

Geographical Eye



Credit crunch

The 'credit crunch' and global recession have been topics rarely out of the news. Front pages and news reports have been dominated by stories of redundancies, surging energy prices and demise of City banking giants.



Media reports about global warming, and melting polar ice caps have been replaced by stories on the latest banking giants to fall victim to the crunch. As the global recession gathers momentum it has progressively begun to dominate the media, newspapers, news reports and government policy. The economic crisis has gained a great sense of urgency; there is a sense that it should take priority over environmental and ecological issues.

Despite the interrelated nature of the economy and environment, the environment has largely been left in the shadow of media and analytical attention. This article will bring focus to environmental dimensions of the 'credit crunch' a topic largely left in the periphery of recent media attention.

Carbon crunch?

At first glance, the credit crunch has had positive impact on the environment. With surging fuel, food and energy prices everyday life styles are becoming a 'lighter load' for the environment. The credit crunch has also created a carbon crunch for everyday living.

As the price of petrol surged to new highs, at one point reaching £1.35 per litre, every daily car usage has been greatly affected. The current furore over 'credit crunch cooking' which favours 'leftovers' and homegrown foods offers a more environmental sensitive style of food consumption.

At the same time there are concerns that the credit crunch may affect business carbon offsetting schemes. Carbon offsetting involves paying someone else to cut greenhouse gas emissions. Brand-conscious companies often endorse carbon-offsetting schemes for green credentials and to build an eco-aware reputation. As companies feel the pinch carbon-offsetting may be one avenue where costs are cut.



Carbon offsets utilizes renewable energy sources such as wind power

Environmental 'bail-out'

As a colossal \$4 trillion has been committed to 'bail-out' the global economy; environmental analysts have asked: what would the bank-bail out money buy for the environment?

Jim Footner, a senior Greenpeace climate campaigner said: "This bail out money just shows how fast and how decisively the government can act when it faces a crisis. The onset of climate change is crisis of equal severity, and should be tackled with a similar level of urgency and ambition... if we can find £50bn overnight for the bankers, then we can find the necessary finance and political will to lead ourselves out of the climate change crisis." There is a great need for an environmental 'bail-out', large scale investments in renewable and energy efficiency schemes to replace conventional methods of burning coal in power plants.

International charity WaterAid this week estimated that providing safe water and sanitation to a massive 2.5 billion people in need would cost £37.5bn. A WaterAid spokeswoman points out that this is equal to the amount (£37bn) given by UK government to banking giants RBS, HBOS and Lloyds TSB in October 2008.



Over the last 25 years WaterAid has helped over 8.5 million people from the world's poorest countries to gain access to safe, clean water

Ecological recession

And so we have been presented with a pivotal moment, it is a time for environmentalists to raise their voice and be heard. This moment of economic crisis is a big opportunity for persuading the world that the next big 'crash' could be the Earth's environment plunging into a 'recession'. The economic crisis is a suggestive shudder of the problems to be faced during future environmental crisis's.

The environment must be preserved for a whole spectrum of interests including economic wellbeing. The environment is natural capital, a resource base for the global economic system. Environmental issues needs to be brought into the centre of mainstream economic thinking to enable both an economic and environment sustainable future.

SUSAN CLARKE

Prayer for the current financial situation from www.cofe.anglican

Lord God, we live in disturbing days:

across the world,
prices rise, debts increase,
banks collapse,
jobs are taken away,
and fragile security is under threat.

Loving God, meet us in our fear and hear our prayer

be a tower of strength amidst the shifting sands,
and a light in the darkness;

help us receive your gift of peace,

and fix our hearts where true joys are to be

found in Jesus Christ our Lord. **Amen.**