

Welcome address, XVI Malente Symposium, October 8 – 10, 2006

"Energy, Climate and Future Welfare – Changing Global Dynamics"

Ladies and Gentlemen,

I would like to welcome you, also on behalf of Dr. Christian Dräger, my colleague on the board of the Dräger Foundation, to this year's Malente Symposium. We are delighted to be staging this XVI Malente Symposium in cooperation with the Kiel Institute for the World Economy – a warm welcome also to you, Professor Snower.

For over 30 years, the Dräger Foundation has been supporting and organizing international conferences and symposia. The Malente Symposia represents one of the Foundation's most important and best-known series of conferences. The symposia provide a forum for innovative discussions of national and international political, economic and social issues, and were named for the first conference location in the German state of Schleswig-Holstein at which our founding father, Dr. Heinrich Dräger, established this series of events. Although for reasons of transport links it makes more sense to hold the conferences, as we have been doing for twelve years now, in Lübeck, where Dräger and the Dräger Foundation are based, we still like to use the name Malente as a reminder of those successful early years.

Previous conferences have dealt with many topics, among them issues of the labor market and employment policy, of global trade and technology transfer, of globalization and the integration into the world economy of the East European transition countries, of strategies for tackling poverty in newly industrialized countries, of the reform of our healthcare system, of the state of German small and medium-sized enterprises, and of the involvement of young people in the social process.

This year we will be focusing on problems which cannot be solved by one country alone; we will be talking about energy and climate policy, and about the effects on the future wellbeing of the world which changing developments in energy and climate policy may have.

Energy experts from the fields of science, politics and economics have been devoting their time for many years, if not decades, to the problems which humankind and the world economy may face if there is a future shortage of energy resources, especially oil and gas. Climate experts have been warning us for equally long of the consequences of advancing

global warming. Yet it is only now that people seem to have developed an awareness of the extent of the potential consequences, having until now consumed energy with little or no thought of the future. This is because in the past – at least in our developed industrialized countries – we have always appeared to have a plentiful and inexpensive supply at our disposal. Only now do the consequences of our unchecked consumption of fossil-based energy feedstock on the climate seem to be being taken seriously, now that more and more reports are appearing in the press about the melting of the polar ice caps, the disappearance of glaciers and the rise in sea levels. The public perception of energy consumption and climate change has likewise changed in the USA in the wake of Hurricane Katrina.

Since we started preparing for this XVI Malente Symposium on the subject of energy and climate over a year ago, it is more than anything else the scale of reporting on these two "global challenges of the 21st century" that has increased enormously, reaching a wide audience – including non-experts – through the daily media. People used to talk about the weather; nowadays everyone talks about climate. In the German-speaking press the situation is much the same, with hardly a day going by without articles appearing with titles like the following: "Earth's temperature at highest level for one thousand years", (Spiegel online on September 29, 2006), and:

"Study for the UN increases climate change alert" (Yahoo News on September 24, 06), or:

"Greenland's ice vanishing" and:

"Antarctica melts, Africa dries up" (Frankfurter Allgemeine Zeitung on August 26 and September 29, 2006);

"Ban on building at sea level" and "Global warming – dangerous bubbles in Siberian lakes" (Spiegel online again) or:

"China's and India's insatiable appetite for crude oil" (Die Welt on September 11, 2006).

This is just a very, very small selection of the articles that have appeared in newspapers and magazines over the past few weeks.

There is no doubt that some of these reports and articles, portraying as they do catastrophic scenarios, can be written off as alarmist.

Nonetheless, there appears to be widespread consensus in the scientific community that we are indeed caught up in the middle of a process of global warming which at least to some extent is of our own making and which will have fatal consequences on life on our planet if we do nothing to stop it. We thus need to develop innovative ways to ensure a sustainable, safe, efficient – and, preferably, affordable – supply of energy capable of both maintaining the level of prosperity enjoyed in the

industrialized world and improving living conditions in the poorer regions of the world, while at the same time being clean and having zero impact on our climate.

Global consumption of energy today is already twice as high as it was at the beginning of the 1970s, and is set to rise by an additional 33 percent by 2020 unless counteraction is taken; this is the conclusion drawn by the German government's status report on energy supply, published in April of this year. Of today's total global energy consumption, oil accounts for 34 percent, coal 24 percent, gas 21 percent, renewable energies 14 percent and nuclear power 7 percent. Many of the leading industrialized nations are almost completely dependent on the import of energy raw materials. Germany's import dependence has risen constantly over the years too: the country's dependence on uranium is 100 percent, on mineral oil close to 97 percent, on gas 83 percent and on hard coal 61 percent. It is only in the case of lignite – which is an extremely dirty fuel – and renewable energies, which account for only an eight percent share of the country's total energy production, that Germany is entirely self-sufficient.

Much remains to be done therefore, not only in Germany, to achieve a sustainable and secure source of energy supply. We are doubtless facing a difficult, yet hopefully not unsolvable challenge. A lot can be done if only we want to! However, this requires global strategies and international agreements which go significantly beyond the targets set down in the Kyoto Protocol. This is one of the issues we intend to discuss today and tomorrow.

We are pleased that energy and climate experts from many parts of the world have come to share their knowledge and ideas with us and to attempt to find solutions to the problems.

Before I give the floor to my colleague from Kiel, Professor Dennis Snower, and before we then declare this conference open, allow me to say just a few words of thanks. Warmest thanks goes to the members of the Steering Committee for their invaluable support in preparing this symposium – to Professor Rudolf Dolzer, Director of the Institute for International Law at the University of Bonn; to Professor Hartmut Grassl, climate researcher at the Max Planck Institute in Hamburg; to Professor Gernot Klepper, Director of the Kiel Institute for the World Economy, and to Rainer Laufs, Member of the Supervisory Board of LANXESS AG and former Board Chairman of Deutsche Shell AG.

We would also like to thank the Kittner Group in Lübeck for generously providing the cars for our limousine service, and to OCÉ Deutschland Business Services for their technical support, also with reproducing the photographs you can see here in the conference room. Some of the photographs are by Zurich film-maker and photographer Basil Gelpke, taken during the shooting of his film 'Oil Crash Movie', while others are by photographer Gerda Sökeland, who photographs coal dumps in Dortmund.

Last but not least, our thanks goes to the artists Beatrice Dettmann and Karin Ohlsen, who once again are exhibiting their work at a Malente Symposium, this time on the subject of 'The Forest' – providing a nice contrast, we feel, to the oil fields and waste dumps depicted in the photographs.

Thank you for your attention. Professor Snower, the floor is yours.