel reviewing the new Mackenzie gas pro-

posal. The proponents wanted to build a \$16.3-billion natural gas pipeline with associated facilities in the Mackenzie Valley. Everybody predicted it would induce a flurry of additional extractive activity, for a few decades anyway. The panel was assigned to consider whether this non-renewable-resource binge would make a positive contribution to sustainability.

Goodland pointed to the positive possibility that cashing in non-renewable resources now could be justified on sustainability grounds if the results built a bridge to a more viable future. Practically, that entails three obligations:

- design and carry out the project in ways that avoid persistent damage and expand a broad range of economic and social capacities for the long term;
- ensure adequate capacity to deal with unexpected difficulties during the life of the resource; and
- devote enough of the revenue stream from the project to a transition fund, with some money to be used during project life to foster economic diversification, renewable alternatives and other bases for more lasting livelihoods, with the rest invested for use after the project ends, to continue transition initiatives and meet other post-project needs.

There would be devils in the details. The wisdom of the central concept, however, seemed obvious. Accordingly, the Mackenzie Panel included among its 176 recommendations a call for dedicated

transition-to-sustainability planning and a special legacy fund built on non-renewable-resource revenues.

The federal and territorial governments rejected these ideas, along with virtually all the panel's other suggestions, including that government authorities should think ahead, anticipate cumulative effects, manage the pace and scale of development, and use non-renewables as a bridge to more durable future well-being. Contrary to all available evidence, they chose to believe that the future would take care of itself.

The Norwegian Government, anticipating the eventual exhaustion of its North Sea hydrocarbon riches, directed a sizable portion of its oil and gas revenues into a special investment fund for long-term national purposes. Now there is over \$500-billion in Norway's fund. Alberta established a heritage fund in 1976, but stopped the flow of oil money into it a decade later and now has less than \$15-billion to show for all the boom years.

Canada's federal authorities, as shortsighted with hydrocarbons and ore bodies as they have been with climate and cod, have saved nothing from their take of revenues from depleting resources.

Mercifully, governments too can be non-renewable. ♣

Robert Gibson is the chair of Alternatives' editorial board, and a professor of environmental studies at the University of Waterloo.