climate and environmental justice articles
by Patrick Bond & friends, 2009-21

(affiliations: Professor, University of the Western Cape School of Government, January 2020-present; Honorary Professor of Geography, University of the Witwatersrand, May 2020-present; Distinguished Professor of Political Economy at Wits University, July 2015-December 2019; and Senior Professor of Development Studies and Director of the Centre for Civil Society, University of KwaZulu-Natal, Durban, 2004-16)

Biden-Kerry international climate politricks
Z-Net, 29 January 2021

Eco-socialism’s dialectical resolution of environmental justice and ecological modernization
Forthcoming in Science & Society, 2021

As South African climate justice veterans fall, consciousness begins reviving, from below and across: Deaths of four frontline KwaZulu-Natal activists – and latest Durban oil refinery explosion – define 2021 battlegrounds
Climate and Capitalism website, 1 January 2021

Intergenerational equity and the geographical ebb and flow of resources: The time and space of natural capital accounting
with Rahul Basu, in M.Himley and E.Havice (Eds), Handbook of Critical Resource Geography, New York, Palgrave Macmillan, 2021

Luxemburg’s contemporary resonances in South Africa: Capital’s renewed super-exploitation of people and nature
in D.Cornell and J.Gordon (eds), Creolizing Rosa Luxemburg. New York, Rowman and Littlefield, 2021

South African commoning, cooperatives and eco-socialist potentials during COVID-19

South African Food Politics: Human Rights, Security and Sovereignty

The BRICS New Development Bank’s false dawn
in A.Shaw and R.Bhattacharya (Eds), Urban Housing, Livelihoods and Environmental Challenges in Emerging Market Economies. New Delhi, Orient Blackswan, 2021
Translating the Climate Justice Charter into transformed macroeconomic policies, based on recalculating South Africa’s genuine ecological and social wealth
Draft analysis for the Climate Justice Charter movement, 21 December 2020

African climate justice: articulations and activism

As Bolsonaro incinerates the Amazon, urgent action is needed for climate justice
with Mary Galvin, Mail&Guardian, 3 September 2019

Degrowth, devaluation and uneven development from North to South
in E.Chertkovskaya, A.Paulsson and S.Barca (Eds), The End of Growth As We Know It: Contributions to the Political Economy of Degrowth. London: Rowman and Littlefield, 2019

Contradictory time horizons for Durban energy piping in an era of looming climate chaos
City, 23, 4, 2019

Class, race, space and the ‘right to sanitation’: The limits of neoliberal toilet technologies in Durban, South Africa
in Farhana Sultana & Alex Loftus (Eds), Governance, Rights and Justice in Water, London: Routledge, 2019

Blue Economy threats, contradictions and resistances seen from South Africa
Journal of Political Ecology, 2019

Water, food and climate commoning in South African cities: Contradictions and prospects
with Mary Galvin, in J.L. Vivero-Pol and T.Ferrando (Eds), Food Sovereignty Politics, London, Routledge, 2019

Shifting the balance of forces through sanctions against Trump and US carbon capital
in John Foran, Debashish Munshi, Kum Bhavnani and Priya Kurian (Eds), Climate Futures: Re-imagining Global Climate Justice. London, Zed Books, 2019

Luxemburg’s critique of capital accumulation, applied again in Africa
Journal für Entwicklungspolitik, 1, 2019

Not so natural an alliance? Degrowth and environmental justice movements in the global south
with Beatriz Rodríguez-Labajos, Ivonne Yanez, Lucie Greyl, Serah Munguti, Godwin Uyi Ojo and Winfridus Overbeek, Ecological Economics, 157, 2019

Mining conflicts multiply, as critics of ‘extractivism’ gather in Johannesburg
Pambazuka, 10 November 2018
Environmental critique
in Mark Juergensmeyer, Saskia Sassen, Manfred Steger, and Victor Faessel (Eds), *Oxford Handbook of Global Studies*, Oxford, Oxford University Press, 2018

Climate justice, big oil and natural capital
in S.Jacobsen (Ed), *Climate Justice and the Economy: Social Mobilization, Knowledge and the Political*, New York, Routledge, 2018

Subimperial ecosystem management in Africa: Continental implications of South African environmental injustices

Social movements for climate justice, from International NGOs to local communities
in S.Lele, E.Brondizio, J.Byrne, G.M.Mace and J.Martinez-Alier (Eds), *Rethinking Environmentalism: Linking Justice, Sustainability, and Diversity*. Cambridge, Massachusetts Institute of Technology Press, 2018

German fingerprints at the scene of Lonmin’s Marikana Massacre: From BASF to Volkswagen and the World Bank
in Maren Grimm, Jakob Krameritsch and Britta Bekker (Editors), *Business as Usual after Marikana: Corporate Power and Human Rights*, Johannesburg, Jacana, 2018

Eco-capitalist crises in the ‘Blue Economy’: Operation Phakisa’s small, slow failures
with Desné Masie, in V.Satgar (Ed), *The Climate Crisis: South African and Global Democratic Eco-Socialist Alternatives*, Johannesburg, Wits University Press, 2018

Climate debt, community resistance and conservation alliances against KwaZulu-Natal coal mining at Africa’s oldest nature reserve
in Bettina Engels and Kristina Dietz (Eds) *Political and Social Impacts of Climate Change in Africa*, Frankfurt, Peter Lang Verlag, 2018

Climate justice movements need to hit Trump where it hurts most
*Entitle blog*, 7 July 2017 (Interview by Ethemcan Turhan and Cem Iskender Aydin)

Obsolete economic ideas and personal corruption are closely linked in Africa
*American Herald Tribune*, 10 June 2017 (Interview by Mohsen Abdelmoumen)

Uneven development and resource extractivism in Africa

Multinational corporations invade global governance institutions, causing for-profit paralyses
Tackling climate Trumpism with United States ‘Boycott Divestment Sanctions’
*Counterpunch*, January 2017

Red-green alliance-building against Durban’s port-petrochemical complex expansion

South Africa’s next revolt: Eco-socialist opportunities

Who wins from ‘climate apartheid’? African narratives about the Paris COP21
*New Politics*, January 2016

Climate terror from Paris could endure for generations
*ZNet*, 15 December 2015

UN Millennium Development Goals replaced by new ‘distraction gimmicks’
*TeleSUR*, 29 September 2015

Can Climate Activists’ Movement Below Transcend Negotiators’ Paralysis Above?
*Journal of World Systems Research* (21, 2), September 2015

Climate, water and the potential for South Africa’s ecological restoration
*HSRC State of the Nation*, August 2015

Resource-Cursed South Africa suffers more mining massacres: From Marikana to mineral price crash and jobs meltdown
*TeleSUR*, 26 August 2015

Avaaz’s climate vanity: Upward gazing can be politically blinding
*Triple Crisis*, 17 June 2015

BRICS carbon traders bail out the bankers’ climate strategy
*Triple Crisis*, 7 & 14 April 2015

“Leave the coal in the hole”, say women from KwaZulu-Natal’s mining war zone
By Faith ka-Manzi and Patrick Bond (published at CCS Website, 5 April 2015)

Will a “climate movement across the movements” produce Seattle-style shutdowns or a Paris cul de sac?
*TeleSUR*, 27 March 2015

Disconnecting the minerals-energy-climate dots
Counterpunch, 13 March 2015

Keep South Africa’s lights on with renewable energy – or irradiate a darkened nation?
*Counterpunch, 18 February 2015*

South Africa in the dark: Eskom’s muddle through, melt down or miracle?
*Counterpunch, 9 February 2015*

South African oil spill pollutes rich whites’ playground
*ZNet, 10 January 2015, The Con, 19 February 2015*

Climate’s value, prices and crises: Geopolitical limits to financialization’s ecological fix

Is the Climate Justice movement ready to scale-jump our politics?
(No, not yet – but we’ll need to, sooner than later, with Latin American counterpower)
*Telesur, 4 December 2014*

Did climate justice just get a new lease on life?
*Counterpunch, 26 September 2014*

Divestment will shake up climate policy paralysis
*Mail&Guardian, 12 September 2014*

Economic, ecological and social risks in Durban’s port-petrochemical-coal expansion
*Man in India, September 2014*

Transnet: coughing canary in the climate coal mine
*Amandla!, August-September 2014*

The BRICS remix climate damage and corporate collusion
*Telesur, 30 August 2014*

Theory and practice in challenging South Africa’s high-carbon mega-infrastructure
*Review of Political Economy, July 2014*

Gigaba’s pleasing infrastructure promises soon to be broken in Durban
*Mail&Guardian, 2 May 2014*

Who will pay for climate change disaster?
*The Real News, 21 April 2014*

Durban’s greenwashing deceits
Infrastructure ‘fast-track’ may trip up government and corporations
Daily Maverick, 21 January 2014

Climate justice in, by and for Africa
In M.Dietz and H.Garreltz (Eds), Routledge Handbook of the Climate Change Movement, London, Routledge 2013

Loss & Damage beyond charity, into solidarity, and suffused with climate justice
Triple Crisis, 4 December 2013

BRICS lessons in (un)sustainable urbanization
Daily Maverick, Mercury, ZNet, etc, 28 November 2013

Poor countries and civil society walk out of COP 19 on inaction over climate change
The Real News, 22 November 2013

At Warsaw’s COP19 climate summit, South Africa has no bragging rights
Daily Maverick, 14 November 2013

Extreme weather and even more extreme greenhouse gas emissions beckon extremely committed climate activists
Counterpunch, Links, 28 August 2013

Does Durban need a big dig – or a detox and reboot?
The Mercury, 9 July 2013

Climate Justice
in C.Death (Ed), Critical Environmental Politics, London, Routledge 2013

BRICS cook the climate
Business Day, 27 March 2013

Another Conference of Polluters confirms climate catastrophe
Counterpunch, 12 December 2012

COP 18 another ‘Conference of Polluters’
InterPressService News, 27 November 2012

What Sandy shows South Africa
Counterpunch, 6 November 2012

BHP Billiton’s sweetheart power price disempowers the rest of us
City Press, 28 October 2012

Kim’s trip to South Africa was just a PR exercise for the World Bank
*The Guardian Poverty Blog*, 12 September 2012

Jim Yong Kim comes to Joburg – but will World Bank president visit Marikana and Medupi?
*Daily Maverick*, 6 September 2012

Values versus prices at the Rio+20 Earth Summit
*Climateandcapitalism.com*, 18 June 2012

Inclusive green growth or extractive greenwashed decay?
*Triplecrisis.com*, 18 May 2012

‘Green Economy’ buzz moves to Rio, leaving Pretoria confused
*The Thinker*, May 2012

Carbon rush or climate justice?
in Amy Miller (Ed), *Carbon Rush*, Montreal, 2012

Durban’s Conference of Polluters, market failure and critic failure
*ephemera*, March 2012

South Africa’s carbon tax disappoints
*TripleCrisis.org*, 12 March 2012

The meaning of Durban’s climate summit for labour
*South African Labour Bulletin*, March 2012

When state- and market- climate failures are amplified by society-failure
*Counterpunch, ZNet, Links*, 29 February 2012

‘Global sustainability’ wilts in South Africa’s political hot air
*Pambazuka, Links, ZNet, etc*, 16 February 2012

Steer clear of this climate ‘Ponzi scheme’

Planning the status quo? A sustainable development model needs new thinking
in *Transformation Audit 2011: From Inequality to Inclusive Growth*, January 2012

Durban’s climate Zombie tripped by dying carbon markets
*The Mercury*, 20 December 2011
A dirty deal coming down in Durban
*The Mercury*, 6 December 2011

COP17’s dirty secret: another failure will please certain South Africans
*Sunday Independent*, 27 November 2011

African climate CDMs ‘Can’t Deliver the Money’
with Michael Dorsey, *Sunday Independent*, 20 November 2011

For deconscientised Durban, a month until climate wake-up call
*The Mercury*, 25 October 2011

Electricity prices and runaway trucks will embarrass Durban’s COP17
*The Mercury*, 27 September 2011

Dirty Durban’s manual for climate greenwashing
*The Mercury*, ZNet, Links, Counterpunch, 29 August 2011

Leaving oil in the soil, from Durban’s coast to Ecuador’s Amazon
ZNet, Counterpunch, Links, Pambazuka, *The Mercury*, 3 August 2011

At the heart of our wealth and our woes, the ‘Minerals-Energy Complex’

The insider-outsider climate quandary
*The Mercury*, 5 July 2011

From Bonn to Durban, climate meetings are Conferences of Polluters
ZNet, 21 June 2011

Climate finance leadership risks global bankruptcy
*The Mercury*, 24 April 2011

As climate summit approaches, SA industrial policy hits green wall
*Southern Africa Report*, 18 April 2011

South Africa prepares for ‘Conference of Polluters’
*Sunday Independent*, 8 February 2011

The South African government’s ‘talk left walk right’ climate policy
*Climate and Capitalism*, 1 February 2011

Dethroning King Coal in 2011, from West Virginia to Durban
Znet, January 30, 2011
From renewed climate hope to unrealizable market expectations
*Business Day*, December 2010

‘Climate capitalism’ won at Cancun – everyone else loses
*Links, ZNet, Counterpunch* and numerous other ezines, 12 December 2010

Anatomies of environmental knowledge and resistance

A climate conference, old and new oil curses, and ‘Good Samaritans’
*CounterPunch, Links, ZNet*, 22 November 2010

Community resistance to energy privatization in South Africa
with Trevor Ngwane, in Kolya Abramsky (Ed), *Sparking a Worldwide Energy Revolution: Social Struggles in the Transition to a Post-Petrol World*, Oakland, AK Press, September 2010

Emissions trading, new enclosures and eco-social contestation
*Antipode*, August 2010

Climate justice politics across space and scale
*Human Geography*, July 2010

Climate debt owed to Africa

Climate justice, climate debt, and anti-capitalism
*Upping the Anti*, May 2010

World Bank threat to South African politics and the world’s climate
*The Mercury*, 13 April 2010

Circumventing the climate cul-de-sac
*Social Text*, March 2010

Maintaining momentum after Copenhagen’s collapse
*Capitalism Nature Socialism*, March 2010

Climate justice opportunities after US carbon market and legislative crashes
with Desmond D’Sa, *ZNet*, 31 March 2010

What will Zoellick break next?
*Counterpunch*, 19 March 2010
Durban’s waste of energy
_The Mercury_, 3 February 2010

SA’s self-interested carbon pollution gels with ‘disappointing’ global climate governance
_Sunday Independent_, 24 January 2010

Eskom’s price hikes plus climate change contributions blow citizen fuses
with Alice Thomson, in _The Mercury_, 20 January 2010

The carbon market ship is sinking fast
_ZNet_, 19 January 2010

Why climate justice did not crumble at the summit
_Counterpunch_, 12 January 2010

Curing post-Copenhagen hangover
_ZNet, Climate and Capitalism, MRZine, Links_ and others, 23 December 2009

Countering critics of a cap-and-trade critique
_ZNet, Counterpunch_, 15 December 2009

Reproducing life as guide to climate politics
_Women in Action_, December 2009

‘False solutions’ to climate crisis amplify eco-injustices
with Khadija Sharife, in _Women in Action_, December 2009

Copenhagen friends and foes
_Muslim Views_, December 2009

From climate denialism to activist alliances in memory of Seattle
_ZNet_, 30 November 2009

Lessons for Copenhagen from Seattle via Addis Ababa
_November 2009_

When the climate change center cannot hold
_ZNet_, 24 October 2009

‘Seattle’ Copenhagen, as Africans demand reparations
_ZNet_, 6 September 2009

Repaying Africa for climate crisis

**A climate-poverty challenge in South Durban**
with Vanessa Black, Rehana Dada and Desmond D’Sa, *The Mercury*, 19 August 2009

**From Nigeria to Durban, an oil change is needed**
with Khadija Sharife, *Muslim Views*, May 2009

**The state of the global carbon trade debate**
*The Commoner*, Winter 2009

**A timely death?**
*New Internationalist*, January 2009
Is U.S. President Joe Biden’s January 27 Executive Order to address ‘climate crisis’ as good as many activists claim, enough to reverse earlier scepticism?

To be sure, it’s great that the word crisis is consistently deployed, not just ‘climate change.’ Applause is due Biden’s commands to halt fossil fuel subsidies and new oil and gas drilling leases on national government lands, and phase out hydrofluorocarbons. There is a welcome promise to instead subsidise new solar, wind, and power transmission projects. Cancelling the nearly-finished Keystone Pipeline extension (from Canada to Nebraska) is praiseworthy, although surely the Dakota Access Pipe Line should be shut, too.

Moreover, a weakened and often climate-unconscious U.S. labour movement did extremely well, with quite a few paragraphs of the Executive Order – e.g. in the box way below – promising well-paying union jobs in a Just Transition. There is an unusual race consciousness, too, as ‘environmental justice’ is invoked to address the discrimination that so often characterises pollution in the U.S. Much of the Order resonates with Green New Deal demands, so the Sanders-AOC team pulling Biden leftwards can claim some excellent language.

However, caveats and hard-hitting criticisms of the Order were immediately offered by long-standing Climate Justice organisations, e.g.:

- **Indigenous Environmental Network**: “we stand by our principles that such justice on these stolen lands cannot be achieved through market-based solutions, unproven technologies and approaches that do not cut emissions at source. Climate justice is going beyond the status quo and truly confronting systemic inequities and colonialism within our society.”

- **Food & Water Watch**: “Biden’s orders fall well short of what’s needed and must be paired with serious plans to stop our deadly addiction to fossil fuels. We need a White House that is committed to stopping all drilling and fracking, and shutting down any schemes to export fossil fuels.”

These are absolutely valid misgivings, and apply locally and globally. My additional concerns are about how during the 2010s, United Nations Framework Convention on Climate Change (UNFCCC) policy was manipulated by Biden’s climate envoy John Kerry (Secretary of State from 2013-17) and other staff from the Obama-era State Department and U.S. Environmental Protection Agency (including former pro-fracking EPA head Gina McCarthy, now Biden’s senior climate advisor). From Copenhagen’s 2009 United Nations Conference of the Parties COP15 to the 2016 Marrakesh COP22 – and especially at Durban COP17 in 2011 and Paris COP21 in 2015 – their corporate neoliberal agenda held sway. This group’s climate-policy imperialism did enormous harm and it’s vital to recall why.
What characterises Washington’s durable squeeze of UNFCCC policy in that era are eight fatal-flaw silences, which justified climate scientist James Hansen’s critique of Paris as ‘fraud, BS,’ a sentiment also expressed at the time by progressive groups – especially from the Global South, as well as Friends of the Earth International – dedicated to Climate Justice. The Paris Climate Agreement failed to:

- adopt sufficiently deep and binding global emissions reduction requirements, fairly distributed (in contrast to voluntary 2015 Nationally Determined Contributions that will cause at minimum 3-degree heating by 2100 – with only vague hopes of ratcheting up ‘ambition’), combined with a make-believe 1.5 degree aspirational target which is simply a talk-left distraction, while walk-right pollution continues unabated;
- establish accountability mechanisms including penalties (e.g. ‘border adjustment tax’ climate sanctions);
- apply carbon taxation judiciously and democratically (not regressively and top-down, as imposed in France and Ecuador in 2018-19), and dispense with failed carbon trading and offset gimmicks (implicit in most scam-riddled ‘net zero’ and ‘carbon-neutral’ claims, within the resurgent emissions-trading markets);
- respect historical ‘polluter-pays’ responsibilities for the ‘climate debt’ to cover ‘loss and damage’ and to compensate for poorer countries’ unused carbon space;
- ensure a job-rich Just Transition away from carbon-addicted economies (thus entailing new commitments to localised, labour-intensive production processes that had been eviscerated by neoliberal globalisation);
- allow poor countries to adopt climate-friendly technology without Intellectual Property restrictions;
- convincingly incorporate and cut military, maritime and air-transport sectoral emissions (three areas long considered by imperialist powers as illegitimate for regulation); and
- compel fossil fuel owners to cease new exploration (and most current extraction) and simultaneously revalue their ‘unburnable carbon’ as ‘stranded assets’ accordingly (instead of allowing an extremely chaotic global commodity market and unreliable fossil financiers to bear this burden).

Post-Paris degeneracy began with Copenhagen discord

Since 2015, matters have become much worse and a global climate emergency is regularly declared. The Paris Climate Agreement’s slacker authors and irresponsible signatories should be condemned, not re legitimised. And now that we know how international climate do-nothing policy of this sort unfolds, warning lights are now flashing about Biden’s plan. Here are some examples:

Biden: “Responding to the climate crisis will require both significant short-term global reductions in greenhouse gas emissions and net-zero global emissions by mid-century or before.”
Actually, given what we know about politicians’ propensity to shape-shift, the words ‘net-zero global emissions’ will continue to imply ongoing unsustainable levels of Global-North emissions – but now with even more carbon-offset or emissions-trading gimmickry boiling down to Dr. Strangelovean ‘false solutions’. Such wording would, in a just world, be replaced by phrases like ‘gross-zero,’ ‘paying our climate debt’ and ‘genuine nature-based sequestration strategies.’

Biden: “In implementing – and building upon – the Paris Agreement’s three overarching objectives (a safe global temperature, increased climate resilience, and financial flows aligned with a pathway toward low greenhouse gas emissions and climate-resilient development), the United States will exercise its leadership to promote a significant increase in global climate ambition to meet the climate challenge... and alignment of financial flows with the objectives of the Paris Agreement...”

These financial flows are, in reality, farcical, in large part because of prior U.S. ‘leadership.’ At the Copenhagen negotiations in December 2009, Kerry’s predecessor as U.S. Secretary of State – Hillary Clinton – had promised $100 billion in annual North funding for poor countries starting in 2020, if the latter supported the Copenhagen Accord. Newsweek called this “a global bribe... political hardball, Hillary style.”

Nasty episodes of spying, phone-tapping, bullying and bribery have characterised U.S. tactics dating to Copenhagen, too, as we know thanks to WikiLeaks State Department Cables and Clinton’s email leaks, and Ed Snowden’s disclosures about National Security Agency bugging inclinations. The integrity of any Washington negotiator residual from that era (or any other) is dubious, to put it mildly.

Nearly all countries did ultimately sign on to Copenhagen, but many did so under coercion. As the main G77-bloc negotiator, Lumumba Di-Aping, explained to a civil society meeting at the COP15, some of his own home continent’s delegations were “either lazy or had been ‘bought off’ by the industrialised nations. He singled out South Africa, saying that some members of that delegation had actively sought to disrupt the unity of the bloc.”

If Washington, Brussels and London represent the primary sites of climate-imperialist power (usually backed by Ottawa, Tokyo, Canberra, Riyadh and other high-carbon capitals), then Pretoria – along with Beijing, Brasilia and Delhi (and Moscow too) – have served as the main climate subimperialists. The leaders of the latter four – South Africa, China, Brazil and India – joined Obama and Clinton in cutting a backroom Copenhagen deal just after Obama won the Nobel Peace Prize. It represented, Bill McKibben remarked at the time, the U.S. president’s greatest failure:

He blew up the United Nations. The idea that there’s a world community that means something has disappeared tonight... He formed a league of super-polluters, and would-be super-polluters... George Bush couldn’t have done this — the reaction would have been too great. Obama has taken the mandate that progressives worked their hearts out to give him, and used it to gut the ideas that progressives have held most dear.
McKibben was right, because in coming months and years, the Copenhagen signatories and moderate ‘Climate Action’ NGOs whose leaders actually believed Clinton’s bribe promise found themselves conned, just as if they’d shaken hands with Donald Trump. Clinton’s advertised vehicle for the money, the Korea-based Green Climate Fund, last year only funded 37 projects worldwide costing a measly $2.1 billion.

The typical Global North rebuttal is that there’s plenty more climate money available outside that particular fund, such as in development banks allegedly lending to mitigate emissions or
assist in adapting or making countries resilient to climate chaos. But *a loan is a loan* and most must be repaid with interest, so as Timmons Roberts and Romain Weikmans *wrote* in a Brookings Institute paper in 2016, “three-quarters of the projects counted as helping developing countries adapt to climate change in fact do not stand up to rigorous criteria.”

And Trump’s 2017 default on paying into the Green Climate Fund only put the U.S. into what is now merely a $2 billion deficit; that’s how little ambition the negotiators to subsequent UN climate summits possessed, and how unaccountable lying U.S. officials can be.

**The Paris pantomime – no substitute for genuine climate policy**

When Trump pulled out of the Paris Climate Agreement in 2017, there were diverse calls for punishment – e.g. carbon taxes or other *sanctions – against the U.S.*, from rightwing former French president Nicolas Sarkozy, centre-left economist Joe Stiglitz and climate justice strategist Naomi Klein. But no other Paris proponents had the gumption to do so, confirming that Paris was not worth fighting for, at the cost of offending inter-corporate relations, even in their eyes.

Another confirmation that the deal is a dud came at the end of last month when new voluntary targets updating the Paris emissions-reduction commitments were due, but only 23 countries met the deadline, and by January 27 there were still only 39 *according* to CarbonTracker, covering only a third of world emissions.

Of those that did, several climate slackers stand out for not having increased their commitment from 2015 levels: Australia, Brazil, Indonesia, Japan, Russia, Switzerland and Vietnam. And major polluters Canada, India, Kazakhstan, Saudi Arabia, South Africa, Venezuela and the U.S. didn’t even bother to submit new Paris Agreement proposals for emissions cuts.
Another reason Paris is worse than useless is the return of the carbon trading strategy. Biden speaks of “promoting the protection of the Amazon rainforest and other critical ecosystems that serve as global carbon sinks, including through market-based mechanisms.”

But since Kerry pushed this as a U.S. Senator in 2009-10 – as a failed ‘cap and trade’ law – there has been profound conflict associated with privatising the air and selling the right to pollute. Some of these relate to broad neoliberal theory and policy, as a lecture by Tamra Gilbertson at the University of California/Santa Barbara here shows, and some to recent experiences in ultra-chaotic financial markets, I recently argued at the same conference.

For example, two years ago, more than 100 scientists wrote a letter to the California Air Resources Board (CARB), asking them to reject carbon offsets and trading permits on grounds the existing market-based mechanisms – especially as witnessed in the Amazon – provided minimal compensation, constrained community access to forest resources, and undermined local governance.

A consistent critic of these gimmicks – including CARB’s Tropical Forest Standard – is Amazon Watch, but rather than checking in with these experts, the Biden-Kerry team is committed to the corporate neoliberal agenda, and is not watching how market-based mechanisms actually work in the Amazon or anywhere else.

**America First financing = climate-debt denialism**

Biden: “The Secretary of State, the Secretary of the Treasury, and the Secretary of Energy shall work together and with the Export-Import Bank of the United States, the Chief Executive Officer of the DFC, and the heads of other agencies and partners, as appropriate, to identify steps through which the United States can promote ending international financing of carbon-intensive fossil fuel-based energy while simultaneously advancing sustainable development and a green recovery.”

Weasel words like ‘identify steps to promote’ would, in a just world, be replaced by ‘veto international financing’ – and indeed where such monies have been committed but not yet fully disbursed, cut them off. And the U.S. must pay reparations where those are required.

Recall South Africa’s plight: sickly parastatal energy supplier Eskom’s two new coal-fired power plants (4800 MW each, the largest in the world) were given irrational support from Washington in 2010-11, when Biden was Vice President. One drew the World Bank’s largest-ever loan (which the U.S. could have vetoed) and additional funds came for coal-mining equipment from the U.S. Ex-Im Bank, in spite of both climate concerns and widespread (confessed) corruption of the local ruling party by Eskom’s main construction firm, Hitachi. (And then late last year the International Development Finance Corp. promised Eskom more billions to buy 2500MW of dangerous nuclear energy from U.S. firms, in spite of a recent history of corruption in the sector which had contributed to President Jacob Zuma’s ouster in an early-2018 palace coup.)
Biden would be taken seriously if he changed the U.S. ‘denialist’ position on the climate debt. The U.S. negotiating team at the UNFCCC was led by diplomat Todd Stern, who repeatedly violated the ethical core of the original United Nations Framework Convention on Climate Change in 1992. That declaration acknowledged that “The largest share of historical and current global emissions of greenhouse gases has originated in developed countries,” and that when it comes to the financial resources required to remedy the crisis,

The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof.

But by 2009 in Copenhagen, Stern had spun the combined equity and responsibility mandate upside down: “We absolutely recognise our historic role in putting emissions in the atmosphere up there that are there now, but the sense of guilt or culpability or reparations, I just categorically reject that.”

The ugly-American ultra-polluters’ refusal to pay victims of climate change their due reparations – as would even any garden-variety economist committed to ‘internalising the externalities’ of imperfect markets using the ‘polluter pays’ principle – was dogmatically maintained by Stern through the 2010s. At the time, U.S. climate damage was estimated at $4 trillion. Stern and other rich-country negotiators insisted that a rider to the Paris Climate Agreement specify that any loss and damage acknowledgement “does not involve or provide a basis for any liability or compensation” by the guilty parties – so if you sign Paris, you sign away your rights to demand climate debt payments.

The spirit of financial evasion continues in Biden’s Executive Order, which ignores the need for concrete funding commitments: there is not a single costing of any of his commands. On the one hand, Biden has a Senate Budget Committee chair – Bernie Sanders – who is more progressive than any in modern history, and who will advocate as much climate-related spending (via the ‘reconciliation’ process, requiring 51 votes) as can be accomplished with the bare majority the Democrats have at least until the next Senate elections in late 2022.

On the other hand, not only had Sanders wrung an actual dollar commitment out of his mid-2020 task team negotiations – “Biden’s climate and environmental justice proposal will make a federal investment of $1.7 trillion over the next ten years” – but most of the actual legislation required to cement in climate sanity in the U.S. (and to put down a time-wasting Republican filibuster) requires 60 votes in the Senate.

And in any case, there’s now a fair question that cuts to the heart of financing: can Biden be trusted with such promises – because justifiable fury has emerged in the U.S. working class, that the $2000 Covid-19 survival and stimulus check per adult that Biden promised he would send out when he assumed power last week will actually be only $1400 and will only arrive in March.
U.S. technological and militaristic selfishness

Biden: “The Secretary of Energy, in cooperation with the Secretary of State and the heads of other agencies, as appropriate, shall identify steps through which the United States can intensify international collaborations to drive innovation and deployment of clean energy technologies, which are critical for climate protection.”

Another slow-poke promise to ‘identify steps’ – and what’s the underlying catch here? Typically U.S. corporations add a huge price mark-up on new technologies, through patent licensing, fees and royalties. The traditional demand from Climate Justice activists is to end the monopolistic ‘Intellectual Property’ (IP) protections enjoyed by corporations (whether from West or East, North or South), especially when such claims prevent diffusion of vital public goods – and also where usually there have been generous state subsidies involved.

This simple principle was accepted in fighting AIDS, when in 2001 the World Trade Organisation agreed that IP protection would be relaxed on Big Pharma’s patented medicines; South Africa’s life expectancy rose rapidly from 52 to 65 as a result of publicly-supplied generics.

The next test of this principle is on February 4 when just as urgent a demand – from the global health justice movement as well as the governments of South Africa, India, Kenya and Swaziland – again reaches the WTO Trade Related Intellectual Property System council in Geneva. Activists and even some of these objectionable governments justifiably insist on a waiver from IP restrictions that prevent generic supply of Covid-19 vaccines and treatment, at a time unethical Global North governments like Canada’s have acquired five times more vaccine doses than its citizens require.

Biden: “Agencies that engage in extensive international work shall develop... within 90 days of the date of this order, strategies and implementation plans for integrating climate considerations” – yet even though ‘military installations’ are mentioned, this Order applies “without prejudice to existing requirements regarding assessment of such infrastructure.”

But the catch is that existing requirements are negligible, since Paris exempts the military from emissions scrutiny. The Pentagon does understand one thing consistent with U.S. imperialism’s needs, as Biden reminded: the “security implications of climate change (Climate Risk Analysis) that can be incorporated into modeling, simulation, war-gaming, and other analyses.”

The military threat and anti-refugee stance of the ‘deporter-in-chief’ Obama and openly xenophobic Trump regimes are symptoms. But as the Democratic Socialists of America explained the core underlying problem, “John Kerry’s signature climate strategy seems to be selling out the working class to corporate Republicans.” And when the neoliberal, technicist approaches Biden’s team insists upon likely crowd out his promises of Just Transition and Climate Justice, another rightwing backlash and renewed climate-denialist surge will be felt in the U.S. populace.
Rethinking support for both Biden and Paris

Given all this evidence of how the Executive Order falls short, perhaps a rethink is needed. One basic question we’re asking this week in some of the World Social Forum debating about the UNFCCC, is the same one we asked each other when the WSF was founded in 2001, when we were concerned mainly with the World Bank, IMF and WTO as the key vehicles of economic imperialism: “Fix it or nix it.” If the fix-it reform requirements are not properly set out, then the danger is legitimising a process without applying sufficient pressure to the principals involved.

Without that pressure, the Biden regime will naturally adopt a George H.W. Bush (Rio, 1992) yankee-consumer-imperialism negotiating standpoint, as did Kerry himself last week “Tackling climate change did not mean a diminishment of lifestyle.”

The greatest danger here is the combination of Biden’s neoliberal market-orientation (he hails from his country’s leading bank tax-haven zone, Delaware, after all) with his neocon imperial-military tendencies (the foreign policy appointments are hot off the Military-Industrial Complex revolving door). This mix will make the Biden Administration just as wicked a UNFCCC negotiating partner as was Obama’s team; indeed, Biden’s recycling many of the same people – with the sole apparent exception of a progressive Interior Department leadership nomination, Deb Haaland. That means climate activists in the U.S. should from the outset be as critical as reality demands.

Youth activist Greta Thunberg sent this message to the World Economic Forum on January 26, condemning the elites for:

creating new loopholes, failing to connect the dots, building your so called ‘pledges’ on the cheating tactics that got us into this mess in the first place. If the commitments of lowering all our emissions by 70, 68 or even 55 percent by 2030 actually meant they aim to reduce them by those figures then that would be a great start. But that is unfortunately not the case. And since the level of public awareness continues to be so low our leaders can still get away with almost anything. No one is held accountable. It’s like a game. Whoever is best at packaging and selling their message wins.

Given the prevailing evidence, claims made about Kerry’s new-found ‘humility’ should no longer lull observers into allowing another decade of U.S. sabotaging global climate policy. And that means a totally different perspective is needed on how U.S. and international progressives treat the U.S. re-entry to Paris: with eyes wide open – and protest placards at the ready.

Some of Biden’s most pleasing words

We must listen to science – and act. We must strengthen our clean air and water protections. We must hold polluters accountable for their actions. We must deliver environmental justice in communities all across America. The Federal Government must drive assessment, disclosure, and mitigation of climate pollution and climate-
related risks in every sector of our economy, marshaling the creativity, courage, and capital necessary to make our Nation resilient in the face of this threat. Together, we must combat the climate crisis with bold, progressive action that combines the full capacity of the Federal Government with efforts from every corner of our Nation, every level of government, and every sector of our economy...

To secure an equitable economic future, the United States must ensure that environmental and economic justice are key considerations in how we govern. That means investing and building a clean energy economy that creates well-paying union jobs, turning disadvantaged communities – historically marginalized and overburdened – into healthy, thriving communities, and undertaking robust actions to mitigate climate change while preparing for the impacts of climate change across rural, urban, and Tribal areas. Agencies shall make achieving environmental justice part of their missions by developing programs, policies, and activities to address the disproportionately high and adverse human health, environmental, climate-related and other cumulative impacts on disadvantaged communities, as well as the accompanying economic challenges of such impacts. It is therefore the policy of my Administration to secure environmental justice and spur economic opportunity for disadvantaged communities that have been historically marginalized and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care...

It is the policy of my Administration to put a new generation of Americans to work conserving our public lands and waters. The Federal Government must protect America’s natural treasures, increase reforestation, improve access to recreation, and increase resilience to wildfires and storms, while creating well-paying union jobs for more Americans, including more opportunities for women and people of color in occupations where they are underrepresented. America’s farmers, ranchers, and forest landowners have an important role to play in combating the climate crisis and reducing greenhouse gas emissions, by sequestering carbon in soils, grasses, trees, and other vegetation and sourcing sustainable bioproducts and fuels. Coastal communities have an essential role to play in mitigating climate change and strengthening resilience by protecting and restoring coastal ecosystems, such as wetlands, seagrasses, coral and oyster reefs, and mangrove and kelp forests, to protect vulnerable coastlines, sequester carbon, and support biodiversity and fisheries... The plan shall also aim to ensure that the United States retains the union jobs integral to and involved in running and maintaining clean and zero-emission fleets, while spurring the creation of union jobs in the manufacture of those new vehicles...

It is the policy of my Administration to improve air and water quality and to create well-paying union jobs and more opportunities for women and people of color in hard-hit communities, including rural communities, while reducing methane emissions, oil and brine leaks, and other environmental harms from tens of thousands of former mining and well sites. Mining and power plant workers drove the industrial revolution and the economic growth that followed, and have been essential to the growth of the United States. As the Nation shifts to a clean energy economy, Federal leadership is essential to foster economic revitalisation of and investment in these communities, ensure the creation of good jobs that provide a choice to join a union, and secure the benefits that have been earned by workers...

Such work should include projects that reduce emissions of toxic substances and greenhouse gases from existing and abandoned infrastructure and that prevent environmental damage that harms communities and poses a risk to public health and safety. Plugging leaks in oil and gas wells and reclaiming abandoned mine land can create well-paying union jobs in coal, oil, and gas communities while restoring natural assets, revitalizing recreation economies, and curbing methane emissions. In addition, such work should include efforts to turn properties idled in these communities, such as brownfields, into new hubs for the growth of our economy. Federal agencies should therefore coordinate investments and other efforts to assist coal, oil and gas, and power plant communities, and achieve substantial reductions of methane emissions from the oil and gas sector as quickly as possible.
Eco-socialism’s dialectical resolution of environmental justice and ecological modernization
Forthcoming in Science & Society, 2021

**ABSTRACT:** A fierce intellectual battle continues over the ideological character of green politics. The overall conflict that emerged in past decades between environmental justice advocates on the one hand, and on the other, a coalition of states, corporations and their academic and media allies will now revive in earnest, given the Biden Administration’s commitment to take climate change seriously. After the Trump regime’s climate denialism, a longstanding problem now returns: the supposedly-pragmatic framing of “climate action” utilizing “ecological modernization” strategies – i.e., regulatory, technicist, market-based (applying “marginally” so as to incentivize next-step decision-making instead of dramatic transformations) or some combination – that characterized the pre- Trump era. In contrast, as one example of a Marxist committed to resolution of the tension thus created (between orthodox approaches and left-indigenous-feminist-community-anti-racist “climate justice” politics), David Harvey has long promoted the “radicalization of the theses of ecological modernization.” The temptation that must be avoided in this process, though, is deradicalization through cooption, e.g., through adoption of “false solutions” which (in this case) might include mass agricultural bio-engineering in search of deep-rooted carbon sequestration. But even as technical questions reemerge – especially over “net carbon zero” fantasies of putting CO2 “back underground” – the radicalization Harvey calls for is actually more relevant than ever. On the one hand this often appears impossible, such as in the debate over emissions trading, where an ecologically-modernized “internalization of externalities” is again being contested by critical activists across the world, at the same time corporate net neutrality has become all the rage and hence carbon markets and offsets have recently revived. On the other hand, “climate reparations” for “loss and damage” – via “ecological debt” payments and/or carbon taxation – are related techniques that need careful consideration, so that climate action does not lead to an unjust “privatization of the air” and ultra-commodified “Payments for Ecosystem Services.” As eco-socialists mobilize against fossil fuels (amidst their other battles against unnecessary minerals extraction) and as they try to avoid eco-social fragmentation (especially labor versus environmentalists), Harvey’s provocation is a good opportunity to establish what kinds of dialectical processes might constructively arise. In the South African case, for instance, ongoing environmental justice demands are grounded in eco-feminist Ubuntu, “commoning”, PanAfrican and “rights of future generation” concepts. But can their advocates radicalize the technicist analysis they are daily confronted with, by utilizing ecological modernization approaches to assess climate debt and to better advocate for anti-extractivist economic policies by invoking “natural capital accounts,” in search of a resolution that in turn provides new eco-socialist potentials – and further contradictions?

1. **INTRODUCTION**

Notwithstanding a 1996 special issue of Science & Society that established useful roots of socialist environmentalism within Marxist theory, the threat of catastrophic climate change has been treated only occasionally in these pages in subsequent years (including seminal contributions by Li 2010 and Schwartzman 2008 and 2014). There are journals of Marxist
scholarship – especially *Monthly Review* and *Capitalism Nature Socialism* – that advance discussions on how a climate-catastrophic future scenario might be leveraged by a socialist movement, albeit not building explicitly upon *Science & Society’s* historic strengths in dialectical reasoning. In that spirit, David Harvey (2020a) has recently encouraged us to revisit the climate crisis – *and potential solutions* – through combining “environmental justice” and “radicalized ecological modernization.”¹ How might a dialectical line of argument, and a corresponding eco-socialist political agenda, logically unfold?

Regrettably, as he confessed, Harvey’s conversion to the view that greenhouse gas emissions now threaten humanity and other species came extremely late, only in an “Anti-Capitalist Chronicles” podcast in July 2019, reproduced in his recent book of the same title:

> So I came across a piece of information about four months ago that literally blew my mind and made me rethink a lot of my positions. The information was contained in a graph put out by the National Oceanic and Atmospheric Administration… I’ve always taken the view that we should take environmental questions seriously but I have been profoundly skeptical of apocalyptic scenarios and visions. But that really changed when I saw that 400 ppm of carbon dioxide concentrations against the background that nothing above 300 ppm had been seen for the last 800,000 years. (Harvey 2020a, 60)

The ensuing crisis, he argues, now requires extreme technological intervention – wide-ranging sequestration to put CO₂ “back underground” – that would upend nearly all climate activists’ strategies, which have in contrast mainly been based upon mitigation, i.e., reducing greenhouse emissions at source. Instead, Harvey continues,

> The current level guarantees accelerating desiccation, rapid increase in global temperatures, rapidly rising sea levels, an increasing frequency of extreme weather patterns, and the like. This suggests that the policy of restricting the rate of carbon emissions, which is what we mainly talk about these days, has to be changed. There is an urgent problem to decrease the existing concentrations of greenhouse gases…

> The carbon we are taking out from underground needs to be put back underground if we are to return to a world of 300 ppm. It was originally put underground by vegetation, and to some degree crustaceans. We’ve taken all of that stored energy from underground and now released it. We now need to talk seriously about getting that 400 back down to 300 ppm and the only way we can do that is by finding means of getting the carbon dioxide out of the atmosphere and back underground. (Harvey, 2020a, 61)

This framing raises the narrow problem – and even narrower solution – of what sort of *technical fix* can be found for the climate crisis. At first blush, this approach appears to be more consistent with the world view of a Bill Gates or World Economic Forum “Great Reset”, than the anti-capitalist analysis Harvey has advanced for decades. Does it not feed into “net carbon neutral”

¹ By way of disclosure, my doctoral studies (published in Bond 1998) were with Harvey (from 1985-93); this was just prior to his publication of major texts on eco-socialist and other environmental narratives (Harvey 1993, 1996).
fantasies, in which untenable levels of emissions are offset through new modes of carbon sequestration, including those associated with Paris Climate Agreement propaganda that leading climate scientist James Hansen correctly labeled “bullshit” when they surfaced in 2015? (Milman 2015)

In short, isn’t this the techno-fix perspective pushed by ecological modernizationists wedded to top-down, market-centric, silver-bullet strategies which are generally considered by environmental justice critics to be “false solutions”? Or can the two approaches be set up, carefully, in constructive opposition so as to open up new directions for eco-socialist planning (e.g. as in these pages, Laibman 2020 suggests at the level of the enterprise)? If so, the way Helena Sheehan (2017, 39) described Friedrich Engels’ dialectics of nature has great relevance: “the natural sciences were on the point of a crisis in which there were only two choices: either the reign of chaos and incoherence or the achievement of order and coherence through dialectical synthesis.”

2. “UNEVEN AND SOMETIMES CONTRADICTORY ECOLOGICAL CRITIQUES”

Bear in mind that already a quarter-century ago, Harvey’s Justice, Nature and the Geography of Difference set a profound challenge to environmental justice activists, to deal in the material and institutional issues of how to organize production and distribution in general, how to confront the realities of global power politics and how to displace the hegemonic powers of capitalism not simply with dispersed, autonomous, localized, and essentially communitarian solutions (apologists for which can be found on both right and left ends of the political spectrum), but with a rather more complex politics that recognises how environmental and social justice must be sought by a rational ordering of activities at different scales. (Harvey 1996, 400-401)

In a subsequent lecture, “Why Marx’s Grundrisse is Relevant Today”, Harvey (2020b) illustrates the mode of argument – and the need for a rational, coherent reordering at different scales – using the case of chlorofluorocarbon (CFC) emissions dangers, and the resulting 1987 Montreal Protocol CFC ban starting in 1996 (i.e., not an offset or emissions-trading arrangement). This required an interface of technological change and strict global regulation:

Refrigeration has been vital to human health in the food supply system. Urban areas would have long ago collapsed were it not for refrigeration... but refrigerators use CFCs which were interacting with other gases in the atmosphere in such a way as to create an ozone hole which allowed ultraviolet rays to harm human populations... Scientific knowledge created refrigeration. Refrigeration had the unintended consequences of increasing damage from ultraviolet rays upon human populations. So we had to do something about CFCs... so we had the Montreal Protocol... This is the kind of approach that needs to be pursued.

Examples of this approach are also found in John Bellamy Foster’s (2020) The Return of Nature, drawing upon earlier socialists’ attempts to apply Engels’ dialectical method to contemporary
environmental problems. Reviewing work by JBS Haldane, John Desmond Bernal and others, Foster (2020, 22) showed how these socialist thinkers provided systematic if uneven and sometimes contradictory ecological critiques of our present society that were crucial both in their day and ours – a legacy that we can no longer afford to do without in our age of combined ecological and social crisis... in a number of instances and for short periods of time, some of the thinkers in this broad tradition of socialism and ecology seemed to fall prey to a Promethean ecological modernism and a regressive conception of progress, which in the 1940s and early 1950s had become a dominant force on the left as well as the right. Nevertheless, the overall direction of the various socialist thinkers treated in this book was toward an ecological socialism, recognizing the pressing need for a new socioecological metabolism in the “closing circle” of the world environment.

To illustrate, Haldane drew on (and wrote a preface to) his father’s 1936 Nature article “Carbon Dioxide Content of the Atmosphere”, concluding, as Foster (2020, 397) recounts,

a shift should be made [from coal and oil] to hydrogen power, tidal power, wind power, and “liquid methane from underground natural gas,” while also relying more on water (hydroelectric) power. “Power would be available in vast quantities, but it would not be based on the yearly sacrifice of thousands of coal miners, and the spoiling of vast areas of what was once beautiful countryside. The nearest approach to this idea is found today in countries such as Switzerland, where water power is very abundant. In a properly organized world it will be the normal human environment.” Haldane also made a strong case for afforestation in Britain, arguing that absentee ownership had led to poorer woodland management. Another critical issue, he recognized, was the maintenance of the soil metabolism, and particularly the prevention of the loss of soil nutrients such as nitrogen, phosphorus, and potassium. In line with ecological modernization, he insisted that there were possibilities for “farming the sea,” which would also require that efforts be devoted to the conservation of aquatic resources.

Indeed, as fish stocks have radically declined since peaking in the early 1980s, fish farming has replaced nature – but not without new contradictions emerging. The total commercial fishing take was 15 million metric tons in 1950 and rose steadily to peak and plateau at 80 million tons after 1985. With the Atlantic cod having collapsed entirely by 1992 due to overfishing, awareness soon emerged that from early 1980s’ levels of 65 percent of species either overfished or fully-fished, that ratio climbed steadily to 95 percent three decades later. (In the most vulnerable sites, such as offshore Somalia, this in turn compelled fisherfolk to turn to piracy.) As a result, artificial fish farming – aquaculture – rose rapidly, from 10 million tons annually in 1982 to 110 million by 2015. But the kinds of contradictions associated with capitalism’s expansion into nature rapidly emerged: zoonotic disease threats, especially as Streptococcus iniae and parasites pass from fish farms to natural fish. Aquaculture-related pollution – especially fishmeal, nutrients and fecal matter – also destroy natural shore areas and fishing zones in the vicinity of the fish farms.
In short, a market-based ecological modernization strategy to farm the sea, based on the profit motive, is as contradiction-riddled as the overexploitation of nature it replaced. Just as extracting and burning underground “natural gas” – now known as fracking – is subsequently understood not only to be much more climate-destructive than even coal energy due to methane leaks, water systems and land ecologies are also poisoned. Were he alive today, Haldane would no doubt retract the last suggestions in favour of a “properly organized world,” i.e. one with eco-socialist not capitalist underpinnings.

Another example comes from the Irish molecular biologist Bernal, who Foster (2020, 492) notes, advocated socialism as embracing progress for the entire world, with a focus on the solving of the world’s most urgent problems. Although he placed his emphasis on how the scientific and technical revolution then taking place in the world could promote modernization, and therefore once again supported many of the big ecological modernization schemes that captured the imagination of the time (such as big dams and irrigation), he demonstrated growing ecological concerns. Both in World Without War and his shorter 1960 work, A Prospect of Peace, Bernal raised issues of pollution and ecological destruction, arguing for example for the displacement of coal as an energy source because of its inefficiency and the pollution it generated.

Uneven though these socialist-scientific precedents suggest, eco-socialism is the name of a political agenda conjoining an awareness of ecological modernization’s limits, when confronted with environmental justice principles. To get there, by invoking and transcending both, requires that the existing fragments of such a movement finally – and decisively – link up with each other, and now take on the broadest terrains of economy, society and environment as their mandate. Contemporary climate politics illustrate the potentials and pitfalls of this route, especially given the replacement of Donald Trump’s climate denialism with the Biden Administration’s “climate action” (replete with all John Kerry’s market-oriented, tech-fix baggage) and perhaps, too, occasional evidence of environmental justice (e.g. at the Department of Interior led by Deb Haaland) (Bond 2021a).

3. MANAGING CAPITALIST ECO-CRISIS – BUT TOWARDS ECO-SOCIALISM?

Conceptual routes towards eco-socialism are vital to continue theorizing, especially in view of Harvey’s acknowledgment that his prior aversion to climate catastrophism was incorrect. It is only in sites of concrete struggle that this advice – and the dangers of the turn to technicism – can really be tested. So before considering activists’ global climate policy advocacy, especially against market strategies and technological ‘false solutions’, and before contrasting these capitalist versions of ecological modernization with the countervailing instincts of political ecologists and social justice activists, it is useful to remind where ecological modernization theory originates, and how it applies to the climate crisis.
It was in 1996 that Harvey made this appeal to the environmental justice movement, based upon the idealistic proposition that tools used in the economic and engineered management of nature can be used to dismantle the eco-destructive capitalist master’s house:

The reinsertion of ‘rational ordering’ indicates that such a movement will have no option, as it broadens out from its militant particularist base, but to reclaim for itself a non-co-opted and non-perverted version of the theses of ecological modernization. On the one hand that means subsuming the highly geographically differentiated desire for cultural autonomy and dispersion, for the proliferation of tradition and difference within a more global politics, but on the other hand making the quest for environmental and social justice central rather than peripheral concerns. For that to happen, the environmental justice movement has to radicalize the ecological modernization discourse. (Harvey 1996, 401)

To be sure, when engaging ecological modernizationists, it is important not to fall into “post-political” managerial logic, Harvey’s student Erik Swyngedouw (2010) insists when critiquing “the reduction of the political to administration where decision-making is increasingly considered to be a question of expert knowledge and not of political position.” Such an approach typifies “climate action” as epitomized by the UN Framework Convention on Climate Change, Al Gore and the recently revived emissions trading markets (Bond 2012; Bracking 2015). What then, could be done to radicalize ecological modernization in the interests of advancing to an eco-socialist stance on climate policy?

It is critical to distinguish the origins of the concept from some of the most irresponsible proponents of so-called ecological modernization, such as the Breakthrough Institute, which as Ian Angus (2015) pointed out, “opposes efforts to limit greenhouse gas emissions, claiming that investment in nuclear reactors and shale gas will produce all the energy we need, and global warming will wither away as a side-effect: ‘The best way to move forward on climate policy is to not focus on climate at all.’” Foster (2011) has labeled Breakthrough “the leading big money, anti-green, pro-nuclear think tank in the United States, dedicated to propagandizing capitalist technological-investment ‘solutions’ to climate change.” This sort of thinktank we need not be concerned with, for Harvey’s hypothetical “radicalization” strategy is impossible when such stances are adopted.

There is a more reputable history to ecological modernization than found in Breakthrough or its ilk. For example, the origins of the specific natural-valuation approach interrogated below are located in academic papers by economists Robert Solow (1974) and John Hartwick (1977). During the 1970s they began to calculate ecological destruction partly through an asset-measurement lens: as the depletion of “natural capital,” a truly objectionable term (like “human capital” or “social capital”), but one that has gained currency. They insisted that if pollution or shrinkage of ecological wealth (e.g. minerals extraction) were to occur, it should only be permitted if the benefits (profits, taxes and wages that can be counted up and down the “value chain”) flow into the expansion of productive capital (i.e., what’s counted as “gross fixed capital investment”) or human capital (education). The point, here, is to protect the
**interests of future generations** who have some “right” to the current resource base, the way “family silver” is considered the basis of good stewardship and sometimes even formal trusteeship (Bond and Basu 2021).

To accomplish this net positive outcome is termed “weak” sustainability, because it assumes the *substitutability* of these various capitals: the lost forms of nature are offset by reinvestments of profits into machinery, infrastructure or schooling that makes capitalism more productive. Such calculations about the “changing wealth of nations” — i.e., the natural capital dynamics within a broader “Adjusted Net Savings” for each country — occur at the World Bank within a national state as the unit of analysis (Lange et al 2018). This is inappropriate, of course, given both the intra-national character of unequal ecological exchange — typically termed uneven development — and the transnational character of ecocide, but nevertheless represent the present state of the art in ecological bean-counting.

Correctives within this (very unradical) current of ecological modernization soon emerged. Based upon a much more realistic, pessimistic assessment of the scale of environmental crises, Robert Costanza and Herman Daly (1992) argued instead for “strong” sustainability, rejecting substitutability. “Society can allow no longer further decline in natural capital”, Costanza and Daly (1992, 37) insisted, no matter if, for example, Norwegian oil extracted allows the next generation of university students to study for free, given that further fossil fuel extraction and combustion on current trajectories will undeniably be catastrophic. A much more expansive notion of the rights of future generations is required, for at minimum our objective is strong “sustainable development” in the sense used by the United Nations Brundtland Commission report, *Our Common Future*:

> development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:
> * the concept of ‘needs’, in particular the essential needs of the world’s poor, to which overriding priority should be given; and
> * the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs. (United Nations 1987)

Can capitalism deliver sustainable development so defined, in either strong or weak terms? The preferred approach, in ecological-modernization theory, is “getting the prices right,” with markets alone bolstered by state regulation and occasional prohibitions, plus channeling surpluses from exploiting nature into productive or educational investments. But this does not yet justify the turn to natural capital accounts, in the manner that Harvey senses can be “radicalized.”

To make that turn, consider the limits of thought processes behind the term ecological modernization’s introduction in 1984, as a series of technology-promoting environmental management strategies and policies offered by German political scientist Martin Jänicke (1984). The World Business Council on Sustainable Development made this approach popular among elites when, working with UN official Maurice Strong, Swiss billionaire Stephan Schmidheiny
(1992) wrote Changing Course. In this spirit, the World Bank (2012) suggested the elimination of “sub-optimalities” in economy-environment relations, in the process seeking more extensive commodification of nature and renaming ecological modernization as Inclusive Green Growth: “cities and roads, factories and farms are designed, managed, and regulated as efficiently as possible to wisely use natural resources while supporting the robust growth developing countries still need” (World Bank, 2012, 173).

Taking the baton for the next generation, another visionary capitalist – Deutsche Bank’s Pavan Sukhdev – returned to market solutions, using the Nairobi-based UN Environment Program to market “The Economics of Ecosystems and Biodiversity” (TEEB). His strategy was to “recognize the wide range of benefits provided by ecosystems and biodiversity, demonstrate their values in economic terms and, where appropriate, capture those values in decision-making” (TEEB, 2020). As part of this environmental-economic commodification of nature, the concept of “Payment for Ecosystem Services” prices the environment so as to “value nature” and save it from capitalism’s tendency to treat free environmental gifts as externalities.

The ideology was boosted in Davos, Switzerland in 2020 with the World Economic Forum’s (2020) Great Reset, based not only on founder Klaus Schwab’s Fourth Industrial Revolution technofix hype, combining Artificial Intelligence, robotics, Big Data algorithms, biotech, nanotech and other next-generation innovations, but also on attempts to:

- steer the market toward fairer outcomes. To this end, governments should improve coordination (for example, in tax, regulatory, and fiscal policy), upgrade trade arrangements, and create the conditions for a “stakeholder economy”… changes to wealth taxes, the withdrawal of fossil-fuel subsidies, … building “green” urban infrastructure and creating incentives for industries to improve their track record on environmental, social, and governance metrics.

In this context of corporate hegemony – in which market imperfections are to be corrected not through regulation but through market solutions – and notwithstanding multiple ongoing forms of capitalist crisis, is there any scope at all for “radicalizing ecological modernization”?

4. THE DANGEROUS REVIVAL OF EMISSIONS TRADING

The purest form of the green-market ideology is to promote emissions markets as a means of better distributing the costs of making capitalism sustainable. Recall the infamous 1991 memo by World Bank Chief Economist Larry Summers (but actually, initially by Lant Pritchett) justifying trade in pollution: “The economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that.” Summers’ (1991) analysis was cringe-worthy clumsy, and when testifying before the Senate (to be Bill Clinton’s Deputy Undersecretary of the Treasury) in 1993, Summers was uncharacteristically humble:

When I make a mistake, it’s a whopper. The memo was drafted in my office at the World Bank as a comment on a research paper that was being prepared by part of my staff at the
World Bank. As drafted, the memo sought to clarify the strict economic logic by using some rather inflammatory language, not to make any kind of policy recommendation. And I obviously reviewed the memo inadequately before I signed it. It made no attempt and was never intended in any way as a serious policy recommendation. (Summers 1993)

The walk-back from Summers’ ruthless version of ecological modernization based on pollution-commodification was deemed politically necessary at the time. Yet it was unconvincing, for emissions trading had already begun in earnest after 1990 U.S. Clean Air Act amendments, so as to phase out SO2 and NOx emissions in Los Angeles. Although less efficient than the outright German ban on acid-rain causing substances in the Ruhr Valley, this approach was the basis for Gore’s (2006, 252) promotion of carbon markets in An Inconvenient Truth: “The European Union has adopted this U.S. innovation and is making it work effectively there.”

The claim was soon shown to be nonsense, for the EU Emissions Trading Scheme went through extreme price gyrations and then failed entirely, with CO2 emissions prices per ton falling from €35 to €3 from 2006-13. Only in 2019 did the price return to the €30 range as EU regulators cut back on the permit-granting supply side. But the extremely speculative character of what critics (e.g. Bond 2012) term “privatized air” was obvious in 2020, what with the April financial market collapse, pulling EU ETS permits back to €16/ton, and then the sloshing of central banks’ Quantitative Easing monies back into financiers’ pockets, in turn skyrocketing the price to a record €40/ton a year later. In addressing the world’s greatest crisis, the market strategy was obviously a recipe for yet more volatility, just the opposite of what is required for long-term green-transitional infrastructure investment (Figure 1).

Figure 1. Price of European Union carbon credits, €/ton, 2008-21

The claim was soon shown to be nonsense, for the EU Emissions Trading Scheme went through extreme price gyrations and then failed entirely, with CO2 emissions prices per ton falling from €35 to €3 from 2006-13. Only in 2019 did the price return to the €30 range as EU regulators cut back on the permit-granting supply side. But the extremely speculative character of what critics (e.g. Bond 2012) term “privatized air” was obvious in 2020, what with the April financial market collapse, pulling EU ETS permits back to €16/ton, and then the sloshing of central banks’ Quantitative Easing monies back into financiers’ pockets, in turn skyrocketing the price to a record €40/ton a year later. In addressing the world’s greatest crisis, the market strategy was obviously a recipe for yet more volatility, just the opposite of what is required for long-term green-transitional infrastructure investment (Figure 1).
Already in 2004, the Durban Group for Climate Justice – a network drawing upon leading international activists’ early experiences fighting carbon markets – drew up critiques, suggesting the infeasibility of radicalizing part of the ecological modernization approach to climate management. These critiques have stood the test of time:

- inventing the property right to pollute through commodifying greenhouse gas emissions is effectively ‘privatizing air’, a moral dilemma given unprecedented global and local levels of inequality;
- GHGs have a non-linear impact, and are simply not reducible to commodity exchange (a ton of CO2-equivalent produced at site ‘X’ in a particular emissions process is not the same as a ton reduced at place ‘Y’);
- the corporations and banks that are most guilty of pollution, and the World Bank (the single institution historically most responsible for fossil fuel financing), are the market’s driving forces;
- many of the offsets and carbon trades – e.g. monocultural timber plantations, forest ‘protection’, landfill methane-electricity and bio-engineering gimmickry – devastate local communities and ecologies;
- the price of carbon in all the markets to date is not only inadequate (falling generally below $20/ton) but is also haywire, not least due to systemic corruption, fraud and theft – with no prospect of effective regulation;
- there remains a dangerous potential for markets to become multi-trillion dollar speculative bubbles, similar to other exotic financial instruments;
- the strategy encourages small incremental shifts, distracting us from big changes needed across economy, energy, transport, agriculture, production processes, financing, consumption and disposal;
- the theory that there must be “market solutions” when there is “market failure” and that these can be arranged by bankers, is an inappropriate ideology after ongoing market system failures including financial meltdowns that regularly wipe out trillions of dollars of paper wealth (Bond 2012)

The point, here, is that when international climate activists now contest claims of net carbon neutrality (especially those associated with carbon trading or offsetting strategies) – such as Google and Apple announced in September 2020 – it is vital to follow the money back to source. This was the appropriate reaction of Gizmondo journalist Darna Noor (2020):

“Google’s lifetime net carbon footprint is now zero,” Sundar Pichai, CEO of Google and its parent company, Alphabet, said in a blog post. “We’re pleased to be the first major company to get this done, today.” Pichai said the firm is now moving onto a new goal: running the entire business on carbon-free energy sources, including offices, campuses, and data centers. This all sounds great! Or at least, it would if it weren’t a giant vat of bullshit… its offsets have mostly been focused on capturing methane gas where it leaks out of pig farms and landfill sites. Having less methane in the atmosphere is good, but we should get there by moving away from animal agriculture and reducing waste to eliminate the
methane emissions at the source. Services like Google’s offset programs run the risk of leading polluting companies to believe they can just keep running their businesses as usual as long as they clean up their excess emissions.

In sum, the radicalization of market strategies is not worth contemplating, because this is exactly what Greta Thunberg (2020) dismissively referred to in late 2020: “we waste our time creating new loopholes with empty words and creative accounting.”

5. RADICALIZING A CLIMATE TECHNO-FIX?

There is, however, a way not to reduce environment to natural capital for the sake of pricing it and in turn sending a new ethereal nature-commodity into an environmental market for trading or offsetting. As explored elsewhere in the case of South African struggles (2018a, 2018b and 2021), we might radicalize ecological modernization by counting the environmental damage in monetary terms, not to promote pollution marketing and offsetting, but instead only for the sake of two well-regarded environmental-justice strategies:

• assessing the “ecological debt” that those who have had “unequal ecological exchange” benefits from exploiting nature (usually in the Global North), owe to the victims (usually in the Global South) whose wealth has been depleted without adequate compensation; and
• building up the “anti-extractivism” case to leave minerals underground, partly via the case that rights of future generations to current natural wealth must be respected.

There are numerous cases (Bond and Basu 2021) that illustrate how both ecological debt advocacy and anti-extractivism politics evolve in concrete struggles. If made properly, these arguments help establish much more sound foundations for an eco-socialism that is democratic, managed sensibly, and temporally-expansive so as to account for future generations’ interests. Of course, Harvey’s (2020a) approach by no means endorses nature’s pricing-for-the-market or the most glaringly false solutions, because to “radicalize the theses of ecological modernization” would mean dispensing with the pretense that there are market solutions or Dr.Strangelove-type sequestration strategies to such vast market-caused problems. After all, climate catastrophe is, not just, as the leading British economist Nick Stern (2007) put it, “the greatest market failure the world has seen”: it is a market system failure. Eco-socialism is the only antidote.

But turning from market-based false solutions to technological controversies, what then, is Harvey’s (2020a, 61) preferred strategy? In addition to reforestation and protecting threatened jungles (the Amazon, Borneo, central Africa and similar sites), he argues,

Another option – and I am not an expert on this, and I’ve only come across this recently so some of you may want to go out there and check this out – is there are forms of cultivation which take the carbon dioxide and put it back underground. Now, you can put it underground six inches but if you deep plow then you release it again. There’s going to have to be a radical change in agricultural technology and agricultural techniques. But there are
also crops which put the carbon dioxide six feet underground, they take it deep down underground, which means there is a deep-rooted system that takes the carbon dioxide and puts it in that depth. If we can cultivate crops of that kind, then we could start a process of extracting the carbon dioxide from the atmosphere and putting it back in the ground. This is a very important possibility. But how do we get farmers to do this? And what will it take, what impact will it have on agriculture?

This preferred ecological modernization strategy is bio-technological. Its radicalization would require a major shift in socio-economic management of the planet’s surface area, according to Harvey, far transcending any intrinsic market incentives (2020a, 61):

There is one sign of hope here. In the European Union and also in the United States, there are programs which pay farmers not to grow anything because there is an agricultural surplus. This means taking some land out of production. Well, instead of paying farmers to grow nothing, why wouldn’t we pay them to grow the kinds of crops which actually put the carbon dioxide back in the ground?

Aside from the question whether this is may become merely a Payment for Ecosystem Services offset gimmick, is such a biotech strategy plausible? In San Diego, Bloomberg (2020) reports, “Carbon-sucking bionic weeds are new front in climate change war”, because Joanne Chory’s “Carbon Removal on a Planetary Scale” (CROPS) project has received $35 million from the TED Talks, the Bill & Melinda Gates Foundation and MacArthur, to nurture

*Arabidopsis thaliana*, a small flowering piece of greenery that often blooms by the roadside. Technically, it’s a weed. But Chory, 65, a plant biologist with a halo of snowy white hair, has big ambitions for these scrawny creations. By genetically engineering these weeds to grow unusually deep with hefty root structures, rich in an impermeable corklike polymer called suberin, Chory and her team at the Salk Institute for Biological Studies attempting to vastly increase the amount of carbon dioxide each of these plants sucks out of the air and buries underground. If they can replicate these qualities in wheat, corn, soy, rice, cotton, and canola – which together occupy more than half of Earth’s arable land – Chory and her colleagues believe they might just save the world.

To find genetic variants to breed into crops, Chory and her team are using widely studied plants such as Arabidopsis thaliana. They can then work backward to identify the genes responsible for different qualities and use technologies like Crispr-Cas9, a revolutionary gene-editing system, to insert them into the crops of their choice. A key to the Salk effort is the decision to home in on traits that increase the presence of suberin in parts of the roots that are not needed to absorb water or nutrients. A major constituent of cork, suberin is impermeable to water and far harder for microbes to break down than the rest of the biomass. It will hold the sequestered carbon in the soil for decades, possibly even centuries. They’ve also identified a handful of genetic variants that increase root mass—to boost the amount of carbon sequestered underground—and the ability of the roots to grow deeper where there’s less oxygen and few microbes are present to break the roots down.
“We know the Earth has the capacity to suck up more CO2 and bury it down in the soil,” Chory says. “The infrastructure is already all there. All we have to do is convince farmers to plant our seeds.”

The audacity of a global planting strategy to sequester sufficient CO2 to reduce greenhouse-gas ppms to a safe level is stunning. But among all the critics of technofix bioengineering I could reach to enquire about this strategy in 2019-20, such as the ETC Group and a half-dozen leading scholar-activists in the field, it was only University of Vermont biologist Fred Magdoff who answered my question as to the viability and ethics of this approach, and who was willing to openly disagree with Harvey and Chory on technical terms:

There is a lot of attraction to seemingly magic solutions to the climate crisis. And there are quite a few out there. It is true that a) suberin is more difficult for soil organism to decompose than carbohydrates and b) that root residues, compared with residues from the above ground portion of the plant, are more important in helping maintain or increase soil organic matter (another way of referring to carbon in soil). So what are the problems with this approach? Let’s forget the debate about Genetic Engineering and deal with other problems:

1. Although suberin decomposes more slowly than most other root constituents, it is decomposed by a number of fungi and even some bacteria and in an environment in which more is present I assume that there will develop higher populations of organisms that can use it as an energy source.

2. HOWEVER, there is considerable evidence that as a general rule, stable organic matter in soil is not stable because of its chemical composition. Rather it is stable when in locations that are difficult for organisms to access: held inside soil aggregates (sequestered from organisms) or as small molecules that are strongly attached (adsorbed) to clay particles. Once these “sites” are fully occupied, residues are a lot more susceptible to microbial decomposition, regardless of their composition. Thus, there is a limit to the amount of organic matter that accumulates in soil given the crops grown and their yields, the characteristics of the soil, and the weather. (There is some debate about the formation of complex “humic” substances in soil, which are thought to be difficult to decompose. If interested, I can send material on that subject.)

3. In general, plants with greater root biomass are desirable from the point of view of enhancing soil organic matter. This is one of the beneficial effects of grass/legume hay crops in rotations or well managed pastures. BUT, increasing root growth in a particular species most probably means a change in the partitioning the product of photosynthesis in green leaves (photosynthate). Thus, there may well be a trade off, if more photosynthate is transported below ground to produce more roots it could be at the expense of above ground growth (yield of crops). And photosynthate is not just needed by roots to put on biomass—they exude a large quantity of a variety of biochemicals into the immediately surrounding zone (the rhizosphere) which serves as nutrition for soil organisms. Thus, a greater root mass implies even more photosynthate going below ground than just needed to build more root tissue.
In other words, in order to increase root biomass significantly AND maintain yields of food crops, the plant has to be engineered to also significantly increase its photosynthesis (total production of photosynthate). So it’s not just an issue of engineering for more roots but also for higher rates of photosynthesis. Not an easy task.

I would suggest a much simpler alternative for the short run: promote agroecological practices with good crop rotations, use of cover crops, mulches, and attention to building up soil organic matter. And for the longer run, I would point to the efforts of the Land Institute in Kansas to “perennialisate” grain crops (all the major ones – wheat, corn, sorghum, etc. – are annuals that must be planted each year). Their first commercial product, Kernza, is a wheat-like perennial derived from a wheatgrass with extensive root systems (as many perennials have). And perennial crops, because of both extensive root systems and the decreased soil disturbance, promote soil organic matter increases (or, as the climate scientists like to say, C sequestration). (Magdoff 2020)

The struggle for eco-socialism must necessarily confront these sorts of urgent strategic conundrums: when and where to use technology (whether Kernza or Chory’s “bionic weed”), as well as how to identify appropriately radical (and non-market) pricing mechanisms. I find myself comparing and contrasting these approaches when contemplating how and when to “radicalize ecological modernization” (as does Magdoff above), or in contrast, to unite with those in the environmental justice movement who tend towards rejection (or what might be termed “militant abstention”) when confronted with such strategies.

To assist, Andrew Jamison (2001) has offered this set of dichotomies between the ecological modernization viewpoint (his term is the “green business” mentality) and environmental justice (which he calls “critical ecologies”). The conflict does appear dialectical, and does lead to a third option that can be reframed as eco-socialism (a semantic liberty I have taken with Jamison’s rubric) (Table 1).

Table 1: Dialectics of environmentalisms

<table>
<thead>
<tr>
<th>terrain</th>
<th>ecological modernization</th>
<th>environmental justice</th>
<th>eco-socialism</th>
</tr>
</thead>
<tbody>
<tr>
<td>type of agency</td>
<td>corporations, states, global agencies</td>
<td>environmentalists, radical communities, green NGOs</td>
<td>hybrid red-green networks</td>
</tr>
<tr>
<td>forms of action</td>
<td>commercial, brokerage</td>
<td>popularization, resistance</td>
<td>exemplary mobilization</td>
</tr>
<tr>
<td>ideal of ‘science’</td>
<td>theoretical, expert</td>
<td>factual, lay</td>
<td>situated, contextual</td>
</tr>
<tr>
<td>knowledge sources</td>
<td>Disciplines</td>
<td>traditions</td>
<td>experiences</td>
</tr>
<tr>
<td>competencies</td>
<td>Professional</td>
<td>personal</td>
<td>synthetic</td>
</tr>
</tbody>
</table>

Source: adapted from Jamison 2001

6. CONCLUSION: AFRICAN DIALECTICAL POTENTIALS
Are there, then, practical applications of these controversial ideas? To answer, we turn for immediate conceptual and strategic orientations first to Marxist evolutionary biologist Rob Wallace. In a recent essay, he not only critiques Covid-19 mismanagement, but offers three strategies for the rational, coherent reordering of society-nature relations at different scales:

- **Reintroduce agriculture and nature.** To keep Covid-21, -22, and -23 from emerging next, whether as another SARS or as an avian influenza, Ebola, African swine fever, or any of the hundreds of potential protopandemics, we must end global agribusiness, logging, and mining as we know them. We need to reintroduce the mosaic food landscapes of complex ecologies and agrobiodiversities that disrupt the evolution of the deadliest of pathogens.

- **Return rural sovereignty.** Such interventions require returning rural communities their locus of control. We must turn to the kind of state planning that centers farmer autonomy, community socioeconomic resilience, circular economies, integrated cooperative supply networks, food justice, land trusts, and reparations. We must undo deeply historical race, class, and gender trauma at the center of land grabbing and environmental alienation.

- **Imagine humanity beyond the market.** Such a political reordering requires that we end the unequal ecological exchange between the Global North and South. It requires that we plant a different political philosophy in the landscape, making a better balance of humanity’s appropriation of Earth’s resources and healing the metabolic rift between ecology and economy.

There is, in addition, a vibrant field of eco-feminist socialism that, in particular, adds the critical role of social reproduction, as in Ariel Salleh’s (2017) *Ecofeminism as Politics*:

> Just as humans are ‘nature in embodied form’, so reproductive labour is the capacity for meeting needs while ‘holding’ together material/energetic exchanges in ecological systems. A bioenergetic theory of value makes more sense than the vanities of man-to-man exchange and, for this, Marx’s dialectic can come into play, read as a holographic model of internal relations in a multidimensional field.

It is interesting to apply these sorts of visions through African eco-feminist-socialist agency, in sites rife with socio-economic and political-ecological exploitation of the most intense character found anywhere on earth in a non-war setting. One group where the fusion of these visions is increasingly explicit, is the Johannesburg-based network African Women Unite Against Destructive Resource Extraction (WoMin). Parallel to long-standing efforts of radical feminist ecologists Accion Ecologica (working from Ecuador, across Latin America), the organization links most of the continent’s leading struggles against extractivism waged by community-based women’s groups.

At grassroots level, these struggles inexorably address contradictions in society/nature, male/female and — in Rosa Luxemburg’s (1913) spirit of considering Africa’s subordinate role within imperialism (Bond 2019, 2021b) — capital/non-capitalist power relations. Assessing the
ideological glue in diverse settings, WoMin founder Samantha Hargreaves (2020) suggests the importance of interlocking approaches to resistance: the commons, Ubuntu and progressive Pan-Africanism. The first recognizes the (non-capitalist) integrity of “large swathes of the continent held under common or communal property systems” which at their finest – where matriarchy and inter-generational stewardship successfully contest patriarchy – typically entail decommodifying principles.

The balance of forces will determine, for example, whether women-led commoning defeats entrenched residual patriarchy:

- Those who dwell on the land are the keepers/carers/custodians for generations to come.
- Land cannot be owned as private property and may not be disposed of on the open market. Having said that, rights to communal land are strong, can be bequeathed within the family (variously to the oldest or youngest male child as a commonplace practice), and can only be alienated by collective decision upon serious violation of communal rules.
- Decisions about the use of land must be made collectively by the group/tribe/community.
- Representatives/leaders of the group are required to facilitate collective decisions of the group and represent these to outsiders.
- Land rights and the strength of tenure security generally determines membership of the group and rights to participate in and influence decision making at a collective level.
- There are strict rules for the entry of outsiders to the group to preserve the integrity and common rules of the collective. (Hargreaves, 2020)

Second, the tradition of what might be termed pre-capitalist land management within hybrid forms of both ownership relations and social reproduction – with migrant labor increasingly common – occurs in the context of a much less alienated form of human relations under the mutual-aid rubric of Ubuntu: “I am because we are.” For WoMin, the feminist Ubuntu “values care, love, empathy, respect, and common interest over individualism, which few in progressive social movements would argue does not represent, in part, the type of society, community, Africa and world we strive for” (Hargreaves, 2020).

Third, WoMin’s PanAfricanism is undergoing redefinition and revitalization because of the truncated character of the continent-wide elite-political coordination that officially began in 1963 through the Organisation of African Unity (OAU). But the OAU was not, ultimately, the United States of Africa desired by a founder, Ghanaian leader Kwame Nkrumah. Instead, due to ethnicist, nationalist and imperialist influences, the OAU quickly suffered debilitating neo-colonial penetration and internal divisions. Efforts by the likes of Nkrumah, Julius Nyerere, Sékou Touré, Modibo Keita and Kenneth Kaunda in subsequent years “failed to bring down imposed national boundaries, deconstruct nationalities, and create a unified African
sovereignty,“ according to WoMin (Hargreaves 2020). More recently, since 2002 when the OAU was renamed, two other continental institutions rose, yet, as WoMin continues,

The Pan-African Parliament and African Union have replicated the same disappointments and failed to offer up a transformative vision of the continent. Instead, states continue to compete for elusive foreign investment, trade deals and loans, in this way facilitating the continued plunder of Africa’s resources on highly unjust terms, and perpetuating Africa’s highly marginalised geopolitical positioning (Hargreaves 2020).

The African Continental Free Trade Area that began in 2021 will probably exacerbate both the subimperial power of both productive and mercantilist capital, and neo-colonial infrastructural and transport arrangements that it is meant to resist. Such top-down approaches might, however, one day be replaced with a bottom-up strategy, according to WoMin:

While the formal institutionalisation of Pan-Africanism has not yielded what the continent and its peoples need for genuine socio-economic, political, and cultural liberation (the guiding elements of Pan-Africanism), Pan-African civil society activism and solidarity across the boundaries of the nation state, is vibrant. This organising has taken different forms and assumed different politics, and includes networking and activism targeting the sub-regional blocs, solidarity campaigns, alliance building within linguistic blocs, and genuine attempts at building Pan-African organisation. This informs a new imagination about the Africa its peoples need, drawing from an abundant living praxis, and informed by a rich history of African philosophy, spirituality, and movement. A revitalised Pan-Africanism must be built from below by African citizens, wedded in demand and solidarity across nations, and rooted in their daily practices and relations with each other and Mother Nature. The solidarity of African women across the continent to stop mega projects, condemn repression and violence, and demand climate justice must be our lodestar, building on and drawing from a long tradition of progressive Pan-Africanism (Hargreaves, 2020).

These organizing philosophies – based in both past practice and future ambitions – represent the environmental justice tradition discussed above. The tension with ecological modernization comes alongside critique of a localized capitalocene: (gendered) small-scale agricultural production systems on the land threatened by land grabs and air-water-land pollution; women’s burdens during climate breakdowns due to fossil-fuel extractivism; and the de facto responsibility that women are given to steward life itself (including ecological inheritances) into future generations. This means, according to WoMin’s framing, the kind of cost accounting and demand for ecological debt that logically follows:

WoMin will deepen its efforts to foreground a feminist analysis of costs, showing that this places particular burdens on the cheap and unpaid labor of impacted women. We will grapple further with the problematic of costing damage and impacts, immediately and on a cumulative basis, to show that an extractivist model of development does not advance people and their economies, but rather destroys and immiserates them. We will show the inter-generational costs of extractivism and we will work to argue that Africa and African
nations are losing sovereign wealth through extractivism and only becoming poorer. These efforts lay the basis for advocacy and campaigns to build wider popular and public consciousness, build the grounds for advocacy on development alternatives, as well as advocate and campaign to force the internalization of real costs, which would render the majority of projects unsustainable (WoMin 2019, 9).

Assume that with such calculation – even carried out by ecological modernizers themselves (such as was promised by the 2012 Gaborone Declaration organized by the Botswanan president, Conservation International and the World Bank) – it becomes crystal clear that most of Africa’s and indeed the world’s mining and fossil-fuel projects are objectively unsustainable and, for the countries involved, net money-losers. In Sub-Saharan Africa’s case the annual costs of mining are wealth depletion of more than $100 billion per year, even the World Bank admits (Bond 2018; Lange et al, 2018).

Assume, too, that by invoking analysis that is aware not only of such wealth depletion through extractive industries, but also that there are widely differential class, race, gender, North-South, ecological and generational inequalities, such that the “accounting of costs” really does reveal who wins and loses, across time and space. This exercise would, in turn, not only assist in the struggles waged against extractivist projects, but also more generally against carbon-intensive maldevelopment. And alongside renewed critique of the uncompensated and often unnecessary extraction of non-renewable minerals, oil and gas, the broader question of climate catastrophe is logically raised. Hence with unequal ecological exchange unveiled, the call for reparations for Africa – to pay for such debilitating injustices of resource extraction and climate loss and damage (running now into additional tens of billions dollars annually) – can be advanced.

Finally, the most critical aspect of eco-socialist organizing applied to climate catastrophe, is integrating the next and future generations’ interests. For example, South Africa’s best-known young climate activist, Ayakha Melithafa (2020), speaks colloquially but nevertheless clearly sets, as her aim, to:

- target the system of capitalism. But we know that capitalism disguises itself. We know that it has been running over and over, and that the rich get richer and the poor get poorer. And that’s quite grueling. And I feel like we know that the working class has the power to change that. Because if a worker says no, the employer has to do something because they don’t want to lose their workers. But the problem is that our unemployment rate is so high and we know that our workers are disposable. So that’s taking quite a time for us to move to a greener, sustainable future – it’s because we can’t take down the system of capitalism. We realise that the power is in our hands, and that we have the power as civil society, as just people on the ground, the working class. If we can actually stand together and sacrifice what we can, we will be able to change our society and live for a better future. We see youth are standing up all over the world, in Nigeria against SARS [the most repressive arm of the police], and in Liberia and so many African countries. We are saying “No!” as the youth. And it’s so important for us to move forward in the correct and direct way.
Engels would agree, given that, as Sheehan (2017, 41) interprets,

The law of the negation of the negation described the process by which synthesis occurred. Dialectical movement involved constant regeneration and renewal. Everything carried within itself the conditions of its own annihilation. The old was in the process of dying, while the new was in the process of being born. The new negated the old, replaced the old, while carrying forward certain aspects of it in a new and higher synthesis and in a more vigorous form. Each phase was only a temporary synthesis that contained the seeds of its own supersession and of further development in a new synthesis. What Engels was arguing for in the name of the dialectic and the laws of dialectics was something not only plausible, but vitally important: a developmental and integrative way of thinking grounded in a developmental and integrative ontology.

It is that developmental, integrative ontology that should allow us to embrace the radicalization of ecological modernization by environmental justice advocates, en route to next-generation contradictions, within eco-socialism.

REFERENCES


Jänicke, Martin 1984. Umweltpolitische Prävention als ökologische Modernisierung und Strukturpolitik, Wissenschaftszentrum Berlin (IIUG discussion papers 84-1).


Magdoff, Fred. 2020. Personal correspondence, available from the author, pbond@mail.ngo.za


https://www.weforum.org/great-reset/
As South African climate justice veterans fall, consciousness begins reviving, from below and across: Deaths of four frontline KwaZulu-Natal activists – and latest Durban oil refinery explosion – define 2021 battlegrounds

*Climate and Capitalism* website, 1 January 2021

- Fikile Ntshangase, 1957-2020, murdered fighting coal expansion
- KwaZulu-Natal Rural Women’s Movement founder Sizani Ngubane, 1946-2020
- South Durban activist Patrick Mkhize, 1960-2020
- Durban eco-feminist Faith ka-Manzi, 1968-2020

On three days last week – December 23-25 – South Africa’s east coast province of KwaZulu-Natal (KZN) lost three of its clearest voices for social justice and environmental sanity: rural women’s leader Sizani Ngubane (74), trade unionist Patrick Mkhize (60) and progressive activist Faith ka-Manzi (52).

Ngubane and Mkhize were Covid-19 victims, as a new variant moved rapidly with a sharp scythe through KwaZulu-Natal (KZN) province and across South Africa during December. The latter three Durban-based activists did not work together – aside from periodically joining city-wide protests in the country’s main port city. But their passions and politics were closely interconnected, drawing from anti-apartheid backgrounds and, after 1994, despairing – and then fiercely resisting – a persistently repressive capitalist class and its allied state bureaucracy.

All were allied in spirit, too, with Fikile Ntshangase (63), whose October 22 assassination at the hands of pro-coal thugs – threatened by her success in stalling a local mine’s expansion – reflects multiple forms of fossil-fuel terror and ecocide in the Somkhele region of northern KZN, on the border of Africa’s oldest proclaimed nature reserve.

The beneficiary of the hit was meant to be the vast Tendele coal mine, owned by Johannesburg-based Petmin and originally financed in part by the World Bank. Reparations demands by her community’s lawyers were advanced in court ten days after the assassination but the immediate prize would be halting the mine’s creep into hundreds more homesteads, in an area renowned both for breathtaking natural beauty and the coal mine’s ecocide.
And in between these losses, on December 4, a massive explosion at the country’s second-largest oil refinery, Engen (owned by Malaysians), located in the South Durban port-petrochemical zone very close to Mkhize’s home, was another reminder of the desperate need to decarbonise this economy in a just manner. The country’s Parliament appeared to finally take Engen’s record of pollution and fires seriously with a special hearing including community testimony a few days later. But South Africa’s ruling party and corporate power brokers show no inclination to permit – much less promote – environmental justice.

Hence the unity of environmental, community and potentially even labour movements at these sites of struggle – driven increasingly by militant youth – must in 2021 be the renewed objective, so that memories of what each of these frontline activists have contributed never fade, but instead refresh and reverberate.

Their lessons are inspiring but also sobering. Because although each played their role with vigour, the potential connectivities between their activism were generally too weak to establish sufficient counter-power to defeat what is termed, in this region, the Minerals Energy Complex. The term refers to a century-old power bloc: the coal mines that feed a dozen massive generation plants run by state energy agency Eskom, that in turn supply electricity to several dozen deep-level mining houses, metals smelters and petrochemical industries, causing the world’s third-highest greenhouse gas emissions per unit of GDP output per person.

And all this relies, still, on the residual-apartheid migrant labour system – hence family destruction and super-exploitation of women – plus ever-generous state permission given to mining houses, to dispossess small farmers of land, so as to dig out more (drought- and pollution-creating) coal. This leaves eastern South Africa’s main coal-mined regions with what are today among the world’s worst air-pollution hotspots for nitrous oxide and SO2, as Greenpeace has demonstrated, not to mention the water despoliation litigated regularly by the Centre for Environmental Rights.

**Rising climate chaos**

Such an adverse balance of forces – between eco-social movements (typically driven by local women) and multinational carbon-centric corporations (mainly run by older mostly-white men) – is evident nearly everywhere, across the world. And as is clear from the coastal areas near Ntshangase’s residence, and in South Durban, the resulting climate chaos mainly hits the poor.

More evidence of this emerged over the last 12 months because in spite of economic lockdowns caused by Covid-19, 2020 provided what Yale Climate Connections researchers Jeff Masters and Dana Nuccitelli list as these top ten ecocidal events:

- likely tie for hottest year on record (with 2016);
- the Wild 2020 Atlantic hurricane season (30 storms);
- record-high atmospheric carbon dioxide levels despite record emissions drop;
- apocalyptic wildfires from Australia to California and Brazil;
• Super Typhoon Goni, the strongest tropical cyclone to hit land on record;
• hottest reliably-measured temperature ever (130F or 54.4C in Death Valley);
• exceptionally expensive 2020 disasters, including flooding in China ($32 billion in damage);
• near-record low Arctic sea ice;
• U.S. withdrawal from Paris Climate Agreement on November 5, the day after the election of Joe Biden; and
• a near-record number of global billion-dollar weather disasters.

This latter bullet includes catastrophes such as the floods that devastated China, India and Pakistan, causing more than $40 billion in damage, and the climate-related locusts that spent 2020 eating $8.5 billion worth of crops in the Horn of African. The Atlantic and Gulf hurricanes caused another $40 billion in damage, including in the wealthy U.S., with the overall cost of 2020’s climate damage estimated last week by Christian Aid at $150 billion. But in relative terms, Christian Aid observes, the ability to survive in East Africa or Bangladesh is far less than East Texas, because in the Global South, only an estimated 4 percent of 2020’s damage was formally insured, compared to 60 percent in the North.

_Cyclone Idai in central Mozambique, March 2019_

Here in Southern Africa, the most damaging climate-crisis episode was the March-April 2019 confluence of three processes:

• two cyclones drawing on the Indian Ocean’s substantially warmer Agulhas Current, battering Mozambique, Zimbabwe and Malawi, killing more than 1000 and drowning a vast amount of agricultural land;
• an Easter Monday ‘rain bomb’ that killed scores of people – all black, mainly women – in Durban and its southern coastline; and
• a sustained drought that created hot, dry spots in many vulnerable areas, leaving several cities and towns without bulk water supplies this year, including Zimbabwe’s second-largest, Bulawayo, and South Africa’s fifth-largest, Nelson Mandela Bay.

If not these weather warnings, what will shake South Africa’s society and ruling class from a boiling-frog future? Some imagined Covid-19 would, because the pandemic’s mismanagement directly resulted in three major opportunities: Donald Trump’s electoral defeat and Joe Biden’s imminent revival of the Paris Climate Agreement; the Davos World Economic Forum’s ‘Great Reset’ rhetoric; and here in South Africa, repeated presidential pronouncements about ‘building back better’ after a lockdown that will cause at least 8 percent GDP shrinkage in 2020.

There is no space here to provide details, but all are, quite predictably, Trump-caliber cons – especially any faith that the Paris deal will have any impact at all, given its multiple hard-wired flaws. As for the South African government’s agenda, it hasn’t changed at all:

• in 2020, as the local currency collapsed along with energy prices, the benefits of the former outweighed the costs of latter so coal exports continued apace and massive state-parastatal-corporate investments to mine and export 18 billion tons of coal from the sensitive Waterberg mountain range resumed (even as the locomotive contract was subject to deep dispute due to Chinese corruption);
• the world’s two largest in-construction coal-fired power plants (Medupi and Kusile) continue in spite of fatal construction flaws and blatant corruption riddling both the Hitachi boilers and World Bank-led financing;
• there was another $10 billion mandated from parastatal coffers to expand Durban’s port-petrochemical complex;
• fracking was given preliminary approval for the sensitive Karoo and Drakensburg regions;
• offshore gas drilling by Total, ENI and Sasol in deep-water sites of the rapid Agulhas Current will include hotly-contested offshore terrain near Durban;
• there, at Africa’s largest refinery complex in South Durban, antiquated facilities suffer regular explosions in the immediate vicinity of black residential neighbourhoods;
• opponents of KZN coal mining fear assassination, with no apparent state interest in prosecution;
• vast state and parastatal subsidies go to the carbon-intensive metals-smelting and auto-export industries, in spite of rising unemployment as capital-intensive production methods prevail; and
• construction of a new Chinese-dominated Special Economic Zone of at least $10 billion will include a 3300MW coal-fired power plant (known as Musina-Makhado).

Also, due largely to Covid-19, the causes and effects of climate crisis were not subject to the mass coordinated global protests that had unfolded in 2018-19 thanks to Fridays for Future, Extinction Rebellion and other networks.
Nevertheless, various local battles against polluters have continued, exemplified by grassroots resistance movements in Somkhele’s Mfolozi Community Environmental Justice Organisation and the South Durban Community Environmental Alliance. And to its credit, the South African chapters of XR – joined by Londoners – offered a series of vigils to remember Fikile Ntshangase on December 10, Human Rights Day, including a confrontation with the Minerals Council mining-industry bosses in central Johannesburg.

Reconsidering the strengths and weaknesses of oppositional climate politics is one way to pay tribute to the four activists who died in late 2020, all without the satisfaction of imagining that their struggles will be won in the foreseeable future.

One key question is, will local environmental-justice groups move forward in 2021 recognising not only the urgent need to defensively fight their immediate enemies (coal and oil firms in the cases we consider below), but also the potentials for uniting with labour to demand and win a genuine Just Transition. The latter would logically emphasise detoxing the poisoned land, plus a food sovereignty strategy that emanates from landless women’s campaigning against both corporate agriculture and ethnic patriarchal power?

**Detoxing land from capitalist, patriarchal and U.S. influences**

Such recognition would serve to expand the late activists’ lessons for their successors. For example, in late December (three days before she died), even Britain’s haute-bourgeois *Economist* magazine acknowledged the harsh injustices that Ngubane battled on behalf of rural women, and profiled her in a major article, “How an apartheid-era deal still afflicts the land of the Zulus.”
Rural Women’s Movement sit-in at COP17 summit, 2 December 2011
Land was one part of her environmental repertoire. I’ll never forget Ngubane’s courageous role in the December 2011 Durban protests against the United Nations Framework Convention on Climate Change. Her group, the KwaZulu-Natal Rural Women’s Movement (RWM), “is made up of a coalition of 501 community-based organisations and some groups of orphaned and vulnerable girls and some boys – with a membership of approximately 50,000,” she told another journalist.

As for the overall movement’s guiding philosophy,

“The RWM envisions a democratic country where all indigenous women/girls become self-sustaining and remain well-recognised in their respective communities, well respected and truly empowered... The main girls and women’s rights issues that RWM works on are Gender-Based Violence, climate change/environmental justice, women/girls land, property/inheritance rights and influencing and effectively participating in the country’s policy-making processes both at provincial and at national levels.”

On December 2, 2011, RWM and the broader Southern African Rural Women’s Assembly led 1000 protesters onto the Durban streets outside the Hilton Hotel, blocking traffic and defying a ban on activism next to the continent’s largest convention centre, where the annual world climate summit was taking place. The following day at an all-in march to the same place, they were the most animated of 10,000 demonstrators, with vivid green and black tee-shirts signaling the women’s rootedness in the region’s soil and crops. According to their press release:

“We, the poor and working class of South Africa and the world, demand Climate Justice. We demand that our governments stop selling out to the rich and demand significant, legally binding emissions agreements. The retreat from the moderate targets set out in the Kyoto protocols and a legally binding second commitment period for Annex 1 countries is a disgrace. The historical responsibility for the climate crisis sits with them, yet now they want to stand aside while the people of the global South perish.”

Inside the convention centre, meanwhile, desultory hosting by South African diplomats left the final “Durban Platform” serving U.S. chief negotiator Todd Stern’s interests so well that he emailed Secretary of State Hillary Clinton on December 13 (as we know thanks to WikiLeaks): “In a word, Durban was a significant success for the United States... We left Durban with virtually everything we sought.”

As just one example, climate justice requires that countries agree on “common but differentiated responsibilities” (in part so as to get the U.S. to pay its climate debt), yet as Stern happily told Clinton, “the phrase is conspicuously absent from the Durban agreement.” At one point, he even berated fellow negotiators, “If equity’s in, we’re out.”
Two days before that historic sell-out of poor people’s interests was finalised, Ngubane took the stage at a Durban City Hall mass meeting, where she sat close to her country’s president, the corrupt subimperialist Jacob Zuma, ever the caricature sexist Zulu patriarch. Ngubane took the microphone, standing up to tell Zuma he was not doing enough. Several of her eco-feminist supporters immediately raised supportive banners – “Zuma stand with Africa not USA” and “Stand with Africa, say no to Durban mandate” – and within seconds, three were beaten up ... by municipal workers deployed as a goon squad by Durban city manager Mike Sutcliffe.

One victim of the violence was Rehad Desai, the Emmy-award documentary winner (for “Miners Shot Down” about the 2012 Marikana Massacre of 34 platinum mineworkers in which Zuma was implicated). As Desai told a reporter, “It was upsetting to be attacked by my fellow trade unionists. Since when are placards alien to our meetings?”

Ngubane knew this attitude all too well. Her last words to The Economist writer applied equally to Zuma’s rule and the sexist Zulu chiefs whom she hated: “What they’re doing is not our culture – it’s greed.”

It was also a matter of economic policy, for during Zuma’s 2009-18 presidential reign, he arranged for a 2012 National Development Plan – whose deputy chair was current President Cyril Ramaphosa – featuring two mega-projects, the largest in the country’s history, mainly profiting Zuma’s home KZN province. The first is for $60 billion to expand coal digging (18 billion tons), rail transport and export via the Richards Bay terminal not far from Somkhele, and the second was a $25 billion expansion of the port-petrochem complex in Durban, tripling the Durban-Johannesburg oil pipeline capacity and raising container throughput capacity by a desired factor of eight.

Activists like Ntshangase in the coal fields and Mkhize in South Durban helped slow down both mega-projects. But such fossil-centric white elephants will remain prominent within the state infrastructure agenda for years ahead, especially when it comes to the corruption-riddled parastatal firms Eskom and (rail and port operator) Transnet.

While Ramaphosa, a former coal-mining tycoon, termed Zuma’s era “nine lost years” due mainly to widespread corruption, the same ecocidal, fraud-filled projects remain the top two “Presidential Infrastructure Coordinating Commission” priorities, joined by others – e.g. a proposed 3300MW Chinese coal-fired power plant in his home province of Limpopo – that Ramaphosa himself boosted in 2018 while co-chairing the Forum on China-Africa Cooperation in Beijing.

As for Ngubane’s many local battles against patriarchy, it is also a matter of state policy – even if neither The Economist nor Ramaphosa would acknowledge this openly – that rural women continue playing a vital role in the ultra-cheap social reproduction of internal-migrant workers
for the South African economy. They do so without receiving even rudimentary human rights in many ethnic-patriarchal areas, much less remuneration that is due.

Only a monthly child-support grant (worth $29) and old-age grant ($120) reflect income transfers back to these peripheral sites, far less than the women deserve given that they raise children, look after sick workers and take care of the elderly above and beyond what is paid in worker remittances or the monthly grants. There is negligible state support for rural pre-schools, primary and secondary education and clinics (compared to what is available in urban areas), with resulting levels of learner achievement at the world’s lowest levels and a systemic collapse of the public health system.

New national legislation advanced by Zuma and signed into law in late 2019 by Ramaphosa – though firmly opposed by Ngubane along with rural advocacy organisations – now empowers traditional leaders even more, exacerbating what are often despotic rural power relations. As Ngubane expressed it in an interview earlier this year, the countervailing political, civil and socio-economic rights won in the 1996 Constitution don’t really make a dent: “Domestic legislations and laws passed at provincial and national levels are, at best, not implemented, when not openly discriminatory towards women and girls’ independent rights.”

The system she fought keeps South African capitalism ticking thanks to a systemic relationship of capitalist to non-capitalist oppression, an “articulation of modes of production” in local academic lingo (from the work of radical scholars Harold and Ann-Marie Wolpe). Put differently, this fusion of class, race, gender and socio-ecological power explains the world’s worst ‘uneven development.’

It was this fusion that Rosa Luxemburg described in her 1913 book Accumulation of Capital, which pegs South Africa as a classical outpost of imperialism: “Non-capitalist relations provide a fertile soil for capitalism; more strictly: capital feeds on the ruins of such relations, and although this non-capitalist milieu is indispensable for accumulation, the latter proceeds at the cost of this medium nevertheless, by eating it up.”

**Fighting coal extraction and ecological destruction, from rural KwaZulu to Johannesburg**

Luxemburg would not be surprised when more than a century later, Sizani Ngubane specially referred to a local Zulu traditional leader who doled out land already dotted with homesteads to white-owned Petmin for its Tendele coal mine in Somkhele, just 17 kilometers from the border of Hluhluwe-iMfolozi Park (HIP). The nature reserve was established in 1895 and became most famous for reviving the near-extinct Southern White Rhinoceros in the 1960s. But the Petmin deal, in 2006, resulted in Tendele coal mine literally eating up the land farmed by Fikile Ntshangase and her allies in the Mfolozi Community Environmental Justice Organisation (MCEJO), which at peak had 4000 members.

**According to Ngubane**, speaking in April 2020,
“vast pieces of land leased to mining companies, polluting our environment and not benefiting the communities. The communities of [Somkhele] are saying about 85 percent of the people who are bedridden or attending clinics/hospitals or passing – they pass away as a direct result of respiratory or lung-related diseases. Women have dumped the old culture of rain-water catchment because their roofs are always covered with thick black dust from the coal-mine. The livestock is dying because its grazing land is always covered with thick black dust. The communities have run out of water because the mine diverted the Umfolozi River into the mine and when the women followed Umfolozi into the mine – the authorities locked them out. Their houses are cracking when the mines are blasting the rocks and the members of the communities are not compensated and are not employed by these mines.”
It’s even worse once you listen in on corporate gossip. In March 2016, Business Day newspaper interviewed Petmin executive Bradley Doig: “You need water to wash the coal and if the drought persists, what are the next six months going to be like? Will you have to scale back production quite substantially?”

Doig: “We had lots of contingency plans in place obviously and one of them was we found a lot of underground water in the vicinity of our mine so we’re in a very fortunate position right now that we have sufficient water available to run all three plants at maximum capacity to the end of this calendar year.”

Surprised, the interviewer asked, “Is this something that you should do?” Doig’s answer: “Yes, we believe it’s necessary. The market is there for our product, we have the water available, and obviously we’re still anticipating rainfall. But assuming it does not rain at all, we still have sufficient water for 12 months.”

But some nearby villages certainly did not have sufficient clean water, and three years later, MCEJO women suffered 29 arrests in a protest against Tendele’s water grabbing and state water-supply failure.

Then in April 2020, the Covid-19 lockdown reinforced the extreme urgency of improved hygienic infrastructure. As Durban’s main newspaper reported, “The desperate search for clean, free water in the cluster of villages that make up Somkhele has long been a women’s burden: walking for as much as six hours, risking sexual
harassment and rape. And now, with the threat of Covid-19, the struggle has become more harrowing for the women of Somkhel.

The main lawyer for Ntshangase and MCEJO, Kirsten Youens, begged the water minister for access to tankers, boreholes and taps:

“As you may be aware, these communities are living on the border of the Somkhele open cast coal mine, which causes pollution of the rivers and streams as well as of the run-off rainwater that the communities collect from their roofs into JoJo tanks. This makes it impossible for people to utilise ways in which they used for water security... Those without access to clean, reliable water are immediately at risk. Our client and the communities living in these areas are in need of urgent government intervention for the protection and fulfilment of their basic Constitutional rights, not only to address the current Covid-19 crisis but also to provide sustainable access to water.”

Ntshangase’s close allies in the Africa-wide anti-extractivist network WoMin also complained,

“With the onset of the Covid-19 pandemic, these communities are facing a major crisis. Last week, there was no water, not even the local clinic has access to water... The only water tanks available to communities are the ones placed by the municipality in central locations, but as of now, they are empty. The Umfolozi River and dam were fenced off so that the community could not have access to these water sources. The little water remaining has dried up due to a series of droughts.”

The core problem remained Tendele coal mine. A few months later, Fikile Ntshangase told friends she was approached by mine management with a $24,000 bribe to support even more coal digging, in spite of the terrible damage it was causing. Worsening intimidation by the pro-mining lobby, including the provincial government, is documented in a chilling statement by a group of allied organisations and lawyers. But Ntshangase refused to withdraw her court challenge to the expansion project: “I refused to sign. I cannot sell out my people. And if need be, I will die for my people.”

This refusal was widely considered the motivation for Ntshangase’s murder; she was reportedly one of several names on a local hit list. For at stake if the expansion did not proceed, the mine’s owners argued in rebuttal (while denying involvement in the hit job), were the loss of several hundred local jobs and the 20 percent community-worker shareholding in Tendele mine mainly controlled by local patriarchal ethnic leadership (the Mpukunyoni Traditional Council) and three trade unions. Tendele’s white-male executives had used local financier Nedbank’s funding in 2015 to buy off not only ethnic patriarchs with a 16 percent ‘community’ share, but an additional 4 percent for workers represented by three unions, including the one best known for fighting Lonmin at Marikana: the Association of Mineworkers and Construction Union (AMCU).

This was especially tragic, because the other two were not a surprise: the National Union of Mineworkers, founded and led by Ramaphosa during the 1980s and still allied with the ruling
party; and ‘Solidarity’, a mainly white-Afrikaner union whose allied ‘cultural’ policy lobbyists – the apartheid-minimising ‘AfriForum’ – had so impressed Donald Trump with bogus claims of mass murder of white farmers in 2018. These unions’ traditional focus is on jobs and pay in the mining sector, without much attention to the broader ‘resource-cursing’ so evident in Somkhele.

But even AMCU’s national treasurer Jimmy Gama described Petmin’s “Economic Benefits Sharing” scheme (based on an extremely expensive borrow-to-buy strategy) as “an innovative Broad-Based Empowerment approach that will effect real economic benefits sharing to bridge the gap between social and mining economics.” Maybe one day in the future – but at an extremely high cost to community and environment.

There was an additional dubious ‘conservation NGO’ that favoured the mine’s expansion, albeit not westward towards the animal-rich HIP but instead north-easterly into low-income residential areas: the white-dominated, climate-unconscious Wildlife and Environment Society of South Africa. In 2014 the group expressed satisfaction that when Petmin

“discovered another viable coal seam close to the HIP boundary a few years ago, they acknowledged the tangible value of the iMfolozi wilderness area and chose not to mine this seam; instead they laudably [sic] selected a seam further away to reduce the negative impacts on the HIP.”

In contrast, several trusted solidarity groups with an environmental justice philosophy – groundWork, Earthlife Africa, Mining Affected Communities United in Action, Women Against Mining United in Action, ActionAid, Southern Africa Human Rights Defenders Network, Global Environmental Trust and WoMin – have provided support to MCEJO, alongside the group’s lawyers from Youens Attorneys and the Centre for Environmental Rights.

To be sure, the conservationist agenda is not always anti-people in this region, though KZN Province has witnessed more than a century and a quarter of forced removals of Zulu peasants to make way for nature reserves (mainly enjoyed by whites), whether public or privately owned. A different model was applied by HIP’s most famous employee, Ian Player, who is credited with raising the park’s white rhino population (unique in the world) from 440 in 1958 to what is now a global census of 18,000. It was possible because Player worked closely with HIP border communities, especially through legendary Somkhele guide Magqubu Ntombela.

Even before Player died in 2014, Tendele mine’s blasting for coal and air pollution had become a major threat to animal welfare, at a site the white rhino is again threatened, this time by poachers. And if the state permits a future Tendele dig (the planned Esiyembeni seam) to directly border HIP, that will also intensify poacher penetration, the Global Environmental Trust argues. In 2019 there were 126 rhinos killed for their valuable horns in HIP, mainly sold by Chinese and Vietnamese crime syndicates, but due to the Covid-19 lockdown the number fell to 88 in 2020.
This is, in short, an ideal site for conservationists to unite with communities and climate activists – against coal. Environmental justice is core to this campaign. A WoMin research report, “No longer a life worth living”, documented the eco-social atrocities caused by Tendele coal mine, including the theft of water which resulted from Petmin ignoring even relatively weak environmental regulations.

The mine is the largest African producer of anthracite used in steel, an industry whose local output halved due to Chinese competition during the 2010s – so much more is now exported to Brazil. Tendele also provides several million tons of thermal coal annually for both South African and export markets, contributing to climate catastrophe. This being South Africa, such global damage was never assessed in the coal firm’s and government’s environmental analyses.

Days after Ntshangase’s assassination, Petmin’s reply to critics reflected its confidence that the state’s backing – and worker survival needs in these desperate circumstances – were sufficient to roll over objections. The Tendele coal mine, Petmin insisted,

“is the primary source of economic activity for a community of 220,000 people in the area 85km north of Richards Bay in KwaZulu-Natal. To be sustainable for more than another two
years, the mine needs to expand its operations to be able to mine a new ore body which will extend the life of the operation by another 10 years. Mining rights for this have been duly granted.”

Indeed Petmin’s three core points are true, since there are currently few employment alternatives; Tendele mine has voracious expansion plans; and the state is in the mining industry’s back pocket, to the extent that Petmin had for years simply ignored water-use licensing requirement when *washing its coal for better combustion*, even though the Umfolozi River and its water table regularly suffered from droughts.

For peasants and other residents, water shortages worsened to the point in June 2020 that during one community protest just south of Somkhele, a **Tendele coal truck was stopped by three men and set alight with petrol bombs, completely burned**, with the driver fortunately escaping.

Another example of community dissent was a 2017 demonstration in which, the Zululand Observer reported, men and women

> “barricaded the entrance to the mine as a protest against a lack of jobs... preventing vehicles, employees, contractors and visitors from entering. The group reportedly forced a truck to tip its coal and prevented others from leaving the mine with their loads. The company said these actions resulted in ‘material loss of production and substantial financial losses’. Shortly after the group was released with a warning, the Global Environmental Trust issued a statement in which it said the mine had promised the men jobs. ‘These men were relocated by the mine in 2014 and promised jobs and training which never materialized. They are all unemployed. The men blocked the entrance to the mine and demanded to speak to mine management about their grievances. The police were called and the men were arrested. Later, the wives and mothers of these men did the same thing in protest of the earlier arrests and mine management had them arrested too.””

Without substantial alternatives to mining or corporate agriculture – such as a more coherent food sovereignty option, plus public works projects to prepare Somkhele for more climate chaos – Sizani Ngubane and Fikile Ntshangase correctly feared that the various forms of environmental, economic, social and physical violence so common in South Africa would fuse against rural women. To illustrate, Tendele’s own “Local Economic Development” strategies in Somkhele were pathetic even on their own terms, an in-house audit revealed.

> **“The Right to Say No!”**

Standing up against these realities and demanding a different future is therefore hazardous, due to the combined forces of state and capital. Ntshangase’s assassination reflected the extreme dangers facing human rights and environmental defenders. As the Global Initiative Against Transnational Organised Crime had reported just five weeks before her murder,
“Since 2016, there have been at least 38 assassinations and 14 attempted assassinations in mining localities in KZN... Our research found only one hit definitively linked to the KZN mining industry before 2016. Other organisations such as Human Rights Watch have documented the climate of fear and oppression which activists in South African mining communities endure.”

Why the rise in tension the past five years? It may not be a coincidence that the commodity super-cycle ended in 2015, with soaring mineral prices starting in 2002 peaking just before the world financial meltdown in 2008, then recovering and plateauing from 2009-14, and crashing hard in 2015. The two main minerals in the most hotly-contested KZN sites are coal – whose dollar price has zigzagged but today is a third of the 2008 peak – and titanium, which is now half the 2006 peak dollar price. With price declines of that magnitude (partially compensated by South Africa’s own currency crash), the mining industry became both more oriented to increase volumes – so as to make up for lower prices per unit – and also more violent.

So too is resistance rising, observes the Global Initiative Against Transnational Organised Crime: “mines are frequently at the frontline of community frustration. The industry itself has noted increased opposition to its operations among neighbouring communities. Incidents such as roadblocks, hijacking of vehicles to transport protesters, arson, damage to property and labour disruption have reportedly almost doubled in some areas between 2018 and 2019.”

The philosophical stance of many mining-community activists is now often termed “the Right to say No!” A vibrant alliance of movements is making this case not only at anti-mining protests but in activist webinars such as the World Social Forum’s Thematic Forum on Mining and the Extractivist Economy in August. This followed the first such major Thematic Forum anti-mining gathering two years earlier in Johannesburg, and contrasts vividly with the 2009 African Mining Vision – an African Union plan that celebrates transnational corporations – and the annual African Alternative Mining Indaba. (One international network promoting this movement is Mines and Communities.)

Though MCEJO’s members differed over whether to advocate closing Tendele outright, the Zululand Observer reported in 2016 that an important local group – the Mpukunyoni Community Property Association, led by Bongani Pearce – regularly marched because, “Fed-up with living in close proximity to Somkhele mine, Mpukunyoni communities seek closure of the mine.” Pearce regularly suffered physical attacks and even arson due to his strong anti-mining stance. The same year, 2016, neighbouring communities southwest of Somkhele, in Fuleni, engaged in successful protests against a proposed coal mine that would have bordered the HIP.

The most famous such case of saying no to mining in South Africa is a community’s successful struggle against titanium extraction at Xolobeni, several hours’ drive from Somkhele, down the highway along the Indian Ocean. There, the Amadiba Crisis Committee (ACC) has engaged in sustained resistance since 2007. In 2018, the ACC’s lawyers persuaded a High Court judge to declare a brazen Australian firm’s mining agenda illegal because the community had not given what is termed by the United Nations “Free, Prior and Informed Consent.” The pro-mining
government minister Gwede Mantashe – who is also chair of the ruling African National Congress – swore he would **overturn the ruling or otherwise compel ‘consent’**, but has failed so far.

In September, another judge **ruled** the same Australian mining house’s deals with Mantashe and his predecessors must be made public, pleasing ACC’s well-known eco-feminist-socialist spokesperson Nonhle Mbuthuma:

> “The news arrived today when we were holding a meeting discussing our community issues. It just changed our mood. We were so happy. Dealing with companies is so difficult for us. They only want to tell us what they are going to do but they don’t want to give us papers.”

But less than a month after Ntshangase’s murder, Mbuthuma **received a death threat** on her phone, referencing the assassination of ACC chairperson Bazooka Radebe in 2016 and the suspicious death of his successor, Sibusiso Mqadi, in early November.

*Nonhle Mbuthuma at Xolobeni*

**Follow the mining money, back to the banksters (and then to... Ohio)**

While activists and their lawyers are warning off the mining industry from pursuing eco-socially destructive projects like those at Somkhele and Xolobeni, the firms’ bankers also need attention. In addition to Petmin’s main local financier, Nedbank, one target on the horizon is the World Bank, because it was one of Tendele’s main venture capital supporters in 2007 when the digging began. The Bank’s private sector investment arm, the International Finance Corporation, was the original **backer** of the venture capital fund that resurrected Petmin – an
apartheid-era shell company – to start digging coal at Somkhele, a point worth returning to since reparations are obviously in order.

The firm’s subsequent primary banker, though, is Nedbank, an institution which postures absurdly about being South Africa’s most eco-aware financier. In September 2007 it began lending to Petmin with a generous $11.5 million credit, most of which went to Somkhele. In 2015 it offered a $19 million loan package to Petmin to make possible the 20 percent ‘Broad-Based Empowerment’ deal that split the community. But Petmin’s dividend payments covered only the interest payments, so the passive ‘owners’ (local ethnic elites and labour leadership) were simply earning notional wealth, in turn leading to growing suspicions about the bonsala from those the coal mine oppressed: community members affected by pollution, ordinary workers and progressive conservationists.

As for Nedbank, it was a no risk proposition, because “Petmin effectively guarantees the redemption of the Nedbank funding as it will subscribe for additional preference shares in the event of a potential default in payments to Nedbank.” The deal is so pro-creditor that in mid-2020 when the Covid-19 lockdown briefly prevented Tendele from operating, hence defaulting on a loan payment, Nedbank gladly rolled it over. The interest rates paid in South Africa on commercial bank loans far exceed inflation (usually by more than 6 percent); and internationally, only the Turkish and Pakistani governments typically pay a higher interest rate on 10-year state bonds than South Africa (8.8 percent today).

Tellingly, at that very moment, South Africa’s state Competition Commission was charging Nedbank with manipulating the local currency (starting in 2015), a crime which the much more laissez faire South African Treasury hadn’t bother investigating, thanks to Finance Minister Tito Mboweni’s deregulatory orientation. As he explained in mid-2019:

“The investigation before the Competition Commission appears to be related more to the conduct of bank traders towards clients, rather than providing evidence of their affecting the actual value of the rand... We do not have any evidence that any bank has taken part in currency manipulation.”

In reality, tens of millions of dollars in fines for South African currency manipulation (dating to 2007) had already been paid – mainly to the United States government – by some of the world’s largest banks and their agents, including Standard Chartered and Citibank.

In this context, three weeks before Ntshangase’s assassination, Nedbank slapped itself on the back in this sickening press release:

“we are proud to say that in 2020 we have proven once again that green is the new gold standard... As the green bank, our mission to achieve sustainability is reflected in how we live, work and invest. We are innovating in green finance solutions continuously by aligning our strategies for sustainable lending and investment to the United Nations’ Sustainable
Development Goals. Our steadfast belief in going green has focused our lending book towards renewable energy.”

This is the kind of combined con-artistry and corporate coziness between regulators and regulated financial institutions that gave South Africa the leading position in PwC’s biannual ratings of corporate corruption – or more politely, ‘economic crime’ – for many years (though this year the local bourgeoisie ties with China’s for second most fraudulent, behind India’s gold medal). That means, even a Treasury official admitted last year, that 3-7 percent of the country’s annual GDP output is squandered away through Illicit Financial Flows.

Whether licit or illicit, Petmin found a route to evacuate massive funding to the United States, one of the world’s great tax havens (especially Joe Biden’s Delaware). Its executives may correctly claim they are doing nothing different than Ramaphosa did with Lonmin’s Marikana revenues: denying workers, communities and the state a fair return on the underground minerals – through offshoring massive profits.

In Lonmin’s case it was a Bermuda tax dodge, kept alive until the Marikana massacre unveiled why workers were so badly underpaid, thanks in part to lead South African investor Ramaphosa’s influence. (He was also instrumental – through emails he sent the police minister, which he sort-of-apologised for five years later – in demonising wildcat-striking mineworkers as ‘dastardly criminal,’ one day before the massacre.)

In Petmin’s case, the Somkhele profits are now being used to construct a $474 million Lake Erie (Ohio) pig-iron plant to supply the local steel industry. Just like Ntshangase and MCEJO, the community’s leading environmental activists are disgusted with their state government’s environmental regulator. The Ashtabula County Water Watch NGO appealed against its nudge-nudge wink-wink to Petmin, even after the firm’s 2020 filing of new – much higher – estimated emissions of nitrogen oxides, particulate matter and CO2 equivalents. As the group complained, “the Petmin project relies on natural gas produced in a way that is immensely taxing on the environment and public health. We may think the consequences of fracking are out of sight and mind in western Pennsylvania, but wastewater from this process is being pumped into the earth here in any of 15 active fracking wastewater injection wells in Ashtabula County.

More wells will likely follow as the fracking industry continues to ramp up production since individual wells are becoming less productive and require more and more fracking fluid. Basically, we are cheaply selling clean water from Lake Erie to the fracking industry in Pennsylvania only to have it severely polluted and then shipped back to Ashtabula County and injected into the earth where it puts our water and soil resources at risk of contamination and causes increased risk of earthquakes.”

The opportunity to derail Petmin will come if Somkhele (or even Ashtabula) activism is sustained through this very tough period, but would also reflect the company’s major internal financial contradictions. Looking through brand new Tendele mine corporate filings late last month, it’s becoming a bit easier to assess how much Ntshangase and other local critics of coal
mining have been costing its parent firm Petmin. The mine has been running out of easy-to-dig surface coal and now must drill much deeper into the KZN crust, since Petmin doesn’t yet have approval for the new areas it wants to stripmine thanks to protests and court cases.

Looking at these books is tricky because Petmin is no longer a publicly-listed firm, and hence is not subject to shareholder oversight (its management removed it from the Johannesburg Stock Exchange in a buyout three years ago). Its bookkeeper KPMG and the broader South African accountancy profession are utterly unreliable, if not outright corrupt these days, with KPMG’s roles in various local corporate scandals even exceeding those of PwC, EY and Deloitte (the big four ‘consultancies’). As a result of its record throughout the 2010s, many South Africans believe KPMG should suffer the same fate here that London PR firm Bell Pottinger and World Bank-owned Cash Paymaster Services did over the past three years, thanks to activist pressure: the corporate death sentence of bankruptcy.

It’s possible to digest – with a large grain of salt – the new Petmin figures, e.g. massive 2018-20 machinery depreciation in Somkhele that doesn’t correlate to the firm’s fast-rising output. Nevertheless, we can learn about the profit flows that permit such a vast Ohio investment for this smallish firm: since Tendele mine began its Somkhele operations in 2007, easily $800 million worth of coal has been dug there, reaching an annual peak of $120 million in 2018. Over the past seven years, Petmin boasted an average net profit rate of nearly 10 percent, in part because South African royalties and taxes are so low (only around 15 percent of revenue).

As an aside, recall that the decline in South Africa’s own natural resource wealth (i.e., that $800 million worth of coal, if coal can be said to be ‘worth’ anything) never gets calculated within these corporate accounts. Nor are they calculated nationally within a “Gross Domestic Product” measure designed by white male economists: men who not only didn’t believe the extraction of resources to be worthy of a ‘debit’ (only of a plus on the GDP accounts for mining output), but who also don’t consider the likes of Ntshangase to be productive unless they sell their output in the market, which most rural women in her situation don’t do much of. So the harder Ntshangase worked voluntarily to protect her household, her community and her local and global environment, the lower the country’s GDP.

Other revealing information from Petmin’s November 2020 balance sheet includes a sharp drop in sales in the fiscal year through June 2020. Covid-19’s lockdown meant two local anthracite customers – Glencore (the world’s biggest commodity trader) and Samancor – plus Brazil’s Vale (the world’s second largest mining house) all stopped buying for a few weeks in April-May. That $35 million hit to sales was devastating (which is weird since the mine’s output for the whole of 2018-19 was $120 million) and resulted in a $7 million net loss for the year 2019-20. MCEJO’s blockage of further coal digging was therefore seen by Petmin as an existential threat.

This crisis, in turn, prevented mid-2020 loan repayments to Nedbank, which was typically making $2 million a year in interest revenues from its Petmin lending. Indeed, due to the Covid-19 crash and KPMG’s generous glance at the financials, Petmin now claims to be unable to pay $41 million in debt, requiring rescheduling.
But what’s difficult to understand here, is how the earlier impressive profit stream from Petmin’s only genuine asset – Tendele coal mine – was reversed by the brief 2019-20 loss (again, just $7 million), leading to $41 million in immediately-unrepayable debt... and yet at the same time Petmin USA began construction (early in December 2020) on the huge pig iron plant in Ohio.

The conclusion from such data should be obvious: *vast reparations are due to the people of Somkhele and South Africa, for what can best be described as smash-and-grab resource looting.* But it is also useful to go back to the original scene of the crime, if we want to follow this money trail that culminated in Ntshangase’s recent murder.

**World Bank(ster) reparations also overdue**

The World Bank’s International Finance Corporation (IFC) funded part of Tendele’s start up during a critical phase when the IFC dabbled in mining ‘juniors’ *under the impression* (stated by officials Rashad Kaldany and Haydee Celaya in 2002) that this would promote black capitalism. But as the lawyers working for Ntshangase and MCEJO – Tembeka Ngcukaitobi and Kirsten Youens – told the Supreme Court of Appeal on November 3, 2020, the mining operation was actually illegal from the outset, lacking crucial government permissions to make such a destructive impact on the local environment and people.

And since those authorisations were missing when mining operations began, a precedent case in the Constitutional Court (Allpay) allowed Ngcukaitobi to *argue* that effective remedial relief must follow a declaration of unlawfulness. He asked for a disclosure of profits made by Tendele coal mining since 2007, and that such profits acquired illegally – which include generous dividends sent to the IFC for several years – “should be paid over to communities or other entities.” Judgement on this demand will be delivered at some point in 2021.

Petmin’s earlier promises of community prosperity, black advancement and environmental responsibility made when the IFC initially got involved were all jettisoned. While remaining an all-white-male executive operation (with one black board member), Petmin’s roots in apartheid mining evolved into fronting for Black Economic Empowerment operations. As a small mining shell company, Petmin had raised venture funds to open Tendele from the New African Mining Fund (NAMF), which was the recipient of a $5 million initial IFC commitment escalating to $30 million for its second stage (albeit aborted in 2014 during the global mining crash).

NAMF founder Doig soon also became Petmin’s highest-profile leader. He began working as Chief Operating Officer there in 2006, and still *brags* on the Petmin website about the IFC investment that got Tendele up and running. Petmin initially received the majority of funds from NAMF for its main operation, Somkhele, and that stake, in turn, was the main reason the NAMF could declare an *annual 39 percent profit rate* at the time the IFC enjoyed its 6 percent stake in the fund.
It is not known how much the IFC earned from the NAMF and the largest investment, Tendele coal mine, for data about its Petmin shares remain opaque. But it is likely to exceed $10 million. (Another NAMF investment at the time was catastrophic: the Canadian firm Africo was victimised by the notorious Israeli tycoon Dan Gertler and his New York ally the Och-Ziff investment firm, as pointed out in a 2019 report by the NGO Rights and Accountability in Development, which complained about the IFC’s blasé attitude to mining industry corruption.)

If such profits were returned, they could begin a process of financing the desperately-needed detox and decarbonisation of Somkhele. For the economically-impoverished local men supporting the coal mine, there remains no alternative in what for generations had been an apartheid Bantustan zone of economic despair, where before freedom in 1994, the only cash income came from migrant workers’ remittances. By using potential reparations payments to link more closely the community, conservationists and potential climate-solidarity movements, a demand for a genuine Just Transition would potentially be capable of addressing the deep-seated conflict over coal mining.

In this way, protecting the climate also would entail interconnected eco-socio-economic objectives in Somkhele: emissions-source mitigation, drought adaptation and other climate-crisis resilience projects, funded by the state, self-managed by workers, controlled by communities and especially women and youth. The need has never been greater.

Specifically, though, World Bank reparations are certainly due to oppressed South Africans. Apartheid profiteering by the Bank began in 1951 and lasted more than two decades before the United Nations forbade further loans. Its neoliberal policy advice is a major reason inequality increased to the world’s highest level (a Gini Coefficient of 0.63) after apartheid ended in 1994. Other Bank and IFC investments here have reeked of socio-ecological destruction, the most predatory capitalism, and outright corruption.
For example, the largest coal-fired power plant underway anywhere now was the Bank’s largest-ever loan: $3.75 billion for Eskom’s Medupi generator, one riddled with fraud and without exaggeration a clear case of Odious Debt.

And at the same time the IFC was investing in the NAMF, another controversial mining stake in South Africa was simultaneously underway: the IFC’s $50 million equity share in – and promised $100 million loan to – Lonmin, so as to promote Community Social Investment (CSI) at a particularly controversial mine producing a vast share of the firm’s platinum: Marikana. The IFC made this mine its poster child for CSI, yet the hatred that mineworkers and their community supporters felt towards Lonmin built up, resulting in the strike in August-September 2012, five years into the IFC intervention. (An interesting footnote here is that in 2009, Ramaphosa in alliance with the world’s largest commodity dealer, Glencore, had attempted to purchase Tendele coal mine but Petmin retained control.)

In 2015, the main Marikana women’s group, Sikhala Sonke, attempted to get the World Bank’s Compliance Advisor/Ombudsman (CAO) to force the IFC to take responsibility, requesting a formal Dispute Resolution process with Lonmin to give community relief from socio-economic repression. They gave up after the internal Bank process proved useless. Lonmin, facing bankruptcy, was purchased by a local mining house in 2017 and the Sikhala Sonke grievances against the IFC and the Marikana mining operation remain unresolved.

In another appeal to the Bank CAO to compel the IFC to make good on massive damages caused by a South African investment, the well-regarded women-led social advocacy group Black Sash insisted the IFC’s $107 million (22 percent) share in Cash Paymaster Services (CPS) compelled it “to put measures in place to address and rectify impugned conduct.” The activists documented “unauthorised and fraudulent deductions from the social grants of beneficiaries to the benefit of” CPS (and the IFC), “unlawful and unethical use of social grant beneficiary data and information, persistent allegations of corruption and other unethical business practices.

Failing to get relief from the IFC, Black Sash and local allies not only had CPS’s lucrative “financial inclusion” contract with the state welfare department cancelled but also sued CPS for reparations, and in 2020 the firm’s holding company placed it into bankruptcy to avoid further damage. But this demand for profit repayment is the precedent for forcing the IFC to “pay back the money,” a local activist phrase used regularly since the Zuma era’s corruption became the source of social fury.

All of these efforts to discipline IFC-owned firms in South Africa occurred prior to the Bank’s 2019 loss of its immunity from prosecution in the U.S. Supreme Court. That may scare the Bank into settling in other jurisdictions, for fear the Foreign Corrupt Practices Act or other tort law may hold the IFC accountable in the belly of the beast.

Meantime, since the culture of criminality that prevails in the South African IFC portfolio is so obvious, perhaps instead of relying upon the institution’s own fatally-flawed internal review mechanisms, South Africa’s courts will now take the advice of MCEJO’s lawyers, and begin a
long-overdue process of not only cease-and-desist against IFC-owned corporations, but the compulsion of reparations payments from the firms and their ethics-challenged financiers.

**The climate debt they demand and deserve**

There is another financial linkage to the other late Durban activists that may also be vital in 2021: reviving climate debt demands. In 2014-15, veteran Durban activist Faith ka-Manzi traveled to Somkhele several times, first working within Durban’s Centre for Civil Society (which I then directed) and in 2016 translating and organising with WoMin, to not only help the activists there articulate their stories, but also provide climate critique to bolster their case for halting Tendele in its tracks. One 2015 visitor was the head of Greenpeace International, Kumi Naidoo – also a KZN native, born and raised in Durban – and he spoke to MCEJO (through ka-Manzi) about the urgency of switching from coal to renewable energy.

![Image](image_url)

*Kumi Naidoo, Faith ka-Manzi and MCEJO members, April 2015*

But how to pay for all the Just Transition transformations that will be necessary in such sites? One approach is a northern downpayment on climate debt that is due to places like the Somkhele villages ravaged by drought for several years. The concept of a wealthy northern country making such a downpayment comes from indigenous and eco-feminist Ecuadoreans who opposed Chevron (then Texaco) and later Chinese oil extraction from the eastern part of the country, in the upper reaches of the Amazon Basin. The Yasuni Park is the most biodiverse site in the world, but contained an estimated $10 billion of oil – so the ‘Yasunisation’ strategy is the demand by climate justice activists that such fossil fuel not be extracted, but instead compensated.
Activists demanded that, as part of the climate debt, the Global North should pay $3.6 billion to the people of Ecuador, via its state, then run by Rafael Correa, in exchange for Yasuni’s permanent protection. The proposal failed in 2013 because of bad faith negotiations by both the German and Ecuadoran governments, with Berlin insisting on carbon trading instead of a climate debt downpayment to raise (what was a tiny proportion of) the needed funds, and Correa secretly negotiating Yasuni oil-drilling contracts with Sinopec as his Plan B. But the idea is continually revived.

The most famous proponents of Global North liability for climate damage are former Bolivian UN Ambassador Pablo Solon and writer-activist Naomi Klein, dating to 2009. But a decade earlier, Quito-based eco-feminists Accion Ecologica and Joan Martinez-Alier were defining the concept as,

“The debt accumulated by the Northern industrial countries towards the countries and peoples of the South on account of resource plundering, environmental damages, and the free occupation of environmental space to deposit wastes, such as greenhouse gases.”

Against this, the single most famous critique of climate debt was a Trump-style denialist declaration by U.S. State Department climate negotiator Stern, replying to Solon at the 2009 Copenhagen climate summit:

“We absolutely recognise our historic role in putting emissions in the atmosphere up there that are there now. But the sense of guilt or culpability or reparations? I just categorically reject that.”

As the most influential figure in the UN talks, Stern maintained this stance over the subsequent years, and was successful in forcing it into the 2015 Paris Climate Agreement, which refused to countenance ‘polluter pays’ liability principles, among its other various fatal flaws.

Having witnessed the 2011 United Nations climate fiasco in Durban, Faith ka-Manzi was adamant that base activists do more to both think locally and make demands globally. When describing the struggles in Somkhele and Feleni after a 2015 visit, for example, we wrote together of why and how

“a climate debt paid to anti-coal activists might work. The present system of payments for greenhouse gas mitigation and adaptation via the Korea-based Green Climate Fund is already a failure on multiple levels, and the ‘loss and damage’ liability accounting Third World countries have pushed for in the United Nations climate summit since 2012 is being blocked by rich countries. Instead of relying on the elites to start this process, a people-to-people solidaristic strategy is needed, initially. More successors are needed to the heroic but unsuccessful ‘leave the oil in the soil’ campaign for Ecuador’s Yasuni national park...

“The challenge to coal companies to leave the coal in the hole seems like a losing battle if it is only to be waged by poor women in rural areas who are disadvantaged by traditional
patriarchy and a lack of resources to fight this battle. Still, hope now rises that the Fuleni campaign will inspire not just animal lovers and conservationists, but more climate activists and many more ordinary citizens who do not like seeing such extreme environmental injustice along the lines of race, gender and class.”

Although we failed to establish a fund that could have helped Ntshangase and MCEJO activists fight Petmin more effectively, and though ka-Manzi last week died, leaving her comrades engaged in so many ongoing Durban struggles, so far from victory, she will be remembered with enormous admiration. Ka-Manzi spent enough time between Somkhele and KZN Province’s other extreme fossil-fuel complex – South Durban oil refineries, Africa’s largest prior to a near-completed Nigerian plant – to regularly make climate politics one of her great passions.

Other deep activist commitments she shared were for a free Palestine, for the decent housing and basic services denied to a third of Durban residents in the black townships, for indigenous culture, fashion, literature, poetry and music, for the rights of immigrants (during periodic xenophobic upsurges), and for AIDS medicines access.

Ka-Manzi lived – and nearly died on a half-dozen occasions – with HIV and TB. As her CD4 count regularly collapsed, she shifted from traditionalist beliefs to writing eloquent columns for Africa Report as a Treatment Action Campaign supporter, demanding and helping to win free, state-supplied generic medicines (just as is needed now for Covid-19 vaccines and treatment). Ka-Manzi was anti-imperialist at every opportunity, in part through assisting the late South African radical poet Dennis Brutus with numerous projects, including his Marx in KwaSuka adaptation of Howard Zinn’s Marx in Soho.

And in the same spirit as Ka-Manzi demanded, Northern climate-liability consciousness may be rising again, witnessed in 350.org founder Bill McKibben’s New Yorker column on December 3, 2020, entitled “The climate debt the U.S. owes the world.” There, the influential McKibben endorsed a report from the (ordinarily justice-deficient) Climate Action Network, authored by EcoEquity and the Climate Equity Reference Project. McKibben summarises its findings:

“It tries to calculate how much of the burden each country should be bearing, based on its historical contribution to the cloud of greenhouse gases and its ‘capacity to pay’ – a reflection of how rich the nation became during the fossil-fuel era. The report finds ‘that the US fair share of the global mitigation effort in 2030 is equivalent to a reduction of 195% below its 2005 emissions levels, reflecting a fair share range of 173-229%.’ That is, we can’t meet our moral and practical burdens simply by reducing our own emissions; we’ve already put so much carbon into the air (and hence reduced the space that should rightly go to others) that we need to make amends. Of this hundred-and-ninety-five-per-cent reduction, Athanasiou says, seventy percent would be made domestically, by building solar panels, rolling out electric cars, and insulating buildings. ‘This is about the maximum achievable by 2030, though cuts of this magnitude would require a full Green New Deal war footing,’ he notes. ‘The rest – the other 125% – would come by way of financial and tech support for adaptation and rapid decarbonisation in poor and developing countries.”
Paying that climate debt, McKibben concludes, is "the only honorable, and only sensible, course: they don’t call it global warming for nothing, and you can’t control it anywhere without controlling it everywhere. Our political debate has poisoned the idea of foreign aid in recent years, and it will be a hard lift for the Biden Administration to come close to meeting the requirements of justice.”

Of course, with the corporate neoliberal John Kerry as Biden’s new climate czar, repackaging the awful Paris deal-making managed by Todd Stern, this ‘hard lift’ requires all the rest of us to add our muscle to climate justice campaigning wherever possible.

South Durban’s pollution and climate catastrophe

The December 4 explosion at the Engen oil refinery gave Patrick Mkhize the opportunity to again emphasise that genuine Marxist-Leninist, Black-Consciousness politics were not just red and black, but also green. After taking part in the 1976 Soweto student uprising, Mkhize moved to Wentworth, a mixed-race (so-called ‘Coloured’) working-class area of the South Durban basin known for involuntarily hosting the largest petro-chemical complex in Africa. Many Wentworth households were victims of forced removals from other parts of the city during the 1950s-60s, as formal apartheid tightened which race of people could live where.

Wentworth was, until the early 1990s, off limits to ‘African’ blacks like Mkhize. But he settled into a public housing unit regardless, regularly defying petty apartheid regulations. And soon he not only joined the tradition of former Wentworth resident Steve Biko (who lived in a university dorm while studying medicine nearby) and other Durban Black Consciousness Movement leaders, especially Strini and Asha Moodley and medical doctor Aubrey Mokoape (who also died of Covid-19 in Durban the next day). With wife Thandi and two children, Mkhize’s family also became labour, community and social movement stalwarts.

After democracy dawned in 1994, they stayed put in Wentworth instead of moving to formerly-white suburbs and enjoying petit-bourgeoisification, while around them, the country faltered under neoliberal-nationalist leaders just as he had predicted. Inequality, poverty, unemployment, gender-based violence and ecological damage all rose, as Mkhize responded by organising even more furiously. In 2010, complaining of energy injustice in a radio interview, Mkhize observed how rich people can cope with electricity price hikes, “but for the poor it will be back to candles and paraffin stoves notorious for accidents and injuries and even burn down homes. We are heading for disaster…. Electricity like water and other resources important to human survival is a right, not a privilege. If we had a true democracy this country, hailed by many other countries for having the best constitution, would give energy for free considering where many of us come from in terms of race and segregation.”
Mkhize was a crucial force behind the broad-based South Durban Community Environmental Alliance (SDCEA) from its 1995 founding, always pulling it towards eco-socialist framings. In 2016, for instance, testifying at the national energy regulator’s hearing on electricity price increases that in part followed directly the massive fraud at two new 4800MW coal-fired power plants under construction (including World Bank-financed Medupi), Mkhize insisted on behalf of the Wentworth Development Forum, “We say No to Tariffs Increase, No to corruption and No to use of Coal to generate energy! Yes to renewable energy, Yes to Accountability and Transparency!”

He was also a leading revolutionary trade unionist, and in his most recent leadership role as general secretary of the 10,000-strong Transport Retail and General Workers’ Union, Mkhize helped build the SA Federation of Trade Unions (SAFTU), a left alternative to the traditional Congress of SA Trade Unions which after a quarter-century alliance with the ruling party no longer served the black proletariat properly, Mkhize felt. SAFTU general secretary Zwelinzima Vavi eulogised at his memorial on December 30,

“Mkhize would have reminded us that we should spare no energy to ensure that we do not go back to the ‘normal’ after the coronavirus pandemic. Even before the pandemic struck, ‘normal’ South Africa had world-record levels of inequality, worker fury, and corporate-state corruption. Our pollution levels including CO2 emission have been at the world’s worst levels per capita per unit of output; only Kazakhstan and the Czech Republic have higher levels among countries with 10 million people. The need for a Just Transition to a decarbonised economy in which workers do not suffer losses is as great as ever, but no serious efforts appear imminent from the austerity-oriented government. Mkhize was on the frontline of the battle to change this power dynamic at his death, joining SDCEA to replace Engen’s explosion-prone refinery with a labour- and community-centric strategy for detoxing South Durban."

Local environmental campaigners aiming to shut Engen have been frustrated ever since it opened in 1966 – as a Standard Oil refinery – in the middle of Wentworth, right next to houses and a primary school. The school recorded a 52 percent asthma rate by the early 2000s, and so SDCEA compelled Engen to install SO2 scrubbers, which led to substantial air-quality improvements, although heavy metal emissions keeps the cancer rates nearly twenty times the national average. And no matter the scrubbers on massive oft-flaring smokestacks, the Engen ‘rustbucket’ refinery – the country’s second largest (at 120,000 barrels daily), behind only the neighbouring Sapref refinery owned by BP/Shell – periodically exploded. SDCEA’s coordinator Des D’Sa counts more than 50 fires, explosions or major pipeline leaks since 2000.

In 2011, just before the UN climate summit in Durban, an Engen eruption sent countless drops of boiling oil high into the sky, falling on the primary school where more than 100 children having a quick recreational recess were burned and hospitalised. The government finally expressed concern, but crony-capitalist power relations were quickly revealed when provincial environment minister Lydia Johnson angrily threatened to close the refinery for good but was instead, as a result, fired by provincial premier (now Health Minister) Zweli Mkhize three weeks later.
The Mercury, 10 October 2011

The difference between the refineries turned on, and off, is striking. With the strict Covid-19 lockdown affecting the entire petro-chemical complex in April-May, Wentworth suddenly smelled clean – no more rotten-egg and ‘cat’s-wee’ ammonia stench – and the skies turned clear. As D’Sa said in May, opposing the refineries’ imminent reopening,

“We have been nurturing the beauty of our Mother Earth with all its fauna and flora. The land is healing, the birds singing, the animals recuperating, and marine life recovering. Our rivers, ocean and estuaries are cleaner than we can remember. When we get out for morning exercise, our hearts beat faster, and our spirits rise with admiration for nature’s powers.”

“Not just local pollution, but global climate crisis will be amplified by the refineries’ restart. We have witnessed gale-force winds, tornados, unprecedented rainstorms and droughts across KZN. In Durban and surrounds, the 2019 storm that arrived just after Easter dropped 148 mm of rain in 24 hours, killing more than 80 people and leaving hundreds of families homeless. The two cyclones that devastated Mozambique, Malawi and Zimbabwe in March-April 2019, killing 1000, the drought still afflicting much of South Africa, and the current locust plague in the Horn of Africa, are other symptoms of the climate catastrophe. Shell and BP are primary villains, and have not yet paid their ‘climate debt’ from the super-profits they have earned. Nor have they paid their ecological debt to neighbours in South Durban or other refineries across the world. Instead, as is well known in many countries, they have corrupted governments to turn their heads away from their citizens’ suffering. We insist that until Sapref and any other
petrochemical industry in our area has paid its ecological debts, offered plans for ceasing toxic pollution including greenhouse gas emissions, and ensured worker and community safety, they stay closed. We value our lives and planet, and we will fight the refineries and other polluters with renewed confidence – and anger.”

Anger returned when the refineries reopened in May-June, even though petroleum demand was much lower in 2020. As a result of weak profitability, Engen in October threatened to close the Wentworth complex by 2023 – becoming an oil-storage tank farm – and hence there is a strong community suspicion that the site is being milked, with little or no concern for maintenance and proper decommissioning. D’Sa’s predecessor (and SDCEA founder) Bobby Peek – now running groundWork – testified to parliament on December 8:

“The oil refinery industry in this country is crumbling. We know that we have to move away from fossil fuels. Our President Cyril Ramaphosa has said very clearly that it is time for a just transition. It is time to recognise that we have to move forward. When we move forward, we cannot leave any African behind. But that is what Engen is going to do. It is going to move, it is going to leave the valley, and it is going to leave us with an unjust future. The first thing to recognise is that all we are asking is to get what the President has promised us: A just transition away from Engen. That is really critical. But we cannot do this if we do not have an open democracy. An open democracy is not when Engen tells parliamentarians; it is the community in South Durban who can come and talk to them.”
Parliament listened for a change, and its Environment Portfolio Committee even allowed climate crisis to be heard, a rare occurrence. (The prior sitting of the same committee two weeks earlier celebrated the offshore Indian Ocean discovery of more billions of barrels of gas by French firm Total, with no questions asked about greenhouse gas emissions and climate implications.)

The reason for the elite politicians’ respect for D’Sa, Peek and others from SDCEA (who on another occasion when testifying on pollution and climate crisis were simply booted from the room by rude parliamentarians), was one of South Durban’s worst pollution incidents, four days earlier: the Engen explosion early in the morning of December 4.

The massive fire left several Engen workers and nearby residents injured and the neighbourhood terrified of a Bhopal-type conflagration. At least two members of parliament were thus slightly more sensitised to the argument (disclosure – which I made in brief testimony) that refinery methane, CO2 and all the other pollutants emitted over the decades, should result in a massive reparations bill, due by Engen.

Paying such an ecological debt would then cover the health costs of residents plus the refinery deconstruction and detox, soil rehabilitation and conversion of the prime land into something the communities and workers would together value: a genuine Just Transition.

Towards climate justice in 2021

The choice ahead – fight or succumb – is one that each of the four activists who died this year would readily make with renewed vigour but also a sense of realism.

- Fikile Ntshangase knew the coal industry’s local and global damage, ranging from water degradation to the role of fossil fuel in the Somkhele area’s persistent drought, and MCEJO and its supporters still despair when local workers join with capitalists to expand the damaging Tendele mine because there are no alternatives.
- Sizani Ngubane knew that without rapidly-increased control of good cropland and water during the worsening climate crisis, ethnic-patriarchal malgovernance and mineral resource-cursing in rural KZN will make it impossible for women to take their rightful place as the leading rural producers and as the forces of social reproduction in households and communities.
- Patrick Mkhize knew that workers will be central to winning a humane, ecologically-sensitive society including the detox of his home neighbourhood in South Durban.
- Faith ka-Manzi knew how the rise and fall of personal health and political movements were intertwined, and how a more profound set of local and global connections needed to be fought for every day.

Where does this leave those following in their wake, especially next-generation activists? Across the world, turning to the critical area of climate politics, the tragic aspects of the KZN
stories recounted above are evident in many sites: divisions, especially green-red splits; apathy, including too many of the youth for whom this issue will be life or death; violent (often patriarchal) resistance to change; profiteering and cooptation; and ideological confusion.

Partly as a result of these adverse conditions, at the global scale the rise of a Climate Justice movement during the early-mid 2000s – including the Durban Group for Climate Justice in 2004 – was generally less visible than the shallower, NGO-dominated Climate Action Network, whose standard-bearer was often the carbon trader Al Gore. The latter’s members eschewed militant activism, put minimal pressure on the state, often made deals with capital, and offered scant solidarity to base struggles.

In South Africa, the failure of insider climate-advocacy lobbying is obvious, as the Minerals-Energy Complex continues to thrive. Moreover, the mess made of unity between climate justice and climate action camps at the 2011 UN climate summit led me to write a worried (and auto-critical) account in 2012: “Durban’s conference of polluters, market failure and critic failure.”

On the other hand, perhaps it is the inability to thus far mainstream progressive climate justice politics, that has resulted in a more radical and hopeful – albeit still divided – terrain of citizen activism, such as that pursued by the four who have fallen. In South Africa, three distinct attempts to link labour with environmental and community activists – in the best radical spirit – emerged from the late 2000s through the 2010s: the Million Climate Jobs campaign for a Just Transition (based at the Alternative Information and Development Centre); a Climate Justice Coalition (driven by 350.org with SAFTU giving support); and a wider-ranging Climate Justice Charter movement that one day in October 2020 recorded 70 discrete actions including parliamentary protest, notwithstanding ongoing Covid-19 restrictions.

There were other signs of hope here, over the years, including a very radical 2015 conference mixing metalworker strategists – at the time, among the most eco-socialist anywhere – with a variety of communities and environmentalists furious with the parastatal Eskom. But regrettably that and several other attempts to gather up South Africa’s fractious activist community – the early 2010s Democratic Left Front, the mid-2010s United Front and the C19 People’s Coalition in 2020, which each offered great potential – did not prove durable. Aside from ever-present personality politics and sectarianism, movements like these typically suffer excessive dependency on international funders and overweight influence of NGOs or academics.

So the model of successful radical social change continues to be the kind of ‘single-issue’ mass social movement politics that led to massive victories in gaining access to AIDS medicines, or free tertiary education, or occasional micro-battle wins in other sectors. In climate politics, aside from a victorious legal battle to halt a small coal-fired power plant (Thabametsi), there have been too few wins, in comparison to the terrible continuation of Minerals-Energy Complex power.
The hope will always be the youth, but although the Global Climate Strike in September 2019 did bring thousands of young people into the streets in the largest cities, the subsequent cooling during Covid-19 has allowed the government to build back worse. Likewise, although there is a great militant potential in the Extinction Rebellion movement and though it appears to have taken off in several cities, there remain race and class inequalities that remind how XR’s very intense climate activism is not as rooted as it could be in the sorts of coal-face and frontline struggles described above.

And that intimidating balance of power is what the four late activists would look at and implicitly understand, and like so many similar South Africans, they would grit their teeth for the next battles around the corner. So must we all in 2021.
Intergenerational Equity and the Geographical Ebb and Flow of Resources: The Time and Space of Natural Capital Accounting
with Rahul Basu, in M.Himley and E.Havice (Eds), Handbook of Critical Resource Geography, New York, Palgrave Macmillan, 2021

What is “unequal ecological exchange,” especially when applied to resource flows affecting the Global South and its future generations? How does the North’s ecological debt – also termed environmental liabilities – to the South grow, as a result?

These are vital but underemphasized questions of resource economics, and they have implications for both temporal and spatial justice. Due to unequal ecological exchange, future generations lose natural wealth to present generations, and Global South locations from which resources are drawn but not properly compensated are owed an ecological debt.

But counting this debt presents its own problems, as we explore below. Under conditions where corporations have adopted the ideology of “natural capital accounting” for their own ends, there are profound dangers associated with monetizing nature. Yet if carefully handled, these are outweighed by the conceptual and practical merits of illustrating the underlying costs of extracting nonrenewable resources, for the purpose of calculating the rich world’s debt to the majority, and also for cases where Global South activists demand that the resources be left underground.

Such arguments are becoming more common in anti-extractivist activist circuits. They require more active support from those researchers, journalists and policy makers concerned about justice, solidarity and sustainability across space and time.

The point, explained below, is to halt the uncompensated extraction of nonrenewable minerals, oil, and gas. We oppose the siphoning of wealth from future generations to the current as well as from poorer, resource-dependent regions to the core of world capitalism.

As Andreas Mayer and Willi Haas (2016, 351) put it: “The disproportionately high levels of resource consumption in some parts of the world have created a debt towards the environment, towards other parts of the world, and also towards future generations through the excessive consumption of non-renewable resources.” This article reveals ways of conceptualizing resource injustices following from this form of unequal ecological exchange.

Counting nature’s value?

Across both time and space, measurement of unequal exchange immediately raises controversies, such as those associated with natural capital accounting methodologies and, specifically, their utilization by major corporations and allied multilateral institutions to “neoliberalize nature.” Hence, we take very seriously the importance of a dialectical application of these ideas.
In our applied work with organizations committed to eliminating or minimizing damage associated with the resource-extractive industries, we learn from both empirical and theoretical critique of the *status quo* and its ideology. But as discussed in the conclusion, the merits of a radical reappropriation of resource accounting for intergenerational and spatial justice are enormous.

To begin, the most unjust abuse of resources is obvious: fossil fuels. Oil and gas are already responsible for catastrophic greenhouse gas emissions and what is termed “loss and damage” caused by climate change. The benefits of fossil fuel consumption accrue to those alive *today* versus costs paid by those who do – and who will – suffer droughts and drying soils, forest fires, floods, sea-level increases, and ocean acidification amidst fast-rising temperatures *tomorrow*.

Not only temporal but also geographical implications are obvious too: those who benefit most have a higher carbon footprint and come from the Global North. The losers of the Global South not only did not cause the crisis, but are least able to finance adaptation and resilience as well as cover loss and damage (Bond 2012). This “climate debt” occurs across time and space in obvious ways.

In this article, we will focus on not only such obvious climate injustices but also two other features associated with resource dependencies: the *intergenerational* (temporal) and *geographical* (spatial) transfers of nonrenewable resource wealth. These transfers are extremely important.

To illustrate, the Pacific island nation of Nauru, where a century of phosphate mining left a legacy of barren land and environmental catastrophe along with near bankruptcy, is a classic example of consuming intergenerational wealth (Gowdy and McDaniel 1999).

As for Sub-Saharan Africa, the World Bank estimates that resource depletion collectively costs countries more than 3 percent of their collective gross income annually due to inadequately uncompensated minerals and oil extraction (Bond 2018; Lange, Wodon, and Carey 2018, 62).

There are, in short, massive environmental liabilities – ecological debts – owed by current generations and by the Global North. These include debts owed by elites within the South – e.g., what might be considered “sub-imperial” Brazilian, Russian, Indian, Chinese, and South African companies operating within Africa to future generations and the poorest peoples. These are not currently on the agenda to be repaid, even if resistance to firms from such countries is rising (Bond and Garcia 2015; van der Merwe, Bond, and Dodd 2019).

A just society’s version of a natural resource legacy should, in contrast, be provided to future generations and to the poorest regions from which the resources are extracted. One example of ecological debt paid to compensate pollution-related damage to natural resources is the US Superfund program, but it is limited to local processes.
Globally, one unsatisfactory example is the Green Climate Fund, which supports projects in poor countries but with no recognition of the funders’ liability in the event they are major greenhouse gas emitters. Ignoring such “climate debt” was a condition of signing the 2015 Paris Climate Agreement (Bond 2016).

When dug up by multinational or local corporations, natural resources are typically depleted without appropriate compensation mainly because of adverse power relations. The depletion of wealth is most extreme in the Global South and especially in cases in which dictatorships or authoritarian regimes are in league with global and local capital.

Such sites’ reinvestments of resource rents compare unfavorably to democratic countries, some of which (e.g., Norway) plough back proceeds of resource extraction into sovereign wealth funds. That process occurs because of the state-owned and managed character of resource ownership and use.

For example, Equinor, Norway’s state-owned oil company, finances a sovereign wealth fund that invests the proceeds and distributes its income. In turn, this makes it possible to engage in more rational use of such income for future generations via educational and social-infrastructural investments and to curb uneven geographical development with compensatory payments.

What is the appropriate way to draw down this wealth? A long-standing difference exists between a “weak-sustainability” conception of resource depletion and “strong sustainability.” In the weak version, the substitutability of capital means a reduction in natural capital is compensated for by investment in productive or human capital (Hartwick 1977; Solow 1974). The strong-sustainability position aims to protect the overall stock of natural resources, as argued by Herman Daly (1996).

Regardless of this debate, the recirculation of resource-sourced wealth is extremely unusual and is feasible in a few sites, like Norway, because of a long tradition of social democracy based on the society’s commitment to fairness. That commitment followed the struggles of trade unions and rural people’s organizations to unite in red-green coalitions that won power during the twentieth century, eventually constructing a welfare state (Esping-Andersen 1990).

In contrast, resource-endowed areas – especially in the Global South – that suffer repressive, super-exploitative conditions of accumulation offer examples of how not to appropriate common natural wealth. In these sites, current wealthy owners of the extractive industries facilitate both temporal and spatial shifts of value in ways that impoverish descendants and the “resource-cursed” regions.

To be sure, the resource curse meme has been abused, particularly because it blames the minerals, oil, and gas – when it is in reality powerful extractive and rentier forces that require attention. The “ecological determinism” associated with resource curse analysis also
undermines relational ways of understanding nonrenewable resources within changing historical and sociocultural contexts.

As a result, we agree with Nigerian oil critic Cyril Obi (2010, 483), who suggests we replace the resource curse premise with a “radical political economy which lays bare the class relations, contradictions, and conflicts rooted in the subordination of the continent and its resources to transnational processes and elites embedded in globalized capitalist relations.”

Again though, just as in the weak-versus-strong sustainability debate, for our purposes below we set aside semantic disputes over the two words “resource curse” – but retain our critique of helter-skelter extraction. This critique combines concerns about unequal ecological exchange ranging over both the temporal and spatial ebbs and flows of non-renewable natural wealth.

These two levels of analysis – temporal and spatial – have as their core political strategy the “valuation” of natural wealth, so as to empower both younger generations and current inhabitants. By valuing such wealth in quantitative and even monetary terms, we do not mean to endorse further capitalist environmental appropriation of what Marx termed the “free gift of nature.”

Instead, the point we want to establish, is that a radical reappropriation of these concepts is feasible so as to develop new tools to better resist exploitative resource extraction. Thus the critique of unequal ecological exchange below does rely upon natural capital accounting as a core conceptual tool, but it is one which we believe adds to anti-extractivists’ traditional concerns about the excessive political-socio-economic-environmental costs of nonrenewable resource depletion.

There is at least partial support for such accounting in some official quarters – for example, the Indian judiciary (Supreme Court of India 2014) and Africa’s 2012 Gaborone Declaration (Bond 2018). And there are also activist initiatives that use ecological economics as a basis to account for nature in the struggle against extractivism (including in Environmental Impact Assessments), even if it does not yet influence policy decision-making.

In all these settings, the imperatives of capital accumulation and class formation have together, thus far, overwhelmed both grassroots activists who resist extraction, and those technocrats from the state and civil society who are engaged in policy critique using natural capital accounting.

Nevertheless, an opportunity rises to raise awareness and address extraction by engaging with both resource curse analysis and NGO “transparency” advocacy. Both could improve dramatically if the temporal and spatial concepts of “Intergenerational Equity” and geographical justice were applied.

At the same time, it is vital not to promote “neoliberal nature,” in which not just a valuation is made, but a price system agreed upon in markets for the purposes of commodification and
trading. So we agree with critics of natural capital accounting – e.g., Sian Sullivan (2014) – that there is a danger when green capitalists (known as “ecological modernizationists”) attempt to “internalize the externalities” of extractive industries using market mechanisms, such as offsets or emissions trading in carbon markets. (HIS Markit measures such prices using a Global Carbon Index.)

That battle must also be joined, for the revitalization of global climate policy thanks to Joe Biden and John Kerry will re-empower neoliberal strategists and financiers, especially those who believe that having 22 percent of current world emissions under some form of carbon pricing is a positive sign – no matter that the 2021 market price for emitting a ton of carbon is nearly universally under $50, when the $80-100 range is vital to incentivize a switch to low-carbon systems. Moreover, there is huge variance (e.g., South Africa’s at just $0.43 per ton compared to Sweden’s at $132 per ton).

Most ominously, the CO₂ emissions market still swings wildly, following closely the irrational fluctuations of stock markets, including during the 2020 Covid-19 roller-coaster.

**Mainstream discourses on resource justice need revitalization**

From where did natural capital accounting emerge? Marxist political ecologist Paul Burkett (2006) confirms that one of the early-1970s challenges to mainstream (neoclassical) economics
was the notion of “limits to growth”: scarcity associated with excessively rapid depletion of nonrenewable resources. A new discipline arose, based on reconceptualizing the environment as natural capital.

According to Burkett (2006, 94), “although the origins of natural capital are unambiguously neoclassical, ecological economists have been at the forefront in developing and popularizing its usage... as a core paradigmatic concept.” In short, argued neoclassical economists, “an economy can indefinitely maintain a positive level of consumption by investing its savings in capital, so long as capital can be substituted for the natural resource,” as Burkett explains.

Within this logic, the concept of Intergenerational Equity – so as to not draw down natural wealth too rapidly – gradually dawned. The next step, following leading mainstream economist Robert Solow’s (1974) suggestion that various forms of capital are substitutable, was his student John Hartwick’s (1977, 972) call to:

“Invest all profits or rents from exhaustible resources in reproducible capital such as machines. This injunction seems to solve the ethical problems of the current generation short-changing future generations by ‘overconsuming’ the current product, partly ascribable to current use of exhaustible resources. Under such a program, the current generation converts exhaustible resources into machines and ‘lives off’ current flows from machines and labor.”

Taking the “Hartwick Rule” argument from natural to productive capital and then to “human capital” investment (the “knowledge stock”) was not a major leap. Even aside from how objectional it is to reduce all life to a capitalist calculation, one ready objection is that the substitutability of these different kinds of capital is not at all straightforward (Berkes and Folke 1992; Burkett 2006).

Also important, conceptually, is dividing natural resources into two types: renewable and nonrenewable (exhaustible). For accounting purposes, ecological economists Robert Costanza and Daly (1992, 38) argued, “Renewable natural capital is analogous to machines and is subject to ... depreciation; nonrenewable natural capital is analogous to inventories and is subject to liquidation.”

Notwithstanding these complications, as well as the ethical problem of monetizing life forms, the framing of natural resources as capital has taken hold. With this in mind, Gro Harlem Brundtland’s World Commission on Environment and Development (1987) stressed intertemporal justice, by defining “sustainable development” as meeting “the needs of the present without compromising the ability of future generations to meet their own needs.”

Likewise in 1993, summing up two decades of mainstream environmental-economics thinking, Solow (1993, 170) asked, “What should each generation give back in exchange for depleted resources if it wishes to abide by the ethic of sustainability? ... [W]e owe to the future a volume of investment that will compensate for this year’s withdrawal from the inherited stock.”
The calculation of nonrenewable natural capital as a negative “withdrawal” became one of Daly’s (1996) objectives when he briefly worked inside the World Bank, even though his agenda was much more radical: reversing the neoliberal policy agenda using natural capital accounting as a lever.

Daly’s 1996 farewell speech beseeched Bank colleagues to “stop counting natural capital as income” without a corresponding debit to account for depletion, and to instead, “maximize the productivity of natural capital in the short run, and invest in increasing its supply in the long run.” That would also necessarily entail a “move away from the ideology of global economic integration by free trade, free capital mobility, and export-led growth.”

As might be expected at an institution like the World Bank, Daly’s natural capital accounting hit a brick wall, he admitted, because it “just confirmed the orthodox economists’ worst fears about the subversive nature of the idea and reinforced their resolve to keep it vague” (Daly 1996, 88–93). It took more than a decade for Daly’s words to resonate sufficiently that the counting of natural capital began in earnest. Impressive organizing efforts by the Bank and Conservation International led to a Wealth Accounting and the Valuation of Ecosystem Services (WAVES) project.

A parallel pro-extractive interstate institution is the Committee for Mineral Reserves International Reporting Standards (2020), self-described as an “international initiative to standardize market-related reporting definitions for mineral resources and mineral reserves.”

As one example of WAVES’ work, the 2012 Gaborone Declaration for Sustainability in Africa was signed a month before the Rio+20 Earth Summit, at a time when world environmental policy leaders anticipated a major shift toward the “green economy” and associated techniques of ecological modernization. According to that declaration, “limitations that GDP has as a measure of well-being and sustainable growth” left ten African signatory countries to begin “integrating the value of natural capital into national accounting and corporate planning.”

Although supposedly an “African-led initiative for sustainable development,” the Bank and Conservation International took up the primary duties of implementation. Because of the often-corrupting ties between multinational mining corporations and states, few African elites exhibited interest in WAVES, quite logically, for this sort of information certainly doesn’t serve their interests.

African statistical agencies work within WAVES to gather data but so far avoid core contradictions of extractive industries; for example, Zambian researchers neglect to measure copper depletion.

At this point, in contrast to World Bank approach, it is again important to distinguish between two divergent conceptions of sustainability – strong and weak. Strong sustainability considers
as especially critical those types of capital that cannot be substituted by other forms of capital, such as the wealth of Earth’s biodiversity and species diversity.

Strong sustainability requires that the stock of natural capital does not decrease and thus motivates the precautionary principle – do not risk a catastrophe – that environmentalists apply to climate change, nuclear power, and the like. Sociocultural artifacts, burial sites, spiritually important places, and sacred mountains would also fall in this category. In the context of Goa, India, the Western Ghats are both a biodiversity hotspot as well as the water tower of peninsular India.

Although, following Hartwick (1977), weak sustainability advocates do acknowledge that natural capital is depleting, typically without adequate compensation to those losing wealth, this perspective assumes that different types of capital (natural, produced, cultural, and so on) can replace each other. Their standpoint is merely that the total stock of capital should not decline.

Therefore, while extracting minerals reduces or depletes the available quantity of mineral resources for use by future generations, the Hartwick Rule holds that consumption can be maintained “sustainably” if the values of nonrenewable resources are continuously invested – e.g., in human capital through higher education subsidies – rather than used for consumption.

The Hartwick Rule is intuitive: so as to keep inherited capital at least constant when a mineral (a nonrenewable resource) is extracted – thereby reducing a country’s mineral wealth – that country should create or invest in another asset of at least the same value as the mineral that is depleted.

Taking the economic value of mineral resources to be the difference between the price paid in the market versus the total cost of producing it, including a return on capital (“resource rent” or “economic rent”), the Hartwick Rule thus requires that this value of extracted mineral resources be captured and continually reinvested.

The Hartwick Rule is one way to implement the Intergenerational Equity principle. After Hartwick, many others expressed concerns with depletion, including Christian Azur and John Holmberg (1995, 11) who grappled with appropriate costings over time, estimating Generational Environmental Debt as “a measure of the total amount of environmental damage that past and present generations have caused, but that will affect future generations” from accumulated CO2 emissions.

This value-laden choice continues to aggravate environmental economics, such as when the Nobel economics prize was given to William Nordhaus in 2018 in spite of his controversial discounting of future life (Hickel 2018).

But the concept has deep roots in human civilization, which unfortunately have been obscured over time. Consider inheritance law: inheritors of property are simply custodians for future
generations, especially if the inheritance involves “entailment,” which constrains a present heir from consuming the inheritance, because it recognizes the rights of subsequent heirs.

To illustrate, in most cultures, there is the rich good-for-nothing heir who lives high on the hog, by selling off the family silver, unfairly impoverishing their future generations.

Or, consider endowment funds, where the capital is conserved and only the income used. The deepest rationale in this case is the idea of stewardship, the idea that capital must first be conserved. Indeed, the accounting and economics professions generally define income not as revenue but as the residual after we ensure that the capital is held constant.

Further, environmental economics provides us with the “sustainable yield” principle: we can only consume that amount that does not endanger the capital. And, in most countries, natural resources – including forests, streams, beaches, oceans, atmosphere, and minerals – are owned by the state as a trustee on behalf of the people and especially future generations.

This public trust doctrine represents one form of implementing the Intergenerational Equity principle, in the public domain. It is often derived from natural law and considered more fundamental than the Constitution. For the trustees, the foremost obligation is to ensure the corpus of the trust is kept whole. Moreover, there is a duty to treat all the beneficiaries equally.

In 2017, the Pennsylvania Environmental Defense Foundation won a judgment in the Supreme Court of Pennsylvania (2017) that the state must consider natural resources in the role as trustee, not proprietor, and therefore must use the proceeds from extracting oil and gas for restoring the environment, not general government expenditure.

Given the powerful demands by youth activists that Intergenerational Equity be central to future climate politics, this is a vital time to revisit the idea, and to apply it to all society-nature relations.

Evidence from natural capital accounts

How do these ideas of environmental stewardship relate to natural capital, valuation of nature and ecological debt? There are recent studies of both spatial and temporal inequity associated with extractivism, especially efforts to limit damage or to demand reparations from polluters.

In Goa, India, for example, Intergenerational Equity was identified based upon audited financial accounts of the largest mining firm. It revealed a system of leases that resulted in the loss of over 95 percent of the value of local minerals (deducting extraction expenses and a reasonable profit for the extractor). Over eight years, the state government received less than 5 percent of the mineral value as royalty, a pittance in comparison to windfall profits raked in by the firm.
The amount lost is a redistributive per-head tax, contributing to spatial inequity. Worse still, even the royalty was treated as windfall revenue and frittered away, cheating future generations of their entire inheritance (Basu 2015, 44–48).

In such contexts of extreme resource depletion, there are at least two steps in achieving, at minimum, weak sustainability of mineral resources: ensuring no loss in the value of the natural resources and investing those amounts received, in exchange for selling the mineral wealth in productive assets so that overall wealth does not decline (Basu and Pegg 2020, 1).

To measure whether these two steps have been taken, an “adjusted net saving” variable was adopted by the World Bank. Its The Changing Wealth of Nations series reports on how “increasing standards of living lies in building national wealth, which requires investment and national savings to finance this investment” (World Bank 2011, 37). The level of national savings reflects whether there has been an increase in wealth, net of natural capital extraction.

By definition, income minus consumption = savings = increased wealth. Increases in national wealth usually enable higher levels of subsequent income; rising wealth is a stronger requirement than Hartwick’s Rule, which simply requires the maintenance of wealth, assuming substitutability of different forms of “capitals” (no matter the latter three of these are controversial categories): productive, financial, infrastructural, social, human and natural.

The Bank modified the orthodox measure of savings to account not only for wear and tear on physical capital (“depreciation”) but for the latter two “capitals”: education (“human capital”) and nature (i.e., depleted non-renewable resources and pollution). The Bank terms this adjusted net saving (or “genuine saving”). In short, gross national saving is adjusted for annual changes in volumes of all forms of capital, including natural capital and human capital.

More specifically, a country’s adjusted net saving is measured as the economy’s net national savings minus the value of physical capital’s depreciation (“fixed capital consumption” due to wear and tear), environmental degradation (e.g., pollution), and depletion of subsoil assets and deforestation, but then with the addition of education expenditures (World Bank 2011, 37).

If adjusted net saving is negative, according to this logic, then the country is running down its capital stocks and reducing future well-being, social welfare, and future capacity to maintain extant standards of living. And if adjusted net saving is positive, then the country is adding to wealth and future well-being (World Bank 2011, 37).

Evidence indicates that countries that are more dependent on mineral extraction have underinvested – their adjusted net saving tends to be lower. In the Bank’s calculations, all countries where mineral rents account for 15 percent or more of their gross domestic product (GDP) have underinvested in other forms of capital.
In other words, these countries are simply using up their natural resources to finance consumption rather than investing in productive assets, thereby both making themselves poorer in aggregate (World Bank 2011, 11) and cheating future generations of their inheritance.

**Sub-Saharan Africa’s Gross National Income, $, 1960-2018**

![Graph showing Sub-Saharan Africa's Gross National Income, 1960-2018](image)

Source: World Bank

**Regional Composition of Wealth by Types of Capital, 1994 and 2014 (percent)**

![Graph showing regional composition of wealth by types of capital, 1994 and 2014](image)

Source: Lange et al, 2018, 51.
Though not typically conceded by the Bank, it is vital to define this resource “consumption” as including profit expatriation plus Illicit Financial Flows associated with multinational corporates’ extraction in poor countries. This spatial injustice allows for inordinately high consumption by the firms’ overseas executives and shareholders, not within the country of origin.

Most of sub-Saharan Africa, for instance, has in recent decades suffered negative adjusted net saving by this measurement, especially during the rapid commodity-related rise in gross national income (GNI) beginning in the early 2000s. By adding North African countries where mineral wealth is poorly managed – especially Libya since 2011 – the overall African depletion...
of wealth is acute, given that natural capital ranges between 40 and 55 percent of Africa’s overall wealth.

As a footnote, World Bank researchers were confounded by platinum and diamond markets, and so simply left them out, hence dramatically underestimating the wealth and depletion process in some countries, such as South Africa, Zimbabwe, Botswana, Namibia, Angola, the Democratic Republic of the Congo, Sierra Leone, and Liberia.

But even with that caveat – neglected platinum and diamond extraction – the Bank concedes that since 2000, between 2 and 3 percent of the region’s reported income has been depleted annually without offsetting compensation, an amount typically exceeding $100 billion. This growing ecological debt owed by the North is greater even than Africa’s estimated Illicit Financial Flows associated with tax dodging and other accounting gimmicks, typically around $50 billion annually.

In 2008, for example, the subcontinent’s GNI exceeded $1 trillion, but natural resource depletion was negative 15 percent, i.e., $150 billion. Likewise at the point of least net natural resource depletion (6 percent), in 2015, as commodity prices crashed, GNI was $1.5 trillion so the total net outflow on resource accounts was at least $90 billion.

**Uses, nonuses, and abuses of natural capital**

There are temporal and spatial aspects of this natural capital accounting methodology, especially in allocating ecological debt owed to future generations and those currently in the sites of extraction. But what is most important to point out here is that in subsequent years, a related concept – the resource curse – took two distinct turns without referring to this work:

- on the one hand, a blame-the-victim concern with Third World elite inadequacies during negotiations with transnational corporations that is evident both in the academic literature (e.g., Humphreys, Sachs, and Stiglitz 2007; Robinson, Torvik, and Verdier 2006) and applied projects (e.g., the Extractive Industries Transparency Initiative and Publish What You Pay); and
- on the other, a grassroots anti-extractivist agenda witnessed in thousands of anti-mining and anti-oil protests, many of which demanded that resources be left underground.

The moderate NGOs rely on a simple philosophy to reform extractive industries: *transparency* can sanitize the process of corruption. Hence, they pay most attention to payment flows, project damage mitigation, Free Prior and Informed Consent (a United Nations mandate that genuine community consultation and permission should be acquired before extraction), and other assimilationist reforms, typically ignoring both grassroots resistance and natural capital depletion.
What the two strands of this argument now suggest should be obvious: both Intergenerational Equity and North-South equity are at stake. Both kinds of ecological debt must be openly acknowledged.

Hence we adopt the strategy of “counting nature” in order to identify withdrawals from poor areas and countries – not as an endorsement of ecological modernization, and certainly not so as to price and therefore market the environment, but to value it, so as to and halt the unjust extractivism still ravaging resource-rich countries and to count and demand reparations as ecological debt.

In contrast, Pavan Sukhdev’s strategy is termed “The Economics of Ecosystems and Biodiversity” (TEEB 2020, 1). It aims to “make nature’s values visible” so as to “help decision-makers recognize the wide range of benefits provided by ecosystems and biodiversity, demonstrate their values in economic terms and, where appropriate, capture those values in decision-making.”

Such mainstream thinking is that “capture” can be accomplished by market mechanisms (such as carbon trading). We consider these utterly inappropriate, for instance because natural assets have characteristics unsuitable to speculative financial markets (Bond 2012).

Indeed, there is an extraordinary tension built into this debate, with vital strategic implications about whether anti-extractive grassroot movements as well as transparency-based NGOs and solidarity advocacy groups should take up this methodology of valuing nature and demanding ecological debt repayments in coming years – for example as a means of avoiding further extraction such as in Ecuador’s Yasuni Natural Park (Bond 2012, Leave Fossil Fuels Underground 2018).

Those from a critical perspective who reject natural capital accounting on methodological and political grounds, such as Sullivan (2014), are not necessarily opposed to demands for reparations against those engaged in environmental damage. As she explains,

“In a move with which I am in broad sympathy, Sharife and Bond (2013) also argue that natural capital accounting and associated calculations might be mobilized in the course of reckoning ecological debt reparations, whereby retributive payments for ecological debt are based on both loss and damage accounting and environmental justice, and made through fines for damages and prohibitions on further pollution.”

The latter strategies – i.e., fines and prohibitions – are entirely different than the objective of ecological modernizationists who insist on simply imposing fees (e.g., the “payment for ecosystem services” concept) so that pollution can continue.

And as for the methodology associated with ecological debt quantification, Joan Martinez-Alier (2002, 228) concedes, “mea culpa. My excuse is that the language of chrematistics is well understood in the Borth.”
In other words, by taking the neoliberal conception of market valuation on its own terms, the case can still be made that extractivism should be halted in most situations, given that the declining wealth cannot justify the (maldistributed) rise in short-term income.

But aside from a conceptual agreement about the validity of ecological debt, Sullivan and other critics of monetizing nature do not do justice to our concerns about temporal (intergenerational) and spatial (unequal ecological exchange) injustices associated with depleted natural wealth.

Nor do Sullivan and other critics envisage a route by which halting such injustices through activist critique may entail recourse to full-cost accounting – e.g., in Environmental Impact Assessment critiques of resource-extractive projects (see, e.g., Basu 2017; South Durban Community Environmental Alliance 2019).

However, we do agree with profound aspects of the critique of natural capital accounting. For example, Sullivan (2017, 408) is absolutely correct to remark on other deficiencies of ecological modernist conceptions: “diversities are lost in the world-making mission to fashion and fabricate the entire planet as an abstracted plane of (ac)countable, monetizable and potentially substitutable natural capital.”

Adds Patrick Bresnihan (2017, 44), “The enthusiasm for economic valuation methodologies should not obscure the continued significance of questions of ownership, uneven distributions of power, and the distribution of environmental goods and bads.” These kinds of warnings we appreciate, and we agree that researchers and policy-makers – and especially serious activists – must be acutely aware of dangers associated with natural capital accounting.

**Resistance narratives mature**

It should now be evident that exceptionally high outflows of resource-related wealth with which we are concerned can be understood as both temporal and spatial modes of systemic impoverishment. Or, recall another vocabulary that harks back to Rosa Luxemburg’s 1913 critique of capitalist/non-capitalist relations in resource-rich colonies, “accumulation by dispossession” (Harvey 2003).

The most important reflection of the heightened intensity of this process since the early 2000s is that citizen groups, journalists, and researchers are beginning to recognize how important it is to halt the illegitimate offshoring and intergenerational transfers of wealth from these resources.

Perhaps the most urgent and profound intergenerational message for future advocacy narratives is that climate breakdown requires fossil fuels to be left underground – and with a compensation arrangement for governments and peoples in poor countries, as was attempted

We do not need to dwell upon this obvious conclusion, aside from remarking that what Naomi Klein termed the “Blockadia” concept – i.e., disrupting fossil fuel extraction, refining, and transport – is well underway (EJAtlas 2019; Klein 2014;).

Of course, the extraction of certain classes of hydrocarbons can certainly be justified even in a climate-conscious society, assuming that this could be accomplished without contributing greenhouse gases – i.e., the fossil fuels would not be combusted for wasteful energy or transport purposes – for the sake of the myriad ways they are used in the production of necessary goods (pharmaceutical products, synthetic materials, and even some vital forms of plastic).

Indeed, we anticipate the phrase “minimally necessary extraction” to become increasingly important, especially as the “degrowth” philosophy becomes more popular in coming years (Bond 2019; Kallis and March 2015).

As for the value transfer problem, the rise of citizen awareness is occurring in part through campaigns against Illicit Financial Flows associated with multinational corporate tax dodges, especially in the resource-extractive industries. To combat such flows, the international Publish What You Pay NGO network feeds into the Extractive Industries Transparency Initiative – innocuous enough to be endorsed by many states and extractive-sector corporations – and “Stop the Bleeding” campaign in Africa.

However, important though they are, such transparency and anti-corruption narratives alone have not proven to be a solution, since they explicitly ignore the depletion dilemma.

The same problem exists in most community-based struggles against the local pollution and social damage that is done through resource extraction. In some such cases, to grapple with resource depletion as a concept would drastically interfere with an NGO reform agenda that simply polishes the rough edges of mining so that it can continue with more legitimacy.

This latter process is evident in the annual Cape Town “Alternative Mining Indaba” (opposed to the mining industry’s simultaneous conference), which became so stultifying (Maguwu and Terreblanche 2016) that an alternative Thematic Social Forum on Resisting Mining and Extractivism – stressing “the right to say no!” – was founded in 2018, in Johannesburg.

This resistance was not merely theoretical: in 2015, a year in which $80 billion in new mining was undertaken, those advocating for leaving minerals underground managed to block a vast share of mining. Anglo American Corporation Chief Executive Mark Cutifani estimated, “There’s something like $25 billion worth of projects tied up or stopped” (Kayakiran and Janse van Vuuren 2015).
In other cases, there is also a growing awareness about the dangers of licit – albeit immoral – resource value transfers, in which formal contracts legalize the (uncompensated) extraction of wealth across time and space.

This was the conclusion that even a Financial Times journalist, Tom Burgis, arrived at after reporting on extreme levels of uncompensated extraction in the Global South: “keep resources in the country and implement high tariffs to protect domestic industries” (quoted in Monks 2018).

Others have called for sovereign wealth funds to continue extraction, but slow the geographical flight of wealth by ensuring community trusts or national funds are replenished en route.

We argue on behalf of a much more depletion-conscious narrative that pays tribute to future generations’ needs and to local citizenries who are currently not well served by the prevailing mode of extractivism. We have learned of creative resistance to extractivism from both activists and intellectuals.

The former have driven public policy in all spheres of life, and anti-extractivism is one of the most powerful recent trends, as witnessed in February 2021 when the Ecuadoran presidential election featured an indigenous candidate winning nearly 20 percent of the vote, ultimately preventing the centre-left extractivist candidate from winning outright (although a neoliberal banker won instead).

And in public policy, as an example, the Goa experience includes advocacy that resulted in a 2019 National Mineral Policy statement: “natural resources, including minerals, are a shared inheritance where the state is the trustee on behalf of the people to ensure that future generations receive the benefit of inheritance. State Governments will endeavour to ensure that the full value of the extracted minerals is received by the State” (Government of India 2019, 11–12).

While few activists have publicly grappled with the enormity of the continental-scale resource depletion problem – i.e., the conservatively estimated $100 billion drawn down from sub-Saharan Africa’s natural wealth annually (not including the platinum and diamond sectors) – at least at the local level, their anti-extractivism is enhanced by showing how economic degeneration results from a net decline in natural capital.

To illustrate, in eastern Zimbabwe’s notorious Marange diamond fields, bottom-up resistance has generated not only courageous protests but also arguments against extraction that deploy natural capital accounting.

According to Marange’s main civil society watchdog, Farai Maguwu (2016, 5) of the Center for Natural Resource Governance, “mining is a disaster unfolding across Zimbabwe. Mining is creating an enclave economy full of white-collar criminals, who make virtually no positive
linkages to the broader Zimbabwean economy. They simply deplete our natural capital and provide an inconsequential return.”

Likewise, the Zimbabwe Environmental Law Association finds that “Diamond revenue represents natural capital depletion and, therefore, its expenditure should be judicious” (Sibanda and Makore 2013, 29). In 2016, then President Robert Mugabe admitted an exceptional level of injudicious extraction: “We have not received much from the diamond industry at all. I don’t think we have exceeded $2 billion, yet we think more than $15 billion has been earned” (Magaisa 2016).

Conclusion

A combination of the geographical and generational justice agendas will be required to make headway against excessive resource depletion. For those engaged in critical scholarship who have been skeptical of natural capital accounting (for very good reasons we acknowledge), our appeal is to consider whether that opposition risks becoming politically disempowering:

- first, it allows ecological-debt denialists to avoid facing up to the scale of damage done by an extractivism that favors the Global North and current generations and,
- second, this technique - as we advocate it, shorn of market mechanisms – can usefully add pressure against mindless extractivism, whether as national economic policy or so as to augment campaigning by grassroots activists (such as we believe occurs fruitfully in Goa, South Durban, and eastern Zimbabwe as just three example sites).

To move the agenda back to a general ideological level, away from the environmental economists and other ecological modernizationists whose market techniques will continue to distract attention from justice, it may be that an ecofeminist approach will be required to compel civil society to take up these matters properly.

In Africa, the leading network that advocates further praxis-oriented research along these lines is the Johannesburg-based African Women Unite Against Destructive Resource Extraction, or WoMin. In coming years, WoMin proposes a full-cost accounting sensitive to ecofeminist principles, one that extends from a “social reproduction” (Mitchell, Marston, and Katz 2012) analysis of how male labor gets to the point of production within the extractive circuits.

The analysis incorporates (gendered) small-scale agricultural production systems on the land that are increasingly threatened by extractivism (e.g., land grabs and air-water-land pollution). It considers women’s burdens during climate breakdowns due to fossil-fuel extractivism. And it acknowledges the de facto responsibility that women are given to steward life itself (including ecological inheritances) into future generations. As the organization explains:

“WoMin will deepen its efforts to foreground a feminist analysis of costs, showing that this places particular burdens on the cheap and unpaid labor of impacted women. We will grapple further with the problematic of costing damage and impacts, immediately and on a
cumulative basis, to show that an extractivist model of development does not advance people and their economies, but rather destroys and immiserates them.

“We will show the inter-generational costs of extractivism and we will work to argue that Africa and African nations are losing sovereign wealth through extractivism and only becoming poorer. These efforts lay the basis for advocacy and campaigns to build wider popular and public consciousness, build the grounds for advocacy on development alternatives, as well as advocate and campaign to force the internalization of real costs, which would render the majority of projects unsustainable.” (WoMin 2019, 9)

If many of the world’s mining and fossil-fuel projects are indeed determined to be unsustainable – once a full accounting of costs is accomplished, with consciousness about who wins and loses, across time and space, while avoiding market strategies for compensation – then ultimately this is the basis for moving from the field of ideas to a more confident rejection of status quo extractivism, both by activists and perhaps also by conscientized policy makers. It is also one basis for claiming that an ecological debt must now, at long last, be reckoned with.

Only then can society end what is now the uncompensated and often unnecessary extraction of nonrenewable minerals, oil, and gas. Only then can ecological reparations for the debilitating injustices of resource extraction be justly demanded.

In sum, the times and the spaces in which we engage and promote radical forms of natural capital accounting are, potentially, just scratching the surface of a more general strategy for environmental, sociocultural, political-economic, geographical, and intergenerational justice.

References


https://mines.gov.in/writereaddata/Content/NMP12032019.pdf


doi:10.1080/00045608.2014.973803

Klein, Naomi. 2014. This Changes Everything. Toronto: Alfred A. Knopf.


Retrieved from https://www.thestandard.co.zw/2016/03/14/mugabe-and-the-15-billion-question/

Supreme Court of India, 2014. Goa Foundation vs UOI & Ors. [2014]. WP(civil) 435 of 2012 6 SCC 590
Luxemburg’s Contemporary Resonances in South Africa: Capital’s Renewed Super-Exploitation of People and Nature
in D.Cornell and J.Gordon (eds), Creolizing Rosa Luxemburg. New York, Rowman and Littlefield, 2021

For South Africans, Rosa Luxemburg’s *The Accumulation of Capital* offered a profoundly relevant contribution to the Marxist theory of imperialism partly because she drew on primary accounts of this country’s super-exploitation. Those were written during the critical period of primitive accumulation, and as a result, she considered the context for land and natural resource dispossession, migrant labor, and ethno-patriarchal rule. In the process, she described and also theorized how settler colonialism’s primitive accumulation was not a once-off affliction. Instead it was, and remains, a systematic way to arrange capitalist and non-capitalist relations to the benefit of the former, as a means of addressing internal contradictions within the accumulation process, albeit in a context of growing resistance.

Here is the line of argument. First, Luxemburg’s *Accumulation* gives us the basic tools to work through why there is a “ceaseless flow of capital from one branch of production to another, and finally in the periodic and cyclical swings of reproduction between overproduction and crisis” (2003, 76). Second, as the capital flow turns from new sectors to new spaces, imperial power helps capitalist social relations dominate non-capitalist “natural economies.” These are not only the terrains of pre-capitalist society (including patriarchal structures as well as proto-feminist reactions) and post-capitalist mutual-aid systems—including varieties of what can be considered “commons”—but also the environmental assets of dominated countries, of which Africans are the most sustained victims.

Third, Luxemburgist politics—which Gunnett Kaaf (in this volume) reminds us still inform the South African left’s disputes over strategy—do not necessarily require that all efforts be directed into building a political party at every moment in time. Instead, it is in the uneven defense of non-capitalist spheres of life that more progress has been recorded. “Commoning” is a useful term to describe many of these resistances (Cornell 2012). In South Africa post-1994, these modes of resistance have at least five characteristics: removing vestiges of apartheid; opposing commodification of daily life; attacking late-capitalist investments in Intellectual Property that threatened millions of lives; transforming educational opportunities; and undermining the crony capitalism that Fanon (1963) warned would be an inevitable mode of post-colonial accumulation in his *Wretched of the Earth*. Stitched together properly, these offer broader lessons for socialist, feminist, anti-racist and indeed eco-socialist politics, even if in 2020, too many forces are arrayed against these to express confidence about an imminent left regroupment.

**Capitalist versus Non-capitalist Relations, in Structural Socio-Political-Economic Terms**

Luxemburg’s articulation of the settler-colonial version of imperialism, especially evident in South Africa, still rings true today:

Non-capitalist relations provide a fertile soil for capitalism; more strictly: capital feeds on the ruins of such relations, and although this non-capitalist milieu is
indispensable for accumulation, the latter proceeds at the cost of this medium nevertheless, by eating it up. Historically, the accumulation of capital is a kind of metabolism between capitalist economy and those pre-capitalist methods of production without which it cannot go on and which, in this light, it corrodes and assimilates (Luxemburg 2003: 327).

Myriad contradictions arise from the capitalist and non-capitalist “articulations of modes of production,” as Harold Wolpe (1980) described the apartheid form. For example, Annette Kuhn and AnnMarie Wolpe (1982) explained the terribly adverse gender power relations observable in South Africa (as well as all other capitalist-patriarchal societies) during “social reproduction,” or the “second shift.” This typically entails women’s unpaid labor in child-bearing and rearing and female care-giving for ill and elderly family and community members, often in addition contributing to community activities that add to overall social welfare. These functions exist, David Harvey (2017: 14) suggests, alongside Marx’s logic of the capital-labor relationship: “social reproduction as a separate and autonomous sphere of activity providing in effect a free gift to capital in the persona of the laborer who returns to the workplace as fit and ready for work as possible.”

This is true generally across capitalist countries, but in the last century’s evolution of Western social policy—e.g. the “Three Worlds of Welfare Capitalism” as analyzed by Gosta Esping-Andersen (1990)—the critical difference with South Africa is that under apartheid, women’s child-rearing, home-based medical care of sick workers, and elder-care of retirees were largely performed in distant “Bantustan” homelands without any supportive state infrastructure (i.e., the standard childcare creches and schools, health systems and retirement funds of advanced capitalism—aside from the sporadic existence of religious missionary schools). This structural feature of apartheid has to some extent persisted, given the state’s extremely weak delivery capacity in rural areas.

The extent to which the wages earned by a laborer cover family reproduction costs helps to assess whether “super-exploitation” is underway. As John Smith (2018) argues, this would be increasingly evident in the “reduction in the value of labor power by suppressing consumption levels (or what amounts to the same thing, shifting production to countries where workers’ consumption levels and the value of labor power is much lower)” (original emphasis). The “vast scale” at which this suppression of consumption happens today, he insists, is due to “the suppression of wages below the value of labor power and international variations in the rate of surplus value” (Smith 2018).

Consider two aspects: wages that are below even family poverty levels in South Africa, and local corporate profitability in relation to “international variations.” First, the StatsSA official agency does not provide us sufficient empirical evidence to fruitfully dwell on these two matters, but three superficial indicators of super-exploitation are suggestive of the depraved conditions that now prevail. First, the “Upper Bound Poverty Line” was in mid-2019 calculated by StatsSA as $83.46/month ($2.79/day), defined as enough money to buy food sufficient to provide an average person 2100 calories per day plus “an allowance for the consumption of
non-food basic necessities (such as clothing, shelter, transportation, education, etc.)” (StatsSA 2018, 6).

It can be deduced that workers within the families comprising the lowest-income two-thirds of South Africans (i.e., that are at or below this line, with many deriving income only from tokenistic social grants) are super-exploited, presuming they enter the labor market. (Indeed, even if they are technically unemployed, they suffer the “reserve-army” function of dragging wages lower. And in any case, StatsSA has a very low bar for the definition of “work.”) Within the labor market, a new national minimum wage was set in 2019 at $198/month (aside from domestic work, farm labor and state public works jobs, where the figure drops to $119/month). For an average household size (3.86 people), a single earner would need $298/month to keep her/his dependents at the poverty line.

In short, seen from below, there is extreme super-exploitation underway across the economy, with workers unable to maintain their households at the poverty line. A related indicator of super-exploitation through social reproduction is that this poverty line has not been penetrated by state social programs, for the social share of South Africa’s fiscal commitment is, contrary to impressions, very low: just eight percent of GDP, which ranks fifth least generous among the world’s fifty main economies (Figure 1).

Disputes continue not only as to whether an income measure of poverty is appropriate, but also as to whether StatsSA is engaged in systemic under-counting of both essential expenses (including the food basket) and the share of the population living below the line. Normally, I prefer to use higher round-number estimates—the local-currency value of R50/day, or in mid-2019 dollar terms, $100/month—because researchers at the University of Cape Town SA Labour Development Research Unit (Budlender et al 2015) and an anti-poverty NGO (Pietermaritzburg Economic Justice and Dignity 2019) have identified serious methodological flaws at StatsSA. The latter suggests that a household budget of $498 is appropriate, which is $129/month/person for one of average size, i.e., 3.86 members. Budlender et al estimated that, in contrast to StatsSA’s calculation that 53 percent of South Africans survive with income under $2.78/day, the actual figure was probably 10 percent higher in 2015; by 2019 poverty had worsened by a few more percent. An enormous “reserve army of labor” exists in South Africa, one able to survive only through access to a family member’s monthly state grant. (The main one is a $27.45/month Child Support Grant that goes to 12 million primary caregivers, but it is means-tested for families whose head earns less than $3500/year, or $7000 if there are two heads of household.)

The official South African unemployment rate is nearly 40 percent (counting “discouraged work seekers” who have given up looking), even though “work” is defined as merely one “yes” answer to any of these three questions: “In the last week, (a) Did you work for a wage, salary, commission or any payment in any kind (including paid domestic work), even if it was for only one hour? (b) Did you run or do any kind of business, big or small, for yourself or with one or more partners, even if it was for only one hour? (c) Did you help without being paid in any kind of business run by your household, even if it was for only one hour?” Until 2008, the StatsSA (2007, 3) definition was even more generous, with “employed” including these categories of activity, even if it was for just one hour over the week prior to the Labor Force Survey:

• Run or do any kind of business, big or small, for himself/herself
• Do any work for a wage, salary, commission or any payment in kind
• Do any work as a domestic worker for a wage, salary or any payment in kind
• Help unpaid in a family business of any kind
• Do any work in his/her own or family’s plot, farm, food garden, cattle post or kraal or help in growing farm produce or in looking after animals for the household
• Do any construction or repair work on his/her own home, plot, cattle post or business or those of the family
• Catch any fish, prawns, shells, wild animals or other food for sale or household food?
The second superficial indicator of whether South Africa qualifies as super-exploitative is the rate of profit of companies, in relation to those based elsewhere in the world. The most recent comparative data are from the International Monetary Fund’s annual Article IV Consultations, which periodically rate South Africa’s corporate profits against peers. The South African operations of both local and international firms have recently ranked within the top three (among both high- and middle-income countries) for non-financial corporations’ profits, alongside high-profit sites such as Indonesia and India; and also third for financial institutions’ profits behind Argentina and Brazil (IMF 2016, 2018) (Figure 2). The relative rates fluctuate in part because the overall rate of profit dropped in South Africa (as nearly everywhere) after 2007, following the 1993-2007 upturn that restored rates of profit to apartheid-era levels (Malikane 2017) (Figure 3).

However, the problem with these rough indicators of super-exploitation is not only that they are slightly unreliable and excessively positivist in nature, but that they abstract from the deeper socio-political relations that Luxemburg understood so well through her reading of secondary material about South Africa. As a result, they fail to incorporate temporal dynamics of profiteering as well as the social resistance that arises periodically as a result. In the 1980s, such resistance amplified pre-existing capitalist-crisis tendencies to the point that apartheid had to be jettisoned by big business. But even more extreme internal contradictions are intrinsic to super-exploitative systems.
Looking at super-exploitation historically, as did Luxemburg, the character of these contradictions became obvious in South Africa especially once their limits within over-accumulation were reached. As elaborated by Giovanni Arrighi, Nicole Marie Aschoff, and Ben Scully, this was “a paradigmatic outlier case of accumulation by dispossession—that is, as one of its extreme instances capable of highlighting in almost ideo-typical fashion its nature and limits” (2010: 410). Figure 4 summarizes their assessment of the dialectic between conditions of successful super-exploitation and crucial contradictions that emerged from within those successes.
The limits and contradictions were witnessed in regular overaccumulation crises of capital. During apartheid’s terminal period, the mid-1980s, the crisis was most associated with luxury-oriented import-substitution industrialization, due to limits to the size of the market, the extremely high level of class antagonism, and the bursting of the financial bubble in mid-1985. That was the catalytic event for white capital to shift political support from Pretoria Afrikaners to the exiled African National Congress (Field, 2009; Bond, 2014). But the crisis was displaced—not resolved—during the subsequent era of non-racial, constitutional democracy.

Although devalorization of capital exposed to various labor-intensive manufacturing sectors (clothing, textiles, footwear, appliances, electronics, etc.) occurred during the 1990s, and although the rate of profit was at least temporarily restored (Malikane, 2017), the unpatriotic character of formerly (white) “national capital” was ultimately the greatest contradiction. It was revealed in 1999-2001 when most major firms decamped their primary stock market listings from Johannesburg, and moved abroad. Even Afrikaner firms did so in the late 2010s, including Naspers (the country’s largest company and owner of 30 percent of China’s giant tech firm Tencent, which was moved to Amsterdam) and the catastrophic Steinhoff empire (listed in Frankfurt, which did not prevent the firm’s widespread international fraud). So South Africa never achieved the promised virtuous cycle of reintegration into the world economy as a “new NIC,” an aspiring follow-on to the successful integrations of East Asian Newly Industrialized Countries.

In the past decade, a renewed overaccumulation of capital—and ongoing “capital strike”—can be traced to the overproduction of raw materials for the world market, most of the “super-cycle” prices of which peaked in 2011, plateaued, and then crashed after 2015, along with the limits of financialized consumption which in 2008 were witnessed in the National Credit Regulator’s finding that half the country’s twenty million formal sector borrowers had such weakened repayment capacity that they were in “impaired credit” status: they were at least three months behind on servicing their debts (Bond, 2015).

As a result, ever more extreme versions of accumulation by dispossession accompanied neoliberal public policy in South Africa, and much worse uneven development of the economy was experienced, including in the geographies of new residential and business enclaves. There, “gated community” and “edge city” strategies of re-segregation became obvious. One re-integrative strategy, inner-city gentrification, repeatedly reached its limits in Johannesburg and Durban due mainly to the limited center-city markets (and effective demand) for office space, residential housing and artisanal consumption goods (Bond, 2000; Bond and Browder, 2019). The result is a spatially-segregated outcome, far beyond the bounds of explanation via a capitalist logic expressed in neoclassical economics (the dogma that takes market transactions as the outcome of implicitly equal relations between atomistic buyers and sellers and of benefit to all).

The most sustained African attacks on the neoliberal standpoint were grounded in an account of the shifting role of racial domination, as expressed by Ben Magubane (2001) in his periodization of South African racism’s functionality to super-exploitative capitalist circuits during various epochs:
In 1776, Smith described two events that he said were the greatest and most important in the history of mankind: “the discovery of America, and the passage to the east Indies by way of the Cape of Good Hope.” Asking, “What benefits, or what misfortune to mankind may hereafter result from these great events,” he lamented that “no human wisdom can foresee.” But it was possible even in 1776 for Smith to foresee that “the savage injustice of Europeans” towards those who were in the process of being colonized would “render an event, which ought to have been beneficial to all, ruinous and destructive to several of those unfortunate countries.” (Magubane, 2001: 1)

Magubane recounts how during the 1800s—a period also replete with overproduction crises (Bond, 2003)—“The expanding frontier of ‘settler capitalism’ saw the recrudescence of the worst form of racism. The old social relations of usurious and commercial capitalism, with its conquistadors and slaves, were replaced by the dominion of industrial capital, with its plantation and wage slaves” (2001, 6). That expanding frontier reflected, first, a “spatial fix” (Harvey, 1982); the geographical displacement of what, even in nineteenth-century South African capitalism, was a series of periodic overaccumulation crises (Bond, 2003). We can term this approach “shifting.” But there were also bouts of “financialization,” when rising credit achieved at least a momentary displacement of overaccumulation, because the credit system mopped up current consumption at the cost of a later more expensive repayment (Bond 2003). We can call this “temporal fix” (Harvey, 1982) “stalling.” Third, as Luxemburg (2003) stressed in Accumulation, capital regularly enhanced its profitability through new means of what is now widely considered to be “accumulation by dispossession,” or “stealing.”

The shifting, stealing, and stalling of overaccumulated capital in South Africa meant renewed state-capital-society-labor-nature arrangements that were institutionalized so as to super-exploit the indigenous people, women and nature. These may have seemed, as Harvey recounted, similar to Marx’s idea of primitive accumulation, namely “conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights; suppression of rights to the commons; ... colonial, neo-colonial and imperial processes of appropriation of assets (including natural resources)... and ultimately the credit system as radical means of primitive accumulation” (2003, 145). South African capital hardwired these structural systems of oppression into the body politic so deeply, that, in the post-apartheid era, super-exploitative labor relations are not only maintained, attacks on the environment are also undertaken with renewed vigor.

**Capitalist versus Non-Capitalist Relations in Structural Environment-Economic Terms**

Thus far, we have touched on the super-exploitative characteristics of labor power that have allowed economic creolization to proceed in the manner Luxemburg suggested it would, in settler-colonial societies like South Africa where natural economies continue to be disrupted. More generally, though, the wreckage is not just of the pre-capitalist societies—or for that matter, the decommodified state services, matriarchal care relations and mutual aid systems that societies created in response—but also is evident in the (removable) ecological assets of the dominated country. Capital’s creolization when invading the spaces of nature deserves
much more attention, because at least in the 2015-19 period in Southern Africa, the boomerang of eco-destruction from fossil fuel abuse became evident with several debilitating droughts, cyclones and floods attributed to greenhouse gas emissions, i.e., anthropomorphic causes (Fitchett, 2019).

Luxemburg was profoundly concerned about the environment: “land, game in primeval forests, minerals, precious stones and ores, products of exotic flora such as rubber, etc.” (2003: 349). Indeed, for “the communist peasant community no less than the feudal corvee farm,” she argued, “the most important of these productive forces is of course the land, its hidden mineral treasure, and its meadows, woods and water, and further the flocks of the primitive shepherd tribes” (Luxemburg 2003, 350). Drucilla Cornell explains: “Apart from the profits earned on capital reinvested in the new territories, great capital gains are made simply through the conquest and possession of the land and all natural resources” (2012: 196).

As another instance of Luxemburgist environmental-economic thinking (an epistemological creolization of intellectual resistance), consider the way Samir Amin likewise analyzed the ecological implications of super-exploitation. For Amin, they emerged both from differential rates of surplus value extraction, for which his 1971 Accumulation on a World Scale was the most famous expression, and also from capitalism’s abusive contact with non-capitalist relations. This was a vital component of Amin’s overarching theory of unequal exchange:

Luxemburg is right: capitalism expanded by destroying pre-capitalist modes of production both within the societies of the dominant centers and the dominated peripheries. Handicrafts are replaced by manufacturing industries, small shops by supermarkets etc. This process of accumulation by dispossession still goes on with the current privatization of former public services (Amin 2016).

Without diminishing his critique of destructive articulations of modes of production and hence of social relations, Amin gradually—and then more decisively at the end of his life—brought unequal ecological exchange into his value-transfer schema:

Capitalist accumulation is founded on the destruction of the bases of all wealth: human beings and their natural environment... historical Marxisms had largely passed an eraser over the analyses advanced by Marx on this subject and taken the point of view of the bourgeoisie—equated to an atemporal ‘rational’ point of view—in regard to the exploitation of natural resources (Amin, 2018: 159, 86).

In my own review of Luxemburg’s lasting significance to African political economists, the extent to which resource depletion—i.e., the diminution of natural wealth through insufficiently-compensated extraction—impoverishes the continent became abundantly evident (Bond, 2019). This net resource loss is also (controversially) termed the depletion of “natural capital,” for in Africa it occurs without foreign or local corporations making compensating reinvestments, or paying adequate taxes and royalties (unlike, say, in the case of resource-rich Norway, Canada or Australia). Africa’s net resource losses have amounted to roughly $150 billion per annum over the past two decades (Bond, 2018). Notwithstanding this enormous magnitude, Africa’s depleted natural resource base is the victim of erasers wielded by nearly all
bourgeois economists and progressive political economists alike, including those based at international and local NGOs which purport to advocate that corporations “publish what you pay” and “stop the bleeding.”

One crucial exception, albeit so evidently suffused with policy schizophrenia that it is often unreliable (Bond, 2018), is the World Bank. There, thanks to environmental economists Herman Daly (1996) and Robert Goodland, various reports have been released over the past quarter century addressing what is termed The Changing Wealth of Nations. In these, a notional shift in a country’s wealth is calculated over time: “Adjusted Net Savings” (ANS). The ANS incorporates four factors that allow the reform of the variable Gross National Income (GNI) in order to approximate “genuine savings”: physical capital’s depreciation, damage caused by pollution and depleted natural resources (all three of which are considered debits from GNI), and educational expenditure (“human capital” investment, considered to be an extra credit to GNI). To establish the magnitude of uncompensated exploitation of natural resources can at least be attempted with these data.

Leaving aside the depreciation of physical capital and the appreciation of human capital, the environmental calculations are profound. South Africa’s CO2 emissions are 9.0 tons per person, eleventh highest in the world among countries of over ten million people, and third highest behind Kazkhstam and the Czech Republic if measured per unit of economic output. In addition to damage from CO2, which the Bank estimates at 4.6 percent of GNI (Table 2), the main negative features of the environmental accounts are Luxemburg’s “hidden mineral treasure”: unlike the land (meadows), forests (woods), water, and livestock that she also mourned, these are non-renewable. Once gone, they are lost forever.

If GNI captures the national (domestically-produced) output of goods and services in a given year, then to sell such “goods”—for instance, South Africa’s four leading mineral exports, which are coal (25 percent in 2017), platinum group metals (21 percent), gold (15 percent) and iron ore (11 percent)—requires extraction, smelting, refining and shipment of non-renewable minerals (ores) and metals, as well as disposal of waste residue. To be sure, all these activities produce value within the commodity form, and with it, capital extracts surplus value from labor at the point of production. But in addition, the extraction of what Marx termed “free gifts of nature”—e.g. South Africa’s non-renewable minerals taken from the ground each year—can be usefully integrated into the critique of capital’s super-exploitation of natural economy.

Cyclical dynamics are evident in the World Bank’s (2019) calculation of mineral and fossil-fuel wealth loss in South Africa (Figure 5). The dollar-denominated depletion of these minerals worsened in 1980, due to the very high gold price resulting from U.S. stagflation, which was soon dramatically reversed in 1981 due to much higher U.S. interest rates, known as the “Volcker Shock.” The next burst of depletion was in 2010-13, as the commodity super-cycle peaked. In 2011, (non-coal) minerals depleted by $11.7 billion, up from a previous high of $7.2 billion in 2008. That year, coal depletion was measured at $12.3 billion, and in 2011 it was $9.2 billion. So in 2008, these combined resource outflows were $19.5 billion and in 2011, $20.9 billion (World Bank, 2019). As a share of GNI this was far less than other African economies with a skew to primary production (Mauritania, Togo, DRC, and Zambia) and especially those with oil sectors (Angola, the Republic of the Congo and Equatorial Guinea) (Bond and Basu, 2020).
Luxemburg (and, more recently, Amin) would not be surprised at the temporally-dynamic unequal ecological exchange and environmental destruction represented in these World Bank bean-counting exercises. But there are important debates to be joined about whether the provisional natural-capital accounting is not excessively generous to those corporations doing the extraction. For example, South Africa’s subsoil assets are valued by the Bank at just $400 billion, far less than the International Monetary Fund’s (2018) $800 billion estimate, as well as far less than the $2.5 trillion regularly cited as a result of a CitiGroup guess (Bloomberg, 2010), albeit a figure that is now ridiculed as far too optimistic given that the bulk is in platinum group metals that are currently impossible to extract (Seccombe, 2019).

Even if the Bank’s studies of South African wealth and depletion processes are severely flawed (for example, platinum and diamonds are not included), the Bank nevertheless provides a starting point for a discussion of natural resource exploitation. The population of South Africa in 2014 was 54.1 million. Dividing the different types of wealth in the country by each resident allows an estimate of $77,348 in per capita wealth. Of that, 17.8 percent consists of the country’s natural capital, of which just more than half (9.2 percent) is accounted for in “subsoil assets,” which include the subcategories minerals and “energy” (coal and a small amount of gas). The other combination of nature’s wealth—pastureland, cropland, forests and protected areas—amounted, in 2014, to 8.5 percent of total wealth. By far the greatest amount of South Africa’s wealth that year—58.1 percent—was allegedly in human capital, while 24.9 percent was in the produced capital stock (Table 1).

4 The Bank’s (2019) definition of mineral depletion is “the ratio of the value of the stock of mineral resources to the remaining reserve lifetime. It covers tin, gold, lead, zinc, iron, copper, nickel, silver, bauxite, and phosphate”—neglecting diamonds and platinum group metals (also, palladium, rhodium, iridium, osmium, and ruthenium).

5 The human capital investment is dubious because most South African public schools produce an education that sets learners back. In 2015, the World Economic Forum (2015) rated South African science and mathematics education as the worst of 140 countries, and 138th in overall quality. If education spending is meant to be a proxy for human capital investment (in terms of Bank logic), in many cases the result is better considered disinvestment. Nicholas Spaull (2013) notes that “with the exception of a wealthy minority, most South African pupils cannot read, write and compute at grade-appropriate levels, with large proportions being functionally illiterate and innumerate.” The main Treasury official responsible for funding these schools, Andrew Donaldson (2014) admitted that educational system “entrenches inequality between rich and poor.”
What do we learn from perusing these accounts, in which GNI is adjusted to incorporate natural capital and human capital? The five major categories in which annual output should be adjusted downwards are: 1) consumption of fixed capital in the form of wear-and-tear depreciation (14.3 percent of South Africa’s GNI), 2) CO2 damage (4.6 percent), 3) mineral depletion (1.1 percent), 4) energy depletion (0.7 percent), and 5) air pollution (0.4 percent). The (controversial) upward adjustment of education spending is 6 percent of GNI, leaving a total ANS of 1.5 percent. In absolute terms, the ANS for an average South African attributable to depleted mineral wealth (including coal) was thus $129 in 2014 (but again, recall that platinum and diamonds are not included). The snapshot capital accounts provided by the World Bank (2017) in its Little Green Databook also allows further contemplation of the destruction of South Africa’s natural economy (Table 2).

Again, the crucial limitation of a snapshot is that it does not capture the extreme dynamism associated with minerals demand and supply. A 2014-17 dynamic graph of the volumes of South African minerals sold reveals not only that the 2015 crash was led by coal, iron ore, and manganese; also of critical importance in this period was the impact of the five-month platinum mineworker strike in 2014 (Figure 6). And it is to non-capitalist and anti-capitalist resistance, that we turn in the next section.

---

6 Crucially, as noted above, this figure fluctuates wildly as a result of swings in commodity prices. In 1980-81, gold exceeded $800/ounce before soon plummeting to $250/ounce, and from 2002-11, the upswing of the commodity super-cycle raised the rate of depletion dramatically, from 0.2 to 2.5 percent of GNI, before the 2015 crash reduced the depletion rate to 1.5 percent of GNI. It is worth remarking that while energy production is 93 percent reliant upon coal, which is by far the main cause of the CO2 damage accounted for, the ‘benefit’ from extraction of coal is far less, and in any case mainly accrues to multinational corporations like Anglo Coal, BHP Billiton and Glencore (although these firms are increasingly selling their coal mines to local black entrepreneurs given that carbon-divestment pressures are rising in their headquarter cities such as London, Melbourne and even Baar, Switzerland).

7 These accounts are not yet sufficiently strong in data consistency to compare across time periods, so as to assess the depletion process. But they do allow more breakdown of what is pre-existing “nature” (albeit after several centuries of settler-colonial interventions) and what society must make special efforts to preserve. There are, for instance, nearly 300 “threatened species,” including 116 higher plants, 107 fish, 46 birds and 26 mammals. The natural economy of the human lung is also threatened, with 100 percent of the population having PM2.5 particle exposure higher than World Health Organization guideline levels. The family’s natural economy is disrupted by under-5 mortality rates that are more than twice as high as the average peer (upper middle-income) country. South Africa’s freshwater hydrological natural economy suffers massive withdrawal, ten times as much as do other African economies and more than five times the rate of upper middle-income peer economies. And in every category of energy aside from hydropower, South African capitalism uses far more than do other African and upper middle-income economies. The most destruction is in CO2 emissions, which are eleven times higher for an average South African (that mythical construct), than the 0.8 tons per average Sub-Saharan African.
Table 2: Breakdown of South Africa’s per capita wealth, 2014 (in US$)

<table>
<thead>
<tr>
<th>Country</th>
<th>Sub-Saharan Africa</th>
<th>Upper middle-income group</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>1,213</td>
<td>314.6</td>
</tr>
<tr>
<td>Population (millions)</td>
<td>55.8</td>
<td></td>
</tr>
<tr>
<td>Land area (1,000 sq. km)</td>
<td>1,080</td>
<td></td>
</tr>
<tr>
<td>GDP per capita</td>
<td>1.383</td>
<td></td>
</tr>
<tr>
<td>Total freshwater resources per capita (cu. m)</td>
<td>827</td>
<td>3,986</td>
</tr>
<tr>
<td>Total freshwater withdrawal (% of internal resources)</td>
<td>34.6</td>
<td>32.3</td>
</tr>
<tr>
<td>Agriculture (% of total freshwater withdrawal)</td>
<td>63.8</td>
<td>81.6</td>
</tr>
<tr>
<td>Access to improved water source (% of total population)</td>
<td>93.8</td>
<td>68.3</td>
</tr>
<tr>
<td>Rural (% of rural population)</td>
<td>81.9</td>
<td>56.1</td>
</tr>
<tr>
<td>Urban (% of urban population)</td>
<td>100.0</td>
<td>87.1</td>
</tr>
<tr>
<td>Access to improved sanitation (% of total population)</td>
<td>66.8</td>
<td>30.0</td>
</tr>
<tr>
<td>Rural (% of rural population)</td>
<td>61.3</td>
<td>23.7</td>
</tr>
<tr>
<td>Urban (% of urban population)</td>
<td>70.0</td>
<td>40.0</td>
</tr>
</tbody>
</table>

Source: World Bank 2017

Non/Anti-Capitalist versus Capitalist Relations

Luxemburg was assassinated in 1919, during her period of most active revolutionary organizing, at the peak moment of Berlin’s new communist movement. At a very different moment in the world left’s fortunes, a century later in Johannesburg, the Democratic Marxism (2019) seminar series at the University of the Witwatersrand convened to contemplate the meaning of her contributions, particularly as they inform popular protest. This, one speaker concluded (Kaaf, 2019), should not be limited to formulaic political-party communism, but much more creative, connected revolutionary activity within social movements, on a variety of topical problems faced by poor and working people, as well as women and youth, and with a strong anti-capitalist ideology.
This, too, was the South African “people’s commons” challenge identified by Cornell (2012), against what Luxemburg assessed as the three core strategies capital deployed against natural economies:

1) to achieve the liberation of so-called labor power, which actually means the capacity to coerce it into services, as in the persistence of unfree black labor in South Africa during the entire period of colonization; 2) to gain control over all natural resources; and 3) to introduce a commodity economy, and to separate trade and agriculture (Cornell, 2012: 193).

First, in South Africa the persistence of unfree black labor lasted until the early 1990s, when formal racial apartheid was ended. This entailed cessation of the Pass Laws and Group Areas Act which had regulated transit and residential aspects of migrant labor. In coming years, other racist legislation and the lack of democratic voting were remedied—e.g., in 1994 when the first democratic national elections were held, and in 2000 when municipal elections dropped the most obvious residual privileges enjoyed by white residents (Bond, 2000: 2014). But simultaneously, the official unemployment rate soared from 16 to 29 percent in the ten years after democracy was won, and up to 40 percent if we include those who live in faraway (ex-Bantustan) areas and had given up looking for (non-existent) work. South African capitalism therefore retained a reliance upon both undercompensated migrant workers and a vast reserve army of labor, which together keep wages lower than they would otherwise be.

One form of resistance is trade union organizing, and it is no accident that in this context, the World Economic Forum (2017) rated South Africa’s working class as the most confrontational on earth from 2012-17 among 140 countries surveyed. There are increasing numbers of “work stoppages,” but one indication of the power of labor is that with few exceptions (public sector workers in 2010 and mineworkers in 2014 and 2019), these now take fewer days to resolve, with a trend line of days affected by strikes down from seven million in 2006 to four million in 2017.

Figure 7: Industrial actions in South Africa, 1999-2016

Source: Runciman (2019)
Labor resistance that is oriented to demanding higher wages (the subject of most strikes) tends to be assimilationist, not socialist. The standard trade union political strategy is “corporatist,” demanding a seat at the table for big labor, alongside big business and big government, often resulting in gains for organized workers at the expense of the unorganized proletariat. South Africa’s unions often deployed this power aggressively, through regular inputs by the major labor federations into social policy and broader socio-political organizing. One result was the main federation’s contribution to forcing the governments of Thabo Mbeki (1999-2008) and Jacob Zuma (2009-18) to leave office nine and fifteen months early, respectively.

There are, too, a variety of ongoing labor struggles against “unfree” labor through demands that transcend higher wages and more amenable political leadership. South African working-class battles continue against the commodification of life. One strategy is constructing a commons of state services via a more expansive social welfare policy, such as a long-delayed National Health insurance plan (likely to be introduced in 2020). Unfortunately, aside from the state’s extension of its somewhat tokenistic, $90/month old-age grant to African workers (Bond 2014), very little progress in social policy could be claimed by organized labor during the post-apartheid era, compared to the kinds of perks won in prior years within the category of company benefits to workers. However, such benefits are not properly “decommodified,” as argued by Esping-Andersen (1990), because if a worker loses employment with a company, then the healthcare, pension and housing benefits also fall away. In such analysis of social policy, workers are still economically coerced to commodify their labor power (Barchiesi 2011).

As for Luxemburg’s critique of capital’s “control over all natural resources,” a new commons philosophy emerged among both conservationists—who in South Africa tend to be white and of greater wealth (and often guilty of promoting the advocating dispossession of communities in the vicinity of game reserves)—and advocates of “environmental justice.” The latter most famously oppose the class and racial character of pollution, starting in the U.S. South during the 1980s (Bullard, 2000). But in two ways, a new resource-commoning philosophy is emerging from a fusion of the better tendencies of planetary stewardship—e.g. the eco-feminist version of Ubuntu as explored by Christelle Terreblanche (2018)—and climate consciousness. The former is finding increasing expression in campaigns waged by a network, Mining Affected Communities United in Action, and its various allies (e.g. the feminists of Johannesburg support-NGOs, Womin and ActionAid). Their “right to say No!” to mineral resource extraction has generated flashpoints and success stories in several sites (Bond, 2018). Likewise, a climate justice philosophy and practice emerged across the world, including South Africa, to tackle the degeneration of all natural resources due to climate change. Unfortunately, the challenge to capital’s externalization of costs associated with greenhouse gas emissions proceeds at a pace that is so far inadequate to halt the potentially catastrophic damage (Bond, 2012; Satgar. 2018).

Finally, there are commoning struggles against a “commodity economy” that not only separates “trade and agriculture”—i.e. during the late 19th and early 20th century’s “rise and fall of the South African peasantry,” as Colin Bundy (1979) put it—but that also distorts all other socio-economic and environmental relations. Here, there are more encouraging signs of resistance. Cornell’s first cut is revealing but incomplete:
The anti-hegemonic struggles against the ANC and their attempts to turn all the means of life into capital, from water to education, may stimulate people’s struggles to create a commons that is outside capitalist relations... It is through direct participatory mechanisms that crucial decisions about resources are to be made (2012: 193-97).

This was a prescient statement about one campaign that is still waged against water commodification, and about another that was underway and reached peak strength in 2015-17, against costly tertiary education and the outsourcing of (super-exploited) university service workers. However, both involved not ideal-type “direct participatory mechanisms” allowing community and student “voice” within a consultative policy decision-making process (one that legitimizes the rulers and their rules), but rather the opposite. Victories have been won through sustained protest against decision-makers, through the increasingly militant delegitimization of state elites, who are typically labelled “neoliberals” hostile to the interests of the black working-class majority (Bond 2014).

In the first case Cornell cites, it was the 1998-2000 emergence of hundreds of “service delivery protests” (Bond, 2000) and the accident of a Communist water minister (Ronnie Kasrils) who initiated a modicum of “Free Basic Services”: 25 kiloliters of water per person per day (two toilet flushes worth) and a household monthly electricity supply of 50 kiloWatt hours (which, typically for the working class, amounts to a week’s worth of supply) (Bond, 2002). Considered insufficient (even “tokenistic”), those free services have not deterred service delivery protests, which continue rising (since accurate measures began around 2005, drawing on police data). Using the criteria of “disruption or injury to persons or property,” University of Johannesburg scholars identify the category of “orderly” protests as neither, while “disruptive” protests include tactics such as road blocking but no injuries, and “violent” protests entail both. Taken together, the annual rate of major protests has risen inexorably from 60 to 360 from 2006-17 (with a 2012 peak of 470 protests) (Figure 8).

Figure 8: Media-reported community protests (orderly, disruptive and violent), 2005-17

![Figure 8: Media-reported community protests (orderly, disruptive and violent), 2005-17](image)

Source: Alexander et al (2018, 38)

---

8 The liberal formulation emphasizing voice and participation also repeatedly surfaces on the radical left; see Mottiar and Bond (2012).
In working-class townships and shack settlements, activists intensified their disruptive capacity, the more that the neoliberal squeezing of municipal budgets—and repeated bankruptcies by local governments and massive deficits within the electricity parastatal Eskom—led to water and power cut-offs (Ngwane et al. 2017).\(^9\) In 2019, the monthly rate of major protests against local government according to the most conservative researchers, in the consultancy Municipal IQ, had risen to 28/month by mid-year. This was a dramatic increase from earlier levels: 20/month in 2018, 14/month in 2017 and 11/month in 2016, and far more than the average of 2/month from 2004-08 (Gous 2019).

Reforms of the state to improve the supply of affordable basic services included not only municipal planning, environmental impact assessments, and similar “invited spaces” meant to assimilate opposition. The most feted direct-participatory mechanism was the formal justice system, via the 1996 Constitution’s oft-celebrated socio-economic rights clauses (Republic of South Africa, 1996). But in the cases of healthcare access (\textit{Soobramoney v Minister of Health} in 1997), housing (\textit{Grootboom v Oostenberg Municipality} in 2000), and water (\textit{Mazibuko v Johannesburg Water} in 2009), the Constitutional Court failed the plaintiffs (Bond, 2014).\(^{10}\) Activists then resorted to extra-legal means of supplying, for example, AIDS medicines via illicit importation of generic drugs from India and Thailand during the early-2000s activism of the Treatment Action Campaign (TAC); or what are termed “land invasions” to establish “shack settlements” in better-located areas;\(^{11}\) or informal reconections of water and electricity. The latter strategy is most advanced in Soweto, where Eskom estimates 86 percent of connections are illegal (le Cordeur, 2016).

The most successful and internationally relevant of these decommodification struggles was TAC’s campaign to get access to drugs that strengthened the immune system of those who were HIV-positive, known as Anti-RetroViral (ARV) medicines. In branded form, made by corporations in Europe and the U.S., an annual course of ARVs cost $10,000 in the late 1990s, limiting access to a few thousand (mainly white, male) South Africans. As Mandisa Mbali (2013) showed, TAC and its international allies (especially Medicins sans Frontieres and in the U.S., AIDS Coalition to Unleash Power, ACT-UP!) worked effectively against Big Pharma, the U.S. and South African governments, the World Trade Organization’s (WTO’s) Trade Related Intellectual Property System, and purveyors of Intellectual Property (IP) ideology, especially the Bill and Melinda Gates Foundation.

\(^9\) In the latter case, this is not merely a local result of neoliberalism, for national-scale electricity supply disruptions (“load-shedding”) began in earnest in 2008, reaching peak levels in March 2019. That month, rising Mozambique Channel water temperatures—a feature of worsening climate change—caused the unprecedented intensity of Cyclone Idai, whose winds were sufficiently powerful to wreck pylons carrying a 1000 MegaWatt power supply to Eskom from a Mozambican hydropower facility. Coal-fired generators supply more than 90 percent of South Africa’s electricity, yet Eskom has been extremely slow to consider much implement decarbonization.

\(^{10}\) To be sure, there were Constitutional Court cases that improved rather than foiled socio-economic rights, but they were mainly defensive, in telling the state \textit{not} to adopt certain policies or practices. The only pro-active decision of consequence to improve health rights was the 2002 decision to compel the state to make nevirapine available so as to prevent mother-to-child HIV transmission (\textit{Department of Health v TAC}).

\(^{11}\) As Ivan Turok (2018) remarks, “A recent surge in urban land occupations and invasions suggests that people’s tolerance of apartheid’s cruel geography is diminishing.”
Their two most potent weapons were rising social anger at Big Pharma’s ultra-profiteering commodification of life and ridicule of Mbeki’s AIDS denialism. As the death toll rose into the hundreds of thousands, he was increasingly called a genocidaire and made unwelcome in local and international venues. Hundreds of TAC activists committed civil disobedience and were arrested to dramatize the urgent need for policy change. It was this pressure both inside and outside the ruling party that led to a reversal in policy in 2004. Similar pressure had been applied against U.S. Trade Representative Robert Zoellick in 2001 at the Doha WTO summit, making possible widespread diffusion of generic ARVs that cost only $100/year to produce. The quite miraculous result was that, after forcing Pretoria’s policy shift, the ARV roll-out through public clinics reached more than five million patients within a decade, in turn raising national life expectancy from 52 to 64, with similar results across Africa and the world (Bond, 2014).

Commoning Luxemburg, Beyond the Contradictions

To conclude, there are both tendencies towards and away from the radical creolization of anti-capitalist politics Luxemburg would have endorsed that are evident in the discussion above, and the latter need further exploration before closing. For example, Jane Gordon shares this warning, which reminds us of South Africa’s liberal advocates of reformist strategies for social change:

Those who benefit from partial arrangements masked as benefitting all are more likely to oppose the appearance of more legitimate alternatives that clearly reveal previous claims to generality or representativeness as phony. As such, they are more likely to reject further creolizing products as illicit, impure, or otherwise undesirable, opting instead for already existing and sedimented instantiations of mixture. (2014: 74)

In contrast, the framing put forward so spectacularly by TAC is of access to a genuine socio-economic commons of life, extending far beyond liberal ‘rights talk’ (Bond, 2014). TAC’s people’s commons entailed the decommodified, destratified commoning of medicines, in contrast to those whose interest in preserving private IP rights was the previous norm, particularly the Bill & Melinda Gates Foundation (Bond, 2016).

However, a tragic dialectic is also at work in South Africa, in which a creolization process unfolds in the opposite way Luxemburg would have desired, due to a mortifying contradiction: the bleeding-over of anger from labor’s super-exploitation into xenophobic sentiments, and also of community service delivery protests into periodic pogroms against immigrant suppliers of retail services (“spaza shops”).

First, not all labor’s broader social instincts are progressive, for there is a propensity among poor and working-class people not only to fight against capitalism, but sometimes to return to the more barbaric identity politics of pre-capitalism, namely artificial ethnic distinctions. These divisions were amplified by colonial-era and apartheid-era economic managers, with resulting conflagrations in South Africa between competing fractions of the working class dating to the early twentieth century, a reality Luxemburg did not have the tools
(in the secondary literature she read) to observe. Moreover, during the dying days of apartheid (1980-94), all manner of old divisions between ethnicities were amplified (and some new ones created) by Pretoria’s security apparatus, often through its patronage power over “tribal” Bantustans. Tens of thousands of deaths resulted from what was incorrectly termed “black-on-black violence,” particularly involving the “Zulu nation” and its leader Mangosuthu Buthelezi’s reassertion of ethnic power against the liberal, modernizing, detribalized Nelson Mandela.

Because so many ties to traditional homes were retained by male migrant workers, the apartheid-era melting pot of the mine, factory or commercial farm, or even temporary residence in a cosmopolitan township like Soweto, could not tear asunder ethnic identity. Instead, South Africa’s economic creolization accentuated migrant labor’s pre-existing cultures. And the persistence of migrancy was also the source of identity crisis after 1994, mainly when declining employment prospects for South African workers generated a surge of working-class xenophobia (Amisi et al, 2011). There is a certain obvious logic in this disarticulation of modes of struggle, insofar as neoliberal, globalized capitalism introduced much less expensive labor power to South Africa from even more faraway, desperate sites than during apartheid. Mass immigration—much of it illegal via porous borders, or based on bribing the Department of Home Affairs for residence papers—today stretches further into the Southern African region (especially the Democratic Republic of the Congo), and further still to Nigeria, to the Horn of Africa and to South Asia.

Aside from the xenophobic decommoning of labor power, communities have grievances that also lend themselves to reject immigrants. The township xenophobes’ main complaint is that immigrant purchasing networks have achieved economies of scale through their decommoning of bulk buying power, hence undercutting locally-owned shops, whose owners then regularly take revenge through looting (or worse), often in the midst of social protests. In addition to intra-micro-capitalist competition as a material basis of conflict, the official 2016 state commission investigating Durban’s violent xenophobic outbreaks the prior year identified non-material explanations, also reflecting an uncomfortable creolization of the commons:

Many South Africans operating in the tuck shop and spaza sector made allegations that businesses owned by foreign nationals thrive due to unfair advantages, and that these improprieties directly undermine the viability of locally-owned businesses. Such businesses are not registered and do not pay taxes; foreign nationals sell products at prices below those that local business owners conclude are feasible and are therefore receiving illegal support; foreign nationals receive unfair privileges from wholesale companies due to shared religious beliefs; foreign nationals intentionally open spaza shops within close proximity to locally-owned businesses, thereby capturing some of the locals’ markets; foreign-owned businesses sell fake goods or non-South African

---

12 Even Mahatma Gandhi found it logical to endorse the alliance of Indian workers with their British colonial masters during the 1906 Bambatha Rebellion of the indigenous Zulu people against further land dispossession (Desai and Vahed 2015).
products; foreign businesses owners operate their shops for nearly 24 hours every day and even have workers sleeping there (Mdlala, 2016).

There is certainly scope, at least conceptually, for a resolution of this contradiction, in the form of regional proletarian solidarity (Bond, Ruiters and Miller, 2001). Historically, that would mean not only rejecting the inherited borders of the 1884-85 Berlin colonial conference known as the “Scramble for Africa” and identifying how the regional workforce was forged within the migrant labor system, but then ensuring South Africa provides reparations for the subimperialist damage done to neighboring lands since at least 1910, the date the country came into being.

However, the regional powerhouse has not yet constructed a contemporary, post-1994 solidarity politics. During the neoliberal era, especially since at least 2008 when xenophobic attacks in working-class communities became ubiquitous, South Africa’s left-wing leadership has failed to generate a grassroots and shopfloor “commoning” of the regional proletariat. Thousands of leaders and activists with anti-xenophobic principles do operate within contemporary socio-political movements, in townships (e.g. Johannesburg’s United Front), trade unions (e.g. the SA Federation of Trade Unions), and political parties (e.g. the Economic Freedom Fighters). But they continue to lose the battle for society’s hearts and minds, as witnessed by major upsurges of xenophobic attacks in 2008, 2010, 2015, 2017 and 2019.

Aside from the contradictions of commoning associated with divergent identity and socio-spatial relations, as are so evident in South Africa, the traditional dilemma of “jumping scale” must be addressed. After Elinor Ostrom’s (1990) concession that communities of 15,000 are the largest effort at commoning she could identify, Harvey insisted on higher scales of ambition: “the whole nature of the common-property problem and the prospects of finding a solution change dramatically. What looks like a good way to resolve problems at one scale does not hold at another scale” (2011: 102).

It is there that Luxemburg (1916) would join in a final argument, not content with the politics of people’s commons, but instead, warning so clearly (ahead of her time by two decades and then, again, by a century), “Bourgeois society stands at the crossroads, either transition to Socialism or regression into Barbarism.”

Post-script (June 2020)

The Covid-19 crisis that began shortly after this chapter was drafted amplified most of the extreme processes of super-exploitation. On March 1, 2020, Patient Zero and eight of his friends – wealthy Durban residents – brought the virus to South Africa following a skiing vacation in Northern Italy. In spite of a severe lockdown, within three months nearly 30,000 were infected (as judged by tests which were scarce and not entirely accurate), leaving at least 600 dead, with contagion rapidly gathering speed. The victims were increasingly from the lower classes, subject to the health-apartheid system in which private medical aids support the healthcare financing needs of 14 percent of South Africans with half the expenditure, leaving public hospitals unable to cope with testing, and even masks.

At the time of writing, there was insufficient class-race-gender analysis available of the virus’ spread, but in late May, the geographic ‘Covid-19 hot spot’ sites that were identified in Cape Town made crystal clear that it was moving fastest through the slums. This was easy to
predict, given the lack of social-distancing capacity in such dense quarters, and the much more vulnerable immune systems of residents who were already living with HIV and TB. Beyond such geographical nuance, there were few who would remark on the characteristics of Covid-19’s victims. The best known in local politics was the leader of the left-opposition Economic Freedom Fighters, Julius Malema, who – as the lockdown’s relaxation was announced on May 28 – remarked on how healthcare apartheid had persisted over the prior nine weeks because of lack of state inaction:

Government has not renovated any hospital or given any significant improvements. Admittedly, even the misguided ‘events-based temporary’ quarantine centres will not meet the demand that is coming. However, people in black communities who could have lived another 10 years, will die. Not because they have bad immune systems, but because they did not get healthcare. The white community and some insignificant minority black elites will rely on private healthcare – which is fully functional, fully resourced and ready to give them a fighting chance. (Tshabalala 2020)

Malema had, in late March, called on President Cyril Ramaphosa to follow Spain’s lead and nationalise healthcare resources, which led Ramaphosa to laugh at him outright during a press conference (Bhengu 2020). Malema’s former spokesperson Mbuyiseni Ndlozi tweeted an implicit race-class analysis:

Dr Zweli Mkhize [SA Minister of Health] should start releasing the racial breakdown of Covid-19 data. I personally don’t think the white community can lose 165 of their own in 1 week over a pandemic without noise. The only lives that don’t matter, that are dispensable & voiceless, are black lives. I think the SA Covid-19 lockdown was for the white community. It has finally flattened the curve in their white spaces & put all systems in place to function amidst Covid-19: private schools in particular. Now they want their cheap & easily disposable black workers back to work! (Ndlozi 2020)

Although in South Africa’s atomized society, there was no such thing as a ‘white community’ as a coherent unit of analysis, there was nevertheless truth to the capital-labor angle within this allegation (Mvumu 2020), as exemplified in the mining industry. Operations began prematurely, without the full Covid-19 testing called for by the trade unions. Within days the world’s deepest mine (at 2.5 miles), AngloGold Ashanti’s Mponeng gold mine, had to be closed down. After a Covid-19 outbreak on May 24, 650 workers were tested, and 164 tested positive (York 2020). The pressure on South Africa’s working class to return to ‘easily disposable’ status grew intense, as other super-exploitative processes within the economy were amplified, especially in the credit system (Bond forthcoming). There was virtually no fiscal relief for ordinary South Africans in the first nine weeks, and then only a small temporary rise in the child support grant and an emergency grant (both less than $20/month on average).

The contradictions were rising, and beyond emergency relief advocacy, the main question for those opposed to capitalism was whether ‘the economy’ would be given license to recommence its abusive relationship with the working class, women and the environment. The alternative would be the expansion of the social and environmental justice agenda, which
initially took three forms: first, NGOs and the mainstream labour movement doing mainly a combination of emergency relief services and (mild-mannered) advocacy, asking for more welfare funding and less restrictive survival conditions; second, the nationally-coordinated activist groups – such as the centre-left C19 People’s Coalition and the leftist ‘Cry of the Xcluded’ network – which combine more radical labour and social movements with a structural critique and ‘non-reformist reform’ advocacy (and to some extent, too, local commoning through mutual aid not simply charity); and third, the community-based struggles which included food riots and land invasions as well as wildcat labour strikers. The first were partially assimilated, integrated into the very limited state-capital ‘social contract’; the second were generally ignored; and the third were actively repressed by a state not in the least hesitant to deploy 77,000 army troops (in addition to the regular police and private security forces) to brutally repress local protests.

Within the first weeks of the Covid-19 crisis, the contradictions were severe, yet the inability to discover the basis for a united front was often psychologically debilitating. Luxemburg would have nodded sympathetically but urged the South African working class and its allies to redouble efforts, to reverse the slide into barbarism.

References


https://www.marxists.org/archive/luxemburg/1915/junius/


https://www.pressreader.com/zimbabwe/the-herald-zimbabwe/20160412/281732678645988


https://twitter.com/mbuyisenindlozi/status/1264957460864831490?lang=ar


https://mulpress.mcmaster.ca/globallabour/article/download/3585/3339


South African commoning, cooperatives and eco-socialist potentials during COVID-19
with Meron Okbandrias, in A. Exner, S. Hochleitner, S. Kumming, F. Obeng-Odoom (Eds), Whose

1. Introduction

COVID-19 began to spread across South Africa starting on March 1, 2020, initiated by a group of
friends (white, upper-middle-class) who returned that day, via Dubai, from a skiing trip in
northern Italy. Most of them tested positive, spreading the disease quickly in a society whose
neo-apartheid-style health system – with 15 percent of the society insured privately having
access to more than half the healthcare resources (Gilson 2019) – threatened to buckle. Other
travellers with similar race and class privileges transmitted new strains. By March 26, the
government imposed one of the world’s most rigorous public health interventions: a lockdown
knocking out at least three quarters of economic activity. On May 4 there was a slight
relaxation, and at that stage, the ‘essential services’ workers were joined by another quarter of
the formal-sector workforce who were allowed to return to their jobs.13

Three logics were suddenly thrown into diverse forms of both collaboration and contestation:

• The first logic was capital’s: a simple demand that business be brought back to ‘normal’ as
soon as possible (led by the mining industry), and that the state budget deficit – then
exploding from 4.5 percent of GDP to double digits– be reigned in. Conservative
commentators also demanded ongoing frugality in monetary policy, to halt the SA
Reserve Bank from ‘printing money’ to finance the state.
• The second logic was the state’s own command and control tendencies, which were
amplified by police and army ‘securocrats’, who were quick to put down social unrest,
but which also included a temporary extension of the welfare grants system.
• The third logic was that of ‘Ubuntu,’ South Africa’s long-standing mutual-aid support
mechanisms, augmented by demands on the state for social, economic, and
environmental justice.

In this chapter, we explore context and politics behind South Africans’ reactions to these
exceptionally difficult circumstances, given that prior failures in the cooperative and eco-
socialist movements – and victories in concrete commons struggles – provide lessons about
how the third logic might prevail. Some of our optimism is based on observations of resistance
from the first period of the COVID-19 crisis, but also reflects theoretical insights into ‘super-
exploitation’ as a barrier to capitalist expansion. Hence society has a growing awareness that
the temporary relief measures discussed below should be not only made permanent, but

13 Together that still accounted for only a fifth of the active labour force receiving permission to be back at work,
with most of the informal sector still disallowed from activity deemed by the state to be non-essential. In July, one
survey estimated that in April-May 2020, 4.5 million people lost their main source of income, and three million
workers lost their formal jobs, of whom two million were women (Siziba and Spaull 2020).
extended. Indeed, reflecting the discontent, a Basic Income Grant was proposed by the state in July 2020 as a result of inadequate social protection for those between 18-60.

As for strategies that transcend the state’s social policy, we will conclude that prior experiences in cooperative institutional development and eco-socialist ideological argumentation have been unsatisfactory—but that does not mean they must remain so, especially in view of the successful commoning experiences South Africans have pioneered when it comes to life-saving AIDS medicines, basic municipal services, and higher education. In all three cases, the ideal-type formula entailed civil society’s “tree shakers” (outsider-activists), in conjunction with the state’s “jam makers” (insider-officials) who had capacity and finally political will, so as to pick up the fruits that had been brought down by social upheaval, and to generate lasting social policy advances. There are numerous caveats with perpetual backsliding, but the overall approach conforms to lessons of Gosta Esping-Andersen (1990) regarding the evolution of durable social-democratic policy—one that in future might sustain a range of new efforts at commoning.

2. Logics of profit, of bureaucracy, and of commoner interests

The three logics of COVID-19 in South Africa overlapped occasionally, especially when it came to the state’s carrots and sticks. In the overlap of the first and second logics, the state carefully protected property rights; it was hard-wired to do so not only as a result of deals made during the early 1990s transition from apartheid to democracy (Bond 2014a), but also in 1996, during the drafting of the country’s liberal constitution (Bond 2014b). But the state’s socio-economic responsibilities—including formal rights to food and water—exist within the same document, and in an example of the second logic of state control, a widely-needed system of delivering food parcels to starving communities was mediated by neopatrimonial local leaderships. These were mainly under the control of the ruling African National Congress party but also, in the Western Cape, of the centre-right Democratic Alliance. Consistent with the second logic, such food distribution suffered numerous documented incidents of political favoritism or outright corruption.

The third logic, of mutual aid conjoined with a longer-term agenda of social and economic justice, was given expression in concerns about mass hunger that grew sharp, already in late April, hitting the poorest communities hard. This initially led to inchoate social rebelliousness in the Western Cape and the central economic hub around Johannesburg. Organized land invasions by low-income homeless people—quickly building shacks on publicly-owned, vacant land—were attempted in those cities as well as in Durban, but were rapidly repressed. As more police and military troops started to test positive in May, further anarchic tendencies appeared across the country. A C19 People’s Coalition (2020) of more than 300 civil society groups quickly emerged, attempting to turn the anger based on the third logic into advocacy. An even more radical network, the “Cry of the Xcluded” (2020) coalition of left labor and social movements, offered powerful critiques, commentaries and demands, including the state’s immediate creation of three million jobs in public works activities to meet basic needs and prepare the society for climate catastrophe.
Notwithstanding widespread concern that state securocrats better respect citizens’ civil and political rights, the two-year old government of President Cyril Ramaphosa felt compelled to not only intensify police clampdowns to enforce the lockdown, but increase army deployment from 3,000 to 76,000 troops in late April. Human rights abuses were legion (Harrisberg 2020). Along with the private sector’s million-strong army of security guards, the state was partially successful in fending off unrest in the midst of utter economic and social chaos, which included unfathomable mass evictions of shack-dwellers by municipal officials, mainly using outsourced security personnel (the ‘Red Ants’ company).

But at the same time as the second logic entailed rising repression, a pushback in support of welfarism and state relegitimation emerged, albeit in the ‘tokenistic’ manner the society had come to expect (Bond 2020). Ramaphosa’s neoliberal finance minister and central bank governor offered a slight amount of more support to the tens of millions who were now economically depressed, dispossessed, and displaced, although the new fiscal burden was only 1.4 percent of GDP (Isaacs 2020). While a small social relief increment (less than $3 billion) was given to the poorest—as discussed below—, a much larger subsidy ($10 billion) was promised to banks which were on the verge of foreclosing on bankrupt companies and households. The collapse in GDP would imply austerity for years if not decades to come; Business For South Africa (B4SA) estimated in May that GDP would be 17 percent lower by year’s end.

The third logic, Ubuntu, included not only emergency mutual-aid reactions, ranging from citizen charities and food banks to organized Community Action Networks with pairings between wealthier and poorer suburbs. In addition, a strategy for mass job-creation was by May 2020 articulated by Cry of the Xcluded (2020), based upon demands for a genuinely Just Transition that would simultaneously address South Africa’s ecological crises. However, in spite of potentially strong underlying conditions that might one day allow the development of urban and rural commons under the rubric of food sovereignty, and in spite of the wide relevance of commons stretching across sectors of society—most spectacularly, people living with HIV and those unable to pay for basic water and electricity— the progressive movement has encountered major problems. Both the potentials and pitfalls are discussed in the pages that follow.

3. COVID-19 within super-exploitative South African capitalism

We take as a given that the COVID-19 crisis has structural roots. Rob Wallace et al. (2020) laid out the context using the Marxian approach to uneven development:

“Our general theory of neoliberal disease emergence, including, yes, in China, combines:

14 Of course, a few companies would prosper, including the South African owner – an apartheid-era, then-pro-racism media firm, Naspers – of nearly a third of Asia’s largest company, Chinese Facebook equivalent TenCent, which had skillfully removed its share to the Amsterdam stock market in September 2019. Another winner was the gold mining company Sibanye-Stillwater, given gold’s January-May 2020 rise from $1460/oz to $1720/oz at the same time the South African currency collapsed from R14/$ to R18.5/$, providing the controversial firm massive windfall profits, given that most of its production costs are locally-denominated.
global circuits of capital;
- deployment of said capital destroying regional environmental complexity that keeps virulent pathogen population growth in check;
- the resulting increases in the rates and taxonomic breadth of spillover events;
- the expanding periurban commodity circuits shipping these newly spilled-over pathogens in livestock and labour from the deepest hinterland to regional cities;
- the growing global travel (and livestock trade) networks that deliver the pathogens from said cities to the rest of the world in record time;
- the ways these networks lower transmission friction, selecting for the evolution of greater pathogen deadliness in both livestock and people;
- and, among other impositions, the dearth of reproduction on-site in industrial livestock, removing natural selection as an ecosystems service that provides real-time (and nearly free) disease protection.

A general program of intervention runs in parallel far beyond a particular virus. To avoid the worst outcomes here on out, disalienation offers the next great human transition: abandoning settler ideologies, reintroducing humanity back into Earth’s cycles of regeneration, and rediscovering our sense of individuation in multitudes beyond capital and the state.” (Wallace et al 2020)

The three-step disalienation process Wallace et al. (2020) recommend is also what the political practice of commoning should seek, in contrast to the narrower utility- and efficiency-maximizing rationales that come from Elinor Ostrom’s (1990) tradition. The challenge, of course, is mixing the necessary individuation required specifically during the COVID-19 crisis (i.e. a combination of respectful personal hygienic-distancing and social solidarity) with cooperative institution-building and eco-socialist visioning.

In that broader sense, ‘reintroducing humanity’ in an eco-social manner would only be successful absent the arrogance of settler colonialism. South Africa is one of the world’s leading sites where citizens have long demanded ‘reparations’ from the West for its long history of settler-colonial-apartheid profiteering. Along with community-based, student and healthcare struggles described below, the political agenda that renewed the society’s internationalist commoning instincts took the form of Jubilee South Africa and Khulumani Support Group campaigns starting in 1998, stretching as far as the U.S. Supreme Court in search of justice and reparations (Bond 2003).

Yet not only the failure of that specific campaigning, but the ongoing character of super-exploitative settler colonialism, must be explored and explained. South Africa remains one of the most challenging sites on earth to attempt a wider-scale commoning project, because in spite of strong traditions of social mobilization, the objective factors associated with the first two logics noted above, typically overwhelm the third. And yet neoliberal disease emergence, and specifically COVID-19’s devastating spread in South Africa, can be blamed upon weaknesses in all three logics. The capitalist logic leaves out a vast share of the population by amplifying the exclusionary class character of apartheid-era super-exploitation, as shown next. The second logic, of state control, was not sufficiently attuned to how desperate that systemic
marginalization of the precariat left the citizenry by the first half of 2020. The third logic, of eco-social resistance, was not strong enough to resist the first two.

The first logic, of profit, was exceptionally brutal. South African super-exploitation has been described as such by political economists for more than a century—dating to Rosa Luxemburg’s 1913 *Accumulation of Capital*—and was updated by Harold Wolpe (1972) as capitalist and non-capitalist “articulations of modes of production”. A critical factor was the gendered aspect of apartheid’s social reproduction, in the course of supplying workers to capital’s long-standing migrant-labor system. As explained by Annette Kuhn and Ann-Marie Wolpe (1978), this entailed long-distance, unpaid labor by women based in Bantustans, responsible for child-bearing and rearing, for care-giving of ill, injured and elderly family and community members, and for community organizing. Under western capitalism, the proximity of women and households to the urban labor process meant that state-supplied or subsidized infrastructure was closer at hand, including childcare facilities, schools, clinics and hospitals, and retirement facilities. Not only did apartheid not supply these until late in the 20th century, the post-apartheid government allowed most to deteriorate, with schools (as one example) providing the lowest-quality mathematics and science education among 140 countries measured by the World Economic Forum (2017).

In 2019, wages earned had fallen to such low levels that nearly two thirds of the country’s households consumed at a level below the “Upper Bound Poverty Line”, which in mid-2019 was calculated by the official agency StatsSA as $83.46/month ($2.79/day). The sum covered 2,100 calories of food each day as well as clothing, shelter, transportation, education and other necessities (StatsSA 2019). Josh Budlender, Ingrid Woolard and Murray Liebbrandt (2015) estimated that, in contrast to StatsSA’s calculation that 53 percent of South Africans survived with income under the upper bound poverty line, the actual figure was 10 percent higher in 2015. An NGO, Pietermaritzburg Economic Justice and Dignity (2019) argued that for an expanded basket of vital consumption items, a household budget of $498 is appropriate, but the national minimum wage was set at $198/month (but for state public works employees, only $119/month). For an average household size (3.86 people), a single earner would need $298/month to keep her/his dependents at the poverty line. Hence with 40 percent of the workforce officially unemployed even before the COVID-19 crisis, extreme levels of super-exploitation were evident across South Africa’s economy.

Social programmes do not come close to lowering this line, given that the main grant (to care for children under 18 years old) was in 2020 worth just $24/month. The COVID-19 relief package amounted to a small monthly increment of another $24 promised from May-October 2020 as a palliative to ten million caregivers (looking after 14 million children). The old age grant to three million retirees over age 60 is $96/month, and the COVID-19 package temporarily increased it by $13/month. In addition, a new (also temporary) $19/month Social Relief Grant was introduced for informal-sector workers who had lost their livelihoods due to the crisis. Critics argue for increases, because in a mid-2010s measurement of state commitment to social spending, the Organisation for Economic Cooperation and Development
(2017) ranked South Africa’s ratio of social spending to GDP the fifth least generous among the world’s fifty main economies (at just 8 percent), in spite of having by far the worst inequality.

Extremely high corporate profits were another indicator of super-exploitation, with the International Monetary Fund’s (2018) annual Article IV Consultations regularly rating the South African operations of both local and international firms at among the five highest in the world. Yet the limits and contradictions of super-exploitation were witnessed in regular ‘overaccumulation’ crises of capital in which too much surplus capital piled up in highly-concentrated capitalist circuits (especially those under the control of the Oppenheimer and Rupert families), leading to periodic declines in the profit rates and more extreme reflections of social misery and inequality (Malikane 2017). On the one hand, the 1980s profitability and financial crises led white, English-speaking businesses to break away from the apartheid regime (Bond 2014a). But on the other hand, the crisis led to an era in which non-racial, constitutional democracy hollowed out the economic options. The economy briefly boomed as windfall profits were taken by big capital during the 2002-14 commodity super-cycle. But a renewed overaccumulation of capital—and ongoing investment strike by big business—reflected the overproduction of raw materials for the world market. The period 2015-19 was therefore punctuated by recessions and massive capital flight.

Against the terrible degradation in daily life associated with these broader-based conditions of super-exploitation, super-profits, and excess capacity, various attempts at resistance emerged. Although a broad-based eco-socialist ideology has not yet taken form (Bond 2016), notwithstanding various potential components, there are various mutual aid systems and commoning strategies worth noting, some of which succeeded and some of which failed. The first example we consider in detail—because it reveals many of the limitations of institutional attempts at commoning—is mutual aid in the form of cooperatives.

4. Cooperatives’ potentials and limits

Cooperatives and mutual aid systems are built upon a membership of workers, consumers, and producers. They link individuals, bond their individual interests, and tie their lives to goods and interests larger than themselves, and potentially build the institutional grounding for a larger commoning perspective (as many hoped the Spanish Mondragon network might become). This ideological maturing takes place in the bonding between cooperative work partners as they share values, hopes, and productive efforts in a common goal. The organic formation of cooperatives is rooted in community need and cohesion. Hence the general problem of ‘scale politics’ arises, in which formal commons institutions work for communities of up to 15,000 people, as Ostrom (1990) identified. Cooperatives are formed with individuals who share common backgrounds, as a result of culture, locality, and economic circumstances. But scaling up so that commons micro-experiences can become full-fledged eco-socialist societies, has never been attempted, reflecting the institutional limits of localistic cooperatives. For a society-wide Ubuntu politics to succeed, state power must be taken by commoners committed to at minimum, the decommodification and destratification that at least distinguishes social democracies from neoliberal states (Esping-Andersen 1990).
In the context of South Africa’s profound inequality and structured economic exploitation, cooperatives have long existed in part as survival mechanisms (Okbandrias and Okem 2016; Thaba and Mbohwa 2015). Dating to the 19th century, for example, savings clubs known as ‘stockvels’ and ‘burial societies’ were mutual-aid mechanisms especially for women in the Bantustan rural areas, i.e. sites from which able-bodied men were recruited away to mines, fields and factories through migrant labor systems. In these early forms of financial cooperatives, which still thrive today, individuals or families come together to collect money typically on a weekly or monthly basis, and share it in bulk so that economies of scale are realized. This allows the funds to accumulate to the point they can be used for large purchases, health emergencies, or weddings, funerals, and other family- and community-based occasions.

This is not unique to South Africa, and similar savings clubs are well known across Southern Africa and in West and Central Africa, especially as early colonial relationships through extractive industries introduced cash and commodity sales, but were super-exploitative. In Western countries, such practices are less common in the case of informal savings and credit systems, although community banking has long been a feature of the ‘social economy’ in Canada and older U.S. cities.

The advance of formal sector cooperatives in South Africa can be divided in two epochs. The first began in the mid-19th century with financial cooperatives established by working-class trade unions with British influences. These mutual societies and ‘friendly societies’ provided home mortgage loans (through Building Societies) and long-term insurance policies. From the 1930s to 70s, the state gave support to agricultural cooperatives that had emerged from the 1930s’ “Economic Movement” of national Afrikaners (dti 2009; Satgar 2007, 2014). Those that received the most generous subsidization (including low interest rates on bank loans) were in the agricultural sector, reflecting the strong rural white (and Afrikaner-ethnic) influence in politics. The strongest for many years was the Koöperatieve Wijnbouwers Vereniging (KWV), founded in 1918 to promote Western Cape grape vineyards, and soon given its own legislation and regulatory powers.

From the late 1980s, however, once neoliberal economic policies were adopted (e.g. the phasing out of interest rate subsidies and lower fiscal support), just as democracy dawned, the white cooperatives privatized themselves, especially the KWV. At the same time, the country’s white-dominated mutual financial associations faded out, starting with the building societies which were merged into commercial banks during the late 1980s and early 1990s, and then the two main insurance companies (Old Mutual and Sanlam) which were turned into ordinary companies on the stock market in the late 1990s, thus transferring vast historic capital reserves to the then shareholders. The mutual wealth and cooperative spirit that had worked for a select few during most of the 20th century was, in effect, allowed to evaporate –instead of being extended to the black population.

The second epoch arose with the 1994 election of the country’s first democratic government, one that endeavored to redress the partiality of previous cooperative policies by providing
support on emerging cooperatives, with specific focus on black-owned cooperatives (dti 2004). One immediate positive effect of the new policy environment after 1994 and especially during the Thabo Mbeki era from 1999-2008, was state financial and non-financial support for cooperatives, thus creating an upsurge of newly established institutions. Since 2005, the Department of Trade and Industry (dti) and more recently, the Department of Small Business Development’s Vukuzenzele programme have provided seed and development funding. The dti in cooperation with sector-specific government departments actively provided education, training, and linkages to financial institutions –and in some cases assisted with export marketing and investment (dti 2012). The Vukuzenzele programme provides up to $1 million in loan funding for primary cooperatives.

Rhetorically at least, state support for cooperatives occurs in the belief that they enhance integration of poor and vulnerable members of society into the formal economy (dti 2009), and fosters the Ubuntu philosophy in which ‘we are whom we are through others.’ But although the number of newly registered cooperatives increased, the sustainability of the cooperative sector has remained weak (Wessels 2016). According to dti (2010: 9) the country’s cooperative sector suffers an 88 percent failure rate, and achieves negligible employment creation and income generation (dti 2009).

Aside from primary agricultural cooperatives, the sector has minimal participation in the economy. Small emerging cooperatives’ absence in financial services also confirms that they are unable to access credit, as financial institutions have no special programmes to assist at the scale needed. Without a dedicated state agency to champion cooperatives’ needs, dti (2012: 10) acknowledges the sector suffers poor mentorship, minimal investment, and a sense of neglect among all spheres of government and their respective enterprise development agencies.

There are exceptions. The National Community Development Worker Programme and the Department of Social Development’s Community Practitioner Programme adopted the objective of creating a cooperative every month (Westoby 2014). Consequently, the top-down character of the resulting cooperatives reflect a political and administrative imperative, rather than the desire of people in communities to voluntarily pursue specific social or commercial objectives. Nor do the dti and other funding agencies have effective screening mechanism for emerging cooperative funding, including plans to operate effectively.

One explanation for the cooperatives’ failure is insufficient state subsidization given the weak market conditions: extremely high levels of market concentration and low incomes in what is the world’s most unequal society. Hence to break through these barriers, government support in terms of policy, programmes, and funding, are inadequate. In spite of high crime rates (including gender-based violence), the prevalence of civil society organizations and the high degree of social protests in poor and working-class communities confirm that South Africa has a very high relative degree of ‘social capital’ and community trust (Alexander et al. 2019; Ngwane et al. 2017).
Yet in the context of extreme inequality not only in the economy but in civil society’s own resource base differing interpretations exist over how South Africa’s poorer communities can generate sustained social movements. The last nationally-organized movements in these areas were in the early 1990s, taking the form of ‘civic associations’ typically associated with the African National Congress as it prepared to contest the first democratic election. But cooptation proved surprisingly easy, as civic leaders entered government and, notwithstanding alliances with other working-class leaders in parliament, failed to either shift state policy or to sustain the community movements (Mayekiso 1996, Bond 2000).

A new wave of community movements took place in the early 2000s in the main cities (the Anti-Privatisation Forum in Johannesburg, Anti-Evictions Campaign in Cape Town and Concerned Citizens Forum in Durban), but failed to broaden internally and link up disaffected communities across the country, or with successful social movements such as the Treatment Action Campaign (Mbali 2013). With the major exception of the Cooperative Policy and Alternative Centre which began in 2000 and continued to link several dozen small cooperatives with a progressive ideology (Satgar 2017), there was very little institutional strengthening during the early 21st-century’s wave of new social movements.

As a result, contemporary grievances that often flare in townships and informal settlements sometimes appear to occur on the spur of the moment, are hastily organized, shortlived, and do not have lasting influence and momentum. These ‘popcorn protests’ (Bond and Mottiar 2013) rely upon issues that bring communities together locally and indeed nationally. Protests take place by the thousands each year, an indication that many poor South Africans seek active participation against the present institutional arrangements of ‘representative democracy’, which operate against their social and material interests (Alexander et al 2019, Ngwane et al, 2017).

Without organizational support and a coherent ideology linking these disparate movements, however, they have failed to mobilize significantly across communities, and often succumb to state repression. In this context of mass poverty and the betrayal of poor people’s political interests, the society’s strong underlying social cohesion, as witnessed during protests, does not transcend the weak, patronage-based structures. Without sustained community advocacy and a sufficient subsidy pool, cooperatives have difficulty thriving.

5. Commoning state services to resist the threat of commodification

In the face of the institutional difficulties of establishing a cooperative strategy to promote mutual aid, was there nevertheless some inspiration from what Drucilla Cornell (2012) termed a South African “people’s commons”? The challenge identified by Cornell (2012: 193) drew upon what Luxemburg (2003) in 1913 considered the three core strategies that capital deployed against society and ecology in sites of super-exploitation: “1) to coerce [...] unfree black labour in South Africa during the entire period of colonisation; 2) to gain control over all natural resources; and 3) to introduce a commodity economy”.

129
The persistence of unfree black labor lasted until the early 1990s, when formal racial apartheid ended, specifically the Pass Laws and Group Areas Act which had regulated transit and residential aspects of migrancy, culminating in the 1994 democratic election. However, the socio-economic cost of corporate liberalization associated with this transition was high: the official unemployment rate soared from 16 to 29 percent (and 40 percent if we include those who live in ex-Bantustan areas and who had given up looking for non-existent jobs) (Bond 2014a).

South African capitalism therefore retained a reliance upon both undercompensated migrant workers and a vast reserve army of labor, which together keep wages lower than they would otherwise be. The people’s commons that emerged in this context was trade unionism, but although the World Economic Forum (2017) rated South Africa’s working class as the most confrontational on earth between 2012 and 2017 (among 140 countries surveyed), the labor federations turned ‘corporatist.’ Their willingness to mimic the ANC deals of the 1990s generated a sense of ‘class snuggle’ instead of class struggle. The largest federation played a major role in ending the governments of Mbeki (1999-2008) and Jacob Zuma (2009-18), compelling the men they had once supported to leave their presidencies nine and fifteen months early, respectively.

As for the “control over all natural resources” exerted by capital, there was a commons philosophy to be found among both progressive conservationists (few and far between though they were among the white-dominated formal groups) and environmental justice activists. Their commoning philosophy included both planetary stewardship, often in an eco-feminist mode (Terreblanche 2018), and climate consciousness (Cock 2016, Satgar 2018). Earth commons political activism is pursued by anti-extractivist movements such as Mining Affected Communities United in Action, Womin and ActionAid, with a “right to say No!” approach to mineral resource extraction most spectacularly expressed by the Amadiba Crisis Committee fighting off Australian titanium mining in the legendary Pondoland on the Indian Ocean’s Wild Coast (Bennie 2017).

The third kind of people’s-commoning resistance to capital has occurred against the commodity economy, especially several essential state services: public health, water, sanitation, electricity and tertiary education. First, thanks to the 1998-2000 emergence of hundreds of “service delivery protests” (Bond 2000) just at the time French and British multinational water corporations were making major inroads into municipal water delivery (Bond 2002), coincidentally during the Cabinet service of a genuinely Communist water minister (Ronnie Kasrils), the state was compelled to offer a modicum of “Free Basic Services.” These were inadequate to be sure: 25 kilolitres of water per person per day (two toilet flushes worth) and a household monthly electricity supply of 50 kiloWatt hours (which, typically for the working class, amounts to a week’s worth of supply; Bond 2002, 2020). The tokenistic levels and inadequate delivery resulted in further service delivery protests (Alexander et al. 2018).

Because liberal-grounded court strategies to resolve these disputes generally failed to satisfy community plaintiffs, most tragically in three Constitutional Court judgements that revealed
socio-economic rights as empty in the face of property rights (Subramoney on healthcare, Grootboom on housing and Mazibuko on water; Bond 2014b), there were much more militant reflections of commoning found at grassroots level. Some of these faltered due to logistical and organizing limitations (Bond and Galvin 2019). At the municipal scale of commoning, ubiquitous “land invasions” established “shack settlements” in most cities and towns (Turok 2018), and there, informal reconnections of water and electricity are not unusual. The most advanced case is the Johannesburg township of Soweto: 86 percent of power connections were illegal by the mid-2010s (le Cordeur 2016).

In a struggle stretching from the scale of global pharmaceutical markets to the national AIDS-denialist government down to the local health clinic, the Treatment Action Campaign (TAC) insisted on free, publicly-supplied medicines to help people living with AIDS combat the disease. These were initially provided through TAC’s illicit importation of generic drugs from India and Thailand, and then were codified by a multilateral exemption to the World Trade Organisation’s Trade Related Intellectual Property System patent rules in 2001. This represented a commoning of Intellectual Property and saved millions of lives, raising South African life expectancy from a low of 52 in 2005 (when roll-out to more than five million people began in public clinics) to 65 by 2020.

The most recent case of people’s commoning from below was national: the victory over the state’s excessive pricing of tertiary education. The campaign lasted from 2015 to 2017 before intense protest led to a student victory: 90 percent of tertiary students who entered institutions after 2018, whose parents’ income is less than $20,000/year, are given grants to cover tuition and living expenses (costing the state more than $2 billion annually).

The mostly free water and electricity, free AIDS medicines, and mostly free tertiary education together provide a sense of exceptional success in bottom-up commoning, achieved not because of top-down welfarism or court edict, but through social protest and persistent civil-society pressure. In each case, to be sure, there are unsatisfactory aspects of implementation, which have led to yet more protests. But these are, nevertheless, the genuine, effective strategies of people’s commons in post-apartheid South Africa. The difficulty of carrying the protests into the COVID-19 era are obvious, but the point is that in spite of the failure of both cooperatives and eco-socialist ideology to take hold, some critical building blocks of commoning-based strategies exist for future struggles.

6. Conclusion

Returning to Wallace et al. (2020), we can consider how South Africa’s experience with COVID-19 relates to the broader set of struggles identified. For example, the need to counteract the global circuits of capital (and especially travel and livestock trade networks) and retain regional environmental complexity can be expressed through a ‘degrowth’ and localization agenda (along with decommodification of trade in endangered species). This strategy would need to be specifically fit to South African economic circumstances (Bond 2019) rather than simply imposed on the Global South (as warned by Roríguez-Labajos et al. 2019). And it would also
need an international solidarity politics to prevent the kinds of nationalistic jingoism and xenophobia that the COVID-19 crisis has also unleashed, in South Africa and many other places.

It is this sort of commoning – of globalized people, against globalized capital – that the case studies of decommodified water and AIDS medicines present as instances in which South African social movements successfully made demands upon their state, supported by international allies such as a global network of water warriors, Medicins sans Frontières, ACT-UP!, Oxfam and Health Global Access Project. However, it is also critical to be aware of limitations, especially where difficulties arise in the institutionalization of commons at local level, in the form of cooperatives.

The COVID-19 crisis initially provided, on the one hand, opportunities to fuse political advocacy and decommodified social services (partly as standard charity but partly also as mutual-aid networks that might sustain into the future), given the extreme suffering associated with eco-social degradation under conditions of lockdown and economic crisis across South Africa. The rapidly-formed C19 People’s Coalition was an impressive crisis-response mechanism, but, on the other hand, over time appeared to be reinforcing the gaps between society’s potential strengths, and the actual outcomes. In part, this is because social distancing and community organizing could be conjoined as effective strategies only for a layer of activists with good access to internet and smart-phone technology, and no constraints on data consumption.

In addition, there were prior ideological rifts within civil society. Some reflect traditions of socialism versus autonomism in movement building. Some rifts flow from NGOs’ single-issue silo-orientation, leaving ‘disconnected dots’ and ‘popcorn protests’ to continue. Other barriers to institutional strategies, especially building local cooperatives and coalition building within overarching metropolitan- and national-scale left political networks have not succeeded. Nor has a new left trade union movement claiming 800,000 members transcended its own weaknesses and found sufficient common cause with other radicals, although the Cry of the Xlcuded coalition was launched during national budget protests in early 2020, before COVID-19 was a factor.

Over the medium term, an eco-socialist ideological approach may have the potential to overcome these problems, because of the universal character of the overlapping, interlocking crises that present themselves, of which COVID-19 is only the latest and most concentrated example. There are, as well, traditions which provide optimism as the basis for future work in South Africa, including two main cases to date in which a commons strategy has been adopted by activists: to acquire anti-retroviral medicines (ARVs) to fight AIDS, and to expand access to basic municipal water and electricity services. Victories in these cases between 2000 and 2005 were vital for the defense of life, especially in urban settings where public and private health are matters of common interest.

But the lack of both a coherent ideology and institutional form – such as cooperatives – within these commoning struggles, and ongoing divisions across the classical lines of race and class, have become debilitating. (One obvious failure includes society’s inability to incorporate victims
of xenophobia from Southern Africa who sought a commoning of black migrant populations of the region, following the 1885 Berlin 'Scramble for Africa' carving of artificial borders.)

Initial moves towards a coherent commoning ideology – e.g. the early 2000s’ urban social movements, the 2010s’ Democratic Left Front and United Democratic Front, and the early 2020s’ C19 People’s Coalition and Cry of the Xcluded – did not find sufficient traction in an era of fragmented left political initiatives, due partly to the ongoing dominance of African nationalism. For those most in need of deeper eco-socialist campaigns, who continue to be denied access to state power, the lack of such campaigns and institutions are especially detrimental to the nascent movement advocating ‘climate justice’. But from the fragments and the two case studies, exceptional cadres have been forged in post-apartheid struggle.

This chapter began by setting out the objective conditions in ‘super-exploitative’ South Africa, a site hosting the world’s worst inequality, and explored why institutionalization through cooperatives did not succeed. Nor did the construction of an eco-socialist ideology emerge amongst progressive movements, including labor, community, and environmentalists. Instead, a commons agenda driven from radical social movements (not institutional cooperatives) can be identified in three case studies: access to basic municipal services, to AIDS medicines, and to tertiary education. Both their strengths and weaknesses need to be understood dialectically, so as to advance to the next level of commoning consciousness and action.

References


South African Food Politics: Human Rights, Security and Sovereignty

*South Africa is a champion of institutionalising social, economic and cultural rights such as the human right to food, but it has yet to prove it can deliver results for 12 million poor food-insecure people, 70 per cent of which live in rural areas. (UN Special Rapporteur on the Right to Food, Olivier de Schutter 2011)*

As world leaders gathered in Madrid for the COP25 climate change conference to discuss ways to halt catastrophic warming caused by human-driven greenhouse gas emissions, Southern Africa is already suffering from some of its worst effects – with taps running dry and about 45 million people in need of food aid amid crop failures.15

South Africa’s first 25 years of democracy provided mixed results as regards the satisfaction of socioeconomic and environmental needs, especially for the country’s low-income majority. The results of the main measures were unimpressive, in spite of the civil, political and developmental rights provisions in the Constitution of the Republic of South Africa, 1996. The provisions for developmental rights includes adequate food access, as we will explore below, alongside nutrition, food quality and land reform – all difficult to achieve given continual pressure on the Treasury to cut subsidies, and given the broader power of corporations over agriculture and the food processing and retail industries. Statistics South Africa (Stats SA) estimated that the 2017 hunger count was 6.8 million (12% of the population), an impressive decline from 13.5 million in 2002 (2019). However, well before the Covid-19 pandemic, activists who mainly work from an agroecological perspective termed ‘food sovereignty’ estimated 12 million people as hungry (Kesselman 2017; SAHRC 2014). The difference between these estimations is explained in part by different conceptions of minimal food baskets (Abrahams 2018).

An ethical approach is now vital to complement analyses of food security that have been mainly technicist and sometimes market-based or constitutionalist. According to Paul Thompson,

> as the idea of development ethics has taken root, the idea that hunger is a central or unique problem has waned. Hunger is arguably now viewed as just one item on this lengthening list of topics. Food itself is viewed as just another good, rather like healthcare, education, recreation and emotional attachment. (2015: 337)

As Daniel McLaren et al. insist, the ethical challenge associated with food means the state’s responsibility should extend far beyond mere ‘access’ provisions:

---

The State must protect rights-holders against localised violations of the right to food such as farm owners who deny labour tenants and farm workers rightful access to grazing and crop land as well as water for production. The obligation to protect includes effective regulation of the private sector to ensure that basic foodstuffs are not beyond the reach of vulnerable people. The State must actively combat and punish fraud, unethical and predatory contractual and other behaviour by private actors in the food market, including in the marketing of food, as well as ensure the safety of food made available for public consumption. This will include punitive actions against private entities that produce unsafe products or engage in the dumping of hazardous goods. The State must be prepared to regulate food prices where necessary to ensure that basic foodstuffs are not inflated out of the reach of vulnerable groups. (2015: 30)

If these are the standards for an ethics of food security, then the South African state is obviously failing. Certainly, post-apartheid democratic gains are worth celebrating: racial, gender, sexual-preference and other apartheid-era restrictions on civil and political rights were lifted after 1994. On the positive side of the post-apartheid balance sheet, income redistribution took the form of 18 million social grants per month by mid-2020 and, hence, improved household food security. In addition, although rural land reform has been unsatisfactorily slow, the state claims that 3.2 million houses have been built since 1994, along with delivery of another 1.1 million serviced stands, representing substantial asset redistribution (The Presidency 2019: 141).

On the negative side, social grants are only available for children below the age of 18, for pensioners and for those suffering severe disabilities. The result is that those over 18 who have never been employed or are unemployed receive no state support. Furthermore, the values are extremely low: in mid-2019 the child support grant was R430 per month, or USD28, which is 25% lower than the USD37 per month provided in 1996. The South African Minister of Finance responded to the Covid-19 crisis by providing each caregiver with an additional grant of R440 from June to October 2020, plus another R350 per month to those qualifying for emergency unemployment relief. However, even as inflation dropped to a post-apartheid low of 2.2% by mid-2020, the cost of food rose at far higher rates. The inadequacy of the Treasury’s response – and the misleading claim that a R500 billion fiscal stimulus package was underway – reflected a missed opportunity to address insecurity by directing funds towards both better food supply systems (such as the subsidised planting of winter crops) and sites of consumption and disposal (such as community kitchens, improved tap water access and organic recycling mandates).

Meanwhile, inequality worsened as the real economy recorded a 16% annualised decline of output in the second quarter of 2020, while by April the stock market crash had reversed due to high-tech stocks (such as Naspers) reaching new heights in mid-2020, albeit slightly lower than the January 2018 highs. By the 2010s the country’s Gini coefficient was already the world’s worst, at 0.63 inclusive of social grants and 0.78 without. To be sure, massive state expenditure

---

such as private health insurance tax benefits or economic infrastructure subsidising wealthy residents and corporations is typically not included in such assessments (Bond 2015). The official rate of unemployment rose from a post-apartheid low of 16% in 1995 to 29% just before Covid-19 struck, with economically active people who had given up looking for work making up an additional estimated 10%.. Though Stats SA data became unreliable, its estimate was an additional five million people left the formal labour force during lockdown, and 2.2 million jobs were formally lost by mid-2020.

Water, health, environmental and educational rights are included in sections 27 and 28 of the Constitution. Improvements in the supply of water and sanitation have been widely lauded, but it transpired that the Presidency regularly claimed, inaccurately, that 95% of residents were provided access to potable water. However, for a large share, water was delivered not to their own plots but via a collective tap within 200 metres and, in reality, only two-thirds of the taps would be working at any given moment (Kings 2014). This amounted to a huge crisis during Covid-19. As the Department of Water Affairs (DWA) admitted in 2019, access to a working water supply point was lower than during apartheid (Kings 2019). Sanitation and direct access to water appeared to have slowed alongside formal housing provision rates in urban shack settlements (Bond 2019).

Another example of environmental impacts on health status – as well as on the ability to grow safe food – is air quality. The western portion of Mpumalanga, which contains coal mines and power stations, was cited by Greenpeace International as the world’s worst site for nitrous oxide emissions, not to mention degradation of farming land and water for irrigation.\(^\text{17}\) Mercury, uranium and E. coli have been identified as contaminants in many sites, including the agricultural zones of Gauteng.

Partly due to the stresses associated with growing environmental health threats, many of the state’s healthcare services are deteriorating to the point of dysfunctionality. The provision of free antiretrovirals (ARVs) raised life expectancy from a low of 52 in 2005 to 64 by the late 2010s. Now, however, there is concern that the Covid-19 pandemic has disrupted people’s access to medication at local health facilities, with many of the tens of thousands of ‘excess deaths’ (mortality beyond normal rates) associated with ‘default’ on drug regimes.

Food access is also indirectly affected by the education system, which locks children into poverty and inequality by entrenching the distinctions between the quality education provided by public and private schools in rich and middle-class neighbourhoods and low standards in townships and rural areas. The overall international ranking (e.g. in the World Economic Forum’s *Global Competitiveness Report*) of South African school children in mathematics and science is amongst the world’s lowest.

All these contextual factors associated with educational inequality suggest an even greater need to combat hunger and malnourishment. The ‘Mandela sandwich’ provided learners after 1994 was one response, and in many cases, school lunches are the only decent meal poor children receive. However, *Maverick Citizen* editor Mark Heywood pointed out that when a nationwide lockdown was suddenly imposed in late March 2020 due to Covid-19, ‘plans were not even in place for such critical interventions as the continuation of the National School Nutrition Programme in one form or another’.18

This was ultimately remedied in July 2020, only after a lawsuit was brought by the NGOs Equal Education and Section27 and two school governing boards from the Limpopo province, by a judge ordering the Department of Basic Education (DBE) to restart the provision of a daily meal to nine million children. There remains an enormous untapped potential to utilise public school facilities – such as the large-scale cooking capacity in already subsidised kitchens – to support universal feeding schemes in thousands of low-income communities.

An even more serious longer-term threat to food security is climate change – an existential crisis for coming generations – because it will dramatically worsen growing conditions, inequality and social stresses. Food and land are especially affected by the extreme droughts and floods that South Africa and neighbouring countries have been experiencing. The region’s vulnerability to the climate crisis has already been demonstrated. By 2019, most South African provinces had been declared national disaster areas due to drought, including the Northern Cape, Western Cape and Eastern Cape, and water shortages were also experienced in Gauteng, the Free State, KwaZulu-Natal, North West and Limpopo.19 Due to the lack of irrigation water in most of the farming areas dominated by black farmers, the droughts had devastating effects on land reform beneficiaries. With respect to food, climate change has the potential to worsen not only malnutrition and even mass starvation, but also the plight of short- and long-term climate refugees.

The plight of climate refugees in Southern Africa will indeed become a major concern, because worsening xenophobia (specifically Afrophobia) is another likely outcome of desperate migrancy from such areas into South Africa. The causality and ‘boomerang’ effects for South Africa are worth noting. South Africans, and resident multinational corporations which emit greenhouse gases at some of the world’s highest rates, owe a ‘climate debt’ to the drought- or cyclone-stricken areas of the entire subcontinent. From the standpoint of universal ethics, the Global North (which includes parts of South Africa) should be compensating those suffering climate-related losses and damage due to storm and drought devastation, foregone industrialisation due to their lack of access to CO₂-emitting economic activities in future, as well as food insecurity.

---


While the concerns above may appear as a scattershot list of problems that directly or indirectly affect food and nutrition, it is only with such a contextual combination of political ecology, political economy and social mobilisation analysis that we can do justice to the ethical aspects of food systems. The seminal lesson from Covid-19 is how the transfer of zoonotic diseases from animals (in this case bats or pangolins) to humans reflect the ‘metabolic rift’ between humans and nature, as Karl Marx explained the essential contradiction of life. This rift will have to be healed by coming generations who reject those aspects of the ‘Anthropocene’ and ‘Capitalocene’ that endanger the survival of humans and other species. However, honing in on specific aspects of this problem is important.

Therefore, in taking only agriculture and food as our topic in the pages that follow, we consider whether the South African government is meeting its simple constitutional and political mandate – that nutrition is a human right. We survey post-apartheid food security politics, including unsatisfactory results after a quarter-century of political liberation. More recently, the National Development Plan (NDP) offered new strategies, which also have not borne fruit, as is discussed later in this chapter.

But before the argument unfolds, it is important to contextualise this analysis by briefly reflecting on the socioeconomic crisis caused by Covid-19. The pandemic has had an extremely adverse impact on food security in South Africa. Nic Olivier and Sheryl Hendricks argue that many African leaders neglected food security during the Covid-19 pandemic, and South Africa was no exception. The HSRC found in April 2020 that in the first three weeks after the lockdown began, nearly a quarter of South Africans had no money to buy food, including ‘more than half of informal settlement residents (55%) and 66% of township residents’.20 Given that the welfare measures announced in April by President Cyril Ramaphosa were insufficient, Olivier and Hendricks advocated an operational national food security council. Through such an approach, the idea of food as a human right could become an ethical imperative and reality, not merely a tokenistic phrase, as is the case at present.

**Food as a human right, in rhetoric and reality**

With a firm focus on developmental ethics, the constitutional transition in 1994 promised dignity, equality, freedom, social justice and an improved quality of life for all people. The Constitution enshrines justiciable socioeconomic rights (SERs), which at the time broke new ground. Of course, there are caveats to this agenda. The Constitution’s endorsement of the ‘progressive realisation’ of rights allows for incremental change. There is also a constitutional recognition of budgetary constraints, with the result that SERs are promised only ‘within available resources’. On the other hand, the Constitution provides in section 237 that ‘[a]ll constitutional obligations must be performed diligently and without delay’. This is also in accordance with international treaty obligations, especially the 1966 International Covenant on

---

Economic Social and Cultural Rights (ICESCR), ratified by South Africa in 2015, which confirms ‘[t]he right to an adequate standard of living for [one]self and [one’s] family, including adequate food’ (OHCHR 1966: Article 11).

SERs provide normative standards, but there is no basic standard or ‘minimum core’ to ensure the ‘wellbeing’ of people. State regulatory processes have failed to establish what such standards might entail. The 2002 national poverty lines derived by Stats SA (2018) define three tiers (using mid-2018 amounts): the food poverty line (FPL) at R547 per month, the lower-bound poverty line (LBPL) at R785 per month and the upper-bound poverty line (UBPL) at R1 183 per month. The FPL ‘refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line’ (Stats SA 2018: 3). As regards types of food purchased, according to Stats SA,

low-income/expenditure households tend to have smaller food baskets with consumption patterns that are characterised by high consumption levels of ‘survival foods’ or relatively cheap calories, whilst high-income/expenditure households purchase more costly calories, may consume more protein-rich diets and may also consider other characteristics of food such as taste, convenience or simply the brand name. (2018: 5)

Stats SA’s items in the basic food basket are mealie meal/maize flour, brown bread, white bread, rice, cake flour, poultry (including heads and feet), beef and veal (including heads and feet), boerewors (sausage), canned pilchards, polony, fresh cabbage, potatoes, fresh tomatoes, onions, fresh full-cream milk, large eggs, long-life full-cream milk, sour milk/maas, edible oils (such as cooking oils), aerated cold drinks, fruit juices not from food service places, instant coffee, burgers, powdered soup, brown sugar and white sugar (Stats SA 2018). There are ongoing debates about the adequacy of the choices Stats SA made for this basket.21

Today, we have a timely opportunity to revisit the vexed problem of what constitutes sufficiency. As Bright Nkrumah argues, the ‘most obvious violation’ of the right to food, in terms of a potential constitutional claim, ‘might be the failure of ongoing programmes to adequately address the needs of a certain group of desperate people’ (2019). The Constitution is now regularly challenged by young activists as just another mechanism from the 1990s era of compromises, designed to co-opt social anger with fine words that require expensive lawyers to (attempt to) make juridically relevant, generally unsuccessfully. As impatience grows, constitutionalism is accused of distracting activists from more profound and immediate challenges to power – an ethical dilemma recalling the old reform versus revolution debate. To illustrate, the 1983 political strategy proposed by then President PW Botha offered Indian, coloured and African leaders the chance to join several neo-apartheid structures – the House of Representatives, the House of Delegates, Bantustan regimes and black local authorities – but the main anti-apartheid forces rejected these supposed ‘reforms’ in favour of the more

revolutionary demand for ‘one person, one vote in a unitary state’. It is to the ruling party’s credit that neo-apartheid reforms were also rejected during the constitutional negotiations of the early 1990s.

Whether genuine constitutional reform – to improve state generosity and assure implementation (instead of simply amplifying empty rhetoric) – is possible in the period ahead is difficult to predict given the adverse balance of powers in South African society and the perceived fiscal crisis. Genuine revolutionary reform, to truly end hunger, would require a concerted initiative including research, policy and administrative advocacy, and pressure points that cross from the private sector to the state executive to legislative targets. But as the ultimately fruitless debate over land expropriation without compensation (EWC) has revealed, such constitutional adjustment requires political will borne of desperation – and also effective organisation and social mobilisation. For example, it is vital for advocates to provide concrete evidence for the substantive content of a minimum core – sometimes termed the ‘social protection floor’ – for each SER, so as to support improved policy-making and implementation. Second, it is imperative to develop a set of baselines, goals and indicators. Third, and perhaps most importantly, advocates should find means of both supporting and opposing the democratically elected and accountable government, depending upon the circumstances. At times that would entail using the courts’ constitutionally mandated oversight role (where it is useful), and at other times it would involve transcending the juristic limits.

The ethical challenge before us is to create a process for shared understandings, commitments and monitoring systems. This requires a series of principles, analyses, strategies, tactics and alliances that transcend the traditional South African divides between traditionalists, liberals and radicals. It will require interdisciplinary research aimed at improving our ability to identify, gather and collate data and collaborate to generate and analyse evidence. We must ask: What works and where? What are the costs, and can society afford them? We can only learn the answer to the vital question – whether it is acceptable to potential beneficiaries/users – by working with the activist base. Ultimately, for a constitutional dialogue to have meaning, we must monitor and evaluate the progressive realisation of rights, based on a defined minimum core. But as we will see, this takes us beyond ‘food security’ and into a higher level of ethical politics, namely ‘food sovereignty’.

Seeking food security in post-apartheid policy

Any ethicist will point out that behind every piece of statistical data are human beings who were born free and equal in dignity and rights, but whose actual circumstances reflect society’s extreme race, gender, class and generational biases. Statistical data indicate, usually based on some form of numerical quantification, the prevailing circumstances at a given place or at a given time. But qualitative analysis, such as the Food Insecurity Experience Scale of the Food and Agricultural Organization (FAO), is equally important (FAO 2019). Such indicators help society to measure progress in the realisation of SERs and to ensure transparency and accountability at both national and local levels, and they provide relevant information that allows states and citizens to determine if they are in line with international commitments.
In considering food security, different criteria are evident. First, food security is a multidimensional concept, and for decades it was defined as ‘the availability at all times of adequate world supplies of basic food stuffs...to sustain a steady expansion of food consumption...and to offset fluctuations in production and prices’ (FAO 1982). Since then, several paradigm shifts on food security and insecurity occurred (Devereux & Maxwell 2003). The 1996 World Food Summit redefined the concept as follows:

Food security exists, at the individual, household, national, regional, and global levels when all people, at all times, have physical, social, and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for a healthy and active life. (FAO 2006)

There are four dimensions to food security: availability, access, utilisation of food and stability of availability and access. Food security was, at least in rhetorical terms, a policy priority for the post-apartheid South African government. In 1994, the ANC’s Reconstruction and Development Programme (RDP) made food security a policy priority:

2.11.2 The RDP must ensure that as soon as possible, and certainly within three years, every person in South Africa can get their basic nutritional requirement each day and that they no longer live in fear of going hungry...
2.11.4 Short-term interventions should support nutrition education and the stable, low cost supply of staple foods combined with carefully targeted income transfers and food subsidies.
2.11.5 The democratic government must ensure that VAT is not applied to basic foodstuffs, improve social security payments and reintroduce price controls on standard bread. It must enhance the efficiency of marketing so that farmers receive good prices while consumers pay as little as possible. To that end, the government should curb the powers of marketing boards and monopolies, and review the effect of tariffs.
2.11.6 The democratic government should institute a National Nutrition Surveillance System, which should aim to weigh a statistically significant proportion of children under the age of five years each month to establish their levels of growth and wellbeing. (ANC 1994)

In 1996, the right to food was enshrined in section 27 of the Constitution: ‘Everyone has the right to have access to sufficient food and water.’ In terms of implementation, ‘[t]he state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of each of these rights’. In section 28, this mandate was repeated specifically for children, who have ‘the right to basic nutrition, shelter, basic health care services and social services’. There are no limitations on the basic rights of children, as the clauses of ‘progressive realisation’ and ‘available resources’ are not applicable.

However, at the same time, the agriculture sector had come under greater neoliberal influence, as the 1998 Agricultural policy in South Africa made clear: ‘Input and output are now, and will continue to be, determined by market forces, and the government will not intervene directly to influence them...state intervention in agricultural markets should be the exception rather than a
The Integrated Nutrition Programme, Primary School Nutrition Programme and National Nutritional Surveillance System were implemented in the late 1990s. By 2000, vitamin A supplementation had begun and in 2002 the Integrated Food Security Strategy was launched by the Department of Agriculture, Forestry and Fisheries (DAFF). In 2003 the Food Price Monitoring Committee began under the National Agricultural Marketing Council so as to protect the consumer against unfair price increases. The Social Assistance Act (No. 13 of 2004) was passed in 2004 and in 2009 the Zero Hunger Strategy was launched, followed by the 2013 National Policy on Food and Nutrition Security.

In 2013, the agency most empowered as a watchdog in terms of sections 27 and 28 of the Constitution, the South African Human Rights Commission (SAHRC), launched the Right to Food Campaign. Its framing strategy is revealing in that it defines three key functions of the state in relation to ‘an enabling environment in which people can produce or procure adequate food for themselves and their families’:

- Respect: of existing access to adequate food. Government cannot take any measures that result in preventing such access;
- Protect: requires measures by government to ensure that companies or individuals do not deprive other individuals of their access to adequate food;
- Fulfil: means that government must pro-actively engage in activities intended to strengthen people’s access to resources that can be used in food production. If an individual or group is unable, for reasons beyond their control, to enjoy the right to adequate food, government must provide access to that right, directly. (SAHRC 2014: 2)
On the one hand, the implication of this principle, according to the SAHRC, is that ‘a person must have access to an income and government must ensure access to social security for those people and families that do not’ (2014: 1). The exceptionally high number of unemployed people in the country, without incomes or social security, is a reflection of the state’s failure. The case of children deserves mention: ‘Parents particularly, are obliged to provide food for their children. When they can’t, the state is obliged to step in and provide food for them’ (SAHRC 2014: 4). On the other hand, the SAHRC is intrinsically conservative, pulling back from a determination that state food allocation – such as has existed in Cuba, Venezuela and other countries with left-populist governments – is required:

The right to food does not mean that individuals and groups have a right to be provided food. It means that one has the right to feed oneself in dignity, through economic and other activities. In other words, individuals and groups are responsible for undertaking activities that enable them to have access to food. (2014: 2)

In sum, given this hesitancy to intervene against the market, the results of the various post-apartheid policies, programmes and projects have been uneven. In 2014, according to the SAHRC,

[t]here [were] 12 million poor food insecure people, 70% of which live[d] in rural areas. More than 60 percent of chronically hungry people [were] women...[There were] about 1.5 million children under the age of 6 years whose development is stunted by chronic malnutrition. (2014: 2)

The overall poverty level of R50 per person per day – an adjusted UBPL – actually rose from 45% to more than 60% by 2015.22 The 2016 General Household Survey observed that the province facing the most hunger was North West, with 36.6% of households having inadequate or severely inadequate food access, followed by 33.6% in the Northern Cape, 31.1% in Mpumalanga and 26.4% in the Eastern Cape (Stats SA 2016). In addition to geographical bias, food insecurity is gendered and more prevalent among the black African population (Oxfam 2014).

Barriers to food security in the food industry

A central dilemma here is that, as a 2014 Oxfam survey found, massive profiteering occurs in the food industry, which artificially inflates prices and lowers quality. The sector

is dominated by large commercial farmers and by a handful of corporate giants who drive the availability, price, quality, safety and nutritional value of food consumed by all South Africans. On the production side, there are approximately 40,000 large-scale, capital-

intensive commercial producers and an estimated 1.3 million small-scale, labour-intensive farmers. The commercial farmers account for 91% of agricultural production. (Oxfam 2014: 25)

As the report further states, once food has been grown, another powerful network of manufacturers and processors takes over, and their ethics are often found wanting:

Major milling and baking producers Tiger Brands, Pioneer Foods, Foodcorp and Premier Foods were found guilty following a series of investigations by the Competition Commission of fixing the price of bread, wheat and maize through cartels operating over a number of years. The dairy industry was also investigated and some of the largest dairies in South Africa – Clover, Parmalat, Ladismith Cheese, Woodlands Dairy, Lancewood, Nestlé SA and Milkwood – were accused of anti-competitive behaviour including price fixing. In the fishing industry, the Oceana Group admitted before the Competition Commission to fixing prices of canned fish (a major source of protein for poor households), as well as entering into a non-competition agreement with rival Sea Harvest, and was fined nearly R35 million. Oceana also had price fixing deals with companies including Foodcorp, Premier Fishing, Pioneer Fishing and Tiger Brands. (Oxfam 2014: 25)

The manufacturers sell food products onward via a retail industry where just five retailers hold 60% of the formal market – Shoprite, Pick n Pay, Spar, Massmart and Woolworths – while around 32% is shared by the ‘informal’ trading sector, which ranges from general dealers to spaza shops and roadside vendors. The supermarket revolution is seeing stores open in smaller town centres and shopping malls, which can bring a greater variety of food to localities. However, such stores also tend to be more expensive, promote low-quality processed foods and can push smaller retailers and informal traders out of business. (Oxfam 2014: 25)

Degraded food is one result, as was witnessed in the 2013 expired food scandal and the 2019 listeriosis outbreak. In townships, peri-urban settlements and rural areas, there is an important shift underway in the spaza shop sector. Andries du Toit and Lief Petersen detail how large supermarkets are crowding out the smaller locally owned shops, informal stalls and shebeens that traditionally provided fast food, fresh vegetables and liquor. They argue that excessive commodification contributes to xenophobic attitudes in the working-class population:

While foreign shop workers are the public ‘face’ of the new spaza sector, they are also the most exploited and vulnerable part of this new form of retail organisation from which powerful and well-connected business owners (including many South Africans) are directly benefiting.
Similarly, framing this as an identity issue lets the supermarkets off the hook for their role in this new dynamic.\(^\text{23}\)

In short, large price markups and abuse by major corporations are among the underlying problems associated with barriers to food access and also contribute significantly to what is now a globally recognised crisis in uneven urban-versus-rural development (Hernández Cervantes 2017). For those aiming to purchase quality food, further price and availability constraints arise, given that, as Oxfam notes, ‘the nutritional value of some food produced in South Africa was very poor – high in starch and carbohydrates and highly processed, which contributes to problems such as obesity’ (2014: 25). A major contributing feature is advertising, because ‘perceptions of adequate and healthy food were mainly shaped by the media, which determined which foods were “cool” to eat and which often promoted junk food’ (Oxfam 2014: 25).

Finally, notes Oxfam, ‘almost a third of food production in South Africa is wasted across the food chain. Research has shown that over 9 m tonnes of food (177 kg per capita), or about 30% of local agricultural production, goes to waste every year’ (2014: 25). Of R61 billion in wasted food in 2012, the main categories are fruit and vegetables (R22.4 billion), meat (R17.3 billion) and seafood (R7.8 billion) (Nahman & De Lange 2013). Inadequate access to and unaffordability of electricity contribute to the consumption of low-quality processed food, as major appliances – stoves, hotplates and refrigerators – are now much less affordable to operate in the wake of the 446% increase in prices by Eskom between 2007 and 2019 (when inflation was 98%).

All of the above represent serious violations of food rights, reflecting the residual power of racial discrimination in land access, the lack of subsidisation for a more appropriate food system, the ongoing domination of corporations in the food supply chain and the lack of public health imperatives in state regulation of nutrition. However, the key government document setting out socioeconomic objectives – the National Development Plan (NDP) – contains a much more limited conception of food security, in which none of these factors are considered worthy of transformative regulation, much less the profound state-led interventions required.

**The NDP’s diagnosis and recommendations**

To comprehend the state’s failures to meet its mandate and constitutional obligations, it is useful to return to the 2012 NDP, which offered a substantial analysis of food security, starting with two objectives:

- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security. (NPC 2012: 34)

---

The National Planning Commission (NPC) is self-congratulatory on food production: ‘South Africa is food-secure and has been for a number of decades. This means that it earns a trade surplus from agricultural exports and is able to cover the cost of food imports from those exports’ (2012: 230). However, the internal market is undergoing a change, resulting in ‘more yellow than white maize planted. This reflects the trend towards higher consumption of animal proteins and the fact that wheat, rice and potatoes are becoming the preferred staples as the population urbanises and becomes more affluent’ (NPC 2012: 230). However, there is obviously a very large – and growing – share of the population facing formal poverty:

Poor households feel the effects of food-price increases much more severely than more affluent households. It is estimated that low-income households spend about 35 percent of their money on food, compared to the 3 percent spent on food in upper-income households. Furthermore, rural households pay more for a basic food basket than their urban counterparts because of the low volume of sales, limited competition, high transport costs and lack of adequate storage facilities in rural areas. (NPC 2012: 231)

One of the most reliable food price indicators has traditionally come from an anti-poverty NGO, the Pietermaritzburg Agency for Community Social Action (Pacsa), and its successor project, Pietermaritzburg Economic Justice and Dignity. In 2018, when VAT was raised from 14% to 15%, Pacsa reported that fewer than half its 38 items received a zero-rating, and that monthly food-related VAT alone would cost in excess of R250 per month after the increase. Pacsa’s Mervyn Abrahams observed:

In order to provide a meal, working class households don’t just use zero-rated foods. A mother does not send her child to school with a few slices of brown bread; she sends her child to school with a sandwich that in addition to the brown bread will require margarine, peanut butter, or jam, cheese, polony – these are all subject to VAT. (2018)

Abrahams also noted that inflation affected low-income consumers much more than the rest of society’s expenses – 8.8% rise in working-class food price increases in 2018, at a time when inflation was just 5.4%. Even the IMF agreed in that same year that low-income South Africans suffered a higher general inflation rate, by as much as 2.5% in some circumstances (IMF 2018). This divergent rate has not yet been explained, but probably reflects differential buying power in which wealthier customers have more leverage, especially on goods that are not necessities, and in which oligopolies (especially in food) dominate small-scale consumers.

Due to climate change and the resultant adverse events, such as droughts, threats to the staple foods eaten by low-income consumers are rising, as witnessed in 2016 to 2019, when food prices rose more quickly than the prices of other items. This led the NPC to predict ‘a trend away from the production of staples to higher-value crops’ as commercial farmers maximise export profits (2012: 230). The NPC observed, incorrectly, that ‘[a]s there is only limited correlation between climatic events in South Africa and countries to the north of the Zambezi, regional cooperation may offer greater supply stability and resilience to droughts’ (2012: 230).
Yet one of the worst ever droughts hit not only several South African provinces, but also western Zimbabwe and the Zambezi River catchment, which led to Victoria Falls nearly drying up by December 2019, Lake Kariba’s vital power generator being decommissioned and Zimbabweans facing electricity load shedding of 18 hours a day. In March 2019, Cyclone Idai wrecked the year’s maize crop in Zimbabwe’s eastern province of Manicaland, especially the Chimanimani and Chipinge areas. Similarly, in Mozambique, the same pattern of extreme droughts and cyclone-caused maize destruction occurred simultaneously.

Another problem is that the trade regime envisaged in the NDP – especially moving food security objectives from national to regional scales – may become risky for neighbouring countries. They have witnessed the destruction of their own markets by imported South African commodities produced less expensively in bulk. Indeed major Johannesburg retailers often prefer to import processed foods from South Africa, instead of buying from local producers in the region. In other words, the NDP’s stress on food exports may benefit South Africa’s pressured current account balance and large-scale commercial farmers, but it will not necessarily be advantageous for the security of poorer importing countries. In two cases, Zimbabwe and Angola, economic crises were so severe that South African firms were, during the late 2010s, not permitted to repatriate earnings from local sales there, due to currency shortages and debt crises.

In addition, the NDP suggests some targeted food sector reform strategies, including aid to community groups and NGOs for ‘basic food-support activities’ (NPC 2012: 231). Quite a few other recommendations, most of which have not been implemented, were made in the NDP, for example:

- better access to price information for farmers; effective communication between transport companies and wholesalers; educating packers and retailers on safe food handling; and cost-effective packaging to lessen losses after harvesting. Suitable arrangements to ensure safe pregnancy and child birth and to enable working mothers to breastfeed exclusively for the first six months must be put in place for farm workers. Effective nutrition education for health workers, mothers and other caregivers should be a national priority. Food fortification should include foods for young children. Fortified mixes and low-cost fortified spreads or powders should be widely available. Links between agriculture and nutrition can be strengthened, particularly regarding producing and processing nutrient-rich foods such as legumes and other vegetables. Policy measures to increase intake of fruits and vegetables and reduce intake of saturated fats, sugar and salt, as recommended in the South African dietary guidelines, should accompany strategies to increase vegetable and fruit production. Special nutritional services may be required for households with a shortage of able-bodied persons, child-headed households or those with chronically ill or elderly members. Provision for nutritional services during natural disasters or other emergencies needs more attention. Innovative measures, such as procurement from small-scale farmers to create local buffer stocks and community-owned emergency services, could be explored. (NPC 2012: 145)
Could land reform help solve the food crisis? In spite of the obvious failure of the ‘willing seller, willing buyer’ policy to deliver land to those in need, the NDP did not mention the persistent demand for EWC to speed up land reform (especially where white farmers leave land idle). But to the extent that such a strategy can improve food security for households who are beneficiaries of land reform, it is an important tool. The failure to redistribute the 30% of the land as promised in the RDP reflects a distinct lack of political will. The lack of ongoing state support for land reform, in contrast to Cuba’s successes in redistribution in the early 1960s, meant that farm projects on the small fraction of land that was restituted and redistributed suffered from high failure rates. By 2017 this had become such a contradiction in ANC politics that the party passed a resolution demanding the implementation of EWC, one which President Ramaphosa has skilfully avoided implementing.

As a result of the failure of official food, land and agricultural policies, a new political agenda emerged in South African civil society, aiming for what is termed food sovereignty, as opposed to just constitutional rights or technical food security. However, the weaknesses of this concept with respect to social advocacy need to be acknowledged.

**Food sovereignty politics: Advocates and movements, in South Africa and abroad**

One reason for the state’s failure to generate strong food rights policies is the lack of a national rural social movement in the post-apartheid era. There have been, in contrast, very successful socioeconomic campaigns, such as those demanding the provision of ARVs during the Mbeki era and movements calling for free tertiary education, free municipal services (up to a point) and good governance during the Zuma era. Food security, the right to nutrition and widescale land reform have been harder to obtain. Assisted by NGOs such as the National Land Committee (NLC) and allies in various provinces, isolated communities which demanded land rights regularly convened during the 1990s, drawing strength from traditions of rural revolt and opposition to apartheid’s land dispossession, for example Sekhukhuneland (1958) and Pondoland (1950–61). But although the NLC called on the ANC government to implement the Freedom Charter, power relations just after liberation were adverse, as witnessed in the then Minister of Agriculture and Land Affairs Derek Hanekom’s repeated dismissals of activists and his adoption of neoliberal land and agricultural policies (Bond 2014).

The frustration had become palpable within a few years of apartheid’s defeat, leading to the rise and fall of the Landless People’s Movement (LPM), which achieved prominence at the time of the Durban World Conference Against Racism in 2001, but became splintered and then defunct within two years. The LPM was associated with the Via Campesina network, which is strongest in Brazil thanks to the Movement of Landless Workers, but the South Africans involved simply could not overcome atomised social conditions in rural areas. They never mounted a national political project, and after the LPM fell apart, the most vocal leaders split. Some aimed to have the ANC finally endorse EWC, and others joined the Economic Freedom Fighters (EFF) after 2013. Some activists then formed the Black First Land First (BLF) party and social movement after being expelled from the EFF in 2015.
Perhaps the most powerful rural movement to emerge after the LPM’s disintegration was the Western Cape’s farmworker revolt of 2013, which in many sites of struggle had enormous success in nearly doubling daily incomes to R105 per day. Those workers are among the most oppressed members of a South African national proletariat that ranked as the angriest working class on earth from 2012 to 2017, as measured by the annual polls of the Davos-based World Economic Forum (WEF), which involve 14 000 global corporate leaders (Visser & Ferrer 2015; WEF 2017).

An insider version of rural mobilisation was the ANC’s lobby for EWC – in part because the EFF was gaining support (their share of the vote ultimately rose from 6% to 11% in the 2014 and 2019 elections respectively) – but there appeared to be little chance for meaningful implementation. As Fitch Ratings stated in mid-2018, the EWC constitutional amendment had already become – thanks to Ramaphosa’s political discourse – merely a rhetorical ‘tactic to offset’ the left, both within the ANC and in the EFF.24

Social movements will continue to rise in rural South Africa, as a result of the inability of the state, political parties and public interest lawyers to utilise either the land claims of the liberation tradition or the Constitution’s provisions on land and food rights. Ecological degradation caused by commercial fertilisation and pesticides, combined with vulnerability to extreme weather events due to the climate breakdown, amplifies other sources of agricultural insecurity. These include commercial overproduction tendencies that lower profitability and generate massive waste, speculative agricultural commodity markets in which financiers play a destructive role, and the contribution of hunger to social desperation. Together, these reflect a system in deep crisis, for which state policies and programmes aimed at food security represent a very weak countervailing tendency.

A different framing has been adopted by food sovereignty advocates, including several South African campaigns. The international food sovereignty movement25 has developed six defining principles, according to the London-based Global Justice Now social movement:

1. Focuses on food for people: The right to food which is healthy and culturally appropriate is the basic legal demand underpinning food sovereignty. Guaranteeing it requires policies which support diversified food production in each region and country. Food is not simply another commodity to be traded or speculated on for profit.

2. Values food providers: Many smallholder farmers suffer violence, marginalisation and racism from corporate landowners and governments. People are often pushed off their land by mining concerns or agribusiness. Agricultural workers can face severe exploitation and even bonded labour. Although women produce most of the food in the global south, their role and knowledge are often ignored, and their rights to resources and as workers


are violated. Food sovereignty asserts food providers’ right to live and work in dignity.

3. Localises food systems: Food must be seen primarily as sustenance for the community and only secondarily as something to be traded. Under food sovereignty, local and regional provision takes precedence over supplying distant markets, and export-orientated agriculture is rejected. The ‘free trade’ policies which prevent developing countries from protecting their own agriculture, for example through subsidies and tariffs, are also inimical to food sovereignty.

4. Puts control locally: Food sovereignty places control over territory, land, grazing, water, seeds, livestock and fish populations on local food providers and respects their rights. They can use and share them in socially and environmentally sustainable ways which conserve diversity. Privatisation of such resources, for example through intellectual property rights regimes or commercial contracts, is explicitly rejected.

5. Builds knowledge and skills: Technologies, such as genetic engineering, that undermine food providers’ ability to develop and pass on knowledge and skills needed for localised food systems are rejected. Instead, food sovereignty calls for appropriate research systems to support the development of agricultural knowledge and skills.

6. Works with nature: Food sovereignty requires production and distribution systems that protect natural resources and reduce greenhouse gas emissions, avoiding energy-intensive industrial methods that damage the environment and the health of those that inhabit it.26

These values are shared by some of the leading South African food experts, scholars and activists, especially at the University of the Western Cape’s Institute for Poverty, Land and Agrarian Studies (Plaas), the Sustainable Livelihoods Foundation and the Centre of Excellence in Food Security. Other scholars active in South African food sovereignty research include Jackie Cock, Brittany Kesselman, Mvuselelo Ngcoya and Narendran Kumarakulasingam.27 Another academic, Vishwas Satgar, has led the Cooperative and Policy Alternatives Centre (Copac) since 1999, including extensive applied work on food communing. Copac is a ‘grassroots development organisation’ with a ‘democratic Marxism’ ideology and ‘solidarity economy’ programme.28 The 2014 Inter-Provincial Dialogue on the Right to Food and the 2015 People’s Tribunal on Hunger, Food Prices and Landlessness were examples of Copac’s networking.

In addition, starting in 2015, the South African Food Sovereignty Campaign (SAFSC) has had various small-scale successes, including the launch of a national campaign with 50 initial member organisations, the formation of several dozen food cooperatives and impressive institutional support, for example from the University of the Witwatersrand (Wits). At the initial 2015 assembly, the campaign challenged the crisis-ridden corporate and globalised food system that is responsible for worsening social, health and climate challenges, and which is coinciding with increasing state failure to regulate our food regime and ensure much-needed agrarian

28 See https://copac.org.za/about-us/
transformation. Climate shocks are already impacting negatively on our food system, in the form of volatile food prices, droughts, heavy rainfall and flooding. This necessitates advancing food sovereignty to ensure our food and water needs are not compromised and ordinary citizens have the means to meet their food production and consumption needs on their terms in the midst of the climate crisis.

The SAFSC’s march to the JSE Limited in early 2015 included several demands:

- Reduce food prices now! We reject the above profiteering that allows for exorbitant salaries and benefits for food industry executives and shareholders while millions in this country go hungry, and workers in the factories and shop floors are paid low wages.
- Reduce the salaries of all executives and top managers. Instead of paying out excessive dividends to shareholders, increase wages of workers in the food industry. Corporations promote unhealthy food choices, especially to the poor, in order to boost their bottom line with scant regard for the health effects, the costs of which are instead borne by families and the public health system.
- Stop advertising unhealthy and ‘junk’ foods, especially to children, and reduce the prices of nutritious foods. The industrial agricultural methods through which most of the food is produced by agribusiness and food corporations is destructive of the earth, inefficient in water demand, and wasteful.
- Recognise that we need a new pathway for food production and distribution and that land and agrarian reform is an important part of this solution. Allow for alternative localised food systems to develop based on land and agrarian reform rather than entering and dominating the market, thus pushing out small producers and retailers.29

One early SAFSC target was Monsanto’s RoundUp (glyphosate) herbicide, used on genetically modified organisms (GMOs) such as maize, soya, cotton, wheat, viticulture, sugarcane and timber. Glyphosate has been condemned by the WHO’S International Agency for Research into Cancer as a ‘probable human carcinogen’. The SAFSC campaign not only demanded it be banned, but also insisted on ‘a commitment from government to transform our corporate-controlled, chemical-laden food systems to a socially just agro-ecological food system’. Such campaigning will need to intensify given what appears to be a renewed effort by corporate agriculture representatives to promote imported GMO maize into countries in the region that have long rejected it.30 The justification put forward for GMO expansion is the worsening regional drought.31

Food sovereignty campaigns are strongest when they are grounded in tough local politics. A leading SAFSC member, Andrew Bennie (2017), has researched the still-emerging food

---

30 This is largely because GMO usage threatens countries’ agricultural exports to the EU.
sovereignty movement at its base, and identifies the groundbreaking Amadiba Crisis Committee (ACC) and its anti-mining struggle on the Wild Coast as an exemplary case. This is partly because of the defence of what the ACC calls ‘the biome and ethnobotanical elements of the area. This includes reliance on the ocean, and the socio-cultural and economic value derived from the land and ocean’ (2016). The SAFSC also has regular schools dedicated to ecology, where topics include:

- understanding hunger and the food system;
- understanding food sovereignty and the solidarity economy alternative;
- practical agroecological training;
- local organising of the campaign in communities;
- national coordination and campaign building.

A final example of critical local mobilisation combining activism and strategy informed by food sovereignty is the Southern Africa Permanent People’s Tribunal on Transnational Corporations, part of the Southern Africa Campaign to Dismantle Corporate Power. In mid-2017, this movement held a conference in Johannesburg at which seven communities and movements from the region testified about violations of human and environmental rights, including through the denial of food and seed sovereignty.

There is an international model of enormous interest as well: Cuba. In the pre-revolutionary era (before 1959), the country’s poor majority faced severe food crises, but within a few years, Cuba had become a food-secure nation and, in many respects, achieved food sovereignty. Malnutrition and stunting were extremely low by Latin American standards, and life expectancy rose steadily. Sugar sales to the Soviet Union and reinsertion into global markets allowed agricultural imports to increase over time.

However, food crises re-emerged, according to Julia Wright, after Cuba had come to rely on petroleum usage to sustain its agriculture, especially in relation to pesticides, fertilisers and international transport (2012). With the collapse of the Soviet Union during 1989–91, there was an abrupt end to inexpensive oil, and hence the semi-industrialised system of agriculture collapsed. As Wright points out, ‘Cuba had followed a model of externally-assisted agricultural modernisation, although at a far more rapid rate and spread, and its industrial growth had remained dependent on imported inputs and capital goods’ (2012: 132).

In response to the crisis, Cuba developed low-carbon strategies centred on human, social and cohesive political will (Wright 2012). For example, educated scientists used their expertise to develop Cuba’s organic agriculture industry, which complemented new investments in housing, health, communication and transport networks. Wright remarks that a ‘national nutritional monitoring programme had been in place in Cuba since 1977, as well as a ration system to ensure a safety net for the poorest and equitable access to foods in short supply’ (2012: 134).

Also starting in the early 1990s, the Cuban government introduced a mitigation strategy called ‘the Special Period in Times of Peace’, during which the government mobilised broad support
and cooperation across state institutions responsible for agriculture, food distribution and health, as well as the army. A supportive set of civil society networks provided grassroots support, while the centralised power structure prohibited conflicting mandates and dissent. Of special note was the success of the Food and Nutrition Surveillance System, promoted since 1997 by the Institute for Nutrition and Food Hygiene, which regularly convened a multidisciplinary team to evaluate production forecasts, plan for shortfalls, watch over micronutrient intake, monitor the adequacy of social feeding and rations, promote nutritional education and provide an early warning system for shortages. The power to establish this model reflected, according to Wright,

“a strong degree of sovereignty and a range of cross-cutting mechanisms to maintain incentives for national production, while ensuring equitable distribution and accessibility and this is perhaps the biggest lesson that Cuba’s experience of the 1990s has for the rest of the world.” (2012: 150)

In drawing on international lessons to develop a model for food security and food sovereignty in South Africa, we might learn from the model shown in Figure 1. The model is based on the FAO’s Committee on Food Security and the Food Insecurity and Vulnerability Information and Mapping Systems initiative on different levels of food security, as adapted by Mark Gibson (2012).

A South African model for food security and food sovereignty could be anchored by what Olivier and Hendricks term a ‘National Advisory Food Security and Nutrition Council which would have the support of the Public Entities Governance Unit of National Treasury and the Department of Public Service and Administration’.32

Figure 1 Different levels of food security

---

Conclusions

Given South Africa’s high levels of poverty, hunger and food insecurity, there is an ethical imperative for society and the state to address the growing nutritional and food access crises. If popular anger had to grow to a level sufficient to create an upsurge in political will in Pretoria and Parliament, the South African government would logically declare a state of emergency. The state would then immediately implement the reforms proposed in the NDP and go much further with more creative interventions. To illustrate the kind of urgent initiative required, the school nutrition programme could operate during school holidays as well, as most of the children who rely on the programme go hungry when schools have closed. It could be broadened to serve all members of the community, as a ‘lifeline’ supply of decommodified, nutritious food would replace the current food deserts.

To ensure a corruption-free system meeting food needs and rights, the country’s lawyers could also more aggressively pursue juridical remedies, with class action cases drawn from the masses of hungry people, to achieve the constitutional promise of ‘access to sufficient food’. Indeed, if South Africa’s leading businesses were committed to ethical behaviour – instead of actions that result in them being rated by PriceWaterhouseCoopers as the world’s most corruption-riddled corporate elite (PwC 2018) – they would cease their profiteering from hunger, for example through curtailing the supply of low-nutrition junk food in poor neighbourhoods. They might instead adopt wide-reaching nutritional support practices, including dedicated taxes for food support, and endorsement of much wider zero-rating of essential foods. As a reflection of how difficult it is to put this on the political agenda, the owner of both the McDonald’s and Coca-Cola franchises across South Africa was, until he assumed the
deputy presidency in 2014, Cyril Ramaphosa. It is now common knowledge that Ramaphosa will not act against the industries that gave him enormous wealth, such as in the debilitating cases of Illicit Financial Flows (where his firms Shanduka, Lonmin and MTN were implicated in dubious shifts of profits to tax havens), and climate change (his firm Shanduka had become one of the main coal companies supplying Eskom). Corporate South Africa’s efforts to ensure their workers have access to food have been limited to charity gestures, not the major interventions we believe will be necessary.

Most importantly, this chapter has attempted to show the ethical ceiling that prevails with such reformist gestures, especially those pursued within the scope of the food security paradigm, corporate agriculture’s dominance and the NDP. To be sure, a new and improved version of the NDP will purportedly be issued in 2020, but the adverse balance of forces – combined with the worsening fiscal squeeze and rising evidence of crop-destroying climate change – leave little hope for progress within the existing system. As a result, we anticipate that the potential for a genuine food ethics will come from those proposing food sovereignty.

The prefigurative demands, strategies, advocacy networks and agricultural cooperatives that are already in place to this end offer ethical alternatives to mainstream food security principles, policies and practices. The question is whether the crisis will reach catastrophic proportions before the movement’s ability to implement food sovereignty appears at the scale required. The answer will come from the base, and will depend on whether the opportunity arises to channel grassroots desperation into a profound social movement, such as those that defeated apartheid (1912–94) and reversed Big Pharma’s overpricing of AIDS anti-retroviral medication (1998–2005). In one case, a racist government had to be overthrown before policy changes could be achieved, and in the other, activists achieved a major power shift within the ruling party, with policy on AIDS treatment being removed from the purview of the state president by his own party.

With some similarities to those cases, the Covid-19 catastrophe revealed the ruling party’s tendency to ‘tenderpreneur’ corruption; an overly repressive state apparatus enforcing a necessary but unmanageable lockdown, especially in high-density residential areas; and the rapidly declining legitimacy of the state president and Treasury, whose neoliberal budget cutting and refusal to kick-start the economy with Keynesian-style stimulus caused unnecessary mass suffering. Food riots were common in 2020, in part due to patronage interfering with food parcel handouts. However, as described above, the variety of structural barriers to universal rights to nutrition and to a coherent, low-carbon, climate-resilient agricultural system will remain until a mass movement appears that is capable of nurturing the seeds of food sovereignty that are already growing on this harsh terrain.

References
Abrahams M (2018) Zero-rated foods do not protect the poor from the negative impact of the increase in VAT to 15%. Pietermaritzburg Agency for Community Social Action (Pacsa) press release, Pietermaritzburg, 22 February. Accessed 5 November 2020,


The BRICS New Development Bank’s False Dawn: Unsustainable Infrastructure Finance in South Africa
in A. Shaw and R. Bhattacharya (Eds), Urban Housing, Livelihoods and Environmental Challenges in Emerging Market Economies.
New Delhi: Orient Blackswan, 2019

Abstract
In mid-2014, the New Development Bank (NDB) was born at the Fortaleza summit of the Brazil-Russia-India-China-South Africa (BRICS) bloc, allegedly out of frustration with the main Bretton Woods and related multilateral institutions responsible for project finance. Shortages of both state subsidies and affordable credit for the BRICS’ housing, livelihood and environmental needs have motivated various green financing strategies. The major multilateral lenders – especially the World Bank and regional allies – typically do not ensure that their financing reaches the homeless, the jobless and nature. In many cases, the lack of environmental, political-economic and governance safeguards characterise orthodox lenders, whose agenda is largely pushing loans. In planning the NDB’s mandate, however, two of the main protagonists – Nicholas Stern and Joseph Stiglitz (both former World Bank chief economists) – contributed not only to its environmental mandate, but to features consistent with a different agenda: geopolitical symbolism and financial lock-in for transnational corporate accumulation and debt-repayment purposes. The contradictions between rhetoric and reality became glaringly evident in the NDB’s 2016-18 South African portfolio. But civil society contestations of NDB loans and prospective credits to Eskom and Transnet began by mid-2018.

1. Introduction: Raised – and dashed – expectations for the BRICS replacing Western banking

In 2013 in Durban, at the heads-of-state summit of the Brazil-Russia-India-China-South Africa (BRICS) bloc, a New Development Bank (NDB) and Contingent Reserve Arrangement (CRA) were agreed to, and they were formally initiated at the 2014 Fortaleza summit. The NDB’s mandate was “mobilising resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development” (BRICS 2013). The West’s “Washington Consensus“ ideology and neoliberal policy strategy had done enormous damage by forcing the rest of the world to liberalise finance, trade and investment, causing economic, social and ecological destruction, and strengthening multinational corporate power. In their generally overcrowded and often dangerous, polluted cities, the BRICS have formidable housing, livelihood and environmental needs; a new institutional approach to financing these, beyond standard state subsidies, was warmly welcomed. Two well-known former World Bank chief economists were involved in the initial scoping, emphasising the NDB’s potential strengths in sustainability lending, as we see below.

South Africa is an appropriate case study of whether these expectations have been realised, five years later. The main national leader during this time, Jacob Zuma of the African National Congress (ANC), was one of the most vocal critics of the World Bank and International Monetary Fund (IMF). In 2016-17, on several occasions, Zuma claimed that because he brought
South Africa into the BRICS, the West wanted him out of power, even murdered. And at the 2015 Ufa BRICS leaders’ summit, Zuma expressed the need for an alternative to the Washington banks in a *Russia Today* (2015) interview: “They want to dictate what you should do. You can’t utilise that kind of assistance the way you want. So, in a sense, it has conditions that will keep you dependent all the time. That’s what we’re trying to take ourselves out of.” His successor, Cyril Ramaphosa (2018), told the United Nations that the IMF and other multilateral institutions “need to be reshaped and enhanced so that they may more effectively meet the challenges of the contemporary world and better serve the interests of the poor and marginalised.”

Unfortunately, the subsequent lack of multilateral financial reform – in part due to the BRICS’ own assimilation strategy, and willing cooptation by World Bank and IMF leaders – became obvious soon enough. Although this chapter considers the major site of lending, South Durban, as mainly a study of urban infrastructure sustainability, there are problems already evident in the NDB that reflect similar grievances against the World Bank: a systematic lack of consultation, widespread corruption, reversion to hard-currency lending, and the projects’ overall dubious illogic. All these problems deserve much more critical enquiry than has happened to date (notwithstanding a protest against the NDB in mid-2018, the day before the BRICS Sandton heads-of-state summit). The three loans granted in South Africa during 2016-18 are not yet fully transparent, as a result of ongoing fraud proceedings (sometimes termed “state capture”) against the NDB’s highest-profile borrowers, opaque lending agreements, and the NDB’s failure to conduct due diligence. Requests made by civil society activists for loan documentation were ignored.

These three loans are: $180 million for renewable energy and a major township’s restructuring granted in 2016 but only activated in 2018; $200 million for port expansion; and $300 million for renewable municipal electricity via the Development Bank of Southern Africa (although the onlending financier has not announced any particular use of the NDB funding). Before enquiring into their appropriateness, consider the NDB’s sustainability mandate, followed by a brief survey of the South African urban infrastructural terrain.

2. NDB mandate rhetoric, from environmental to financial sustainability

---

33 In 2016, Zuma told ANC activists about the BRICS: “It is a small group but very powerful. [The West] did not like BRICS. China is going to be number one economy leader… [Western countries] want to dismantle this BRICS. We have had seven votes of no confidence in South Africa. In Brazil, the president was removed” (Zuma 2016). Zuma reiterated the point at his party’s mid-2017 policy conference: “the ANC is part of the global anti-imperialist movement. We are historically connected with the countries of the South and therefore South-South cooperation such as BRICS is primary for our movement.” A few weeks later, he announced to followers, “I was poisoned and almost died just because South Africa joined BRICS under my leadership” (Matiwane 2017). His poisoning was actually carried out by his fourth wife, whom his confidant Gayton Mckenzie (2017) argued was done in league with the U.S. Central Intelligence Agency, to halt the progress of the BRICS. However, no one has produced any proof.

34 In 2016, the NDB (2016a) leadership adopted a five-year strategy document which includes a commitment “to undertake joint projects and knowledge exchanges with the World Bank… to make the most of their decades of experience.” Similar memos of understanding exist with other multilateral institutions, including the IMF.
This book addresses “policy formulation, delivery, critical research and grassroots activities” with a focus on urban housing, livelihoods and environment (Shaw and Bhattacharya, 2019). The NDB’s South Africa branch has not yet made housing loans specifically, nor loans addressing livelihoods. However, there are urban services associated with housing, especially electricity, and here at least four more generalised problems are evident: the NDB’s tendency to corruption (and lack of appropriate oversight), its neoliberal export orientation, its lending in inappropriate currency, and its failure to consult affected communities (Bond 2019).

Before considering each of the three South African loans with sustainability criteria foremost in mind, it is useful to review the NDB’s own original mandate, which stressed the innovative financing options associated with environmental-oriented infrastructure lending. The NDB’s roots were complicated by the role of two Western consultants, London and New York economists Nick Stern and Joe Stiglitz – both former World Bank senior vice presidents and chief economists – who in 2010 began advocacy for the BRICS Bank. Indeed in a 2011 memo commissioned by BRICS leaders, they recommended the following:

Low-carbon infrastructure and technologies, in particular, are crucial to lay different and more resilient foundations for growth in the next decades. Investments are urgently required to both mitigate the risks and adapt to climate change, generate economic growth, reduce poverty and promote stability and security. These are the great challenges of the 21st century. Failure on one is likely to imply failure on the others (Stern and Stiglitz, 2011).

Although these are noble sentiments, they have little hope of ever being realised given the broader BRICS project of high-carbon extractive infrastructure. China, the U.S. and India remain the top three greenhouse gas emitters; all continued increasing their contributions to climate change in 2018 notwithstanding the increasingly obvious dangers to future generations and species. In 2019 Brazil is much more rapidly exploiting the earth’s vital lung, the Amazon rainforest, for the sake of soy, cattle, timber, mining and oil interests close to the new rightwing, climate-denialist president. Russia continues gas exploitation, unabated. South Africa is engaged in massive new fracking investments, offshore oil and gas exploration (and soon drilling of a billion barrel-equivalents), the export of 18 billion tonnes of new coal (mainly to India), and coal-fired power generation including two 4800 MW plants now under construction and a 4600 MW plant promised in a Chinese metallurgical complex, as well as several others in the 1000MW range. A carbon tax of less than US$1/ton (compared to Sweden’s of $120/ton) was imposed after seven years of delay, but mainly affects poor people in the form of a regressive petrol levy.

In this context of systematic unsustainability, environmental injustice and worsening inequality in the BRICS countries, it was reasonable to ask whether their leaders were really serious about challenging the Bretton Woods Institutions and other structures of global power, particularly from the standpoint of environmental stewardship. After all, if revolutionising development finance was the objective, there was an alternative already in place they could have supported: the Bank of the South. Founded by the late Venezuelan president Hugo Chavez in 2007 and supported by Argentina, Bolivia, Brazil, Ecuador, Paraguay and Uruguay, the Banco del Sur
(Bank of the South) had acquired $7 billion in capital by 2013. It offered a more profound challenge to the Washington Consensus, especially after Ecuadoran radical economists led by Pedro Paez improved the design. Instead, the BRICS appear to favour the stabilisation of the world financial status quo, rather than radically changing the most unfair and intrinsically destabilising components.

Ignoring the Bank of the South was possible in part because of claims that the NDB would be dedicated to sustainability, as was often advertised. As Standard&Poors (2019) remarked in its 2019 AA+ rating, “The NDB’s mandate is to mobilise resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries.” Although S&P was impressed that $8 billion had been lent to various infrastructure projects – transportation (29%), energy (26%), water/sanitation/irrigation (22%), social infrastructure (15%), and cleaner production (8%) – the ratings agency noted the bias in country recipients: “India (40%) and China (25%), which we believe reflects the difficulties in finding viable bankable projects in Russia, Brazil, and South Africa.”

Not only have the latter three (BRS) suffered junk bond ratings from 2015-17, catalyzed by the crash of commodity prices. In addition, all three defaulted on their foreign debt in living memory (South Africa in 1985, Brazil in 1987 and Russia in 1998). This uneven financial terrain is something that the two BRICS NDB theorists would have had in the back of their minds. Indeed, when Stern openly bragged to a 2013 London conference that he was the co-instigator of the very idea of a BRICS Bank, he did not stress the written rationale (Stern and Stiglitz 2011), i.e., to finance a “different type of economic growth.” Instead he emphasised the merits of a bank in facilitating deal-making between states and multinational corporations:

If you have a development bank that is part of a [major business] deal then it makes it more difficult for governments to be unreliable... What you had was the presence of the European Bank for Reconstruction and Development (EBRD) reducing the potential for government-induced policy risk, and the presence of the EBRD in the deal making the government of the host country more confident about accepting that investment. And that is why Meles Zenawi, Joe Stiglitz and myself, nearly three years ago now, started the idea. And are there any press here, by the way? Ok, so this bit’s off the record. We started to move the idea of a BRICS-led development bank for those two reasons. (emphasis added) (Stern 2013)

Cynical, this attempt to crowd-in corporate investment needs, under the rubric of sustainability. South Africa’s own NDB design stage was equally inconsistent when it came to environmental values. While in this chapter there is insufficient scope to explore all the NDB experiences within the BRICS countries, at least an overview of South Africa’s own borrowing from the local NDB Africa Regional Centre is feasible, focusing on the Stern-Stiglitz (2011) mandate for financing “low-carbon infrastructure and technologies... [to] mitigate the risks and adapt to climate change, generate economic growth, reduce poverty and promote stability and security.” Next, however, we turn to a description of specific challenges faced in South African urban infrastructure sustainability.

South Africa’s housing, livelihoods and environmental problems are immense, and have been for decades (Bond 2002). To illustrate, nearly two-thirds of society live below the poverty line of $3.50/day (considered to be the local ‘upper bound poverty line’). They suffer a backlog in formal housing of three million units (i.e., encompassing more than a fifth of the 58 million residents), and most of the new houses built over a quarter-century of neoliberal political freedom are much further than even apartheid township houses. The unemployment rate is 37 percent (including people who have formally stopped looking for jobs out of hopelessness), thus generating the world’s highest income inequality rate, with a Gini Coefficient measured at 0.78 in market terms (prior to state intervention) (World Bank 2014). In late 2018, the nitrogen dioxide levels in the area just northeast of Johannesburg (the city of Emalahleni) were determined to be the highest on earth (Greenpeace 2018).

In this context, urban infrastructure should be of the highest priority for state investments, so as to improve basic supplies of housing, water, sanitation (including biogas digestion based on simple, low-flush technology), electricity (featuring decentralised renewable supply), clinics and schools, child-care facilities, tarred roads, public transport, storm water drainage, rainwater harvesting, recreational facilities and well-located settlements. Vast shortcomings in post-apartheid neoliberal urban planning have left such basic needs unmet, or met with tokenistic responses (Bond 2014).

The inevitable problem, however, is that the power relations in the society are skewed away from meeting these basic needs, and towards the satisfaction of corporate priorities. As NDB President KV Kamath explained during his 2017 launch of the bank’s Africa Regional Centre in Johannesburg,

Of particular relevance to the NDB is the National Infrastructure Development Plan which is part of the National Development Plan, which sets out a series of ambitious and far-reaching initiatives in which to start to transform South Africa’s economic landscape. We expect that initiatives that NDB supports will form a part of the Strategic Investment Projects (SIPs) identified by the government. (Kamath 2017)

If so, the danger rises that the NDB will turn away from providing finance that would solve the genuine needs of urban and rural people, and instead will finance ‘extractivist’-oriented infrastructure. The central dilemma for any infrastructure bank, is that those who have unmet basic needs require subsidisation of both capital and ongoing (“operations and maintenance”) costs. But a major new bank like the NDB does not subsidise, for it must return profits to its shareholders, especially to retain the AA+ rating won from Western credit ratings agencies (Standard&Poors 2019). On the one hand, the South African NDP’s plans certainly include progressive commitments to eradicate shortfalls of basic-needs infrastructure, and of the ten SIPs, several do have potential if they are subsidised with grants (both capital and operating). But on the other hand, as has been repeatedly shown in public policy, it is impossible for a bank
to turn a profit so as to ensure that a project has financial sustainability, when funding such basic-needs infrastructure.

Moreover, there are also sustainability dangers associated with the three NDB borrowers in South Africa, and specifically with the two largest SIPs in the national infrastructure plan. The second of these, South Durban port expansion, is already in major trouble due to not only urban unsustainability but also corruption, and yet the NDB holds a 30 percent financing stake (of $200 million) in the current stage of SIP2. The first SIP is also worth at least brief consideration, since it entails both fossil-dependent energy that in late 2018 brought together the two largest parastatal firms – rail and port manager Transnet and electricity producer Eskom – in a moment of revealing chaos. And the final NDB loan of 2018 went to a local development bank with an appalling record of environmental and financial unsustainability.

To understand South Africa’s political-economic-ecological context, in which during apartheid electricity for poor people was supplied as an afterthought only after the 1980s, requires awareness of the so-called ‘Minerals-Energy Complex’ that has dominated the economy and ruling class since at least the era of Cecil John Rhodes. The richest man in Africa’s history, Rhodes came to prominence 150 years ago in the now-exhausted diamond fields of Kimberley, where he consolidated the De Beers global monopoly. In subsequent years, the Oppenheimer family’s Anglo American Corporation (founded in 1917) dominated both mining and urban development in the so-called Highveld of South Africa, including the Bushveld Igneous Complex that reaches to Zimbabwe’s border, and the coal deposits that criss-cross the eastern half of South Africa.

As for the affected cities, they lie on an arc stretching from the Rustenberg platinum zone on the west south to Mogale City and Welkom (where gold in the vicinity is still mined), through Johannesburg and Ekurhuleni (whose gold is mostly exhausted), southwards to the Vaal metallurgical complex (home of the major steelworks) and then eastwards to Secunda (where the oil-from-coal extraction site makes it the world’s single-largest site of CO2 emissions), and then north to the Emalahleni coal centre. These cities represent exceptionally unequal sites of pollution and poverty. To be more precise, Johannesburg’s historic whites-only centre city and Parktown-Houghton suburbs centralised the mineral wealth during the 20th century, and after racial desegregation began, the Sandton-Bryanston-Hyde Park strip further north captured surpluses in the 21st century, as capital fled its former safety zones for gated communities.
In all these cities, the working class and poor were – and still are – kept far away from the financial-centre and headquarter activities associated with the mining industry. This pattern reflected the needs of mining houses and other industries for cheap labour supplies: workers living in the cities who were termed ‘temporary sojourners.’ They could reside in the gigantic townships nearby, only so long as they possessed a ‘dompass’ (pass book), which their employment provided. After the work was finished, or if the workers became sick or injured, they were expected to return to Bantustan rural areas. The gendered power relations associated with these migrancy relations were another reason – in addition to class and racial power – that workers’ inexpensive social reproduction left companies operating in South African cities with among the world’s highest profit rates (Saul and Bond 2014). The sustainability of these cities was simply not a concern.

After apartheid was dismantled in 1994, urban sustainability degenerated further. The next stage of minerals-sourced accumulation was driven not only by the world’s largest mining houses, including BHP Billiton (formerly the South African firm Gencor), Glencore (also with strong South African roots), and Anglo American (from 1999 allowed to relist its main financial headquarters in London). By the late 2010s, the largest share in the latter was no longer the Oppenheimer family’s, but instead Anil Agarwal who owns the Indian firm Vedanta. The massive Iron and Steel Corporation of South Africa foundries of the Vaal – once state-owned – became part of Lakshmi Mittal’s ArcelorMittal empire. Even a Russian, Roman Abromovich, owned Emalahleni’s main steel firm, Evraz Highveld, although it was forced into bankruptcy in 2016 due to a wave of cheap Chinese imports, leaving the area’s economy in tatters. What had been anticipated across the world as the primary site of emerging market country unity, the BRICS, was now revealed not as a fraternity which would collaborate with each other against the West, but instead as an intensely-competitive and sometimes cannibalistic mode of capitalism. The cities suffered enormously (Bond and Garcia 2015).

Also after 1994, the new black South African tycoons entering mining made the cities even less sustainable. As a result of a greater commitment to extraction (particularly of coal), South Africa suffered even higher levels of particulate pollution, more venal corruption, and a more uneven urban structure, with settlements located even further away from city centres than during apartheid due to the cheaper cost of land there. The ‘Black Economic Empowerment’ and crony-corporate elites included Ramaphosa (whose 2012 role in the Lonmin massacre of platinum mineworkers was the most extreme indicator of unsustainability), Patrice Motsepe, Mzi Khumalo, Khulubuse Zuma and the most notorious: the Gupta brother immigrants. To illustrate, the nephew of President Jacob Zuma, Khulubuse, was the main investor in greater Johannesburg’s Aurora gold mines, whose steady bankruptcy and asset stripping suddenly

---

35 To be sure, there are other standpoints in this debate, for example that view townships through the lens of collective consumption (McCarthy and Smit 1984), through the urban accumulation of capital (Bond 2000), with attention to administrative and spatial power (Robinson 1995), or with concerns about improving urban efficiency (Urban Foundation 1990). Townships also give rise to debates about South African race and class (Wolpe 1980), activist political agency (Mayekiso 1996) and gender relations (Bozzoli 1983).
amplified a pre-existing ‘Acid Mine Drainage’ pollution threat. At one point the mine ceased pumping the mine-poisoned water out, thus threatening the region’s water table.

Perhaps worst of all, the Gupta brothers spent the 2009-18 period bribing and corrupting the ruling party, but in terms of urban sustainability they were also a formidable negative influence. In 2015-18 their main mining house Oakbay controlled a massive coal mine that soon went bankrupt. This not only threw the country’s electricity supply into question, but compelled Eskom to run much more expensive diesel turbines to supply power. That, in turn, raised tariff costs paid by the urban poor to unaffordable levels. In the decade 2008-17, the real price of Eskom electricity rose by nearly 300 percent. Urban poor residents turned from turning on an electricity switch, to firing up paraffin, coal and wood energy sources, with corresponding increases in disease (with intra-household gendered and generational implications).

Central to the unsustainable carbon intensity of the South African economy, and facilitating this untenable urbanisation pattern, are Eskom and Transnet. The former’s inability to reduce its reliance upon coal-fired power plants and to replace generation capacity with renewable sources, and likewise the intensity of Transnet’s reliance upon coal exports (and lack of concern for a balanced rail transport network), are together reflected in the two largest mega-project investments in the 2012-30 National Development Plan.

In the first SIP, the state – led by Transnet and major mining houses – made a $60 billion commitment to the export of 18 billion tons of coal (mostly to India) along new rail lines, using imported locomotives (from China, also financed from China) that can carry 3 kilometer-long ore-carrying trains. At $60 billion in cost, this is by far the largest single project within the 2011 National Infrastructure Development Plan (the one enthusiastically endorsed by Kamath in 2017). Eskom relies on coal from the same areas (Limpopo and Mpumalanga provinces) for 90 percent of its generation capacity. That structural relationship sets Eskom against Transnet and the coal exporters it serves. Competition suddenly emerged over the geographic combustion of the coal, in the competition for domestic (Eskom) or export (Transnet) sales. In 2018, that competition became the source of great national concern due to periodic ‘load-shedding’ blackouts in part caused by very low coal supplies at most of Eskom’s 15 power plants.36

| $/ton | tons/year |

36 In December 2018, sabotage of the export rail line by unknown persons compelled a redirection of coal to Eskom. Expanding high-volume coal transport by upgrading Transnet’s rail lines and adding more than 1000 new locomotives capable of carrying three kilometer-long sets of wagons, would benefit not only exporters to Richards Bay, but also Eskom’s two massive new coal-fired plants, Medupi and Kusile (to the extent rail lines are built from new Limpopo Waterberg mines to the generators). However, the failure to build the “forty new coal mines” promised by Eskom officials when borrowing from the World Bank in 2010, means the Waterberg has not yet been developed.
Another factor was the crash in the price of coal from a high of $170/ton in 2008 to $48/ton in 2015, before recovering to above $90/ton throughout 2018. This was one indicator of extremely volatile commodity markets, and although the crash of the currency compensated, such wild fluctuations mitigated against planning and investment. Also volatile is the extent to which the average South African emits CO2 as a result, mainly, of Eskom’s coal consumption, used to generate 90 percent of the country’s electricity. Compared to a world average of below 5 tons of CO2 emissions per person each year, the South African rate has zigzagged between 7.5 and 10. But of crucial importance is the skewed consumption, since smelting and mining are vastly over-represented in the South African emissions footprint, and very few poor and working-class people directly benefit (e.g. as workers) from the country’s Minerals-Energy Complex. The net negative impact of South African extraction of coal and minerals has been measured by the World Bank (2010) at -9 percent of national income, a figure arrived at through ‘natural capital accounting,’ by recognising the depletion of society’s natural resource wealth by (mostly) multinational mining corporations, whose reinvestment in physical, human and natural capital is net negative (Bond 2018). All of these represent systematic unsustainability in ecological, financial and also political respects.

The second largest SIP mega-project is the $20 billion expansion of the port-petrochemical complex in Durban, again led by Transnet, as discussed below. It is therefore no surprise that the first two BRICS NDB loans to South Africa also reflect these biases. The 2016 and 2018 credits of $180 million to Eskom and $200 million to Transnet quickly fell into controversy, and in both cases, the projects went into immediate hibernation in part due to the borrowers’ systemic corruption, and in part to the failure of both to properly make their projects sustainable.

4. The NDB loan to Eskom, 2016

In 2016, the NDB signed up its first South African borrower: the parastatal energy firm Eskom, led by a man who would become notorious due to his links to the Gupta brothers, Brian Molefe. In line with NDB financing in its early stages, the first $180 million in funding was allocated for the transmission of electricity to the grid from several dozen privatised solar and wind “Independent Power Producers” (IPPs), as well as for restructuring Soweto’s electricity supply. In generating solar and wind power, the IPPs’ privatisation costs are substantially more than
they would be if Eskom had developed its own renewables capacity. The IPPs also require repayment of profits in hard currencies to mainly European producers. Due to these additional costs, such a system has long been opposed by South African progressives who insist on state-supported renewable energy that is worker self-managed, community-controlled and socially-oriented. A major protest by trade unions from affected sectors was held against Ramaphosa at his Pretoria office in November 2018. Moreover, Soweto residents have an 85 percent illegal reconnection rate, with more than $1 billion in overdue Eskom accounts, so the NDB’s failure to consult with activists ensures continual conflict.

Yet at the time, in 2016-18, neither of the former Eskom leaders who negotiated the loans – Molefe and his successor Matshela Koko (who were both in 2019 subject to prosecution for multiple forms of corruption) – desired renewable energy. They both favoured nuclear instead.37 “Energy experts in South Africa believe the NDB is not happy with Eskom because it has earmarked a large chunk of the $180 million loan for projects not related to renewable energy,” according to Peter Fabricius (2017). “The highly controversial Molefe’s indifference to renewable energy suggested to many that he had already signed up to Zuma’s dubious nuclear project” – whose cost was estimated at $100 billion – leaving “great suspicion that Zuma has already promised the construction contract to Russian President Vladimir Putin.” That deal was consummated in mid-2015 at the BRICS summit in Ufa.

However, the day before the opening of the Johannesburg NDB branch in 2017, NDB chief executive Kamath revealed that his loan to Eskom was actually “in abeyance” at Pretoria’s request. However, he mandated his staff to generate another $1.5 billion in South African loans by 2019. (In its first year of operation, the NDB built a $1.4 billion loan portfolio from the other four countries.) Finally in mid-2018, the Eskom renewable energy loan was revitalised, at a time of overall surplus but an increasingly shaky coal-based power supply. By December 2018, there were regular load-shedding black-out periods as a result of unreliable coal supplies to coal-fired power plants.

The impression left was that the NDB’s role in Eskom is highly inconsistent, and that it has no particular influence over the sustainability of electricity supply required to meet the needs of urban residents. Activists in Soweto, in particular, were militant and well organised (including during the late 1980s by Ramaphosa himself, a native of the township). Their struggle for Free Basic Electricity, launched by the Soweto Electricity Crisis Committee (SECC) in 2010, was successful within months, for the ruling African National Congress (ANC) promised a lifeline supply that Eskom ultimately lowered to 50 kWh per household per month. SECC activists continued to campaign vociferously for double that amount, and for an end to the hated pre-payment meters which represented a self-disconnection system. They pioneered electricity

37 In spite of the BRICS NDB loan in 2016, Molefe announced in 2017 that he would no longer buy renewable electricity, as for long-term baseload supply especially to serve mining houses and smelters, Eskom would focus instead on nuclear. In mid-2015, NDB director Tito Mboweni had told Bloomberg news that the proposed $100 billion South African nuclear deal, probably with Russia, “falls squarely within the mandate of the NDB.” This was in spite of enormous local controversy surrounding Zuma’s corruption-prone deal-making regarding not only Putin but the Gupta family, whose firm Oakbay would have been the main uranium supplier.
‘commoning’ strategies to continue their access to power in spite of Eskom disconnections, and they rejected the ‘green box.’

In 2016, the NDB signed up its first South African borrower: the corruption-riddled parastatal energy firm Eskom, led by Molefe (who in 2017 was forced to resign in disgrace). In line with NDB financing in its early stages, the first tranche of funding was allocated for renewable energy transmission connections to privatised solar and wind projects, to be followed by the restructuring of Soweto’s electricity supply. With respect to the latter, Soweto residents have an 85 percent illegal reconnection rate, with more than $1 billion in outstanding in overdue Eskom accounts (around an 85% non-payment rate), and hence consultation with leading residents’ organisations such as the Soweto Electricity Crisis Committee (Ngwane 2003) would be an absolutely critical component of any sound lending strategy. Such consultation was done neither by Eskom nor the NDB. The main grievances associated with non-payment are excessively high prices (and their 300 percent real increase from 2008-17), an ungenerously low lifeline supply, intermittent supply, the pre-payment meter system (generally not applicable in rich areas), Eskom’s punitive disconnection policy, and systematically inaccurate billing.

The bulk of the US dollar-denominated loan was meant for the transmission of 670MW of solar and wind power, to contribute around 2% more to the national grid (given that money is fungible, it was just as likely that the coal-fired power plant enhancements would benefit from the credit line, as Molefe later was accused of by NDB officials according to Fabricius 2017). But if one neglects to factor in the full cost of generating electricity, including non-renewable resource depletion, pollution and climate change (as does Eskom), the Independent Power Producers’ costs are substantially more (often double existing per unit costs). Hence Eskom leadership continually complained that each unit of renewable electricity purchased represented a net loss to their firm. The loan costs are typically much higher if contracted in US dollars – especially if there is a low import content for the project – given that the rand is an extremely volatile currency. In addition, the privatised suppliers are multinational corporation which require repayment of profits to mainly European headquarters.

Finally, due to job losses in the coal sector (as renewable energy replaces coal-fired generators), without any retraining or redeployment within Eskom, South Africa’s privatised renewable system has long been opposed by progressives who insist on state-supported renewables and a ‘Just Transition’ approach to job security. A major protest against privatised renewable energy by trade unions from affected sectors was held against Ramaphosa at his Pretoria office in November 2018.

These factors all complicate what should have been an obvious trajectory by Eskom to exit coal and adopt renewable energy many years ago. Yet at the time the NDB began lending, in 2016, it should have been clear to NDB officials that neither of the former Eskom leaders who

---

38 At no time did either Eskom or the NDB attempt a full-cost analysis of the coal-fired electricity that would be displaced by the renewable energy coming on line, including the natural capital accounts that would incorporate Eskom’s use of non-renewable resources (Bond 2018).
negotiated the loans – Brian Molefe and Matshela Koko – desired renewable energy, with both favouring nuclear instead.\textsuperscript{39} “Energy experts in South Africa believe the NDB is not happy with Eskom because it has earmarked a large chunk of the $180 million loan for projects not related to renewable energy,” reported Fabricius (2017). “The highly controversial Molefe’s indifference to renewable energy suggested to many that he had already signed up to Zuma’s dubious nuclear project... [creating] great suspicion that Zuma has already promised the construction contract to Russian President Vladimir Putin.”

In August 2017, the day before the opening of the Johannesburg branch, NDB chief executive Kamath revealed that his loan to Eskom was actually “in abeyance” at the borrower’s request (Cohen 2017). Finally in mid-2018, the Eskom renewable energy loan was revitalised, at a time of an overall electricity surplus, but an increasingly shaky coal-based power supply. By December 2018, there were regular load-shedding black-out periods as a result of unreliable coal supplies to Eskom’s coal-fired power plants, responsible for generating more than 90% of South Africa’s power. Insufficient renewable energy had been built, which in turn reflected the neoliberal bias within Eskom, \textit{to not build any photovoltaic solar capacity on its own} but instead outsource it to private firms.

But a more profound reason for Eskom’s reluctance was looming overcapacity, what with Medupi’s and Kusile’s generators coming on line. The last prior systemic load-shedding had occurred in mid-2015, just before the commodity price crash suddenly lowered demand for electricity from both mining and smelting operations, thus cutting consumption by more than 5% nationally and allowing Eskom a much higher reserve. At this point, lending strategies were being established at the NDB, and Eskom appeared a good borrowing prospect. The NDB’s (2016b) loan rationale therefore included this concocted analysis, announced in April 2016:

\begin{quote}
Frequent electricity shortages complicate the challenge for the economy from the supply side. According to the country’s National Treasury, GDP growth will increase by roughly 2% if the issue of electricity shortage is addressed. Securing energy supply and developing renewable energy are therefore the government’s main policy concerns. Coupled with electricity shortage, grid facilities are getting outdated. In Soweto, a township in South Africa, electricity constraint is severe, with aging electricity infrastructure reaching the end of its usage life. Any outage of one circuit can put down the entire electricity network.
\end{quote}

The reality was different, for electricity shortages had ended in mid-2015. There was then no reasonable anticipation of further load-shedding given the massive new supply enhancements anticipated from Medupi and Kusile (roughly equating to a third of the existing demand). There was really no basis for anticipating that relaxing the electricity supply constraint would add 2% to GDP, because the commodity price crash of 2015 – the main reason for oversupply and low GDP growth that year – had already bottomed out by early 2016. The electricity infrastructure

\textsuperscript{39} Molefe announced he would no longer buy renewable electricity, as for long-term baseload supply especially to serve mining houses and smelters, Eskom would focus instead on nuclear.
in Soweto was not in need of enhancement due primarily to age, but due to the anger of residents against Eskom.

The loan’s various flaws were thus not only in analysis of Eskom and Soweto, but in the lack of due diligence, in the zigzagging by a (corrupt) Eskom management which until mid-2018 was opposed to using renewable energy, and in the inability to assess how costs could be better matched with revenues, including dollar versus rand currency liabilities. Similar problems with unsustainable credit can be attributed to the NDB’s next loan, to Transnet for the Durban port’s expansion.

5. The NDB Loan to Transnet, 2018

The next loan was in mid-2018, to Transnet, in order to expand the Durban container port. In the same style as Washington bankers, there was no consultation with affected people, especially the South Durban Community Environmental Alliance (SDCEA). Since 1995, SDCEA’s members from all races and classes have opposed the ultra-polluting port-petrochemical complex. Container trucks are especially damaging, with one careening off Durban’s notorious Field’s Hill M13 highway in 2012, killing two dozen black, working-class passengers of minibuses – just one of an annual average 7000 truck crashes in Durban. SDCEA is opposed to the massive truck logistics park proposed for the Clairwood Racecourse due to its threat to nearby schoolchildren’s safety. Although concessions were belatedly won from Engen, British Petroleum and Shell on long-overdue sulphur scrubbing at the continent’s largest refinery complex, it was not long ago that Merebank’s Settlers Primary School had a 52 percent rate of asthma, the highest ever recorded at any school. Leukaemia is still a South Durban pandemic, with rates 24 times the national average.

One major objection to Transnet’s expansion is that it first built a $1.8 billion pipeline that entails doubling both refining and Durban-Johannesburg oil transport capacity. In addition, four multinational corporations – Italy’s ENI, Norway’s Statoil, United States of America’s ExxonMobil and South Africa’s Sasol – are doing exploratory oil and gas drilling four kilometres deep in the dangerous Agulhas Current offshore Durban. This expansion is occurring not only when SDCEA demands a local transition away from fossil fuels, but so does the world due to the looming catastrophe of climate change. Evidence is growing ever more obvious, especially in damage to Transnet’s own Durban facilities during the October 2017 super-storm: a ship lost its moorings and blocked the harbour, and overboard containers let lose 49 tonnes of plastic nurdles, which continue to destroy marine life.

Transnet’s ability to expand its port-petrochemical operations in a sound manner remains in question. The new oil pipeline was originally budgeted at just $450 million but its final cost exceeded $2 billion. One reason for the vast cost over-runs was incompetence and “systematic failings” in project design, as even State Enterprises Minister Malusi Gigaba (2012) confessed:

Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks...
Transnet’s obligations on the project such as securing authorisations – Environmental Impact Assessments, land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.

Another reason for massive cost over-runs was the line’s rerouting from the white areas of Hillcrest and Kloof to South Durban’s black neighbourhoods. Moreover, the University of KwaZulu-Natal Centre for Civil Society and Birdlife South Africa also challenged Transnet’s Environmental Impact Assessments for port expansion in 2012-14 due to historic climate denialism and the harbour’s ecological degradation, forcing further delays until Transnet reworked its proposal – but still not to the critics’ satisfaction. The likely collapse of the large sandbar near the container terminal will demolish vital bird and marine breeding grounds (Bond 2017).

Livelihoods in South Durban are also at stake due to the continual replacement of workers with machines. The economic justifications for the capital-intensive character of the port expansion are dubious, especially because of “4th Industrial Revolution” robotics: the new mega-ships that carry upwards of 10 000 containers now have fewer than 20 crew. Durban is already one of the world’s most expensive ports for container handling, even before a new foreign loan for overpriced infrastructure is factored in. Transnet and the NDB also failed to consider rising world economic volatility, such as Trump’s protectionism (likely to affect South African steel, aluminium and car exports) and the general downturn in world trade (measured as a share of gross domestic product to GDP since the 2007 peak, as noted above). Total South African imports had risen from 18 percent of GDP in 1994 to 37 percent of GDP in 2009, but then fell to 30 percent in 2017. This is a problem shared by all the BRICS, measured as both imports and exports as a share of GDP in 2017: Brazil dropped from its historic peak of 30 percent in 1994 to 25 percent; Russia from 68 percent in 2000 to 45 percent; India from 56 percent in 2012 to 40 percent; and China from 68 percent in 2006 to 38 percent; and South Africa from 72 percent in 2009 to 61 percent.

In sum, all claims by the NDB that it respects environment, community and economic rationality are being thrown into question, and indeed in November 2018, just two months after a contractor was chosen, the project ground to a halt due to corruption involving the Italian-South African CMI Emtateni Joint Venture. The NDB’s 30 percent stake in this was periodically questioned, including with the Shanghai-based Compliance Officer, but to no avail.

6. The NDB loan to the Development Bank of Southern Africa, 2018

The third loan the NDB made, also in mid-2018, was to the Development Bank of Southern Africa (DBSA), for projects to be delivered from 2018-33. According to the NDB (2018), “The objective of the Project is to facilitate investments in renewable energy that will contribute to power generation mix and reduction in CO2 emissions in South Africa,” but there are no specific investments mentioned: “The proposed NDB loan will be in the form of a two-step loan of up to
$300 million to DBSA, which in turn will be on-lent to its identified subprojects, including the wind, solar, and biomass energy sectors.”

The most worrisome aspect of this vague ambition relates to the parameters for greenhouse gas reductions, which include attempts at carbon offsets and trading that were initially (prior to 2012) channelled through the Clean Development Mechanism (CDM) in South Africa. The Bisasar Road landfill’s methane-to-electricity gas incineration was the first Durban pilot project, and cost $15 million in capital. However, it encountered not only intense community opposition (Bond 2012), but mainly unsuccessful results in 2007-16 in spite of promotion by the United Nations Framework Convention on Climate Change (UNFCCC), which held its 2011 annual meeting in Durban. The DBSA firmly supported the strategy, carbon trading (Tyani 2010), and a DBSA training in CDM strategies in 2002 was one of the motivations for Durban municipality to attempt the investment. But by 2014, the South African Local Government Association (2014, 4) monitoring of the project found:

The cost of verification is significantly more than the financial benefit of the credits. This process of registering the CDM project with the UNFCCC Executive Board was felt to be long, tedious and costly – emissions reduction monitoring is onerous and gas emissions data needs to be collected every few seconds using rigorous monitoring methods and expensive software packages... Incorrect equipment, not suitable for Durban’s climate, caused the system to overheat continuously and rectifying the problem caused the project costs to increase substantially.

Another factor in the NDB’s on-lending to the DBSA is that due to financial ‘fungibility’ (the ability to take one pot of money allocate to one project and move it around within an institution), the rest of the institution also deserves scrutiny. For example, there is a major campaign being waged by the climate activist network 350.org against the DBSA on grounds that it is part of a consortium financing a 1000 MW coal-fired power plant (Thabametsi). So funding one part of the DBSA frees up finances for the institution to continue its coal addiction.

7. Conclusion

The pages above appeal to the reader to pay more detailed attention to details than has been achieved by most oversight regarding the NDB and its partners, to date. NGOs, journalists and even sophisticated academics often take the NDB’s green intentionality for granted, especially in a context where good governance normally means, simply, less corruption. This is understandable, perhaps, because in the immediate vicinity of the NDB’s Africa Regional Centre in Sandton, the headquarter offices of South African corporations invariably rank as the world

---

40 A very flimsy NDB (2018) public statement reports, “The Project will bring significant developmental impacts through the subprojects, particularly related to environmental and social benefits from reduction in carbon dioxide emissions, increase in generation capacity from renewable energy sources, and increase in the efficiency of the overall energy sector in South Africa. The Project is also expected to have impacts of unlocking private sector investment, and increasing availability of long-term funds for projects in the energy sector in South Africa.”
leaders in bribery, corruption and various other forms of fraud measured by PricewaterhouseCoopers biannually (PwC 2018).

Setting those limited understandings of governance aside, there is also a need to pay more attention to a wide range of urban infrastructure sustainability problems. The BRICS NDB in South Africa has, in just its first few loans, provided many indicators of danger signs. One glaring problem is that policy and project decisions were taken from above, without community consultation much less ownership. In the case of the Stern-Stiglitz intervention, the rationale for the NDB’s role was very different than the sustainability reasons stated. The NDB’s renewable energy and climate rhetoric appears designed to beguile, what with the Transnet port-petrochemical complex looming as a major investment, once the corruption-idled project resumes. As in the case of Eskom’s renewable electricity, the privatised supply of services is common, in spite of the fact that the broader socio-ecological public goods that such infrastructure should contribute to are not within the ambit of a private firm’s profitability (and often stand against such self-interest).

In short, based on South Africa’s urban infrastructure financing to date, the NDB does not yet appear as an alternative to a system of Washington-centric development finance that is rife with problems. Instead, it appear from the South African case that the ingredients exist for the NDB to *amplify* uneven development through financing some of the country’s most notoriously corrupt institutions, for projects which are themselves highly dubious. For these reasons, the NDB was the subject of a protest of more than 100 activists led by four African Goldman (environmental justice) Prize winners in July 2018, just at the start of the BRICS summit. This was the first of what will be many more protests against the NDB, it is safe to say, unless it shifts away from the projects and policies that are doing so much harm to people and planet.

References


Cohen, Tim. 2017. More Eskom bosses have been suspended, say sources. *Business Day*, 16 August. https://www.businesslive.co.za/bd/companies/energy/2017-08-16-exclusive-more-eskom-bosses-have-been-suspended-say-sources/


Ngwane, Trevor. 2003. ‘Sparks in the Township.’ *New Left Review*


Translating the Climate Justice Charter into transformed macroeconomic policies, based on recalculating South Africa’s genuine ecological and social wealth
Draft analysis for the Climate Justice Charter movement, 21 December 2020

Abstract/summary

There are typically three areas of concern for macroeconomists, especially when value-laden policy choices are presented:

- the fiscal (national budgetary) stance that signals whether the government is either sufficiently disciplined to its citizens’ and environmental needs (through social policy and ecological investments) or instead, more generous to corporations (through low tax rates, acquiescence to tax-haven flight capital and economic-infrastructural spending);

- the monetary and financial policies that either properly guide flows of money, credit and ‘fictitious’ (paper-based) capital into sound, ecologically-sensitive investments with long-term benefits, or instead allow these resource to flow into investments with shorter-term, more narrowly-conceptualised but higher returns that are unsound in social, environmental and longer-term economic respects; and

- the international economic relations that help determine the country’s trade, investment and financial balances within the world economy, either protecting sovereignty, ecology and local industry and jobs by fostering Just Transition potentials, or instead destroying local production through imports (whose prices are uncorrected for production- and transport-related labour repression or pollution), compelling self-destructive neo-colonial infrastructure by stressing export-led growth, and by attracting transnational corporations – especially extractivist – with little regard for local needs.

All three areas of macroeconomic policy obviously have enormous implications for several critical, interrelated questions associated with political ecology and climate justice: what is the impact of global and national climate and environmental policy and projects on greenhouse gas emissions, as well as on implications for climate crisis impacts within South Africa; do South Africans (specifically the wealthy) owe a “climate debt” to those harmed by the economy’s extreme level of emissions; and how can natural resources best be managed so as not to contribute even more to climate catastrophe given South Africa’s extremely irresponsible carbon-addicted economy?

The answers depend in part upon the way society measures its well-being, and whether pollution (including greenhouse gas emissions) and depletion of resources (including fossil fuels) can finally be given due consideration when establishing South Africa’s macroeconomic policy, for example by recalibrating policy based on understanding limits to the Gross Domestic Product (GDP) indicator.

While official mid-2020 rhetoric – e.g. occasionally from the Presidency including the lead economic advisor, Trudy Makhaya – favoured a genuine Just Transition, the harsh reality is that no meaningful fiscal resources are forthcoming; monetary policy and financial markets are biased towards high-interest debt and speculation which both undercut a Just Transition; and international economic relations remain locked in a liberalising mode, such that the Biden era’s reassertion of Washington-dominated multilateralism – including the Paris Climate Agreement
and World Trade Organisation – will likely exacerbate the problems described below. To resist, a much more ambitious network of activists, amplified by the energy and desperation of younger generations, may need to establish much stronger principles, analyses, strategies, tactics and alliances than they have to date.

**Introduction**

Recovery from a Covid-19 pandemic that will ravage South Africa well into 2021, until a vaccine is available, requires “building back better,” by all accounts. Yet given the power structure of South African economy and society, especially the long-standing, carbon-intensive “Minerals-Energy Complex” and the overall crisis of capitalism that breeds financialisation and high-carbon mega-project maldevelopment, this appears exceedingly hard. All indications to date are that beginning with the too-early restart of the minerals export industry in April 2020, South Africa is building back worse from the year’s Covid economic catastrophe.

One central reason is the macroeconomic implication of changing South Africa’s trajectory towards what the Climate Justice Charter demands. Indeed, macroeconomic constraints are increasingly used as an excuse not to embark upon decarbonisation. The macro scale is national and international; it encompasses not only South Africa’s economic relations with the world, but its own internal fiscal management (i.e., state spending and taxation) and monetary/financial system (i.e., the flows of money and credit).

Macroeconomic policies determine whether there is a supportive terrain for a shift in the “real economy” in which goods and genuine services are produced, whether sufficient state subsidies are available for a meaningful Just Transition (as opposed to ongoing mega-project subsidisation), whether interest rates are low enough for debt repayment and financial flows are accommodating, whether finance leaks out of the country (through illicit or licit financial flows), and whether international investment and trade patterns – and carbon taxes on South African exports – can support a turn to localised, less carbon-intensive production and consumption.

Ultimately, that is the Climate Justice Charter’s objective: to radically transform what are currently:

- a coal-based (and soon methane-gas-powered) national electricity grid;
- energy-intense deep-level mining and smelting;
- capital-intensive manufacturing (especially in base metals and automobiles made largely for export) and import-intensive consumer goods and machinery;
- auto-centric and truck-reliant transport;
- long-distance luxury tourism;
- fertilizer-dominated corporate agriculture (much of which is also aimed at export markets);
- suburban-sprawling urbanisation patterns;
• Western-style materialist consumer norms and environmentally-unsound waste disposal systems; and
• profit-maximising financing.

In each of these ("microeconomic") economic sectoral subsystems, the ongoing production of goods and services – Gross Domestic Product (GDP) – serves the objective of promoting a ‘growth’ strategy that offers scope for only marginal changes in greenhouse gas emissions from year to year, and indeed in general, growth is accompanied by higher emissions because of a failure to “decouple” GDP from greenhouse gas emissions. Meanwhile, that central unit of economic measurement, GDP, offers powerful corporations the macroeconomic justification for business-as-usual, or indeed worse now that austerity is one of the side-effects of Covid-19’s lockdown treatment.

The objectives of the Climate Justice Charter represent the exact opposite of GDP growth, especially where the Charter stresses non-pecuniary eco-social values. These are discussed in more detail below, but suffice to say, there is no consideration in GDP national accounts for the social reproduction role typically carried out (unpaid) by women and volunteer community organisers in their households and neighbourhoods, nor for the values of nature that are destroyed – typically in non-renewable resource extraction – as the depletion of South Africa’s minerals and gas benefits mainly transnational corporations (and some of their local agents). An additional factor is uncounted wear and tear on productive machinery (depreciation).

Once merely the ecological aspects of our economy are considered, it becomes apparent – as shown below – that GDP is worse than useless: it is a terribly harmful macroeconomic measure of all that is wrong with our way of life, leading to a massive drain of South Africa’s actual wealth, under the rubric of ‘growth’ in income.

Yet notwithstanding the core flaw in measuring national income, macroeconomic arguments can also be used to jolt society into recognising the need for change. No less than President Cyril Ramaphosa – who himself was massively enriched since the early 2000s as a carbon-intensive mining tycoon (Shanduka, Lonmin) and as the local sales representative of two of the world’s largest junk-food TNCs (McDonalds, CocaCola) – remarked on this, in his 31 May 2020 discussion with the country’s leading media editors. As reported by the Daily Maverick’s Ferrial Haffajee (2020a),

For the first time, Ramaphosa outlined his plans for a “new economy” which he has referenced in the past month, but has not yet put skin on the bones of. In language unusual for him, Ramaphosa told the group of editors that transformation was imperative to deal with the “racist and colonial” legacies of the South African economy.

“We are resolved to forge a new economy in a new global reality,” said Ramaphosa, adding that a new social compact is necessary for inclusive growth. He set out early ideas for the components of such a compact: more localisation (or import substitution to “produce our own food”, “own healthcare supplies”), economic patriotism, a strengthened informal sector; an infrastructure and maintenance programme and more and bigger public
works programmes. Ramaphosa also name-checked but did not expand on a “care economy” and a “green economy” as ways to bolster the country ravaged by Covid-19...

“[We must] transform and restructure. We are operating under an economy both colonial and racist. We need a reset of the economy for inclusive growth. [We need] an economy that responds to poverty. We can’t countenance ten million people out of work,” said Ramaphosa. It’s clear his usual compass (of a market-based economy, that is export-oriented and which will put structural reform of constraints to growth at its heart) has changed with the economic exposés Covid-19 has trailed in its wake.

This wide-ranging presidential mandate was repeated in September 2020, when Haffajee (2020b) interviewed Ramaphosa’s economic advisor Trudy Makhaya. First, said Makhaya, “infrastructure investment and delivery” would be vital: “Our existing base needs serious maintenance; many communities lack infrastructure and new investments in network industries would lift the economy’s efficiency.” A transition to a green economy would logically follow, one that:

- represents both opportunities to adapt our economy to climate change but also to create new industries. Our excessive carbon dependence deepens the triple challenge as it is poor, black, women who bear most of the brunt of air and water pollution, extreme weather events like drought and the destruction of ecosystems.

- When we talk of the green economy, there’s a lot of focus placed on renewable energy, but this is only part of the story. We should be thinking of how we move from import dependence on ‘fast fashion’ to build a clothing industry based on circular principles of efficient resource usage, sustainable materials and local production. We should be transitioning towards bio-plastics. We should be pursuing the full range of opportunities from ecotourism to energy storage.

The harsh reality, however, is that although some carbon-intensive industries – notably the aluminium smelters at Richards Bay, mega-project infrastructure (such as mineral-export rail lines) and air transport, specifically South African Airways – are being generously subsidised to return to higher levels of production, the potential for basic-needs infrastructure is in decline:

- housing subsidies are ending, such that only land and some bulk services will be provided by the state, leaving no potential for climate-resilient and low-emissions residential development;
- the urgent roll-out of water JoJo tanks (for the sake of hand-washing) to schools, shack settlements and under-served townships should have been temporary – to soon be replaced by piped services – but austerity is preventing further installation of boreholes, pumps and sewage systems;
- sanitation services are moving even more rapidly to unsatisfactory onsite disposal, with trace and class discrimination evident;
- electricity consumers are suffering mass disconnections in areas (including nearly a third of South Africa’s 284 municipalities) where a substantial number of people cannot pay;
• construction of more and larger school classrooms so as to permit social distancing never occurred;
• public transport systems are in disarray, with national bus-rapid-transit subsidies ending, local infrastructure increasingly vandalised, and kombi taxis permitted to carry passengers at 100% capacity no matter the greatly enhanced threat of Covid-19 infection;
• funding lines for clinics and other public health services were also cut in both the February and October 2020 budgets notwithstanding the pandemic;
• other municipal expenditures – stormwater drainage (especially vital for climate-crisis resilience), parks and recreation, libraries and community services – are falling victim to the national and local budget crises.

While this list of basic-needs infrastructure backlogs is a direct refutation of the mandates of Ramaphosa and Makhaya, and while they are microeconomic and microsocial in character, these assaults on the standards of living of most South Africans are indeed macroeconomic, insofar as they are reflections of fiscal crisis. The public debt has, since the 2008-09 global financial crisis, became the core lever of neoliberal pressure on the South African state, and this pressure is transmitted most explicitly by the three main international credit ratings agencies – Standard & Poors, Fitch and Moody’s – and their local allies especially in the business media and network of professional economists (most hired by financial institutions).

The latter’s final “junk” rating of South Africa occurred in April 2020. As the power of these agencies thus waned (since the harm they could do had peaked with the final junk rating), a new enforcer of fiscal discipline appeared, one not seen as an agent of power since the months just prior to the democratic transition in 1994: the International Monetary Fund (IMF). The conditions on a $4.3 billion IMF loan to the SA Treasury included further budget cuts, especially in the state’s salary and wages. The first round of below-inflation wage increases, violating a prior contract, were upheld in December 2020 mainly because Treasury pleaded macroeconomic desperation and fiscal crisis.

And yet the October 2020 Presidential economic recovery strategy would rely upon (allegedly) hiring 800 000 new temporary workers; which while impressive is only, to be sure, a small fraction of those who lost jobs and also dropped out of the formal labour market in the worst month of the lockdown, from April-August (when as many as 3 million jobs were suspended or terminated and 5 million left the labour force). The pay for these workers is as little as the Extended Public Works Programme minimum wage (R11.42/hour) but the main signal that the Treasury sent to the IMF in August 2020, was its recognition of the violation of an existing three-year wage deal with the civil service, and a 0% (in nominal terms) increase in pay from 2021-24. (On the other hand, social critics often point to an overpaid upper layer of civil servants, given that South Africa remains the world’s most unequal major society – and SA Federation of Trade Unions’ leader Zwelinzima Vavi [2020] remarks that this layer ended up providing status quo political support to the ruling party – but the wage freeze applies to all workers including those at the lowest, minimum-wage levels.)
In this context, how might macroeconomic policy be changed so as to advance a deep transition in those sectors that are extremely capital-intensive, and how might such a strategy lead to a just recovery from Covid-19’s socio-economic damage?

One critical task is to change the basic macroeconomic metrics – i.e., what is being measured when society contemplates what is a successful economy – because economists’ reliance upon climate-blind GDP and other orthodox macroeconomic statistics (especially those emanating from StatisticsSA, the SARB, Treasury and financial institutions) represents a profound barrier to change. This topic is taken up in the second section. In the third, there is a brief review of both the context and climate aspects of fiscal policy, especially given that major carbon-intensive parastatal corporations (e.g., Eskom and SAA but eventually Transnet too) continue to receive generous state bailouts. This is followed by consideration of monetary and financial management, and then international economic relations are factored in, especially given the climate tax debate. Finally, the fourth section offers a conclusion drawing together ways the Climate Justice Charter (CJC) movement can make common cause with activists across the society angered by these and other aspects of macroeconomic policy, to demand change, once the movement’s core principles, analyses, strategies, tactics and alliances are considered.

2. CJC’s commitment to ecological economics (not orthodox macroeconomics)

The Climate Justice Charter (CJC) is openly hostile to the academic discipline of economics, in which market transactions are held to be optimal and the presumption of sufficient buyers and sellers in the market assure that the distribution of society’s resources is carried out in a rational manner, superior to any prior mode of production. The applied practice of economics by the main macroeconomic agencies in South Africa, the Treasury and SA Reserve Bank (SARB), is just as unrealistic and biased. Starting with the academic discipline, according to the CJC,

The assumptions that economics makes about human behaviour, nature, profits, markets, commodities and growth are destroying everything. Mainstream economics merely justifies the wealth for a few, their destructive use of resources, and resulting pollution and carbon emissions. Our economies have to serve our needs as socio-ecological beings and the needs of ecosystems. We need an economics that takes into account ecological footprints, happiness, well-being, the resilience of ecosystems (through regular audits), the commons, and planetary boundaries. Our economics must be orientated around concepts and tools that assess the state of all living creatures and ends the harm to humans as well as non-human nature. This should serve as the basis of agenda setting, policy, resource allocation and democratic planning.

The CJC has a specific insistence, here, that GDP is part of the problem, not the solution. There are, of course, many other ways to measure well-being. The most revealing critiques of GDP come from feminists critical of the failure to incorporate social reproduction (including household and community labour that is unpaid and so valuable in sustaining life that it is truly unmeasurable) and from ecological economists. The paragraphs below assess how GDP might be shifted using the latter’s tools, while we retain full awareness that, as Audrey Lourde put it,
“the master’s tools will never dismantle the master’s house.” But it is in potentially *blunting the master’s tools* by pointing out how ineffectual they are, that we can proceed to considering ecological economic modes of *subverting* macroeconomic reliance upon GDP.

It is important to point out that, according to Samir Amin (2018, 159, 86), it is not only bourgeois economists who are confounded when unequal *ecological* exchange is integrated into a value-transfer schema, but also leftist political economists blind to capitalism’s environmental implications:

> Capitalist accumulation is founded on the destruction of the bases of all wealth: human beings and their natural environment... historical Marxisms had largely passed an eraser over the analyses advanced by Marx on this subject and taken the point of view of the bourgeoisie – equated to an atemporal ‘rational’ point of view – in regard to the exploitation of natural resources.

To illustrate using ecological economic reasoning, if we consider the South African state from the standpoint of a full-cost-accounted, public-sector balance sheet, it is extremely wealthy. A 2018 survey of the wealth of many leading states by the International Monetary Fund (IMF 2018) determined that once a calculation is made not only of net financial assets (i.e. budget surpluses/deficits and public pension funds, minus public debts including state pension liabilities), as is standard in public finance, so too should other non-financial assets be included, such as state-owned natural resources. In that survey, only five countries – Norway, Russia, Kazakhstan, Australia and Peru – could boast a higher ‘non-financial asset’ wealth ratio than South Africa’s 240% of GDP, within state ownership (although many other oil or mineral-based economies were not calculated). In contrast, South Africa’s coloniser Great Britain shouldered a *negative* 120% net worth relative to GDP in 2016.

*The wealth of selected states: public sector balance sheets, as a % of GDP (2016)*
In 2002, the Parliament confirmed that this natural wealth that typically goes uncounted in public sector fiscal accounts, is now at least technically state-owned, within the Mineral and Petroleum Resources Development Act (though to be sure, in practice, mining rights vest effective ownership in corporate hands). As a result, data on changes in “natural capital” that result from inadequately-compensated extraction reveal, South Africa’s wealth depletion is worsening. This is due to an economic recolonisation process favouring the local white bourgeoisie and multinational capital (plus a relatively insignificant share going to an aspiring black bourgeoisie).

The extent to which resource depletion – i.e., the diminution of natural wealth through insufficiently-compensated extraction – impoverishes the African continent became abundantly evident in the World Bank’s Changing Wealth of Nations accounting (Bond, 2019). It is important to point out how such net resource loss in Africa nearly always occurs without foreign or local corporations making compensating reinvestments, or paying adequate taxes and royalties (unlike, say, in the cases of resource-rich Norway, Canada or Australia where shareholders or the state do recirculate profits and revenues locally). Africa’s net resource losses have amounted to roughly $150 billion annually over the past two decades (Bond, 2018). Notwithstanding this enormous magnitude, Africa’s depleted natural resource base is the victim of erasers wielded by nearly all bourgeois economists and progressive political economists alike, including those based at international and local NGOs which purport to advocate that corporations “publish what you pay” and “stop the bleeding.”
One crucial exception, albeit so evidently suffused with policy schizophrenia that it is often unreliable (Bond, 2018), is the World Bank. There, thanks to environmental economists Herman Daly (1996) and Robert Goodland, various reports have been released over the past quarter century, offering a notional shift in a country’s wealth: “Adjusted Net Savings” (ANS). The ANS incorporates four factors that allow the reform of the variable Gross National Income (GNI) in order to approximate “genuine savings”: physical capital’s depreciation, damage caused by pollution and depleted natural resources (all three of which are considered debits from GNI), and educational expenditure (“human capital” investment, considered to be an extra credit to GNI). Establishing the magnitude of uncompensated exploitation of natural resources can at least be attempted with these data, notwithstanding their flaws.

Procedure for estimating Adjusted Net Saving, as % of Gross National Income (Africa, 2018)


Leaving aside the depreciation of physical capital and the appreciation of human capital, the environmental calculations are profound. South Africa’s CO2 emissions are 9.0 tons per person, eleventh highest in the world among countries of over ten million people, and third highest behind Kazakhstan and the Czech Republic if measured per unit of per capita economic output. Moreover, environmental damage also must be taken into consideration. In the 2015-19 period in Southern Africa, the boomerang of eco-destruction from fossil fuel abuse became evident with several debilitating droughts, cyclones and floods attributed to greenhouse gas emissions, i.e., anthropomorphic causes (Fitchett, 2019). The annual damage done by CO2 emissions is estimated by the Bank at 4.6% of GNI.

Extraction of non-renewable resources, including coal, imposes a vast cost on South African wealth accounts. GNI captures the national (domestically-produced) output of goods and
services in a given year. But to sell such “goods” – for instance, South Africa’s four leading mineral exports, which are coal (25% in 2017), platinum group metals (21%), gold (15%) and iron ore (11%) – requires extraction, smelting, refining and shipment of non-renewable minerals (ores) and metals, as well as disposal of waste residue. These activities are extremely carbon-intensive, so the burning of coal to facilitate the extraction of wealth should be factored in by anyone engaged in cost-benefit analyses of mining. The major consumers of electricity are Minerals-Energy Complex firms whose association is termed the Energy-Intensive Users Group, comprising three dozen firms dominated by mining and smelting operations, typically responsible for around 40% of energy consumption.

Another factor is the cyclical dynamic of extraction, which is evident in the World Bank’s (2019) calculation of nearly five decades of mineral and fossil-fuel wealth loss in South Africa. The dollar-denominated depletion of these minerals was extreme in 1980, for example, due to the very high gold price resulting from U.S. stagflation, which was soon dramatically reversed in 1981 due to much higher U.S. interest rates, known as the “Volcker Shock.” The next burst of depletion was in 2010-13, as the commodity super-cycle peaked.

**South Africa’s mineral and fossil-fuel depletion, 1970-2017 (US$ billion)**

<table>
<thead>
<tr>
<th></th>
<th>a. Non-coal minerals</th>
<th>b. Coal, oil and gas</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Using at least a rough measure, how much is lost each year in mineral wealth? In 2011, (non-coal) minerals depleted by $11.7 billion, up from a previous high of $7.2 billion in 2008. That year, coal depletion was measured at $12.3 billion, and in 2011 it was $9.2 billion. So in 2008, these combined resource outflows were $19.5 billion and in 2011, $20.9 billion (World Bank, 2019). These are vast wealth losses, although as a share of GNI South Africa’s depletion is typically far less than other African economies with a skew to primary production (Mauritania, Togo, DRC, and Zambia) and especially those with oil sectors (Angola, the Republic of the Congo and Equatorial Guinea) (Bond and Basu, 2021).

---

41 The Bank’s (2019) definition of mineral depletion is “the ratio of the value of the stock of mineral resources to the remaining reserve lifetime. It covers tin, gold, lead, zinc, iron, copper, nickel, silver, bauxite, and phosphate” – neglecting diamonds and platinum group metals (also, palladium, rhodium, iridium, osmium, and ruthenium).
To be sure, South Africa’s subsoil assets are valued by the Bank at just $400 billion, half the International Monetary Fund’s (2018) $800 billion estimate, and far less than the $2.5 trillion regularly cited as a result of a Citigroup guess (Bloomberg, 2010), albeit a figure now criticised as far too optimistic given that the bulk is in platinum group metals whose price subsequently fell or that are currently impossible to extract (Seccombe, 2019). But even if the Bank’s studies of South African wealth and depletion processes are severely flawed (for example, platinum and diamonds are not included), the Bank nevertheless provides a starting point for a discussion of natural resource exploitation.

The population of South Africa in 2014 was 54.1 million. Dividing the different types of wealth in the country that year (at the commodity supercycle’s peak) by each resident provides an estimate of $77,348 in per capita wealth. Of that, 17.8% consisted of the country’s natural capital, of which just more than half (9.2%) was accounted for in “subsoil assets,” which include the subcategories minerals and “energy” (coal and a small amount of gas). The other combination of nature’s wealth – pastureland, cropland, forests and protected areas – amounted, in 2014, to 8.5% of total wealth. By far the greatest amount of South Africa’s wealth that year – 58.1% – was allegedly in human capital, while 24.9% was in the produced capital stock (Table).

South Africa’s per capita wealth, 2014 (in US$)

<table>
<thead>
<tr>
<th>Total wealth</th>
<th>Produced capital</th>
<th>Natural capital</th>
<th>Forest</th>
<th>Protected areas</th>
<th>Subsoil assets</th>
<th>Human capital</th>
<th>Net foreign assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>77,348</td>
<td>19,263</td>
<td>13,743</td>
<td>898</td>
<td>320</td>
<td>370</td>
<td>2,115</td>
<td>2,892</td>
</tr>
</tbody>
</table>


What can we learn from perusing these accounts, in which GNI is adjusted to incorporate natural capital and human capital? The five major categories in which annual output should be adjusted downwards are: 1) consumption of fixed capital in the form of wear-and-tear depreciation (14.3% of South Africa’s GNI), 2) CO2 damage (4.6%), 3) mineral depletion (1.1%), 4) energy depletion (0.7%), and 5) air pollution (0.4%). The (controversial) upward adjustment of education spending is 6% of GNI, leaving a total ANS of 1.5%. In absolute terms, the ANS for an average South African attributable to depleted mineral wealth (including coal) was thus $129 in 2014 (again, platinum and diamonds are not included so if done properly, the corrected net savings figure would be far lower, or indeed negative).

---

42 The human capital investment is dubious because most South African public schools produce an education that sets learners back. In 2015, the World Economic Forum (2015) rated South African science and mathematics education as the worst of 140 countries, and 138th in overall quality. If education spending is meant to be a proxy for human capital investment (in terms of Bank logic), in many cases the result is better considered disinvestment. Nicholas Spaull (2013) notes that “with the exception of a wealthy minority, most South African pupils cannot read, write and compute at grade-appropriate levels, with large proportions being functionally illiterate and innumerate.” The main Treasury official responsible for funding these schools, Andrew Donaldson (2014) admitted that educational system “entrenches inequality between rich and poor.”

43 Crucially, as noted above, this figure fluctuates wildly as a result of swings in commodity prices. In 1980-81, gold exceeded $800/ounce before soon plummeting to $250/ounce, and from 2002-11, the upswing of the commodity super-cycle raised the rate of depletion dramatically, from 0.2 to 2.5% of GNI, before the 2015 crash reduced the

191
The irony when it comes to coal wealth depletion, of course, is that there is negative value to future generations not only due to its combustion and thus higher greenhouse gas levels than may well be survivable – but also in the loss of fossil fuel wealth. Future generations may well possess technology that allows them to extract a component of coal – hydrocarbons – critical for pharmaceutical products, synthetic materials and plastics, so long as the hydrocarbons are not combusted. But the demise of the high-BTU coal deposits is another way future generations are harmed by the extraction of non-renewable wealth.

The snapshot capital accounts provided by the World Bank (2017) in its *Little Green Databook* also allows further contemplation of the destruction of South Africa’s natural economy.\(^4^4\) Again, the crucial limitation of a snapshot is that it does not capture the extreme dynamism associated with minerals demand and supply. A 2014-17 dynamic graph of the volumes of South African minerals sold reveals not only that the 2015 crash was led by coal, iron ore, and manganese; also of critical importance in this period was the impact of the five-month platinum mineworker strike in 2014.

In sum, it is important to assess whether use of the GDP indicator utterly distorts changes in South Africa’s wealth beyond recognition, since the carbon-intensive extraction and smelting of minerals contribute such profound *negative* forces associated with non-renewable resource depletion plus pollution, including greenhouse gas emissions. The third quarter of 2020 amply demonstrated this, when the mining industry contributed an unprecedented 288% rise in GDP (resulting in an overall 61% increase), in part thanks to a surprising mid-2020 upturn in the price of mineral commodities (with the exception of coal).

*South Africa’s mineral depletion, 2014-17 (volume index, 2015=100)*

*All minerals, and Coal, Platinum Group Metals, Gold, Iron ore, Manganese and Diamonds*

depletion rate to 1.5% of GNI. It is worth remarking that while energy production is 93% reliant upon coal, which is by far the main cause of the CO2 damage accounted for, the ‘benefit’ from extraction of coal is far less, and in any case mainly accrues to multinational corporations like Anglo Coal, BHP Billiton and Glencore (although these firms are increasingly selling their coal mines to local black entrepreneurs given that carbon-divestment pressures are rising in their headquarter cities such as London, Melbourne and even Baar, Switzerland).

\(^4^4\) These accounts are not yet sufficiently strong in data consistency to compare across time periods, so as to assess the depletion process. But they do allow more breakdown of what is pre-existing “nature” (albeit after several centuries of settler-colonial interventions) and what society must make special efforts to preserve. There are, for instance, nearly 300 “threatened species,” including 116 higher plants, 107 fish, 46 birds and 26 mammals. The natural economy of the human lung is also threatened, with 100% of the population having PM2.5 particle exposure higher than World Health Organisation guideline levels. The family’s natural economy is disrupted by under-5 mortality rates that are more than twice as high as the average peer (upper middle-income) country. South Africa’s freshwater hydrological natural economy suffers massive withdrawal, ten times as much as do other African economies and more than five times the rate of upper middle-income peer economies. And in every category of energy aside from hydropower. South African capitalism uses far more than do other African and upper middle-income economies. The most destruction is in CO2 emissions, which are eleven times higher for an average South African (that mythical construct), than the 0.8 tons per average Sub-Saharan African.
Breakdown of South Africa’s per capita wealth, 2014 (in US$)

<table>
<thead>
<tr>
<th>Country</th>
<th>Sub-Saharan Africa data</th>
<th>Upper middle-income group</th>
</tr>
</thead>
<tbody>
<tr>
<td>GNI per capita, World Bank Atlas data ($)</td>
<td>6,080, 1,631, 8,263</td>
<td>31,4</td>
</tr>
<tr>
<td>Urban population (% of total)</td>
<td>64.6, 37.7, 94.1</td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural land (% of total)</td>
<td>80, 42, 35</td>
<td></td>
</tr>
<tr>
<td>Agricultural irrigated land (% of total agricultural land)</td>
<td>7.7</td>
<td></td>
</tr>
<tr>
<td>Agricultural productivity, value added per worker (2015 $)</td>
<td>9,451, 1,219, 2,208</td>
<td></td>
</tr>
<tr>
<td>Cereal yield (kg per hectare)</td>
<td>4,894, 1,452, 4,104</td>
<td></td>
</tr>
<tr>
<td>Forests and biodiversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest area (% of land area)</td>
<td>7.6, 25.7, 34.9</td>
<td></td>
</tr>
<tr>
<td>Deforestation (avg. annual %, 2000-15)</td>
<td>0.0, 0.5, 0.0</td>
<td></td>
</tr>
<tr>
<td>Territorial protected areas (% of total land area)</td>
<td>0.0, 15.9, 15.2</td>
<td></td>
</tr>
<tr>
<td>Threatened species, mammals</td>
<td>28, 918, 1,056</td>
<td></td>
</tr>
<tr>
<td>Threatened species, birds</td>
<td>46, 876, 1,102</td>
<td></td>
</tr>
<tr>
<td>Threatened species, insects</td>
<td>107, 2,023, 2,515</td>
<td></td>
</tr>
<tr>
<td>Threatened species, higher plants</td>
<td>116, 2,193, 2,750</td>
<td></td>
</tr>
<tr>
<td>Oceans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total fisheries production (thousand metric tons)</td>
<td>579, 7,418, 10,249</td>
<td></td>
</tr>
<tr>
<td>Aquaculture growth (avg. annual %, 2000-15)</td>
<td>5.6, 17.0, 5.3</td>
<td></td>
</tr>
<tr>
<td>Marine protected areas (% of territorial waters)</td>
<td>13.4, 6.1, 9.9</td>
<td></td>
</tr>
<tr>
<td>Coral reef area (sq. km)</td>
<td>1,768, 48,898</td>
<td></td>
</tr>
<tr>
<td>Mangrove area (sq. km)</td>
<td>30.5, 28,061, 50,774</td>
<td></td>
</tr>
<tr>
<td>Energy and emissions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy use per capita (kg of oil equivalent)</td>
<td>2,715, 270, 2,192</td>
<td></td>
</tr>
<tr>
<td>Energy from biomass products and waste (% of total)</td>
<td>10.5, 57.7, 7.3</td>
<td></td>
</tr>
<tr>
<td>Electric power consumption per capita (kWh)</td>
<td>4,229, 497, 3,409</td>
<td></td>
</tr>
<tr>
<td>Electricity generated using fossil fuel (% of total)</td>
<td>93.1, 64.3, 71.1</td>
<td></td>
</tr>
<tr>
<td>Electricity generated by hydropower (% of total)</td>
<td>0.4, 2.1, 2.0</td>
<td></td>
</tr>
<tr>
<td>CO2 emissions per capita (metric tons)</td>
<td>8.8, 0.8, 6.6</td>
<td></td>
</tr>
</tbody>
</table>

Source: StatsSA (2019)

Source: World Bank 2017
Changes in real Gross Domestic Product, 2019-20

Prices of South Africa’s main minerals exports, 2015-20

Source: SARB 2020
Source: SARB 2020
The result, is, as the South African Federation of Trade Unions (SAFTU, 2020) argued, very misleading, and we appeal to StatsSA to put a very large asterisk beside it. GDP only counts the output of non-renewable minerals as a positive in this category; it does not count the depletion of the same minerals as a negative. If you count mineral depletion (since it has gone away forever), then the net benefit of mining to the country’s actual wealth is negative.\textsuperscript{45}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{gold_price.png}
\caption{Gold price, Index: January 2015 = 100}
\end{figure}

\textsuperscript{45} The next part of SAFTU’s December 2020 critique is compatible:

There is another flaw in GDP: if during April-September 2020, our poor and working-class women, men and children turned to each other to provide and receive mutual aid in a voluntary manner to survive Covid-19, and if women were made to work all the harder as a result of additional caregiving burdens for children and those who became ill, GDP calculations ignore this work since it was not paid for. Since tens of millions of South Africans were doing much more non-paid work but StatsSA’s economists simply do not recognise this, once again we insist on a major asterisk. Two final flaws in GDP are that wear-and-tear (“depreciation”) on machinery is not included so the part of the economy that is genuinely productive is overstated; and nor are pollution costs considered within GDP, so the companies that “externalise” their costs by wrecking the environment do so with applause even though the costs are severe to our and future generations. As a University of Pretoria professor, Lorenzo Fioramonti put it in a book by the same name, this is now a Gross Domestic Problem.
This is a seemingly radical conclusion, yet the Gaborone Declaration on Natural Capital Accounting in May 2012 legitimates precisely this sort of recalculation. Remarkably, it was signed by South Africa’s then environment minister, Edna Molewa, along with heads of state or environment ministers from Botswana, Gabon, Ghana, Kenya, Liberia, Mozambique, Namibia, Rwanda and Tanzania. The Gaborone Declaration concedes that since GDP has “limitations as a measure of well-being and sustainable growth,” natural capital should from now on be included in “national accounting and corporate planning” (Bond 2018).

That, in turn, gives the CJC movement an opportunity to insist that Treasury (including StatsSA) and the SARB consider impacts of environmental factors – including the -4.6% of GNI caused by CO2 emissions each year – to be not only relevant, but decisive in reformulating macroeconomic policies. The policies that likely would be affected – within fiscal, monetary and financial, and international economic relations – are considered next.

But before doing so, one other vital macroeconomic problem can be discerned as a result of this analysis: the ecological debt that is implicit in such extreme levels of environmental destruction. To a large extent this is a climate debt that South Africa owes to neighbours and other poor countries, taking two forms: damage done to people, their infrastructure and ecosystems, caused by massive storms attributable to greenhouse gas emissions (like Cyclones Idai and Kenneth in 2019) or droughts (such as affect large parts of SADC at any given time); and the limitations on the region’s ability to emit their “fair share” of CO2 as they attempt to industrialise. We take these up in the final section, below.

3. Eco-social critiques of SA macroeconomics: fiscal, monetary/financial and international

Macroeconomists typically have three major concerns, all of which have broader implications for policies associated with a genuine Just Transition: the fiscal (national budgetary) stance that signals whether the government is sufficiently disciplined to its society (through social and ecological investments) as well as generous to corporations (through low tax rates and infrastructural spending); the monetary and financial policies that guide the flows of money, credit and ‘fictitious’ (paper-based) capital; and the international economic relations that help determine the country’s trade, investment and financial balances within the world economy. We will briefly consider the eco-social critiques of each of these in the coming pages.

3.1 Fiscal policy

State taxation and spending have suffered under conditions of neoliberalism since the early 1990s. At that point, a central objective was cutting back the inherited apartheid budget deficit through raising revenues more efficiently, and curtailing spending. South Africa’s longest-ever depression was from 1989-93, and hence the state budget deficit had soared to a peak of just over 9% of GDP in 1993–94. The former Bantustan budgets were integrated into the national budget at that stage as the national political settlement entailed a coming to terms with profound fiscal changes. The budget cutting was so successful over the subsequent 15 years that a primary budget surplus was realized by 2008. Treasury’s Growth, Employment and
Redistribution (GEAR) programme was the main vehicle, starting in mid-1996. GEAR targeted a fall from the 1995–96 budget deficit of 5.5% to 3% by 1999 (which was the European Union Maastrict Agreement’s standard).

Over the first few years of democratic government, fiscal austerity was being felt in many of the line departments, thus adversely affecting service delivery and environmental protection. To broaden the revenue base, the IMF had earlier promoted the imposition of a Value Added Tax (VAT), and this was imposed in 1991 in spite of a strike by 3.5 million COSATU workers – instead of raising more progressive taxes, especially those that might deter upstream ecological destruction. Revenues could have been raised more equitably under a strategy of higher direct taxation on corporations and the rich, as well as through carbon taxation – e.g. on Eskom electricity or plant-based emissions – with a differential “rising block tariff” pricing to help cross-subsidise the poor and disincentivise overconsumption. Another iniquitous area was property taxation, for as Gilad Isaacs (2018:11) observed, South Africa’s capital gains tax is 16% for individuals and 22% for companies (and there are generous exclusions), compared to 40% in the OECD countries. South Africa’s securities transaction tax is 2.5% which raises just a third of the OECD average rate (0.4% of tax revenue) even though the stock market is three times larger as a share of GDP than in rich countries.

During the 1990s, several other macroeconomic compromises exacerbated the fiscal squeeze and promoted a much more extreme version of export-led growth. These included repayment of $25 billion in apartheid-era foreign debt; the alternative would have been Odious Debt litigation, as several countries exiting dictatorships pursued at the time (Bond, 2003). Instead of a sustained wealth tax that would have assured reparations payments from those who earned illegitimate income during apartheid, Treasury cut the primary corporate tax rate from a high of 52% (1992) to 38% during the 1990s, and then further, to 28% by the early 2010s. Isaacs (2018:10) observes that South African corporate taxation ranks 172nd lowest out of 213 countries, and fifth lowest in Africa.

Although improved tax collection, loophole closures and economic recovery after the 1989–93 depression permitted a rise in the total company income tax from 11% of state revenues in 1994 to a high of 27% in 2009, before falling back to 18% in 2018 (Isaacs, 2018:6), much more could have been collected given the then rapid rise in the rate of profit, to ninth highest of major economies by 2001 (Citron and Walton, 2002). During the mid-2010s, several IMF Article IV Consultations included estimates of profitability, typically finding South African firms had risen to the range of third to fifth highest in the world. Much of the profitability occurred through externalising costs, especially onto the environment (as already discussed).

The other major fiscal policy shift was declining personal income tax which fell from a high of 42% in 1998 to 28% in 2006, period, before rising again to 38%, and for those earning above R1.5 million a year, 45% in 2017 (Isaacs, 2018:6). In addition, the post-apartheid Treasury allowed customs duties and tariff revenues to fall (from 5% in 1994 to 3% in 2018), once South Africa joined the General Agreement on Tariffs and Trade on adverse terms in 1994; although this did at least temporarily lower the cost of consumer goods, it contributed to the outsourcing
of emissions to East Asia, the production source of most of the imports (Isaacs, 2018:6). None of these policies were adjusted in 2020 during the Covid budget crisis.

Finally, of critical importance to resources required for fiscal expansion was the decision to allow wealthy South Africans to remove their apartheid-era investment capital to offshore sites. That entailed, first, the 1995 cessation of the Financial Rand (Finrand) dual-currency exchange control system, mainly liberating the richest South Africans to remove their wealth forever; and second, the 1999–2001 permissions given to some of the largest firms on the Johannesburg Stock Exchange (JSE) – Anglo American, De Beers, Old Mutual, SAB/Miller, Mondi, Investec, Didata – to relist their primary financial homes in London and New York. (Earlier individual permissions to remove apartheid-era capital had been given to BHP Billiton – formerly Gencor – as well as Liberty Life insurance.) In 2018, Naspers’ permission to list its vast Tencent holding (of around $150 billion) in Amsterdam occurred in the same manner, thus worsening the balance of payments by denying South Africa the profit inflows from China that would reward local shareholders of Naspers.

The main remaining form of exchange controls on institutional investors was a requirement to mainly invest in local securities. This extent of this requirement was gradually relaxed, so that from a typical pool of 75 to 80% of these funds held locally, the ratio dropped to 70% in 2018. That year, it amounted to Treasury (under then Finance Minister Malusi Gigaba) giving permission for the investors to remove R500 billion from South Africa; by comparison the Citibank mutual fund index that in April 2020 dropped South Africa from permissible investments due to the final junk rating, was only estimated to entail a R100 billion risk of capital flight.

In addition, the vast pool of funds in institutional investments were gradually permitted to shift out of state bonds into what below we will see is an overvalued stock market. During apartheid, there were ‘prescribed assets’ on institutional investors (to require purchase of state securities) but by the early 1990s these were phased out. Moreover, the two big mutual insurance companies – Old Mutual and Sanlam – were allowed to switch to private ownership, thus compelling the state to source its domestic borrowings in a more expensive financial market than during apartheid (Bond, 2003).

Fiscal expenditure was never strong enough to offset these biases, because due to pressure from international credit ratings agencies plus intrinsic conservativism within Treasury, social spending (as defined by the OECD) as a share of GDP was in post-apartheid range of 5–8%, compared to a 22% average of the world’s 40 largest economies (only four states had lower social spending – India, Indonesia, Mexico and China – while France and Finland maintained social spending of more than 30% of GDP [OECD, 2019]). This reflected fiscal choices within the Treasury, for at the same time, state spending/GDP did rise from its 2003 low point of 24% to 33% by 2018 (with a deficit level of just over 4%). Meanwhile, South Africa’s total public debt as a share of GDP soared from 27% in 2009 to 53% in 2018, and then to what was estimated at 80% by the end of 2020, due to that year’s economic crisis.
The makeup of public spending was simply not sufficiently redistributive to take advantage of low-income consumers’ much lower leakage of spending (i.e., much higher ‘multiplier’ in which a rand spent on food or housing here recirculates better than a rich person’s import-intensive luxury consumption). Indeed wealthier citizens and corporations are far more prone to purchasing imports or parking their savings in unproductive, speculative sites like the JSE, where there is little if any relationship to real-economy investment. And yet the Treasury held back on such spending, using as an excuse that fiscal expansion had a relatively low multiplier – which for the carbon-intensive, capital-intensive mega-projects was certainly true. There was a momentary respite in 2020 when expanded social spending on grants and an emergency R350/month temporary unemployment benefit was provided, but it was soon retracted – notwithstanding Covid-19’s ongoing damage to poor and working-class people.

Other biases in fiscal policy include corporate concessions on municipal services tariffs and electricity. This is one of South Africa’s main fiscal-policy contributors to fossil fuel consumption: Eskom’s Special Pricing Agreements are especially generous to two giant smelting firms, BHP Billiton and Anglo American, whose per unit cost of power is one tenth the rest of society. Eskom’s cross-subsidisation can be considered a fiscal gift, since the utility has nearly R500 billion in debt it cannot pay that is guaranteed by the taxpayer thanks to the Treasury’s carbon-intensive loan guarantee scheme. The extractive-industry corporates are also lightly taxed – through royalties and income taxes – on their depletion of non-renewable resources, which as noted, also exceeds $20 billion per annum (Bond, 2018).

These budgetary considerations (and many others) reflect a long-standing dispute (Bond, 2015; Forslund, 2016) with the World Bank (2014; Woolard et al., 2015) regarding the supposed ‘highly redistributive’ impact (from rich to poor) of fiscal policy. Woolard et al. (2015) argued that the Gini Coefficient falls from 0.77 to 0.59 (see also World Bank, 2016:151). By 2018, however, the IMF (2018b) admitted that such analysis “excludes important taxes (i.e. corporate income, international trade, and property taxes) and spending categories (i.e. infrastructure investments).” With such vast gaps, not to mention the other points discussed above, the Bank’s generous analysis of fiscal policy falls apart.
The fiscal critique in the pages above reveals just some of the ways that ‘corporate welfare’ exceeds the state’s social spending. Indeed, in addition to direct financing and indirect tax loopholes, there are many other ways that fiscal, regulatory and other forms of state subsidies and support flow to more than two dozen types of high-emissions activities that continue to dominate the South African economy.

Is there scope for reducing fiscal support to mega-projects of this sort, for example in the CJC movement using the controversial ‘zero-based budgeting’ approach (requiring annual justification of spending commitments instead of just roll-overs)? That approach is generally decried for its neoliberal characteristics. Yet since it is already in place in Treasury, at the very least the state budget cutters should begin by ending these major gifts to the high-carbon industries.

Moreover, it would be relatively easy in theory to insist on the broader analysis that the 2012 Gaborone Declaration mandates, namely that the environmental costs and benefits associated with ‘natural capital’ (e.g. the negative effects of pollution and depletion from these mega-projects) be included in “national accounting and corporate planning”, as explained above. This is, in theory, a logical way for a government aware of climate crisis and ecology to address its projects’ adverse impacts, especially when ‘rights of future generations’ are factored in. In practice, several efforts in South Durban by activists to do so have failed, a topic to take up again in the conclusion.

---

**25 high-carbon projects/activities given fiscal or other state support**

1) **coal-fired power plants based on coal mining**
   - the largest being built in the world today is Eskom’s 4800MW Kusile – requiring ongoing repair, redesign and even major construction surgery, as well as a massive new water transfer scheme to cool the boilers
   - the 4750MW Medupi is nearly as large
   - the 577MW Thabametsi is still planned, on a privatised basis (with Korean investors), as is the 300MW Khanyisa (with Saudi funds)
   - the 3300MW Musina-Makhado privatised coal-fired power plant – not even included in the Integrated Resource Plan – is promised for sole supply to Chinese Special Economic Zone tenants for a new metallurgical smelting complex
   - continuation of several Mpumalanga power plants beyond their stated life spans

2) **oil and gas**
   - Total’s Brulpadda (and vicinity) gas find is estimated to contain 100+ billion barrels of oil equivalent
   - fracking of methane gas is planned for the Karoo and Drakensburg, with other potential KwaZulu-Natal sites also under investigation
   - CSIR scientists are designing a massive national gas pipeline
   - Sasol’s refining facility at Secunda is the world’s #1 point source of CO2 emission, with the South Durban (Engen and Sapref/BP-Shell) refinery complex still the largest in Africa and anticipated tripling of output for the new Durban-Joburg Transnet petroleum pipeline
   - offshore-KZN exploratory gas and oil drilling (in the Tugela Exploration Zone) was underway earlier this year by several of the world’s largest petroleum firms, including ENI and Sasol (although there was in September 2020 a reported drop-out by ExxonMobil and Equinor)
3) Presidential Infrastructure Coordinating Commission mega-projects

- the planned export of 18 billions tons of newly-dug Limpopo coal through Richards Bay – costing R800 bn – is Presidential Infrastructure Coordinating Commission Strategic Integrated Project #1, and could lead to another 200+ billion tons of coal from Botswana, as well as many more coal mines across KwaZulu-Natal, Mpumalanga and Limpopo
- the R250 bn expansion of the Durban port-petrochemical complex is Presidential Infrastructure Coordinating Commission Strategic Integrated Project #2, and entails a massive rise in cargo as well as refining

4) failure of other transitions to low-carbon policy and investments

- there have been five lost years of delayed solar and wind projects and there remains central-state opposition to socially-owned renewables plus denial of permission to municipalities to connect renewables to their own local grids
- South Africa’s very high levels of shipping-related emissions are never considered in climate strategies, especially what with the massive distances of SA exports from the main markets – and then truck-based transport is mainly used for containers when rail should be used instead
- ditto for the abuse of air travel without regard for climate
- ongoing suburban sprawl worsens (including for new low-income housing megaprojects), with little regard for climate implications of the long distances from jobs, schools and amenities, in part amplified by new highway widening projects underway (e.g. in the Durban area costing R30 bn)
- the petrol-powered auto industry is continually expanding in spite of domestic market stagnation, thanks to R30 bn/year in state subsidies meant to encourage exports – mainly by German and Japanese auto firms, which are uninterested in providing electric cars and inexpensive forms of transport
- carbon-intensive fertiliser production continues, for export-oriented agriculture
- the petrochemical industry remains one of the most important for local production and exports
- deep mining and smelting – requiring vast sums of electricity – are expected to continue, potentially rising in the cases of the main exports (platinum group metals, gold, iron ore and coal)

5) South Africa’s role in the region’s greenhouse gas emissions

- Sasol continues to use Mozambique’s gas fields to import massive methane stocks which are squeezed at Secunda to make liquid petroleum, at the world’s #1 CO2 emissions point source
- South African financing of high-emissions activities in the region continues, such as Standard Bank’s mega-loan to the oil pipeline that will stretch from Uganda to Tanzania
- the SA National Defense Force role (1500 troops as part of a UN force) in the eastern DRC near where several SA corporations have taken investment positions in an estimated $10 billion worth of oil extraction
- there is a new possibility that SANDF troops – in conjunction with mercenaries rented by French oil firm Total – will fight Islamic State guerrillas in Northern Mozambique over $128 billion worth of offshore gas (according to SA’s foreign minister testifying in parliament
- Eskom’s planned import of electricity generated by a $100 billion mega-dam on the Congo River, Inga, will create much more methane through tropical riverine vegetation rot

3.2 Monetary and financial policies

The same disputes over the redistributive potential and climate-change implications of fiscal spending arise when it comes to monetary and financial-regulatory policies. For example, by allowing the current account deficit to soar after 2001, as a result of a new stream of profit and
dividend outflows (associated with the relisting of major firms on mainly foreign stock markets), much higher levels of foreign indebtedness were then required, so as to pay that outflow. Other parts of this debt – the Eskom borrowing to finance coal-fired power plants, for instance – should obviously be questioned as corruption-riddled Odious Debt.

**South African total external debt, 2005-20 (US$)**

![Graph showing South African total external debt, 2005-20 (US$)](source: tradingeconomics.com)

The inherited $25 billion foreign debt (of all borrowers including parastatal and private corporations) soared to more than $185 billion by late 2019 (SA Reserve Bank, 2019), before a massive wave of international liquidations of South African securities in March-April 2020 (bought from foreigners by South Africans) lowered the liabilities to $155 billion. This foreign debt, in turn, required South Africans to pay a higher real interest rate than ever before, typically amongst the top five in the world for 10-year securities amongst several dozen countries that sell these in international markets (as measured by The Economist’s page of indicators). This premium was paid long before junk ratings were imposed from April 2017. In December 2020, the 8.8% rate paid on 10-year state securities was higher than only Turkey and Pakistan. The rate spiked in March 2020, to as high as 11%.

**International interest rate paid on South African government 10-year bond, 2005-20**

![Graph showing International interest rate paid on South African government 10-year bond, 2005-20](source: data.png)
For the Treasury and Reserve Bank, the merit of these high interest rates is that foreign portfolio finance is drawn into the country, albeit at a higher cost, so there is rarely ever a fear that international investors will boycott South African bonds (notwithstanding the 2017-20 junk credit ratings). These investors hunt the globe, desperately seeking rates of return at even 3%, so 8.86% with virtually no risk is exceptional. In addition, there is another objective, to keep inflation low. The Reserve Bank’s ‘monetarist’ perspective considers money supply – itself determined by the price of borrowing – as the driver of consumer and producer price levels. South Africa’s rate was between 3-6% during the 2010s.

*South African Consumer Price Index core inflation rate, 2009-20*

Inflation was kept low, aside from occasional blips – often when the currency crashed (1996, 1998, 2001, 2006, 2008) – but even as the Rand fell against the dollar from 2012-16, and in 2020, the historically-high Reserve Bank ‘repo rate’ succeeded in keeping inflation low (far below the double-digit levels of the 1980s). However, for the poorest two thirds of South Africa, it was nearly two full percentage points higher than it was for the upper third of income earners, according to the IMF (2018a:76), partly resulting from higher administered prices (e.g., electricity) and food prices, as drought periodically cut supply.

*South African currency strength, measured as R/$, 1994-2020*
Another vital aspect of monetary management (considered in the broadest terms) is the financial system’s ‘supervision and regulation’. The ‘Quantitative Easing’ loose-money strategy adopted by the North’s central banks from 2009 to 2015 was based, first and foremost, upon ensuring banks would survive the Great Recession by throwing money at them; and secondly, upon the need to artificially ‘reflate’ global effective demand. In South Africa, supervision and regulation of the financial system always received praise from the World Economic Forum (2017) Global Competitiveness Reports, usually ranking in the world’s top twenty.

But this celebration disguised many major problems with supervision and regulation, as witnessed in the delinking of the South African financial system from the real economy.
Reflecting excessive financialisation, South Africa’s surpluses of capital have not been reinvested, in the form of profit streams plowed back into plant and equipment. As one example, from 1997 to 2008 – when the real economy was relatively more healthy due to the uptick in the commodity super-cycle and liberalised credit, there were also speculative dangers, as South Africa’s real house prices grew faster than any other in the world, twice as high as the second largest bubble market, Ireland’s (The Economist, 2009). Such high gains from real estate investments during this era only generated more of the standard developer-driven housing and commercial projects, such as suburban housing estates and shopping mall complexes. The latter became badly exposed to rental defaults and permanent irrelevance thanks to Covid-19’s reshaping of urban form.

Subsequent to the 2008 crash, the main way the financial markets have taken over such flows of idle capital, is through unprecedented stock market overvaluation, a form of ‘irrational exuberance’ (as Alan Greenspan termed this process in the U.S.) that until recently has been the world’s worst, judging by the Warren Buffet Indicator (the ratio of market capitalisation to GDP). By that measure, the JSE grew rapidly through January 2018, reaching a ratio (350%) higher than in any other country ever measured, 3.2 times higher than the world average. Even in late 2019, after a large decline in JSE activity associated with Tencent’s relisting in Amsterdam via Naspers’ new Prosus subsidiary, the Buffett Indicator for South Africa as a national unit trailed only one country, Saudi Arabia (due to its Aramco oil company initial public offering of more than $2 trillion).

Johannesburg Stock Exchange main index, 1995-2020

Source: tradingeconomics.com

One reflection of this high degree of share liquidity is the extent to which mining houses (‘resource’ sector capital) issued new shares on the JSE during even the worst weeks of 2020, when lockdown had reduced mining activity. Indeed from July 2019 through September 2020,
the mining sector raised R30 billion, more than any other aside from finance. There were much higher levels of equity raised in earlier years (e.g. R250 bn in 2015 alone from all sectors), until the late-2010s peaking of the JSE index in the 50-60 000 point range. But whereas a stock market would logically be precisely the site to do such investment, there was no correlation between this sort of financial bubbling and the economy’s steadily declining gross fixed investment, even before Covid-19.

*Ownership capital (‘equity’) raised on the JSE by type of business, 2015-20*

Had there been political will, the Treasury and Reserve Bank could have addressed these bubbles, financialisation phenomena and irrational investment flows, since many were based merely upon the chaotic search for financial returns. For example, a ‘Henry George Tax’ on undeveloped land would have lowered the returns to speculative acquisitions. A strong mode of forced class-integration within residential projects – so that affordable housing is mixed with luxury accommodation (as is imposed in many cities, and which Johannesburg is belatedly adopting) – would have prevented so much investment money in upper-income gated communities. There could readily have been ‘Tobin Tax’ disincentives for financial transactions above a certain value (even Zimbabwe applied such a tax of 2% on every electronic banking transaction, though without progressivity). The point about discouraging financial transactions is to lower the propensity for financial chaos, especially if crashes are frequent. The JSE’s three massive crashes, as seen above, were in mid-1998, late 2008 and early-2020 – when between 35 and 50% of the share valuation simply evaporated.
In contrast to the need for greater stability in the JSE and credit markets, some of the main financial-sector regulations were deregulated during the 1990s, sometimes even out of existence. These included the Finrand dual exchange-rate to penalise offshoring; the corporate listing requirements; the building societies’ domination of home mortgage bond lending; and the very existence of the major insurance companies Old Mutual and Sanlam as mutual societies. In the case of usury rate protections against excessive interest rates (especially on small loans), exemptions were made to existing regulations (Bond, 2000).

Along with the relatively high interest rates paid to savers due to conservative monetary policy, these processes had the effect of intensifying inequality, as wealthy South Africans externalised their assets and as the mutual ownership that had preserved working-class wealth for generations suddenly reverted to private ownership of existing shareholders. Several banks that were on the verge of failure were merged thanks to a generous Reserve Bank bailout loan, creating the Amalgamated Banks of South Africa. (Smaller banks were not so fortunate, as no bailout was considered for the African Bank or VBS in recent years.) Pension funds that required longer-range investment consideration were converted to provident funds that could be drawn down by beneficiaries overnight (Bond, 2014b).

Moreover, regulators’ oversight was inadequate to the task of maintaining financial system coherence, as illustrated repeatedly by banking scandals, as noted above. For example, Illicit Financial Flows unveiled by data leaks – scores of rich South Africans people and firms named in the HSBC, Panama Papers and Paradise Paper scandals from 2015 to 2017 – were never acted upon. At least 17 banks were involved in the manipulation of foreign currency transactions; but their exposure in 2016 occurred in the Competition Commission, not the Treasury or Reserve Bank. Local branches of the international financial accountancy, auditing, management consulting and legal professions – e.g. KPMG, Bain, Deloitte, PwC, McKinsey, Hogan Lovells – repeatedly gave positive ratings to or facilitated corruption within Eskom, Transnet, Steinhoff, Tongaat, VBS bank, African Bank and others (Bond, 2018).

Supervision and regulation were also weak when it came to consumer indebtedness, until the 2005 National Credit Act tightened lending requirements. But inadequate protection against informal lenders remains a major problem as the working class became overindebted. The main crisis year was 2008 because of rapid interest rate increases, although they were then partly reversed as the global financial meltdown unfolded. In 2004, household debt/GDP was 55%, but soared to nearly 90% in 2008, before declining to 70% in 2019. The National Credit Regulator (2017:43) recorded nearly 25 million credit-active consumers in 2017, of whom ‘39% had impaired records.’ Those are formal-sector records, but the role of informal loan sharks adds often intolerable pressures. In 2020, the Covid-19 lockdown left the economy in tatters, with mid-year unemployment rising by 2.2 million and with an additional five million people simply dropping out of the formal labour market because lockdown made it impossible to find work. This naturally generated another consumer-credit repayment crisis, especially for loans below R8000 and for less than six months repayment terms. These are ‘short term credits’ and whereas the on-time
repayment rate had reached 77% in late 2017, it collapsed to below 50% in June 2020 before recording to 61% by September.

South African consumer short-term credit book reported as ‘current’, 2017-20

Although the July-September 2020 period of economic bounce-back allowed the repayment rate to rise 10%, the long-term character of consumer indebtedness, from the standpoint of reflating the economy through appropriate basic-needs consumption, must be stressed. The debt of the bottom decile of the population rose to a full third of household asset value by 2015 (IMF, 2018a:76), while for the top decile it was only 9%. Differential pricing of financial services means that wealthier borrowers pay lower rates (and get higher rates when savings), compared to the microfinance industry that lends to poor and working-class people. The IMF (2018b:18) study of financial markets confirms that “bottom quintile households account for 33% of loans from ‘mashonisas’ (higher-cost informal lenders) compared to 8% for the top quintile.”

In sum, the monetary and financial management of South Africa’s economy was characterised by supervisory laxity, deregulation, corporate corruption and excessive financial speculation. These financial features of maldevelopment, added to the extremely high interest rate, would leave little scope for funding a Just Transition, given that until 2018 at least, the JSE offered much higher rates of capital appreciation than would ecologically-sensitive investments. And finally, the South African financial system’s persistent fragility – as witnessed in major crashes of the JSE in 1998, 2008 and 2020, and high levels of impaired consumer credit – suggests that if a recognition of unburnable fossil fuel ‘stranded assets’ are to be called for, consideration must be given the micro and macroeconomic implications for exposed banks like Standard, Nedbank, the IDC and others. Nationalisation without compensation (i.e., making such environmental liabilities the ‘haircut’ responsibility of creditors and their shareholders) would be one logical route forward.

3.3 International economic relations
These anti-social, anti-ecological aspects of Treasury and SARB macroeconomic policies were, in turn, exacerbated by South Africa’s increasingly vulnerable relationship to a volatile world economy. Many of the policies in the fiscal, monetary and financial-regulatory spheres are the outcome of international pressures, revealing powers that rose far in excess of domestic policy sovereignty, and thus caused South Africa’s inability to break out of inherited class, race and gender inequality. Specific levers include the $25 billion apartheid debt repayment; the relationship with the Bretton Woods Institutions (both the 1993 IMF loan and World Bank policy advice); ascension to the World Trade Organisation, which compelled lower tariffs on manufactured goods; exchange control liberalisation; the delisting of the main Johannesburg and Cape Town corporations; and the role of credit rating agencies in adjudicating whether policies are finance-friendly (Saul and Bond, 2014).

Defenders of the ANC’s turn to globalisation point to the commodity super-cycle during which the four main mineral exports – platinum, coal, iron ore and gold – did exceptionally well from 2002 until the crash of 2015. Unfortunately for South Africa, however, the firms controlling these minerals required their payments to be made to international head offices in foreign currency. Hence the profits, dividends and interest (‘balance on income’) component of the current account deficit soared to a high of 7% of GDP in 2009, and subsequently was in the negative 2–3% range (IMF, 2018a:17).

Yet South Africa’s net foreign investment position is positive (since 2014), in part because in 2001 Naspers bought a third of Tencent for just $34 million, a tiny fraction of the Chinese firm’s 2018 peak $572 billion market capitalisation. In September 2019, Naspers gained permission to relist its Tencent component in Amsterdam for $130 billion, arguing that the move unlocked more shareholder value – but as the prior 1999–2000 delistings showed, after a brief spurt of hard-currency inflows once local owners sold to foreign buyers, there will be a much greater net outflow of profits in future years since Tencent’s earning will be routed through Amsterdam, not Johannesburg. On top of that, the main rationale for the move – to close the huge gap in Naspers’ local asset valuation in comparison to the Tencent stake – was not solved by listing overseas.

Even before this, exchange control liberalisation permitted the likes of Naspers to retain earnings in overseas shares or leave those profits abroad. Further outflows occurred at an ever more rapid pace in the wake of the February 2018 decision by Treasury to permit an additional $38 billion of institutional investor funds to move abroad (exchange controls on these funds were relaxed from a 75 to 70% local investment requirement). Yet with just $50 billion in reserve holdings of hard currency, the IMF (2018a:35) correctly termed these ‘below adequacy’ by at least 30%, leading to repeated worries over a needed ‘IMF bailout’. Remarkably, the SARB managed to contain the dramatic outflow of funds in mid-2020 and the reserves barely budged downwards. The soaring price of gold was one related feature.

As for the oft-sought inflows of foreign direct investment (FDI) into South Africa, even before Covid-19 hit, these were scarce and rarely resulted in substantive economic activity. This was a
problem globally, for the level of new FDI across the world fell by nearly 20% to $1.2 trillion in 2018, after three successive years of decline from the 2015 peak of just over $2 trillion (Unctad 2019, 1). From peak levels in 2007, FDI profitability, trade/GDP ratios, and even cross-border financial flows all dropped markedly. Although there was a recorded rise in South African incoming foreign investment, it turned out to be ‘phantom’, i.e. ‘mainly’ intra-company loans, with transnational corporations seeking the country’s extremely high real interest rates as a means of earning quick profits and offshoring assets (Unctad 2019).

Not only has global FDI been crashing, from the 4.5% of GDP peak level of 2006-07 to 2.4% in 2017, so too have cross-border financial flows (from 16.1% to 4.5% of GDP in the same period) and relative trade rates. The Baltic Dry Index, the world’s main measure of shipping, plummeted from a level of 11,500 in 2008 to below 1,500 the next year and has remained there since 2014. The 2008-09 collapse of trade and its subsequent slow decline was similar to two prior episodes of rapid deglobalisation, in which one measure – world imports/GDP – fell during roughly 15-year periods, from 1880-97 and from 1929-45. Along with other indicators, this suggests that a deglobalisation (or as The Economist now prefers, ‘slowbalisation’) era began after the 1980-2007 era of rapid globalisation. The crash of trade in 2008 was deeper than in 2020. Given mutating strains of Covid-19, ongoing economic crisis tendencies and the Brexit phenomenon in early 2021, it is not obvious whether a genuine recovery in merchandise trade can be expected, especially in mining commodities.

**Merchandise trade (2015=100), 2000-20**

**Changes in trade type, 2019 to mid-2020**

![Graph showing changes in trade type](image)

Source: World Trade Organisation 2020

*South Africa’s current account balance, 2015-20*
Although there is far less trade between South Africa and partners as a share of GDP today than in 2007, as a result of these processes, one very surprising development occurred in mid-2020, when the decline in imports suddenly created a massive trade surplus, and the lockdown prevented dividends from accruing to multinational corporations in South Africa. What that meant, was a surprising stay of macroeconomic execution for South Africa. It allowed the currency to strengthen: from R14/$ in January, the Rand fell to R19/$ in April, but strengthened to R15/$ by year end. The main reason was the anomaly of trade surplus and lower outflows of profit, dividend and interest payments.

Ultimately though, in relation to trade, the most important climate questions need further investigation: how vulnerable are South African exports to probable climate taxes based on the country’s distance from its main markets; and how much does South Africa’s high level of imports result in the ‘outsourcing’ of greenhouse gas emissions and other pollution associated with high-carbon manufacturing? On the first point, the kinds of products made in South Africa – e.g. metals, mineral ores and luxury autos accounted for nearly $60 billion in exports in 2019 – leave the country not only subject to volatile world markets, but particularly vulnerable to bulk maritime emissions controls, which are still in their infancy.

### South Africa Exports by Category, 2019

<table>
<thead>
<tr>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearls, precious stones, metals, coins</td>
<td>$15 010.00M</td>
</tr>
<tr>
<td>Ores slag and ash</td>
<td>$13 060.00M</td>
</tr>
<tr>
<td>Vehicles other than railway, tramway</td>
<td>$11 400.00M</td>
</tr>
<tr>
<td><strong>Mineral fuels, oils, distillation products</strong></td>
<td>$8 780.00M</td>
</tr>
<tr>
<td><strong>Machinery, nuclear reactors, boilers</strong></td>
<td>$5 480.00M</td>
</tr>
<tr>
<td><strong>Iron and steel</strong></td>
<td>$5 360.00M</td>
</tr>
<tr>
<td><strong>Edible fruits, nuts, peel of citrus fruit, melons</strong></td>
<td>$3 420.00M</td>
</tr>
<tr>
<td><strong>Electrical, electronic equipment</strong></td>
<td>$1 750.00M</td>
</tr>
<tr>
<td><strong>Aluminum</strong></td>
<td>$1 740.00M</td>
</tr>
<tr>
<td><strong>Plastics</strong></td>
<td>$1 430.00M</td>
</tr>
<tr>
<td><strong>Beverages, spirits and vinegar</strong></td>
<td>$1 290.00M</td>
</tr>
<tr>
<td><strong>Articles of iron or steel</strong></td>
<td>$1 240.00M</td>
</tr>
<tr>
<td><strong>Miscellaneous chemical products</strong></td>
<td>$1 160.00M</td>
</tr>
<tr>
<td><strong>Inorganic chemicals, precious metal compound, isotope</strong></td>
<td>$1 120.00M</td>
</tr>
<tr>
<td><strong>Organic chemicals</strong></td>
<td>$1 080.00M</td>
</tr>
<tr>
<td><strong>Copper</strong></td>
<td>$629.85M</td>
</tr>
<tr>
<td><strong>Vegetable, fruit, nut food preparations</strong></td>
<td>$612.74M</td>
</tr>
<tr>
<td><strong>Sugars and sugar confectionery</strong></td>
<td>$591.87M</td>
</tr>
<tr>
<td><strong>Paper and paperboard, articles of pulp, paper and board</strong></td>
<td>$587.35M</td>
</tr>
<tr>
<td><strong>Essential oils, perfumes, cosmetics, toileteries</strong></td>
<td>$577.85M</td>
</tr>
<tr>
<td><strong>Optical, photo, technical, medical apparatus</strong></td>
<td>$568.32M</td>
</tr>
<tr>
<td><strong>Pulp of wood, fibrous cellulosic material, waste</strong></td>
<td>$565.87M</td>
</tr>
<tr>
<td><strong>Salt, sulphur, earth, stone, plaster, lime and cement</strong></td>
<td>$523.21M</td>
</tr>
<tr>
<td><strong>Wood and articles of wood, wood charcoal</strong></td>
<td>$510.17M</td>
</tr>
</tbody>
</table>

Source: tradingeconomics.com

On the second question, many carbon-intensive manufacturing processes once located within the country shut down during the 1990s, including appliances, electronics and heavy capital goods. Hence South Africans’ consumption of products once produced locally and now imported represents part of the ‘climate debt’ owed to poor, vulnerable counties, a topic taken up in the conclusion. And just as for the long-distance exports, there is a strong likelihood, as well, that carbon border adjustment taxes will hit shipping and air transport for South Africa’s imports. Hence, the deglobalisation process associated with necessary global-scale climate policy will remain a central matter of debate, especially if ‘localisation’ and appropriate modes of reindustrialisation – as expressed by Ramaphosa, Makhaya and even Mboweni – present a lower-carbon means of meeting a society’s needs than with the high import level at present.

Indeed, it is also true that the Trump regime amplified deglobalisation tendencies with the trade war against not only China but also India, Brazil, Argentina, Europe and even South Africa (e.g. with steel tariffs imposed in 2019-20). In the 2009-17 period, there were an annual average of 436 ‘discriminatory commercial policy interventions’ recorded by the World Trade Organisation, but in 2018-19 the amount rose to 1049 annually. But ironically, long before Trump came to power, the decline in world trade/GDP ratios was led by the Brazil-Russia–India–China–South Africa group; i.e., the economies once considered by Goldman Sachs manager Jim O’Neil to be the ‘building BRICs’ of 21st-century capitalism.
South Africa was hit hardest, as trade fell from 73% of GDP in 2007 to 59% in 2018, compared to a world trade/GDP decline over that period from 61% of GDP to 55%. All the BRICS witnessed reduced trade in much greater degrees than the global norm, and three spent parts of 2015–18 in recession: Brazil, Russia and South Africa, with the latter recording a negative GDP again in the first quarter of 2019. McKinsey Global Institute’s (2019, 1) latest ‘global flows’ analysis confirms that “...a smaller share of the goods rolling off the world’s assembly lines is now traded across borders. Between 2007 and 2017, exports declined from 28.1 to 22.5% of gross output in goods-producing value chains.” The decline in trade intensity is led by China, where gross exports as a share of gross output in goods fell from 18% to 10% from 2007-17 (McKinsey Global Institute 2019, 1).

Still, where there was always hope expressed by Ramaphosa and his teams, that FDI would suddenly emerge, e.g. after the September 2018 Forum on China-African Cooperation in Beijing. At that event, Ramaphosa was lobbied strongly to support the Musina Makhado Special Economic Zone (MMSEZ) in his own home area of northern Limpopo. The environmental threats to the area included not only local water, air and land pollution and destruction of habitat (including a nature reserve not far from Makhado), but also two national and global factors: contributions to climate change and the depleted mineral wealth discussed earlier. The likely damages will have an especially deleterious impact on future generations, on poor and working-class people, on women, and on black people in the region and continent. We take this up again in the conclusion.

Other emissions mitigation strategies are inadequate, including the new carbon tax, especially given how much outsourcing of high-carbon production has occurred in the era in which South Africa deindustrialised. A ‘border adjustment tax’ is often called for to try to halt the externalisation of such pollution through trade, but has not yet been pushed sufficiently by UNFCCC negotiators. Likewise, the necessary emissions cuts for shipping and air transport are not being contemplated, although in each case there are vague notions of carbon taxation or offsets.

Meanwhile, the 2020 market prices for emitting a ton of carbon are, across the world, nearly universally under $35/ton whereas at least $80 is needed to incentivise a switch to cleaner forms of energy, transport, agriculture, etc. There is huge variance, and South Africa’s tax of just $0.43/ton in 2020 compares unfavourably to Sweden’s at $132/ton. The CO2 emissions market – which South Africa’s carbon tax may segue way into – still swings wildly, following closely the wild fluctuations of stock markets, including during the 2020 Covid-19 roller-coaster. So the potential for such mitigating strategies to offset the vast increase in GHGs from MMSEZ is unrealistic for the foreseeable future.

Finally, the vast foreign debt South Africa owes – and general current account deficit (aside from 2020 when import demand collapsed) – is also a negative factor in seeking social and economic balance. The expensive loan repayments on $155 billion in liabilities, the ongoing outflow of profits and dividends (leading to a persistent payments deficit around 3-6% of GDP aside from 2020 when crises meant many dividend payments were halted), and the continuing
ideology of export-led growth, together lead to ecologically destructive policies, such as the desired export of 18 billion tons of coal. In all these respects, the socio-ecological costs are simply externalised.

In this sense, as well, the economic relations South Africa suffers with the rest of the world economy, remain deleterious for any Just Transition ambitions. The logics of fiscal austerity to please international credit ratings agencies, high interest rates offered to lenders in part caused by excessively liberalised financial flows, invitations for FDI (e.g. in Musina-Makhado), an absurdly low carbon tax, and export-led growth driven by the need to cover foreign financial repayment obligations, all reflect just how much work must be done by CJC activists against orthodox fiscal, financial-monetary and international economic relations.

4. Conclusion: Combining forces to resist, from the CJC to a broadened Just Transition

The CJC does have a paragraph already dedicated to tackling many of the problems above:

**The Rich Must Pay their Ecological Debt:** The wealthy in our societies have consumed resources excessively, negatively impacted on ecosystems, and have huge carbon footprints. They owe us all an ecological debt and have to carry the financial burden of the deep just transition. This means a climate debt tax for the rich; high taxes on airline travel, private jets, luxury vehicles and electric cars; a progressive carbon tax targeting polluting corporations not phasing out carbon fast enough; and climate justice tariffs on carbon criminal corporations and governments. Workers need to leverage pension and provident funds, through worker control, to ensure the deep just transition meets their needs and support the creation of a national cooperative bank to assist workplaces, communities and households with the socially owned renewable energy transition and the realisation of deep just transition plans. Public finance also needs to be harnessed from eco-taxes, penalties for pollution, withdrawing subsidies to fossil fuels, and other progressive taxation sources.

However, more could be said. The CJC’s critique of GDP as the basis for macroeconomic policy was applauded above. But the CJC movement’s concern that GDP is far too dominant as a policy objective could be made much more explicit, with consciousness raised not only about the gaps in GDP – pollution, natural resource wealth depletion, unpaid women’s and community work, etc – but also the importance of changing the basis of this sort of calculation so as to change public policy, since as statisticians say, “we treasure what we measure” and vice versa.

To illustrate the difficulty of reversing the GDP-fetishisation mindset, consider how in 2020, Limpopo provincial officials arranged for a preliminary Environmental Impact Assessment (EIA) on the MMSEZ. What was produced was incomplete for its lack of attention to both greenhouse gas emissions and the anticipated depletion of natural resources around the MMSEZ site. The EIA author openly acknowledged, “The estimation of greenhouse gas (GHG) emissions was not included in the scope of work. Reference is made to GHG emission reporting regulations as proposed facilities are required to report emissions on the National Atmospheric Emission Inventory System” (EIA 2020, 802). This was a stunning omission, since climate catastrophe is
the single greatest threat to the existence of the human species and many others. Still, to her/his credit, the Musina-Makhado EIA author acknowledged how damaging the climate implications are:

The emission over the lifetime of the project will consume as much as 10% of the country’s carbon budget. The impact on the emission inventory of the country is therefore HIGH. The project cannot be implemented in the current regulatory confines when considering following:

- The Nationally Determined Contribution in terms of South Africa’s commitment in terms of the Paris Agreement;
- The Peak Plateau Decline emission trajectory;
- The Integrated Resource Plan, which sets out the planned electricity production capacity of the country;
- When considered on an international level, the project could reduce emissions by as much as 10 million tons CO2e per year, if the plants are built to the recommended emissions intensity specifications.” (EIA 2020, 811)

On the latter point, the EIA author then claimed, “The construction of a coal fired thermal power plant should not be approved unless the plant is fitted with a carbon capture and storage unit that can sequester all emission from the combustion of coal from the starting date of operation.” Yet there is no operative example anywhere in the world of such CCS operations being technically or financially feasible, especially if there many tens of millions of tons per year of CO2 to store. In the EIA statement, there was no attempt to assess Limpopo’s geological conditions for storing. And there was no attempt to assess the implications of the additional energy required (usually 10% in such models) to scrub and then pump CO2 to the storage site. The vulnerability of extremely dangerous stores of CO2 concentrations was not acknowledged. Nor were the anticipated declines in the South African natural wealth accounts – as vast stores of minerals were anticipated for smelting at MMSEZ – included in the EIA. (This is not unusual, of course.) The Gaborone Declaration should certainly be applied by advocates of climate and environmental justice to rectify this situation.

This is one example of a situation in which attraction of FDI overwhelms environmental-economic common sense in a microeconomic context. In considering the even broader links between macroeconomic policies and climate, these conclusions can be arrived at based on the analysis in the pages above:

- South Africa must end state fiscal (and related) support for carbon-intensive mega-projects and other fossil subsidies, a campaign which could be promoted in the run up to the 24 February 2021 anti-Treasury protests (on Budget Day), in part by observing how weak these economic multipliers are (compared to many more progressive budget line items), and thereby recalculating benefits and costs (e.g. pollution and uncompensated depletion of non-renewable resources, neither of which are presently contemplated by Treasury), and perhaps even partially accepting the zero-based budgeting narrative so as to promote cancellation of irrational funding lines;
• Treasury’s extreme austerity tendencies will make it difficult to find sufficient state financing for the Just Transition (or Million Climate Jobs or Green New Deal or whatever name best sticks in South Africa), such that in addition to standard debt financing, advocates would need to advance much more creative financing strategies (such as direct SARB financing using the precepts of Modern Monetary Theory and Quantitative Easing, ending wasteful outsourcing and taxing the rich and corporations), as have leading post-Keynesian South Africans such as Duma Gqubule and the Institute for Economic Justice (as well as even Investec bank’s Brian Kantor);
• the very high prevailing interest rates on SA borrowings (mainly foreign but also local), and the high level of foreign financial liabilities, suggest the need not only for exchange controls to halt Illicit Financial Flows and retain more financing within the country (thus lowering interest rates without capital flight threat), but to question massive Odious Debts owed by Eskom for the Medupi and Kusile power plants, not only because of their implications for climate but also because when the main loans were granted, it was well established that Hitachi had bribed the ANC through Chancellor House (the same is true for Transnet’s foreign loans, especially from the China Development Bank to finance the coal-export rail line’s expansion);
• the volatility so apparent in South Africa’s international economic relations is in part a function of trade, which should switch away from export-led commodity-reliant growth (in part because of coming border adjustment taxes);
• other financial vulnerabilities faced by a South Africa operating at such a disadvantage in the world economy, include areas of debt fragility not much discussed, including the repayment capacity of coal-fired power plants and other fossil fuel investments, where (in the case of Eskom’s debt to the World Bank) there have already been instances of inability to pay, and where potential ‘stranded assets’ (as warned by former British central bank governor Mark Carney will become a major international problem) and even financial collapse may lie ahead, requiring the revival of bank nationalisation narratives, much more accommodating monetary policy and concrete strategies within the country’s progressive forces;
• tightened exchange controls are urgently required to guard against that volatility, as well as to prevent outflows of both Illicit Financial Flows and licit financial profit and dividend repatriation (which in turn would permit – perhaps through prescribed assets – more capital to be invested in securities to fund publicly-owned green infrastructure, where intrinsic rates of return would allow such returns);
• against corporate globalisation that has helped fuel the climate crisis, economic localisation through appropriate import substitution industrialisation is also vital to promote as a purposive strategy, since at least in this sole case, it appears that there is Presidential and even Treasury rhetoric along these lines, as noted at the outset.

On top of all this, there is the uncomfortable matter of South Africa’s climate debt, both to its own citizens and to the world’s climate victims more generally, a matter which can easily become a fiscal and macroeconomic challenge in the event that either a good government comes to power determined to make good on past injustices (for which all manner of apartheid
and colonial reparations claims would also be included), or legal liability begins to affect South Africa (as is the case in other jurisdictions). Two recent instances are worth recording, so that the precedent for states covering climate loss & damage is clear:

- the Durban ‘rain bomb’ (168 mm in one day) on 22-23 April 2019 led to residential damage estimates of R636 million (not including the priceless loss of 71 people, many of whom perished due to the collapse of cheaply-built housing), whereas only R90 million in housing relief was provided to residents in spite of Ramaphosa’s immediate visit and commitment to cover loss & damage costs (Rall 2019);
- the cyclones of March-April 2019 (Idai and Kenneth) killed more than 1000 people, and although an estimated $250 million was provided by donors – including the impressive South African agency Gift of the Givers – in December 2020 the Mozambican government announced that there were fewer than 250 housing units rebuilt or constructed anew, in spite of millions having lost their residences.

The modalities of raising the funds to cover South Africa’s portion of this climate debt, for example through an urgent wealth tax or carbon tax, could serve as a useful means of focusing attention. The vast costs that should be covered by ongoing climate damage – e.g. in loss & damage due to the current droughts in parts of the region – would, insurance companies have estimated, far exceed public budgets in a country as fiscally stressed as South Africa presently is. Nevertheless, it is the very basic ‘polluter pays’ ideology of ‘internalising externalities’ at the basis of microeconomic relations that we should be reminded of, when scaling up to considering macroeconomic implications of climate crisis.

It is here that, since the South African government adopted (going into the 2009 Copenhagen climate summit) the mind-numbing standpoint that this country is owed a climate debt from the North and Pretoria’s emissions cut promises are dependent upon Northern funding, the CJC must do extremely hard work to reverse this unjust impression of cause and effect. It is in these sorts of ideological battles that climate-unconscious sites of political struggle – e.g. the South African Parliament, whose main committee did not have any discussion about climate from April-December 2020 – can be tested, and that the genuine goodwill of South Africans who know oppression so well, can in turn be deployed to, at long last, rethink our economic framing of climate.
African climate justice: Articulations and activism

Introduction

Among several million climate protesters during the global Climate Strike of September 20, 2019 were thousands of Africans. Among two dozen African cities hosting protests, the youthful activists marched in Nairobi, Kenya, in Kampala, Uganda, in Dakar, Senegal, and in South Africa’s Johannesburg, Cape Town and Durban (Gdelt 2019). The latter country, by far Africa’s most carbon-intensive, included protests against government and the major polluter Sasol, and began to unite South Africa’s powerful but fragmented traditions of environmental justice activism. To understand the trajectory, in which until recently, the necessity of climate justice advocacy was foiled by a disarticulation between mainstream “climate action” and radical grassroots campaigning, requires a return to the point a decade earlier when vocal Africans made the case that the North was preparing Africa for a climate “holocaust”: Copenhagen’s 15th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC-COP15).

The word holocaust was used by a leading African negotiator, Lumumba Di-Aping, in December 2009 after the leaders of the United States, Brazil, South Africa, India and China conspired to sabotage existing UN process in a small side-room. The Copenhagen Accord was adopted outside the parameters of the main negotiations; hence this “league of super-polluters blew up the United Nations,” according to Bill McKibben (2009) of 350.org. Emissions-reduction targets agreed upon by Barack Obama (US), Lula da Silva (Brazil), Jacob Zuma (South Africa), Manohohan Singh (India) and Wen Jiabao (China) – and then foisted onto the rest of the conference – were weak: no more than what will bring a catastrophic 3-degree Celsius (or more) increase in temperature by 2100. Moreover, there were no binding provisions, thus denuding the 1997 Kyoto Protocol of its main merit: a semblance of accountability and nominal enforceability (Vidal and Watts 2009).

However, it was also at this summit that, from the floor ten days earlier, a spontaneous protest occurred. Impatient with the leaders’ negotiations, more than one hundred members and supporters of the Pan African Climate Justice Alliance (Pacja) temporarily disrupted the formal event, addressing a rally at a makeshift podium at Copenhagen’s Bella Centre. The attention of hundreds of media and conference participants was grabbed with a chant: “Two Degrees is Suicide: One Africa, One Degree!” Proclaiming, “No to Climate Colonialism, No to Climate Genocide!” the Pacja activists not only demanded much greater emissions cuts from the gathered leaders, but also offered a scathing critique of the continent’s most visible official representative, Ethiopian leader Meles Zenawi, who had unilaterally reduced earlier African demands for the Global North’s annual climate debt payments to the Global South from $400 billion to just $10 billion (Klein 2009, Bond 2012a).
The Pacja protest immediately followed a frank input to a strategy session of Africans by Di-Aping, the Sudanese diplomat who was formally the leader of the G77+China delegation. As he briefed Pacja and other civil society groups, Di-Aping “sat silently, tears rolling down his face,” according to a report (Welz 2009). “We have been asked to sign a suicide pact,” he said, explaining that in his home region, it was “better to stand and cry than to walk away.” For much of the continent, said Di-Aping, 2 degrees Celsius globally meant 3.5 degrees C: “certain death for Africa”, a type of “climate fascism” imposed on Africa by polluters, in exchange for which the Third World was promised fast track funding. But this funding promise was merely a carrot dangled to vulnerable countries as a compromise, a trick which worked to break the solidarity of the G77+China group.

Di-Aping was already posing an unprecedented threat to the rich counties’ stranglehold on the UNFCCC. Their initial offer of an annual $10 billion “was not enough to buy us coffins” (Welz 2009). Di-Aping argued that the Copenhagen deal on offer was “worse than no deal... I would rather die with my dignity than sign a deal that will channel my people into a furnace.” As for the US president, Di-Aping was furious: “What is Obama going to tell his daughters? That their [Kenyan] relatives’ lives are not worth anything? It is unfortunate that after 500 years-plus of interaction with the West we are still considered ‘disposables’” (Welz 2009).

Di-Aping’s critiques were also, according to a witness, aimed inward: “Many African negotiating delegations were unprepared and some members were either lazy or had been ‘bought off’ by the industrialized nations. He singled out South Africa, saying that some members of that delegation had actively sought to disrupt the unity of the bloc” (Welz 2009). Di-Aping was roundly attacked by both Pretoria’s and the North’s negotiators for his rhetoric, and was not allowed to return to the UNFCCC negotiations. Yet his critique resonated, and at the same time, anti-apartheid South African Anglican Archbishop Emeritus Desmond Tutu (2009) wrote to the UNFCCC leadership, “We are facing impending disaster on a monstrous scale... A global goal of about 2 degrees C is to condemn Africa to incineration and no modern development.”

Two years later, the 2011 UNFCCC summit was held in Africa, but even worse power relations prevailed, as the host South Africa played into the hands of the U.S. State Department. In Durban, instead of a major demonstration inside, Pacja – having brought three busloads of activists from as faraway as Uganda – was outside marching with the main climate justice protest movement. But even that protest of 10,000 was watered down, because of collaboration with more conservative groups like the World Wildlife Fund (Bond 2012b).

The inability to emphasize either rapid action or climate justice meant that in 2015, the major emitters – the US, Europe, China, India, South Africa, Brazil, Russia, Saudi Arabia, Japan, Canada, Australia and Kazakhstan – agreed on new ways to undermine global climate governance in Paris. For example, not only was the voluntary character of the Copenhagen Accord reaffirmed, there was no accountability mechanism nor attempt to punish those countries which backslid. When in June 2017, just over four months after taking power, U.S. president Donald Trump announced he would withdraw the largest historic emitter from the deal, there was no
punishment, notwithstanding calls across the spectrum (from Naomi Klein to Joseph Stiglitz to Nicolas Sarkozy) for anti-US sanctions or a “border adjustment tax” (Bond 2019b).

Together with its fundamentally voluntary character, another fatal flaw in the Paris Climate Agreement is that the costs of climate-related “Loss and Damage” from climate change are being disproportionately borne by Africans and others who did the least to cause the problems. Thanks to a Paris provision, they have no recourse to claiming “climate debt” and polluter liability in lawsuits (Bond 2016). The Agreement also reintroduced the unworkable carbon trading gimmick, which failed miserably over the prior fifteen years, through the back door. Moreover, Paris negotiators neglected to include several major categories of emitters, especially militaries, air transport and shipping. There was no attempt to penalize fossil fuel companies, incentivize their Just Transition to post-carbon energy supply, nor even rhetorically endorse the need to leave fossil fuels underground. No progress was made to enhance African acquisition of climate-friendly technologies that have long been protected by Intellectual Property. And the negotiators back-slapped each other for this awful deal so loudly that critical activists’ objections simply could not be heard (Bond 2016). Against the euphoria of Paris, Pacja and a few other climate justice movements (e.g. Friends of the Earth International) provided lonely defiance at the COP21 media centre, denouncing the Paris Climate Agreement as another historic multilateral deceit.

At the 2018 UNFCCC summit in Katowice, Poland, implementation guidelines for the Paris Agreement included requests for countries to formally submit “transparency reports” about their emissions as well as analysing the Loss and Damage they were experiencing. But there are still no payment provisions, since the dysfunctional Green Climate Fund did not gather even five percent of its $100 billion per year objective by 2020, as Obama had promised when selling the Copenhagen Accord to those who were skeptical.

**Contesting climate justice**

Nevertheless, there are some climate activists – mainly associated with the global Climate Action Network (CAN) – who resignedly consider Paris a first step in the right direction. In contrast, climate justice activists generally agree with climate scientist James Hansen, who called the deal “bullshit” (Milman 2015). Instead of constantly comparing to the low bar of Paris, many activists believe it is much more appropriate for Africans to heap scorn on the Paris Climate Agreement. One reason for doing so is to ensure that a future group of much more serious international negotiators will not continue these fatal mistakes. Another is that those who aim to drag their feet on emissions cuts, or avoid any climate debt liability, enthusiastically promote Paris. Thus, to legitimize the deal only encourages current and future elites to continue along this path, removing the urgency to make the substantial emissions cuts required, and slowing the necessary reconstruction of economies and societies in a manner consistent with survival and justice.

But while there is climate action paralysis from above, there are exciting new forms of climate justice movement-building from below, many of which can be found in Africa, including within
Pacja. Even the fragmented South African sites of struggle provide a degree of optimism for future unification once they impose much more substantial pressure on the carbon-addicted government of Cyril Ramaphosa, himself a former coal tycoon. Although Pacja defends its participation in UNFCCC and mainstream intergovernmental processes as a strategy to fight from within – so as to entrench climate justice narratives within both official and African civil society discourse – there is also a hybrid strategy based on building a mass movement from below. Struggles are being waged by Indigenous communities and local people in various African locations, especially where carbon-intensive, high-pollution extractive activities are taking place.

This mirrors climate justice activism internationally, where the most spectacular new post-Paris movements barely register the UNFCCC as a relevant force. Instead, they are committed to direct actions that block high-CO₂ activities and corporate polluters, e.g. Ende Gelände in Germany, Extinction Rebellion in Britain, and the US Sunrise Movement, as well as the Indigenous water protectors at Standing Rock.

Meanwhile, the younger generation is already explaining to their elders why UN deal-makers and other high-carbon elites should stand aside. “I want you to panic,” Swedish youth activist Greta Thunberg (2019a) insisted at the Davos World Economic Forum in early 2019: “Either we choose to go on as a civilization or we don’t.” Addressing the UN Climate Summit in September 2019, Thunberg (2019b) was even more furious: “We are in the beginning of a mass extinction. And all you can talk about is money and fairytales of eternal economic growth. How dare you.”

This new development is overdue: a universal inter-generational rage, from which the youth can legitimately warn the older elites that Climate Strikes will join other forces for justice, telling us quite correctly and ever more loudly, “You’re stealing our future!” But as the most militant of climate activists begin to explore the two-decade old set of climate justice principles, analyses, strategies, tactics and alliances, a new problem arises: co-optation of the language of climate justice, without adherence to the politics. One example can be found in the way scholars have mainly ignored the single most formative site of popular, bottom-up articulation of climate justice: the April 2010 World People’s Conference on Climate Change and the Rights of Mother Earth in Cochabamba. (The scholar.google.com citations for that conference since 2010 number just 657, as opposed to 16,100 for “climate justice.”) Another was the attempt to conjoin climate justice with schemes for carbon trading and offsets, as we see below.

**Pacja rises**

Founded in 2008 in Johannesburg during a meeting of Africa’s environmental ministers, Pacja initially emerged in part thanks to the prodding and financial support of a continental organization often considered to have a neoliberal orientation: the African Union’s
New Partnership for Africa’s Development (Bond 2005). A second founding organization is also sometimes accused of using Africans, especially in civil society, for its own ends: Oxfam International (Bond, Brutus and Setshed 2005, Ogunlesi 2013). Nevertheless, the network immediately developed an independent leadership team capable of fundraising without fear of state or international NGO manipulation.¹

Another network of funders and supporters associated with the World Council of Churches – with Britain’s Christian Aid, Germany’s Diakonia, Finn Church Aid and Norwegian Church Aid prominent – gave support, followed by the Swedish International Development Agency and United Nations Environment Programme. Some Global North partners harbor expectations that the Global South’s desperate civil society groups will follow an ideological and programming agenda consistent with that of funders (Wrong Kind of Green 2019). The most controversial of Pacja’s partners were Mary Robinson’s Foundation for Climate Justice (based at Trinity College in Dublin) and the World Bank’s Forest Carbon Partnership Facility, for the reason that both insisted on pursuing market-oriented strategies – carbon trading and offsets – that were not working in Africa (CCS and Dartmouth 2012).

The entire terrain of global climate governance is riddled with “climate action” strategies of this sort, even if in some cases the word justice is invoked. And yet some of the most constructive networking was done in partnership with ClimDev Africa, a program of the African Development Bank (one of the main fossil financiers), Africa Union Commission and UN Economic Commission for Africa (UN ECA). Personalities sometimes play an outsized role, such as that of UN ECA African Climate Policy Center director James Murombedzi, a Zimbabwean rural development scholar and experienced manager within the UN. He continually presses his agency to be cognizant of politics and especially justice. This perspective allows Pacja a great many opportunities, including the logistical support required to regularly assemble its members, e.g. within ClimDev or annual meetings of the African Ministerial Conference on the Environment, without losing its orientation to climate justice, not merely climate action.

As for Pacja’s own membership and their local orientation, Todd Beer and Mwenda (2016) surveyed more than 1,000 members from forty-five African countries in 2015. They included environmentalists, climate specialists, religious denominations, NGOs and CBOs, trusts and foundations, and farmers and pastoralists’ groups. Youth movements also began to join up. According to Pacja (2019), there is wide diversity in approaches, but in common, “over three-quarters of them indicate that the communities they work with have already been negatively impacted by climate change either a great deal or quite a lot.” A quarter of the members have a base in rural areas, but two-thirds are engaged in agriculture and food security and sixty percent address deforestation. Nearly half of the members are engaged in national-level advocacy, and another seventeen percent work at the global scale.

There were certainly forces operating in Africa aiming to co-opt Pacja’s (2019) policy and practical framings, e.g. “pro-poor development,” “human rights,” and “a global environment free from the threat of climate change with sustainable development, equity and justice for all.” Such language has become quite common in what are otherwise status quo institutions, captured in the idea of “talk left, walk right.” However, the difficulty these institutions faced in assimilating Pacja into the conventional climate action and eco-modernization camps reflected the organization’s commitments to values such as gender responsiveness and
inclusiveness, professionalism, fairness and justice, and participatory democracy (Pacja 2019).

In Andre Gorz’s (1967) *Strategy for Labor* terminology, the climate advocacy scene is dominated by those arguing for “reformist reforms,” as opposed to the climate justice movement’s “non-reformist reforms.” In the former category, dominant reformist strategies generally accept and legitimize status quo institutional forms, endorse market mechanisms, and neglect to incorporate analysis highlighting class, race, gender, generation and geographical power relations. To illustrate the latter, the climate justice movement would typically make non-reformist demands upon their own local governments and the national negotiators who were involved in climate negotiations, if such reforms weaken the corporate power structure and continue its delegitimization, and in the process empower activists to demand further-reaching changes.

The strength of Pacja’s advocacy is in part based on hostility to the high-emissions countries and corporations. When it comes to cutting emissions sufficiently for the world to remain below 1.5 degrees Celcius, Pacja’s member poll found trust in the European Union to be only thirty-one percent, in China, twenty percent and in the US, seventeen percent, during Obama’s presidency (Beer and Mwenda 2016). Also of interest are Pacja members’ views on the Third Worldist developmental debate with the North, especially over whether the Southern countries should use their own high-carbon activities – e.g. fossil fuel extraction – to “develop.” More than seventy-one percent disagree that “fossil fuels should be a primary avenue for development,” and fifty-nine percent “disagree that their nations should develop any fossil fuel resources discovered within their borders.”

One crucial question still to be fleshed out, however, is whether Pacja and its members will advocate for financial compensation to the communities and countries which do restrict their current and future fossil fuel extraction. One precedent is the demand made by Ecuadoran eco-feminist and Indigenous activists to forego extraction of $10 billion worth of oil discovered in the Yasuní National Park (the world’s greatest biodiversity hotspot, within the Amazon forest). The demand for the oil to be left “under the soil” was to be in exchange for the North’s climate debt downpayment of $3.6 billion to the Ecuadoran people, via grant-based social policy financing (Bond 2012a). Although the strategy was sabotaged by the German government in 2013, following which Ecuadoran president Rafael Correa permitted Chinese and Ecuadoran oil firms to begin drilling, “Yasunidos” advocacy continues (Leave Fossil Fuels Underground, 2018).

Another indication of Pacja members’ ideology is the extent to which members “believe that a radical shift away from capitalism is the best way to address climate change,” as Beer and Mwenda (2016) posed the question: “Over three quarters (77.7 percent) of respondents supported this position compared to less than a quarter (22.3 percent) who reported that global warming is best addressed within a system of capitalism.”

The case of South Africa is especially worth exploring for more consideration of ideological disputes regarding climate justice. As shown explicitly during the UN Secretary General’s climate summit in September 2019, the national government was in the same league as the US, Brazil, Saudi Arabia and Australia, in failing to make the cuts required for civilizational survival – hence not allowed to take the speaker’s podium. But one reason for Pretoria’s
poor showing is the lack of unity by climate activists, including climate justice groups which continued to stumble instead of confidently marching forward.

South African climate justice versus the fossil economy

In spite of the excellent conditions for mobilization since the end of apartheid and notwithstanding many environmental struggles, South Africa has been one of the most difficult places to advocate for climate justice. The average resident emits nine tons of CO₂ annually, which is the eleventh highest among countries with at least 10 million residents. And measured in CO₂ per capita/GDP – in order to assess an economy’s carbon intensity – South Africa has the world’s third highest level, behind only Kazakhstan and the Czech Republic (World Bank 2019).

There is no average, though, because after the racial Apartheid system ended in 1994, what might be called “class Apartheid” processes took its place: wealthy white males still today retain enormous power and wealth, and they vastly over-pollute. Two thirds of the country’s citizens – mostly black and women – live in poverty, below the official line of $3.30/day (Budlender et al 2015). With the rise in electricity prices, their power supplies are increasingly, dangerously dirty: wood, coal or paraffin for heating, lamps and stoves. They have ‘energy-switched’ backwards in time, unable to pay the parastatal corporation Eskom’s retail electricity bills. The price of a kilowatt hour quadrupled in price from 2009-18 due to a decision to build the world’s two largest coal-fired generators, both now under construction (Bond 2012a). Corruption, delays and the incompetent boiler manufacturer Hitachi doubled the construction costs of the two 4800 megawatt plants from $8 billion each when financing was arranged in 2010 (primarily by the World Bank, in its largest ever loan) to $15 billion each today (Bond 2014).

Can these contradiction-riddled conditions at the national scale give rise to a deeper climate justice movement, drawing on local strengths, and adding the renewed power of the youth? This is the question posed by many of the country’s environmental-justice and eco-socialist strategists, after a quarter-century of political liberation. But freedom has been profoundly distorted by neoliberal-nationalist ideology and crony-capitalist practices, including periodic repression of socio-economic rebellions. In the process, environmental justice has been sidelined.

Locally, however, fossil fuels are facing opposition. A petrochemical complex regularly poisons the third largest city, Durban, founded by white settlers on the east coast in the mid-nineteenth century. There, Africa’s largest oil refinery comes under repeated attacks for both local and global pollution by the South Durban Community Environmental Alliance (SDCEA). The quarter-century battle heated up in 2019 because, 1200 km down the Indian Ocean cost, 45 billion cubic meters (300 million barrels worth) of new offshore oil and gas condensate were discovered by Total. Announced by excitable politicians with great fanfare, doubts have subsequently developed about the extremely difficult conditions for extraction.

In the other direction, 2800 km up the coast at Rovuma in northern Mozambique, are even greater quantities of gas ($128 billion worth is thrown around). Older gas fields at Pande and Temane are being drained by Sasol, of which twenty percent creates energy for local consumption and eighty percent is pumped 900 km to South Africa’s main inland refinery in Secunda. There, drips of liquid petroleum are squeezed with such an intense application of
energy that this small city of 40,000 is the world’s single largest CO₂ emissions point source (Ashton 2011). Local activists fighting hard here are led by the Vaal Environmental Justice Alliance. In between, in Durban, oil companies are swarming two miles offshore with exploratory drills nearly three miles deep in the Agulhas Current, which is considered the world’s second most turbulent ocean waterway, after the US Gulf Coast. But notwithstanding all the anti-oil activism – divestment, “unburnable carbon” and stranded asset pressures, as well as direct-action protests – against the oil majors, four of them anticipate billions of dollars in profits once they set up rigs: ExxonMobil, Statoil, Eni and Sasol, the largest operators from the US, Norway, Italy and South Africa, respectively.

Durban is already the regional oil hub for refiners Shell and BP, alongside Malaysian-owned Engen. Nearby, within Africa’s largest container harbour, are more massive oil storage facilities. On South Africa’s cold Atlantic coast at Saldanha, Saudi Arabia’s Aramco is also considering a major investment in oil storage. And two hours north of Durban at Richards Bay – home to one of world’s largest coal export terminals – the parastatal port manager, Transnet, aims to set up an LPG terminal. In all this seaside ecological risk-taking, the corporations are being encouraged by the government’s “Blue Economy” propaganda in which commodification of the ocean is financially attractive and supposedly ecologically benign, all evidence to the contrary notwithstanding (Bond 2019a).

South Durban’s SDCEA, the country’s leading anti-oil campaigning force, regularly links local health and ecological damage to climate change, and opposes ocean degradation on behalf of local residents, thousands of fisherfolk, coastal small farms and even surfers. Victories have included lowering refinery sulphur emissions and delaying the nearby port-petrochemical complex’s $25 billion expansion. The asthma rate in the Settlers Primary School, between the two mega-refineries, had peaked at 52 percent of children in attendance in 2004, but is now substantially lower. But the group hasn’t yet shut down the refineries – SDCEA’s objective – nor even lowered their 350,000 barrels/day capacity. And while SDCEA insists that no more offshore oil and gas exploration occur, the parastatal firm Transnet doubled the size of an oil pipeline from Durban to the main consumption site, Johannesburg, in a controversial $1.8 billion project from 2005-18 (Bond 2017).

Joining SDCEA, which is based in Durban’s black communities of Wentworth, Merebank, Clairwood and Umlazi (and to some extent also the Bluff, a formerly white residential area), are conservationists from Oceans Not Oil and Wild Oceans. SDCEA has taken the lead, alongside its groundWork NGO allies, in working against offshore oil and gas, up and down the coastline from Mozambique to Cape Town. Inland, there is also courtroom guerrilla warfare by farmers and environmentalists to counteract threats by the U.S. firm Rhino to frack in the Drakensburg mountain range and nearby KwaZulu-Natal farmland. In the semi-desert Karoo, Shell’s fracking division is retreating after a courtroom setback. Nevertheless, still lacking climate consciousness, the government’s Council for Scientific and Industrial Research is planning a massive gas pipeline across the country.

‘Coalonization’ continues

The main contributions to emissions from South Africa are from coal mines which supply ninety percent of Eskom’s generation inputs, as well as around eighty million tons of exports (Mining Review, 2019). The main battles against coal occur because of its local damage to public health, water, land and air. Although communities, NGOs and lawyers regularly raise
climate-related objections to destructive coal mining and power plants, organized labor has been mainly pro-coal in its advocacy, although that could change.

In general, local anti-coal activists are not yet as militant and effective in changing the national consciousness as, for example, Germany’s Ende Gelände annual protests, in part because the society is still poorly organized for understanding and acting on climate politics. So progress currently relies upon pressure against financiers, legal strategies on difficult terrain, and mainly localistic protests. Some community disruptions occur in the immediate vicinity of coal mines and coal-fired power plants, such as road blockages. In two other battles, activists and lawyers used the courts and anti-financing campaigns to prevent privatized coal-fired plants from being built on schedule in 2018-19: the Japanese/Korean ‘Thabametsi’ (557MW), and Saudi-owned ‘Khanyisa’ (306MW) (Centre for Environmental Rights 2018).

However, the two biggest plants under construction anywhere in the world during the 2010s, Eskom’s ‘Medupi’ and ‘Kusile’ (both 4800MW), were partially completed by 2019, running years behind schedule and massively over-budget, with serious operating flaws, amidst regular labor, community and environmental protests. Finally, another brand new Chinese plant near the Zimbabwe border, ‘Musina-Makhado’ (3300MW) was still scheduled for construction at the heart of a new Special Economic Zone announced by Ramaphosa in mid-2018.

Fragmentation prevented the emergence of a general movement against climate change, although the 2010s witnessed the arrival of international NGOs with strong anti-coal agendas. Greenpeace Africa, for example, issues important research against the industry’s air and water pollution, and periodically engages in direct actions against the main electricity company and state officials, although these are mostly small-scale and symbolic. The South African branch of 350.org specifically targets coal industry financiers – and has been successful against several local banks – as part of a broader “decolonize Africa” campaign. Its main success was claimed in 2019 in Lamu, Kenya, against a Chinese coal-fired power plant with anticipated South African coal imports until Kenyan mines are developed. Unfortunately, the climate justice angle is quite weakly articulated by these NGOs, whether because they are so single-issue in nature or simply not yet sufficiently sensitive to race, class, gender, generational and other inequities.

Those with a forthright climate justice orientation include local NGOs who have their own community-based partners. The most prominent is Life after Coal, consisting of the hard-working groups Earthlife Africa and groundWork, and progressive lawyers at the Centre for Environmental Rights. Sometimes they attempt creative objections to Environmental Impact Assessments on grounds that climate change is not properly incorporated into planning, and they harass state agencies for disclosure and stronger enforcement of environmental regulations. Sometimes their partners are involved in mass-based protest, although the last substantial one was when Durban hosted the 2011 UN climate summit. That counter-summit was messy, as it revealed persistent splits between the two philosophies: climate justice, led at the time by the Democratic Left Front (which is now dormant), and climate action consisting of mainstream NGOs such as WWF.

Today, the most militant network of grassroots anti-coal activists is Mining Affected Communities United in Action. Others include the Mining and Environmental Justice
Community Network of South Africa and Women from Mining Affected Communities United in Action. Their highest-profile battles against coal are waged in sites like Somkhele and Fuleni – villages on the border of Africa’s oldest wildlife reserve, and in the coal-rich Mpumalanga province, especially around the most affected two towns, Witbank and Carolina. There, the Southern African Green Revolutionary Council has had an important impact, both in organizing and in motivating an eco-socialist ideology. However, no major victories can yet be claimed. There is also a very active Johannesburg-based eco-feminist fusion of continent-wide women farmers, environmentalists and sophisticated NGO critics: African Women Unite against Destructive Extraction, better known as WoMin. They are the most explicit in fighting coal using climate change narratives.

 Movements fighting against coal on grounds of climate change are sometimes working at cross-purposes with a different set of NGOs whose aim is to merely ameliorate local damage from mining, and who rarely if ever consider climate change. Their “Alternative Mining Indaba” is an annual Cape Town meeting occurring at the same time the mining industry gathers for their Mining Indaba (Consultation). But it is an NGO-driven event which generally fails to connect the dots between micro-mining grievances and bigger-picture problems like climate, energy choices and general resource looting (Maguwu and Terreblanche 2016). As a result, the November 2018 Thematic Social Forum on Mining and Extractivism in Johannesburg offered a much more critical perspective, demanding “the right to say no!” to corporate land and mineral grabs (Bond 2018). Climate justice was a consistent theme there, too. But as the strength of communities grew, the conflicts with workers became increasingly vital to resolve.

 Red and green fragments, not fusions – but in future?

 As a final and perhaps most important consideration, South Africa also reveals age-old conflicts between environmentalists and organized labor over employment. Often insensitively, Greenpeace fought periodically with two of the largest trade unions, the National Union of Metalworkers of South Africa (Numsa) and National Union of Mineworkers, whose members include workers in carbon-intensive sectors. Their struggles for better wages in the electricity plants, auto factories, mines, smelters and other heavy industries were openly waged since unions re-emerged in South Africa during the 1970s, and their strength of purpose was vital to ending apartheid. But they remained opposed to the loss of 100,000 jobs in the main coal district, Mpumalanga, because the government never provided details on what it meant by the oft-repeated mantra, calling for a Just Transition.

 Numsa’s staff were once visionary advocates of renewable energy democracy, and by the early 2010s, the union had developed one of the world’s most ambitious Just Transition statements. But Numsa then turned in 2017-19 to fighting against “climate action” environmentalists over the 10,000 MW of privatized solar and wind projects being installed mainly by European corporations. As the union’s deputy leader Karl Cloete (2018) explained, “the mandate of Renewable Energy projects must be to achieve service provision, meet universal needs, de-commodify energy and provide an equitable dividend to communities and workers directly involved in production and consumption of energy.”

 The president of the Association of Mineworkers and Construction Union, Joseph Mathunjwa (2018), agreed that the privatized model should be discarded: “If we leave it to the market, we will not get to the roots of the climate and environmental crisis and workers
will be discarded in the existing mining and energy sectors.” The 800,000-strong SA Federation of Trade Unions held a mid-2018 Working Class Summit with similar rhetoric: “We must mobilize for a deep transformation of the current economic system of production and consumption, while at the same time including protecting workers’ shop-floor concerns. We have to find a way of reconciling the interests of workers in energy-related industries and those of the working class facing the impacts of climate change” (Vavi 2018).

In short, the battle lines between labor and climate activists were drawn across five fields of action: speed, scale, scope, space and the state:

- The unions – especially Numsa – wanted a slower transition to renewables due to fear the state won’t protect jobs.

- Their ideal of the appropriate scale for electricity generation, grid transmission and distribution was always national, not the decentralized, “small scale embedded generation” strategies favored by Climate Action neoliberals (the latter approach makes wide-scale electricity redistribution from rich to poor more difficult).

- The scope demanded by unions is often narrower – in protecting existing dirty-energy jobs – but in Numsa’s case, it has also advocated for a more expansive post-capitalist vision.

- The geographical dilemma – ‘space’ – is thorny, since the sunny, windy and tidal-power areas of South Africa generally don’t overlap with the inland coal fields and power plants, so climate justice advocates found themselves challenged to address this disjuncture more explicitly.

- Finally, there were diverging views of the role of the state, particularly the parastatal Eskom, since Numsa and other unions insisted on rescuing it as part of their explicitly socialist political agenda, while many citizens and climate justice activists had already given up as a result of the energy agency’s deep-rooted corruption and pro-coal bias.

There are very few encouraging sites of joint work where these five divides in emphasis can be reconciled. Whereas a team at the Alternative Information and Development Centre (2017) put together a 2017 Million Climate Jobs booklet and campaign to support decarbonization, including in the coal fields, this particular approach to a Just Transition did not take root. Unions were too defensive. Many environmentalists – especially from the white middle classes – were unconscious of justice concerns.

Although in 2015 a major summit between Numsa, environmentalists and social movements addressed energy and climate change with great promise, at a time of consistent shortages and blackouts, there was no follow up. The summit declared opposition to “false solutions such as the introduction of nuclear energy on a huge scale, fracking, agrofuels/biofuels, carbon trading, clean coal and carbon sequestration” (Numsa 2015). But the need for unifying, joint demands on the state for a Just Transition has, since then, yet to be explored, much less realized.

The working class does have a few cases where, if not production, at least the consumption of coal-generated power is being politicized. Perhaps the most climate-conscious urban
social movement of the post-apartheid era was the Soweto Electricity Crisis Committee, fighting a two-decade long struggle for energy justice. In part they were popular through encouraging 85 percent of the huge township’s residents to think of power as a ‘commons,’ hence illegally connecting electricity supply. They justified this in part because their visionary leaders regularly critique and protest Eskom’s coal-based generation. “For as long as Eskom uses coal, I won’t pay,” Cleopatra Shezi told MSN news in 2019, refusing to change her stance “unless they connect us to the solar system grid” (Lindeque 2019).

Two cyclones and a rain bomb

In mid-2019, the contradictions and limits of all these approaches came into focus when hundreds of regional activists in the Southern African People’s Solidarity Network held their annual meeting at the national museum in Dar es Salaam, Tanzania. Rural Women’s Assembly members offered testimonials from cyclone-affected sites in Mozambique, Zimbabwe, Malawi and South Africa. It was their mutual aid against flooding, during the terrifying weeks of March-April 2019, that allowed for survival.

Idai and Kenneth were the worst cyclones on record in this region, and in between was a ‘Rain Bomb’ on Easter Monday that devastated South Durban and areas further down the coast. Scientists agree that these storms were more vicious due to climate change, for the temperature of the Indian Ocean offshore Beira, Mozambique was higher than normal by more than 2 degrees, the impact of which was to make Idai much more intense. With sustained winds of 195 kph at peak, Idai was the Southern Hemisphere’s third most destructive storm in recorded history, following cyclones in Madagascar in 1892 and Indonesia in 1973.

Governments estimated Idai’s fatalities at 1,078, with more than two million people suffering other loss and damage, and sustained threats of cholera. Two thirds of Mozambique’s and Zimbabwe’s staple maize crop was destroyed, not only by the flooding but also drought that hit elsewhere. Zimbabwe’s lack of rainfall from 2017-19 was unprecedented, and the main power source, the Zambezi River, dropped sufficiently low as to extinguish hydropower supply by October 2019 at the Kariba Dam, the world’s largest artificial lake. The Global Facility for Disaster Reduction and Recovery (2019) confirmed that “Mozambique ranks third among African countries most exposed to multiple weather-related hazards and suffers from periodic cyclones, droughts, floods, and related epidemics”

The links between Cyclone Idai and climate change were acknowledged by those with a social conscience. In mid-March, the South African government mainly sent their armed forces and technicians to help rebuild fallen pylons so as to restore the main electricity supply from Mozambique, from the Cahorra Bassa mega-dam on the Zambezi River. Eskom suffered a major set of blackouts the week Idai hit, due to the disruption of more than a megawatt of supply. The main agency assisting was a highly reputable South African charity, Gift of the Givers, which provides relief support across the world.

Five weeks later, on April 22, 17 cm of rain fell on Durban and its southern hinterlands, leaving seventy-one people dead. The prior record was October 2017 when only 10.8 cm fell in a day. And the following week, Cyclone Kenneth hit Mozambique – near the newly-discovered northern oil and gas fields – at the scarcely-populated border with Tanzania, so although winds reached 225 km/hour, there were only a few deaths.
The cyclones and rain bomb revealed the region’s terrible vulnerabilities, as did the 2019 drought in South Africa’s, Mozambique’s and Zimbabwe’s main food producing areas and Cape Town’s water shortage from 2015-18, which left the city’s residential taps nearly bone dry.

What is also much clearer after the 2019 extreme weather, is South Africa’s “subimperial” role in the region, including as a central force behind environmental damage. It is increasingly important – and easy – to show that the wealthiest South Africans have a climate debt liability for this damage. Fewer than three dozen corporations operating in South Africa – led by BHP Billiton, Sasol, Glencore, Anglo American, Arcelor Mittal and other smelting and mining houses in the Energy Intensive Users Group – are responsible for forty percent of the electricity consumption. In general, as University of Manchester climate scientist Kevin Anderson points out, “Almost 50 percent of global carbon emissions arise from the activities of around 10 percent of the global population”, an indicator of how extreme climate injustice has become (Sefali 2018).

This point was made after Cyclone Idai by the Rural Women’s Assembly (2019): “The three countries now affected by this unfolding disaster – Zimbabwe, Mozambique and Malawi – have among the world’s lowest emissions rates. We demand that rich countries who continue to pollute the Earth’s atmosphere with greenhouse gas emissions commit to pay compensation for the damage and loss of life resulting from this latest storm”. As expressed by Anabela Lemos (2019), director of Justiça Ambiental! (Friends of the Earth Moçambique), “People in Mozambique know this is climate chaos. They know what’s going on. They are going to come and challenge everyone in northern countries and ask: why are you continuing to do this to us? Stop this genocide.”

The Harare-based Centre for Natural Resource Governance (2019) in Harare released a statement specifying how reparations could be made:

the rich countries must pay their climate debt to the Zimbabwean people – but the Zanu PF government and Finance Minister Mthuli Ncube cannot be trusted to manage the payments. Instead, we need trusted agencies in civil society to receive aid and direct transfers to the ordinary people affected. This could be done simply by arranging payout systems in the affected parts of Zimbabwe, so that everyone living in those areas would get a reparations payment. There is need to compensate families for loss of lives, destruction of homes and even loss of food, livestock and domestic utensils. The situation is dire in fragile states where governments have misplaced priorities – which relegates human security to humanitarian work of NGOs and well-wishers.

This doesn’t yet change everything – but could and should

Even though these extreme incidents of climate damage are becoming more obvious, the construction of a South African climate justice movement has been elusive. One reason is the philosophical differences between the environmental justice and conservation movements. Occasionally these movements come together in specific sites of unity, such as defending against coal mining on the border of the Hluhluwe-iMfolozi reserve where the white rhino was saved from extinction.
But there are several missing links before they can generate a national movement with equivalent weight to, say, the Treatment Action Campaign which demanded that generic AIDS medicines be universally available. Their victory raised life expectancy from 52 to 64 years from 2005-15, by getting life-saving drugs to five million South Africans who previously could not afford them.

One gap in climate activism is the failure to reframe climate change the way Naomi Klein did in 2014: *This Changes Everything*. That would entail conjoining all manner of struggles over energy, transport, agricultural, production, suburbanization and waste disposal processes that cause climate change. But as labor movements such as the 1980s US Oil, Chemical and Atomic Workers under the legendary Tony Mazzocchi have long pointed out, each step of the way there must be a set of *genuine* ‘Just Transition’ policies and projects that switch workers from dirty to clean jobs with no loss of pay, and with sensitivity to geographical impact.

The climate movement would then need more unity of purpose in everything from popular education, to militant activism, to media advocacy, to watchdogging the national policy process to lobbying legislatures, to filing regulatory objections – since Pretoria’s environment and mining ministries generally behave as if they were in the pockets of the polluters – to building up climate-conscious case law in the courts. It would require more support from the various foundations and funding organizations that currently amplify infighting, turf wars and “silo” politics. Also required is stronger youth leadership, where signs included several local manifestations of the 2019 Climate Strike: strongest in Cape Town and Johannesburg, but with potential to spread across the country and continent with more leadership from the promising network, the South African Youth Climate Change Coalition.

Strategically-minded intellectuals were occasionally involved in climate justice activism, particularly the group of eco-socialists assembled by University of the Witwatersrand political economist Vishwas Satgar to develop a *Climate Crisis* critique. Satgar (2019) also helped mobilize the South African Food Sovereignty Campaign which in 2018 established a People’s Climate Justice Charter. Some of the best anti-coal research comes from groundWork. Investigative journalists with a climate focus can be read regularly at *Daily Maverick* (led by Kevin Bloom) and the *Mail & Guardian* (especially Sipho Kings).

South Africa’s climate justice ideas are recognized as being very different than the typical climate action approach, thanks to 1990s traditions of environmental justice and the 2004 founding of the international Durban Group for Climate Justice, which in the initial stages of global carbon trading offered the most systemic critique (Lohmann 2006). However, South Africa remains the world’s most unequal society and cultures of activism differ dramatically from the components that would need to fuse for a proper national climate justice movement to emerge: environmental justice advocates (including within the conscientized middle-class), low-income communities, women, labor and especially the youth.

**Conclusion**

This then was the unsatisfying hybrid-climate justice politics unfolding in Africa in 2020, especially in a South Africa whose leaders chaired both the African Union and African Ministerial Conference on the Environment. While leading activists have demanded that
fossil fuels should be phased out and solar access made universal as general policy standpoints, Africa’s community struggles against the exploration, extraction, refining and combustion of coal, oil and gas resonate from the Niger Delta to Kenya’s Lamu Port to KwaZulu-Natal coal fields and petrol refineries. While leftist trade unions increasingly propose radical versions of eco-socialism, they still defend carbon-intensive employment with an understandable desperation. A burgeoning youth and ecologically-aware middle-class feinted towards climate justice, but their stamina had not been tested. The mainstream climate action scene remained predictably tame and unambitious.

In this context, the vast majority of citizens were apathetic, and the upper-income elites lived in conditions akin to the richest First World habitats. These were the men and a few women who occupied the commanding heights of fossilized power, where profits and new discoveries were too sweet to kick their addictions – unless those promoting climate justice politics became much better organized, and brave enough for the conflagrations that inevitably lie ahead.

References


Centre for Environmental Rights. 2018. “Why the coal-fired power station IPPs are unlikely to get out of the starting-blocks.” Cape Town. 20 September.


https://www.theguardian.com/environment/2009/dec/19/copenhagen-closes-weak-deal
Accessed 8 October 2019.

https://adamwelz.wordpress.com/2009/12/08/emotional-scenes-at-copenhagen-

https://data.worldbank.org/indicator/EN.ATM.CO2E.PC?most_recent_value_desc=true
http://www.wrongkindofgreen.org/2019/10/06/the-global-climate-strikes-no-this-was-
not-co-optation-this-was-and-is-pr-a-brief-timeline/ Accessed 8 October 2019.
Scenes from Somkhele mine, Fuleni resistance and a 2018 showdown at court

Source: Global Environmental Trust (Rob Symons)
As Bolsonaro incinerates the Amazon, urgent action is needed for climate justice
with Mary Galvin, Mail&Guardian, 3 September 2019

Did South Africa need another high-profile reminder of climate chaos, after the Cape Town drought in 2015 to 2018; the two cyclones in March to April that ravaged Mozambique, Malawi and Zimbabwe and killed more than 1 000 of our neighbours; and Easter Monday’s “Durban Rain Bomb”, which dropped 170mm that day, leaving 71 people dead?

Unless we take action, extreme weather will be amplified further, by an extreme inferno. More than 72 000 fires are now raging across the Amazon, the world’s biggest and most biodiverse rainforest, which is 55-million years old. The lives of indigenous people who depend on the forest have received limited attention, with the world’s focus mainly on climate change.

The Amazon is a carbon sink that stores carbon dioxide, and destroying the forest releases massive amounts into the atmosphere.

Amazon deforestation had declined 70% between 2004 and 2012, thanks to the Brazilian Workers’ Party government’s clamp down on abusive plantations, logging and mining. Brazil adopted laws protecting half of the Amazon and its indigenous people, which means 80% of the forest is still standing. However, 30% of this area is not under legal protection.

Brazil’s new right-wing president, Jair Bolsanaro, is destroying the Amazon to benefit the elites who elected him on that platform. The result of this ecocide is an 84% increase in fires in 2019 compared to 2018. The fires have mainly been set intentionally to clear land for cattle ranches, soya bean farms and palm oil plantations.

This increases the likelihood of runaway climate change. If we lose another fifth of the Amazon, a loop of “die back” will be triggered: a cascade of collapse that is beyond human intervention. Overall, the Amazon forest holds about 90-billion tons of carbon, which would put the equivalent of a decade’s worth of global carbon emissions into the atmosphere.

The immediate task is to put out the fires. The growing intensity of global pressure is finally forcing Bolsonaro to act. He’s responding like a petulant child, typical of the new brand of extremely conservative leaders, accusing nongovernmental organisations of trying to make him look bad and world leaders of insulting him. He is claiming that the world is undermining Brazil’s sovereignty over the Amazon — not incorrectly given what is at stake — and has demanded an apology from French President Emmanuel Macron before accepting the G7’s paltry $20-million aid offer. Finally, last Friday, Bolsonaro called in 43 000 army troops and two aeroplanes to help to extinguish fires and stop illegal deforestation.

What can amplify the pressure further? On social media, people post pleas to boycott products produced on deforested land. We should stop eating meat fed by those soya plantations, and reduce consumption of paper products. The world needs to demonstrate a dramatic cut in demand, because it typically takes years for markets to adjust. Aside from widespread declarations of vegetarianism, another approach would be people’s sanctions against Brazilian products so as to punish the companies that support the Bolsonaro government. The Amazon inferno is just one reason, as Bolsonaro, like US President Donald Trump, deserves sanctions on many other grounds.
According to Maria Luísa Mendonça, director of the Network for Social Justice and Human Rights in Brazil, “The international community needs to call for a boycott of the main commodities produced by agribusiness: beef, soy, sugarcane and timber. I think this is the only message that is going to have an effect in terms of pressuring the Bolsonaro administration, because he doesn’t believe in climate change and he is implementing policies that are giving a green light for deforestation.”

In mid-November, President Cyril Ramaphosa is due to join the Brazil, Russia, India, China, and South Africa (Brics) summit, which Bolsonaro will host in Brasilia — and what better time for a boycott, against a man who, in any case, prioritises his alliance with fellow climate-denialist Trump ahead of other considerations?

Those are some of the “sticks” we need to wield, but others suggest we give Bolsonaro more “carrots”. Some bankers, bureaucrats and even conservative nongovernmental organisations believe in “commodifying nature” by compensating the Brazilian government for protecting natural assets as “carbon offsets”. Could we pay Brazil not to destroy the world’s most important rainforest?

Misguided incentive schemes to protect the forest have sprouted up, such as the 2010 ‘Amazon Fund’ set up by governments in Norway and Germany, wasting millions in payments to large and medium-sized farmers. The United Nations’ so-called ‘Reducing Emissions through forest Degradation and Deforestation’ (‘REDD’) financing and similar offset schemes fall prey to all manner of scams, not to mention massive fires (as exposed at https://redd-monitor.org/).

Asked her opinion on Democracy Now television, Mendonça responds, “Giving aid to the Bolsonaro administration? I don’t think that is going to help very much. I think we need to support indigenous communities, small farmers, that are protecting their land and who produce over 70% of the food for our internal markets.” One respected group that is doing just this is Amazon Watch.

More resources for — and solidarity with — climate defenders are vital to combat the economic logic driving the climate destroyers. Agri-corporate profits from the Amazon are worth an estimated $20-billion annually. Misguided incentive schemes have sprouted up, such as the 2010 “Amazon Fund” set up by governments in Norway and Germany, which wasted millions in payments to large and medium-sized farmers. The United Nations’ so-called Reducing Emissions through forest Degradation and Deforestation (Redd) financing and similar offset schemes fall prey to all manner of scams, not to mention massive fires, as exposed on Redd-Monitor.

Those in South Africa who care about climate and indigenous people’s rights have opportunities to join the struggle. September 5 is a global day of protest action, including vigils at Brazilian embassies, such as the one at 152 Dallas Avenue in Pretoria. The day before, the University of the Witwatersrand’s international relations department is hosting a People’s Climate Justice Charter workshop.

Then, on September 20, an unprecedented Fridays For Future climate strike is expected in every country, as children lead the world in demanding immediate emissions cuts and rapid
adoption of 100% renewable energy, plus massive investments in a green economy and society. Protest sites across South Africa include the Sasol headquarters in Sandton, the Joburg City Council and the Gauteng provincial legislature, among others.

Because of the inherited reliance on apartheid’s coal-addicted “minerals energy complex”, the average South African is the 11th-highest polluter on earth among countries with more than 10-million people. In that category, our emissions per person per unit of economic output is third-highest on earth (trailing only Kazakhstan and the Czech Republic). So we have a special obligation to act.

The carbon tax that treasury applied to big industry in June was shamefully tokenistic, at $0.43 a tonne, compared to Sweden’s tax of $132 a tonne.

And because, owing to apartheid and patriarchy, the vast majority of benefits of coal, smelting and high-carbon industry have gone largely to South Africa’s tiny rich, white, male minority, this struggle is a logical extension of long-standing local campaigns for racial, gender and class equity.

But as the tireless 16 year-old activist Greta Thunberg reminds us, it’s now a matter of generational justice — and our children are absolutely correct to exhibit rage against adults for, as they put it, stealing our future.

The burning Amazon is the clearest sign that the capitalist search for profits — damn the environmental “externalities” — is at the root of the climate crisis. Instead of holding onto what we know and the comforts that we have or yearn for, those of us with a comfortable lifestyle need to question the corporate-dominated power structure and, in a personal way, commit to an existence that transcends materialist desire for consumer goodies.

But what about all the workers and communities dependent upon coal and high-carbon industry? All of us need to envisage and demand a genuine just transition from climate-threatening livelihoods, not just the empty rhetoric from politicians. An example of this is the Million Climate Jobs campaign, which, if it implemented properly, even the giant metalworkers union will support.

The burning Amazon is the clearest sign that the capitalist search for profits is at the root of the climate crisis. Instead of holding onto what we know and the comforts that we have or yearn for, those of us with a comfortable lifestyle need to question the corporate-dominated power structure and, in a personal way, commit to an existence that transcends materialist desire for consumer goodies.

For the sake of our common future, the response to the climate catastrophe must be urgent, rational and fair. South African leaders and society must take a particularly strong stand, because so much is at stake, because we owe so much “climate debt” to our children and neighbours, and because we have the ability to take meaningful action, personally and politically.
Degrowth, devaluation and uneven development from North to South

Abstract
In spite of its relevance to global justice, the degrowth movement has barely begun to address potentials within the Global South to translate social demands for basic-needs goods and services away from for-profit production and distribution – the core process behind capitalist growth – and instead into degrowth through decommodification. At the same time, ongoing episodes of capitalist crisis entail the destruction of widespread industrial overcapacity, known as ‘devaluation’ of overaccumulated capital, a factor neglected by degrowth advocates. These crises provide a superb opportunity for degrowth’s political and intellectual migration from North to South. In the world’s largest economy, China, the partial economic downturn now underway (in early 2019) is based upon such devaluations: cuts in steel and coal capacity following a classical capitalist crisis of overaccumulation. If official propaganda includes a grain of truth, Chinese examples of managed internal degrowth are encouraging, in the sense that managers of a planned economy can impose devaluation on private and public sector firms, at the same time as improving environmental conditions. Likewise, the world’s most unequal country, South Africa, is also suffering a massive post-2015 devaluation of mineral commodities and the currency, but lacking China’s sophisticated demand management, the tendency is to remain tracked into a futile GDP growth logic. While backlogs of basic-needs infrastructure, goods and services have animated post-apartheid social movements to protest successfully for concessions, this has not yet occurred under the ideological banner of a decommodification-centred degrowth – though it could if devaluation and uneven development are replaced by eco-socialist planning.

Introduction: Limits of growth and degrowth advocacy
Consider two ways of conceptualising the period of economic upheaval lying immediately ahead. First, from the worried enlightened-establishment perch of The Guardian in London, Larry Elliott (2018) is concerned about the futility of his favoured strategy, global Keynesianism:

> The threat posed by global warming means the current crisis of capitalism is more acute than that of the 1930s, because all that was really required then was a boost to growth, provided by the New Deal, cheap money, tougher controls on finance and rearmament. In today’s context, a plain vanilla go-for-growth strategy would be suicidal.

Yet typical of capitalist reformers, Elliott (2015) has no conception of (or support for) an alternative degrowth political agenda, claiming in a frontal attack on the field that “the economics of happiness can make for sad reading”. Nor does he apparently understand that during the 1920s, vast overcapacity in world industrial output compared to the ability of consumers to purchase the product – i.e. the ‘overaccumulation of capital’ – had piled up in the industrial centres. A substantial share of that was then destroyed in the subsequent 15 years by the 1929-31 financial meltdowns, Great Depression and World War II, and hence it was a process of devaluation that set the stage for the post-war boom.

Second, in contrast, David Harvey (2018, 52) has always insisted on
a theory of devaluation of capital as an answer to overaccumulation. Surplus capital and labor may be absorbed by investments in infrastructures and the built environment but the result may be the creation of excess productive capacity. The result is devaluation.

Like Elliott, most socially- and environmentally-minded scholars and activists have not investigated this tension between overaccumulation and devaluation, and the differing viewpoints about how to handle it, from North and South. For example, in one recent high-profile debate between leading intellectuals representing the left-Keynesian (Dean Baker) and degrowth (Jason Hickel) standpoints, it did not arise, notwithstanding massive economic turbulence and International Monetary Fund (IMF) warnings of imminent debt crisis (Baker and Hickel 2018). Nor have Marxists with a grounding in capitalist crisis formation considered how devaluation could be managed using a degrowth philosophy, or how degrowth could less the scourge of uneven capitalist development that appears to becoming more intense each year.

Likewise, reflecting the uneven development of social movements, nearly all degrowth advocates have worked from the more privileged Global North sites of sustainability campaigning, attempting to pull a moderate, reformist narrative to the left. From this vantage point, thinkers and activists engaged in red-green political struggles have offered diverse and often inspiring principles, analyses, strategies, tactics and alliances. But they have often worked in this space without a holistic critique of capitalism, one attentive to crisis tendencies and uneven global development. Here, far less ambitious thinkers (not within the degrowth community) have long promoted a ‘green capitalism’ strategy, based on arguments by Paul Hawken, Amory Lovins, and L. Hunter Lovins (1999). Even degrowth cofounder Serge Latouche (2006) once claimed that such internalising environmental externalities and other such “reformist measures, whose principles were outlined in the early 20th century by the liberal economist Arthur Cecil Pigou, would bring about a revolution. The reason for this is the scale of the disincentive that these measures would represent for any business adhering to capitalist logic.”

Is such a gradualist revolution feasible? In any such strategy, argues Ariel Salleh (2010), a comprehensive approach to externalised costs should necessarily include various kinds of economic, thermodynamic and geopolitical surplus extractions that are typically not incorporated by reformers. The three most obvious forms of devaluation that can be characterised as ‘debt’ are: 1) the social debt to inadequately paid workers; 2) an embodied debt to women family caregivers and 3) an ecological debt drawn on nature at large. Salleh (2018) subsequently added three others: 4) the postcolonial debt which would, if repaid to peasants and indigenes (via decolonial movement demands), allow them to “reclaim livelihoods”; 5) the intergenerational debt owed to the current crop of youth so that they can simply “aim to survive” the hot decades ahead; and 6) the species debt advocated by animal rights movements, so as “to extend human sensibility”.

To make such calculations stick, much less to force the Global North to begin repaying these debts, would be an extremely radical activity. One technical route is ‘well-being’ accounting that takes us far beyond GDP (Fioramonti 2014). If done rigorously, the implications should indeed threaten the status quo. One facet of this would be counting non-renewable natural resources (sometimes termed ‘natural capital’ by ecological modernisers), not for the purpose of sending them to market within a ‘neoliberal nature’ agenda. On the contrary, the point is to make a more effective case against their extraction. This is especially evident in
Africa where $150 billion worth of non-renewable resource depletion – uncompensated by reinvestment of revenues – occurs annually (Bond 2018). Nearly all African countries are victims, as measured by their net negative ‘Adjusted Net Savings’ following calculations of extractivist economic damage, as even the World Bank (2014) concedes.

But merely correcting such externalities is insufficient. Radicals have also foregrounded more disruptive concepts: distributional equity, non-materialist values and a critique (and transcendence) of the capitalist mode of production. The view from the Global South – a term used here not geographically but in terms of deprivation and super-exploitation – is different from that of Northern environmentalists. Some such social struggles, based on an environmental justice vision, were recorded by African-American activists in rural North Carolina and urban ghettos of the U.S. during the 1980s, given the racial bias in pollution (Bullard 2000). The next generation of ‘anti-extractivism’ struggles were promoted by, amongst others, Andean and Amazonian indigenous peoples’ and feminist versions of buen vivir (living well) (Accion Ecologica 2014, Terreblanche 2019). In that tradition, Ecuadorean and Bolivian activists integrated the ‘rights of nature’ into their national laws and constitutions (Council of Canadians et al. 2011), even if not yet far enough into concrete policy and projects (and the danger of taming these narratives in the courts is always serious). Two other explicitly anti-capitalist concepts utilised in struggles against those promoting orthodox GDP growth include ‘the commons’ (Linebaugh 2008) and eco-socialism (Kovel 2007).

Short of an eco-socialist revolution, perhaps the most audacious conceptual attack on capitalist unsustainability is the idea of degrowth (décroissance, first coined by Gorz, 1972). The roots can be located in John Stuart Mill’s 1840s and Lewis Mumford’s 1940s idea of ‘stationary state’ economics, revived in the Club of Rome’s 1970s ‘Limits to Growth’ analysis by Donella Meadows, Dennis H. Meadows, Jørgen Randers and William Behrens (1972). The first major scholarly statements explicitly addressing degrowth came from André Gorz (1972, see also Leonardi, this issue), Herman Daly (1973), Nicolae Georgescu-Roegen (1979), and Serge Latouche (2004). Other major Northern books critical of growth are within the field of ecological macroeconomics, by Peter Victor (Managing without Growth, 2008) and Tim Jackson (Prosperity without Growth, 2009). Eco-feminist scholar activists have made powerful inputs, led by Ariel Salleh (1997), Maria Mies (1997) and Vandana Shiva (2008, Mies and Shiva 1993), amongst others.

The first movement-building statement to these ends was the 2010 Barcelona “Degrowth Declaration” followed by other well-attended conferences in Europe and, belatedly for the first time in the South, in 2018 in Mexico. Indeed in a 2016 political ecology conference in Stockholm, one commentator suggested a shift to degrowth framing itself as a movement for global justice, because that’s what it’s eventually about. To me it’s of course an ecological question – we can’t consume as many resources as we consume – but the reason why we can’t do that is that 80 percent of humanity can’t.

To which the movement’s most prolific strategist, Giorgos Kallis, replied, “Good point. Indeed, this is the way we should be framing degrowth” (Chertkovskaya et al 2017, 206-207). Hence uneven global development is on the degrowth horizon, but capitalist crisis tendencies should be, too.
North-South contradictions unveiled in pollution displacement and capitalist crisis

The efforts at reimagining political economy through political ecology discussed above have so far suffered from bifurcations. The main contradictions addressed below are between Northern movements struggling for degrowth and Southern movements often fighting to meet constituents’ basic survival needs, which are sometimes termed ‘development’, sometimes ‘post-development’, sometimes ‘environmental justice’, depending upon circumstances. Another division occurs in the mode of economic rethinking: first, accounting in the physical economy with attention to energy, material flows and virtual water; and second, prioritising social aspects of the economy in the form of dematerialised relational goods and services. Yet another division is between technicist and activist approaches. Bringing these frictions together in a manner that creates heat, light and forward momentum is a dialectical challenge, e.g. in the ongoing debate over whether degrowth movements in the North can fuse with environmental justice advocates of the South (Rodríguez-Labajos et al. 2019).

Likewise the North’s displacement of environmental destruction to the South through ‘outsourced emissions’ and pollution grew during the 1980s-2010s, the era of intensifying globalisation (Bond 2012). As the North’s ecological footprint of material extraction and consumption expanded (Schandl et al 2018) thanks to the outsourcing of production to the South, this should give pause to environmentalists who since the 1970s fought hard, often successfully, for cleaner air, water and land (and cheaper commodities) in the U.S. and Europe. The question must be posed to Northern environmentalists: did they provide the requisite internationalist solidarity with those fighting not only pollution in the South but also the accompanying imperialist power relations and unequal ecological exchange between the North and South? The east coast of China plays an outsized role in this process, but now that the world’s most populous country and largest economy also suffers extreme overaccumulation of capital, as argued below, Beijing seeks ‘spatial fixes’ for its own capital and pollution, and is very much part of the problem of subimperial expansion of the growth logic, even while at home some of the Chinese renewable energy generation, air pollution control, and capacity-shrinkage strategies deserve closer consideration (Garcia and Bond 2018, Harvey 2018).

Perhaps the most critical challenge for degrowth advocates, is ending bifurcations that artificially delink economic and environmental activism. Unfortunately, that silo-style process has widened during the last two decades of revived global-scale social movements. The 2008-09 world crisis was a chance to both introduce anti-capitalist versions of degrowth politics and a more forceful decarbonisation agenda, but the movements were far too fragile. Elites still promoted ‘growth’, whether neoliberal-parasitic accumulation (especially in the financial sector) or global-Keynesian (such as the IMF’s managing director Dominique Strauss-Kahn from 2009-11) – and, in the process, climate-destroying accumulation. The Brazilian turn leftwards in 2003 and the even stronger Latin American ‘Pink Tide’ countries of Venezuela, Bolivia and Ecuador were by then fading, and were ultimately of little use to the global justice movement given their carbon addictions and economic export orientation, which proved fatal once the commodity super-cycle peaked in 2011 and crashed in 2015 (e.g. oil’s fall from $120/barrel to a low of $26/barrel in that period). Rhetorical opposition to Western dominance over multilateralism was posed by Brazil, Russia, India, China and South Africa (BRICS) starting in 2009 but also proved illusory when it came to BRICS
practices, which were not ultimately anti-imperial but instead subimperial (Garcia and Bond 2018).

Ultimately, according to Latouche (2004), the North-South discrepancy in framing degrowth must be overcome:

Degrowth must apply to the South as much as to the North... Where there is still time, they should aim not for development but for disentanglement – removing the obstacles that prevent them from developing differently.

On the other hand, environmental economist Herman Daly (1991, 148) is acutely aware of the ethical conundrum: “It is absolutely a waste of time as well as morally backward to preach steady-state doctrines to underdeveloped countries before the overdeveloped countries have taken any measure to reduce either their own population growth or the growth of their per-capita resource consumption”.

The worst of all worlds is when devaluation is associated with North-South power and capitalist crises, as witnessed repeatedly since the Volcker Shock in 1979, when austerity is imposed on poor countries’ poorest peoples (Bond 2003). Might things be different at the next conjuncture, as pressures towards another world economic meltdown become obvious enough to evoke concern by even IMF economists (Inman 2018)? To avoid another repeat of bailouts for the rich – paid for by worse austerity for the poor – will require more forcefully addressing devaluation of overaccumulated capital as part of the degrowth agenda. Two sites combining Global North and Global South are China and South Africa. Campaigning and conceptual work are instructive in these countries, respectively the fastest-growing in modern times, and the most unequal society on earth. The next three sections of this chapter briefly consider the two areas of dispute on several terrains: conceptual (devaluation and North-South fusions) and concrete (globally and in China and South Africa). Such exploration allows us to draw together the arguments for a degrowth politics better informed by devaluation and uneven development, leading to an eco-socialist approach to degrowth that can build on – rather than be derailed by – capitalist crisis.

Degrowth in response to devaluation: “Contradictions are our hope!”

In recent correspondence with Lele Leonardi (2018), I asked whether the main strands of Marxian political-economic theory could assist in framing the next round of degrowth realpolitik. His reply: “I agree that devaluation caused by classical capitalist crisis tendencies of overaccumulation is a missing point in the degrowth literature”. He distinguished between the visions of Daly and Latouche, in which Marxism “would be difficult to incorporate”, but agreed the Marxian crisis-theoretic approach “could be a useful improvement for Kallis’s vision (or more broadly for what I call the Catalan way to degrowth)” (original emphasis).¹ However, in discussion with Kallis (2017), my sense of degrowth advocacy is that until it

---

¹ Leonardi (2018) also endorses work in the Catalan school by D’Alisa, Demaria and Kallis (2015), specifically the idea that accumulation by contamination is, he suggests, “somehow – implicitly – a gesture towards devaluation” (Leonardi 2018). But in its classical application to ship-breaking, this concept is much better considered a ‘revalorisation’ strategy in which the human body is devalued to a degree, but the reutilisation of waste through recycling adds more value to a product – a rusty ship (usually fully amortised against its original debt) – that would otherwise simply be sunk in the ocean. For more on revalorisation following devaluation see Samson 2015.
grapples properly with devaluation – not just ‘recession’, which is seen in one degrowth caricature (Figure 1) as ‘less of the same’ – it misses the political opportunity provided by capitalist crisis.

*Figure 1: Degrowth advocacy caricatures devaluation (‘recession’)*

As Bertold Brecht (1974, 47) said, “Contradictions are our hope!” But in one of his otherwise generous engagements with what he terms the better, ‘open’ version of Marxism, Kallis (2015) does not identify existing and future opportunities presented by the main capitalist contradiction, which is *its internal tendency to crisis*. Thus while perhaps implicitly recalling the damage done by capitalism close at hand (in his native Greece and adopted home of Spain), Kallis (2015) remarks, “Capital accumulation can well continue without growth, and the current crisis is an example...” This is because of elite management, Kallis confirms: “in the absence of growth, austerity is the best option for them, squeezing out more for the rich from the diminishing pie,” presumably measured in terms of income (Chertkovskaya et al 2017, 204).

Indeed this is also correct from the Marxian standpoint, for even if there is no growth in output of goods and services (in the case of a formal GDP enumerated recession), there can still be net positive capital accumulation; the latter comes from reinvested profits, and such accumulation assumes a longer-view of profitability as return on sunk fixed capital. Also in a recession, forms of accumulation usually associated with desperation-privatisations or mergers and acquisitions continue, as the leading firms buy out state assets or bankrupt firms at far below their replacement costs. These are all ways that “accumulation can continue without growth”, though not for long before declining incomes also affect net accumulation.

But what degrowth analysts should now forthrightly grapple with, is how a full-blown capitalist crisis emerges when various forms of *displacement* have reached their limits. The result is a period of net negative accumulation: i.e., devaluation. This is different than what

---

2 This failure is perhaps attributable to the extreme uneven development in 2010s Greece and Spain. Devaluation occurred for the mass of people, but was combined with ongoing parasitical wealth for a tiny fraction in two those countries, in recent years of economic depression and real estate market crises.
Kallis dismisses: “negative GDP growth, which is an oxymoron, and also bad English, since growth cannot be negative” (Chertkovskaya et al 2017 190). Nevertheless, most recessions (technically defined as at least a half-year long period of declining GDP) do involve net devaluation, not just lower levels of economic growth. At that point, there arise various ways that not just shrinking income but especially devalued wealth can be witnessed and measured: e.g. in rusting machinery mothballed due to insufficient demand, in vast reserves of labour capacity that sit idle, or in a local currency that faces collapse (either in relation to international rates or in terms of inflation). This is a time of both declining growth and accumulation, i.e. a period of widespread devaluation of overaccumulated capital.

Devaluation is a term Marxists adopted to explain the process by which crisis breaks out, leaving various forms of overaccumulated capital – including variable capital, i.e. workers – exposed to a sudden lack of demand for their product, or for the price-valuation of assets to collapse (Bond 1998). Explaining Marx’s sense of value added and then destroyed in 1929 just prior to the 20th century’s major world crash, Heinrich Grossman’s (1992) Law of Accumulation and Breakdown of the Capitalist System observed how:

The scale of operations is reduced or they shut down completely. Many firms declare bankruptcy and are devalued. Huge amounts of capital are written off as losses. Unemployment grows... However much devaluation of capital may devastate the individual capitalist in periods of crisis, they are a safety valve for the capitalist class as a whole.

Indeed this form of partial devaluation represents a partial crisis resolution, short of a full-fledged depression or even a breakdown in which devaluation becomes potentially catastrophic for capitalism. Most economic crises entail such partial, localised versions of devaluation, and it is high time for degrowth advocates to acknowledge these and specify how they relate to the broader socio-economic strategy, especially because of dangers following conventional green-capitalist logic. Since “the capitalist system is prone to periodic crises of overaccumulation of capital”, as Fred Magdoff and John Bellamy Foster (2011, 87-88) report, “major recessions – although causing great harm to many people – are actually a benefit, since lower production leads to less pollution of the atmosphere, water, and land”.

Hence, as German degrowth scholar Joachim Spangenberg (2014, 3) worries, there arises the ‘suspicion’ that

degrowth means collapse because without a growth perspective, companies would refrain from investing, and their share values would plummet. Banks would stop lending, and their share values would go up in smoke. The whole financial system, based on the stock exchange, would collapse, with all stocks devalued – and with it the pensions of millions of workers in particular in the affluent countries.

For Spangenberg (2014, 3), “That is what the conventional wisdom of neo-classical economics says. As usual, it is nonsense.” Yet perhaps there is indeed a logic linking collapse to opportunities for degrowth that is worth exploring: the devaluation of overaccumulated capital.

As explained by Harvey (2014, 323), “Capital is not only about the production and circulation of value. It is also about the destruction or devaluation of capital”. How deep the
Devaluation goes depends in part upon whether the system is ripe, after a round of extreme overaccumulation: “A certain proportion of capital is destroyed in the normal course of capital circulation as new and cheaper machinery and fixed capital become available”. But what is vital is when capitalist crisis is more widespread, with “mass devaluations of commodities, of hitherto productive plant and equipment, of money and of labour” (Harvey 2014, 323).

At this point, the geographical scale and economic extent of the devaluation are both crucial, according to Simon Clarke (2001, 90):

The fact that capitalist accumulation always and everywhere takes the form of the overaccumulation and uneven development of capital implies that capitalist accumulation will always be interrupted by crises marked by the devaluation of capital and the destruction of productive capital.

Clarke (2001, 90) notes how ‘the spectre of a global crash’ during crisis episodes can be addressed by capital in a manner that localises the contradictions:

A brief period of soul-searching, with calls for the development of new modes of financial regulation, particularly at the international level, was soon forgotten as the locus of speculation moved on, leaving devastation of the real economy in its wake.

The same epithet – ‘soon forgotten’ – could be offered of the 2008-09 financial meltdown, although it is sure to be repeated soon enough. Yet degrowth advocates have not yet conceptualised this devastation of the real economy, even though in many respects the devaluation we have so far witnessed during crisis-management periods qualifies as localised degrowth (e.g. Southern Europe, and the more exposed parts of Africa and Latin America, and even deindustrialised parts of the richer countries). In contrast, world capitalist managers (e.g. in the IMF and various central banks) have so far managed to prevent full-fledged contagion and global-scale meltdown, mainly through ultra-loose 2008-15 monetary ‘regrowth’ policies. Transcending the local is, we all recognise, central to degrowth advocacy. But the spatial fix to overaccumulation remains under-theorised in degrowth circuits, and hence insufficient attention is paid to the forms of international solidarity required as political antidotes, in times of rampant xenophobia, particularly in linking up the organisations (no matter how repressed) of working-class people. One very obvious case is China.

Devaluation of Chinese overaccumulation

The most important single site of devaluation is China. Since at least 2015, the world’s largest economy (using Purchasing Power Parity measures) has suffered the impact of overproduction in basic industries. Overcapacity in steel and coal is now being actively managed by the state, as a form of devaluation (albeit not as degrowth). However, it is vital to see not only the national-level winding down of excess capacity, but also the displacement of the overproduction into international markets, leading to much more chaotic forms of devaluation. And because coal and steel are environmentally hazardous at local and global scales due to ambient pollution and carbon intensity, the management of devaluation with a ‘Just Transition’ sensitivity is all the more vital.
Overproduction and ecological destruction are most evident in the country considered to be the most successful example of growth. According to Ho-fung Hung (2015), “Capital accumulation in China follows the same logic and suffers from the same contradictions of capitalist development in other parts of the world... [including] a typical overaccumulation crisis, epitomised by the ghost towns and shuttered factories across the country”. China’s confirmed overcapacity levels had reached more than 30 percent in coal, non-ferrous metals, cement and chemicals by 2015 (in each, China is responsible for 45-60 percent of the world market). The subsequent need for overcapacity shrinkage was the central reason for the subsequent crash of raw materials prices.

One result, according to Xia Zhang (2017, 321-22), is Chinese capitalism’s restructuring as the result of overaccumulation. Often jointly with various representatives of Chinese capital, the Chinese state is compelled to reconfigure Chinese capitalism on a much larger spatial dimension so as to sustain the capital accumulation and expansion. Hence it must engage in a ‘spatial fix’ on an unprecedented scale.

Indeed throughout capitalist history, the first of two main strategies to combat overaccumulation is typically a spatial fix: trade, foreign direct investment (FDI) and cross-border financial flows, as well as labour migration. However, in recent years the ebb and flow of capital across the world is not merely one of spatial extension, but also contraction – including of over-extended mega-projects (as the Belt and Road Initiative is revealing) and BRICS corporations. In 2018, for example, the level of new FDI fell by nearly 20 percent to $1.2 trillion, after three successive years of decline from the 2015 peak of just over $2 trillion, according to the UN Conference on Trade and Development (2019, 1). From peak levels in 2007, FDI profitability, trade/GDP ratios and even cross-border financial flows all dropped markedly (Garcia and Bond 2018).

As a result, China’s internal contradictions associated with devaluation are becoming more acute, in part because the national debt doubled from 150 percent of GDP in 2007 to more than 300 percent by 2018. In addition, the Chinese “elite who control the state sector seek capital flight, encroach on the private sector and foreign companies, and intensify their fights with one another,” explains Hung (2018, 162):

The post-2008 boom was driven by reckless investment expansion funded by a state-bank financial stimulus. This created a gigantic debt bubble no longer matched by commensurate expansion of the foreign-exchange reserve... the many redundant construction projects and infrastructure resulting from the debt-fueled economic rebound are not going to be profitable, at least not any time soon. The repayment and servicing of the debt is going to be challenging, and a major ticking time bomb of debt has formed. This overaccumulation crisis in the Chinese economy is the origin of the stock market meltdown and beginning of capital flight that drove the sharp devaluation of Chinese currency in 2015–16.

From late 2015, the Chinese strategy was not only tighter exchange controls to prevent financial capital flight, but also to confront overaccumulation with so-called Supply-Side Structural Reforms, so as to “guide the economy to a new normal”. Managed devaluations included five components, namely capacity reduction, housing inventory destocking, corporate deleveraging, reduction of corporate costs, and industrial upgrading with new
infrastructure investment. The “three cuts, one reduction, and one improvement” was, according to a favourable World Bank staff review in 2018, “a departure from China’s traditional demand-side stimulus policies” (Chen and Lin, 2018).

The dilemma in coming years is whether the other contradictions in the Chinese economy, especially rising debt and the on-and-off trade war with the United States (potentially spilling into other economies trying to resist devaluation), turn a managed process into the kind of capitalist anarchy that causes overaccumulation in the first place. If so, it will be ever more important to coordinate worker and community resistance to the devaluation process with international solidarity. What are currently tit-for-tat protectionist responses (often accompanied by right-wing xenophobic politics) must be transformed into a genuine globalisation of people, with the common objective of degrowth for the sake of socio-ecological sanity.

The place where such solidarity was perhaps best accomplished, during the 1980s when an international economic sanctions campaign was called by oppressed black people against white, overaccumulating capital, was South Africa.

South African degrowth, fusing Global North and Global South

Since liberation from apartheid in 1994, the economy’s failure to grow amidst periodic capitalist crises has made South Africa an extremely uncomfortable place for the majority. Uneven development is acute, devaluation wrecks the society, and the degrowth narrative is barely on the political agenda. South African capitalism had suffered intense bouts of overaccumulation starting in the 1970s, with the exception of an artificial demand boost when gold rose from its $35/ounce Bretton Woods System level to a peak of $850/ounce in 1981. The Volcker Shock restored power to the US dollar and it soon fell to $250/ounce. The resulting mid-1980s crisis, amplified by international sanctions catalysed by solidarity activists, created sufficient pressure on the apartheid regime that Nelson Mandela was released from jail and his African National Congress unbanned. However, capitalist power relations were not disrupted, so in the mid-1990s the new democratic government was pressured to adopt a programme of economic liberalisation. The democratisation process from 1985-94 can be read in part as a means by which white capital split from the white racist regime in Pretoria (mainly during the 1985 foreign debt crisis). But after 1994, the leading fractions escaped their condition of falling profitability at home partly by shifting surpluses abroad (Bond 2014).

With political liberation came economic liberalisation: several of the ‘Faustian Pacts’ agreed to by Mandela and his leadership in the 1990s were redolent of spatio-temporal fixes for overaccumulation. These compromises involved borrowing more from foreign financial markets (especially from the IMF in 1993) in part to repay older apartheid-era debt; relaxing exchange controls so wealthy individuals and the largest companies could spirit their capital abroad – a process that in turn was facilitated through more state foreign debt required to acquire the hard currency entailed in capital flight; agreeing to onerous World Trade Organisation conditions that deindustrialised urban light manufacturing (clothing, textiles, footwear, appliances, electronics, etc); and demutualisation of the main insurance companies along with an end to the ‘prescribed assets’ that had previously directed institutional investors into state assets (Kasrils 2017).
Results included classic symptoms of capitalist crisis: financialisation and extreme economic volatility. For example, in the main stock market, the Buffett Indicator (share value over Gross Domestic Product) soared to 350 percent by 2018, the highest of any country in world history. Another was a real estate market speculative bubble whose 1997-2008 rise in value was 389 percent, more than double that of second-highest Ireland and third-highest Spain. A third indicator of the over-capacity problem was in mining, once the commodity super-cycle peaked in 2011, leaving prices of coal, platinum, iron ore and gold to plateau and then crash by more than 50 percent in 2015. That decline left most of the major firms that were active in South Africa (e.g. Anglo American, BHP Billiton, Glencore and Lonmin) with more than an 85 percent devaluation of their market capitalisation in 2015. A fourth was idle capacity in the labour market, including a 37 percent effective unemployment rate (the industrial world’s highest) and a workforce that in annual World Economic Forum Global Competitiveness Reports from 2012-17 was rated the most ‘confrontational’ of the 140 countries surveyed. A fifth sign of overaccumulation being displaced into financialisation was the massive increase in consumer debt from 2004-09, leading to a ‘credit impairment’ rate (i.e. when the borrower is behind three months or more in repayments) of nearly 50 percent at peak, and still 40 percent in 2018. This was in part due to the extremely high interest rates paid by consumers: amongst 60 countries offering 10-year state bonds for sale in international markets, only Turkey had to pay a consistently higher rate than South Africa (Bond 2019).

In spite of spending inordinate amounts on financing costs, South African corporations nevertheless enjoyed amongst the five top profit rates in the world, as did their local banks. One reason is that South African firms regularly engaged in quite primitive forms of accumulation by dispossession. PricewaterhouseCoopers (2018) published regular ‘Economic Crime’ surveys which repeatedly found that “8 out of 10 economic managers commit crime”; South Africa leads not only the world in general in this category but also specifically in “money-laundering, bribery and corruption, procurement fraud, asset misappropriation and cybercrime”. Of $45 billion in annual procurement contracts, the SA Treasury estimated 35 percent was artificially inflated by over-charging. Large parts of the South African state – especially its two largest parastatal agencies Eskom and Transnet – were ‘captured’ by a criminal syndicate led by three immigrant brothers from India, the Guptas. Their exploits were first uncovered in 2013 and only quashed in 2018 when their patron Jacob Zuma was expelled from the presidency. Their accomplices included London public relations firm Bell Pottinger and the local operations of McKinsey, KPMG, large German software firms and Chinese transport suppliers (Bond 2019).

South Africa now has the world’s highest level of inequality, with the share of national income taken by the top 1 percent rising from 10 percent in 1990 to more than 20 percent in 2008. This continues during a sustained stagnation, punctuated by occasional mild recessions (Figure 2). GDP measurement in global terms is misleading, what with the local currency plunging from R6.3/$ in 2011 to a low of R17.99/$ in 2016, subsequently finding a brief equilibrium at R14/$ (though inflation remained in the 5-7 percent annual range during this period). The country’s real annual GDP per person measured by Purchasing Power Parity has not moved from a band of $11,800-12,400 over the decade since the crash of 2008. But all the while, the major challenges of extreme uneven development are becoming more acute. Devaluations of large parts of the economy proceed, such as mining as noted above, but also the manufacturing sector, which shrunk by half during the 1990s due to import liberalisation (Bond 2019).
In this context, the progressive movements advocating for environmental justice, human rights and economic justice – i.e., the networks that would be considered ripe to promote a degrowth approach – were distracted by the need for more equitable and efficient delivery of state services, and for redistribution within the existing system. There is always hope for a fusion of these movements internally, and solidarity with degrowth forces internationally. After all, Rodríguez-Labajos et al. (2019, 157) suggest it is now “the turn of the degrowth movements – particularly after the 2014 International Degrowth Conference held in Leipzig, Germany – to explicitly search for alliances with other critical currents and initiatives around the globe”.

However, the first priorities for the South African activists are to ensure the very basis of life. This means much more of a Polanyian double movement than a degrowth agenda, in seeking and winning decommodification of what had been excessively expensive AIDS medicines and tertiary education, as well as over free municipal water and electricity supplies. Through these struggles, grassroots feminists especially have fought to lower the burden of social reproduction in one of the world’s most exploitative sites (Bond 2014).

Occasionally, breakthroughs against devaluation of society occur, as mass-based organising compels a shift in social policy, or as micro-struggles achieve at least some degree of community sovereignty against capital. Many such struggles evince the mutual-aid slogan of ‘Ubuntu’, in which “we are who we are through each other”. This organic African pre-capitalist philosophy can be cited as Africa’s answer to a Sumak Kawsay or Buen Vivir approach to living simply, well and in harmony with local community (Terreblanche 2018). That it can be, e.g. in the famous case of Xolobeni on the Wild Coast, which has successfully resisted a massive shoreline titanium mining operation on grounds that eco-tourism and collective agriculture present more hopeful strategies for sustainable livelihoods (Amadiba Crisis Committee 2016, Bennie 2017). In sum, resisting devaluation occurs when demanding free medicines, water and electricity, and even tertiary education (Bond 2019a). Like many sites in the Global South, the South African terrain is one on which, as Rosa Luxemburg observed in 1913, capitalist/non-capitalist relations associated with migrant labour and accumulation-by-dispossession strategies generated ‘growth’ from what was in reality imposed deprivation (Bond 2019b). Hence South Africa brings underconsumption (by black people), overconsumption (by whites) and overproduction into sharp focus as areas in which degrowth activists can not only critique corruption, hedonism and an accumulation model...
that has run out of steam, but also explore what a post-capitalist mode of production would detail.

**Conclusion: To and through degrowth to eco-socialism, North and South together**

Degrowth is a superb entry point to question capital accumulation, especially the ways that the GDP fetish distorts society and environment. This occurs along North-South lines through uneven development in a manner worthy of more concern within degrowth advocacy. Moreover, during capitalist crisis, there exists (so far unrealized) potential for economic-justice campaigners to understand overaccumulated capital’s devaluation, whether partially state-managed as in China, or more chaotic as in South Africa. Even if Chinese capitalism it is still displacing its overcapacity to other markets, there remains internal capacity to devalue systematically. In a South Africa facing periodic bouts of devaluation, there are important vehicles for resistance, particularly in areas of decommodification of (increased supplies of) basic goods and services – to meet unmet social needs – which degrowth advocates must take into account so as to lessen global uneven development.

In lieu of the failure of the early 2000s Global Justice and early 2010s Occupy movements to generalise the struggles, what might be the optimal strategic approach for this linkage to work, when degrowth advocates more forcefully unite with social, environmental and some advanced labour movements? Many activists are now campaigning for a genuinely ‘Just Transition’ (or in the U.S., ‘Green New Deal’), to an economy and society that aims not to globalise and valorise capital – but as a ‘transitional demand’ to turn deglobalisation and devaluation towards an utterly different logic. If worsening overaccumulation crisis leads to devalorisation, in a way that should now better inform the degrowth movement, and if degrowth offers a critique of the kind of growth that Keynesian reformers posit as the antidote to overaccumulation and devaluation, then a different logic is vital. Such a logic, eco-socialism, includes the foregrounding of capitalist crises caused both by overaccumulation crisis – hence grappling with the complex problem devaluation – and ecological over-reach by an ever more desperate, predatory capitalist machine.

Degrowth advocates have begun to find common cause with sympathetic Marxists (Koch, this volume, Leonardi, this volume). For example, Kallis (2015) agrees that degrowth, or in Marxist terms, “Reducing the ubiquity of capital accumulation and surplus value – the M-C-M’ circuit – (or eliminating it altogether?) is a necessary, but not sufficient condition for socialism”, a point echoed by Michael Löwy (2018):

Attuned to the links between the exploitation of labor and the exploitation of the environment, ecosocialism stands against both reformist “market ecology” and “productivist socialism.” By embracing a new model of robustly democratic planning, society can take control of the means of production and its own destiny. Shorter work hours and a focus on authentic needs over consumerism can facilitate the elevation of “being” over “having,” and the achievement of a deeper sense of freedom for all.

In that sense, argues John Bellamy Foster (2011):

The ecological struggle must aim not merely for degrowth in the abstract but more concretely for deaccumulation – a transition away from a system geared to the
accumulation of capital without end. In its place we need to construct a new co-revolutionary society, dedicated to the common needs of humanity and the earth.

Capitalist crisis tendencies of overaccumulation and devaluation are necessary steps along that road, ones which degrowth advocates cannot afford to ignore, but should instead take with confidence.

References

Accion Ecologica Colectivo Miradas críticas del Territorio desde el Feminismo (2014), ‘La vida en el centro y el crudo bajo tierra: El Yasuní en clave feminista.’
http://www.acccionecologica.org/component/content/article/1754


Bennie, A. (2017) Resistance is Fertile, Daily Maverick, 20 July,
https://www.dailymaverick.co.za/article/2017-07-20-op-ed-resistance-is-0fertile-amadiba-agriculture-challenges-elite-mining-agenda/#.WI7usHlx324

Research in Political Economy, 33.

_____ (2019a), ‘Under new Management, South Africa suffers Capitalist Crisis Deja Vu.’

_____ (2019b), Luxemburg’s Critique of Capital Accumulation, Applied again in Africa,
Journal für Entwicklungspolitik, 35, 1, pp.92-118.


http://www.ephemerajournal.org/contribution/vocabulary-degrowth-roundtable-debate-0


Daly, H. (Ed) (1973), Toward a Steady State Economy. San Francisco: W.H.Freeman & Co Ltd.


Leonardi, E. (2018), Email correspondence with author, 16 September.


_______ (2018), Ecofeminism as Politics. Talk to the Women in Mining WoMin network, Johannesburg, 28 September (powerpoints slides available from author).


Shiva, Vandana (2008), Soil not Oil, Boston: South End Press.


_______ (2019), Ecofeminism. in A. Kothari, A. Salleh, A. Escobar, F. Demaria and A. Acosta (Eds.), The Post-Development Dictionary. Delhi: Authors Up Front and Tulika..


World Bank (2014), Little Green Data Book, Washington, DC.


Contradictory time horizons for Durban energy piping in an era of looming climate chaos

City, 23, 4, 2019

Abstract
The contradictory role of time in urban capital’s uneven development can be observed through the analytical lens of infrastructure investment. The two cases considered below are energy pipelines in Durban, South Africa. On the one hand, urgency is associated with greenhouse-gas emissions mitigation, to slow climate change that is already doing enormous damage in this city. Yet on the other hand, the lengthy payback of mega-project investments made in long-term fossil fuel projects (and hence their reliance upon public subsidisation and guarantees) and the financial difficulty of switching to low-carbon transport, energy and waste disposal systems, together mean that temporal contradictions loom large. In sum, it appears impossible to align socio-ecological survival needs with investors’ profit-driven time horizons. This is the case involving a controversial pipeline for petroleum products from the African continent’s largest refinery complex (South Durban) to its largest market (Johannesburg), constructed at the same time as was piping to redirect methane that is emitted from the continent’s largest landfill, into a new electricity generator (in central Durban). The context, globally and locally, is that the ‘displacements’ of overaccumulated capital into infrastructure finance (and then specifically into piping systems) hit both temporal and spatial barriers, failing to deliver the promised returns on the infrastructure investments. With such insights, critical urban activists can better apply contrary analysis—of time, space, scale, class, race and environmental overlaps—whenever local growth coalitions parrot the slogan used to justify massive public subsidization of this infrastructure on behalf of investors: “build it, and they will come.” The next question: who wins and loses—and when?

Keywords: energy, infrastructure, methane, oil, piping, solid waste

Introduction
A major port city in South Africa and the country’s second largest parastatal agency are investing in energy piping, but in the process are putting one financing foot on the carbon accelerator and one on the mitigation brake. The result, on the one hand, elongates profits—i.e., taking the form of a stream of interest payments on medium-term parastatal bonds—from a high-carbon mega-project investment cemented into the landscape for decades. On the other hand, we will explore the truncation of a longer-term (albeit inadequate) capital-centric strategy for controlling greenhouse gases: emissions markets. The former is a petroleum pipeline considered the world’s largest in its category, and the latter is Africa’s first pilot project aiming to pipe methane out of the continent’s largest landfill, to avoid its leakage into the atmosphere.

The cast of characters includes South African transport agency Transnet and its Johannesburg and London bond market supporters; the municipality of Durban and the World Bank; and socio-environmental activists who have attempted to influence both sets of pipes. The activists’ temporal critique of these for-profit investments (made by state agencies) is one of the reasons neither should have been made, because their timing represents a profound contradiction in managing environmental risks and social needs, when more urgent investments in climate-resilient infrastructure suffer backlogs.
These became evident on Easter Monday in April 2019, when a ‘rain bomb’ dumped 168 mm on Durban and nearby areas in one day, nearly 60 percent more than the prior (2017) record. The country’s president, Cyril Ramaphosa, cut short an international trip to visit the scene, remarking: “This is partly what climate change is about, it just hits when we least expect it” (D’Sa 2019). Due to the municipality’s woeful unpreparedness, the resulting loss of life and infrastructure was locally unprecedented: more than 71 deaths in the area and nearly 1000 houses destroyed or damaged.

The municipal government should have financed (and regulated for) much stronger building foundations appropriate for the city’s prolific hillsides, the replacement of informal shacks with housing, river-bank management, improved storm-water drainage and other strategies for climate-proofing Durban. Ironically, city officials had just won the World Wide Fund’s ‘One Planet City Challenge Award’ at an international climate conference six months earlier (The Mercury 2018). Durban’s mayor Zandile Gumede was a vice-president of Michael Bloomberg’s ‘C40 Cities’ dedicated to cutting-edge urban climate adaptation and mitigation. (One reason for the accolades was waste-to-methane conversion, but Gumede was arrested in mid-2019 for long-standing corruption associated with solid waste programme procurement, and soon afterwards fired as mayor.)

Durban is a divided city of 3.5 million residents, whose infrastructure was mainly laid during colonialism (1840-1948) and apartheid (1948-94). During the early 2000s, the municipality, Transnet and their financiers contemplated whether and how to install two very different kinds of energy-related piping. Flawed decisions reveal how uneven urban development is amplified by temporal factors that appear to justify infrastructural investments, even if they are at cross purposes: in the first case to transport liquid fuels, and in the second, to capture and combust methane gas in landfills. The cases go together not only because they were the subjects of major investments and boosterism, simultaneously, but because community-based critics vociferously pointed out the contradictions, and made a case for a different strategy based on a post-carbon, zero-waste philosophy.

The first investment—the New Multi-Products Pipeline (NMPP)—entailed doubling the pipe diameter size and tripling the pumping capacity of a 555 kilometre pipe so as to more rapidly transport petroleum from Durban’s refineries and shipping berths. The speed in the new pipeline reached three million liters/hour. Designed and built from 2006-17, the route ends at storage tanks near the country’s industrial and commercial centre in Johannesburg. (The NMPP also entailed a racist relocation of the existing petroleum piping, so as to prevent further pollution harm to several sites of white privilege in suburban Durban that lay along the original pipe path.) The second investment is a waste-to-energy pipe-and-turbine-generator technology at Africa’s largest formal landfill, Bisasar Road, which was justified in the 2002-16 period in order to mitigate against methane emissions twenty times more damaging in the short term than carbon dioxide.

In both cases, lower-income black residents suffered a lack of power when it came to negotiating pipe placement. In both cases, too, the urgency of the new piping was decisive: in the wake of leaks and explosions of the old petroleum pipeline in the first case, and following a World Bank investment opportunity invitation for South Africa to join the nascent carbon markets in the second case. In turn, the hastiness caused systemic failure.
The broader, often overarching logic associated with energy projects of this sort involves capital’s investment timing. The 21st century’s increasingly footloose financial flows have simply been too short-term and volatile in nature to allow either form of pipe to be directly funded for profit, even as a Public-Private Partnership (PPP). State intervention is required, not only because piping of this sort is a natural monopoly with a long pay-off period, but because excessively liquid financial markets have changed the terrain of ‘green economy’ funding to avoid risk (Bracking 2015). But the growing literature on financialised nature needs more temporal nuance, since *infrastructure funding timeframes (long-term) still so poorly match environmental liabilities (short-term and increasingly pressing)*.

Thus, the danger of Durban’s energy investments will become obvious: the oil pipeline locks in the use of fossil fuels for decades to come, and the methane pipe relies on fictitious markets in pollution whose own timing was subject to whims of notoriously short-term market forces. Caught in the middle, with adverse consequences, are society and nature.

**Time, space, finance and urban infrastructure**

The problem of excess liquidity is a result, David Harvey (1999) explains, of capital’s most fundamental contradiction: the tendency towards overaccumulation. This is witnessed in times when profits drawn from productive surpluses are no longer needed for reinvestment in such activities, as inventory gluts pile up. During a period of overaccumulation, real value creation increasingly suffers from generalised overproduction, thus compelling capital to migrate into financial markets for higher rates of return. These returns are gained through ‘temporal fix’ techniques: stretching out the profit-realisation requirement by using credit to permit repayment over time. That means credit serves not only the annihilation of space by time, but also the elongation of a rate of return (through interest payments), allowing far-sighted investments to be made even if short-term returns are not immediately profitable.

Options for turning finance into long-term infrastructural investments include two vehicles. First were the high-paying *emerging-market parastatal securities* in the case of South Africa’s petroleum pipeline, offered by Transnet to investors in Johannesburg and London. There, 10-year South African state securities fetch close to a 10 percent interest rate; in late 2019, only the comparable bonds issued by Turkey, Pakistan, Argentina and Venezuela paid a higher rate.

Second, the 2000s witnessed the rise of *carbon markets*, mediated through the World Bank in the case of Bisasar Road landfill methane, although at a much more volatile price (one which after 2008 dipped so low as to ultimately deter investment). These are two of many diverse ways to earn potentially higher rates of return, indirectly, in financialised urban infrastructure investment, compared to real-sector reinvestment from where surplus value is drawn. The real (productive) sector suffers relative disinvestment when the debilitating condition of capital overaccumulation periodically drives large-scale shifts in resources, both spatially and temporally. Cities are invariably the primary sites for displacement of overaccumulated capital, especially into speculative real estate and the built environment, and energy infrastructure is often not only a high priority but a source of mega-project opportunities.
Indeed, the recent geographically-extroverted economic era of globalisation occurred because “capitalism has experienced a chronic and enduring problem of overaccumulation since the 1970s,” Harvey (2003, 88) argues:

‘Ways must be found to absorb these surpluses. Geographical expansion and spatial reorganisation provide one such option. But this cannot be divorced from temporal fixes either, since geographical expansion often entails investment in long-lived physical and social infrastructures (in transport and communications networks and education and research, for example) that take many years to return their value to circulation through the productive activity they support.’

As in the rest of the world, South Africa’s overaccumulation crisis is not being resolved in a rational manner (Bond 2014; Malikane 2017). Whether overaccumulated capital might find spatially expansive outlets offering sufficient rates of return over the appropriate temporal horizons would be answered in part through whether urban growth could be made more profitable. Ideally in South Africa, from the standpoint of rational city planning, such urban investments would entail state-directed subsidies for well-located infrastructure aimed at reversing apartheid’s irrational spatial legacy, especially the notorious system of segregation locked into the landscape based on racial delineations. New long-term investments could have been made in obvious above-ground projects, in the form of more compact cities, flexible solar energy grids and much higher-quality water-sanitation supplies, better-located housing estates with construction capable of withstanding ever more extreme weather, schools, day-care schools, day-care and eldercare centres, clinics, public transport arrangements to commercial and industrial centres, community halls and other accompanying built environment facilities and public spaces serving all classes of society, necessarily beginning in the poorer black townships and shack settlements. By all accounts, however, these never materialised because their construction was not sufficiently profitable (Bond 2014).

New public sector infrastructure investments, especially energy-related, typically make or break those calculations of urban profitability. As Keith Hetherington (2014, 197-98) argues, such investments “are supposed to provide the stability necessary for the emergence of processes of a different order—alternately imagined as development, civilisation, or simply progress—and progress itself is experienced as a comparison between places and times. In other words, infrastructure is that part of a series of complex processes to which one draws attention in a causal argument about linear history.” For example, the South African state’s failure to generate rising electricity supplies in the period 1994-2008—when no new capacity was added to Eskom’s power grid of 42,000 MegaWatts—caused such debilitating ‘load shedding’ incidents starting in 2006, that private investment was substantially deterred (not to mention the resulting periodic bouts of misery for households). Likewise, Transnet’s failure to make appropriate infrastructure investments is discussed below.

One problem Maria Kaika and Erik Swyngedouw (2000, 121) point out, is that “[u]rban networks in the contemporary city are largely hidden, opaque, invisible, disappearing underground, locked into pipes, cables, conduits, tubes, passages and electronic waves... the hidden flows and their technological framing render occult the social relations and power mechanisms that are scripted in and enacted through these flows.” The temporal character of underground investments in energy-related infrastructure become clearer in Durban, once surface-level implications become controversial subjects of opposition by activists.
The critics’ strategy is based on an acute comprehension of the necessary urgency of waging fiscal struggles over where resources are allocated. Often that takes the form of environmental justice advocacy. It is there, we will conclude, that arguments about the necessity of climate change mitigation should more forcefully compel a rethink regarding these long-term, damaging investments.

Methodologically, the article takes up temporal aspects of these two pipelines by tracing social conflicts over their construction. There were two major campaigns waged in the mid and late 2000s by critics from the environmental justice movement, both of which shed light on the irrational (and racist) choices made by state agencies, backed by international and local financiers, even in a supposedly climate-conscious city which regularly wins international attention for its adaptation and mitigation strategies. After describing both projects in detail in the next two sections, we can conclude that the short-term needs of community residents—expressed in their demands for relief from associated pollution—are also relevant to longer-term investment horizons, especially where climate change is involved, and hence where more sensible state and financial leaderships should have vetoed both projects.

The explosive character of segregatory oil infrastructure in a divided city

Durban is home to Africa’s largest petroleum refinery complex and its main container port, one with very active oil transport berths. This is the source of the oil piped to Johannesburg, emanating from the port-petrochemical complex in South Durban. Shipping played a central role in Durban’s development from the mid-19th century, when its agricultural processing industry prospered thanks to importation of indentured Indian workers (mostly cutting sugar cane). Manufacturing rose in the 1930s with import-substitution industrialisation, but crashed during the 1990s due to trade liberalisation, at which point Durban reverted to mainly wholesaling, with far less value production accomplished locally. Today, the maritime and tourism circuits of capital receive more attention from city planners, under the influence of local business elites.

But as witnessed in the temporal mistakes associated with the new oil pipeline, Durban is hampered by a slew of failed mega-projects. Like so many cities across the world (Flyvbjerg 2014), its largest recent investments—a $400 million soccer stadium, $1 billion airport, and proposed $20 billion port expansion and energy pipeline—are often impossible to justify in rudimentary cost-benefit terms. This will nearly certainly be the case in the single largest future construction site in South Africa: the port-petrochemical complex run by Transnet, various multinational shipping firms and three oil corporations (BP, Shell and Malaysian-owned Engen). Targeted by the National Planning Commission in 2012 to be the second-priority Presidential Infrastructure Coordinating Commission investment, the port expansion strategy aims to increase container throughput from the 2010s’ average of 2.5 million units per annum to (an absurdly unrealistic) 20 million by 2040. However, by 2016, the global shipping crisis that began in 2008 put on hold—by at least 16 years—the expansion’s main phase: a $7 billion ‘dig out port’ to handle the world’s biggest ships, on the site of Durban’s former airport (Bond 2017). That high-profile component aside, an often overlooked (underground) aspect of the project is the NMPP’s rerouting and potential tripling of pumping capacity. The NMPP ultimately cost $2.5 billion when completed in 2017, a massive
overrun on the $450 million cost estimated in 2006, and was partly paid for by a tax levied on retail fuel consumers.

Sometimes the underground becomes visible, and then power relations are revealed. Over the 2014 summer holiday season, the front pages of the newspapers in Durban screamed out about a major diesel spill in the wealthy suburb of Hillcrest. Transnet’s Durban-Johannesburg pipeline gushed 220,000 litres of oil into white residents’ gardens and nearby fields where race horses grazed. The pipeline, built in 1965 and by 2014 at least four years past its official retirement date, annually carries three billion litres of petroleum products. South Africa’s addiction to climate-destroying petroleum and the geographically-illogical Johannesburg region’s excessive air pollution were ultimately to blame.

**Figure 1: New Transnet pipeline route (green) versus old (dotted line)**

![Pipeline diagram](source: Transnet NMPP Environmental Impact Assessment Draft Scoping Report, 2008)

But resolving these became impossible due to temporal investment horizons. Transnet’s access to financing allowed an overpriced project to be funded because the cost could be amortized over a 10-year period. In the minds of Transnet planners, the urgency of supplying Johannesburg with liquid transport energy as inexpensively as possible trumped construction of either a better pipeline in the same place or public transport systems not so reliant on fossil fuels (Bond 2002). Both those contradictions were raised earlier by activists: in 2008 when the main watchdog organisation from the refinery zone, the South Durban Community Environmental Alliance (SDCEA), predicted this sort of incident; in 2001, for example, a pipeline used by Shell and BP spilled 1.3 million litres of oil in South Durban’s Bluff neighbourhood.

SDCEA spoke for poor, mainly black residents in the refinery zone (from Clairwood to Isipingo Beach), but also criticised the pipeline’s re-routing further west, a battle joined by many Umbumbulu residents (*Business Report* 2008). However, other activists had a different sensibility, based on their geography: the mainly white, older and much richer residents of Hillcrest. Their ‘Not In My Back Yard!’ (‘NIMBY’) tradition stood exposed, as did Transnet’s longer-term solution to the unreliable old pipeline: pump more petroleum to Johannesburg.
through a brand new pipeline. The NMPP would not be built efficiently along the path the old one took, but instead soon traversed the city’s lowest-income areas and South Durban neighbourhoods inhabited by mainly black people. It was soon evident that the NMPP would suffer long delays and major cost overruns, in part because of the geographical shift southwards. The new pipeline and pumping stations were meant to be completed by 2010 so the line through Hillcrest could be decommissioned, but 2017 was the final completion date (Groenewald 2017). It was only the much slower growth in demand for petroleum products in the city’s main economic center, that meant these construction delays were not debilitating.

In 2007, even Transnet’s oft-praised CEO Maria Ramos had estimated the final pipeline price at about a third of what it would balloon to, following the route change through South Durban. Because different petroleum products (unleaded petrol, diesel and jet fuel) move through the NMPP, it was a complex pipe to lay over 555 kilometers. One reason for Transnet missing deadline after deadline is that the new route detoured south. This resulted not only in an intense Environmental Impact Assessment critique from SDCEA in 2008 (ignored by state officials), but ultimately also a devastating 2012 auto-critique of the pipeline work by Transnet and the politician responsible, Minister of Public Enterprises Malusi Gigaba (2012):

‘Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks. Transnet’s obligations on the project such as securing authorisations—Environmental Impact Assessments, land acquisition for right of way, water and wetland permits—were not pursued with sufficient foresight and vigour.’

Transnet’s short-sighted environmental abuse affects the entire society, including the rich. Hillcrest hosts a gated mansion complex, Greenvale Village, which was built after 1965. It was under this land that the Transnet pipeline crossed, in spite of state servitudes dating back years earlier. It was in places like this, SDCEA (2008) predicted, that Transnet’s carelessness would become obvious: “There is no emergency plan available regarding the existing pipeline so those living along its route have no way of knowing how to respond to an emergency or accident… There may be people living along the path of the existing pipeline who do not know it is there, what it may be doing to their land and water, and what to do if the aging structure bursts.”

Transnet was responsible for major Durban-area oil pipeline leaks in 1998 and twice in 2013. After the 2014 explosion in Hillcrest, an insider source told The Witness newspaper: “This is not the first time this has happened. Within close proximity to the previous rupture site, the pipe had burst [in 1998] and they were warned of operating the line at high pressure. History repeats itself.” (Wicks 2014) In 2013, the same pipeline leaked 300,000 litres on a dairy farm an hour’s drive west of Hillcrest. The incident was allegedly covered up by Transnet, but illustrated the weakness of the old pipe, for it was punctured by a farmworker simply ploughing the land. Bobby Peek (2014), director of one of the country’s leading environmental NGOs, groundWork, remarked, “The fact that it took Transnet Pipelines three hours to arrest the flow of fuel from the rupture was an indictment on their ability to safely monitor their systems and act promptly in an emergency.”
On the other hand, the main merit of Transnet’s new oil pipeline is that far fewer truckloads of petrol and diesel are now being transported by truck on the Durban-Johannesburg highway. The new pipeline uses 24-inch diameter size piping (twice the old pipeline) and the much stronger pumping system can, with greater pressure, triple the amount the Johannesburg-Pretoria region—with its 12 million residents—receives per year compared to the line that burst in Hillcrest. Ironically, though, after a 2012 peak of 6.023 billion litres carried in the combined old and new Durban-Johannesburg pipelines (an increase of 87 percent from 2010 levels), the amount carried in 2014-15 was down 11 percent, to 5.340 billion litres. The assumption in 2006 was that petrol consumption would follow the national ‘Accelerated and Shared Growth Initiative for South Africa’ economic plan, which in 2005 projected annual GDP growth of 6 percent for the 2010-14 period. In reality, South Africa managed annual average growth of just 2.5 percent, a rate that subsequently slowed further.

As a result of the temporal alignment of state mega-infrastructure spending to persistently optimistic macro-economic assumptions, South Africa’s overbuilding craze was responsible for not just white-elephant soccer stadiums built for the 2010 soccer World Cup (which are now draining most municipal coffers) (Bond and Cottle 2012). In addition, overcapacity was built into new and renovated airports, the $1.8 billion Gautrain Johannesburg-Pretoria fast train (with just half the ridership anticipated during the first decade, hence requiring $100 million in annual subsidies), and a controversial e-tolling PPP strategy for the main Johannesburg-region highway (another parastatal project, whose payment compliance was less than 30 percent, leading to the toll system’s cancelation in 2019). Addressing the extreme overcapacity immediately evident in the Durban-Johannesburg petroleum pipeline, the National Energy Regulator of South Africa (2015) explained, “ [t]here still appears to be scope to move more volumes away from road and rail transport to pipeline transport.” There is enormous scope, to be sure, but no incentive under the prevailing for-profit system, given that trucking oil is less expensive than the pipeline, given high tariffs needed to pay off Transnet’s capital and interest costs.

This is redolent of a more general problem: timing the shift to renewable sources, away from fossil fuel energy and transport. Oil prices bounced around over this period, from a high of $145/barrel in 2008 to $35 in 2009, up to $120 through 2011, sliding down to a low of $26 in 2016 before recovering, briefly, to above $80 in 2017-18, and then dropping again to the $55-75 range in 2019. Given such volatility, the potential to shift out of these fossil fuel sources of energy in order to slow climate change cannot easily be realised through erratic market mechanisms. The application of full-cost accounting to cover climate change and local pollution is long overdue. But the internalisation of environmental costs—so as to generate a realistic cost-benefit analysis—appears far beyond the South African state’s conceptual capacity. This was witnessed when the 2012 Gaborone Declaration on natural capital accounting was subsequently ignored by its South African signatory, the Minister of Environment (Bond 2018). The South African Treasury’s introduction of a generalised carbon tax in June 2019 was another indicator of the state’s emissions-mitigation ambivalence, for it was only $0.42 per ton of carbon (tokenistic in comparison to Sweden’s $130/ton carbon tax).

Planning strategies, not market mechanisms, are required in order to rapidly lower fossil fuel demand. South Africa’s entire system of energy supply also needs a climate reality check, for the Department of Energy’s 2019 Integrated Resource Plan calls for major new coal-fired
electricity generation and fracking gas sources by 2030. The installed dirty-energy capacity will by then remain at 41,000 MW even after decommissioning of a dozen old coal-fired plants, thanks to two new 4800 MW plants (another 3300 MW Chinese coal plant is also on the drawing board). Multilateral policy is so far useless, because the 2015 Paris Climate Agreement allows South Africa to continue raising its emissions through the 2020s (Bond 2016). In its objection to the pipeline, SDCEA (2008) explained,

‘The cost of petroleum does not truly reflect the environmental costs and the increase in availability of petroleum does not reflect diminishing supplies that can be anticipated over time. As a non-renewable finite resource, petroleum supplies will only decrease and their costs will rise as a larger population struggles to share less and less of it. The availability of petroleum today should reflect its limited life-span as a fuel source.’

After the Hillcrest blowout, another critical question concerns the safety of the new pipeline—with its scores of extra kilometres traversing the southern part of Durban—since so many people live alongside its path. As Peek (interview, 2014) remarked after the 2014 spill, “[n]ow the residents of South Durban have the new pipeline next to their houses. In Hillcrest, the pipes pass through big gardens and are quite far from the houses, but in Umbumbulu it is literally next to the houses, on people’s doorsteps.”

In its 2008 EIA filing against the new Transnet pipeline, SDCEA (2008) offered several critiques of the NMPP, including a re-routing that is “suspiciously reminiscent of the environmental racism we in South Durban have become familiar with”; inadequate public participation; dubious motivations for the pipeline; government’s failure to prevent, detect or manage pipeline leaks; and climate change. An oil spill can be devastating to people in the immediate vicinity, SDCEA leader Desmond D’Sa warned Hillcrest residents: “Health studies in 2002 and 2007 found that the emissions from petro-chemical plants put the cancer risk at 500 times the norm (1:100 000) and that 75 percent of cancers in South Durban are caused by the release of chemicals from the petro-chemical facilities” (Farley 2014). In temporal terms, the lower lifespan of poor and working-class black people in the vicinity was not given a sufficient valuation (termed Disability Adjusted Life Years) that could compete with economic benefits from ongoing petroleum refining and transport.

Global-scale pollution was also noted in SDCEA’s critique in 2008: “The rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the [EIA] Draft Scoping Report as a potential legal problem, with no details provided.” Three years later, at the end of 2011, SDCEA was the main local host for activists during the United Nations climate summit and D’Sa led the Global Day of Action march of 10,000 to protest what was termed the ‘Conference of Polluters.’ As SDCEA complained in 2008, “[w]e do not believe that Transnet should be rewarded by being allowed to install a new pipeline when they are unable to properly manage their existing one.”

In sum, in early 2008, there were two routes forward: first, reconsider the costs of Johannesburg’s status as the most industrialised mega-city in Africa, and therefore decentralise new economic activity so as to better distribute future populations closer to the availability of resources such as water; or second, simply continue to promote limitless consumption, suburban sprawl, the Sandton financial district’s growth (as Johannesburg’s economic motor) and other forms of maldevelopment. The resulting ‘supply enhancement’ infrastructure would entail mega-projects to provide Johannesburg consumers with more
electricity (from three new coal-fired power plants), water (through new Lesotho mega-dams) and transport (e.g. the OR Tambo Airport refurbishment and Gautrain rapid rail service for wealthy commuters). Since the second option was chosen, the next question was whether the largest single infrastructure project up to that point, the NMPP, should cross the paths of rich white homeowners and farmers, or instead, poor black residents under the thumb of local ethnic rulers and ruling-party politicians.

The latter route was chosen. One reason is that there were vocal opponents of new digging along (or nearby) the existing pipeline servitude, termed the ‘Northern Corridor.’ Near Hillcrest, according to Transnet’s Zitholele (2014) consultancy, “Assagay landowners expressed grave concerns... The likely construction damage and nuisance impact on the Northern Corridor is considered to be severe in the Assagay area as a result of the sensitivity of equestrian businesses to disruption.” One of the most effective Hillcrest activists was Lilian Develing, who also headed Durban’s metro-wide Combined Ratepayers’ Association. She noted how Transnet’s existing pipeline developed underground leaks: “These took some time to discover, causing damage to grazing, and animals had to be moved” (Mbonambi 20110).

The privileged Hillcrest community’s climate-unconscious NIMBY strategy was apparently the key factor. As Peek argued in the wake of the December 2014 spill, “Hillcrest residents did not want the new pipeline in their area, so they fought it and Transnet decided to move it.” Along with Peek, D’Sa was a recipient of the Goldman Environmental Prize for activism (in 1998 and 2014, respectively), and in a 2014 interview he fumed: “White monopoly capital had a huge influence in the new pipeline’s placement. Even in South Durban, for the majority of white people living here, the pipeline goes nowhere near their houses.” But, he added, local collaborators helped Transnet get access to black residential sites: “The ANC councillors and chiefs in the areas affected by the new pipeline also sold out. They told everyone it would create jobs there. The councillors blocked us even talking to the people there. They were gatekeepers. They also need to be blamed. And other groups taking money from Transnet should also be held accountable” (interview, 2014). In other words, in order to short-circuit a genuine participatory process, the ruling party steamrolled consultation by using the power of local elites to suppress local dissent.

**Methane emissions mitigation as a failed form of carbon colonialism**

A second energy piping controversy in Durban, underway at the same time, was South Africa’s single largest climate change infrastructural investment: a $15 million Clean Development Mechanism (CDM) project to convert methane into electricity at the Bisasar Road rubbish dump in Durban’s Clare Estate residential neighbourhood. For, while preparing to triple the oil consumed in Johannesburg as facilitated by Transnet, the South African state began promoting CDMs as its emissions offset strategy (instead of reducing emissions). Bisasar Road was an ideal pilot, many CDM supporters believed, because from 1980 until it closed in 2016, the site was Africa’s largest landfill, processing up to 5000 tonnes of solid waste daily. In 2002, World Bank officials persuaded Durban officials to begin installing extraction pipes and generators and marketing methane from Bisasar Road through the CDM system, the main carbon trading scheme designed for poor countries (South Africa was eligible within this until 2012). The process would require keeping the landfill open another 15 years longer than it would have. Indeed today, as the historic waste decomposes, Bisasar is generating around 6 megawatts of electricity for the city grid at any given moment even
though it accepts no new waste, illustrating how the temporal lifespan of a natural process such as methane generation is also a factor that must be understood by investors and activists alike.

Opposition immediately arose from a prominent community activist, Sajida Khan, who lived next to the site until she died in 2007 of cancer, a disease she blamed on white municipal officials who kept the landfill open so as to extract more CDMs (Bond 2007). The dump had been imposed on the Clare Estate community in one of the world’s extreme cases of environmental racism, and many of Khan’s neighbours also succumbed to cancer, in part because of Bisasar Road’s medical waste incinerator. Because of her activism, Khan was profiled on the front page of the Washington Post the day the 1997 Kyoto Protocol (predecessor of the Paris Climate Agreement) became operational in February 2005. According to the Post reporter,

‘Sajida Khan, who has fought for years to close an apartheid-era dumpsite that she says has sickened many people in her predominantly brown and black community outside Durban, South Africa, was dismayed to learn recently that she faces a surprising new obstacle: the Kyoto global warming treaty. Under the protocol’s highly touted plan to encourage rich countries to invest in eco-friendly projects in poor nations, the site now stands to become a cash cow that generates income for South Africa while helping a wealthy European nation meet its obligations under the pact. The project’s sponsors at the World Bank call it a win-win situation; Khan calls it a disaster. She said her community’s suffering is being prolonged so that a rich country will not have to make difficult cuts in greenhouse gas emissions at home. “It is another form of colonialism,” she said’ (Vedantam 2005, 1).

Figure 2: Bisasar Road landfill and methane combustion plant, with shacks in background.

During the 1990s, Khan had organised thousands of her neighbours to call for the closure of the Bisasar Road site but apartheid bureaucrats refused, as did the longest-serving post-apartheid city manager, Sutcliffe. He ordered the dump to stay open, contradicting the ANC’s
1994 campaign promises to close it, because Bisasar is extremely well-located and the valley, once a nature reserve, could take decades’ more worth of rubbish before filling up, hence generating more methane-electricity CDM monies. For Khan, that meant the Clare Estate community would be forever stuck with waste, stench and toxins. Perfume rods along the fence sickened the air’s smell, instead of cleaning it. Gaps in the thin cement wall separating the dump from Kennedy Road (and thousands of shackdwellers) illustrated how little maintenance support the city provides. The methane-electricity conversion requires burning and flaring, which meant putrid fumes from rotting waste have a much higher level of lethal chemicals and metals. Ideally, Khan argued, the dump should be shut, a municipal ‘zero-waste’ strategy adopted and methane piped out of Bisasar to a site (for industrial usage) not so densely packed with housing and schools in the immediate vicinity. But that would have cost the city a bit more. Instead, the project went ahead.

However, due to the international uproar over Bisasar Road’s explicit environmental racism, including the Washington Post report, the World Bank was compelled to drop out of marketing its CDM credits (although it did continue supporting two other Durban landfill emissions projects). Bisasar Road was nevertheless recognised in two dubious competitions, winning the 2010 Platinum Award from Impumelelo Innovation Trust and becoming co-finalist (with Cape Town) in the World Wide Fund for Nature’s 2014 Earth Hour “City Challenge.” In reality, the project had by then failed. By 2014, an evaluation by Germany’s aid agency and the SA Local Government Association (Salga) acknowledged, “[i]n light of the financial constraints the municipality has decided not to continue with these projects in other landfill sites” (Salga 2014, 4).

The internally-contradictory temporalities behind this form of infrastructure finance—the long-term need to mitigate emissions, funded by short-termist financiers who failed to keep market prices sufficiently high (because they weren’t seriously committed to halting climate change)—fell victim to the 2008 world capitalist crisis. That downturn was relatively short-term thanks to ‘Quantitative Easing’ monetary laxity and easy-credit temporal fixes. But it was nearly fatal for the emissions trade, since it crashed the returns expected within the European Union and United Nations carbon markets. As Salga (2014, 4) found:

‘Carbon credit prices were high at the time of the project development—€15/ton of CO2. The project agreement was for the sale of 3.8 million tons of emissions reduction over 21 years. Using these prices, the payback period was estimated to be 5 years. However, the carbon credits’ prices have drastically dropped from €15 to a few cents per ton of CO2 and the project has now lost an important revenue stream, affecting financial viability. The cost of verification is significantly more than the financial benefit of the credits. This process of registering the CDM project with the UNFCCC Executive Board was felt to be long, tedious and costly—emissions reduction monitoring is onerous and gas emissions data needs to be collected every few seconds using rigorous monitoring methods and expensive software packages… Incorrect equipment, not suitable for Durban’s climate, caused the system to overheat continuously and rectifying the problem caused the project costs to increase substantially.’

Conclusion

The ecological modernisation standpoint that informs so much climate policy requires capitalist markets to provide technological and behavioural change, once the price
mechanism, forced into existence by the state, allows the internalisation of dangerous externalities such as greenhouse gas emissions. But this logic falls apart once the contradictory metabolisms of profit-driven infrastructure investors and of species survival become obvious. Both commercial and state-supplied contributions to the built environment require careful management of temporal investment horizons. Mismanagement is signalled mainly by the excessive rates of return on projects required for capital repayment and debt amortisation, as well as to cover current operating and maintenance costs. The differential ways that infrastructure is either newly valorised or devalorised become even more complicated once these time horizons are factored in. Case-by-case historical-geographical-materialist analysis is essential, especially for investments associated with fossil fuels.

These are ever more important since to date, climate change mitigation strategies—investments in search of ever-lower greenhouse gas emissions—have not yet provided the short-term rates of return that financial markets require (e.g. in financing alternatives to petroleum or in carbon trading), despite the fact that they are essential for medium-to-long-term survival on this planet. On the one hand, solar and wind electricity are shrinking in price and electric cars are slowly making their way onto the roads (though not yet in Africa). On the other hand, market forces have not succeeded in pushing the transition sufficiently hard to assure rising renewables investments at the global scale (Sweeney and Treat 2017). Not only did the tripling of petroleum capacity through the Durban-Johannesburg pipeline expansion occur without heed to market trends, but SDCEA’s attempts to raise climate change in the 2008 Environmental Impact Assessment (the first such narrative use of climate) were ignored by the state and Transnet.

Likewise, it was only in 2018 that three carbon markets (California, China, and Europe) finally witnessed a slight uptick in prices, to between $10-25 per ton of carbon from levels that in Europe had dropped to less than $4/ton from 2014-17. (It is often remarked that at least $50/ton is required to incentivise a switch from investment in fossil fuel energy to renewable sources. At peak, Europe’s Emissions Trading Scheme only once hit $35/ton, in 2008.) But none of this is happening rapidly enough to avoid climate catastrophe, in part because of the temporality of energy-related investments. The two Durban cases reveal the dilemma.

Transnet’s ability to raise vast funding for the NMPP on the London Stock Exchange (LSE), where it pays nearly 10 percent in annual interest, reflects the elongation of temporal opportunity, unconstrained by internal Transnet balance sheet constraints. The concept of ‘unburnable carbon’ promoted by Carbon Tracker at the LSE has not yet become sufficiently threatening to the fundraising strategies of fossil fuel producers or facilitators (like Transnet), to truncate investments as damaging as the NMPP. The interests of low-income people in the NMPP’s pathway or the lungs of Johannesburg residents simply do not matter in such calculations.

As for Bisasar Road, it became clear that temporal processes worked initially in favour of the carbon trading strategy, through elongating the time horizon for the payoff. But after 2008 the strategy backfired as short-term barriers overwhelmed long-term ambitions. In short, a neoliberal global-scale process (the Kyoto Protocol) gave carbon markets the responsibility to solve the climate crisis, in the process displacing what was anticipated to be $3 trillion of overaccumulated capital (Bond 2011). Instead, as the 2008 crash melted down world speculative finance, the spatio-temporal climate fix stalled out.
Revealed in its wake was a disappointing (and indeed for Khan, fatal) local infrastructural investment. Long-term crises of both excess financial capital and climate crises could not be temporally aligned to short-term needs—either the local citizenry’s demands to close the dump or the carbon market suppliers’ desire for higher rates of return—and hence failure was the result, as Khan herself had projected. It was indeed a carbon-colonial project, given how cheap the credits ultimately were for northern-hemisphere polluters, so that their continuing emissions were subsidised by the prolongation of waste dumping in a black neighbourhood of Durban.

As we have seen, the power brokers in state agencies and their credit sources do not yet internalise environmental externalities when making such important decisions. They thus retain firm apartheid-era and financial-centre biases that adversely affect the health and welfare of black, low-income communities. Their temporal perspective is clouded by ineffectual forward planning, not to mention corruption. As a result, the two main projects are failures, even on their own terms, as confessed by political leaders and technical experts.

At the same time, however, Durban’s eco-social activists became increasingly frustrated, when aiming to avoid environmental injustices involving climate change, local pollution, race and class power. Overcoming this frustration requires not only jumping scale, beyond the ‘Not in My Back Yard’ geographical displacement problem, but also extending the activists’ temporal horizons, which have often been too short-termist to effectively fight pipelines, carbon trading and rising greenhouse gas emissions. Their main strategies and tactics rely upon handing over petitions, engaging in (dozens of) peaceful demonstrations and marches, and legal appeals (which are sometimes expensively ineffectual).

In Canada, Britain, the U.S. and Germany, environmentalists developed much more urgent and effective strategies (and direct-action tactics) for resisting energy piping and other fossil fuel extraction and transport, in the process raising national consciousness not only about often-unbearable local pollution, but also about the urgency of preventing climate catastrophe. Nigeria was the single most impressive case, for after a half-century of foreign oil corporations’ exploitation, resistance was sufficiently strong by 2009 that environmental and social activists blocked 70 percent of the country’s oil extraction and transport. Their prolific protests were inspired originally by Ken Saro-Wiwa’s non-violent Ogoniland environmental defenders prior to his 1995 execution, but were subsequently carried out using more militant tactics (oil-worker kidnappings and then explosives to destroy pipelines and pumping stations), first by the Movement for the Emancipation of the Niger Delta (Oriola 2016), and then after an amnesty, by the Niger Delta Avengers and the Greenland Justice Mandate. Although South Durban leaders are in close contact with Niger Delta environmentalists, including the internationally known pacifist Nnimmo Bassey, they have not taken such militant steps.

Durban’s two energy piping cases—both profound failures but in different ways—call into question not only municipal planning capabilities and political priorities, but also the time management strategies adopted by state and capital. The parastatal, municipality and private-sector financiers in bond markets and the carbon offset industry both elongate and truncate the logic of urban infrastructure payoffs, as short-term rates of return conflict with climate-conscious public policy. The environmental and community knowledges of activists—which in the case of SDCEA (D’Sa 2019) and Khan (Bond 2007) were glocalised as
they introduced climate-damage grievances directly into their critiques—were ignored by decision-makers. Hence the future challenge of moving from NGO strengths in repeated filing of (generally ineffectual) Environmental Impact Assessment complaints against the two projects, to a much broader social survival movement focused on climate change—probably entailing more urgent direct-action tactics that have successfully hampered energy pipelines in many other sites of struggle—may be the only way to raise the stakes and consciousness to the levels required.

References


273
274


Interviews:
Desmond D’Sa, 28 December 2014.
Bobby Peek, 28 December 2014.
Class, race, space and the ‘right to sanitation’: The limits of neoliberal toilet technologies in Durban, South Africa
in Farhana Sultana & Alex Loftus (Eds), Governance, Rights and Justice in Water, London: Routledge, 2019

Abstract: Do South Africans have a genuine ‘right to sanitation’? Since liberation from apartheid in 1994, the third city of Durban adopted a micro-sanitation strategy which shifted the investment burden from the municipality to more than 150,000 low-income households through dry toilets. The urgency of a new sanitation system was catalysed by a cholera outbreak and a dramatic expansion of the city boundaries in 2000-01. But installations of both Ventilated Improved Pit-latrine and Urine Diversion on-site toilets revealed the municipality’s lack of willingness to make capital investments in waterborne sanitation, in the process confirming discrimination of a spatial, temporal, racial and class character. This geographical displacement of responsibility, due in part to the lack of political will to gather up sufficient state capital to pay for connector piping and bulk sewage treatment plants, occurred in parts of the city inhabited by people considered indigent. On a cost-recovery basis, they were simply unable to repay substantive fixed investments, or even ongoing water operations and maintenance costs. Hence the municipal policy logic generated a new geographical version of apartheid boundaries: instead of race as the dividing line between communities of different incomes, it was based on the sewage line. From this emerged a series of debates about the character of socio-economic rights, urban neoliberalism, social dignity, protest narratives and the international best-practice innovation for which Durban continues to be celebrated.

Introduction: The ‘right to sanitation’ without water

Two positions emerged in South Africa during the 2000s regarding sanitation policy and law, following the commitment to a ‘right of access to water’ in the country’s 1996 constitution (several years ahead of Uruguay, Honduras, Algeria, Bangladesh, Kenya, Sri Lanka and others). First, water rights should not only translate into a free basic water supply of 6000 liters per household per month, but should implicitly include a flush toilet. In this reading, the word ‘sanitation’ is defined by the Water Services Act of 1997 and its 2002 implementing regulation as a component of “water services,” which include “potable water supply services and sanitation (sewage and wastewater) services” (Republic of South Africa, 2002, 11). Merriam-Webster (n.d.) defines sewage as “refuse liquids or waste matter usually carried off by sewers.” Whether termed sewage or sewerage, water-borne sanitation is simply the logical means of ‘carrying off’ faecal waste matter.

The second position is that a constitutional right to sanitation does not exist per se, and although a 2001 White Paper declares “Basic sanitation is a human right,” this is merely rhetorical, with minimalist clarification: “Government has an obligation to create an enabling environment through which all South Africans can gain access to basic sanitation services” (Republic of South Africa 2001, 5). While the 1997 Water Services Act defines sanitation as “the conditions or procedures related to the collection and removal of sewage and refuse,” implying that sewage lines would take excrement off-site (‘removal’), the 2001 White Paper – aimed at “mainly rural communities and informal settlements” – added a new term (‘disposal’) to the definition: “the principles and practices relating to the collection, removal or disposal of human excreta, household waste water and refuse as they impact upon people and the environment” (Republic of South Africa 2001, 5). At that point, the
“minimum acceptable basic level of sanitation” had come to entail “a system for disposing of human excreta, household waste water and refuse, which is acceptable and affordable to the users, safe, hygienic and easily accessible and which does not have an unacceptable impact on the environment; and a toilet facility for each household.”

Certainly, in this latter framing, there is no right on the part of residents to have water-borne sewage installed. So if in terms of public policy, sewage is ‘removed’ without water, into pits (albeit ‘improved’) via dry toilets, then there is no violation of rights. A limited basic supply of potable water to a household may be facilitated by a yard tap and a ‘soak away’ in which wastewater is simply allowed to saturate the nearby soil. But in this reading, no sewage pipe and treatment system is necessary.

Endorsing the latter position, the South African Human Rights Commission’s (2018, 3) interpretation of sanitation entails “A toilet or ventilated pit latrine, which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection against the weather, well ventilated, keeps smells to a minimum and prevents the entry of flies and other disease-carrying pests.” Moreover, ecological limits now help to define the sanitation service levels for residents to be supplied by impoverished municipalities – and even rich ones like Cape Town, which in 2017-18 suffered drought-related physical supply shortages limiting consumption to a maximum of 50 liters per capita per day (lcd). A typical South African toilet flush is 8-12 liters.

Disputes over sanitation do occur in the courts, but only in 2009 were water supply standards tested in the Constitutional Court. There, Sowetans lost the famous case Mazibuko v Johannesburg Water when they demanded 50 free lcd as a basic supply (not the 25 on offer) and an end to pre-payment meters in black neighbourhoods (Bond 2013). As a result, although the pros and cons of policy were somewhat more rigorously debated, the highest level of the judicial system proved ultimately useless as a site to demand or enforce more generous, pro-poor public policy.

How does this dispute over sanitation rights play out in South African municipalities? This chapter considers the ideal case, Durban, South Africa, whose post-apartheid policy and management have been the Third World’s most celebrated. Durban reveals the concrete manifestations of the right to sanitation not as a sewage and waste-water system, but as on-site disposal. The critique thus takes us through divergent narratives: from mainstream water-sector celebration of the city’s experimentation on low-income black bodies, to their micro-resistances.

Durban’s ‘perfect toilet’

In Durban, oft-praised municipal water managers have used the second approach to sanitation rights in order to legitimate a new form of discrimination, based on a combination of neoliberal management of public services, geographical excuses, tokenistic forms of social policy, and exceptional self-promotion. Durban has witnessed occasional periods of stress in which restrictions against water lawns and washing cars were imposed, but unlike Cape Town there has never been such extreme regional physical shortages as to restrict water for personal hygienic needs.
The water and sewage pipes that criss-cross the city are fed mostly from the Inanda Dam, whose late-1980s construction displaced thousands of black residents in the dying years of apartheid (their partial land compensation was only won after lengthy struggles in 2015). Yet in spite of the dam’s 243 million litre capacity, tens of thousands of low-income households in the close vicinity – the Valley of a Thousand Hills – are officially provided with no water to flush away excrement. (In the higher-income, formerly all-white ‘Upper Highway’ suburbs above the Valley floor – including Hillcrest, Assagay, Kloof, Botha’s Hill, Forest Hills, Gillitts, Waterfall and Winston Park – there is no such restriction on flushing, either through sewage lines or septic tanks.)

For most low-income Durban residents, only 200 litres per household per day were initially provided for consumption during the early 2000s through on-site ‘jojo’ tanks with very little pressure (simply gravity), through a weakly-pumped piping system. After extensive protests, this Free Basic Water allocation was extended to 300 l/h/d in 2009. Sanitation is provided to most low-income residents through non-flush modes, including even a continuation of the hated ‘bucket system’ of apartheid-era services, in which ‘night soil’ in out-house buckets was removed by municipal workers each morning, replaced by a clean bucket.

This policy reflects an artificial water scarcity, applied to low-income areas below which run myriad pipes drawing upon the vast municipal dam. It was endorsed by a Guardian journalist: “Ground zero for the quest to find the perfect toilet for the 21st century’s needs may as well be Durban, South Africa” (Kaye, 2012). Lead philanthro-capitalist Bill Gates (2010) visited Durban and blogged enthusiastically not only about Ventilated Improved Pit-latrines (VIPs) but the Urine Diversion (UD) toilets which allow urine to collect in one ‘soak-away’ removable box and solids in another. In the latter, sawdust or sand is meant to be added, so the faeces dry and pathogens die. On behalf of the municipality, Teddy Gounden, Bill Pfaff, Neil Macleod and Chris Buckley (2013) explained, “The householder is required to remove the contents, dig a hole and bury the contents on site.”

As an NGO expert – Water Dialogues leader Mary Galvin (2017, 113) – recorded, VIPs were “becoming unusable ‘full ups,’ being extremely expensive or virtually impossible to empty because of their location, and facing user opposition.” Instead of the municipality vacuuming out the excrement (as was meant to be the case for the VIPs), households themselves would empty the faeces chamber in the UD, while if the plot was large enough, the urine chamber would empty directly into a soakaway system. (At one point, even the urine was potentially collectable, for purchase by the municipality and in turn, drying into phosphate for fertiliser.) Beginning in 2003, more than 85,000 UDs were placed in Durban’s semi-peripheral areas.

The economics of the ‘neoliberal loo,’ seen from above

As a ‘neoliberal loo’ (Amisi et al, 2008), the UD was attractive to the city because it would not require new piping nor pumping water into the lower-income neighbourhoods. Contrasting expectations for non-neoliberal sanitation policy were raised due to several major events in Durban, according to Buckley (2017, 2): “the 2000 cholera outbreak; full-scale roll-out of free water, sanitation and hygiene education to unserved; and 60,000 full VIP toilets – how to empty?” The latter two problems were amplified by the 2000-01 expansion of the Durban municipality to include a much larger peri-urban and rural section of what had formerly been an apartheid Bantustan (KwaZulu), where more than 1.5 million
people were ill-served by the prior municipal governments. (This expansion was part of the restructuring of municipalities, which in 2000 were reduced in number from 842 to 284.)

Durban officials spent the subsequent decade grappling with how to roll out non-waterborne sanitation. By design, geographical discrimination associated with VIPs and UDs is striking, in a city whose spatial relationships to water were always colour-coded. Black people living in low-income areas – ‘townships’ – were generally given municipal bucket removal services instead of the flush toilets that whites enjoyed. Septic tanks were increasingly common in white areas, but in 1896, the first Sewerage Outfall Works were introduced using the London Pneumatic Sewerage System developed by Isaac Shone a dozen years earlier. But the sewage ran directly into the sea and it was only during the 1960s, according to an official citation of the city engineer’s celebrated career, that treatment began:

Don Macleod was responsible for the planning and construction of Durban’s first four sewerage treatment works (there had been none before that and sewage was not treated properly until then) He also saw many suburbs of Durban get their first sewer connections and move off septic tanks... Part of his legendary work also focused on the implementation of these sewage systems in the black communities (North Durban Presbyterian Church, 2015).

In fact, however, sewage systems were so slow to be installed in both the black townships and the peri-urban areas, that it was only in 1989 that even close-in Clairwood (an Indian residential area just a few minutes’ drive from the central business district) was shifted from the bucket system to water-borne sanitation (Scott, 1994, 258). Two decades later, there were still 9270 homes suffering the bucket system (Amisi et al, 2008).

Neil Macleod worked at Durban Water and Sanitation under apartheid for half his career – from 1973 until 1994 (including when his father Don had become chief municipal engineer) – and led the unit from the mid-1990s. After 2000, when Durban expanded, Macleod was given inordinate praise for his 1997 Free Basic Water innovation: providing 6 kiloliters/household/month (a tariff reform subject to much dispute given that poor people’s consumption actually declined by one third as the 6-10 kl/hh/month price soared). After numerous awards, noted Alex Loftus (2002, 188), “there has become something of a cult of the Durban example and the individual at its helm.”

However, confidence in water delivery within the old Durban municipality boundaries gave Macleod (2008a, 2) confidence to geographically map out a ‘sanitation waterborne edge’ (later ‘Urban Development Line’), beyond which a vast peripheral band of the municipality was considered too poor to justify laying sewage pipes and treatment facilities. At that point, in 2008, 60,000 VIPs were not being emptied because to do so was “uneconomic,” reported Macleod (2008a, 7). Macleod (2008b) concluded,

A piped sewerage system is not economically justifiable in rural areas, where the densities are too low, and in these areas onsite sanitation is the only viable option available. The rapid densification of the municipality has led to the run-off of untreated sewerage and polluted storm water into a number of rivers.
The first sentence in this quote is contradicted by the second, because no matter the subsidisation involved, ‘rapid densification’ should be the basis for running sewage pipes to even impoverished informal settlements, since there are potentials to realise ‘merit goods’ and ‘public goods’ such as health improvements (especially with cholera threats, diarrhoea and HIV/AIDS so prevalent), the potential for desegregation and cleaner rivers (Bond 2002). Typically, the main official reason the municipality gives for not providing services to such residential areas is that doing so would entail legitimating their validity as permanent urban settlements, which officials are loathe to do given they were often gained in social struggles through illegal land invasions.

Nevertheless, the merits of UDs were overwhelming, according to Macleod (2008a, 8), in part because they used “minimum amounts of water, if at all.” The UD is designed to not use any flushing mechanism. The capital cost of each UD toilet was (at the time) an average of $500, but municipal maintenance costs fell away because “emptying is the responsibility of the household, with entrepreneurs already offering their services at $4 per chamber emptied” (Macleod, 2008a, 8-9). Furthermore, Macleod (2008a, 8-11) claimed, “follow-up visits after construction have increased acceptance levels and emphasised the family’s responsibilities for maintenance of the toilet. The period needed for follow ups extends to years” because of the need to “evaluate acceptance of the solution and to confirm that the hygiene messages have been internalised.” This innovation most impressed a Science journalist (Koenig, 2008, 744), whose laudatory article termed UD the “best solution” for sanitation in Durban.¹

At that point, in 2007, Buckley (2012, 26) estimated the backlog of homes without sanitation was 203,222 in informal settlements and 21,469 in ‘rural traditional’ areas still within the city limits. He counted 87,207 UD toilets by then, and an estimated 40,000 VIPs. As for flush toilets, 37,288 homes had septic tanks, and 498,341 had waterborne sanitation. Rounding up, in sum, of 912,000 Durban households, 535,000 had flush toilets; 225,000 had no sanitation; and 152,000 had non-flush toilets within 200 meters (Buckley 2012, 26).² The UD recipients all lived beyond ‘the sanitation waterborne edge’, a vast peripheral band of the municipality in which it was deemed fiscally unrealistic to lay sewage lines; the UDs were not installed within the old limits.

By then, tens of thousands of VIPs had reached capacity, but the city was unable to fulfill its commitment to a “free basic sanitation service in the form of one pit emptying every five years,” as Macleod (2008a, 7) conceded at the 2008 Africa Sanitation conference in Durban. Indeed many pits were unlined with the “toilets subject to catastrophic collapse”, many were “constructed in inaccessible locations,” and there was high variability in content, size and cost of emptying. The cost of emptying each pit averaged $120 per pit, compared to “the cost of constructing new single Ventilated Improved Pit-latrine (VIP) type toilets: $140 to $420”, making the process “uneconomic” (Macleod 2008a, 7).

¹ Koenig (2008, 744) also remarked on how Macleod promised that by 2010, ‘everyone’ within the expanded Durban city limits would have basic water and sanitation. Macleod (2008b) also promised, that year, “It can be reasonably expected that the housing backlog will be eradicated by 2015” – although in April 2019 it was admitted by municipal officials that this backlog had lengthened and there would be a housing shortage “for forty years” (Pillay, 2019).

² VIPs were increasingly filled up, but not being emptied, and as former Johannesburg water regulator Kathy Eales remarked: “Many VIPs are now full and unusable. In many areas, VIPs are now called ‘full-ups’. Some pits were too small, or were fully sealed.” Public policy, she conceded, “does not clarify roles and responsibilities around what to do when pits are full” (Amisi et al, 2008).
The economics of sanitation remain subject to debate. In 2014, shortly after winning the world’s premier prize for water services (the Stockholm Water Industry Award) and under attack from community activists, Macleod announced on an email list-serve that “the cost of providing water borne sanitation to the 370,000 families living in rural and shack areas would cost more than R60 billion” ($5.7 billion at the time) (Centre for Civil Society, 2014). That translated to R162,000 ($15,300) for each household, which appears far beyond a realistic range. Indeed the construction cost of a new small ‘RDP house’ with internal wet core was in the same range. In rural areas, he explained, it would cost 10 to 20 times more per household to construct sewers, compared to the denser urban areas... In my view if families want more expensive options than that envisaged as basic sanitation, they should do what everyone else in the world (rich and poor alike) does and make a plan themselves instead of waiting for government (Centre for Civil Society, 2014).

Moreover, Macleod continued, “The ongoing additional operational costs that would have to be funded from a revenue source would exceed R1.5 million a day” ($141,000/day), a more likely cost given the inability of those roughly 1.5 million people to afford full cost recovery (Centre for Civil Society, 2014). Regardless of how far off Macleod was in estimating capital costs, nevertheless it is clear that the main reason chosen not to supply waterborne sewage was the inability of households to cover its repayment.

**The imperfect toilet, seen from below**

In contrast, a critical school of thought starts from the households and communities themselves. Galvin (2017, 113) acknowledges, “There is little question that the introduction of UDs was handled very poorly. Officials explain that the education around use of UDs was organised through local councillors, who are their bosses and the democratically elected leaders. Councillors were tasked with outsourcing education.” They didn’t do so properly.

Several flaws associated with the ‘economically justifiable’ denial of flush toilet systems were soon obvious. One is the blurred distinction between solids and liquids, given that diarrhoea often accompanies AIDS-related opportunistic diseases, and Durban has the world’s highest level of urban HIV+ prevalence. Durban’s extreme summer humidity for several months a year makes drying anything difficult. Most Durban townships and especially shack settlements suffer hilly terrain. Homes are often located on steep slopes, suffering poor drainage and facing often turbulent rain, leaving any structure – especially a small UD – vulnerable to landslides.

As a journalist (Veith 2010) discovered after investigating these households’ sanitation strategies, “As soon as they can afford it, people invest in a septic tank and abandon the dry toilets.” In reply, predicted Macleod, the UD system would also benefit poor people once urine began to be collected and sold to the municipality (at $2.50/month) so as to dry it, since urine is “rich in nitrates, phosphorus and potassium, which can be turned into fertiliser” (Veith 2010). He continued, “If we can turn the toilets into a source of revenues, then they will want to use the toilets.” (That particular pilot project was never implemented at scale.)
These are all reasons that a larger social commitment to greater capital investments, as well as at least a low-flush sanitation system\(^3\) – e.g. a well-maintained biogas anaerobic digester in each geographically-appropriate area (depending upon density, gradients and proximity to organic waste) – would have been the logical way for Durban to erase its ‘sanitation edge’ to the point where there is no effective discrimination between households of different incomes, when it comes to removing faecal matter.\(^4\) Since the late 1950s, anaerobic biogas digestion has been an option for low-flush sanitation in South Africa, including an appropriate-technology, pre-cast cement design that would apply to the kinds of urban shack-settlement and peri-urban residential patterns common to Durban (Mutungwazi, Mukuma and Makaka, 2018).\(^5\) The only barrier to widespread implementation of this strategy is capital costs and political will.

For various reasons, complaints about UDs became increasingly common, including near the Inanda Dam. As community organizer Dudu Khumalo remarked about the Umzinyathi and KwaNgcolosi pilot communities, “These communities are repelled by human excrement as fertiliser, because of the many diseases surrounding them, compared to cow-dung. The burden of cleaning is left to women. Other creative opportunities for bio-gas are also foreclosed by UDs” (Amisi et al, 2008). Forms of everyday resistance soon emerged. One was to convert the UDs either to storehouses or as a top structure for self-dug septic tanks, supplied through new, informal piping that carries water to flush a dozen litres with a short distance to disposal.\(^6\)

A techno-fix to the UDs’ socio-technical failures and ‘perceived discrimination’?

Buckley’s (2017) ongoing (self-)celebration of UDs contrasts with Macleod’s eventual realism. To his credit, upon receiving the Stockholm Water Industry Award in 2014, he conceded on the institution’s website that the pipeless strategy entailed class discrimination (even if it was merely ‘perceived’):

---

\(^3\) The typical 9 litre South African flush is required to carry small amounts of solid excrement many kilometres, via pumping stations and sewage treatment plants, back into water systems for reuse. An alternative – for more geographically-proximate disposal – is the ever-improving “micro-flush” strategy (e.g. 2 litres that can flush out solids, available in various new designs, including from the Gates Foundation). Again, this requires a higher initial capital investment in disposal systems such as septic tanks, soakaways, and biogas digesters.

\(^4\) UN Habitat’s recommended low-cost sanitation system has various advantages over the UD system, and has witnessed more than a million installations in India: “The twin-pit system uses 1.5-2 litres of water per use in a flush toilet that is connected to two pits that allows recharging of the soil and composting, and a close-loop public toilet system attached to a bio-gas digester. In fact, this is the only sanitation technology that meets the seven conditions for a sanitary latrine laid down by the World Health Organisation. These stipulate that a sanitary latrine should not contaminate surface soil, ground water or surface water. Excreta should not be accessible to flies or animals. There should be no handling of fresh excreta, or when this is unavoidable, kept to a bare minimum. There should be no odour or unsightliness and the methods used should be simple and inexpensive in construction and operation” (Reddy 2007).

\(^5\) In 2009, Durban witnessed a high-profile biogas digester pilot project disaster, due to a municipal/NGO project’s failure to consult with Cato Manor residents about what they denigrated as a ‘shit fish tank’ (Desai 2011).

\(^6\) That, in turn, created new dilemmas for the strategy increasingly known as ‘commoning,’ in which communities find ways to illegally reconnect water and electricity so as to avoid punitive pricing and excessively expensive cost recovery. In the area near Inanda Dam, given the very weak pumping systems installed by the municipality, the illegal connection of water to new residences meant that at the end of the pipes, there was insufficient pressure to deliver water (Bond and Galvin 2019).
What we’ve realised is that into the future, we need to find new technologies that meet people’s expectations. The reality is that everyone believes that the flushing toilet is the best solution to sanitation... we’ll bring safe sanitation at an acceptable level to rich and poor alike and we’ll do away with this perceived discrimination where the flushing toilet is seen to be for rich people and dry sanitation is seen to be a solution for poor people. Our challenge is to do away with that differentiation (Centre for Civil Society, 2014).

However, recognizing discrimination did not mean changing the system of ‘differentiation.’

The UD was never installed in wealthier areas (aside from Buckley’s house, to his credit), in spite of the claim to its universal merits. And in 2017, a rescue operation was mounted, based on another technical fix to the failed technical fix: an innovation (supported by Gates) to reform the UD so as to justify more regular collections of the excrement at the municipality’s own cost. The new strategy was to supply UD faecal sludge to a South Durban (Isipingo) wastewater treatment plant by truck, so that two British entrepreneurs running a business on the municipal site, Agriprotein, could convert the sludge into a useful feedstock and then natural oils, using the larvae of several billion black soldier flies.

Durban’s objective, according to Oxfam’s Esther Shaylor (2018), was to set up a “faecal waste processing plant that produces beneficial products that ultimately reduce municipal running costs.” This was an ideal market-based strategy in which a private firm would solve a problem of state-society frictions, Shaylor (2018) continued: “Due to health risks to householders, the Municipality decided to provide a waste removal service. The default option for disposal of the faecal waste was burial on site with tree planting. However, there were concerns with environmental acceptability of burial onsite and space constraints in the long term.”

UKZN Pollution Research Group members Ellen Mutsakatira, Chris Buckley and Susan Mercer (2018, 2) offered different rationales for the same project: “In response to users’ dissatisfaction at having to handle their own waste and evidence to show that sludge is potentially pathogenic after a year in a UDT vault, the municipality looked for alternatives to treatment of UD sludge.”

The chosen solution, as described by a BBC reporter (Gray 2017) was to send the municipality’s South Durban treatment works three tonnes of relatively dry UD faecal sludge daily (though it was unclear how many UDs this represented, given low levels of utilisation). The sludge was “inoculated with young larvae before being harvested 13 days later” at which point the black soldier flies “will be able to generate up to 940 litres of oil a week from the waste it receives when the plant is fully up and running. The oil is sold as fuel but there could be other opportunities too – it is high in lauric acid, a compound commonly found in coconut oil and is often used in soaps and moisturisers” (Gray 2017). An enormous biophysical effort would be required, so according to a CNN report, AgriProtein’s Durban factory had, by mid-2018, a stock of 8.4 billion flies, consuming 276 tons of food waste daily, on which 340 million eggs were laid (Lo 2018).

---

7 This is also recognised at the national scale, e.g. by long-serving Water Research Commission director Jay Baghwan (2019): “The binary model, of the gold standard in the form of full flush toilet vs hole standard in the form of pit latrines, for rich and poor areas respectively, has not closed the gap but created a myriad of new operational challenges. Compounding this is the fact that South Africa is a water-scarce country and the universal access to waterborne sanitation may not be realised due to the prohibitive costs and the availability of water. The deeper problem is that there is no sanitation market, especially for the poor – it happens to be a monopolised public good with minimal innovation uptake.”

8 Typically, faecal sludge stays pathogenic 12-18 months after burial, with 10-25 percent of bacterial eggs retaining pathogens.
But two questions remained (not answered as this chapter went to press): would the flies’ biophysical processes work as well with UD sludge as with other feedstock (such as food waste), and would the UD inputs be considered financially sustainable? On the first point, initial tests reported by Mutsakatira, Buckley and Mercer (2018, 4) based on a single Durban case experiment were fairly positive, showing the ability of the larvae “to reduce the UD sludge by 31 percent dry basis on a full-scale operation operating on an uncontrolled and low maintained system... comparable to literature values, which occurred at laboratory scale and in a controlled system.” But they acknowledged that in other comparable studies, there was much a greater waste reduction ratio (e.g. from 50 to 79 percent) in part because of a higher-nutrient inputs: “pit latrine sludge and fresh faeces on wet basis” and “other feed substrates such as chicken feed, market waste and municipal organic waste.” They also admitted that given the relatively low rate they had achieved with Durban UD sludge, “a combination of different factors like the feeding rate, larval density and feed should be explored to see if the waste reduction and bioconversion can be increased.”

As for the second point, Agriprotein co-founder Jason Drew implies that without recent subsidisation by the Gates Foundation, the project would not have worked (Lo 2018). The problem is similar to that associated with selling sanitation services everywhere. A private partner – who (unlike a state) does not benefit from the resulting merit and public goods, such as public health benefits from better sanitation, gender or desegregation – typically demands a high rate of return on their investment (30 percent of equity is normally what Foreign Direct Investment entails but this is before the devaluation of the local currency against hard currencies, which pushes the expected rates of return far higher). Drew conceded, “We spent nearly five years in abject failure. If I had known how hard it would be, and how much it would cost, I would probably not have started” (Lo 2018).

In short, notwithstanding high-profile (BBC and CNN) promotion of the black soldier fly’s miraculous faeces consumption capacity, neither the technical nor financial aspects of this innovation appear viable so far. The emptying and trucking of the UD sludge will probably continue to be erratic. And while techno-fixes to socio-technical problems are occasionally appropriate, and while any strategy to reduce water wastage in flushing without compromising dignity are welcome, as noted previously, it is a fair question as to whether relying on the black soldier fly to resolve the UD crisis is adequate. If it works, it will simply cement in a system that those at the lower tier of society again and again tell the municipality they do not appreciate.

Indeed, this innovation is reminiscent of another of Durban’s high-profile, pilot-project piping investments that went sour: the 2000s installation of a waste-to-energy, methane-capture and generation plant in Durban’s Clare Estate community, funded by the World Bank via the Clean Development Mechanism. It failed for all manner of reasons, including technical shortcomings, financial over-estimations, environmental policy misinterpretations and social resistance (Bond 2019).

**Conclusion: Eco-rhetorics and class realities**

Durban’s systemic failure to make – and maintain – adequate capital investments in water and especially sanitation was one reflection of the market-centric approach’s profound weakness, which is relying on demand-led, weakly-subsidised systems where operating and
maintenance expenses suffered from constant financial squeezes. Defenders of Durban’s approach have never rebutted the central critique of the motivation lying behind the city’s post-2000 sanitation policies: unnecessary fiscal neoliberalism. Instead, Macleod’s post-retirement work has been dedicated to obfuscating that reality, e.g. with lectures based on progressive principles:

- a rights-based approach to water and sanitation services provision enshrined in the constitution with a subsidy policy that targets the provision of basic water and sanitation services to the poor
- a supportive political structure at the municipal level led by a mayor with a business-like approach to management in the public sector
- a clear separation of the oversight and management roles together with strong regulation at a national level
- ‘ring fenced’ financial accounts audited annually
- minimal pressure to engage in corruption or nepotism
- ‘learning by doing’ in an organisational culture that encourages innovation, within clear risk boundaries (Macleod 2016, 9).

The next rhetorical step, for officials to justify low-quality sanitation services like the UD, is then quite logical: increasing intensity of droughts. According to Gounden, “South Africa is a water-stressed country. With the increase in demand for drinking water, we cannot afford to flush this valuable resource down the sewer” (Veith 2010). It is true that genuine water shortages are emerging, created not by neoliberal policy, inadequate fiscal support and racist planning— as in Durban— but instead by anthropomorphic climate change. Durban faces worsened humidity at certain times of the year, along with amplified dangers of extreme weather, including cyclones and storm surges, floods and droughts. Durban’s neoliberal strategy can then, indeed, sometimes be at least rhetorically justified on ecological-sanitation (‘ecosan’) grounds.

But the obvious rebuttal also arises: if water wastage is to be avoided, then the logic of using eco-san principles in high-consumption areas is ecologically vital, and hence the UD and other conservation measures should be tried first and most aggressively in the wealthier parts of Durban. Of course if that were to happen, the city would face a fall in revenues, due to falling consumption at the high-income (water-hedonistic) end of the residential spectrum. Once again, the logic of the market, not good public policy, will shape water access.

---

9 Macleod (2016, 11) conceded that municipal managers had learned that “expectations from a toilet” included “a place of refuge and contemplation; a place to be private and read, sing, cry, etc; a clean place that does not smell; safe to use; and private, clean, odour free, well lit and safe to access and use.” What Macleod failed to mention was the finding from 17,000 surveys that nearly everyone surveyed expected to be able to flush, and this was the main dignity-based rationale given for the rejection of his UD strategy.

10 Although an October 2017 superstorm showed that flood management requires much more work, Durban’s bulk water supply is presently satisfactory thanks to ( belated) capital investment which doubled inflows on the city’s south side via new pipes from Spring Grove and Midmar dams, and, on the drought-prone north side, doubled the capacity of Hazelmere dam by raising its wall height (from 2014-18 Hazelmere suffered extremely low water levels). But granted, periodic droughts should compel a rethink of the present 9-litre-per-flush system, amongst other ways to save water. And as noted previously, an ideal replacement, over time, with no discriminatory implications, would be the conversion of these high-volume flush toilets and connector infrastructures, into lower-volume (e.g. 2 litre), locally-oriented biogas digestive chambers with catchments large enough to reach economies of scale.
It is here, finally, that we can invoke one of the most important thinkers at the interface of economic and environmental adaptation to consider how best to achieve steady-state, sustainable water and sanitation services, Herman Daly (1991, 19):

It is absolutely a waste of time as well as morally backward to preach steady-state doctrines to underdeveloped countries before the overdeveloped countries have taken any measure to reduce either their own population growth or the growth of their per-capita resource consumption. Therefore, the steady-state paradigm must first be applied in the overdeveloped countries.... One of the major forces necessary to push the overdeveloped countries toward a... steady-state paradigm must be Third World outrage at their overconsumption.

References


Blue Economy threats, contradictions and resistances seen from South Africa

*Journal of Political Ecology*, 2019

**Abstract**

South Africa hosts Africa’s most advanced form of the new Blue Economy, named ‘Operation Phakisa: Oceans.’ In 2014, the McKinsey-designed project was formally launched by now-disgraced President Jacob Zuma with vibrant state and corporate fanfare. Financially, its most important elements were anticipated to come from corporations promoting shipping investments and port infrastructure, a new generation of offshore oil and gas extraction projects and seabed mining. However, these already conflict with underlying capitalist crisis tendencies associated with overaccumulation (overcapacity), globalization and financialization, as they played out through uneven development, commodity price volatility and excessive extraction of resources. Together this metabolic intensification of capital-nature relations can be witnessed when South Africa recently faced the Blue Economy’s ecological contradictions: celebrating a massive offshore gas discovery at the same time as awareness rises about extreme coastal weather events, ocean warming and acidification (with profound threats to fast-bleaching coral reefs), sea-level rise, debilitating drought in Africa’s main seaside tourist city (Cape Town), and plastic infestation of water bodies, the shoreline and vulnerable marine life. Critics of the capitalist ocean have demanded a greater state commitment to Marine Protected Areas, support for sustainable subsistence fishing and eco-tourism. But they are losing, and so more powerful resistance is needed, focusing on shifting towards post-fossil energy and transport infrastructure, agriculture and spatial planning. Given how climate change has become devastating to vulnerable coastlines – such as central Mozambique’s, victim of the Southern Hemisphere’s third most intense cyclone in March 2019 – it is essential to better link ocean defence mechanisms to climate activism: global youth Climate Strikes and the direct action approach adopted by the likes of Dakota Access Pipe Line resistance in the US, Extinction Rebellion in Britain, and Ende ?? in Germany. Today, as globalization, financialization and accumulation by dispossession reach functional limits as capital’s crisis displacement tactics, it is the interplay of these top-down and bottom-up processes that will in coming years shape the Blue Economy narrative, giving it either renewed legitimacy, or the kind of illegitimacy already experienced in so much South African resource-centric capitalism.

**Keywords:** Blue Economy, capitalist crisis, Oceans Phakisa, resistance, South Africa
1. Introduction

Although not yet fully established in scholarly literature, the term ‘Blue Economy’ is becoming ubiquitous for countries with extensive coastlines. The narrative has roots in global public policy, such as the United Nations (2012) Rio+20 conference which defined the Blue Economy as “marine-based economic development that leads to improved human wellbeing and social equity, while significantly reducing environmental risks and ecological scarcities.” Kathijotes (2013, 8) links this to “the new system of ocean-based Green Economy that interweaves creative neo-science and technologies with the ocean,” generating “a new growth engine by promoting both the sustainable use and preservation of the oceans, ensuring the Earth’s continued survival.” In 2018, 18,000 delegates attended a Sustainable Blue Economy Conference in Nairobi that generated 62 ‘commitments’ in ten categories: marine protection; plastics and waste management; maritime safety and security; fisheries development; financing; infrastructure; biodiversity and climate change; technical assistance and capacity building; private sector support; and partnerships (Wagner 2018).

In their seminal critique, Silver et al (2015, 136) remind that the Blue Economy encompasses both environmental fears, and corporate and state desires for economic and geopolitical expansion: “catalysts include ocean acidification and sea-level rise, overfishing and marine biodiversity loss, a growing consensus regarding the conservation and development potential of the high seas, and, interest from some countries in territorializing more ocean space.” Kerr et al (2018, 34-35) sum up what is wrong with this process:

States claim sovereign jurisdiction over their coastal waters, and private ownership of marine spaces remains rare. In many places, the sea is considered a commons, public good, or free for all to use, and legal regimes generally reflect this. The perception of the marine environment as being a ‘public good’ is even stronger in cultures or communities with close connections to the sea, precisely the communities that are seeing new industries develop on their shore. As the Blue Economy grows and seeks new capital opportunities, what was once considered a commons is being enclosed.

Researchers either confirm or condemn ocean commodification. One South African scientist seeks “measurable and calculable terms” for the Blue Economy, so that “standards may be set for it, allowing for a systems approach in how it balances regime-related obligations with socio-economic activities, without ecological degradation of the oceans” (Smith-Godfrey 2016, 63). Spalding (2016, 2) cites a $3-6 trillion range for ocean-related GDP, acknowledging “the need for an economy classification specifically related to the ocean and its myriad of goods and services.” Burgess et al (2018, 331) provide several managerialist rules regulating “diverse ocean uses – such as fisheries, shipping, and tourism – and marine ecosystem services – such as food provisioning, coastal protection, and carbon storage – are interconnected, and additional value can be gained from managing these uses and services jointly rather than managing them separately.”

Thus the terrain of debate is characterized by self-interest masked by a posture of more general socio-ecological concern. As Blythe et al (2018, 1213) argue, “policy makers can distort the language of transformation to define acceptable formulation of problems and solutions to those problems that serve to reproduce existing structures of power and domination and justify business as usual.” Like much Sustainable Development Goal framing,
soaring rhetoric and technological sophistication disguise the darker side of the Blue Economy concept: its coincidence with a drive towards ever-deeper and destructive undersea oil and gas drilling and mineral extraction; the shipping industry’s concentration and centralization; an upsurge of elite-oriented marine and coastal tourism; corporate corruption of weak states; and the use of unsustainable shoal-identification radar technology by large-scale commercial fishing capital. Africa’s coastlines reflect the increasingly carbon- and plastic-saturated character of oceans, pressure which gives local and global capitalism the opportunity to impose dangerous new accumulation strategies. So while the reduction of environmental risk and scarcity ultimately requires a regulated ocean, one managed with eco-socialist principles as a genuine commons, the current process is one of corporate expansion into the ocean, where externalities appear beyond the political will of national and global regulation (especially in the case study country, South Africa).

Perhaps most vitally, the seas are one of nature’s main forms of sequestering carbon dioxide, although less so as saturation points are reached, as Johnson et al (2018, 1) point out: “The potential denudation of these carbon-removing processes has potential to significantly hamper the effort to reduce atmospheric CO2 in order to keep within the 1.5 degrees of warming.” CO2 emissions and other forms of pollution have in recent years generated dangerous levels of acidification, rising temperatures and hence more intense hurricanes and typhoons (including Southern Africa’s worst-ever cyclone, in March 2019), coral reef bleaching, and loss of marine micro species. Dumping or leaching of plastics and other pollutants that make their way to the ocean are so prolific they threaten many species’ reproduction and the marine food chain. And as ultraviolet rays fragment secondary plastics – such as water bottles – into microbial pieces of less than five millimeters, they are then ingested by zooplankton and the fish that are responsible for a fifth of the global population’s protein consumption. As oceans become increasingly stressed as a result, their economic benefit in the form of fishing and tourism will fade, to be replaced by ever more extreme forms of fossil fuel extraction and underwater mining, alongside periodic advances in ocean-derived biotechnology, aquaculture, pharmaceutical products and algal biofuels.

Blame for this process can and should be – though very rarely is – attributed to an extractivist, hyper-speculative, debt-driven, mercantilist, eco-externality-riddled and climate-chaotic economy now on the verge of a major crisis of overaccumulated capital. One recent symptom, starting well before the 2016 Brexit vote and Donald Trump’s presidency, is ‘deglobalization.’ The word describes the process of shrinking rates of capital and trade flows, not unlike prior episodes in the 1880s and 1930s (Garcia and Bond 2018). The most obvious contradictions of overaccumulation and the spatial fix are witnessed in the post-2008 collapse of the Baltic Dry Index (measuring the cost of international container shipping), accompanied by a new, untenable wave of mega-ship construction. McKinsey Globalization Institute (2019, 8) admits that “a smaller share of the goods rolling off the world’s assembly lines is now traded across borders. Between 2007 and 2017, exports declined from 28.1 to 22.5 percent of gross output in goods-producing value chains.”

However, the academic literature is thus far innocent of these trends, and is apparently unprepared to confront the Blue Economy as a futile albeit extremely damaging exercise in displacing overaccumulation crisis in the era of deglobalization. A literature review by Winder and Le Heron (2017) in Dialogues in Human Geography covering “globalizing biological-economic relations in multi-use marine environments,” does not mention either
capital flows or social resistance.\(^1\) Setting aside the most cited use of the term Blue Economy – a book by Gunter Pauli (2010) focused less on ocean-based accumulation and instead mainly committed to biomimicry and circular sustainability logics – its use in scholarship since 2012 mainly reflects the commodification process that Silver et al (2015) warned of: “oceans as natural capital and oceans as good business.” (Later, we will consider why, *if natural capital accounting were actually to be taken seriously*, policymakers would insist upon a dramatic reduction in non-renewable resource extraction, including sea-bed minerals and offshore oil and gas.) The Blue Economy is mainly based upon ecological-modernization assumptions (Eikeset et al 2018). This reflects, as Mads Barbesgaard (2018, 130) points out, the influence of the “World Wide Fund for Nature and Conservation International, the financial sector including Credit Suisse and Goldman Sachs, and even military companies like Lockheed Martin.” The codification of their ideas are most obvious in the World Bank’s 2016 $6.4 billion Blue Growth Portfolio and the European Union’s 2014 Blue Growth Strategy.

Hadjimichael (2018, 161) explores the latter strategy’s “disavowal of the limits to blue growth,” especially overfishing and sea bed mining. Other political-ecological critics of the Blue Economy include those concerned with distributive justice in fisheries (Bavinck et al 2018), and with marine protected areas, marine spatial planning initiatives and global ocean governance (Bennett 2018). However, eco-modernization perspectives appear dominant, e.g. in mitigating micro-ecological damages stemming from agricultural pesticide and fertilizer run-off, municipal wastewater and storm water, and management of other pollution and nutrient crises (Kathijotes 2013). Specific cases subject to such studies include South Asian countries – Bangladesh (World Bank 2018a), India, Pakistan, the Maldives and Sri Lanka (Sakhuja 2015) – and the East Asian Seas (Ebarvia 2016).

In contrast, critical scholarship on the Blue Economy is aimed at deconstructing narratives, assessing public policy, and identifying local case studies associated with the ocean’s ecological modernization. The rest of this article contributes a new terrain of Blue Economy argumentation, based on self-destructive materialist processes from global to local scales, and social resistance. The first concern draws our attention to the metabolism of global capital accumulation, given that the recent appropriation of maritime nature is mediated by the limits of overproduction, including deglobalization and the restructuring of the shipping industry. The next section describes South Africa’s – and specifically the Durban port’s – insertion in the global mercantile and fossil-fuel circuitries of capital, at a time Blue Economy rhetoric is masking socio-ecological destruction through ‘Operation Phakisa: Oceans.’ The subsequent section addresses specific aspects of climate change associated with South Africa’s distorted Blue Economy politics, and the final section considers resistance politics.

2. Overproduction, financialization, deglobalization and the Blue Economy

One driving force behind corporate ocean-grabbing is the need to ‘spatially fix’ a generalized problem of overaccumulated capital, to use David Harvey’s (1982) framework. This is not a specific case reducible to any particular economic sector, because financialized capital is the site at which the general flows of capital converge, and where the impetus is strongest in the search for new temporal, geographical and environmental outlets for accumulation (Bracking 2015). At root is capital’s organic composition (ratio of machines to workers),

\(^1\) There are exceptions, e.g. when Bavincka et al (2018, 47) claim that “current academic debates on fisheries are largely myopic” because they ignore fisherfolk struggles although “addressing social justice concerns may be a precondition for achieving sustainable human-nature relations.”
which rises due to the inexorable pressure to become more productive. At that stage, capitalism exhibits a tendency towards overproduction (gluts of output, as well as labor and machinery). What happens next is revealing.

- The rate of profit tends to decline so capital then begins ‘shifting,’ in what is known as the spatial fix: the territorial expansion of corporate reach, so as to identify new markets and less expensive sources of labor and raw materials (including lower regulatory and tax burdens).

- Next comes a different, sectoral move: away from reinvestment of producers’ profits into new plant and equipment (what with the inventory gluts), and instead into more speculative activities within the financial circuit of capital, including debt instruments that allow consumption now and payment later. That process we can term ‘stalling’ the crisis, although it is also known as the ‘hollowing’ of corporations.

- Finally comes outright ‘stealing,’ or ‘accumulation by dispossession’ (to borrow terms introduced by Harvey 1982, 2003). This mix of shifting, stalling and stealing includes a turn seawards, in search of renewed profitability akin to ‘land-grabbing’ of poor countries’ better soils and resources. That phenomenon was understood as mainly based on agriculture, mining and petroleum extraction purposes during the commodity super-cycle.²

Today, long after the demise of commodity speculation, the problem of overaccumulated capital at the global scale appears mainly to be emanating from two sources: real economy overproduction especially driven from China, and financial economy over-indebtedness and speculation, found in nearly all the world’s stock and credit markets. The latter may be the most important barrier, ultimately, to arranging the levels of financing required for ocean-related infrastructure development, including new ports. The global debt markets soared from $200 trillion in 2011 to nearly $250 trillion by 2018 (a rise from 300 to 320 percent of world GDP). Not only did Wall Street continue to hit unprecedented highs (prior to a late 2018 correction), so too did stock markets bubble up to untenable levels, including within the Brazil-Russia-India-China-South Africa (BRICS) bloc: South Africa reaching a 2018 level of share value to GDP 90 percent higher than in 2010, India 70 percent higher and Russia 50 percent higher. China’s stock exchanges were in the same league. However, just as the yuan was made an IMF-acceptable global currency reserve in 2015, the mainland Chinese markets lost more than $5 trillion in two share bubble bursts. Stabilizing these markets required intense reregulation of capital markets and other investment controls, an omen for the rest of the world, especially given that the Trump tax cuts of 2017 did not translate into higher levels of fixed investment but instead, corporate stock buybacks and share price inflation.

The underlying problem, the IMF (2017, 18) recorded, was China’s productive-sector overcapacity: more than 30 percent in coal, non-ferrous metals, cement and chemicals by 2015 (and in each, China is responsible for 45-60 percent of world production). In attempting to displace this capital, Chinese outward Foreign Direct Investment (FDI) rose by 21 percent in 2016 to $2.1 trillion (UNCTAD 2017, 18). China had by then become a net outward direct

² The 2008 and 2011 peaks of the commodity super-cycle were followed by subsequent price crashes: e.g., coal from $170 to $60/ton in 2008, up to $120 in 2011 and down to $50/ton in 2016 before reviving to $100 in 2019 – and oil to $145/barrel in 2008, down to $45, then up to $110 from 2011-14, before falling as low as $26 in 2016 before rising to $70 in 2019.
investor and indeed the second largest global investor (after the US), accounting for $183 billion in Chinese FDI. As the UN Conference on Trade and Development (UNCTAD 2017, 14) put it, “Chinese multinational enterprises invested abroad to gain access to new markets and to acquire assets that generated revenue streams in foreign currency.”

However, while OBOR presented opportunities for the Chinese “Going Out” strategy, the rest of the world began suffering deglobalization, partly witnessed declining rates of foreign profits and the consolidation of FDI, according to UNCTAD (2018). Well before Trump’s trade wars had an impact (although at a time his tax cuts pulled US capital homewards), the 2017 absolute volume of global FDI declined 23 percent, to $1.43 trillion (UNCTAD 2018, 1), and further in 2018 to $1.20 trillion.

New annual FDI had peaked at 5.3 percent of world GDP in 2007, and fell to just 1.5 percent in 2018, due, according to UNCTAD, falling profits: “A decrease in rates of return is a key contributor to the investment downturn. The global average return on foreign investment is now at 6.7 percent, down from 8.1 percent in 2012. Return on investment is in decline across all regions, with the sharpest drops in Africa” (UNCTAD 2018: xii). UNCTAD (2019, 1) reiterated in 2019, “The factors behind this negative trend, such as lower profitability of foreign investment and shifts in global value chains, are not changing in the near future.” In short, excessive production and the resulting drive to financialization revealed a dilemma long associated with the uneven spatial ebb and flow of capital: geographic expansion was first an opportunity, but then a constraint to profitability.

Indeed rates of trade/GDP, which as the most obvious measure of globalization had peaked at 61 percent in 2012, fell steadily to 56 percent in 2017.3 As McKinsey Globalization Institute (2019, 8) shows, exports as a share of manufactured goods output rose from 8 percent in 1995 to 18 percent in 2007 and fell to 10 percent in 2017, while other countries termed ‘developing’ had a 4.4 percent fall from 2007 peaks. Reflecting the dramatic compression of manufacturing trade since then, the Baltic Dry Index crashed more than 90 percent within six months in 2008, from a level of nearly 12,000. After a slight rebound, the Index fell further, to below 300 by early 2016 (Figure 1). Vast shipping overcapacity came on line, forcing the 2016 scrapping of more than 1,400 dry bulk ships, 15 percent of the world fleet. The Index subsequently rose back above the 1000 level but in 2019, new capacity continued to threaten industry upheaval, especially involuntary mergers and acquisitions. ‘Post-Panamax’ ships – carrying more than 5,000 twenty-foot equivalent unit (‘TEU’) containers (until 2015, the limits of the size that fit through the Panama Canal) – began to dominate world shipping, to the point that vessels with more than 10,000 TEUs were flooding the market. Such highly-robotized ships carried only 13 crew. As these processes unfolded, Africa stood increasingly exposed, for the continent’s ports (including Durban) mostly suffer from shallow berths.4

---

3 Here, the BRICS suffered faster declines in relative trade than the world as a whole. Russia peaked first at a 69 percent trade/GDP ratio in 1999, and then fell steadily to 47 percent by 2017. Brazil peaked at 30 percent in 2004 and fell to 28 percent in 2017. China peaked at 66 percent in 2006 and plummeted to 34 percent. South Africa peaked in 2008 with 73 percent and is now 58 percent, and India peaked last, in 2012 with 56 percent, and is now down to 41 percent (World Bank 2018b, Garcia and Bond 2018).

4 These relatively shallow ports include Durban as well as South Africa’s next three main container-oriented port cities: Cape Town, Port Elizabeth and East London. The country only has three deep-water ports that can potentially handle the newer Supramax and Capesize ships (some now carrying 21,000 containers, with 24,000-size ships imminent): Richards Bay (mainly bulk mineral exports), Coega and Saldanha, all of which are far from the major markets (Pieterse et al. 2016). The shake-out of excess capacity ahead will invariably be uneven, and
There is no hope of a decisive upturn, despite hype surrounding China’s ‘One Belt One Road’ (OBOR) mega-infrastructure projects. OBOR is touted for restoring some market demand for construction-related commodities. However, at a deeper structural level, China suffers from the apparent exhaustion of prior sources of profitability: “an expanding external market, a relatively large reserve army of labor, and a low debt-income ratio,” according to Hao Qi (2017). The prior (2009-12) spatial fix of massive urban infrastructure and housing construction was also soon exhausted, leaving exposed the Chinese phenomenon known as Ghost Cities. The OBOR appears as a potential multi-trillion dollar mirage, and one that may in the process even crack the BRICS, in the event the Kashmir OBOR routing continues to cause alienation between Xi Jinping and Narendra Modi (Garcia and Bond 2018). Xin Zhang (2016) explains, “Although there is an element of US-China competition for global hegemony behind the OBOR, the main driving force is the pressure from overaccumulation in a typical capitalist economy when it approaches the end of a major cycle of capitalist cyclic change.” As a result, remarks Zhang (2016), “there is also an ongoing debate about whether it is economically rational to pour such huge amounts of money into low-return projects and high-risk countries, especially in the case of massive infrastructural projects.”

Again, what had seemed an opportunity was now a constraint. A major Sri Lankan port near Colombo that suffered Chinese foreclosure is the main example, but there are similarly stressed East African marine transport links to OBOR. These include the furthest-north African port in OBOR, in Djibouti, where Ethiopian sweat-shop manufacturing (also Chinese-financed) can now be exported directly via a $4 billion railroad from Addis Ababa, but Djibouti’s state port may also be appropriated by the Chinese. Kenya’s $5 billion Lamu port construction (mostly Chinese financed) now underway not far from the Somalia border, replete with security, environmental, land-grabbing and financial concerns.⁵ A bit further south, a $3.2 billion Nairobi-Mombasa rail line was built by China during the 2010s, but soon create havoc for massive port construction projects that Chinese state capital had promoted along its Maritime Silk Road. Globally, fifty ports have annual container throughput of more than a million twenty-foot equivalent units, many of which are on the Chinese coast.

⁵ The rail line will ostensibly link to South Sudan’s oil fields, but between civil war there and Al-Shabaab’s attacks on Kenya, the project is extremely risky. Indeed 2017 also witnessed widespread community protest by the groups Save Lamu, Cordio East Africa and Muslims for Human Rights. Their targets included a $2 billion coal fired power plant, on grounds of both local ecological damage and climate change (Business Daily Africa 2017).
dramatically raised both Kenya’s public debt and foreign debt, to the point that in 2018, a potential collateral takeover of the Mombasa port by Chinese firms was rumoured. A $3.6 billion Uganda-Tanzania oil pipeline is planned to facilitate oil exports via Dar es Salaam.

Also in Tanzania in October 2017, China’s main port builder – China Merchants Holdings International – took over project ownership and financing responsibility for the $12 billion Bagamoyo port and Industrial Development Zone, once the Tanzanian president had pulled back on his predecessor’s support due to austerity (Kangethe 2017). Once complete, the port will handle ten times more containers than nearby Dar es Salaam harbor, allegedly becoming Africa’s largest (Shepard 2017). Similar rail lines from ports to mines are planned, along with refurbishment of the Chinese TanZam line to Lusaka, dating back a half-century. In Mozambique, there are major Chinese and Indian investments in Maputo and Beira (the latter mainly for coal exports), although the durability of the latter was thrown into doubt by Cyclone Idai’s March 2019 destruction of much of that city’s infrastructure. South Africa has witnessed growing Chinese port and rail investments in Richards Bay (also for coal) and Durban. On the Atlantic Coast, there are another ten major port expansions, though their economic sustainability remains questionable.

Mega-projects that follow from such capital export – whether BRICS or Western in origin – are especially vulnerable to such overinvestment and then cancellation. In South Africa, major export processing zones with ocean access – such as at the Coega and East London Special Economic Zones (Thompson and Tsolekile de Wet 2019) – have become white elephant investments, drawing billions of dollars of state subsidies since the early 2000s with substantial ongoing losses. In addition, maritime and logistics mega-projects have been subject to high levels of corporate corruption. This is amply evident in the main South African location for Blue Economy hype, the port of Durban.

3. Durban’s port-petrochemical complex as South Africa’s Blue Economy guinea pig

Within Africa, a profound dispute over expansion of ocean-based investment is occurring in South Durban, partly due to nearby offshore deep-water oil and gas exploration by several of the world’s largest oil companies, to potentially take advantage of a refinery complex. Moreover, port expansion and the prospect of a brand new port (on the city’s former airport runway) also loom large in political economy and political ecology conflicts (Figure 2).

*Figure 2: South Durban port-petrochemical complex expansion plans, 2008-40*

South Durban already suffered from the impacts of unplanned container growth and the demise of rail-based transport in favour of trucking, with devastating implications for
displacement of long-time black residents in the increasingly logistics-centred neighbourhood of Clairwood, bordering the port (Bond 2017). The main residential area next to the proposed new port, Wentworth, is already notorious for public health and safety hazards, given that it hosts the largest oil refinery complex in Africa. Nevertheless, Transnet built new oil piping doubling the capacity for transfer from Durban to Johannesburg – spending four times more than the $500 million budgeted to do so from 2006-16 – and from 2008, began preparing the existing harbor for a new wave of massive ships, even though annual TEU container volumes had held steady at less than 2.7 million units for many years. Then in 2017, extensive Transnet corruption was revealed involving two Chinese suppliers of container-lifting cranes (Shanghai Zhenhua Heavy Industries) and locomotives (South China Rail), funded through what was in 2013 advertised as a $5 billion credit from the China Development Bank. In mid-2018, just as Transnet’s chief executive was losing his job for corruption related to procurement contracts (entailing massive theft by the infamous Gupta brothers from India), the parastatal borrowed $200 million from the BRICS New Development Bank for further port expansion. However, by November 2018, that project was also derailed by corruption, this time involving an Italian construction company and Durban’s most notorious family for committing serial patronage fraud (Bond 2019).

Still, these projects continue apace in official development hype. The seductive character of massive ocean-based trade and investment was on display at Durban’s oldest local country club on November 10, 2016. It was a slick event, by no means a tawdry sales pitch, yet the lines of argument made by the host were identical to those trotted out mindlessly in similar settings: investor-seeking port cities across the African continent and world. China’s OBOR map ends in East Africa, but the spectre of massive new Beijing-subsidized port construction up and down the Indian and Atlantic Oceans petrifies Durban’s elites, fearful of losing out – and not shy about using these threats to serve their own interests. Repeated events of this sort in port cities suggest an excessive commitment to what David Harvey (1989) terms “interurban entrepreneurial competition.”

At the Durban country club, provincial political leader Willies Mchunu (2016) wined and dined 21 European and Asian ambassadors and embassy officials, and leading business representatives. In spite of growing criticism from environmentalists, corruption critics and South Durban residents, Mchunu (2016) spoke glowingly of Durban’s port expansion, even while the project was facing a long delay due to the lack of shipping demand:

The development and expansion of the ports are of national importance and a key pillar of the Presidential Infrastructure Coordinating Commission’s Strategic Infrastructure Project Two, and also part of the National Planning Commission’s National Development Plan (NDP), which looks forward to 2030. Durban’s port can accommodate 2.9 million containers, but its expansion and a new excavated port would increase its capacity to more than 20 million. Transnet, the agency responsible for the ports, is predicting that at an 8 percent annual growth rate in containers coming through the port, the existing infrastructure will reach its limit in 2019 and a lack of container capacity will hamper economic growth.

Mchunu’s pitch and indeed the 2012 NDP’s underlying logic were profoundly flawed. Not only is there is absolutely no chance to raise annual goods traffic through Durban to 20

---

6 The main problem with the NDP – which from 2009-14 had Ramaphosa as deputy chairperson – was a fetish for corporate-led extractivist growth. The Durban mega-project joins another $60 billion NDP plan: to
million containers by 2040. On the contrary, the deglobalization process will negate the city’s vision for future mercantilist prosperity (Bond 2017). Still, Mchunu’s appeal for FDI in a port-petrochemical complex today dominated by Shell, BP and the Malaysian-owned Engen is fanciful, but also dangerous. Indeed, local officials are offering sweetheart deals to transnational corporate players in conjunction with South Africa’s ersatz Blue Economy strategy, known as Operation Phakisa: Oceans Economy. Phakisa – meaning ‘hurry up’ in the local Sesotho language – is the nickname for a new South African narrative: foreign firms will readily invest in the Blue Economy, seeking out sea-side opportunities for capital accumulation. (A tiny component is dedicated to marine sustainability.)

Ocean-based mega-project development was justified with Blue Economy rhetoric starting in 2014, also in Durban (Masie and Bond 2018). President Jacob Zuma, who led the country through what his successor Cyril Ramaphosa termed “nine lost years” (2009-18) due to widespread corruption (Bishop 2019), launched the Oceans Phakisa with McKinsey’s assistance in Durban. The state’s urge to capitalize on emerging Blue Economy rhetoric to attract multinational corporate investment soon became a central feature, one endorsed by Ramaphosa. (Zuma was fired by his party 15 months earlier than anticipated, due to his family’s own indefensible connections to the Gupta brothers.)

The extractivist mind-set was evident at Phakisa’s birth in Durban’s Riverside Hotel, just across the Umgeni River from the Durban Country Club. There, in an unusual burst of bureaucratic planning over a six-week period in mid-2014, a ‘big fast results’ methodology gave birth to Phakisa. Zuma’s 2013 visit to Malaysia had introduced the nomenclature, process and strategy to South Africa, and the international consultancy McKinsey was chosen to manage the process. 7 Zuma’s (2014) stated objectives of ‘growing’ ocean-related business activities focused primarily on shipping and offshore fossil fuel exploration, as well as seabed mining and factory fishing (Republic of South Africa 2014).

Phakisa strategies are running afoul not only of the extremely volatile global economics discussed above. The conversion of nature into capital and attempts at what Zuma (2014) called ‘deriving value’ from ecosystem services are also under increasing threat from climate change. Instead of Operation Phakisa, a ‘Just Transition’ approach to decarbonizing the ocean and coastline is needed, against the mercantilist, climate-catastrophic mode of Blue Economy capital accumulation in South Africa. But to make such an advance, more critical thinking is need about offshore oil and gas – and a larger coalition than simply climate-focused NGOs will be required to mount an effective offensive.

4. Phakisa and climate chaos

7 Within three years that firm came under attack because of its links to the Gupta brothers. The opposition centre-right Democratic Alliance filed a lawsuit against McKinsey for fraud, racketeering and collusion. Kickback allegations were drawn from leaks within a damming Gupta-related email cache (AmaBhungane and Scorpio 2017), which soon destroyed the financial empire of the three brothers, who took refuge in Dubai. By early 2018, as Zuma was relieved of the presidency by Ramaphosa, prosecutions of the network began, but fitfully. McKinsey offered to repay Eskom. But by 2019 there were so many other ‘state capture’ critiques underway that the consultancy managed to avoid the kind of opprobrium that led to the 2017 bankruptcy of a British public relations firm linked to the Guptas, Bell Pottinger.
The main dilemma for climate-conscious planners is the vast deep-water fossil fuel reserves discovered in the late 2010s. Nearly four decades earlier, in 1982, an ocean-extractive sensibility was fostered in the United Nations Convention on the Law of the Sea, giving priority to capital’s geopolitical and property-right imperatives. Dating to the 17th century’s ‘freedom of the seas’, interstate agreements on the extension of sovereign territorial coastline rose from three nautical miles (4.8 km, a cannon shot’s distance) to today’s twelve nautical miles (22.2 km). Nearly all national states with coastlines made attempts to colonize ocean areas for the sake of fish stocks and minerals exploitation, reaching out from the shoreline a full 200 nautical miles (370 km), where countries claim control over all marine resources, including oil and gas.

South Africa’s reach extends beyond immediate mainland borders into an area 1.5 million square kilometres large (including loosely-affiliated distant islands), a major challenge to security and legal order (van Wyk 2015). The very depths of the terrain include trenches four kilometers deep, some within the Outeniqua Basin and some below the treacherous Agulhas Current offshore Durban, both considered sites likely to contain massive oil and gas deposits (SA Info 2006). Like much of the rest of the nearly 3000 kilometre long South African coastline, these new opportunities are being assessed by the world’s largest oil companies, with great hype about the resulting benefits to society.

In early 2019, in Outeniqua’s Brulpadda block, the French firm Total discovered a billion oil barrel-equivalents of oil and gas, valued at $80 billion, which meant, on the one hand, “With this discovery, Total has opened a new world-class gas and oil play and is well positioned to test several follow-on prospects on the same block” (Total 2019). On the other hand, the Brulpadda discovery represents a major threat to South Africa’s already half-hearted commitment to emissions cuts, in the Paris Climate Agreement (Bloom 2019). Offshore Durban, ExxonMobil and Norway’s Statoil are exploring in one block, accompanied next door by Italy’s ENI and the formerly South African (now New York-financed) oil-from-gas producer Sasol. (The latter firm has the notoriety of emitting more CO2 in any point source on earth, in the coal-to-oil operation it runs in Secunda, South Africa.)

According to Phakisa planners (a group that includes the oil majors), “South Africa has possible resources of 9 billion barrels oil and 11 billion barrels of oil equivalent of gas” amounting to 40 and 375 years, respectively, of local consumption (Republic of South Africa, 2014: 1, 11) (Figures 3 and 4). Depths and distance from shore are extreme in South Africa. But across the world, more than a third of oil and gas resources are offshore, and a quarter of that is in deep water, according to the United Nations (2012, 11): “market pressures are making the exploration for and tapping of evermore remote reserves cost effective, bringing the most isolated areas under consideration. Methane hydrates, a potentially enormous source of hydrocarbons, are now also being explored and tapped from the seabed.” But there are also profound contradictions to explore, including the degree to which climate change makes the oil rigs extremely dangerous in an era of extreme ocean storms.

In addition to oil and gas interests, the main driver of Phakisa is Transnet. Not only is the firm notoriously corrupt, Durban and the three other main container ports in South Africa are also increasingly uncompetitive as the platforms for ‘gateway to Africa’ trade, because they charge nearly twice as much per unit for handling containers as do average ports in the rich countries (Pieterse et al 2016). Durban’s recent annual levels of 2.5-2.7 million
containers a year represent the largest such facility in Africa. However, Transnet’s borrowing and locomotive acquisition (both from China) during the 2010s implicated the firm’s leaders in mark-ups that benefited cronies of Zuma. Executive firings followed in 2018-19.  

---

**Figure 3: Participants in Operation Phakisa: Oceans, July 2018**

Multiple organisations spanning the public and the private sector as well as academia have participated in the oil and gas lab.

Source: Operation Phakisa: Oceans (in mid-2014 the exchange rate was R11/$)

**Figure 4: South Africa’s fossil fuel reserves including offshore exploration blocks, 2018**

---

8 The same corrupt nexus at Transnet that emerged around the Gupta brothers (three Indian immigrants) was responsible for the mid-2017 collapse of London public relations firm Bell Pottinger due to its unethical practices in South Africa. This was followed by unprecedented pressure on local offices of McKinsey and KPMG once their Gupta-related corruption was uncovered in a leaked email cache. The revelations included information about a $5 billion loan granted to Transnet by the China Development Bank at the 2013 Durban BRICS summit, which allowed the parastatal to systematically overpay (by US$1.3 billion) for several hundred locomotives (from China South Rail) for both coal and general freight use, thanks to an apparently brazen backhander (of US$400 million) to the Gupta network. Many of the locomotives did not comply with Transnet’s localization requirements. Likewise, the Chinese sale of seven container cranes for the Durban port cost Transnet $92 million, of which $12 million was a kickback (amaBhungane and Scorpio 2017).
It appears that internecine competition between ports is now a major factor in new investment planning. Durban remains a high priority not only for a regional politician like Mchunu (2016) trying to impress European diplomats and investors. In addition, Toyota South Africa CEO Johan van Zyl insisted in 2012, “Durban as a brand is not strong enough to simply say ‘come and invest in Durban’. What it needs to attract investors are big projects. Durban needs to keep ahead of the competition. China is building ports they don’t even know when they will use. If return on investment is the line of thinking we may never see the infrastructure” (Naidoo 2012). In the same spirit three years later, announced Transnet official Zeph Ndlovu (also head of the Durban Chamber of Commerce and Industry):

We have to press ahead, and if we are to unseat our competitors up north, we can’t win this battle if we pull back every now and then and look at accounting principles... Nigeria has five active ports and they have two other ports under construction, likely to increase their capacity from one million Twenty-foot Equivalent Units to 3.5 million TEUs. Namibia is also expanding, and in all these examples, China is actively funding and building infrastructure... We postpone the plans at our peril (Comins 2015).

In his 2016 budget speech, then Finance Minister Pravin Gordhan (2016) was supportive of Transnet’s expansion: “Building on the Phakisa oceans economy initiative, a $700 million investment in rig repair and maintenance facilities at Saldanha Bay is planned, and work has begun on a new gas terminal and oil and ship repair facilities at Durban. Transport and logistics infrastructure accounts for nearly $22 billion over the next three years.” Gordhan continued, “Transnet is acquiring 232 diesel locomotives for its general freight business and 100 locomotives for its coal lines.”

Aside from the notorious locomotive procurement fraud, the central question that Gordhan begged was the extent of economic demand for either container traffic moving from road to rail, or coal exports. During the early 1990s, transport deregulation allowed wholesaling firms to shift containers from rail to road (hence adding flexibility in destinations). One result...
was the construction of massive new warehousing and logistics facilities along the main Durban highways, where imported containers are unpacked and repacked in the wholesale trade. This happens far from the rail lines and there is not much prospect of a return to past container transport geographies, no matter how desirable a road-to-rail strategy is for many reasons (especially safety, since thousands of truck accidents occur in Durban each year) (Bond 2017).

The second concern, demand fluctuation, is worth considering in more detail because so much of the anticipated Blue Economy port investment relies upon high prices for commodity exports. And not only are many of South Africa’s commodity prices dropping dramatically from their 2008-15 highs, the main bulk export on the Indian Ocean is coal. A full cost-accounting of the damage done by coal at local and global scales would negate its merits as a contributor to the Blue Economy GDP derived from bulk shipping.

Moreover, an additional factor would make full-cost accounting of commodity exports highly undesirable to advocates of commodity exports: the non-renewable resource depletion that occurs without compensating reinvestment. This process has caused the continent’s wealth – measured to include resources termed (by ecological modernizers) ‘natural capital’ – to fall rapidly since 2001. The application of natural capital accounting was promised by South African environment minister Edna Molewa in 2012 when signing the Gaborone Declaration for Sustainability in Africa (2012: 1), i.e., “to integrate the value of natural capital into national accounting and corporate planning and reporting processes, policies, and programmes.” Since 2012, no efforts have been taken to adjust the NDP or enforce the counting of resource depletion – perhaps because, as argued below, the results would militate against most South African and African extractive systems on economic grounds.

Estimates of how rapidly natural wealth is depleting should be central to assessing the extractive industries whether onshore or offshore, and in many cases such a calculation would make the case that until countries achieve local control of their own resources, minerals and oil should be left in the soil, or under the ocean bed (Bond 2018). For oil, the compensation due from the North – as a down-payment on "climate debt" owed Africa –

---

9 Even the World Bank (2014, vii) admits that 88 percent of Sub-Saharan African countries suffered net negative wealth accumulation in 2010. In absolute terms, the Bank also acknowledges that this depletion of wealth amounted to 12 percent of the sub-continent’s $1.36 trillion GDP in 2010 alone, i.e. $163 billion (and far more if the major North African oil-rich countries are included). The Bank’s most recent, rigorous accounting exercise, The Changing Wealth of Nations 2018 (Lange et al 2018) revealed similar declines. Even without incorporating platinum and diamond markets or North African petroleum depletion, Lange et al (2018, 63) applied the measure ‘Adjusted Net Savings’ so as to correct for natural capital depletion, and found that Sub-Saharan Africa was the only region with net losses, “averaging negative 3 percent of GNI over the past decade, suggesting that its development policies are not yet sufficiently promoting sustainable economic growth.”

10 For example, grassroots activists critical of diamond extraction in eastern Zimbabwe, oil in Nigeria, and coal, platinum, and titanium in South Africa regularly insist on leaving resources in the ground. A similar argument is applied to the South Asia Seas by Maria Corazon Ebarvia (2016, 26): “It is essential to recognize natural capital as a critical economic asset and as a source of public benefits.” She continues, in a powerful appeal to consider renewable maritime natural capital: “The impact on climate change from the fossil fuel energy sector will put increasing pressure on the energy sector to invest in alternative renewable technologies in the future. Ocean energy offers the potential to be a large source of energy.” Applied in South Africa, Masie and Bond (2018, 326) argue against various local researchers who attempt to make positive net present value calculations of offshore ocean oil and gas as ecosystem services, without even attempting to assess the negative impact of natural capital depletion when they are extracted.
simply on grounds of climate change mitigation would be substantial. As argued in detail by Masie and Bond (2018), these aspects of ecological modernization should in theory cancel out the advantages to a national economy, from ocean extractivism, whether fossil fuels or undersea minerals. There is, in South Africa, thus a distinct lack of interest in pursuing these kinds of accounting exercises.

Phakisa is, in sum, not worth the hype invested in either its modest ocean sustainability components or its more ambitious job creation and investment potential, for reasons largely associated with global capitalist contradictions of the sort discussed above. Still, although FDI and trade-related capital might be scarce, thus making it harder for investors to justify the Blue Economy ocean-grab, there is nevertheless a countervailing force: increasing desperation associated with what might be considered the quickening extractivist ‘metabolism,’ as Joan Martinez-Alier (2002) describes the neoliberal era’s relations between global capital and local ruling classes on the one hand, and society and nature on the other.

4. From Blue Economy to Just Transition: early resistance and transformation narratives

Recall the promise offered by ocean-based capital accumulation, as confirmed by Clapp et al (2018, 81): “deep-sea mining interests as well as large environmental NGOs have successfully leveraged the Blue Economy framework as a new vehicle for enabling finance capital to penetrate marine areas.” But rhetorical success may not translate into sustainable profitability. The contextual analyses above – especially regarding the limits of capitalist expansion (overaccumulation), the limits of the spatial fix (deglobalization) and the limits of the temporal fix (excessive financialization and then debt crisis) – help us better understand why we can look offshore to identify new frontiers of accumulation by dispossession.

There, as we’ve seen above, capitalism’s shifting, stalling and stealing may not only run into internal contradictions so evident across the Blue Economy, and specifically in the Oceans Phakisa project. In addition, there are early signs of resistance which could take a more expansive form than has so far been the case, in which the first lines of contestation against ocean-based accumulation were standard marine conservation, small-scale fishing and eco-tourism – some of which were readily coopted into Blue-Economy sustainability framing.

Writing initially about Phakisa as it first gained momentum, Masie and Bond (2018, 330) argued that such “mega-project strategies must have their technological and rhetorical assumptions disrupted, underlying economic assumptions questioned, environmental risks recalibrated, and leadership displaced by progressive, democratic forces.” That remains true, but was far too self-referential an approach, as if the power of ideas would be persuasive, in a context of economic desperation, ecological irresponsibility and rampant crony capitalism.

After all, the president who replaced Zuma in 2017, Ramaphosa, had returned to politics immediately from his privately-owned Shanduka mining empire (centered on coal). His closest business partner, the billionaire Puthuma Nhleko who took over Shanduka in 2014, had a 10 percent share (along with Qatar Petroleum and Canadian Natural Resources Limited) in the Total Brulpadda oil find (Wasserman 2019). Ramaphosa’s closest family

---

11 Such a strategy was attempted in Ecuador’s Yasuni National Park, and while it failed in the short run (2007–13), it is in the process of being revitalized, so as to compensate historically-exploited fossil fuel-rich areas.

12 Of course, Big Data’s new human surveillance and marketing abilities, Artificial Intelligence and outer space – whether Donald Trump’s militarization or Elon Musk’s commercialization of inter-terrestrial travel – will open up new frontiers at the most micro biopolitical and most macro geopolitical scales.
relatives – sister-in-law Bridgette Radebe and brother-in-law Patrice Motsepe, all three of whom ranked amongst the dozen richest South Africans, and who were joined by another brother-in-law, Energy Minister Jeff Radebe – were already benefiting enormously from coal extraction and export. We warned, “the task of facilitating a Just Transition quickly runs up against an even more powerful logic: clientelist politics in the African National Congress’s factional patronage networks” (Masie and Bond 2018, 330). This was actually a Zuma-era underestimation of the adverse power relations that would be amplified after 2018.

All of this sets up the kinds of conflict South Africans know so well: between new rhetorics of ‘sustainable development’ that disguise old systems of profit on the one hand, and resistance directed towards more transformative visions on the other. The country’s progressives have encountered this dichotomy repeatedly, and on five occasions have fought successfully against power and profit: ending apartheid (1970s-90s); winning free household supplies of water and electricity (1998-2001); getting AIDS medicines price reductions from $10,000/year to free and thus raising life expectancy from a low of 52 to 64 years (2000-05); fighting off corruption within the state and allied multinational corporations (2013-17); and demanding free tertiary education for nearly all students who qualified (2015-17). In this context, debates over how to manage ocean resources offer another glimpse of this potential Polanyian double movement, in which extreme commodification meets not only resistance but in some cases, impressive new gains for oppressed people.

Figure 5. Google-trends mentions of ‘Blue Economy’ and ‘Just Transition’, 2009-19

Use of the term ‘Blue Economy’

https://trends.google.com/trends/explore?date=2009-03-03%202019-04-03&q=%22blue%20economy%22

Use of the term ‘Just Transition’

https://trends.google.com/trends/explore?date=2009-03-03%202019-04-03&q=%22just%20transition%22
But political clarity is vital, and it is worth recognizing the potential for confusion as a result of semantics. Before 2009, two terms that later became common within sustainability narratives were rarely if ever uttered: Just Transition and Blue Economy (Figure 5). Their use has subsequently exploded, but exactly what kind of Just Transition is being conceptualized in South Africa? The term is thrown around in official circles in frivolous ways, e.g. by Radebe (2018) and Ramaphosa (2019), at the same time that the state projects an increase in fossil fuel-supplied energy capacity from 2018 levels of 30,000MW, to 46,000MW by 2030 (Radebe 2018). The 2017 National Climate Change Adaptation Strategy mentions Phakisa aquaculture strategies twice in passing, and Just Transition only once, but doesn’t otherwise grapple with climate change, oceans and the Blue Economy (Republic of South Africa 2017).

In contrast, there are more rigorous formulations of the Just Transition associated with South Africa’s eco-social justice groups, such as the Alternative Information and Development Centre’s (2017) Million Climate Jobs campaign and Vishwas Satgar’s (2018) book on The Climate Crisis. Given the highly adverse power relations, however, local activist groups eschewed the temptation to blueprint a Just Transition, although in April 2019 Greenpeace Germany (2019) released a major study on how to transfer South African workers from coal mines to renewable energy jobs (which in turn would have major implications for anticipated coal exports from Richards Bay), also acknowledging that the very few employment opportunities in global-scale ocean-related renewable energy (just 2500 in 2015) could be raised to more than 620,000 by 2050.

Such visioning aside, the primary objective would be to reassert a green-left politics sufficiently strong as to dislodge the ruling party from power, perhaps as early as the 2024 elections given the organization’s durable split into the pro-Ramaphosa neoliberal and pro-Zuma populist-patrimonial factions. In the future, as incidents such as Cyclone Idai or Cape Town’s 2017-18 water crisis become more common, and as a youth consciousness builds up with long-overdue generational rage (witnessed in global ‘Climate Strike’ activism), a political party with more explicit Just Transition policies may have matured to build a winning national coalition (similar coalitions proved feasible in 2016 municipal elections that unseated the ruling party from its post-1994 rule of Johannesburg and Pretoria).

By way of comparison, in a context of equally difficult power relations, the United States ‘Green New Deal’ – catalyzed in late 2018 by Sunrise Movement youth who occupied House Speaker Nancy Pelosi’s office – has generated enormous interest and even some specific ocean-related strategies. David Helvarg and Jason Scorse (2019) argue the case for new flood insurance, coastal infrastructure focusing on strengthened natural barriers and coastal habitats, expansion of offshore renewable energy production, adaptation support for ports and fishing communities, more marine protected areas, a renewed commitment to aquaculture investment, and a better National Disaster Recovery Framework drawing in part on the military. All of these make sense as adaptation reforms for application in South Africa, though grounded more within ecological modernization than Just Transition values.

In search of the latter, it is more appropriate to initially consider bottom-up formulations, and in South Africa, at least two ideal-type kinds of micro-geographic resistances are located on the Indian Ocean: a rural coastal community threatened by titanium mining on the ‘Wild Coast’ sands of Xolobeni, defended by the visionary, militant Amadiba Crisis Committee
and the South Durban Community Environmental Alliance (SDCEA) which likewise has articulated an alternative post-fossil philosophy, based at the site of Africa’s largest refinery, and one also closely related to shore-based fisherfolk rights (since in this respect, SDCEA has been the single most important network in Durban) (SDCEA 2008, Bond 2017). Both groups have had some remarkable successes on defensive terrains (Masie and Bond 2018). However, what is now needed is a much more profound and geographically-scalable resistance narrative and practice, one drawing more from concern about climate change, with anti-corporate strategies and tactics that will challenge not just regulators but also legislators and the judicial system.

Climate argumentation is increasingly common when environmental justice groups and their lawyers engage the state, within what tend to be rubber-stamped Environmental Impact Assessment (EIA) processes. One battle was waged against the main Oceans Phakisa investor, Transnet, in late 2013. In an unusual turn of events, its Durban port-deepening EIA was rejected by national government’s environment staff because the parastatal had neither properly assessed the damage to the harbor’s famous sandbank – with its vital role in ecosystem maintenance (including bird and sealife spawning grounds, as pointed out by an NGO, Birdlife South Africa) – nor accurately gauged the impact of sea-level rise and severe storms (Paton 2014). Extreme weather events caused by climate change could swamp and maybe destroy the $480 million investment in the first stage of the Durban port’s expansion, according to Transnet critics. In mid-2014, SDCEA researchers used another EIA challenge to flesh out the sea level rise threat. Transnet’s previous filings downplayed rising waters and extreme storm damage, even though the firm’s own Durban infrastructure was badly

---

13 In Xolobeni, the Australian mining firm Mineral Commodities Ltd, seeks to displace 500–1000 residents from 2900 hectares of beachfront land containing 9.3 million tonnes of titanium at the world’s tenth largest deposit. The ACC is, in contrast, promoting Wild Coast eco-tourism and traditional farming: “How can we be poor when we have land? We grow maize, sweet potatoes, taro, potatoes, onions, spinach, carrots, lemons and guavas, and we sell some of it to the market. We eat fish, eggs and chicken. This agriculture is what should be developed here” (WaShinYirA 2016). The ACC (2016) and its lawyers argued in court that titanium mining would destroy “the biomeand ethnobotanical elements of the area. This includes reliance on the ocean, and the socio-cultural and economic value derived from the land and ocean.” The ACC (2016) expressed concern that mining would disrupt plants used in traditional medicine, destroy water sources and grazing land, and disturb scores of burial sites – hence “breaking of links with ancestors” – and delimit “self-sufficient development… Financial compensation and the provision of alternative housing for those whose physical displaced cannot adequately compensate for the destruction of acommunity, its culture and traditions and its members’ way of life.” As for their vision, the ACC’s desired Just Transition was articulated in these terms: “Development strategies in keeping with these principles will include the utilization of the natural beauty of our environment, fertile land and good rainfall, integrating tourism, enhanced agricultural production and the necessary infrastructure includingshealth, education, road access and services.” Higher levels of social grants would help (current child grants are less than $30/month), as would decommmodified access to clean water, electricity, a clinic, better roads and expanded conservation zoning, including a Marine Protected Area (Bennie 2010). While grassroots battles against national mining minister Gwede Mantashe, the Australian firm and its local proxies continued, the main judicial battleground in 2018 was over whether a community with collective land tenure rights would claim legal power to turn down mining licence applications. Victory there in the first round, the High Court, was won in September 2018, but Mantashe vowed to appeal. A final court win would confirm sufficient security to expand alternative strategies consistent with a Just Transition that values local autonomy, preservation of indigenous values, and expansion of harmonious society-nature relations.

14 SDCEA has made various post-carbon development demands for the South Durban Basin (SDCEA 2008, SDCEA 2011, Bond 2016). These include reversing the liberalized zoning that has allowed freight transport to creep into historic Clairwood, displacing thousands of black households. SDCEA also demands more green space in the toxic-saturated industrial and petrochemical areas. As an antidote to Operation Phakisa, SDCEA’s (2008) 30-page Spatial and Development Vision includes demands such as “a halt to the privatization of ocean, Bay and shore resources that belong to all the people of this country.”
damaged in 2012 when big waves — caused in part by the harbor entrance’s deepening and widening — pushed a ship into container cranes. Amid suggestions that Transnet was ‘climate denialist’ about the port expansion (Paton 2014), the parastatal continued to file EIAs with 2060 estimates of only 0.58 meters sea level rise. Rising evidence of potential runaway ice melting in the Antarctica, Arctic and Greenland was ignored.15

This initial stage of port expansion was not the first time Transnet had been challenged on climate change grounds. In a 2008 EIA for Transnet’s doubling of pumping capacity through the Durban-Johannesburg oil pipeline, SDCEA accused the firm of ignoring the implications for climate change, as well as siting the line in an environmentally-racist manner insensitive to the damage the South Durban refineries were doing to society and local ecology (Bond 2017). Transnet had detoured the new pipeline hundreds of kilometers through South Durban and Umbumbulu instead of the traditional direct route to Johannesburg that passes through wealthy white-dominated residential, equestrian and farming areas. Speaking frankly when describing that project, former public enterprises minister Malusi Gigaba (2012) conceded “systemic failings... Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks.” As Gigaba admitted, “Transnet’s obligations on the project such as securing authorizations — EIAs, land acquisition for right of way, water and wetland permits — were not pursued with sufficient foresight and vigour.”

Further EIA filings by SDCEA and other enviromental groups and lawyers increasingly stressed climate change damage, especially against Transnet and the national electricity supplier Eskom’s coal-fired power plants. With resistance rising, in 2014, the original Phakisa planners admitted the obvious contradictions associated with “potential real and perceived environmental risks.”16 By late 2018, SDCEA’s leader Desmond D’Sa (2018) committed to forcefully contesting all these firms’ EIA statements. When initiated by fossil fuel corporations, they typically lack integrity due to the firms’ enormous power and endless dishonesty. Even New York’s state attorney general sued ExxonMobil last month because of its “longstanding fraudulent scheme... concerning the company’s management of the risks posed to its business by climate change regulation.”

Meanwhile, in 2018, mainstream conservationists as well as progressive environmentalists — e.g. a new ‘Oceans not Oil’ (2018) campaign allied to SDCEA — hoped that the state’s declaration of at least 5 percent of the coastal waters as Marine Protected Areas that year

---

15 To illustrate the danger of storms in the large harbor area, in October 2017, one was sufficiently strong to break a large Mediterranean Shipping Corporation cargo vessel free of its port moorings, and it floated into the mouth of the harbor. After a collision with another vessel, two containers fell off the boat. They were packed with 2.5 billion nurdles: plastic resin pellets with the shape and size of a lentil, in this case stored in 2000 bags, weighing 50 tons. The nurdles rapidly migrated from the harbor into ocean currents. Only an estimated billion were recovered by Durban authorities and citizens, and so within a year, nurdles from the Durban spill were found on Australian beaches (Gubana 2018). Meanwhile, their toxicity impact expanded as they broke into ever-smaller micro-plastics and were consumed by fish.

16 Specifically they listed “concerns about the negative impact of offshore oil and gas exploration and exploitation of the environment; ... concerns about our capacity and will to implement an effective oil and gas environmental governance regime; and lack of understanding and/or suspicion of governance systems” (Republic of South Africa, 2014, 275). However, the Phakisa team left these without sufficient resolution, pledging only weak post-pollution initiatives: “Conduct emergency response drills also as industry to initiate the creation of a world-class oil spill response capacity in South Africa; make the International Oil Pollution and Compensation Fund operational” (Republic of South Africa 2014, 31).
would begin an organic resistance process. Parts of the shoreline could finally heal, especially after the campaign identified an unusually high number of beached whale carcasses, not long after the oil companies’ seismic testing began.

At the global scale, fusions between conservationists and fisherfolk were sought by networks including La Vía Campesina affiliates the World Forum of Fisher Peoples and the World Forum of Fish Harvesters and Fish Workers (2017) during recent United Nations debates on marine sustainability. The latter, however, declared that such meetings did not stress human rights, and thus left fisherfolk “at the fringe of participation, while providing influential space for the corporate sector and large NGOs.”

Similarly, at a higher scale, in spite of extensive (but unsatisfactory) civil society participation (Bond 2016), the 2015 Paris Climate Agreement had confirmed Africa’s victimization, just as surely as did Cyclone Idai’s 1000+ deaths and mass socio-ecological-economic destruction just over three years later. Often led by Pretoria, BRICS government delegates had worked inside the UN climate summits – most explicitly in the 2009 Copenhagen Accord and 2011 Durban Platform – in close alliance with the two main historically dominant greenhouse gas emitters, the United States and European Union (Bond 2012). The Paris deal was celebrated by polluters, given that the (weak) emission-cut commitments are non-binding (with no legal accountability for violations or for default, in the case of Trump), and also that there is no longer a prospect of legal liability (the “climate debt”) against the wealthy countries for their role in what are likely to be 200 million additional African deaths this century due to extreme weather, droughts, and increased temperatures. Nor are military, air travel or shipping emissions included (Bond 2016).

The dilemma is that in all these areas, the most substantial force in South African left politics – the trade union movement – was uninvolved, or even actively hostile. There are enormous potentials for post-carbon perspectives from labor, for example, as articulated by the National Union of Metalworkers of South Africa (Numsa). The 2010-15 Numsa strategy was as visionary as that of any labor movement, yet its most important advocacy experts and campaigners are no longer with the organization. Hence in 2018 Numsa battled both the state and Greenpeace which (mistakenly) supported a dramatic increase in privatized solar power plants. But Numsa was (mistakenly) intent on saving jobs at the coal-fired powerplants due to be shuttered as a result of their old age. The necessary red and green fusion was, in this instance, elusive, in spite of Numsa’s declaration of support for socially-owned renewable energy.

These kinds of decommodification demands – ranging from valorizing peasant social relations (Xolobeni) to post-pollution urbanism and fisherfolk rights (South Durban) to radical red-green visions of renewable energy production and consumption (Numsa et al) – are the basis for a politics that replaces Oceans Phakisa with an ever more urgent

---

17 To illustrate, at a 2015 Electricity Crisis Conference, Numsa and its allies (2015) declared, “The electricity crisis poses the opportunity to mitigate against global warming and move away from fossil fuel to renewable energy.” Numsa et al’s (2015) arguments allow scoping of renewable ocean and coastline energy with these features: “The renewable energy sector that we are demanding must be socially-owned; meaning a mix of publicly-owned energy entities, energy co-operatives, community-owned enterprises and municipal-owned energy entities.” As for more equitable energy consumption, the conference also made demands to shift the load-shedding (black-out) burden to wealthier (high-consumption) households, to end disconnections of poor households, and to raise monthly Free Basic Electricity from current levels of 50 kiloWatt hours per household to 200, with special concern about gender equity in access given women’s vital role in social reproduction.
democratic eco-socialist agenda. The coalitions and alliances required to achieve this are not simply on the horizon; they must be carefully constructed, especially if climate change is an all-encompassing link issue (Klein 2014, Bond 2012). The struggle against projects such as Oceans Phakisa will be won not by default thanks to conditions of worsening capitalist crisis, nor in dazzling technicist argumentation, and nor because of activists’ defensive critiques alone.

Replacing the Blue Economy’s accumulation logic with a much greener and redder Just Transition will occur only with visionary ambition and ideological clarity about what is at stake. And that, in turn, can only be forged in ever more intense eco-social struggle, as tinkering-type reforms fall flat and radical openings necessarily emerge. These are the counter-threats to Operation Phakisa and the Blue Economy: not only the self-inflicted damage of capitalist economics and the worsening impacts of climate change on the vulnerable coastlines, but also the social and environmental defenders of ocean life.

References


http://dx.doi.org/10.1016/j.marpol.2017.10.019


Mchunu, W. 2016. ‘Foreign investment will unlock KZNs’ potential,’ The Mercury (Durban), 12 November.


Shepard, W. 2017. ‘These 8 companies are bringing the ‘New Silk Road’ to life,’ Forbes, 12 March, https://www.forbes.com/sites/wadeshepard/2017/03/12/8-new-silk-road-companies-that-you-can-invest-in/


South Durban Community Environmental Alliance 2008. Spatial and Development Vision for the People of South Durban. Durban: SDCEA.


312

Washinyira, T. 2016. ‘We will die for our land, say angry Xolobeni villagers as dune mining looms,’ Amabhungane, Johannesburg, 12 February, http://amabhungane.co.za/article/2016-02-12-we-will-die-for-our-land-say-angry-xolobeni-villagers-as-dune-mining-looms


Shifting the balance of forces through sanctions against Trump and US carbon capital
in John Foran, Debashish Munshi, Kum Bhavnani and Priya Kurian (Eds), Climate Futures: Re-imagining Global Climate Justice (Berkeley: University of California Press, 2019)

Future climate scenarios are not only in the hands of state and corporate leaders; they depend upon the extent to which climate movement activists’ current political philosophies, analyses, strategies, tactics, and alliances either weaken or strengthen the prevailing balance of forces. The most important barrier to reducing climate change remains Washington’s philosophy, crudely expressed in 1992 when President George H. W. Bush told the Rio Earth Summit, “The American way of life is not up for negotiations” (Deen 2012).

In the same spirit, the Donald Trump administration removed the US from the 2015 Paris Climate Agreement in June 2017 on the grounds that compliance will be too expensive for the world’s largest economy (Trump 2017). In reality, starting with the Copenhagen Accord of 2009, Barack Obama’s State Department ensured that United Nations climate negotiations were (unlike the Kyoto Protocol) voluntary and non-binding. The Paris Climate Accord avoided accountability mechanisms, and specifically prohibited “climate debt” liability lawsuits by climate victims for industrialized countries’ prior pollution (Bond 2016), as even its chief negotiator Todd Stern (2017) brags. Yet in spite of Obama pledging only $3 billion (in contrast to several trillion dollars his administration spent on bailing out banks), Trump (2017) expressed misplaced concern about the United Nations Green Climate Fund “costing the United States a vast fortune,” and that “massive liabilities” would result from damage done by US historic emissions.

Global-scale climate regulation had, by 2016, become generally acceptable to the US population, even if many in support also voted for Trump. In November 2016, the Yale University Program on Climate Change Communication (2016) poll of registered voters found that 78 percent supported taxing or regulating emissions, and 69 percent agreed this should happen in an international agreement. In 2009 even Trump publicly supported the Copenhagen Accord, although by 2012 he argued (on Twitter) that “The concept of global warming was created by and for the Chinese in order to make the U.S. manufacturing non-competitive” (Trump 2012). His first 100-day plan stressed resurgent climate denialism as the default policy position; infrastructure construction focusing on fossil-fuel pipelines, airports, roads, and bridges; cancellation of international obligations including withdrawal from Paris and default on payment obligations to the Green Climate Fund; retraction of shale gas restrictions; enabling the Dakota Access Pipeline and Keystone pipeline; denuding of the Environmental Protection Agency (EPA); and a (futile) attempt to “save the coal industry.” Further privatization of public land was also imminent, including Native reservations, in search of more fossil fuels.

The retreat from Paris opens up a new opportunity for a revived strategy and tactic: delegitimation of Trump, and sanctions against his regime and supportive US corporations more generally. Formidable alliances could be ignited internationally with much more positive implications for climate futures than otherwise exist. Such “social self-defence” alliances (Brecher 2017) would ideally have been forged on the day of Trump’s election in November 2016 (one network, United Resistance, appeared to do so in early 2017, but aside from an http://www.unstoppabletogether.org/ website, did not actively unite the 50 progressive groups which signed up).
But so far, even after Trump walked out of Paris, these alliances remain only potential political approaches, because even the most sophisticated, militant U.S. climate activists simply did not adopt any strategy aside from condemnation and defense of existing space (Funes 2017). There was no open discussion in the climate movements about how to change the balance of forces, aside from continuing to promote localized blockades against fossil fuel facilities, to defend (profoundly inadequate) state regulations and improve their enforcement, mostly via the courts, and to divest from the main fossil fuel companies and climate-destructive banks while encouraging reinvestment in clean energy. Each of these was a necessary strategy – but a much more decisive shift in the balance of forces will be necessary to secure a climate future that transcends just survival and moves society to the potentials Naomi Klein (2014) discusses in This Changes Everything. Such post-capitalist visions include renewable community-owned energy, massive investments in public transport, the burgeoning of organic agriculture, compact eco-cities, a widely-shared green production ethos, humane consumption (so indispensable for the survival of the global South), and “zero-waste” disposal so that oceans, rivers, and land may recover from the ‘Capitalocene’ (Moore 2016).

Trump’s survival requires a strategic rethink

The failure to take advantage of Trump’s regime to ratchet up pressure reflects the US Left’s general weakness. In spite of the political fragility, personal foibles, administrative chaos, leadership buffoonery and shrinking legitimacy, Trump’s first months in office failed to generate a sustained, unified response from the society’s progressive forces. Most critiques by the local US and world Left came from specific incidents or from sectorally-narrow interests. Protest marches on Washington regularly drew tens or even hundreds of thousands of women, tax justice advocates, scientists, and climate activists from January through April 2017, as well as impromptu immigrant protection rallies at airports. But these generally occurred without linkage or fusion, and without a convincing strategy for changing power relations. The most effective resistance to Trump came from either late-night comedians or competing elites.

However, there are important examples of powerful resistance, in part grounded in climate change advocacy. The main activist groups which attacked the Dakota Access Pipeline owner Energy Transfer Partners and its creditors – including Greenpeace, 350.org, BankTrack and Sierra Club – did “billions of dollars in damage” as a result of “campaigns of misinformation,” according to the firm’s lawsuit in August 2017 (Horn 2017). As a target of anti-corporate activism, according to 350.org’s May Boeve and Brett Fleishman (2017), “Exxon is the most famous example because the company’s own scientists actively studied the threat of climate change, and in response the company developed taller offshore drilling rigs in anticipation of rising sea levels. Yet while they were preparing for a warmer climate, they also funded campaigns claiming that the science was uncertain.” Exxon and other fossil fuel corporations were divestment victims of $5 trillion in withdrawn stock market financing, thanks to thousands of activists in universities, pension funds, churches and other institutions (Carrington 2016). City of London investment analysts Carbon Tracker had in 2012, recall Boeve and Fleishman (2017), “juxtaposed the amount of carbon the world could burn within ‘safe’ limits of global warming and the amount of carbon embedded in the reserves of the publicly traded fossil fuel companies – the coal, oil, and gas planned for future production. It provided incontrovertible evidence that the companies intended to burn all this carbon, and against the backdrop of increased caps on doing so, thereby creating a high likelihood for a
massive stock devaluation: a ‘carbon bubble.’ This attracted the attention of more mainstream investors, who began to rank the carbon bubble as a material risk.”

How far might this divestment movement reach into Trump’s own wallet, and how far can his regime be delegitimized by a wider sanctions movement? Aside from repeated 2017 polls showing Trump with less than 35% support within the United States, Pew Research (2017) pollsters reported in mid-2017 that much of the world is strongly anti-Trump. Most opposed are Mexico, Spain, Jordan, Sweden, Germany, Turkey, Chile, Argentina, Brazil, France, Colombia, and Lebanon, all recording their citizenries’ support for Trump at less than 15 percent. (Only the Philippines, Vietnam, Nigeria, and Tanzania record more than 50 percent, although the two most populous countries, India and China, were not polled.) Sanctions campaigning against rogue regimes is a time-tested approach that has often succeeded in the past. Especially in the event that Trump initiates yet another unjust US war, a “people’s sanctions” strategy should put not only the president’s and First Daughter’s own product lines under pressure, but also tackle Trump-friendly big businesses such as ExxonMobil, Koch Industries and Goldman Sachs.

Trump’s vulnerabilities

 Compared to any US leader in history, Trump’s presidency offers a superb chance for a unifying campaign on climate, as well as other critical issues. By mid-2017 it was clear that the conservative-populist wave he appeared to be riding into office in late 2016 – peaking in Britain with the June 2016 Brexit vote (or indeed in Hungary with Viktor Orbán’s 2010 election) – had decisively ebbed. In August 2017 following the debacle of neo-Nazis openly marching in Charlottesville, Virginia, Trump’s straightforward racist and fascist supporters were forced to retreat, both on the streets – in U.S. cities such as Boston, San Francisco and Seattle, as progressive activists vastly outnumbered the right – and in the Oval Office. The once-formidable alt-right influences of Steve Bannon, Michael Flynn, Sebastian Gorka and Rich Higgins were short-lived once the “Deep State” and mainstream media called them out (Rose 2017), leaving only Stephen Miller in place.

It soon became evident that, within the US, Trump failed to build a new right-wing coalition under paleo-conservative leadership (a term reflecting an ‘economic nationalist’ orientation, in contrast to imperialist neo-conservatives). He also failed to take full control of the US state apparatus, and could not take advantage of the Republican hold over Congress. There, surprisingly high levels of disaffection were generated by two dozen “Republications In Name Only” (Rinos, as pro-Trump alt-right critics called them), thus foiling health care cutbacks and other legislative initiatives. Trump’s only genuine victories were appointing a reactionary member to the U.S. Supreme Court and unravelling a generation of EPA environmental-protection regulations, including rules on infrastructure construction that can withstand flooding.

The short-sightedness of this deregulation was exposed in the September 2017 hurricanes Harvey in Texas and Irma in Florida, whose intensity drew from the unprecedented warmth of Gulf waters. Also exposed was extreme differentiation in urban resilience along race and class lines (due to generations of ruling-class segregation strategies) as well as overall ecological vulnerability, especially once 13 of 41 superfund toxic sites in Texas were flooded, toxic chemical fires erupted, 11% of US oil refining capacity was temporarily disabled and the two hurricanes’ $200-$300 billion in damages were calculated. The (Republican) mayor of
inundated Miami, Tomás Regalado, begged, “This is the time that the president and the EPA and whoever makes decisions needs to talk about climate change. If this isn’t climate change, I don’t know what is. This is a truly, truly poster child for what is to come.”

Nearby, Trump’s own Mar-a-Lago estate in Florida survived Irma, benefiting from a government flood insurance deal for rich coastal property owners. Three months earlier, in response to his withdrawal from the Paris Climate Agreement, opposition Members of Congress had introduced proposed legislation to block such federal subsidies: the Prohibiting Aid for Recipients Ignoring Science (Paris) Act. Such climate-related delegitimation is vital for both internal and international resistance to Trump’s regime.

Internationally, the geopolitician Trump also failed to globalize his movement and identify logical allies for either building a climate denialist front (he was alone in rejecting Paris) or for coming wars (e.g. against North Korea, Iran and Venezuela – and perhaps later against China). His decision to deepen an ineffectual 16-year US quagmire in the Afghanistan war, his wild threats amidst nuclear brinkmanship in the Korean peninsula, and his weakness in Syria – in contrast to Vladimir Putin’s strength of purpose – reflected a propensity to drop bombs indiscriminately on civilians, rather than identifying and pursuing substantive solutions. Trump’s support for India against Pakistan, promotion of the feudalistic Saudi Arabian regime in intra-Gulf conflicts from Yemen to Qatar, and permission for ever more extreme Israeli Zionism, together confirmed his incompetence at managing the most volatile regions of the world – especially as the Middle East becomes increasingly tense and uninhabitable due to climate change. Likewise his natural allies fared poorly, as the Labour Party made surprising progress in the June 2017 British election and as fascist electoral threats anticipated in 2017 from Marine Le Pen in France, Gert Wilders in Holland, and the Alternative for Germany were contained.

But the most critical factor in his growing vulnerability would probably be the waning confidence Trump’s capitalist class allies retained in his leadership. Immediately after Trump’s Paris rejection, entrepreneur Elon Musk and Disney CEO Bob Iger quit his business advisory councils, as did several other leading managers of major corporations in August 2017 following his ambivalence about criticizing racists and fascists within his base, immediately after Charlottesville. To save face, he simply dissolved the two councils. Still, Trump’s delegitimation was not complete, for important fractions of capital – especially in the real estate and construction, military, fossil fuel, and banking sectors – still anticipate much-improved profits if Trump’s over-ambitious, carbon-intensive infrastructure program is launched and if massive tax cut promises are fulfilled.

The next logical questions are whether Trump’s weaknesses can be harnessed in aid of climate sanctions, and whether a route can be identified from linking up a variety of progressive campaigns within climate justice to eco-socialism. Specifically, in order to shift power to the extent necessary for such a transition, will a people’s sanctions movement against the US elite also be necessary in coming months and years?

**BDS- Trump advocacy**

One immediate reaction to Trump’s rise was a call for boycott and sanctions against his own firm and associates: Color of Change (2016) pulled CocaCola out of the 2016 Republican Convention sponsorship; Grab Your Wallet compelled Nieman Marcus, Belk and Nordstroms
to discontinue Ivanka Trump clothing sales; Sleeping Giants forced hundreds of advertisers which supported pro-Trump alt-right websites to withdraw their financing; and Boycott Trump has a long list of targets. Encouraged by the successes, a Boycott45 (2017) campaign expanded the sanctions strategies to Trump and Kushner tenant companies, on grounds their $100 million in annual rental payments “enable and normalize Trump and Kushner’s hateful and intolerant views and agenda, participate in Trump and Kushner’s unprecedented lack of transparency to use the office of the President to enrich themselves, and strengthen Trump’s political brand.” High-profile Trump buildings are located not only across the US, but also in Istanbul, Seoul, Rio de Janeiro, Toronto and Vancouver, Panama and Uruguay, Manila, Mumbai and Pune.

“Boycott Divestment Sanctions” (BDS) movements have recently been effective against Israeli apartheid and during1985-94, can be credited with splitting white business from the South African apartheid regime, in conjunction with very strong local protest. BDS against the US could succeed if US progressives are motivated to call for a world boycott of the US government plus key Trump-related corporations. Implementing a BDS-Trump strategy will be an important challenge for climate activists the world over, argues Klein (2016, 2017). She was soon joined by European Environmental Bureau leader Jeremy Wates (2017): “Trump is known to like walls. Maybe a wall of carbon tariffs around the U.S. is a solution he will understand.”

Indeed 25 major US corporations (including Apple, Facebook, Google, Morgan Stanley, Microsoft, Unilever and Gap) warned Trump in an open letter that “withdrawing from the agreement ... could expose us to retaliatory measures” (Petroff 2017). Suddenly sanctions were discussed as a powerful, useful threat in diverse media sites like Forbes (Kotlikoff, 2017), Financial Times (Wolf 2017), DailyKos (Lenferna 2017), The Guardian (Stiglitz 2017) and The Independent (Johnston 2017). The credibility of sanctions was enhanced by Nobel Economics Prize Laureate Joseph Stiglitz (2006), who in a 2006 paper argued that, “unless the US goes along with the rest of the world, unless producers in America face the full cost of their emissions, Europe, Japan and all the countries of the world should impose trade sanctions against the US.” In May 2017, Stiglitz co-chaired a UN-mandated commission based at the World Bank that advocated widespread, urgent adoption of carbon taxes.

Even former French president Nicolas Sarkozy had in November 2016 raised the prospect of punishment against US products as a result of Trump’s climate-destructive campaign promises: “I will demand that Europe put in place a carbon tax at its border, a tax of 1-3 percent, for all products coming from the US, if the US doesn’t apply environmental rules that we are imposing on our companies” (Kentish 2016). A technical policy term for such sanctions emerged: “border adjustment taxes” or for short, border measures which avoid World Trade Organization anti-protectionist penalties (such taxes are not a “disguised trade restriction”). In a front page story, the New York Times quoted a leading Mexican official at COP 22 in Marrakesh just after Trump’s win: “A carbon tariff against the US is an option for us. We will apply any kind of policy necessary to defend the quality of life for our people, to protect our environment and to protect our industries,” a point echoed by a Canadian official (Davenport 2016).

Ironically, when in 2009 Obama promoted carbon trading strategies within his ultimately-unsuccessful pro-market legislative strategy, further incentives were discussed so that big corporations would agree to emissions caps. Establishment economists like the Peterson
Institute’s Gary Hufbauer and Jisun Kim (2009) observed that in such a context, US companies “paying to pollute” would need additional protection from outside competitors: “border measures seem all but certain for political reasons…. many U.S. climate bills introduced in the Congress have included border measures [against] imports from countries that do not have comparable climate policies.”

Sanctions against a person (Trump), a power bloc (Trumpism) and a system (capitalism)

To ramp up the existing initiatives requires a major unifying effort by US progressive groups, and a realization that international solidarity will be a critical force in shifting the power balance. Making the process as democratic as possible is vital. In 2006, 170 Palestinian civil society groups initiated BDS, insisting on three unifying demands: the retraction of illegal Israeli settlements (a demand won in the Gaza Strip) and the end of the West Bank Occupation and Gaza siege; cessation of racially-discriminatory policies towards the million and a half Palestinians living within Israel; and a recognition of Palestinians’ right to return to residences dating to the 1948 ethnic cleansing when the Israeli state was established. According to BDS-Israel co-founder Omar Barghouti (2011), “Boycott remains the most morally sound, non-violent form of struggle that can rid the oppressor of his oppression, thereby allowing true coexistence, equality, justice and sustainable peace to prevail. South Africa attests to the potency and potential of this type of civil resistance.”

Ronnie Kasrils (2015) – a leader of the underground movement and from 2004-08 the South African Minister of Intelligence – agrees: “BDS made apartheid’s beneficiaries feel the pinch in their pocket and their polecat status whether in the diplomatic arena, on the sporting fields, at academic or business conventions, in the world of theatre and the arts, in the area of commerce and trade and so on. Arms sanctions weakened the efficiency of the SA Defense Force; disinvestment by trade unions and churches affected the economy as did the termination of banking ties by the likes of Chase Manhattan and Barclays banks; boycott of products from fruit to wine saw a downturn in trade; the disruption of sports events was a huge psychological blow; dockworkers refusing to handle ship’s cargoes disrupted trade links.” The strategy drove a wedge between white (‘English-speaking’) Johannesburg capitalists and the racist (‘Afrikaner’) Pretoria regime. As internal protest surged, it was the 1985 foreign debt crisis caused in part by BDS which broke the capital-state alliance and compelled South Africa’s nine-year transition to democracy.

With Trumpism such a logical target, international solidarity to weaken that power requires a boycott of both high-profile state functionaries and key corporations in order to attack the legitimacy of profits made within a neo-fascist, climate-denialist USA. As Public Citizen’s Rob Weissman warns, the U.S. faces “a government literally of the Exxons, by the Goldman Sachses and for the Kochs” (Weissman 2017). In contrast, installing the eco-socialist governments required in the US and everywhere to generate a climate future that not only keeps the temperature within the scientifically necessary maximum and does so with justice at its very core will require a dramatic shift in the balance of forces. Such principles must be undergirded by further analysis of how to weaken the power structure, by the widening of delegitimation strategies beyond just Trump to major corporations, by the toughening of sanctions tactics and by the forging of international alliances urgently required to repeat the South African BDS success.
(Patrick Bond is distinguished professor of political economy at the University of the Witwatersrand in Johannesburg, and author of Politics of Climate Justice, which the Guardian named in 2014 as among the three leading books on climate politics.)

References
Water, food and climate commoning in South African cities: Contradictions and prospects
with Mary Galvin, in J.L. Vivero-Pol and T.Ferrando (Eds), Food Sovereignty Politics, London, Routledge, 2019

Abstract

Water, food and climate have natural interrelationships that lend themselves to a ‘commons’ approach. But commoning is not simply a matter of technicist collective resource management, but a political ideology in which socio-ecological contradictions inevitably emerge. The commoning of water in South Africa during the period of most intense commercialisation pressures and social contestation, since the early 2000s, teaches much about agricultural and climate politics sure to create problems in coming decades. The strong potential for commoning was experienced through low-income black social activists’ reconnection of water pipes, aiding those unable to pay and threatened by disconnection. Where municipal water (or grey water) is directed to urban gardening either on a household or community basis, food security is also threatened by the disruption of water commoning, especially in the context of a drought that hit South Africa in 2015-18. Through the addition of the ‘food sovereignty’ and ‘climate justice’ narratives to the struggle for clean, free basic water, commoning is also a politicising strategy for connecting the dots. Pitfalls, however, include experiences with water hoarding and anti-social consumption which left some low-income families unable to gain access through systems. Renewed attention is needed to the nuances of water commoning arrangements, including technical factors such as bulk water supply limits and water, food and climate adaptation processes. Interpreting the mutual aid philosophy of Ubuntu requires more sensitivity to social power relations, consciousness and scale politics (especially the dangers presented by atomistic greed). All these factors are inter-related, and advances in one area will in future depend upon local, national and global progress in commons-construction across all the other sectors.

Introduction

Social change has occurred unevenly in South Africa, with adverse implications for the strategy of ‘commoning.’1 Progressive movements have regularly expressed a desire to expand various kinds of commons, especially within nature (water, air, land, sub-soil resources), ideas (humanity’s intellectual and cultural traditions), society (the mixing of peoples through regional migrations) and state services (water/sanitation, electricity, social services, healthcare, education, etc). The most crucial South African example is commoning of intellectual property over Anti-Retroviral Medicines (ARVs), which led to free provision of AIDS medicines through the public service of what had earlier been too costly for more than a few thousand individual healthcare customers in the private sector. With four million getting the ARVs by 2017, the life expectancy of South Africans soared from 52 (in 2004) to 64. However there have also been illustrative struggles over water commodification, tertiary education financing, access to land and nature, and resistance against society’s xenophobic tendencies. These often accompanied attempts to decommodify, defend or expand state- or mutually-owned or managed goods and services.

END NOTES

1 Core literature about the transition and its limitations to progress in various sectors includes works by Alexander 2002; Ballard et al 2006; Bell and Ntsebeza 2003; Desai 2002; Cock 2011; Hart 2002; Hassim 2006; Marais 2001; Mhone and Edigheji 2003; Naidoo 2007; Ntsebeza 2005; Padayachee and Habib 2000; Shivambu 2015; Terreblanche 2002; van Driel 2003; and Webster and Adler 1995.
Two standard economistic ideas typically applied to commons processes, namely ‘merit goods’ and ‘public goods’ (e.g. Ostrom 1990), hardly capture the political essence of South Africa’s struggle over the commons. Over millennia in this region, commons have been constructed through mutual aid termed ‘Ubuntu’ – meaning ‘we are who we are through each other’ – and then deconstructed through slavery, colonialism, apartheid, patriarchy, neoliberal commodification, social atomisation and the broader process of uneven development (Smith 1984, Bond and Ruiters 2017).

This chapter focuses on urban commoning as both a survival strategy and potential eco-socialist project in South African cities, drawing out aspects of a potential counter-movement against neoliberalism that will evolve through small-scale experimentation, social-democratic public policy and – in some cases already – a broader framing of radical politics. This is a case of political commoning: building commons spaces as a transformative politics (Ferrando and Vivero-Pol 2017). The cases considered below can also be considered as a contradictory mode of social commoning, which Vivero-Pol (2017) describes as following a pathway of either political disaffection in which people are not yet engaged in broader political struggles, or of “political activism and self-awareness of working at the community level but with a greater (counter-hegemonic) global objective.”

Our underlying premise is that an eco-socialist system in a country hosting the world’s three most unequal cities (UN Habitat 2011) would aim to distribute services equitably, while respecting and protecting natural resources through metropolitan-scale planning capable of integrating and resolving water, food and climate constraints (Bond 2016b). In the spirit of Naomi Klein’s (2014) This Changes Everything, in which climate change also spurs a needed restructuring of other socio-economic systems, we anticipate water and food campaigns to more explicitly tackle climate adaptation and perhaps even reparations demands.

To do so, we examine the background to commoning as a strategy and link it with progress made by social movements in the urban context. But we also explore contradictions of this approach within the present socio-political context. The chapter is based upon both authors’ experiences as scholar-activists over the last thirty years in Johannesburg and Durban, but mainly relies upon the organic expressions of township residents who exhibit both socialist and capitalist behaviour. Together, these undermine the state’s strategies for what are essentially neoliberal modes of water delivery, a non-existent food policy and minimalist climate adaptation. The lessons from these commons strategies point us to both the pathway and the potholes en route to building eco-socialism, especially in the world’s most unequal cities.

**History, struggles and commoning in urban South Africa**

Dating to the 1920s, the anti-apartheid movement’s strengths were found in explicitly urban (and urbanising) social and labour collectivities. Anti-apartheid resistance was unlike most other anti-colonial movements in Africa, which had a stronger rural than urban base. Although the 1955 Freedom Charter led by the African National Congress (ANC) called for a modernising social democracy, there was also a strong Communist presence within the ANC, along with a powerful labour contingent. After the state’s 1960s imprisonment of liberation movement leaders and repression of civil society, urban trade unions began re-organising during the early 1970s (Baskin 1991).
By the mid-1980s, most cities also witnessed the rise of powerful ‘civic associations’ based in the black townships. In 1992, they forged a network called the South African National Civic Organisation (SANCO), joining the broader front known as the Mass Democratic Movement. Most community leaders were also labour leaders who by virtue of apartheid segregation lived side-by-side in townships with poor people and an aspiring middle class. In that context, SANCO’s resistance principles, analyses, strategies, tactics and allies reflected a collectivist, proto-socialist identity, often pitted directly against the neoliberal capitalist approach of the state and its corporate allies (Bond 2000, 2014; Mayekiso 1996). SANCO’s loose federal form experienced perpetual problems of movement coordination, yet nearly all the urban civics pursued an agenda that conjoined democratisation, deracialisation and developmental demands (Mayekiso 1996).

These demands were in part reflected in the 1994 Reconstruction and Development Programme adopted by the African National Congress (ANC) and its Alliance partners. The programme included detailed visions of access to decommodified housing and associated services. The various promises relating to urban restructuring were progressive and ambitious (Bond 2000) – but were nearly universally broken once the ANC took power (Bond and Khosa 1999). Within a few years, SANCO degenerated into a junior partner of the ANC, with little impact on the wave of urban revolts against neoliberal public policy that began in the late 1990s (Heller and Ntlokonkulu 2001; Mayekiso 1996; Seekings 1997; Zuern 2004).

South Africa’s cities had, by the early 21st century, become officially deracialised but like everywhere, they faced resegregation due to urban neoliberalism, including accumulation-by-dispossession (Harvey 2003), sprawl and sporadic gentrification. The commodification was partly driven by extreme real estate speculation (Bond 2014). Super-exploitative class-forming processes and class-exclusionary practices, including a new wave of migrant laborers, were the logical urban accompaniment of macro-neoliberalism.

Former Minister of Intelligence Ronnie Kasrils (2013) termed Nelson Mandela’s 1990s deals with big business ‘Faustian Pacts’, for they represented a ‘selling of the soul’ – but also of the material interests of the ANC’s urban middle-to-lower-income constituencies. By the time of the 2016 municipal elections, residents of the largest cities were rapidly losing patience with the liberation movement in part because the Faustian Pacts decisively limited prospects for urban justice, rational spatial restructuring and job creation in the economy’s manufacturing sector, which was being ravaged by deindustrialisation. Of the five largest cities, only one (Durban) was retained by the ANC in the 2016 election, with two of the remainder (Cape Town and Port Elizabeth) controlled by the centre-right Democratic Alliance (DA) outright and the other two (Johannesburg and Pretoria) run by an uncomfortable coalition of the DA and far-left Economic Freedom Fighters (EFF).

Activists were confronted not only by electoral alienation. The difficulties of establishing post-apartheid social justice were already clear during the transitional negotiations that took place between 1990 and 1994. In part this was because more than a dozen World Bank ‘reconnaissance missions’ shaped future urban policy (Bond 2014). Mandela’s 1994–99 and Thabo Mbeki’s 1999–2008 reigns represented an era of uneven state commodification. Resistance movements emerged to demand free AIDS medicines, water and land. As water

---

2 For example, there was a 389 percent property price increase from 1997-2008, more than double the world’s second and third highest bubbles, in Ireland and Spain.
minister from 1999-2004, Kasrils even persuaded Mbeki to permit a ‘Free Basic Services’ policy, albeit delivered in a tokenistic manner with traces of commodification (Bond 2014).

The next period, 2009-18, was more chaotic, as the country’s leader was Jacob Zuma, a populist charged with 783 counts of corruption related to an arms deal (the case was dropped two weeks before his 2009 election because of an alleged state conspiracy against him, one that allegedly prevented a successful prosecution). In the process, notwithstanding Zuma’s unconvincing rhetoric about ‘Radical Economic Transformation,’ the ANC abrogated its 1955 Freedom Charter promises. Although there were no specific references to commoning in that document, a clause calling for nationalisation of the mines, banks and monopoly capital was central to the Charter. After 1990, this was taken off the ANC’s agenda, for property rights were enshrined in the 1996 Constitution.

In turn, this concession to capital’s most important form of legal legitimation prevented both urban densification and racial desegregation, because well-located land (e.g. in buffer zones around white neighbourhoods) became untouchable for low-income housing on grounds such mixing would lower (the white areas’) property values. This was one of the reasons the Constitution has been criticised for its liberalism by the critical legal theory school, notwithstanding the inclusion of socio-economic clauses in the Bill of Rights (Brand 2005, Mandlingozi 2013, Pieterse 2007, Roithmayr 2010).

Instead of supporting a bottom-up democratisation of resources, the main investment decisions simply tweaked the country’s urban form. Mega-projects were meant to make cities more export-competitive and tourist-intensive (e.g. with vast airport, rail and port investments). Highway traffic was commercialised on the main roads around Johannesburg and Pretoria. New stadiums were built for the 2010 soccer World Cup, which even the Local Organising Committee leader admitted became ‘white elephants’ very rapidly (Bond 2014). These mega-projects also supported accumulation for leading construction firms (most of which were fined for collusive price-setting practices): the underperforming Gautrain for elite travelers in the Johannesburg metropolis; the Lesotho Highlands Water Project supplying Johannesburg the bulk of its water; Port Elizabeth’s under-capacity Export Processing Zone at Coega; coal-fired power stations mainly supplying energy to the highly-subsidised ‘Energy Intensive Users Group’ of three dozen mining and smelting corporations; and the facilitation of post-1990 ‘edge cities’ such as Sandton (Johannesburg) and Umhlanga (Durban).

Meanwhile, socio-economic conditions remained dire. Statistics South Africa found that using a poverty base line of approximately $1.50/day (in mid-2016 currency terms still terribly inadequate, about 50 percent lower than the ‘upper bound poverty line’) the poverty rate was 53 percent (Budlender et al 2015). However, when Josh Budlender, Ingrid Woolard and Murray Leibbrandt (2015) redid the calculations, they determined the rate to be 63 percent, far higher than the 45 percent level of 1994. As for inequality, over the first two decades of freedom, the Gini Coefficient level rose from close to 0.6 to 0.77, the world’s highest (World Bank, 2014). Unemployment soared from 16 to 25 percent from 1994–2014, and adding those who gave up looking for jobs brought the rate to 35 percent (Bond 2014). At the same time, extremely high increases in fees for consuming basic state services (especially electricity and water) began to kick in, creating the conditions for intense urban unrest. Johannesburg is typically considered (Razvadauskas 2017, United Nations Habitat 2011) as the world’s ‘most unequal major city,’ with Durban and Cape Town not far behind.
In this context, the water, food and climate inequalities necessarily called for movements for social justice.

**Divergent double-movement responses in South African cities**

The neoliberal era represented a ‘movement’ of capital into every form of life. In reaction, a ‘double-movement’ – as Karl Polanyi (1957) termed such resistance – can be identified in several sectors that were especially important in the cities. Although food commoning has been limited, several struggles for decommodified water and clean air – and in the process fewer greenhouse gas emissions – suggest enormous potential. But there are also quite profound contradictions to confront, including ideological. Urban social movements did not respond to the post-apartheid neoliberal policy terrain with a consistent ‘Polanyian’ double-movement, mainly because of confusing political subjectivities (Bond 2014, Duncan 2016, Ngwane 2017). However, if the Polanyian schema is applied to water, the complex South African situation in which it is partially commodified and partially decommodified allows for diverse types of struggle to qualify as double-movement activism (Galvin 2016).

As SANCO’s mid-1990s demobilisation progressed, disruptive and often violent ‘service delivery protests’ emerged in the vacuum. These became ubiquitous, starting in Johannesburg and quickly moving as far afield as several small Eastern Cape towns during the late 1990s then rising into thousands of demonstrations measured by police and researchers annually (Duncan 2016, Ngwane 2017, Runciman et al 2016). Starting in the late 1990s, ‘new social movements’ rose in the main cities. There was a general expectation that they would muster the strength to network nationally with increasingly cross-sectoral connections, e.g. combining the drive to decommodify AIDS medicines, water and electricity in a unifying way. The most impressive social movement was the Treatment Action Campaign (TAC) which, from 1999, rose against the state’s refusal to provide AIDS medicines to six million HIV+ citizens. At the time anti-retrovirals cost $10 000 per person annually. After an intense struggle that entailed battles against the World Trade Organisation, Big Pharma and the US and South African governments, AIDS treatment was, from 2004, provided free in state clinics, using generic medicines (Mbali 2013).

This can be considered South Africa’s main example of social commoning, for it entailed the decommodification of medicines, the deglobalisation of their production (in India’s and then Africa’s generic drugs factories), and the globalisation of people involved in solidarity with TAC, including the US group ACTUP!, African activists, Medicins sans Frontiers and Oxfam. While there were new opportunities herein for South Africa’s main generics company, Aspen, to accumulate capital, making its chief executive a billionaire, nevertheless the activists’ ability to shift the terms of debate on intellectual property, so as to common life-saving ideas and technologies, was nothing short of miraculous, as reflected in the high life expectancy increase in South Africa and all other countries with high HIV+ incidence (Mbali 2013).

Other social movements arose and took stands that were highly visible but did not obtain notable successes. Fighting rural inequality, the Landless People’s Movement emerged in 2001 to demand land redistribution in the wake of Zimbabwe’s ‘jambanja’ occupations of most white farms (Ntsebeza 2011, Shonhe 2018). In a similar anti-colonial vein, the critique of apartheid-era debt repayment and profit repatriation was put at the center of the demands advanced by the Jubilee 2000 movement, Khulumani Support Group and their
allies. Their ultimately unsuccessful claim for reparations from multinational corporations went as far as the US Supreme Court (Bond 2003). These movements all rise and fall, in part due to police repression (Bond 2014).

In other cases that can be considered commoning of nature – in search of less polluted local ecologies – proponents of environmental justice embarked upon a series of discrete campaigns that were occasionally networked, increasingly against mining industry exploitation and urban pollution (Bond 2002, Cock 2011, Womin 2018). However, many social movement activists and supporters who expected mass support for social movements to grow and to translate into a socialist political project found their expectations dashed (Bond, Desai and Ngwane 2013). In this environment of disappointment, debates emerged about the role of romantic academic activists in these movements, some of whom were prone to ventriloquism, substitutionism and careerism (Mdlalose 2014, Bond 2015).

Still, substantial achievements were recorded by the two most fiercely anti-neoliberal urban movements: the Anti-Privatisation Forum (APF), focused largely on Gauteng and comprised of 19 affiliate members as of 2004, and the Abahlali baseMjondolo (AbM) shackdwellers movement, which began in 2005 during anti-eviction battles in the Durban shack settlement Kennedy Road and continued experiencing life-and-death conflicts with municipal neoliberals and security forces into 2018. In Cape Town and other major cities, the resistance movements were more fragmented, and this is one reason it has been difficult for visionary organisers to link climate politics even in sites (like Cape Town) suffering extreme drought and water shortages.

The movements prided themselves on having a stronger political orientation than typical service delivery protesters. In Johannesburg, the APF affiliates initially defined themselves as ideologically heterogeneous and dismissed predetermined political or ideological programmes. Their objective was to bring together the collective struggles of poor/working class communities against the devastating effects of capitalist neoliberalism in South Africa ... (so as) to effect fundamental shifts in the basic service/needs policies of the state so that the majority of South Africans can enjoy the full realisation of their basic human needs and rights (cited in McKinley 2016).

Later, APF adopted ‘socialism’ as its constitutional objective, which was an unusual ideological commitment. For as Ashwin Desai (2006) explains, South Africa’s “movements of the poor must be celebrated for being what they are: relatively small groupings of awakening antagonism in a sea of political apathy, nationalist ignorance and informal repression.” The APF was pragmatic and like the TAC, raised its members awareness about the national Constitution’s socio-economic rights clauses. They fought for the recognition of rights as part of their overall strategy, including recourse to the courts for injunctions and even major history-making claims upon the state (Runciman 2012). In the case of the decommomfied AIDS medicines won by TAC, this proto-socialist success was consistent with a saying attributed to the assassinated SACP leader Chris Hani: “Socialism is not about big concepts and heavy theory. Socialism is about decent shelter for those who are homeless. It is about water for those who have no safe drinking water. It is about healthcare” (Sunday Independent 2016).
However, crucial to commons strategies is that these basic services are delivered in a decommodified, destratified manner by either the state or by mutual-aid systems (such as cooperatives, ideally worker-controlled) that get sufficiently generous state subsidies. Without these, there is the danger that housing markets dependent upon bank financing, water privatisers, for-profit health care, pre-paid (commercially-tariffed) electricity meters, private schools and similar intrusions of capitalism will continue weakening not strengthening the commoning project. Hence some activists contend that these battles to common – by decommodification and destratification – the basic requirements of daily reproduction are part of a slow but sure movement toward socialism; the SACP’s slogan is, “The future is socialism, build it today.”

While despair is often recorded that anti-neoliberal mass-democratic urban movements could not be sustained (Bond, Desai and Ngwane 2013), the APF deserves closer attention in part because of the pathbreaking work its affiliates – especially the Soweto Electricity Crisis Committee – did to decommodify water, which is central to the commons project and also closely related to food commoning (McKinley 2016, Miraftab and Wills 2015, Runciman 2012). Lasting a decade, which is in itself a success for any social movement, the APF achieved levels of political activism and conscientisation which stand out in post-1994 South Africa. Moreover, both organisers and members had a critical aim: not simply to support localised struggles but to develop the linkages between these struggles and between activists. They also built a cadre of activists with a vision of what local struggles mean at a national and global level in an increasingly commodified world, and reached out regularly to international allies.

Crises emerged, however, which led to the APF’s demise. Understanding the political context was important, insisted its former treasurer Dale McKinley (2012): “The experience of the APF at the community level was that Zuma’s politics created both short-term confusion and a variegated ‘turn’ away from independent movement-community politics and struggle towards institutionalised party politics and a creeping (Zuma-inspired) social conservatism, individualism.” As discussed below in a Durban case study (Mzinyathi), individualism is the dominant strategy for survival, even where people continue to protest collectively. McKinley (2012) explains that economic conditions forced the APF “into a narrower survivalist mode and engendered a politics that easily gravitated towards a mode of individualism and entrepreneurial engagement.” In other words, the private politics of survival crowded out the potential for commoning in even the strongest urban social movement.

In Durban, Joel Kovel (2007, 251) initially identified an AbM strategy “to recreate commons” as “a modern simulacrum of the Paris Commune.” This approach reflected not only shackdweller demands for housing, but also access to water (Galvin 2016). However, the vocabulary of the commons was often hidden or translated into the paradigm of human rights, which itself experienced limitations when water was tested in the Constitutional Court in 2009.

**Water rights litigating versus activist commoning**

Whether in shacks, townships, inner city slums or South Africa’s other stressed urban and peri-urban settings, it became attractive in the early 2000s for donors, NGOs, social movements and their legal advisors to turn to constitutionalist strategies. Given the long history of civil disobedience and the intense confrontations with the apartheid state, the use
of rights discourse became one of the main narratives dissidents used to challenge
government policy and practice after 1994. Even in a liberal democracy like South Africa’s,
however, if adopted uncritically, the litigative approach to rights enforcement readily fit into
a “neoliberal tyranny of participatory governance,” in the words of Erik Swyngedouw (2014).

The limits of merely constitutionalist framings of rights – instead of practical commoning –
became evident in the case Mazibuko v Johannesburg Water. Supported by the APF and its
allies in the broader Coalition Against Water Privatisation (2009), the case is illustrative of
the limitations of liberalism. The lower courts declared unconstitutional Johannesburg’s
commodified water strategy – originally established by the French firm Suez during its 2000-
06 management contract – on grounds that pre-payment meters and the meagre 25 liters
per person per day allotment of Free Basic Water were insufficient for a dignified life.
(Traditionally white areas had credit meters, revealing the municipality’s higher levels of
trust in the higher-income residents.)

In 2008, the High Court agreed with APF that 50 liters were required and the judge also
banned pre-payment meters, a decision confirmed in the Supreme Court (though with 42
not 50 liters specified). In the Constitutional Court (2009), however, Judge Kate O’Regan
confirmed the conservative character of juridical sensibilities in refusing to make detailed
policy recommendations, and in finding that Johannesburg Water had exercised its duties of
expanding rights on an incremental, affordable basis (Roithmayr 2011). It was not only this
outcome, but also the process of litigating rights that angered APF activists like Trevor
Ngwane (2003). The ‘domestication’ of the politics of need, according to Tshepo Madlingozi
(2007), entails taking militants off the street and putting them into courts. There, activist
arguments had to be panel-beat, removing any progressive and quasi-socialist intent. Even
attempts to draw connections to ecological factors such as overconsumption of water by
wealthy residents would not have served the purposes of narrow legal argumentation, so
were omitted.

Another critical legal scholar, Marius Pieterse (2007), complained that “the transformative
potential of rights is significantly thwarted by the fact that they are typically formulated,
interpreted, and enforced by institutions that are embedded in the political, social, and
economic status quo.” Daniel Brand (2005) added, “The law, including adjudication, works in
a variety of ways to destroy the societal structures necessary for politics, to close down
space for political contestation.” Brand specifically accuses courts of depolitising poverty by
casting cases “as private or familial issues rather than public or political.” In sum, following
the Critical Legal Scholarship tradition, rights talk is only conjuncturally and contingently
useful (Roithmayr 2011). The case of Mazibuko v Johannesburg Water raises the question of
whether to dismiss rights and courts as a strategy and instead pursue commoning alone (e.g.
illegal reconnection of water supplies), or whether to use rights argumentation when the
appropriate conjuncture arises, while steering clear of rights as a foundational argument.
The APF and its Johannesburg allies ultimately wasted time, energy and vast resources in
pursuing juridical justice under the impression that they had genuine water rights (Bond
2013).

In contrast, movements such as the TAC and AbM developed diverse juridical strategies that
used socio-economic rights in both an offensive way – when TAC won nevirapine access (to
prevent HIV transmission between a pregnant woman and new-born child) in a 2002
Constitutional Court decision – and for defensive purposes – when AbM had the provincial
Slums Act declared unconstitutional in 2009 because it had no provisions for rehousing displaced communities. Using rights when seeking court injunctions, some local groups such as the Westcliff Flat Residents Association combined litigation with protest. In a seminal 2001 case, their attempt to prevent water disconnections was initially supported by a lower court but then overturned on appeal by the state. Nevertheless the Association gained from the experience and retained confidence to regularly challenge the municipality for further socio-economic concessions (Galvin 2016).

Localist dangers

Another challenge to constructing a genuine Right to the City (Harvey 2012, Lefebvre 1996) is the persistently localistic focus of most urban activists. Their failure to develop wider linkages with other likeminded groups in South Africa was, for obvious reasons, related to the way apartheid had used zoning boundaries as race-based barriers to mobility. So the immediate township or shack settlement remains the immediate terrain of struggle for most community activists, even though a stingy Treasury central budget and national-level neoliberal policies can be blamed for so many of the country’s urban problems.

The question of how, whether and to what extent local protests are linked has become a topic of theorising and debate. Whether as ‘popcorn protests’ which spontaneously erupt, or as more consciously organised revolts sometimes termed a “rebellion of the poor” (Alexander et al 2013), service delivery protests occur around a thousand times each year, with varying reports as to whether they are increasing in number and intensity. According to Carin Runciman et al (2016, 44), community protests comprised about 22 percent of all police-recorded protests in South Africa from 1997-2013. From 2009-2013 there were typically 2-3 community protests per day, and a peak of 5 per day in 2012 (Runciman et al. 2016, 48-49, Appendix 4). Protesters typically call on a municipal councilor or official to provide better water, sanitation, electricity, roads, stormwater drainage, clinics and other municipal services, and often demand jobs in the process. However, the main problem remains the ‘scale jumping’ to national government, because it is in the Treasury that the central-to-local subsidies are determined and is the parastatal Eskom that sets electricity tariffs. It is in national public policy that service standards and subsidisation strategies are set, which municipalities have to pursue. The failure of protesters to think nationally and locally, and to also act nationally while continuing to mobilise locally, characterises these protests and helps explain their failures to generate widespread commons politics.

Central government typically ignores the protests, although in extreme cases, a national politician will visit the scene and typically provide platitudes, without proving a real commitment to changing the underlying conditions. Such a commitment would interfere with national fiscal constraints and neoliberal policies. This is especially true when it comes to water and electricity access, although in late 2017 the students demanding free tertiary education were pleasantly surprised when Zuma agreed that 90 percent of students (those from the middle class and below) would not have to pay fees in future. This was the second major commoning victory in public policy – the decommodification of education – following TAC’s medicines decommodification a dozen years earlier.

What is also missing in South Africa’s urban civil society sphere is a coherent ideology: specifically an anti-racist, feminist, eco-socialism that can transcend intra- and inter-urban competitive tendencies and generate the kinds of social movements and political parties
that, for example, Southern European city protests appeared to have spawned since 2011, especially in Barcelona and Madrid. In the years ahead, there is nevertheless a distinct possibility for utilising struggles for the commoning of water and electricity – especially in Soweto, the huge township on the edge of Johannesburg – for the purpose of developing models for broader political strategy. In the Gramscian sense, commoning could become an implicit ideology to transcend the prevailing tendencies to commodification, atomisation and individualism fostered by neoliberal hegemony.

**Air, water and food commoning as prefigurative politics**

Even in the absence of an explicit ideology, there are important local signs of commoning around environmental justice and urban farming. In terms of environmental justice, activist groups are taking action locally to protect water and the environment as a commons, and to challenge local air, water and soil pollution by industry and mines and government inaction. Increasingly these draw on “citizen science” (Patel 2009), in which residents collect air or water samples and have them tested. In one of the most polluted areas of South Africa, one hour’s drive south of Johannesburg, the Vaal Environmental Justice Alliance works with Save the Vaal to monitor and report river pollution. This treatment of the commons exists across class and racial divides, a notable achievement in the highly fractured South African context. This type of citizen science then places local activist organisations in a position of informal regulator, able to demand that the state take action against polluting corporations or parastatal agencies, by providing proof of pollution and abuse of natural resources (Steward et al 2007).

In terms of higher scales of water commoning already being constructed within the state, the broader institutional frameworks established by government include Catchment Management Forums (CMFs) which agree on the allocation of water resources to farmers, industry, mining and other large users. Legislation specifies that 10 percent of a water course must be allocated to the ‘ecological reserve,’ to maintain the commons and ensure the integrity of the water supply in eco-social regards. However CMFs are not formulated in a way to properly involve small users and local groups; those that have tried to participate in CMFs report being treated in a condescending manner and sidelined. Local water users are generally sidelined from accessing affordable water to promote their small businesses and how their needs are not accommodated in CMFs or in policy (Munnik 2015). But in a more optimistic reading, van Koppen (2014) argues that Multiple Use Water Services can be scaled up. Likewise, Woodhouse et al (2016) show that local farmers are using irrigation systems that they designed autonomously.

In terms of rural community-based climate change adaptation, small-farming activists are developing surface water alternatives, monitoring their own weather data, and changing crop selection to cope with climactic changes. In the Western Cape village of Goetverwacht, a local network of community, university, and local government has emerged to promote progressive land tenure agenda and make other far-reaching climate adaptations. Yet their access to water is still limited by the land being owned by the Church. In this rural isolated location, activists are compelled to work independently, providing hope that bureaucratic networks that would co-opt these groups into the state do not exercise the power to do so (Galvin et al 2015, Galvin unpublished).
In peri-urban areas such as Mzinyathi in Durban, women’s garden groups support one another in a classic case of mutual aid serving as a means of coping. Their gardens offer a means of supplementing purchased foods and, if possible, selling surplus locally. These groups have not made broader linkages and are not well profiled in the community, arguably due to their gender and class composition (Galvin 2010). In contrast, in Soweto, urban farming is the focus of the Izindaba Zokudla network, which enjoys support from University of Johannesburg food activists. In the easily accessible markets within this dense, income-diverse township, Izindaba Zokudla has had success in developing gardens, linking to markets and engaging with the local state. Their aim is to change agricultural and food systems, but they operate with an entrepreneurial spirit and lack a concrete ideological agenda. However, the expectation in this instance is that once local farmers have a reliable platform such as regular Soweto buyers, new opportunities can arise to challenge South Africa’s notoriously concentrated retail structures, and for farmers themselves to become recognised stakeholders engaging with government structures (Malan 2015, Gwamba forthcoming).

In Seawinds, in the Cape Flats outside Cape Town, outside activists with funding from conservation groups (the Table Mountain Fund and the Rufford Foundation) have linked to local activists. Together they have appropriated unused land along the roadside to farm plants to be used in traditional medicine. While their work appears to challenge the state, it has carved out space that is non-contentious and they are able to work closely in developing a win-win strategy with the state (Sustainable Livelihoods Foundation undated). This evokes a strategy that food commons analyst Robert Biel (2016, 113) endorses: “‘guerrilla urbanism’ emphasises that the city is a human system and its emergent properties develop from its people: we cannot simply address self-organisation at a technical level without also embracing struggles for emancipation and environmental justice.”

Biel (2016:109) argues that such food struggles “encompass both the issues of immediate material livelihood, which all revolutions must address, and the big strategic issues going beyond immediate survival: dis-alienation, human rights and real democracy; all of which tend to converge in today’s land and food struggles.” Given the history of land and food in South Africa, and the dominance of privately own lands and commercial farming, land remains a struggle around which people make demands for reparations and even, in the early 2000s, built the Landless People’s Movement around. But food farming itself rarely moves past material concerns into ideological ones.

**From community organising to climate adaptation**

From water, food and livelihood, commoning and the commons could also be utilised to reinforce and define the struggles for climate change adaptation, i.e. the fights to protect low-income residents from events such as the extreme flash flooding and droughts that affected South Africa in 2016-17. To date, this has been treated as risk and disaster management, but as a result, de-politicisation of the issue accompanies state failure in even the most rudimentary support for victims of extreme weather events. Although cities have formulated adaptation plans at a city-wide level, they rarely address directly what climate change means for the poorest areas. In response, local activists such as community organisations that are part of the groundWork network are challenging the strategy of transition that is being imposed from above Instead, they are pursuing a strategy often
termed ‘Just Transition,’ which challenges the underlying power relations and makes demands upon the state. These are still being formulated, but two examples are illustrative.

First, in the Eastern Cape’s ‘Wild Coast,’ largely inhabited by the low-income, rural Pondo ethnic group who possess very strong traditions of fighting apartheid, a campaign has been waged since 2008 by the Amadiba Crisis Committee (ACC) and allies in the green network ‘Sustaining the Wild Coast’ (Bennie 2017). They are opposed to coastal extraction of titanium at the world’s tenth largest deposit, in the community of Xolobeni. Instead, the ACC promotes Wild Coast eco-tourism and traditional small-scale farming. Members of the network ask simple questions that are based on the close connection between land, water, food and ecological balance: “How can we be poor when we have land? We grow maize, sweet potatoes, taro, potatoes, onions, spinach, carrots, lemons and guavas, and we sell some of it to the market. We eat fish, eggs and chicken. This agriculture is what should be developed here” (Washinyira 2016).

Andrew Bennie (2017) shows how in search of food sovereignty, villagers have deployed agriculture as a tactic of resistance, giving literal expression to the notion that “resistance is fertile”. Tactics like these represent a particular form of stern defiance against the plans of a fledgling business class and state elite that, to them, has long severed itself from their humble desires: to keep their land, to decide what to do with it, to welcome others to appreciate it with them, and to be assisted in a forward-looking approach that seeks to build on it rather than destroy it. The ACC and its lawyers have brought the case to court, arguing that titanium mining would destroy “the biome and ethnobotanical elements of the area. This includes reliance on the ocean, and the socio-cultural and economic value derived from the land and ocean” (ACC 2016). A titanium smelter would also draw upon coal-fired electricity or a proposed new nuclear generator. The ACC (2016) also expressed concern that mining would disrupt plants used in traditional medicine, destroy water sources and grazing land, and disturb scores of burial sites – hence ‘breaking of links with ancestors’ – and delimit “self-sufficient development... Financial compensation and the provision of alternative housing for those who are physically displaced cannot adequately compensate for the destruction of a community, its culture and traditions and its members’ way of life.” This narrative and intense local struggles in which more than a dozen ACC activists have died under mysterious conditions over the past decade, testify to the fusion of desperation and power in many such settings (Bennie 2017).

The second example, the South Durban Community Environmental Alliance (SDCEA), has made various post-carbon development demands for the South Durban Basin, mainly in opposition to the area’s massive port-petrochemical expansion (SDCEA 2008, SDCEA 2011, Bond 2016a). These include defending the ‘airport farmers,’ a group of more than 100 land managers and workers, against displacement as the old airport becomes a potential site of redevelopment. In its campaign, SDCEA challenges the liberalised zoning that currently allows freight transport to creep into historic Clairwood displacing thousands of black households. The reversal of the zoning would also protect and regenerate green spaces in the already toxic-saturated industrial and petrochemical areas of the city, revealing the close interconnection between the protection of livelihoods and the preservation of the environment. SDCEA’s (2008) 30-page ‘Spatial and Development Vision’ includes demands such as “a halt to the privatisation of ocean, Bay and shore resources that belong to all the people of this country.” A lengthy follow-up statement just prior to SDCEA’s (2011) co-hosting of the counter-summit to the UN climate summit in 2011 – ‘Feeling the heat in
Durban’ – included this language: [productive-sector economic] “localisation is essential to any serious programme of mitigation and requires that national resources should be focused on supporting people’s capacities to direct local development...We call for people’s energy sovereignty founded on democratic and local control.”

Contradictions in commoning

In every case of community-based adaptation to climate change, it is critical to interrogate the way in which framing and strategies are presented and articulated. It is rare for civil society groups to make connections between the less tangible impacts of climate change and systemic aspects of a capitalist system that thrives on the extraction, production and emission of hydrocarbons. Because of the different perspectives, vocabularies, interests and confrontations, opportunities to ‘connect the dots’ between struggles are often not taken up. In other cases, connections are made albeit with a strong ideological orientation. This is the case, for example, of the rural Goedverwacht community in the Western Cape (Rodina et al 2017). The challenge is for urban groups to assert their agency through climate commoning, while beginning to draw out larger lessons. The so-far disconnected struggles over water, food and climate are illustrative of the potentials but also the pitfalls of bottom-up mobilisation.

Two critical contradictions immediately emerge. First, the concept of a water commons as both a political and managerial concept has been successfully applied in contexts (such as Soweto) that are not particularly water stressed. Residents are not competing for scarce water resources supplied by inadequate bulk systems; they do not suffer limits on intermediate infrastructure such as pipe width and pumping station size.

Second, the commoning of water or electricity in the form of “self-reticulation” or “illegal connections” has certain negative impacts. There is no universally agreed redefinition of access, so idiosyncratic action can have a negative impact on the water or electricity supply system as a whole. For example, debilitating water leaks due to faulty informal plumbing connections and electricity outages due to inadequate circuit breakers are unintended consequences of activists’ reconnection strategy. Mitigating against this danger requires an understanding within and between local areas of the wider political strategy of commoning. The Soweto Electricity Crisis Committee is one of the institutions that regularly addresses these problems, as well as the continual danger of electrocution when the power grid is informally accessed – as applies to 80 percent of Soweto – with the occasional tragic result of deaths, especially of children who step onto loose, live wiring.

Taking water as the topic of concern, the critical question is whether the level of social organisation and trust within the broader society allows the commoning and reconnection approach to go beyond the individual household scale and be adopted into the broader hydrological system. There is a need to ‘jump scale’ for the sake of expanding genuine commoning of water, from the atomistic household to a catchment-level residential population. This partly depends on whether social organisation and trust within a specific and well-organised community can extend to water catchment-wide planning.

To take one example, in some parts of North America citizens have banded together as ‘Riverkeepers’ (in spirit of Robert Putnam’s ‘social capital’) and protect the water commons and the health of river systems by extending their local actions at the level of the whole
river. Without the pressure of scale constraints (thanks to strong communications systems) and without the concern with basic survival that makes so many South Africans think locally and act locally (only), activists in the Global North have the luxury of organising together horizontally and vertically across space and scale, so as to protect their water resources at source and consumption site together. In addition, within what might be termed the ‘Global South within the North’ – e.g. Flint, Michigan – the water activists did make this jump along the socio-hydrological system, but too late – only after a river source was switched to save money, and hence poisoned the mainly low-income users. In the Global North, activists can use trust in broader-based geographically-expansive alliances, and there is no immediate threat to water coming out of their tap. Activists have thus the luxury to work together using a citizen-science approach to monitor water quality, drawing immediate attention to pollution, and challenging polluters whether upstream or downstream.

Some sites in South Africa have this capacity, such as South Durban where rapid-alert systems have been established to protect the air from excessive pollution or in the Vaal where environmentalists have begun to monitor water quality. But in most parts of the country, activists are far from being able to achieve a commons-like approach based on bottom-up coordination. Societal trust has been eroded into collective individualism. This is evident in peri-urban areas like Mzinyathi, a black residential area within Durban city limits, but located outside the ‘Urban Development Line’ (UDL). That location demarcates areas with formal sewer lines available to those with closer-in housing, from those further away who reside in what was a former ‘KwaZulu’ homeland area. Since these lines were drawn, Mzinyathi has witnessed extremely rapid urbanisation, with middle class households moving into what were formally rural areas. There they suffer parallel ‘traditional governance’ (i.e., ethnic-patriarchal) power structures, but at the same time they receive free water. The water utility indicates that it plans to provide metered water infrastructure with greater flow capacity, so as to charge for the increased supply. However, at present, all water in this area is free, since administratively the city has been unable to charge individual households due to the collective land tenure in which ethnic overlords manage residential allocations.

With the influx of middle-class (black) households who have a higher consumption level, the Mzinyathi water system is unable to cope with the much larger flows of water demanded by a rising population. Household taps provide high-pressure water, rather than the 300 liters per household per day provided in containers (at low pressure) that poor households receive. But as a result of the increased consumption, areas further north of Mzinyathi on the same water pipeline have suffered for lengthy periods with no water. These lower-income citizens are thus forced to rely on water tankers from the City due to the easy (and free) access that is enjoyed by citizens who are economically and socially better off. Everyone in the area understands that it is this ‘overuse’ of free, unlimited water by new households that prevents other areas further down the pipeline from having any water. Under ideal circumstances in which commoning was widely accepted, a community meeting and an agreement would be all that is needed to share the available water fairly, and to halt the overconsumption by some that prevents other people’s access. Yet without that level of simple social organisation and ethos of sharing equally in Mzinyathi, it is “every household for itself.” The ethnic leaders – Zulu chiefs – have little to contribute to a solution.

As a result, consumer expropriation using illegal connections to access unlimited free water is a tactic that may help achieve positive outcomes for households, whether in Detroit or Soweto, but with potential unintended adverse consequences. Activists see this as
decommodifying the water commons and winning their Right to the City. But in the case of Mzinyathi and countless others, this approach often leads to long disruptions of the water system due to leaks when people self-connect and when the self-connections allow greater amounts of water to be accessed upstream (often with high levels of wastage), leaving very little left over downstream along the pipe. The same is true of illegal electricity connections, in which the individual household’s access may put at risk the entire neighborhood’s supply, given the frequency of brown-outs that correlate to the amount of stress on the power system when the circuit breakers trip. In the context of systemic deprivation, it requires enormous skill and organisation to generate a horizontal and diverse movement that both fights against excessive payment by poor people and reinforces respect for natural resources and social connections to the Earth.

In parts of the world where there is a high level of trust and social capital, communities may manage and protect their own resources, even though they struggle for water. This typically applies to indigenous communities, whether First Nations in Canada or the collective water systems of Latin America, that are known for having a deeper connection to the land and water, and a history of managing these resources. There are untapped potentials in South Africa, for example in water court cases lodged by Lawyers for Human Rights and the Legal Resources Centre in the city of Carolina, in the province of Mpumalanga, in 2012 and by AfriForum in the Vhembe District Municipality, Limpopo. Both were successful in forcing municipalities to supply water to residents. Nevertheless, they failed to use their successes to link with other groups and escalate their grievances past the local level. Often a state agency is required as an intervening force, and in a case like South Africa where both neoliberal policy and corruption are barriers, additional community organising is needed to gain sufficient power.

The right to the city and to water commons in South Africa

Resistance strategies and tactics develop over time. Throughout the townships of South Africa, activists interested in guaranteeing access to water and electricity have been attempting to evolve what was already a popular survival tactic at the time of apartheid: reconnecting water and electricity illegally, once it was disconnected by state officials due to nonpayment. In 2001, 13 percent of Gauteng’s water connections were deemed to be illegal (Bond 2002) and by 2016 Eskom announced that in Soweto the share of illegal electricity connections had risen to 80 percent (le Cordeur, 2016). As discussed above, the most serious problem with what could be called ‘informal commoning,’ is that once the water infrastructure is tapped by township plumbers (many working for a small fee), leaks are exacerbated and water quality is sometimes compromised. Likewise, as electricity lines are commoned using illegal connections, the capacity of the entire township system is stressed and the power supply regularly trips. Accidental electrocutions become more frequent as live wires criss-cross pedestrian pathways.

The typical short-term response from a Soweto Electricity Crisis Committee activist is to embark upon technical training stressing insulation and effective pipe repair. Autonomist and localist activists are generally comfortable with the insurgent spirit represented in such strategies, in contrast to socialists who typically argue for a future metropolitan-scale planning and redistribution so as to avoid system degradation due to illegal connections. According to the latter, bottom-up commoning should be replaced with top-down tariff reforms providing a minimal decent supply of water and electricity to all residents but
penalising high-volume (hedonistic) users so as to provide surpluses for cross-subsidisation. In this conception, the class struggle occurs within the public authority over the shape and slope of the tariff curve. Here, the eco-socialist committed to both social justice and conservation (i.e. reducing wasteful demand for water and electricity) is fully aware that the state must be controlled by socialists in order for such tariffs and other reforms to be implemented.

However, hacking the water network is not the only space of intervention. Together with these survival tactics, community-based leaders such as Ngwane (2009) adopt a strategic approach that links the locality of community with the global character of ecological processes, mainly through questioning the bulk supply of water to Johannesburg from Lesotho mega-dams and of electricity from coal-fired power stations, because “The climate crisis can only be solved if the profit motive is severely restricted or eliminated altogether. Capitalism is incapable of solving the ecological crisis because it is the main culprit...”

Our argument about commoning is premised on the reality that there are limits to the use of constitutional rights. If the objective of those promoting the Right to the City includes making water primarily an eco-social and decommodified good, these constitutional limits will have to be transcended. Yet there are differences of opinion about the next logical step on how to move beyond commoning to eco-socialism. Some argue that the scope for change is limited to engaging with the present state. The strengthening of free basic water provision is one strategy derived from such an approach. But doing so requires raising the scale of politics from the local to the national level (Galvin 2016). It is at that level that commoning can be achieved, both horizontally across the populace, and vertically from the raindrop above or borehole below, all the way to the sewage outfall and the sea. But to get to the next mode of financing, extraction, production, distribution, and disposal of water requires a formidable social force to take us through and beyond rights, to the commons.

Conclusion

We have observed in this South African exploration of commoning’s potentials and contradictions that the crucial missing link in many sites of informal water, food and climate politics is an eco-socialist (and also hopefully feminist and anti-racist) ideology. The ideological deficit is not a problem unique to South Africa. “For my part the deeper I enter into the cultures and the political circles, the surer I am that the great danger that threatens Africa is the absence of ideology,” Frantz Fanon (1969, 186) once remarked. After all, neoliberals are extremely forceful, moving their arguments deep into the terrain of commoning. One multilateral agency profoundly committed to urban private property rights, Habitat (2014, 7) argues that “The ‘Commons’ reinforce the social function of property and that of the city as a whole, while recognising the dynamism of private assets.”

In contrast, the challenge for South Africans committed to a different society, economy and city is to humbly combine the limited gains that social movements have won so far (in many cases matched by regular defeats on economic terrain) with the soaring ambitions that are needed to match the scale of the systemic crisis and the current extent of social protest. The irony is that the upsurge of recent protest of a ‘popcorn’ character – i.e., rising quickly in all directions but then immediately subsiding – screams out for the kind of organisation that once worked so well in parts of Johannesburg, Durban and Cape Town. Moreover, there are ideological, strategic and material problems that South Africa’s independent left has failed to
overcome, including the division between autonomist and socialist currents, and the lack of mutual respect for various left traditions, including traditional Communism, Trotskyism, anarchism, syndicalism, Black Consciousness and feminism. A synthetic approach from the top down still appears impossible.

Dignity is ultimately the outcome of a struggle in which not simply individual demands for rights, but collective solutions – e.g. the full-fledged bulk infrastructure required for sanitation – are achieved, once political parties (perhaps the EFF) gain sufficient state power to answer the demands of social movements (Bond 2016b). The next generation of urban activists will have learned the prior movements' lessons, and will have less and less satisfaction with constitutionalism, as it becomes clearer how courts protect property in times of stress, and as the police react to protest with more violence. En route, the society is girding for degeneration into far worse conditions than now prevail, in a post-apartheid South Africa more economically unequal, more environmentally unsustainable and more justified in fostering anger-ridden grassroots expectations than during apartheid itself. One of the central questions, once dust settles following battle after battle and activists compare notes, is whether the cadres find they can use commoning as a strategy towards an ideology and practice more robustly eco-socialist in character.

References
Coalition Against Water Privatization (2009), “Phiri Water case: Constitutional Court fails the poor and the Constitution,” Johannesburg, 2 October
Constitutional Court of South Africa (2009) Mazibuko & Others v the City of Johannesburg & Others, Johannesburg
Duncan, J. (2016) Protest Nation, University of KwaZulu-Natal Press, Pietermaritzburg
Heller, P and Ntlokonkulu, L. (2001) “A civic movement, or a movement of civics?,” Johannesburg, Centre for Policy Studies


Seekings, J. (1997) “SANCO: Strategic dilemmas in a democratic South Africa,” 
*Transformation* 34, pp.1-29


South Durban Community Environmental Alliance (2008) *Spatial and Development Vision for the People of South Durban*, Durban


Swyngedouw, E. (2014) “Where is the political?”, *Space and Polity* 18, 2, pp.122-136


Luxemburg’s critique of capital accumulation, applied again in Africa

*Journal für Entwicklungspolitik, 1, 2019*

**Abstract**
Rosa Luxemburg’s *Accumulation of Capital* provided Africa’s first known Marxist account of class, race, gender, society-nature and regional oppressions. She was far ahead of her time in grappling with the theory and practice of capitalist/non-capitalist relations that today not only characterise Western multinational corporate extraction but also that of firms from several contemporary ‘emerging’ economies. This article contends that in her tradition, two recent areas of analysis now stand out, even if they have not yet received sufficient attention by critics of underdevelopment: the expanded understandings of value transfers from Africa based on natural resource depletion; and the ways that collaborations between imperial and subimperial national powers (and power blocs) contribute to Africa’s poverty. Using these two newly-revived areas of enquiry, several aspects of Luxemburg’s *Accumulation* stand out for their continuing relevance to the current conjuncture in contemporary Africa: capitalist/non-capitalist relations; natural resource value transfer; capitalist crisis tendencies and displacements; imperialism then and imperialism-subimperialism now; and the need to evolve from protests to solidarities through socialist ideology.

**European capitalist enclaves versus Africa’s non-capitalist society and nature**

Rosa Luxemburg’s (1913 [2003]) *Accumulation of Capital* was her attempt at advancing Marxist theory at a time, just before World War I, when internecine competition between major capitalist powers was generating unprecedented tensions across Europe. The prior years had already witnessed major political-economic analyses of imperialism, such as by John Hobson (1902) and Otto Bauer (1907), focusing on capital export, and by Rudolf Hilferding’ (1910) who argued that *Finance Capital* fused various fractions of capital under the influence of banks. In subsequent years Nicolai Bukharin (1972: 104 identified “increased competition in the sales markets, in the markets of raw materials, and for the spheres of capital investment” as the “three roots of the policy of finance capitalism.” Vladimir Lenin (1917) would contribute further aspects of inter-imperial rivalries that brought capitalist classes, their states and their hinterlands into conflict, in opposition to what Karl Kautsky (1914) envisaged would be a more peaceful stage of ‘ultra-imperialism’ due to the self-interest the major corporate groups had in collaboration (for a survey see Brewer, 1980).

Using a very different lens, Luxemburg watched imperialist processes unfold mainly by examining how capital super-exploited the non-capitalist spheres in Europe’s colonies. For Luxemburg (2003: 426), “Imperialism is the political expression of the accumulation of capital in its competitive struggle for what remains still open of the non-capitalist environment.” Under conditions of overaccumulation crisis, she argued, capitalism would turn ever more frantically to extra-economic extraction of surpluses:

> Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market. Capital cannot accumulate without the aid of non-capitalist relations, nor... can it tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist relations makes accumulation of capital possible. Non-capitalist relations provide a fertile soil for capitalism; more strictly: capital feeds on the ruins of such relations, and although this non-capitalist milieu...
is indispensable for accumulation, the latter proceeds at the cost of this medium
nevertheless, by eating it up. Historically, the accumulation of capital is a kind of
metabolism between capitalist economy and those pre-capitalist methods of production
without which it cannot go on and which, in this light, it corrodes and assimilates.
(Luxemburg 2003: 327)

For Luxemburg, imperialism was not a process simply of capital flowing into a region and
setting up compatible class relations. Her orientation to Marx’s reproduction schemas – no
matter the flaws therein (Hoffman 2007) – indicated how the ebb and flow of capital and the
rise of crisis tendencies together generated and accelerated uneven development:

Marx emphasises perpetual ‘overproduction’, i.e. enlarged reproduction, since a strict
policy of simple reproduction would periodically lead to reproductive losses. The course
of reproduction shows continual deviations from the proportions of the diagram which
become manifest
(a) in the fluctuations of prices from day to day;
(b) in the continual fluctuations of profits;
(c) in the ceaseless flow of capital from one branch of production to another, and
finally in the periodic and cyclical swings of reproduction between overproduction and
rise. (Luxemburg 2003: 76)

It is well understood – by Marxists (and a very few others) – how in today’s crisis-ridden
world, perpetual overproduction has caused a long stagnation since the 1970s, characterised
by “periodic and cyclical swings of reproduction between overproduction and crisis”
(Luxemburg 2003: 76). The turn by capital to ever-more intense bouts of ‘accumulation by
dispossession’ – as Harvey (2003) re-articulated Luxemburg’s insights on capitalist theft from
the non-capitalist spheres – means observations she made in 1913 retain relevance today.

For example, Luxemburg (2003: 447) argued, capitalism “is the first mode of economy which
is unable to exist by itself, which needs other economic systems as a medium and soil... In its
living history it is a contradiction in itself, and its movement of accumulation provides a
solution to the conflict and aggravates it at the same time.” To illustrate, in The
Accumulation of Capital, Luxemburg (2003) recounted several vital historical examples of
simple commodity reproduction and capitalist/non-capitalist relations: ancient Germans (the
mark communities); the Inca of Latin America; India; Russia; the French versus Algerians; the
Opium Wars in China; mechanisation versus the interests of U.S. farmers; debt in late-19th
century Egypt; and conditions of early 20th century resource extraction and socio-political
organisation in South Africa, Namibia, Zimbabwe, Zambia, the Democratic Republic of the
Congo (DRC), i.e., the core sites of British-German-Belgian imperialism.

It would be fifty years before her focus on capitalist/non-capitalist relations were again
pursued with Marxist rigour. In West Africa’s Ivory Coast, French anthropologist Claude
Meillassoux (1925-2005) carried out studies on the Guro women’s role in the ‘domestic
economy’ and its articulation with wage labour during the 1960s. During the early 1970s,
South African sociologist Harold Wolpe (1926-1996) applied Meillassoux’s ideas to help
revive and regenerate his South African Communist Party’s tradition of race-class debate,
and in 1980 Anne-Marie Wolpe (1930-2018) contributed a much more gendered analysis of
social reproduction within articulations of modes of production.
In 1973, Egyptian political economist Samir Amin (1931-2018) published his theory of unequal exchange based on surplus value transfers associated with lower productivity (especially in Africa) in relation to the North’s higher productivity outputs sold to the South, and his many subsequent books elaborated the geopolitical implications of imperial power. At one point soon thereafter, when reviewing early theories, Amin (1977: 258) claimed that “Luxemburg did not really understand imperialism” and “confused new imperialism with old expansionism.” But later he reassessed her work and upgraded his view considerably, as noted below. At the same time, Ugandan Marxist Dani Nabudere (1929-2011) was critical of the “Luxemburgist thesis” that “is at the back of today’s ‘centre-periphery’ ideology.” Nabudere (1979: 12) insisted, “For Luxemburg, imperialism is no more than the struggle by the capitalist countries ‘for what remains of the non-capitalist world’,” leading to a major “deviation from the Marxist thesis.” But the durability of capitalist/non-capitalist relations meant that value transfers and extreme uneven development would continue to be studied by Africa’s applied economists, such as Malawian economist Guy Mhone (1943-2005) with his unique theory of ‘economic enclavity’ during the 1980s.

By the 1990s, a series of Marxist theorists working in Africa had brought into our world view, respectively, explanations of uneven development emphasising historic and world-imperialist processes (Luxemburg), patrilineal extraction (Meillassoux), labour productivity differentials (Amin), South African super-exploitation (the Wolpes) and regional Southern African labour migration (Mhone). In diverse forms, all generated fruitful engagements when considering the political economy of friction between capitalist and non-capitalist social relations. Unfortunately, the 1980s-90s experienced relatively infertile scholarly terrain, so this tradition receded given the debilitating environment of austerity and triumphant liberalism in Africa, especially in intellectual milieus including universities.

But the 21st century has witnessed a rebirth of Luxemburgist arguments about imperialism, as shown below. Partly this revival can be traced to renewed political-economic analysis by David Harvey, specifically The New Imperialism (2003) which re-introduced Luxemburg through the concept of accumulation by dispossession. By 2017, Harvey’s Marx, Capital and the Madness of Economic Reason had more forcefully acknowledged not only non-capitalist environmental goods and services as ‘free gifts of nature,’ within the circuitry of capital, but also non-capitalist social reproduction (gendered by patriarchal socio-political culture) as vital ‘free gifts of human nature’ to capital. The latter exist in all societies, given the way household and community relations draw upon women’s unpaid labour power. However, it is the former – the natural resource depletion that Africa most relies upon – that helps explain Africa’s unique impoverishment, a topic we turn to next.

**From dispossession of natural economy to natural resource depletion**

Luxemburg’s (2003: 347) strategy for exploring accumulation in 1913 entailed a concern not only for the ‘commodity economy’ and for ‘the competitive struggle of capital on the international stage,’ but also for ‘natural economy,’ a category that included pre-capitalist social relations as well as nature. “What is most important,” Luxemburg (2003: 349) wrote, “is that, in any natural economy, production only goes on because both means of production and labour power are bound in one form or another,” unlike capitalism in which machinery is often introduced at the expense of jobs, as production becomes increasingly capital intensive. She includes within ‘natural economy’ various features of the environment: “land,
game in primeval forests, minerals, precious stones and ores, products of exotic flora such as rubber, etc.” In such economies, she argued,

The communist peasant community no less than the feudal corvee farm and similar institutions maintain their economic organisation by subjecting the labour power, and the most important means of production, the land, to the rule of law and custom. A natural economy thus confronts the requirements of capitalism at every turn with rigid barriers. Capitalism must therefore always and everywhere fight a battle of annihilation against every historical form of natural economy that it encounters, […] (Luxemburg 2003: 349)

When capital gains possession of minerals, precious stones and ores, this represents the expropriation of the colonies’ natural wealth:

The most important of these productive forces is of course the land, its hidden mineral treasure, and its meadows, woods and water, and further the flocks of the primitive shepherd tribes. Since the primitive associations of the natives are the strongest protection for their social organisations and for their material bases of existence, capital must begin by planning for the systematic destruction and annihilation of all the non-capitalist social units which obstruct its development. (Luxemburg 2003: 350)

The relevance of these observations has never been greater, for hidden mineral treasure remains the main prize of imperialism in Africa. Luxemburg (2003: 339) observed that “[t]he economic basis for the production of raw materials is a primitive system of exploitation practised by European capital in the African colonies and in America, where the institutions of slavery and bondage are combined in various forms.” Likewise in his final book, Amin moved from a focus mainly on labour as the basis for value transfer, to natural resources:

Capitalist accumulation is founded on the destruction of the bases of all wealth: human beings and their natural environment. It took a wait lasting a century and a half until our environmentalists rediscovered that reality, now become blindingly clear. It is true that historical Marxisms had largely passed an eraser over the analyses advanced by Marx on this subject and taken the point of view of the bourgeoisie – equated to an atemporal ‘rational’ point of view – in regard to the exploitation of natural resources (Amin 2018: 86).

How great is this transfer of value? Empirically, there is growing evidence of Africa’s net resource extraction losses due to ‘natural capital depletion,’ far in excess of the ‘Illicit Financial Flows’ and even licit flows of profits repatriated by transnational capital. Luxemburg was concerned about the general extraction process, but it is in the sphere of non-renewable resource depletion that capitalist/non-capitalist power relations most aggressively generate imperialism. Before considering updates of Luxemburg’s perspective in Africa, this feature of the natural economy deserves more explanation.

Increasingly sophisticated measurements of natural resource depletion are carried out by the World Bank in its series The Changing Wealth of Nations. Therein, Lange et al (2018) calculate ‘Adjusted Net Savings’ (ANS) over time, to correct national income accounts, specifically the share of genuine savings within Gross National Income (GNI). The first step is to acknowledge shrinkage of fixed capital (wear and tear), which in Sub-Saharan Africa is in the range of negative 10-12 percent annually over the past two decades. The second step is
to add ‘human capital’ investments in the form of education expenditure, which in Sub-Saharan Africa has been in the positive 3-5 percent range. The third is measurement of natural capital depletion and fourth is subtraction of economic damage done by pollution, which together range from 8 to 15 percent in Sub-Saharan Africa (mostly resource depletion). The higher the price of resource commodities, such as in the 2008 and 2011 peak ‘super-cycle’ years, the more the shrinkage of a country’s natural wealth declines. Lange et al (2018: 47) calculate that nature constitutes 9 percent of world wealth, but in Sub-Saharan African countries it amounts to more than a third of their wealth.

Hence in Africa, it is especially pernicious that the shrinkage of natural wealth is uncompensated for by reinvestment of the profit drawn from that wealth, as a result of multinational corporations (from both the West and BRICS countries) extracting resources but providing the bulk of their returns on investment to overseas shareholders. In contrast, resource-intensive countries – including the likes of Canada, Australia, Norway and much of the Middle East – have a different accumulation process: home-based corporations or state mining or oil companies are responsible for extraction. The revenues from the resources extracted are thus to a much greater extent redistributed, leaving a positive ANS in many resource-rich countries outside Africa.

**Figure 1: Adjusted Net Savings as percentage of Gross National Income, 1995-2015**

![Graph showing Adjusted Net Savings as percentage of Gross National Income](image)

*Source: Lange et al 2018: 64.*

Applied to Africa, even the most rudimentary ANS analysis is devastating. In one count (World Bank 2014: 14), 88 percent of African countries are net losers from resource extraction once ANS is calculated. Using 1990-2015 data, Lange et al (2018: 74) conclude that Sub-Saharan Africa loses a net $100 billion of ANS annually, albeit with data limitations: the platinum and diamond sectors, and a few countries with data gaps (including the resource-rich DRC and South Sudan) (Figure 1). By adding North African and other countries, platinum and diamonds, it is likely that Africa’s annual net loss is $150 billion. As Lange et al (2018: 82) concede, “Especially for resource-rich countries, the depletion of natural resources is often not compensated for by other investments. The warnings provided by negative ANS in many countries and in the region as a whole should not be ignored.”
In aggregate over 1995-2015, some African countries suffered extreme ANS ‘dissaving’: Angola lost 68 percent, the Republic of the Congo lost 49 percent and Equatorial Guinea lost 39 percent (Lange et al 2018: 74). Especially in the 2006-10 and 2012-15 years, there were substantial ANS losses in Africa (Figure 1). Subsequently, commodity export values ebbed, along with aid, foreign investment and remittances, leaving most African countries back in their debt traps and growth crises, facing much more active rebellions (Bond 2018).

**Capitalist crises beget imperialism and subimperialism in Africa**

Recognising that, as Luxemburg (2003: 327) put it, “Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market,” Samir Amin (2018: 159) took the logic further:

How is it that full-fledged industrial capitalism expanded victoriously throughout the 19th century, survived its first systemic crisis of senility during the 20th century, and faces apparently victoriously until this day its second long crisis of senility? The answer cannot be found in the abstract theory of capitalism, but on the ground of the concrete history of its deployment. These two sides of the analysis should not be confused and reduced to one. After Marx himself (for his time) Rosa Luxemburg was the first Marxist thinker who made a serious attempt to answer the question...

The fundamental – fatal – contradiction of capitalism resulted into continuous overaccumulation and therefore, faced a problem of outlet for capitalist production. On that ground Luxemburg is certainly right. How this contradiction has been overcome in history? Here also Luxemburg is right: capitalism expanded by destroying pre-capitalist modes of production both within the societies of the dominant centers and the dominated peripheries. Handicrafts are replaced by manufacturing industries, small shops by supermarkets etc. This process of accumulation by dispossession still goes on with the current privatization of former public services. Simultaneously these responses of capital to the problem of outlet constitute an efficient counterforce to falling rates of profits.

As Luxemburg (2003: 319) further observed, however, “The solution of one difficulty, however, only adds to another.” The solution isn’t really a *resolution*. Instead, it is better conceived of as an efficient counterforce that acts merely to displace not resolve the crises tendencies. And to establish the geographical terrain on which capitalist crisis displacement unfolded a century ago – and still today – meant Luxemburg had to criticise the geopolitics of a colonialism that fit her theory of imperialism so well.

That geopolitical terrain was carved out in her adopted city of Berlin, at a 77 Wilhelmstrasse mansion where the ‘Scramble for Africa’ took place in 1884-85. Not a single African was there to negotiate, but indeed that site – today a pub and block of non-descript flats after its post-war demolition – is a central reason why Africa is carved into 54 dysfunctional country units, splitting relatives from each other and imposing colonial-era languages into perpetuity. The Berlin conference’s codification of colonial power – mainly held by Britain, France, Portugal, Belgium and Germany – ensured the penetration of capitalist legal systems of property ownership, the settler’s monopoly of violence, and the introduction of monetary arrangements. With these capitalist innovations, colonial powers set up pseudo-states in Africa so as to more effectively loot the continent. But Luxemburg’s (2003: 447) great innovation was to prove how colonial-imperial accumulation used Africa’s natural “economic systems as a medium and soil.”
In South Africa, it soon became clear to the world’s colonial powers how valuable their conquests could be:

British capital revealed its real intentions only after two important events had taken place: the discovery of the Kimberley diamond fields in 1869-70, and the discovery of the gold mines in the Transvaal in 1882-5, which initiated a new epoch in the history of South Africa. Then Cecil Rhodes went into action. Public opinion in England rapidly swung over, and the greed for the treasures of South Africa urged the British government on to drastic measures.

The modest peasant economy was forthwith pushed into the background – the mines, and thus the mining capital, coming to the fore. The policy of the British government veered round abruptly. Great Britain had recognised the Boer Republics by the Sand River Agreement and the Treaty of Bloemfontein in the fifties. Now her political might advanced upon the tiny republic from every side, occupying all neighbouring districts and cutting off all possibility of expansion. (Luxemburg 2003: 394)

The period of the late 1800s in which colonial-imperial power consolidated was also one of a sustained world capitalist crisis, in which the City of London, the Paris financial markets and other financiers marshalled over-accumulated capital, directing its flows into the adventurous investments associated with Rhodes, Belgium’s King Leopold II and other larger-than-life accumulators-by-dispossession (Phimister 1992).

If we reconsider the relations between North and South a century later, as did Harvey in The New Imperialism, we relearn the relevance of Luxemburg’s ideas. Harvey (2003, 185-186) both echoes and expands her vision:

The opening up of global markets in both commodities and capital created openings for other states to insert themselves into the global economy, first as absorbers but then as producers of surplus capitals. They then became competitors on the world stage. What might be called ‘subimperialisms’ arose... each developing centre of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence.

That dynamic, in turn, requires us to think of the way the BRICS – the coordinated network of heads of state and corporations from Brazil, Russia, India, China and South Africa – arose as subimperial allies of world capital’s expansionism to “define territorial spheres of influence” (Harvey 2003, 186) especially after the 2008 crisis. Their new physical spaces include neo-colonial land grabs in Africa by voracious investors from India, China, South Africa and Brazil (Ferrando 2013). The gateway to Africa is South Africa – as was oft-repeated at the 2013 BRICS Durban summit and 2018 Johannesburg summit – and is facilitated by territorial expansion up-continent by Johannesburg capitalists who had been kept (by the apartheid laager) mostly within local boundaries until the early 1990s.

In addition to sources of food and biofuels, BRICS capital is highly engaged in African minerals and petroleum. Anglo American, Glencore and other (now Europe-rebased) manifestations of South African mining capital run roughshod in Africa. For example in 2005, after a Human Rights Watch expose, Anglo admitted working closely with Congolese warlords in a zone where several million people have been killed since the late 1990s. Then
there is the $10 billion Lake Albert oil stake by South African former president Jacob Zuma’s hapless nephew Khulubuse (who has participated in wrecking one of South Africa’s mining houses – Aurora – through asset-stripping and near-catastrophic ecological mismanagement), working alongside Israel’s main extractive-industry tycoon, the notorious Dan Gertler (Bond and Garcia 2015, Bond 2017).

There are just as worrisome tendencies in southern Africa from the other BRICS, e.g.: Vedanta’s well-known (and self-confessed) looting of Zambian copper, India’s move into Mozambican land expropriation in search of coal (after Rio Tinto’s failure) alongside Brazil’s giant Vale, China’s Anjin working with Zimbabwean generals to loot the Marange diamond fields, and the Russian steel manufacturer Roman Abramovitch’s (London-based) parasitical takeover of South Africa’s second-largest steel plant (Evraz Highveld) in the same spirit as India’s (Luxembourg-based) Lakshmi Mittal took over the largest set of steel foundries (ArcelorMittal). Both BRICS investors stripped South African assets, without reinvestment, hence leading in 2015 to massive chunks of the continent’s main sites of steel capacity being deindustrialised with thousands of job losses, as a result of cheap Chinese imports due to that country’s overaccumulation of several hundred million tons of steel production capacity (Bond 2017). The advertised cooperation between the BRICS sometimes looks, in the harsh light of reality, like cannibalism.

In addition, the expansion is often explicitly subimperial, in the sense of lubricating capitalist relations in non- or less-capitalist geographical territories, often through multilateral power structures. One of the world’s most powerful vehicles for this process is the International Monetary Fund (IMF), in which the BRICS have played a greater role since 2015. After donating nearly $100 billion to recapitalising the IMF, four BRICS gained voting share reallocations: China up by 37 percent, Brazil by 23 percent, India by 11 percent and Russia by 8 percent.

Yet to accomplish this required that seven African countries lose more than a fifth of their IMF voting share: Nigeria (41 percent), Libya (39 percent), Morocco (27 percent), Gabon (26 percent), Algeria (26 percent), Namibia (26 percent) and even South Africa (21 percent). Similar stories of Africa’s suffering in multilateral fora can be identified by the 2015 World Trade Organisation summit in Nairobi in which BRICS members allied with the European Union and U.S. to destroy food sovereignty by agreeing to forego agricultural subsidies (Raghavan 2015), and in the United Nations Framework Convention on Climate Change in which Africa’s interests were sacrificed so that the BRICS, EU and US could arrange the Copenhagen, Durban and Paris deals, without binding emissions cuts, accountability systems or recognition of climate debt (Bond 2016).

Commercial, retail and infrastructural expansion are also vital for penetrating African markets. South African retail capital’s takeover of African supermarkets and nascent shopping malls is led by Makro, which is owned by Walmart, a reliable representative of both imperialism’s unprecedented concentration of wholesale capital, and of the ultra-cheap assembly line – especially stretching into super-exploitation of China’s workers, rural women and environment, and outsourcing of greenhouse gas emissions — that this entails. But as the then SA deputy foreign minister Marius Fransman (2012) put it: “Our presence in BRICS would necessitate us to push for Africa’s integration into world trade.”
The BRICS states' intention here is to aid the extractive industries – especially BRICS firms – to strip the continent further. Outside South Africa (by far the continent’s largest holder of minerals, often estimated in the trillions of dollars), the other main African countries with extensive mining resources were Botswana, Zambia, Ghana, Namibia, Angola, Mali, Guinea, Mauritania, Tanzania and Zimbabwe. Africa’s oil and gas producers are, in order of reserves, Nigeria, Angola, Ghana, Gabon, Congo (Republic), Equatorial Guinea, Chad and Uganda.

To further extract Africa’s raw materials, planning began for a massive new $93 billion/year Programme for Infrastructure Development in Africa, and the BRICS New Development Bank was launched in 2015 with a view, in part, to provide financing for such mega-infrastructure projects, the first of which (for $200 million) is the expansion of a port-petrochemical complex in Durban encountering strong community opposition (D’Sa and Bond 2018). Many such projects will likely fit into Beijing’s territorially-ambitious Belt and Road Initiative.

All of this is reminiscent of the ways colonial-backed capital penetrated the African continent, and resistance rose, as Luxemburg (2003, 447) described it in South Africa:

The ultimate purpose of the British government was clear: long in advance it was preparing for land robbery on a grand scale, using the native chieftains themselves as tools. But in the beginning it was content with the ‘pacification’ of the Negroes by extensive military actions. Up to 1879 were fought nine bloody Kaffir wars to break the resistance of the Bantus. The more ruthlessly capital sets about the destruction of non-capitalist strata at home and in the outside world, the more it lowers the standard of living for the workers as a whole, the greater also is the change in the day-to-day history of capital. It becomes a string of political and social disasters and convulsions, and under these conditions, punctuated by periodical economic catastrophes or crises, accumulation can go on no longer.

**Capitalist contradictions, subimperial ambitions and violence**

The geopolitical and military tensions between subimperial South Africa and Africa began to heighten just as world commodity prices began to crash. From 2011-15, the slowing rate of Chinese growth and overproduction tendencies meant the decline of major mineral prices by more than 50 percent. In South Africa’s case, the collapse of coal and platinum prices by more than half was devastating to the share values of major firms with local operations – Lonmin, AngloPlats and Glencore – whose net worth quickly plummeted by more than 85 percent (indeed by 99 percent in Lonmin’s case, leading to the firm’s demise and takeover in 2017). It is in this context of crisis plus super-exploitative relations between capitalist and non-capitalist spheres that the Luxemburgist theory of imperialism finds confirmations in contemporary Africa. In 2013, WikiLeaks published emails hacked by Jeremy Hammond from the files of Stratfor (known as the private-sector version of the Central Intelligence Agency), which quite correctly summed up the situation in the region as follows:

South Africa’s history is driven by the interplay of competition and cohabitation between domestic and foreign interests exploiting the country’s mineral resources. Despite being led by a democratically-elected government, the core imperatives of SA remain maintenance of a liberal regime that permits the free flow of labor and capital to and from the southern Africa region, and maintenance of a superior security capability able to project into south-central Africa (Stratfor 2009).
The democratically-elected government of the African National Congress (ANC) explicitly calls itself ‘anti-imperialist’, and yet in 2013, a century after Luxemburg explained the inner necessity of imperialism to turn to violence in search of extra-economic wealth (capitalist versus non-capitalist looting), a small but revealing example emerged in the Central African Republic (CAR). There, President Francois Bozize’s special advisor Didier Pereira had partnered with ‘ANC hard man’ Joshua Nxumalo and the ANC’s funding arm, Chancellor House, to establish a diamond export monopoly. According to Mail&Guardian newspaper investigators Amabhungane (2013), “Pereira is currently partnered to the ANC security supremo and fundraiser, Paul Langa, and former spy chief Billy Masetlha.”

The result was that both Presidents Thabo Mbeki and Jacob Zuma deployed troops to first support Bozize at the presidential palace, and after he fled, to protect Johannesburg firms’ operations in the CAR capital of Bangui. But the city was over-run by rebels on the weekend prior to the BRICS summit in Durban, and tragically, fifteen of the 220 South African National Defence Force (SANDF) troops involved in a massive fire fight against the rebels lost their lives in Bangui, and were returned home in coffins just as the BRICS leaders also flew in. The incident very visibly demonstrated the limits of South Africa’s “superior security capability to project into south-central Africa” (Stratfor 2009).

But SANDF wasn’t alone in striving – even if failing – to serve capital’s most excessive interests. For seven months before, in mid-August 2012, the local South African Police Service (SAPS) gained international notoriety for the massacre of 34 wildcat-striking Lonmin platinum mineworkers at Marikana. The police were called in via emails from Cyril Ramaphosa, the owner of 9 percent of Lonmin representing black investors. He was the former mineworker leader in the late 1980s whose national strike breakthrough shook apartheid. Ramaphosa soon became a black billionaire capitalist and remained so close to the ANC elites – becoming deputy president of the ruling party in late 2012 and the country’s deputy president in 2014 – that he carelessly told the police minister he wanted a “pointed response” to the “dastardly criminal” mineworkers, in an email on 15 August 2012. Within 24 hours, the police committed the Marikana Massacre (Farlam Commission 2015).

As Luxemburg (2003: 351) had predicted,

> The method of violence, then, is the immediate consequence of the clash between capitalism and the organisations of a natural economy which would restrict accumulation. Their means of production and their labour power no less than their demand for surplus products is necessary to capitalism. Yet the latter is fully determined to undermine their independence as social units, in order to gain possession of their means of production and labour power and to convert them into commodity buyers.

**The necessity of resistance, solidarity and ideology**

At this point, the South African working class and other activists in the ‘natural economy’ – e.g. women opposed to mining extraction (Womin 2018) – were fed up with the displacement of capitalist crisis onto their bodies: lower wages relative to capital’s profits (by more than five percent compared to 1994); rising inequality, up to an exceptionally high “market income Gini Coefficient” of 0.77 (World Bank, 2014); extreme poverty, rising to 63 percent of the population by 2011 (Budlender et al 2015); and soaring financial obligations.
The latter were important, insofar as deregulated ‘mashonisa’ loan-sharks had moved en masse to the Marikana platinum fields to find borrowers. The mineworkers soon had so many loan repayments stripping their income that, by 2012, they became absolutely desperate. Left with little in their monthly pay-checks, they insisted on a $1000/month wage (i.e., double the existing payment), since the lenders’ ‘emolument attachment orders’ reduced their take-home pay to virtually nothing. Even after the massacre, the workers stayed atop the hillside in their thousands, on strike for a full month to win the $1000/month, and in 2014 more than 70,000 workers struck for five months across all the other platinum fields, before winning their salary demand, but at the expense of enormous misery and fury (Saul and Bond 2014).

It was all too reminiscent of Luxemburg’s description of the same terrain a century earlier:

> The more ruthlessly capital sets about the destruction of non-capitalist strata at home and in the outside world, the more it lowers the standard of living for the workers as a whole, the greater also is the change in the day-to-day history of capital. It becomes a string of political and social disasters and convulsions, and under these conditions, punctuated by periodical economic catastrophes or crises, accumulation can go on no longer. But even before this natural economic impasse of capital’s own creating is properly reached it becomes a necessity for the international working class to revolt against the rule of capital. (Luxemburg 2003: 447)

The necessity is felt in many African class struggles. The African working class is more angry than any other continent’s, according to the World Economic Forum (2017) whose Global Competitiveness Index each year measures ‘employer-labor cooperation.’ From 2012-18, the South African proletariat had the leading position as the world’s least cooperative working class (in 2011 the class was ranked 7th, reflecting the intensification of struggles like Marikana). The 32 African countries included in the survey are by far the most militant of the 138 sites surveyed annually, for of these, 28 African proletariats scored above the world median of militancy, and just four below. Of the most militant 30 countries’ workforces in 2017, a dozen were African: South Africa (on a scale of 1 as most militant to 7 as least, scoring 2.5 in 2017) followed by Chad (3.5), Tunisia (3.6), Liberia (3.7), Mozambique (3.7), Morocco (3.7), Lesotho (3.7), Ethiopia (3.8), Tanzania (3.8), Algeria (3.8), Burundi (3.8), and Zimbabwe (4.0).

Communities are also engaged in unrest, especially in areas of resource extraction. In South Africa, the number of ‘violent’ demonstrations – mostly ‘service delivery protests’ recorded by the police – has soared from fewer than 600 per year in 2002-04 to nearly quadruple that number by 2014 (Alexander et al 2018). As the case of Burkina Faso suggests – what with its popular 2014 overthrow of Blaise Compaoré and his subsequent in-exile prosecution for the murder of the great African Marxist revolutionary Thomas Sankara in 1987 – the anger occasionally boils over into local and national revolts. The tempo of revolt is apparently increasing, especially since the peak and then fall of commodity prices in 2011. Protests have begun to exhibit patterns so stark they were even recognized in the African Development Bank et al’s (2017: 135) annual African Economic Outlook (AEO) chapter on Governance. The 2017 AEO found that after protests over wages and salaries, “Dissatisfaction with political arrangements was among the main drivers of public protests in Africa from 2011 to 2016. The majority of these protests called for more accountability and justice in the public
management systems and for fairer elections. This is an indication of demand for higher standards of integrity within public institutions.”

Socio-economic grievances drove many specific sites of uprisings. Indeed, the rise and contagion of generalized protests since 2011 is remarkable. There were always major outbursts and in some countries – Zambia (2001), Malawi (2002), Gabon (2003), Nigeria (2006), Cameroon (2008), Niger (2009) – they had a major impact on politics. But notably in 2011, the protest wave did not simply crest, briefly, as a result of North African turmoil, and then fall. The Tunisian, Egyptian and Libyan uprisings caught the world’s attention, but only Tunisia’s outcome generated democracy and even then the next stage of socio-economic unrest began in 2018, as neoliberalism failed the country. Many protests subsequently led to such strong pressure against national power structures that just as with the once-invincible 2011 Ben Ali, Mubarak and Gaddafi regimes, long-serving leaders were compelled to leave office.

But higher levels of African protests persisted, moving across the continent (Brandes and Engels 2011, Ekine 2011, Manji and Ekine 2012, Dwyer and Zeilig 2012, Biney 2013, Mampilly 2013, Branch and Mampilly 2015, Wengraf 2017). The pressure was maintained in specific sites, including Senegal (2012), Burkina Faso (2014), Burundi (2015), Rwanda (2015), Congo-Brazzaville (2016), and DR Congo (2016). In 2017-18, leaders backed by similarly-formidable state and political party apparatuses as enjoyed by Zuma (South Africa), Desalegn (Ethiopia) and Mugabe (Zimbabwe) fell surprisingly rapidly, in part due to mass uprisings with tens of thousands protesters massing in national capitals and other major cities, many of whom were furious about resource curses and looted state funds.

Other protests which recently reflected strong community pressure on their governments include Togo (against the dictator Faure Gnassingbé), the Democratic Republic of the Congo (against Laurent Kabila), Cameroon (mainly against Paul Biya, some of which demanded Anglophone-Cameroonian independence), Somalia (against Islamic extremism), Morocco (against corruption and unemployment), Libya (against slave markets), Uganda (against Yoseri Museveni’s overturning of term limits) and Kenya (against Uhuru Kenyatta’s dubious election). In The Gambia, protests against Yahya Jammeh succeeded in ensuring the integrity of a December 2016 election, which the long-serving dictator lost.

Local opposition aimed at blocking mining and petroleum extraction could become far more effective. In 2015, Anglo American’s CEO expressed concerned about the “$25 billion worth of projects tied up or stopped” across the world (Kayakiran and van Vuuren 2015). According to the Johannesburg faith-based mining watchdog Bench Marks Foundation (2018) at civil society’s 2018 Alternative Mining Indaba, “Intractable conflicts of interest prevail with ongoing interruptions to mining operations. Resistance to mining operations is steadily on the increase along with the associated conflict.”

If we take these signs of dissent seriously, it is not only the removal of corrupt, unpatriotic regimes that is needed, though that is a pre-condition. What is now urgent to discuss in many settings, in the spirit of Luxemburg, is the replacement of neo-colonial African compradors and the corporations they serve, with a political party and programme of popular empowerment. An egalitarian economic argument will be increasingly easier to make now that world capitalism and the dynamics of deglobalization are forcing Africa
towards rebalancing. This will ultimately compel discussion of much more courageous economic policies, potentially including:

- in the short term, as currency and debt repayment crises hit, reimposing exchange controls will ensure control of financial flows, quickly followed by lowered interest rates to boost growth, with an audit of ‘Odious Debt’ before any further repayment of scarce hard currency, along with much better management of imports – to serve national interests, not the interests of elite consumers;
- as soon as possible, the adoption of an ecologically sensitive industrial policy aimed at import substitution (making things locally), sectoral re-balancing, meeting social needs and true sustainability;
- once finances are secure, it will be possible to dramatically increase state social spending, paid for by higher corporate taxes, cross-subsidization and more domestic borrowing (and loose-money ‘Quantitative Easing,’ if necessary, so long as it does not become hyper-inflationary);
- the medium- and longer-term economic development strategies will reorient infrastructure to meet unmet basic needs, and the expand, maintain and improve the energy grid, plus water and sanitation, public transport, clinics, schools, recreational facilities and universal access to the internet; and
- in places like South Africa and Nigeria that have an excess reliance on extraction and burning of fossil fuels, it will be vital to adopt what have been termed ‘Million Climate Jobs’ strategies to generate employment for a genuinely green ‘Just Transition’.

These are the kinds of approaches requiring what the continent’s greatest political economist, Amin (1990), long ago termed ‘delinking’ from global capitalism’s most destructive circuits. He stressed that this is not a formula for autarchy, and certainly would gain nothing from North Korean-type isolation. But it would entail a sensible approach to keeping G20 states and corporations at bay as much as possible, while tapping into even more potentials for transformation.

The crash of oil and mineral prices starting in 2011 confirms that the commodity super-cycle and the era of ‘Africa Rising’ rhetoric is now decisively over. The period ahead will perhaps be known as Africans Uprising (against Africa Rising). Looking at this continent a century ago, Luxemburg (2003:394) found instances of non-capitalist, anti-capitalist resistance, just as the German government began its genocide of the Herero people of Namibia. From North Africa to South Africa, colonialism ran into trouble.

The same bloody wars are being fought against African uprisings. What was missing a century ago, and still is today, is a coordinated strategy so that when revolt rises as the capitalist system meets non-capitalist societies and nature in Africa, the resistance can be stronger and sturdier – and become genuinely anti-capitalist – than we have experienced to date. The anti-colonial but resolutely nationalist politics which Frantz Fanon warned about when writing of the ‘Pitfalls of National Consciousness’ exhibited by petit-bourgeois leaders in his book *The Wretched of the Earth* still prevail, and a genuinely radical pan-African anti-capitalism is still to be widely articulated. As Fanon (1967) put it in *Toward the African Revolution*, “the deeper I enter into the cultures and the political circles, the surer I am that the great danger that threatens Africa is the absence of ideology.” In his speech “The Weapon of Theory,” Amilcar Cabral (1966) agreed: “The ideological deficiency within the national liberation movements, not to say the total lack of ideology – reflecting as this does
an ignorance of the historical reality which these movements claim to transform – makes for one of the greatest weaknesses in our struggle against imperialism, if not the greatest weakness of all."

Luxemburg points the way forward on ideology, flowing directly from the various experiences of proletarian and pre-proletarian uprisings that she so carefully observed – at a distance from Africa but with the most solidaristic concern – and that she organised in Europe until her 1919 murder, six years after writing these words to conclude The Accumulation of Capital:

Even before this natural economic impasse of capital’s own creating is properly reached it becomes a necessity for the international working class to revolt against the rule of capital. Capitalism is the first mode of economy with the weapon of propaganda, a mode which tends to engulf the entire globe and to stamp out all other economies, tolerating no rival at its side. Yet at the same time it is also the first mode of economy which is unable to exist by itself, which needs other economic systems as a medium and soil. Although it strives to become universal, and, indeed, on account of this its tendency, it must break down because it is immanently incapable of becoming a universal form of production.

In its living history it is a contradiction in itself, and its movement of accumulation provides a solution to the conflict and aggravates it at the same time. At a certain stage of development there will be no other way out than the application of socialist principles. The aim of socialism is not accumulation but the satisfaction of toiling humanity’s wants by developing the productive forces of the entire globe. And so we find that socialism is by its very nature a harmonious and universal system of economy. (Luxemburg 2003: 447)

References


Ferrando, T. 2013. *BRICS and land grabbing*. In Bond, P. *BRICS in Africa*, Durban, University of KwaZulu-Natal Centre for Civil Society, pp. 1-32,

http://ccs.ukzn.ac.za/default.asp?6,84,10,4166.


Hobson, J. 1902. *Imperialism*.

https://www.marxists.org/archive/hobson/1902/imperialism/index.htm


Kautsky, K. 1914. *Imperialism and the War*.

https://www.marxists.org/archive/kautsky/1914/09/war.htm


Not so Natural an Alliance? Degrowth and Environmental Justice Movements in the Global South (with Beatriz Rodríguez-Labajos, Ivonne Yanez, Lucie Greyl, Serah Munguti, Godwin Uyi Ojo and Winfridus Overbeek). *Ecological Economics*, 157, 2019

**Keywords:** Degrowth; environmental justice; Global South; activism; alliances; socio-environmental conflicts

**Abstract:** From a social metabolism point of view, they both environmental justice (EJ) and degrowth movements warn against the increase in the physical size of the economy. They both have extractivism and debt-fuelled economies as common enemies. Importantly, they both rely on social movements that have lead scholarship in its activities and achievements. Therefore, some argue the existence of an obvious alliance between degrowth and EJ movements in the Global South. Against this, direct observation unravels concerns from EJ activists in the Global South about the real plausibility for an alliance until some significant differences have been examined. Activists relevance in inspiring, promoting and disseminating transformations in their scope of action is well-known. Therefore, gaining views on their perspective on degrowth is key to promote informed co-operations. Our aim is thus systematically disclosing main concerns and possible analogies between the scope of action of environmental justice organisations operating in the Global South and main propositions of the Degrowth movements. The argumentation was built after a systematic scrutiny of some core themes in the degrowth debate from critical thinkers in the Global South. This represents an international coverage including insights from environmental justice struggles in Ecuador, Italy, Kenya, South Africa, Uruguay, with important implications in Brazil, Mozambique, and Indonesia. While departing from the social metabolism and ecological economics literature, including the notion of ecological distribution conflicts, the paper soon engages with the EJ frameworks. The implications of the degrowth debate for the Global South have been increasingly explored in the last few years. This paper contributes to this exploration by providing an assessment of both hampering and enhancing factors with a focus on EJ in the Global South informed by an activist perspective.
Introduction

For more than a decade, the globalization of the environmental justice (EJ) discourse has been presented either as a case of diffusion abroad of its effective original formulation in the United States (Carruthers, 2008; Sze and London, 2008), or as the outcome of demands from diverse movements struggling against similar problems around the globe (Sikor and Newell, 2014). Today, the two-way nature of this globalisation is currently well established and made apparent through the infusion of environmental justice notions from movements in the South in campaigns of their northern counterparts (Agyeman et al., 2016). The central role of the climate debt concept in the climate justice campaigns is perhaps the foremost case in point (Schlosberg and Collins, 2014; Warlenius, 2017).

Grassroots organisations leading EJ movements in the South thus greatly contributed to expand a shared vocabulary that academic researchers have often refined in their studies (Martinez-Alier et al., 2014). Activists and environmental defenders in the South denounce and resist overall mechanism of domination and dispossession in a variety of fields, from food to energy production (Giunta, 2014; Obi, 2010). They also confront directly industries and environmental criminals that operate such mechanisms (White, 2013) despite this threatening their own lives (The Guardian and Global Witness, 2018). EJ organisations in the South are not only pioneers in leading innovative initiatives that could shake international environmental agendas (Oilwatch, 2015), but also advise to explore alternative visions and transformative pathways from a radically democratic and egalitarian stance (Kothari, 2014).

It therefore stands to reason that that degrowth movements have looked towards these EJ organisations when searching for allies. Besides the reliability conferred by consistent counterhegemonic activism in their respective geographic domains (Hosseini et al., 2017; Loureiro and Layrargues, 2013), there are commonalities between environmental justice (EJ) movements in the South and degrowth. From a social metabolism point of view, they both warn against the increase in the physical size of the economy—a long-held tenet of ecological economics—in connection with issues of democracy and social justice (Pueyo, 2014; Sachs, 2002). They thus have extractivism and debt-fuelled economies as common enemies (Brand et al., 2017; Gerber, 2015; Hornborg and Martinez-Alier, 2016). Importantly, they both rely on social movements that have lead an engaged scholarship in its activities and achievements (Demmer and Hummel, 2017; Martinez-Alier et al., 2014).

Some even argue the existence of an obvious and natural alliance between degrowth and EJ movements in the Global South (Martinez-Alier, 2012). This is in line with recent works confirming this prospective based on the analysis of different empirical contexts in South Asia and Latin America (Gerber and Raina, 2018; Otto, 2017). It also aligns the turn of the degrowth movements—particularly after the 2014 International Degrowth Conference held in Leipzig, Germany—to explicit search for alliances with ongoing critical currents and initiatives around the globe (Burkhart et al., 2016).

Against this backdrop, direct observation unravels concerns from EJ activists in the South about the real plausibility for an alliance until some significant differences have been examined. This concern originally sparkled in discussions initiated within the collaborative project ‘Environmental Justice Organisations, Liabilities and Trade (EJOLT)’ (Martinez-Alier et al., 2011). This initiative united activists and academics to coproduce a variety of EJ-related
studies, such as collective reports focused on topics like tree plantations (Overbeek et al., 2012), mining conflicts (Özkaynak et al., 2012), or land grabbing (GRAIN et al., 2014). The compilation of a global database of environmental justice conflicts was also initiated at that time (Temper et al., 2015), allowing for sound analyses on the outcomes civil society organisations involved in the conflicts (Aydin et al., 2017).

All in all, this opportunity of collaboration served to reinforce significance of movements with radical views that put the dominant model into question in inspiring, promoting and disseminating transformations that tackle the roots causes of today’s socio-environmental problems. Arguably, gaining such movements’ critical views on degrowth is crucial to promote informed cooperations. An examination of perspectives from the South also helps counterbalance the fact that most of the degrowth-related literature, largely shaped by normative contributions, is generated from high-income countries (Weiss and Cattaneo, 2017). The likely clash of ethical assumptions regarding notions of justice and lifestyles (Muraca, 2013, 2012) gives another reason to provide a southern lens into the debate.

Therefore, this paper aims at systematically disclosing main concerns and possible analogies between the scope of action of environmental justice organisations in the Global south and the proposition of the degrowth movements. In particular, we offer responses to the following questions:

a) Which are your main concerns or critiques from environmental justice organisations in the South about the degrowth propositions?

b) Which are the analogies or equivalences between the core themes in the Degrowth debate and environmental justice in the countries where specific environmental justice organisations operate?

The paper is intended for audiences that are knowledgeable about the degrowth discourse and want to better understand how it is perceived in different parts of the world. It introduces an activist perspective that the authors deem to be still missing in the literature. Our purpose is to contribute to the strengthening of potential synergies from an assertive recognition of the limitations for doing so.

To this end, the following section presents the methods followed. After that results and discussion are organised in two blocks. The first one provides a nuanced argumentation on why the alliance is no so natural as the studies mentioned above foresaw. The second one deploys an assortment of analogies that give reasons to think that the start of a conversation between movements is eventually possible. The final section concludes, offering some recommendations to foster such conversation.

Methods

Our argumentation is based on a systematic scrutiny of some core themes in the degrowth debate though semi-structured interviews to critical thinkers who, at the time of the interviews, were part of environmental justice organisations involved in the EJOLT project. These organisations are the Acción Ecológica, A Sud, the Center for Civil Society, Nature Kenya, Oiwatch Nigeria and World Rainforest Movement. Clearly, the claims in this article are informed by the work within these organisations but do not necessarily reflect the
organisational views and positions, which are as plural as the organisation compositions themselves. The discussion does get insights from environmental justice struggles in Ecuador, Italy, Kenya, South Africa, Uruguay, with important implications in Brazil, Mozambique, and Indonesia. The interviewees are experienced activists, with consistent work ranging in their respective field for periods ranging from around ten years to over three decades.

Once the idea of producing this paper was agreed, a process followed to formulate questions whose answers could be supportive of an informed rapprochement of degrowth and environmental justice in the south. In line with principles of collaborative research (Jull et al., 2017; Kishk Anaquot Health Research, 2008), interviewees are acknowledged as co-authors and as such were integrated into the research design. The resulting interview script is presented in Annex 1.

There is not a unifying notion of the proposals of the degrowth movements, admittedly diverse in their transformative approaches (Eversberg and Chmelzer, 2018). As reference for the interviewees in case this was needed, some core themes were identified using the topics presented as ‘dimensions of degrowth’ presented in the website of the organisation (Research and Degrowth, R&D). The themes are: time, resources availability, hard infrastructure, finances, institutions and socio-economic organisation, social comparison, material needs, and consumer imaginary. R&D has co-organised all the international degrowth conferences since 2010, when these topics were used to articulate working groups of the Second International Conference on Economic Degrowth for Ecological Sustainability and Social Equity in Barcelona (R&D, 2010).

After a round of individual responses (either through face-to-face interviews or email exchange), the verbatim transcriptions were coded. Then he codes were structured around premises against and for an alliance between environmental justice movements in the South and degrowth. The arguments were further elaborated by the authors after being discussed in several international fora. They are presented below in a discussion with the literature.

As a note for self-assessment, the authors are aware of the pervasive issue of power relations involved in translations, in encounters between possible allies that are distant from each other and come from a different history (Lohmann, 2015). This cannot be fully prevented. In face of dissent, different views are reported. The exercise does not aim at producing consensus or agreements and the authors are not seeking comprehensiveness, but rather at mapping notions may be considered as referential in the debate.

**Not so natural an alliance! Really? But why?**

Mounting evidence shows global inequalities, both in high-income and low-income countries. Among the 34 OCDE members, the richest 10 percent of the population earn about 9 times the income of the poorest 10 percent (OECD, 2018). Countries that have exceeded expectation in their growth-oriented projects – such as China, with 2.4 m millionaires living in the country in 2013, projected to double in 2015 – observe widening inequalities in wealth and incomes (Hassan, 2016).

One could think that these striking data play as a triggering factor to exploit synergies between movements seeking environmental justice in the Global South and the critics to
growth. In contrast, the idea of an obvious alliance with the degrowth movements bothers some people in the environmental justice movements in the South. Table 1 compiles some reasons why this may be happening, based on information from the interviews. A further elaboration of these ideas follows in the rest of the section.

<table>
<thead>
<tr>
<th>Key points</th>
<th>Associated ideas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degrowth is not an appealing term in the South</td>
<td></td>
</tr>
<tr>
<td>• ‘Voluntary’ degrowth, only through crises and urban elites</td>
<td></td>
</tr>
<tr>
<td>• Against the people’s basic principles of living and working hard</td>
<td></td>
</tr>
<tr>
<td>• Growing (e.g., healthy crops, creativity) is part of EJ agendas</td>
<td></td>
</tr>
<tr>
<td>Beyond detached terms, detached ideas &amp; approaches</td>
<td></td>
</tr>
<tr>
<td>• Austerity is a “degrowth strategy for poor people”</td>
<td></td>
</tr>
<tr>
<td>• Multiple meanings of ideas in multi-cultural, pluri-national countries</td>
<td></td>
</tr>
<tr>
<td>• Degrowth is too anthropogenic</td>
<td></td>
</tr>
<tr>
<td>• Issues framed differently from how Southern groups organize and discuss problems</td>
<td></td>
</tr>
<tr>
<td>• Still scant mention of Degrowth among activist groups in the South</td>
<td></td>
</tr>
<tr>
<td>Communication (&amp; dissemination) issues</td>
<td></td>
</tr>
<tr>
<td>• Semantic controversies: denying the opponent actually legitimises it</td>
<td></td>
</tr>
<tr>
<td>• Other language is suggested: redistribution; appropriate use of welfare</td>
<td></td>
</tr>
<tr>
<td>• Western/ high-income countries centered approach → individualistic</td>
<td></td>
</tr>
<tr>
<td>Eurocentric thinking (again!)</td>
<td></td>
</tr>
<tr>
<td>• Aversion to standardising principles that undermine the flourishing of local initiatives</td>
<td></td>
</tr>
<tr>
<td>• Degrowth proposals seems accommodating stances within the boundaries of the system (not shared perspective!): is degrowth anti-capitalist?</td>
<td></td>
</tr>
<tr>
<td>Not radical enough</td>
<td></td>
</tr>
<tr>
<td>• Why not to move the discourse towards other terms such as eco-socialism, re-commoning, a Nature’s centered perspective?</td>
<td></td>
</tr>
</tbody>
</table>

Table 1. Reasons against an obvious alliance between degrowth and environmental justice in the South

1. **Degrowth is not an appealing term in the South**

In parts of Africa, Latin America and many other regions of the global South, the term degrowth is not tempting, and does not match with people’s demands. The cultural and
historical differences between Northern and Southern countries and their societies, and the struggles people and movements have gone through have a role in this claim.

On the one hand, ideas like ‘frugal living’ (Manno, 2011; Videira et al., 2009) or creating ‘beautifully poor’ spaces (Leblanc, 2017) may not be seen with sympathy when one has grown up in a slum or a favela with unambiguous deficiencies of sanitation or public education coverage. For many people in the Southern groups, especially the social movements, ‘degrowth’ will not make sense because of their own history and experiences, often having suffered from situations of poverty and scarcity of the most basic needs. Some ‘growth’ to reach more security in terms of survival is then welcome. Therefore, putting the point of a struggle on degrowth, not only perceived as ‘missing the point’, but is also somehow a ‘luxury’ debate, something for the North to think about but still not an issue for consideration of many people suffering from poverty.

Those who might then be open to discuss this in Southern countries are probably more middle-class urban academic and NGO people, who do not know poverty from their own experience. In the view of the interviewees, trying to push for a debate on degrowth in Africa or India would not reach far. The overall discourse of ‘degrowing’ might seems to them farfetched and limited to elites. In this case too, one would need a context of overall welfare and over consumption from which to Degrowth. In fact, this is a major concern. As revolutionary socialists put it, how can we explain ‘uneven and combined development’ (Davidson, 2017; Justin Rosenberg, 1996) in world historical terms so that the main burden of world degrowth falls upon those who accumulated most already, and the opportunities for meeting social needs and enjoying the benefits of modernisation (electricity, water systems, the internet, etc.) can be transferred to the world’s poorest?

On the other hand, the use of the term ‘degrowth’ is in itself negative and goes against the mindset and basic principles of living and working hard. The issue of framing has been recurrently responded by degrowthists (Asara et al., 2015) with the call to decolonise the social imaginary from the never-ending chasing of accumulation, changing our language to produce from today a subversive tomorrow (Kallis and March, 2015). However, positive meanings of growth are also keystones of the imaginaries and agendas of EJ movements in the South: healthy children grow, staple crops grow, ideas grow, creativity grows... Why should the South support the idea of not growing? Should not the environmental justice movements grow? Should not the alternatives against damaging projects grow? The family and child care systems, should not they grow? What about the small-scale organic agriculture, both in the South and in the North?

This position brings us back to an analogue debate among some ecological economists in the North contesting the term Degrowth. They ask ‘degrowth of what?’, claiming that degrowth arguably concedes excessive importance to the change of standard macroeconomic indicators, leaving aside the real need to recognise the material boundaries of the economic system (Naredo, 2011). In line with some concerns expressed during the interviews, they also argue that the term degrowth does not communicate well about alternatives and this provides a reason to think about how you want to call this movement (Drews and Antal, 2016).

On the top of the above, the context of economic crisis and the imposed austerity policies play a role in the discussion. While voluntary degrowth could be directed to urban elites,
poor people, instead, assimilate degrowth with austerity measures. More and more people living in precarious conditions both in the North and in the South interpret austerity as an unwelcomed Degrowth strategy for the poor.

2. Beyond detached terms, detached ideas?

Together with the barriers of understanding about the use of the term ‘degrowth’, the interviewees express concerns on the concepts and ideas that are behind. Take, for instance, the degrowth proposals on time allocation. The western idea of ‘time’ clashes with the time of the ‘pueblos’ (communities, people), the aboriginal concepts of time, and the times of nature. What does ‘reduction of the working time’ as studied by degrowth researchers (see, e.g., Shao and Rodríguez-Labajos, 2016) mean then?

This leads to enquire to what extent the degrowth movements recognise and understand the multiple meanings of time in the South, particularly in those countries characterised by plurinationalism and multiculturality. The notions and conceptions involved in the debate are unquestionably diverse and this precludes prescriptions on time use that require homogenisation and comparability. After this example, the interviewees argue that each one of the topics that are part of the core debates in Degrowth (e.g., limits, resource availability, and consumer imaginary) may generate a similar reaction. Ultimately, many ideas present in the degrowth approach are perceived as very anthropocentric, and way too influenced by economic theories. At this point, the EJ organisations invite to learn non-anthropocentric thinking and practices from people in Latin America when conceiving radical transformations.

At least, a clarification is demanded on the concrete meaning of pro-degrowth measures. For instance in Nigeria, and in Africa in general, energy production is increasing yet there is more inequality and energy poverty. This seems an analogous problem to the one degrowth presents. Then, what would degrowth mean in this context? Freezing production, increasing equity, increasing assets? Giving access to people who do not have access to energy? Is this just another word for energy transition? Giving an answer to these questions is deemed to be impossible without a certain level of contradiction.

As argued below, the Degrowth ideas do generate sympathy among the social movements in the South. However, some ideas still sound too pragmatic for many Southern groups. In the realities the EJOS have been working in (for instance, in Brazil), social movements are concerned with political strategies, and tactics that can contribute to them, to transform the dominant model. In this respect, the problem with the Degrowth debate is that it frames the issues so differently from how very diverse Southern groups and movements organize and discuss the problems, which explains barriers in communication and in the potential for making alliances.

Related to this, what would probably call most attention is that the way degrowth ‘strategies’ are approached and disseminated. In the terms that Southern social movements would frame a strategy, much more related to what often is called a ‘political strategy’, it would be surprising that a movement published it openly on a website. In this context, the set of degrowth proposals is seen as a confusing mix of strategies and tactics, a point also made by Cosme et al. (2017). This point is not trivial as EJOs, as experienced political actors, are aware about the ways how effective alliances and networks between groups and
movements are built (Aydin et al., 2017). For instance, another EJO points out about the convenience of creating possible alliances with consumer organisations at the tactical (specific-goal oriented) rather than at the strategic (generic) level. Therefore, shared approach to both political and organisational development is essential.

3. Communication and dissemination issues

While Northern activists and formally educated people may not find problems to access the messages of the Degrowth debate, the situation is different for people involved in environmental justice struggles, both in the North and in the South. In the global South the concept of Degrowth is relatively new, especially in Africa, and the interviewees reported very little information about the debates within their communities.

The most frequent pathway to get information about degrowth seems to be participating in conferences, or learning about the international Degrowth conferences held in the past. This convinced at least one of the interviewees that the intellectual and political current around Degrowth was actually robust. Other sources of information are materials received from the internet, for instance, through mailing list or online fora (e.g., on biological conservation, and on consumption). Direct interaction with degrowthists from other civil society groups, or through common projects (e.g., EJOLT) was also mentioned. In one case, the information was obtained while collaborating in the preparation of a documentary series (Story of Staff).

Both during the EJOs’ local work with communities and social movements, and with international networks, the interviewees noticed few or no mention of degrowth among Southern groups.

Environmental justice, an older and more mature movement, started being twice as interesting as Degrowth for Google users at the beginning of the analysed period, with a peak of interest in April 2004. Meanwhile, the interest for Degrowth was increasing globally and reached its peak in regards to all Google queries in June 2009. Nowadays, both debates generate similar levels of interest. Clearly, the number of total queries has vastly increased over the years, but the information is presented here in relative terms. As a reference, the term ‘financial crisis’ generated 4.4 times more interest than ‘degrowth’ over the same period (and ‘terrorism’, 34 times more).

Focussing on the location of the queries, in the country of operation of some of the interviewees –South Africa, Kenya, Nigeria, and Brazil– the interest on environmental justice dominates over Degrowth, in consistence with their perceptions. In contrast, Ecuador, Uruguay and Italy, where activism coexist with intellectually rich environments, interest on degrowth seems to be way superior. This fact points out to a diversity of contexts in the countries typically associated with the metaphor of the Global South, which should be kept in mind when studying links between the (northern) Degrowth movement and environmental justice organizations in the global South. At the same time, it is important to reflect on the possible causes why Degrowth does not reach the interest of those involved in struggles for environmental and social justice in some areas of the world.

Also regarding communication issues, for some EJOs there are semantic controversies that come together with calling your own movement as the denial of the ‘false solution’. For example, the term ‘non-white’ is fiercely contested by grassroots organisations in South
Africa in remembrance of exclusionary policies based on race. Here a concern emerges about the legitimacy of the discourses employed in the debate. By tagging the own movement as a denial of what is being challenged, in fact there is a contribution to legitimate a false structure.

Therefore, under this argument it is not the root ideas of Degrowth which are contested, but the language with which they are articulated and how they are communicated. When dealing with people living in more precarious conditions, concepts of redistribution and appropriate use of welfare and resources – in line with principles of environmental justice – are more suitable.

4. Eurocentric thinking (again!)

A pervasive criticism of Degrowth is that its European roots have percolated in the type proposals done. Once again in history, an idea is launched to the world with an undeniable Eurocentric (or Northern) origin. This alone, generates logical resistances in groups that often side with decolonial theoretical perspectives (Alimonda, 2011; Grosfoguel, 2011; Mignolo and Escobar, 2010), and support political projects promoted by indigenous movements, landless workers, and fighters against environmental racism in impoverished settings.

To be fair, similar critiques were raised against the language and political implications of environmental justice when applied outside its North American origins, yet this discourse has become global (Carruthers, 2008). Degrowth is seen as the epitome of the developed-countries centred-approach. The movement presumes a context of overall welfare in a rich society abusing consumption from which degrow starts. This is not the case of vast sectors of the global South countries. Clearly, there is an understanding that the roles played in the overall framework are different, and the idea that the Global North encompasses groups benefiting from extreme inequalities both in the North and in the South. Still, the notion of a wealthy North calling for degrow is puzzling for many. With this comes the critique of the approach being too individualistic, as the Western societies themselves.

There is awareness that organisation in the North that have created solidarity networks with EJOs in the South support the Degrowth movement. For instance, the network Ecologistas en Acción, well-known by one of the interviewees, has endorsed the campaign ‘Menos para vivir mejor’ (Less to live better) for several years. This is seen positively but does not mitigate the risk that the degrowth proposals become uniformalising principles operating against the diversity that the EJOs defend. This is not only seen as dangerous for the movements in the South, but possibly also for initiatives in Europe that cannot flourish because they get influenced by the Degrowth movement too early in their own development as alternatives.

5. Not radical enough

Although the dominance of the paradigm of economic growth needs to be criticized, to propose ‘degrowth’ as the way forward gives some interviewees the feeling that it misses somehow the point. Some economic works postulate a growth imperative in capitalist economies (Vergara-Camus, 2017). Historically, non-capitalistic processes also suffered (and continue to suffer) an obsession for growth (Kallis, 2017), but this is not the reality that the EJ organisations in many parts of the world face.
Using a perspective from Brazil, two different processes are observed. On the one hand, capitalists are interested in profit, and not necessarily in growing per se. On the other hand, the main problem around the dominant economic growth-based model is the power of a restricted group of (capitalist) actors that are most benefited and interested in maintaining the present dominant extraction (of ‘raw materials’), production, commercialization, and consumption model. So EJ groups do not pay so much attention to ‘economic growth’ (and therefore may not see ‘degrowth’ as the solution), as to the ways how capitalist operate in their countries.

Referential intellectuals for the environmental justice movements emphasize that current ecological crises and economic crises are both part of the same fundamental crisis of the Western capitalist civilisation, deeply rooted in modern industrialisation (Löwy, 2005). In this respect, some interviewees do not appreciate a deep, radical criticism of capitalism in degrowth. This is not the unanimous perspective, but for several EJ activists degrowth proposals seem accommodating stances within the boundaries of the prevailing system. Then, their question comes: is degrowth an anti-capitalist position? Radical proposals strongly supported by the EJOS, such as the scheme ‘leave the oil in the soil’ are not only held because of their direct effect in protecting vulnerable communities and ecosystems, but also because they are concrete steps to start ‘killing capitalism’ doing a radical and idealistic critique of the oil-based civilisation. Against the views of EJ movements of being post-political (Swyngedouw, 2009), this type of views demonstrates that the global EJ movement actually encourage radical changes, and actively demands a debate around alternatives to the dominant capitalist development model.

Then, why not move the discourse towards other models of economic organisation? Some EJ organisation claim alternative models based on Socialism. Aware of the semantic issue raised above, and the bad memories that this term calls upon, eco-socialism is proposed instead. The recuperation or creation of commons are also a part of EJ claims, as this is a form of producing and consuming goods that do not become commodities. Another radical missing topic is the non-anthropocentric/Nature’s perspective that lead us to an absolute transformation of the relationship between humans and nature.

But still, we want to cooperate. A variety of analogies

The combination of reasons mentioned above causes that currently Degrowth is not a priority debate for many EJ movements in the South. Then, once getting deeper in the kind of specific Degrowth proposals, it is possible to identify possible links. For the interviewees, several points defended by the ‘Degrowth’ movements sound creative and could lead to interesting discussions and debates with Southern groups. Recent attempts to present degrowth hand-in-hand with other transformative alternatives help us to understand the benefits of this exercise in terms of the research and activism agenda (Demaria and Kothari, 2017).

Moreover, some economies in Southern countries have embraced the imaginaries of economic growth and are deploying them at a fast pace. Such is clearly the case of Brazil, now the seventh largest economy in the world and still with a steady growth rate. Social movements there could take up the Degrowth discourse in order to underpin their own
demands. Looking at Degrowth proposals may provide a way to articulate local struggles with the larger-scale drivers that trigger them.

The basic point for creating an alliance, the interviewees argue, is that the different proposals do not eliminate each other but understand how they can learn and benefit from each other. A way to approach such contact points can be to identify equivalences or analogies between both (oppositely the lack of equivalence could also be explored). An analogy does not necessarily entail a similarity but supports the necessary exercise of cross-cultural encounter. To this end this section presents a summary of the responses to the question ‘Which are the analogies or equivalences between the core themes in the Degrowth debate and environmental justice in the context of the country(-ies) where your organization operates?’, which are also presented in Table 3.

<table>
<thead>
<tr>
<th>Core themes in Degrowth</th>
<th>Analogies with environmental justice struggles</th>
<th>Concrete examples in your organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>Sumakkawsay</td>
<td>Rediscovering the role in society through popular epidemiology (EPICentro Project)</td>
</tr>
<tr>
<td></td>
<td>Grassroots and political time through political engagement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Time needed to socialise, to rediscover the own lost soul</td>
<td></td>
</tr>
<tr>
<td>Resources availability</td>
<td>Campaigns against land grabbing</td>
<td>Leave the oil in the soil, leave the coal in the hole, leave the tar sands in the land ...</td>
</tr>
<tr>
<td></td>
<td>Fair distribution of environmental burdens (reduction) and benefits</td>
<td>Paralysed biodiesel (Jatropha) projects in the Tana Delta (Kenya) for Europe’s fuel needs</td>
</tr>
<tr>
<td></td>
<td>Critique of Africa’s multiple Resource Curses</td>
<td>Biocide campaign</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Analyses of ways the Resource Curse (including climate change), ‘leave it in the ground’ plus ‘climate debt’ approach</td>
</tr>
<tr>
<td>Hard Infrastructure</td>
<td>Struggles against mega-projects &amp; useless infrastructures (dams, high-speed train)</td>
<td>Struggle against high speed road (‘Stop Biocidio’ campaign)</td>
</tr>
<tr>
<td></td>
<td>Demand for extension of basic needs infrastructure</td>
<td>Opposition to mega-projects in South Africa and Nigeria</td>
</tr>
<tr>
<td></td>
<td>(International) solidarity work (e.g. ALBA) vs large infrastructures</td>
<td></td>
</tr>
<tr>
<td>Finances</td>
<td>Role of finance in strengthening environmental injustice</td>
<td>Arguments to impose capital controls, to lower the ratio of finance to real economic activity</td>
</tr>
<tr>
<td>Institutions and socio-economic organisation</td>
<td>Communities that conquer back territories invaded by tree plantations</td>
<td>Promotion of small, local and environmentally friendly production</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>-------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Community energy committees in Nigeria (demonstrative stage)</td>
<td>Critiques of the power structures in all global, continental, national and municipal scales (governmental / corporate)</td>
</tr>
<tr>
<td></td>
<td>Rationalisation of production processes on the basis of real, local needs and local available materials</td>
<td></td>
</tr>
<tr>
<td>Commons</td>
<td>Community-Based Forest Management (WRM)</td>
<td>National movement for water (and energy) in Italy</td>
</tr>
<tr>
<td></td>
<td>Communal lands should be protected, exclusively used for communal purposes</td>
<td>‘From rights to commons’</td>
</tr>
<tr>
<td>Social comparison</td>
<td>Fostering equalities in terms of access to basic resources and distribution of environmental burdens</td>
<td>‘Stop Biocidio’ campaign</td>
</tr>
<tr>
<td></td>
<td>Desire to end Africa’s artificially drawn borders (of Berlin in 1885)</td>
<td>Anti-xenophobia research and programming</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nigeria’s National Basic Income Scheme (NaBIS)</td>
</tr>
<tr>
<td>Material needs</td>
<td>Food sovereignty</td>
<td>Growth for basic needs projects (e.g. South Africa’s failed Reconstruction and Development Programme of 1994)</td>
</tr>
<tr>
<td>Consumer imaginary</td>
<td>Need to rebuild peoples’ imaginaries into low and appropriate consumption</td>
<td>Story of Stuff project(2009) (including on cap-and-trade critique)</td>
</tr>
<tr>
<td></td>
<td>Critique of hedonistic consumption norms</td>
<td></td>
</tr>
</tbody>
</table>

**Table 3. Identified analogies between degrowth and environmental justice in the South**

**Time**

To the question ‘How to spend or share time?’, there is a call for using time to socialise, to re-discover the own lost soul, but also the active societal role of the self. In the powerful analogy of ‘living well’, as expressed through the Andean notion of Sumak Kawsay,
community work helps to strengthen social cohesion. There is therefore an invitation to recognise the time lived through political engagement as a valuable dimension of time. Specific examples are provided in relation to existing campaigns of popular epidemiology in Italy (the EPICentro Civitavecchia project) that allow the participants to rediscover themselves in the interaction with others.

**Resources availability**

Reducing natural resource extraction and consumption is very much related to the core interest of several interviewees. Analogies to this topic can be found in the critique of Africa’s multiple resource curses, and in analyses of ways these curses are revealed, including climate change aspects.

Several cases of land grabs in Kenya help to exemplify the local impacts of economic growth in other parts of the world. For instance, in the Tana Delta, the company G4 Industries wanted 28,000 ha for biofuel production for the UK; Bedford Biofuels wanted 160,000 ha of jatropha for biodiesel for Europe, and Kenya Jatropha Energy Limited wanted 50,000 ha, some of it indigenous forest. All these schemes aimed at satisfying energy needs for Europe due to EU renewable energy policies which clearly cannot be met by Europe’s agriculture. As a result, involuntary ‘degrowth’ occurs in Kenya and global disparities increase. Therefore, campaigns against land grabbing are identified as a source of analogies with the degrowth propositions on resource availability.

More and more extraction is clearly not the solution, all the more so as it is leading to a violent side. Delimiting and even reducing growth could be the answer, but in any case, the interviewees sustain that natural resource extraction should be halted. For the case of underground materials, the claim is to use a ‘leave it in the ground’ plus ‘climate debt’ approach. There is also an urge to coordinate actions for the defence of sacrifice zones, as in the case of the campaigns ‘Stop Biocidio’, launched in several regions of Italy.

Defended principles here are the fair distribution of environmental benefits and burdens (or their absolute reduction), fair access to natural resources, and the halt to excessive consumption. Not only bans but also environmental education and communication work are emphasized. Another source of potential alliances relies on the link between the claims for EJ of the South and of the North, as in the case of mining conflicts in the extraction frontier in Canada, Sweden, Spain or Greece. In any case there is a strong warning to consider what a resource is, what availability is, and how are both conceptualised within the Degrowth debate.

**Hard Infrastructure**

The critique of mega-projects is a relevant part of the EJ movements’ agenda, and a rich source of analogies with degrowth. In Nigeria, the questioning is related to the pressure subsidies-dependent mega-infrastructures impose on public financing. In Italy, where struggles against useless infrastructures—starting with the high-speed train—are well known, the conflict entailed a review of the real need of transportation and its relation to time, as fast is often unnecessary. This example also teaches how to connect different resistances, as the local struggles related to the construction of a high-speed learned to cooperate with the ‘Stop Biocidio’ campaign mentioned above.
Opposition to large-infrastructure comes together with a demand for the extension of appropriate infrastructures for basic needs, and the creation of networks of solidarity work. For instance, the ‘Movimento dos Trabalhadores Rurais Sem Terra’ (MST) is a social movement of landless peasants that has a huge experience itself in solidarity work and missions in other countries. Also in Latin America, it is worth looking at the ALBA initiative, a cooperation not based on strengthening infrastructure to facilitate exports (like the IIRSA plan for infrastructure among South-American countries), but cooperation between countries based on the social and human dimension, through e.g. the exchange of doctors for improving medical assistance, fellowships on universities, of experiences with certain types of agriculture and other activities, scientific cooperation, and solidarity missions.

**Finances**

EJ movements emphasize the role of finances in strengthening environmental injustices. The search for economic profits is seen as the roots of environmental and social destruction, financialization of nature, and climate change. Talking about Nigeria, an interviewee indicates that the whole idea of national domestic product (GDP) does not fully represent the economic development ethos of the country or the people inside. Comparing Nigeria with other countries based on their GDP is then another way of financial and fiscal imperialism. Therefore, there are strong reasons to impose capital controls, to lower the ratio of finance to real economic activity, nationalize financial assets, and diversify the sources of currency.

**Institutions and socio-economic organisation, and commons**

Power structures at all global, continental, national and municipal scale governments and corporations are strongly questioned by EJ movements. In the global call for system change, new forms of institutions are critically required. Their task is organising the rationalisation of production process on the basis of real local needs and locally available materials in respect with environmental reproduction time. Several examples are provided. In Brazil, communities conquer back their territories that were invaded by tree plantations. Community-Based Forest Management in tropical forests keeps production at small scales and promotes community participation while providing materials for local and regional needs. This in contrast to the export-oriented and developmentalist idea of increasing exports to increase economic growth. In Italy, new groups promote small, locally based and environmentally friendly production, in areas ranging from food to architecture. Cooperatives for managing water systems and energy systems are proposed worldwide. For instance, in Nigeria, community energy committees are piloting forms of local renewable energy production.

Based on emblematic campaigns and discussions, e.g., on right to water in South Africa and Italy, it was clear for some organisations that the human rights approach, based on liberal constitutionalism, was too individualistic, and a false hope for justice. In these types of situations, commonalisation seems to be the most adequate response against situations of environmental injustice (Bond, 2013). Commons are important realities in the day-to-day life of many communities engaged in environmental justice struggles. Commons do not ‘passively’ exist but rely on their permanent (re)creation in the territory. They are rooted
into a democratic- and community-based vision that addresses the issue of adequate resource distribution according to sufficiency and ‘natural’ availability.

Traditional commons exist in Nigeria, where land tenure is basically communal and exclusively used for community purposes through customary structures. As in many countries in Africa, this system is not exempt from disputes between tenure arrangements over land, typically herder-farmer conflicts. Yet importantly, interviewees emphasize the need that communal lands are protected from private uses.

Commons also provide a framework to developing innovative scheme of ‘compensation’ in face of climate injustices. The idea is comming the climate debt through payments from ordinary people in the North to ordinary people already impacted for climate change in the South. The experience of Basic Income Grant pilot in Otjivero, Namibia, funded by the German Namibian Evangelical Lutheran church showed immediate benefits in terms of poverty alleviation and independent earned income (Carnegie Council, 2010). This could be considered as a social pillar of the payment of the climate debt, complementary to another pillar reliant on the Yasunisation -Ogonisation strategy.

However, two relevant warnings emerged from the interviews. First, from the Italian experience of political work on water and energy, in practice there is no strong and concrete relation, between the movement for the commons –very strong between 2011-2013 due to the national referendum on water– and degrowth. Second, there is concern about the fact that commons, nowadays a hot topic in research, becomes a passing intellectual trend.

**Social comparison**

Environmental injustice is clearly related to social and economic inequalities: the poorest and the more marginalised the more you risk exposure environmental damage. The analogies on social comparison are proposed not as much to what people have or desire but to their access to basic resources and distribution of environmental burdens. Initiatives aspiring to social equality and redistribution include a campaign launched in Nigeria for demanding a National Basic Income Scheme (NaBIS), a stipend of around USD 100 for all unemployed Nigerians. The NaBIS proposal seeks to redistribute wealth and reduce the gap of inequality in the Nigerian society. Interestingly, an analogy emerging at this stage was related to the desire to end Africa’s artificially drawn borders (in Berlin in 1885) and their effects and promoting anti-xenophobia research and action.

**Material needs**

Trying to push from a more locally sustained economy that concerns about and respects nature is a notion that communicates well with the struggles for social and environmental justice of Southern groups. Several of the ‘alternatives’ communities are trying to implement locally in the global South would defend these principles, as in the case mentioned above of the communities conquering back territories that were invaded by tree plantations.

In the same line, food sovereignty is a very much defended principle by La Via Campesina and the peasant organizations that are members. Therefore it could be become an important source of analogies with degrowth. This is a critically relevant issue that requires connection with struggles in the North, as it is apparent going through the products and
ingredients of the items on shelves in most European supermarkets, most of them coming from Southern countries.

However, there are also social movement in the South whose main concern revolves around wealth redistribution rather than on locally sustained economy and respect to nature. A case in point would be the movement ‘O petróleo é nosso’ (the oil is ours) led by trade unions in Brazil that seeks redistribution of the oil revenues. When the pro-growth spirit percolates the aspirations for social and environmental justice, respecting sufficiency in the satisfaction of basic needs is critica, as exemplified by the ‘Growth for basic needs projects’, South Africa’s (failed) Reconstruction and Development Programme of 1994.

**Consumer imaginary**

Can degrowth be required to high and medium income strata in the global North, regardless where they are located? There is evidence of extreme inequalities also in Southern countries and in some cases, like in South Africa, there is an open critique from the EJ organisations to (mainly white) hedonistic consumption norms and evidence of overconsumption. Even amid impoverished communities, hard earned money is being misused in purchasing expensive mobile phones as a symbol of status. What happens to the ‘catch up mentality’ where all want and strive to follow in the footsteps of the ‘developed’? For EJ movements, the whole idea of society tagging along with corporations’ production, is a rising concern. In fact, there are many analogies in terms of the need to rebuild peoples’ imaginaries into low and appropriate consumption, albeit paying careful attention to the considerations presented in the previous sections. For this, environmental education and communication work is key. An example presented is the ‘Story of Stuff’ project which includes a critique on cap-and-trade critique. Consumption imaginary can also foster (tactical rather than strategic) links between EJ organisations in the South and consumers organisations in the North.

**Conclusions and recommendations**

The alliance between the Degrowth movements in the global North and the EJ movements in the global South has been reasoned as the normal consequence of combatting similar disruptive drivers. In this paper, well-known activists for EJ in the Global South have critically examined this proposition. Significant differences between movements have been detected regarding the terminology, underlying notions, strategies for communication, dissemination and planning, history of ideas and political stances. These have been described with the explicit purpose to look for an alliance that will only occur if it is mutually beneficial. Rather than looking for presumed commonalities, analogies between both movements have presented, articulated around some core themes of the Degrowth debate. These analogies have helped to identify links that can become a base for collaboration. Analogies facilitate cross-cultural encounters since they are a base for learning without losing the essence of the existing differences. From the above, and building on the political experience of the authors, some recommendations are presented so as to make progress towards the start of a conversation between movements.

a) Alternative terminology needs to be found. Admittedly, it is necessary to disseminate more and better what degrowth is in the South. Yet the organisations for the South have participated little in the conceptual development and terms in the Degrowth debate. Leaving
aside the well-known critiques about ‘degrowth’ as an unfortunate term for some, a revised terminology is needed that gives similar chance to the people in the South to contribute and influence. In the terminological and conceptual exchange there are some core points that proponents of degrowth need to be explicit about: what should the debate focus on? Who needs to degrow? When should degrowth start? For instance, should start in places where consumption can no longer be sustained by locally available natural capital?

b) Recognise diversity of contexts and entry points. Seen from the South, Degrowth appears as a new general model of transformation. Explicit clarifications from degrowth researchers calling for an organic alliance rather than imposing a model for transformation do not alter the fact that worldwide interest in degrowth has bumped into a body of literature emerging from Northern countries that is basically normative. In face of this, EJ movements around the globe are essentially a multiplicity of grassroots experiences and strategies, each one coming from a different history. There is not a correct strategy or principle for everything even this being the idea of downsizing the impact of humans in the planet. Every exchange is embedded in context and experience. Then there will hardly be ‘an’ alliance, but specific practices of solidarity with other people’s struggles and concerns. In each case, the entry point for the discussion may be very different.

c) Aim at tactic alliances based on concrete cases and examples. The notions associated to degrowth are acknowledged as a source of greater understanding of EJ issues. The conversation can start from identifying and exploring practical links. For this, the EJ organisations propose to start asking ourselves about the relation between degrowth and of the campaigns and projects EJ movements are currently engaged, from transport mega-projects to young people’s groups against oil extraction in the Amazon. These events overlap with degrowth politics and may become main sources of concrete alliances. There is also an invitation to examine the alliances that degrowth has already created with local environmental justice movements in the North, and to explore together the agreements and disagreements from such processes.

d) Accept that it might not happen (soon, at least) for a good reason. For the notion of degrowth to flourish in the South, it needs to evolve from the Global South. Degrowth is a useful frame that has been very effective and clearly positive for social movements and intellectuals in the North. There it has created important alliances and has generated strong multiplier effects. Whether it will also connect with the movements in the Global South depends on whether the necessity of this discussion exists also there. There is a line of thought which says that the Global North has to degrow so that the Global South can grow. In reality the Global North has to degrow because it is just consuming too much. It is up to the Global South what to do and which ideas to endorse.

All these topics are of relevance for the ecological economics scholarship. The arguments provided in this paper underpin discussions in relation to material dimensions of the critique to growth. They also provide a nuanced argumentation informed by an activist perspective on fairness, equity and justice as possible languages of valuation.

The need for EJ and degrowth to work together is fundamental, so both movements become more influential in their respective scopes of action. The global influence of social movements is undeniable, as staged when the green groups walked out of UN climate talks in 2013. However, the situation today for the environmental justice organisations in the
South is different, and not necessarily better than it was five or ten years ago. The alliances with a thriving movement such as degrowth is therefore beneficial and surely welcome, as long as they reinforce each other’s strengths and does not unintendedly create another form of intellectual domination.

Acknowledgements
The authors are grateful to Larry Lohman, Ulrich Brand, and Federico Demaria for insightful conversations regarding the topics addressed in this paper. An earlier version of the paper was discussed within the members of the Research&Degrowth reading group, whose useful comments are welcome.

Annex 1: Interview script

1. What are your information sources about the Degrowth debate? Do you consider information gaps as a barrier for an alliance between Degrowth and other movements around the world?

2. Which are your main concerns, or critiques about the Degrowth propositions?

[For a short overview (definition, short history, strategies and dimensions) you can check the webpage of Research and Degrowth (R&D) www.degrowth.org]

3. Which are the analogies between the core themes in the Degrowth debate and environmental justice context that you know the best?

a) In the context of the environmental justice struggles in the country(ies) where your organization operates?

[You can use the table next for answering both questions. The listed core themes are taken from the section ‘Dimensions’ in the R&D webpage, where you can find a brief description of each one]

<table>
<thead>
<tr>
<th>Core themes in the Degrowth debate</th>
<th>a) Analogies with environmental justice struggles</th>
<th>b) Analogies with current activities in your organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resources availability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutions and socio-economic organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commons*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social comparison</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer imaginary</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Not listed in R&D webpage, added to this list after the exchange with the interviewees.

4. Final comments?
References


The Guardian, Global Witness, 2018. 197 environmental defenders have been killed in 2017
while protecting their community’s land or natural resources [WWW Document]. The Defenders. URL https://www.theguardian.com/environment/series/the-defenders (accessed 3.27.18).


Mining conflicts multiply, as critics of ‘extractivism’ gather in Johannesburg

Pambazuka, 10 November 2018

The World Social Forum’s ‘Thematic Forum on Mining and Extractivism’ convenes from November 12-15 here in Johannesburg, just after the Southern Africa People’s Tribunal on Transnational Corporations. In between, at the notorious 2012 massacre site on the platinum belt to the west, there’s a launch of a new book – Business as Usual after Marikana – critical not only of the mining house Lonmin but of its international financiers and buyers.

This is the moment for a profoundly critical standpoint to take root, unhindered by ineffectual reformism associated with Corporate Social Responsibility gimmicks and the mining sector’s civilised-society watchdogging at the mainly uncritical Alternative Mining Indaba. That NGO-dominated event occurs annually in Cape Town every February, at the same time and place where the extractive mega-corporations gather.

The Thematic Forum firmly opposes ‘extractivism.’ Unlike the Indaba, it aims to connect the dots between oppressions, defining its target as extraction of “so-called natural resources” in a way that is “devastating and degrading,” since mining exacerbates “conditions of global warming and climate injustice. It subjects local economies to a logic of accumulation that privately benefits corporations,” and represses “traditional, indigenous and peasant communities by violations of human rights, affecting in particular the lives of women and children.”

The last point is not incidental, as two of the main organisers are the Southern Africa Rural Women’s Assembly and the WoMin network: “African Women Unite Against Destructive Resource Extraction.” Inspired by Amadiba Crisis Committee activists in the Eastern Cape’s Wild Coast, they’ve campaigned hard for the #Right2SayNo.

Last month, such rights language proved invaluable in the Constitutional Court here in Johannesburg, when the Itireleng community won a judgement against displacement from their farm, under attack by a local platinum mining house. (This was pleasantly surprising to many of us who are Court critics, given how much corporate power is hardwired into South Africa’s founding document.)

On the Wild Coast last month, South Africa’s Mining Minister Gwede Mantashe had shown how desperately he wants investment by the likes of aggressive Australian titanium mining firm MRC. But the Amadiba Crisis Committee and its allies have consistently shown their ability to say “No!”

No means no

The Forum’s opening morning features a demonstration at the nearby world headquarters of AngloGold Ashanti, the locally-listed firm shamed in 2005 by Human Rights Watch for its alliances with warlords during the minerals-related murder of millions of people in the eastern Democratic Republic of the Congo. In 2011, AngloGold Ashanti won the title “world’s most irresponsible corporation” at the ‘Davos Public Eye’ ceremony organised outside the World Economic Forum by Greenpeace and the Berne Declaration.
Since then the firm has attracted even more intense community, labour, feminist and environmental protests from Chile to Colombia to Ghana to Guinea to Tanzania, as well as at home in South Africa over mass retrenchments, inadequate pay and delay of silicosis-related compensation payments. It’s a sick company, with its Johannesburg Stock Exchange price having fallen by more than half since a mid-2016 peak (and even further from its 2006-12 JSE valuations).

Criticised by investors who believe “AngloGold has not matched up to its global peers” in large part because of less profitable South African holdings, AngloGold Ashanti is rapidly exiting its home country. The firm made its fortune during the notorious 20th century era of extreme apartheid extractivism when it was run by the Oppenheimer family. Perhaps even worse is the new boss, Kelvin Dushnisky, who has presided over Toronto-based Barrick (the world’s largest gold producer, known in Africa as Acacia) during its recent reign of mining terrorism, including mass rape.

The mining corporations under fire at the Forum are not only the typical pinstriped, ethics-challenged cowboys from the London-Toronto-Melbourne-Joburg circuits. Next door in Mozambique, Rio-based Vale’s coal-mining operations at Moatize were disrupted last month, according to activist allies at the Associação de Apoio e Assistência Jurídica às Comunidades, due to “excessive pollution [and] acceleration of the decay of houses due to explosion of dynamites.”

Albeit trying to “mask brutal exploitation with the language of South-South solidarity,” as documented by Canadian researcher Judith Marshall, Vale is brutal in numerous jurisdictions, judged by Berne Declaration and the Brazilian Movement of Landless Workers as worst company in the world in 2012 due to “its labour relations, community impact and environmental record.”

In Mozambique, Vale as well as the Indian firms Coal of India, Vedanta and Jindal have been criticised for displacement and destruction. Community protests against foreign companies are prolific in coal-rich Tete Province. Further east, on the Mozambican coastline, beach sands in some communities have been destroyed by the voracious Chinese firm Haiyu.

Complains a local resident who can no longer carry out fishing subsistence, Nassire Omar, “They owe us because they have taken our beautiful sand from us and left nothing. We don’t know the quantity of the sand that they took over seven years, but we know that they profited from it and we want our dues. They have taken all the riches here and left us with nothing.”

But it may be that Vedanta and its boss Anil Agarwal – who is also Anglo American Corporation’s largest single investor with more than 20% of shares – has witnessed the most sustained protest, including a mass protest in May against the Thoothukudi Sterlite copper plant which his officials responded to with a massacre of 13 Indians demanding an end to pollution.

Protest against Africa’s largest copper mine, Konkola, centres on 1,826 Zambian farmers poisoned by Vedanta. Just before the London Stock Exchange delisting of Vedanta last month, popular reggae musician Maiko Zulu protested (and was arrested) at the British High Commission in Lusaka, demanding that authorities deny Agarwal his escape from London
prior to justice being served. Agarwal bought that mine for $25 million in 2004 and a decade later bragged that ever since he had taken $500 million to $1 billion home from Konkola annually.

**After extractivism**

These sorts of Western+BRICS modes of super-exploitation exemplify the mineral, oil and gas looting underway across Africa. The uncompensated extraction of non-renewable resources amounts to an estimated $150 billion annually, far more even than the $50-80 billion Illicit Financial Flows and $50 billion in legal profit repatriation from Africa by mining and petroleum firms.

But increasingly, mining houses are pushing the people and environment too far, and resistance is rising. As Anglo American Corporation leader Mark Cutifani remarked in 2015, “There’s something like $25 billion worth of projects tied up or stopped” by mining critics across the world.

How activists can increase that figure is the topic of next week’s discussions, along with moving from these critiques to strategies for post-extractivist systems of political economy, political ecology and social reproduction.

Maiko Zulu just before arrest at British High Commission, Lusaka, 27 September 2018
Environmental critique
in Mark Juergensmeyer, Saskia Sassen, Manfred Steger, and Victor Faessel (Eds), *Oxford Handbook of Global Studies*, Oxford, Oxford University Press, 2018

Abstract:
The essential dispute in global management of the Earth system is not whether planetary boundaries are being broached but whether it is appropriate to address these with managerialist ‘Green Economy’ strategies combining technical fixes and market mechanisms controlled by banks and corporations. The opposite approach features strong state regulatory mandates (such as the 1987 Montreal Protocol provided against ozone-destroying chemicals) backed by tough civil society activism. Most Green Economy attempts to ‘internalise market externalities’ follow a trajectory of ‘ecological modernization’ in philosophy, analysis, policy and implementation. These appear ignorant or innocent about the dynamics of capital accumulation and the operation of power relations ranging from multilateral governance down to class, community, household and environmental justice struggles. The theoretical framing for understanding political economy that was developed by Marx, Luxemburg and Harvey assists in locating the well-springs of ecological destruction, given the limits to Green Economy strategies based upon spatial, temporal and capitalist/non-capitalist displacement of the underlying crisis tendencies. A great many alternative discourses have emerged as a result of these obvious limitations in mainstream analysis and global governance strategies, and Global Studies will increasingly contribute to assessing their practicality when scaled up to the multilateral venues that must eventually ratify these, in place of Green Economy fantasies.

Keywords: capitalism, carbon trading, crisis displacement, environment, market solutions, neoliberal nature, planetary boundaries, sustainable development

Introduction

In addition to global economic volatility, the threat of disease pandemics and the potential for nuclear annihilation, there has been an overarching concern generating critical internationalist discourses and persistent (albeit ineffectual) multilateral governance efforts in recent decades: environment. The Anthropocene is now named for our current epoch, in which humans have fundamentally altered the Earth’s geological and macro-environmental processes. Driven by the imperative of accumulating capital, powerful economic actors have structured society in a manner that now exceeds humankind’s ability to exist within at least four ‘planetary boundaries’: climate change, biosphere integrity, biogeochemical flows and land-system change. But divergent interpretations of how to address environmental crises, especially the catastrophic threat of climate change, have generated different strategies and different scalar politics. These range from reliance on technical fixes and markets to advocacy of a strong regulatory regime enforced by not only states (from local to national to global) but – in view of ongoing multilateral environmental governance failure – civil society campaigners.

The attention that the Global Studies field gives to environmentalism has so far been inadequate, given the scope of the challenge to multiple species’ survival, and the extent to which the field’s core characteristics provide foundations of global environmental solutions: it is transnational; interdisciplinary; both contemporary and historical; postcolonial and critical; and aiming at global citizenship (Juergensmeyer 2013). The most obvious links
between these features and environmentalism are in addressing anthropogenic (human-induced) threats of exceeding ‘planetary boundaries,’ e.g. in climate change, species destruction and biodiversity loss, oceanic degradation and ozone depletion. As the latter problem has already demonstrated, none of these macro-phenomena respect state boundaries and all will require global governance strategies (in the case of ozone, the 1987 Montreal Protocol). Most other pollution and degradation events are of a localistic character, but it is at the global scale that we find universalizing ideologies within environmentalism that Global Studies’ critical capacities can interrogate.

After all, there have been powerful statements of human and capitalist destruction of the natural environment for centuries, with a 19th century on soil degradation but with climate change even identified as early 1896 by Svante Arrhenius as a future threat, in the event that atmospheric carbon dioxide (CO₂) levels doubled hence causing a 5 to 6 degree increase in average temperatures. In 1972 the first Earth Summit was held in Stockholm and a popular book – *The Limits to Growth* (Club of Rome 1972) was released – which in turn jumpstarted multilateral concerns about sustainable development. The 1987 United Nations Brundtland Commission and 1992 Rio Earth Summit followed but soon, co-opted by corporations during the 1990s, the idea of ‘sustainability’ was downgraded in favor of neoliberal ideologues’ advocacy of export-led growth and the commodification of nature. Sustainable development concerns rose again at a 2002 UN earth summit in Johannesburg, which fused the UN’s strategy with water privatizers, carbon traders and mega-corporations supporting its ‘Global Compact’: a fund-raising gambit (also reflecting adverse power relations such as the demise of the Center on Transnational Corporations and Washington’s dues-chiseling). Then, finding ‘Green Economy’ rhetoric, biodiversity offsetting and market-centric climate change policy as fertile soil at the 2012 Rio Summit, multilateral environmental strategies again flowered, leading to fears of a renewed corporate agenda termed ‘neoliberalized nature’ (Büscher et al 2014).

For the 2015-30 period, Sustainable Development Goals are now the mantra of the UN and many other multilateral agencies (in spite of extensive critique of the realities they elide, such as by the scholar-activist network The Rules [2015]). The December 2015 Paris Climate Agreement was meant to be a landmark multilateral strategy to avoid climate catastrophe, but as the 2017 withdrawal of the United States indicated, the Paris deal was fatally flawed due to non-existent penalties for failing to cut greenhouse gas (GHG) emissions. The mid-2017 G20 gathering subsequently failed to impose even marginal carbon taxes that advocates as diverse as Naomi Klein, Joseph Stiglitz and Nicolas Sarkozy had recommended against the US. Instead, the European Union-California-China Plan B strategy was to commodify climate policy through carbon trading, which Jerry Brown relaunched in mid-2017 in spite of growing controversy over the efficacy and distributional impacts (Dorsey and Williams 2017) of what is sometimes termed ‘the privatization of the air’ (Bond 2012).

**Contending principles of environmentalism**

Underlying the surface rhetoric of the international environmental debate are narratives with divergent philosophical roots. The dominant approach is often termed ‘ecological modernization,’ for its reliance upon technological innovations, efficiencies and the management of externalities aimed at improving environmental outcomes in a rational manner (see Harvey 1996 for a critical discussion). After initial development of the argumentation by researchers based in Berlin and Amsterdam (especially Joseph Huber,
Martin Jänicke and Udo Simonis) the approach was advanced by the World Business Council on Sustainable Development, established by Swiss construction billionaire Stephan Schmidheiny. Today, the commodification of nature occurs increasingly under the rubric of ‘Payment for Ecosystem Services,’ aiming to ‘put a price’ on the environment for the sake of valuing nature. Indeed, full-fledged environmental financialization is underway with carbon markets and other forms of emissions trading – as discussed in detail below – and virtual water sales, increasingly packaged in exotic investment instruments (most of which do not hold up under scrutiny) (Bond 2012, Bracking 2016). In ecological modernization’s most advanced form, Deutsche Bank’s Pavan Sukhdev initiated ‘The Economics of Ecosystems and Biodiversity’ (TEEB) within the UN Environment Program to ‘make nature’s values visible’ and thus ‘help decision-makers recognize the wide range of benefits provided by ecosystems and biodiversity, demonstrate their values in economic terms and, where appropriate, capture those values in decision-making.’

TEEB’s search for optimal resource use emphasizes ‘low-hanging fruit’ that can achieve the least costly form of market-facilitated environmental management. Likewise, the World Bank’s (2012) Inclusive Green Growth mandated, ‘Care must be taken to ensure that cities and roads, factories and farms are designed, managed, and regulated as efficiently as possible to wisely use natural resources while supporting the robust growth developing countries still need… [to move the economy] away from sub-optimalities and increase efficiency – and hence contribute to short-term growth – while protecting the environment.’ Not mentioned by Bank staff were capitalism’s recent distortions, such as in the food system, carbon markets and real estate, most proximately caused by financial speculation in commodities, nature and housing. Nor would the Bank admit that overproduction tendencies in the world economy (most notably from China) are amplified by the ‘increased efficiency’ required for successful export-led growth, nor that irrationality characterizes a large share of international trade. Silences in neoliberal versions of sustainability discourse tell us just as much about the real agenda behind co-optation of this sort.

This is the weak, corporate-dominated version of the sustainability narrative, but there was once a stronger one. Gro Harlem Brundtland’s World Commission on Environment and Development (1987) defined ‘sustainable development’ as meeting ‘the needs of the present without compromising the ability of future generations to meet their own needs.’ Moving beyond simple inter-generational equity, Brundtland also allowed mention of two central concepts that reflected the more favorable balance of forces for the environmental left, back in 1987. First, was ‘the concept of ‘needs’, in particular the essential needs of the world’s poor, to which overriding priority should be given.’ Second was ‘the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs.’ These relatively radical red and green agendas were briefly married in 1987. But as John Drexhage and Deborah Murphy (2012) explained the demise of the term ‘sustainable development… over the past 20 years it has often been compartmentalized as an environmental issue. Added to this, and potentially more limiting for the sustainable development agenda, is the reigning orientation of development as purely economic growth.’

It is worth dwelling on this artificial bifurcation because within the discipline of economics, two lines of argument had emerged by the early 1990s. First was the visionary work of Herman Daly, who edited the seminal Toward a Steady State Economy (1973), but then labored fruitlessly at the World Bank to inject environmental values into financial considerations. Daly (1996, 220) had offered a tougher definition than Brundtland: ‘development without growth
beyond environmental carrying capacity, where development means qualitative improvement and growth means quantitative increase.’ At the World Bank, he found, this framing ‘just confirmed the orthodox economists’ worst fears about the subversive nature of the idea, and reinforced their resolve to keep it vague.’ In his resignation speech, Daly (1996, 88-93) proposed four environmental policy recommendations for both the Bank and governments, centered on preserving an ecological inheritance which came to be known as ‘natural capital’:

• stop counting natural capital as income [by which he meant it should be a debit from a country’s genuine savings each year not just a credit for non-renewable resources sold that year];

• tax labor and income less, and tax resource throughput more [more recent iterations focus on the political economy of resource inputs and ‘decoupling’ of growth from resources, e.g. by Fischer-Kowalski and Swilling, 2011];

• maximize the productivity of natural capital in the short run, and invest in increasing its supply in the long run; and

• move away from the ideology of global economic integration by free trade, free capital mobility, and export-led growth – and toward a more nationalist orientation that seeks to develop domestic production for internal markets as the first option, having recourse to international trade only when clearly much more efficient.

Daly (1996, 220) grew frustrated by 1995, because ‘Although the World Bank was on record as officially favoring sustainable development, the near vacuity of the phrase made this a meaningless affirmation … The party line was that sustainable development was like pornography: we’ll know it when we see it, but it’s too difficult to define.’ On the other side of the bifurcation was World Bank chief economist Lawrence Summers (1991). He signed off on an internal memo (leaked to The Economist, which endorsed the idea) a few months prior to the Rio Earth Summit, which contained this argument: ‘I think the economic logic behind dumping a load of toxic waste in the lowest-wage country is impeccable and we should face up to that.’ For Summers, in effect, sustainability at global scale allowed evasion or evisceration of state regulations that should otherwise ‘internalize the externalities’ associated with pollution or ecological damage. Summers’ version meant simply displacing these externalities to wherever political power and economic wealth were negligible and the immediate environmental implications less visible. After all, Summers (1991) continued, inhabitants of low-income countries typically died before the age at which they would begin suffering prostate cancer associated with toxic dumping. And using the ‘marginal productivity of labor’ as his guiding measure, Summers implied that low-income Africans were not worth very much anyhow, compared to those living in wealthier sites, nor were Africans’ aesthetic concerns with air pollution as substantive as for wealthy northerners. So sustainability would permit dumping toxic waste on poor people instead of halting the production of toxins.

‘Your reasoning is perfectly logical but totally insane,’ rebutted Brazilian environment secretary José Lutzenberger (1992). ‘Your thoughts [provide] a concrete example of the unbelievable alienation, reductionist thinking, social ruthlessness and the arrogant ignorance of many conventional economists concerning the nature of the world we live in.’ Lutzenberger was fired by a conservative Brazilian president (later impeached for corruption) whereas Summers rose to the positions of US Treasury Secretary under Bill Clinton, Wall Street
investment advisor, Harvard University president and Barack Obama’s economic czar where he arranged trillions of dollars’ worth of banking bailouts, following the hazardous deregulation of banking for which he was the main champion. Thanks to the displacement of the ‘dirty industries’, pollution largely generated in the North (or caused by Northern overconsumption) began to shift to new production sites in the South, such as Mexican maquiladora border manufacturing zones and the Newly Industrializing Countries (Hong Kong, Singapore, Taiwan, South Korea, and then Indonesia, Malaysia and Thailand), and eventually to the east coast of China and to South Asia.

In part because of rampant socio-environmental unsustainability in these sites, the world started to hit what the Club of Rome (1972) had long warned would become planetary boundaries. The most serious threat is running out of the carrying capacity for GHGs that cause climate change. There are others: rapid biodiversity loss (a ‘sixth mass extinction’ now underway), stratospheric ozone depletion (abated by the 1987 Montreal Protocol that phased out CFCs by 1996 – but leaving atmospheric aerosols as a danger), oceanic degradation and acidification, crises in the biogeochemical nitrogen and phosphorus cycles, other resource input constraints, chemical pollution, freshwater adulteration and evaporation, and shortages of arable land (Magdoff and Foster 2011).

The scholarship on planetary boundaries emphasizes ‘maintenance of the Earth system in a resilient and accommodating state’ and identifies current system threats through overshooting of climate change, biosphere integrity, biogeochemical flows, and land-system change (e.g. Steffen et al 2015, and see Raworth 2017 for a fusion of analysis with socio-economic ‘undershoot’). Addressing these systemic threats, powerful institutions and companies are increasingly proposing technological silver-bullet fixes – which critics term ‘false solutions’ – as environmental policy. These include:

- dirty ‘clean energy’: nuclear, ‘clean coal’, fracking shale gas, hydropower, hydrogen;
- biofuels, biomass, biochar;
- Carbon Capture and Storage (in which CO₂ is pumped underground); and
- other geoengineering gimmicks such as Genetically Modified trees; sulfates in the air to shut out the sun; iron filings in the sea to create algae blooms (to sequester CO₂); artificial microbes to convert plant biomass into fuels, chemicals and products; and large-scale solar reflection (e.g. desert plastic-wrap).

However, many tech-fix strategies violate the Precautionary Principle, create land-grab pressure, have excessive capital costs, require increased energy, are unproven in technological terms and are many years if not decades from implementation. For example, a strategy undergoing pilot testing in Iceland is the conversion of CO₂ into limestone-type rocks, but at a cost ($24 trillion to absorb the world’s 40 billion tonnes/annum of CO₂ emissions) far beyond current capitalist budgeting parameters (Parenti 2017). One of the most controversial of the false solutions is carbon trading (as discussed below), which continues to be advanced as a way to use market solutions to solve the world’s greatest market failure, the externality of climate change (Bond 2012).

**Climate politics commodified**

The recent rounds of world climate negotiations culminating in Paris have revealed severe flaws in the character of the global economy, the role of the state in its transformation, and
state-capitalist relations. The hope for the planet’s survival has been vested in a combination of multilateral emissions rearrangements and national regulation, which since 1997 have hinged on the premise that market-centric strategies such as emissions trading schemes and offsets can allocate costs and benefits appropriately. In constructing market arrangements and, later, an accompanying UN Green Climate Fund to support emissions mitigation and climate change adaptation, there has necessarily arisen a high degree of uneven geographical development. The sources and impacts of GHG emissions are diverse, with ‘common but differentiated responsibilities’ acknowledged since 2002, and compensation for ‘loss and damage’ recognized as a vital component since 2012. But these global strategies are unfolding not within the parameters of state control of market dynamics. Instead, they remain subordinated to the ongoing neoliberal accumulation strategy of financialization.

This process is fraught with contradictions, resulting in amplified crises, and increasing resort to both temporal and spatial fixes, as well as accumulation by dispossession – the three modes of capitalist crisis displacement (not resolution) identified by David Harvey (1982, 2003). For the purposes of exploring how the fixes affect society-nature relations, these concepts refer, respectively, to:

- **Globalization’s** ability to shift problems around spatially, without actually solving them;
- **Financialization’s** capacity to stall problems temporally, by generating credit-based techniques – including securitization of toxic loans and commodified nature – that permit the purchase of products today at the expense of future arrears and defaults when the upside-down pyramid topples; and
- **Imperialism’s** compulsion to steal from weaker territories via extra-economic extractive systems, variously termed ‘articulations of modes of production’, ‘primitive accumulation’, ‘uneven and combined development’, the ‘shock doctrine’, and accumulation by dispossession.

The shifting, stalling, stealing strategy is at the heart of the management and mismanagement of both capitalist crises and climate catastrophe, most obviously in 2008-9 when vast taxpayer bank bailouts were required as financial bubbles burst, followed by three bouts of central bank ‘Quantitative Easing’, as well as driving real interest rates negative, so as to push currency into the economy as an artificial stimulant. These techniques, in turn, set the stage for another coming round of subprime disasters, including further bubbles bursting, more sovereign and corporate debt defaults, inflation and devaluation of the dollar – as well as a faster push by capital into nature under the auspices of the Green Economy. Harvey (2014, 168) points out that moving these financial assets around is itself a generator of instability: ‘Capital’s ecosystem is riddled with inequalities and uneven geographical developments precisely because of the uneven pattern of these transfers. Benefits pile up in one part of the world at the expense of another. Transfers of ecological benefits from one part of the world to another underpin geopolitical tensions.’

It should be the case, if crisis management is to be effective, that global governance resolves uneven environmental costs and benefits. Since 1997 in Kyoto, the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP) summits have confirmed that instead of a strong regulatory approach, the chosen regime of emissions controls would emphasise market incentives. The Kyoto Protocol’s binding commitments on the wealthy countries to making emissions cuts were considered too
onerous for the historic number one polluter, the US. In 2015, China emitted 30% of the world’s total, the US 14%, the EU 10%, India 7%, Russia 5%, Japan 4%, with Iran, Saudi Arabia, South Korea, Canada, Indonesia, Brazil, Mexico and South Africa between 1.5 and 2 (Global Carbon Atlas, 2017).

In addition to neutering Kyoto’s binding commitments at the 2009 Copenhagen COP15, the US State Department promoted several other strategies to weaken meaningful multilateral climate policy. For example, after the COP17 in Durban in December 2011, US State Department adviser Trevor Houser bragged to the New York Times, ‘The Durban Platform was promising because of what it did not say. There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action’ (Broder 2012). Considered historically since 1850, the US share is 29%, the EU is 27%, and Russia and China are each 8% (Global Carbon Atlas, 2017). Fossil fuel companies are especially important climate debtors with 90 firms responsible for nearly 60% of historic emissions, led by seven private (Chevron, ExxonMobil, BP, Royal Dutch Shell, ConocoPhillips, Peabody Energy and Total) and seven parastatal (Saudi Aramco, Gazprom, National Iranian Oil Company, Pemex, Petroleos de Venezuela, Coal India and Kuwait Petroleum) companies (Ekwurzel et al, 2017).

As neoliberalism gripped many aspects of local, national and global public policy, especially in the run-up to the COP21 in Paris, the environmental managerial elites’ strategy aimed at turning a medium/long-term humanity-threatening prospect into a short-term source of speculative profit. Kyoto had permitted carbon trading initiatives (e.g. the European Union Emissions Trading Scheme, the Clean Development Mechanism, Joint Implementation offsets, the Reducing Emissions through forest Degradation and Deforestation REDD programme, and other for-profit climate financing programs), so as to harness and direct liquid financial capital towards lower-emissions productive investments, public transport, renewable energy and various kinds of sinks. Market tactics were based upon commodification of nearly everything that could be seen as a carbon sink, especially forests but also agricultural land and even the ocean’s capacity to sequester CO₂ for photosynthesis via algae.

However, all the evidence suggests that the worst-ever case of market failure, as former World Bank chief economist Nicholas Stern (2007) described GHG emissions, cannot be solved by recourse to even more chaotic, crisis-ridden financial markets (Lohmann 2006, 2012; Bond 2012). Moreover, due to internecine competition between blocs influenced by national fossil fuel industries, the COPs appear unable to either cap or regulate GHG pollution at its source, or jump-start the emissions trade in which so much hope is placed. The financial markets have been especially ineffectual, and in the first major round of carbon trading, centered in the European Union (along with a few outlying North American regional markets), the ceiling on annual market trades hit $175 billion in 2011 (of which the EU’s contribution was $150 billion). With the post-2008 crash of markets and 2010 closure of the Chicago carbon market, the value of annual existing emissions trading measured by the World Bank (2017) receded to just $32 billion in 2016. (In 2012, Bank of America Merrill Lynch’s main carbon trader, Abyd Karmali, was still projecting a $3 trillion world market by 2020.)
The main reason was the decline in price from €30/tonne to less than €4/tonne from 2008-13 and the inability to raise that price as Europe’s polluters continued to successfully lobby for free emissions credits. Prices will remain low until at least 2019, EU ETS expert Frank Watson (2017) reports, thanks to ‘a huge surplus of allowances, including hefty supply from auctions in 2017 and 2018.’ Europe is typical; of the 15 percent of world CO₂ equivalent emissions that are covered by either carbon trading or a tax, only a quarter of those carry a price above $10/tonne. The countries with a price above $25/tonne have achieved this with taxation, not carbon trading: Sweden $126; Switzerland and Liechtenstein $84; Finland $66; Norway $52; France $33; and Denmark $25.

Nevertheless, in spite of the sickly emissions trading environment and the inauguration of Trump in January 2017, the Davos World Economic Forum (2017) hosted a discussion the day before he took power, entitled ‘The return of carbon markets.’ The markets were promoted especially by Stern. He and Stiglitz had been commissioned by Carbon Pricing Leadership Coalition chairs Ségolène Royal and Feike Sijbesma to report on pricing options in May 2017. They were enthusiastic about carbon trading (‘cap-and-trade’) and carbon taxation as means to raise the carbon price to ‘at least US$40–80/tCO₂ by 2020 and US$50–100/tCO₂ by 2030’ so as to lower the rate of emissions to the 2 degree temperature increase targeted at Paris.

The ‘return’ of emissions trading is a misleading hope, based as it is upon the vaguely market-promotional language in the Paris Climate Agreement and some tentative emerging market forays into emissions trading and taxation, notably several of the BRICS bloc (Brazil, Russia, India, China and South Africa). A major new China-California-Canada (specifically Quebec and Ontario) nexus of carbon markets is anticipated given Jerry Brown’s 2017 recommitment to the ‘cap and trade’ system for his state (strongly supported by the oil lobby). His proposed 2018 climate summit will advance this strategy further. Yet in expressing support for linkages to the eight Chinese local and provincial schemes (Beijing, Shanghai, Tianjin, Guangdong, Hubei, Shenzhen, Fujian and Chongqing), Brown himself warned, ‘We want to make sure it has full integrity and know exactly what’s going on. And we can’t say that today.’

But integrity is in short supply in the carbon markets, for various reasons. One is the price differential in China, which at the time ranged from €8/tonne in Beijing down to just €0.50/tonne in Chongqing, with Shenzhen falling from a Chinese high of €9.5/tonne in early 2013 to just €3.5/tonne by mid-2016. But more generally, the following critiques of carbon markets were developed by the Durban Group for Climate Justice starting in 2004, and remained relevant in 2017:

- the idea of inventing a property right to pollute is effectively the ‘privatisation of the air’, a moral problem given the vast and growing differentials in wealth inequalities;
- the rising production of greenhouse gases creates a non-linear impact that cannot be reduced to a commodity exchange relationship (a tonne of CO₂ produced in one place accommodated by reducing a tonne in another, the premise of the emissions trade);
- corporations most guilty of pollution and the World Bank – which has historically been most responsible for fossil fuel financing – are the driving forces behind the market, and can be expected to engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;
• many offsetting projects – such as monocultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies, and have been hotly contested in part because the carbon sequestered is far more temporary (since trees die) than the carbon emitted;
• the price of carbon determined in these markets is haywire, having crashed by half in a short period in April 2006, by two-thirds in 2008, and by a further 80 percent from 2011-13;
• there is a serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many Enron employees populate the carbon markets);
• carbon trading encourages small, incremental shifts, and thus distracts us from a wide range of radical changes needed in materials extraction, production, distribution, consumption and disposal; and
• the idea of market solutions to market failure (‘externalities’) is an ideology that rarely makes sense, and especially not in derivatives markets in the wake of the world’s worst-ever financial market failure (Bond 2012, 32-33).

The Stiglitz-Stern High-Level Commission on Carbon Pricing (2017, 15) did acknowledge some ‘incomplete and imperfect capital market’ weaknesses that mitigate against carbon trading’s effectiveness: ‘the capital required to transition to low-carbon futures often faces large uncertainties, political risks, illiquid assets, and solid returns in the long term only. Aside from the standard credit constraints, investors lack the knowledge and information necessary to assess the quality of innovative, low-carbon projects.’

The alternative strategy of putting a cap (without trading) on emissions similar to the 1987 Montreal Protocol’s ban of CFCs to halt ozone hole expansion, or the climate debt owed by the historic polluters to those suffering ‘loss and damage’ from climate change, were not considered worthy of mention in the Commission report. This refusal to either countenance an effective system of emissions capping or to inject an element of historic justice, reflects the success of the imperialist project, especially as managed by Todd Stern of the US State Department. WikiLeaks exposures of State Department cables and his emails to Hillary Clinton reveal the extreme measures imperialism felt it necessary to take, so as to avoid an emissions cap and reparations payments. These concerns – especially potential liabilities in the Paris Agreement (which he was misinformed about) – were echoed by Trump in his June 1, 2017 abrogation of Paris. But of crucial importance is that the other major emitters – including Brazil, Russia, India, China and South Africa – were not particularly worried, since pressure on them to reduce emissions (already negligible) would wane. Steffen Böhm, Maria Ceci Misoczky and Sandra Moog (2012, 1629) have pointed out the ‘subimperialist drive’ of carbon-intensive, extractive-oriented economies in many such non-Western countries, and the broader reticence about punishing Trump can be explained, as does Harvey (2003), by recalling how the emerging markets fit into the world system:

The opening up of global markets in both commodities and capital created openings for other states to insert themselves into the global economy, first as absorbers but then as producers of surplus capitals. They then became competitors on the world stage. What might be called ‘subimperialisms’ arose... Each developing center of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence.
Climate-crisis capitalism displacement strategies – and their limits

The attraction of carbon trading in the new markets, no matter its failure in the old, is logical seen within context: a longer-term capitalist crisis which has raised financial sector power within an ever-more frenetic and geographically ambitious system; the financial markets’ sophistication in establishing new routes for capital across space, through time, and into non-market spheres; and the mainstream ideological orientation to solving every market-related problem with a market solution, which even advocates of a Post-Washington Consensus and Keynesian economic policies share; Stiglitz and Paul Krugman (2009) are just the most famous. Interestingly, even Krugman (2013) had second thoughts, for after reading formerly pro-trading environmental economist William Nordhaus’ (2013) Climate Casino, he remarked, ‘the message I took from this book was that direct action to regulate emissions from electricity generation would be a surprisingly good substitute for carbon pricing.’ Krugman observed that Environmental Protection Agency regulation ‘will probably prevent the construction of any new coal-fired plants.’

Krugman’s U-turn is the sort of hard-nosed realism that will be needed to disprove Klein’s (2014) thesis that capitalist crisis and climate crisis are conjoined. Instead, however, capitalist financial markets have so distorted the playing field, that the Green Economy and similar ecological-modernization narratives are bound to continue generating new, futile attempts at an ecological fix (Bracking 2016). ‘The current financial and climate crises are consciousness-raising opportunities all round, but green new deals designed to revive the faltering international system will delay fundamental change,’ according to Ariel Salleh (2010, 215). In the same spirit, Samir Amin (2010), Africa’s leading political economist, offered this argument about economic theory applied to ecology:

Capture of ecology by vulgar ideology operates on two levels: on the one hand by reducing measurement of use value to an ‘improved’ measurement of exchange value, and on the other by integrating the ecological challenge with the ideology of ‘consensus.’ Both these maneuvers undermine the clear realization that ecology and capitalism are, by their nature, in opposition.

This capture of ecological measurement by vulgar economics is making huge strides. Thousands of young researchers, in the United States, and, imitating them, in Europe, have been mobilized in this cause. The ‘ecological costs’ are, in this way of thinking, assimilated to external economies. The vulgar method of measuring cost/benefit in terms of exchange value (itself conflated with market price) is then used to define a ‘fair price’ integrating external economies and diseconomies. For Amin, there are obvious limitations to these sorts of reforms based on actually existing power relations within capitalism:

It goes without saying that the work – reduced to mathematical formulas – done in this traditional area of vulgar economics does not say how the ‘fair price’ calculated could become that of the actual current market. It is presumed therefore that fiscal and other ‘incentives’ could be sufficiently effective to bring about this convergence. Any proof that this could really be the case is entirely absent. In fact, as can already be seen, oligopolies have seized hold of ecology to justify the opening up of new fields to their destructive expansion. Francois Houtart provides a conclusive illustration of this in his work on biofuels. Since then, ‘green capitalism’ has been part of the obligatory
discourse of men/women in positions of power, on both the Right and the Left, in the Triad (of Europe, North America and Japan), and of the executives of oligopolies.

Amin faults Stiglitz for having ‘openly embraced this position’, proposing ‘an auction of the world’s resources (fishing rights, licences to pollute, etc.). A proposal which quite simply comes down to sustaining the oligopolies in their ambition to mortgage further the future of the people of the South.’ If we set aside for the moment the moral challenges Amin raises about the maintenance of unfair North-South power relations, another part of the problem is that the market does not readily map on to natural phenomena that are only now being understood by the world’s leading climate scientists, such as the sequestration of carbon in forests, oceans and grasslands. As Harvey (2006, 96) warns:

[T]he spatio-temporality required to represent energy flows through ecological systems accurately, for example, may not be compatible with that of financial flows through global markets. Understanding the spatio-temporal rhythms of capital accumulation requires a quite different framework to that required to understand global climate change.

The increased commodification of nature runs under such constraints of uncertainty into various limits, Harvey (2006) is quick to point out, in part because spatio-temporal rhythms of crazed financial markets now drive global-scale public policy, even when it comes to addressing the crucial problem of global climate change. Hence there arose the notion in vulgar economic ideology that financial solutions really do exist for the purpose of mitigating GHG pollution. Exemplifying vulgarity in the expression of financial market power, there is no one better than Larry Summers, who as a leading US Treasury Department official arranged Wall Street bailouts in 1995 (Mexico), 1997–8 (East Asia) and 2009–10 (across the world but mainly helping Wall Street and the City of London) through extreme devaluations visited upon vulnerable countries and people. This tendency to devalue other people’s wealth and lives harks back to December 1991 when, as World Bank chief economist, Summers (1991) wrote (or at least signed a memo written by Lant Pritchett) that ‘the economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that . . . African countries are vastly underpolluted.’

The implications of Summers’ analysis and strategy – which extreme as these words sound, in modified form still represent the ecological modernization philosophy to which the World Bank and its allies adhere – are that the US and other Northern polluters should: first, shift problems associated with environmental market externalities to the South; second, stall a genuine solution to the problems by instead opening up the field of pollution-trading for a future market solution, using financialization techniques, derivatives and imaginary ‘offsets’ ostensibly aimed at building tomorrow’s sinks so as to mop up today’s dangerous forms of Northern pollution; and third, steal more of the world’s environmental carrying capacity – especially for GHG emissions – and perhaps pay a bit back through commodification of the air (resorting to mythical carbon markets and offsets) while denying climate debt responsibilities. Yet while emissions markets as tools for management of economic and ecological crises are attractive (to capital) in principle, they appear impossible to implement in practice, largely because of ongoing disputes about how the deeper capitalist crisis is displaced. Capitalist ‘crisis’ is, Harvey (2010, 45) tells us,
a condition in which surplus production and reinvestment are blocked. Growth then stops and there appears to be an excess over-accumulation of capital relative to the opportunities to use capital profitably. If growth does not resume, then the over-accumulated capital is devalued or destroyed. The historical geography of capitalism is littered with examples of such over-accumulation crises.

How does the capitalist system ultimately address this underlying tendency to over-accumulate? ‘In a general crisis, a lot of capital gets devalued,’ Harvey (2010, 46) argues. ‘Devalued capital can exist in many forms: deserted and abandoned factories; empty office and retail spaces; surplus commodities that cannot be sold; money that sits idle earning no rate of return; declining asset values in stocks and shares, land, properties, art objects, etc.’ (Climate change may well visit such destruction on vulnerable sites; after all, Hurricane Sandy did $60 billion worth of devalorization in a few hours in October 2012, requiring New York mayor Michael Bloomberg to develop a $20 billion climate proofing strategy for the city.) But in lieu of sufficient devaluation of over-accumulated capital, those responsible for crisis management attempt various other crisis displacement tactics.

One of these, the rise of carbon trading, can be compellingly understood using a theory of capitalist crisis developed in the tradition of Marxian political economy. Here, accumulation by dispossession allows capital to interact with society and nature on non-capitalist terrain, in search of scarce profits, in the way Rosa Luxemburg (1968) argued was central to capitalist crisis management a century ago. Across the world there are a great many examples that Harvey (2003, 145) traced back to Marx’s idea of primitive accumulation, including ‘conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights; suppression of rights to the commons; ... colonial, neocolonial and imperial processes of appropriation of assets (including natural resources)... and ultimately the credit system as radical means of primitive accumulation.’ From such origins of understanding capitalist/non-capitalist power relations, a theory of imperialism emerged based on accumulation by dispossession, perhaps best articulated by Luxemburg (1968, 347) in 1913:

Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market. Capital cannot accumulate without the aid of non-capitalist relations, nor... can it tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist relations makes accumulation of capital possible.

These concepts help us to better locate the carbon markets and other emissions trading and offset strategies as vehicles for displacing over-accumulated capital, during a period of extended crisis. The Kyoto Protocol’s opportunities for profit from the trade in rights to engage in environmental degradation are considered in The Ecological Rift, by John Bellamy Foster, Brett Clark and Richard York (2010, 70-71):

By the perverse logic of the system, whole new industries and markets aimed at profiting on planetary destruction, such as the waste management industry and carbon trading, are being opened up. These new markets are justified as offering partial, ad hoc ‘solutions’ to the problems generated non-stop by capital’s laws of motion . . . Such schemes continue to be advanced despite the fact that experiments in this respect have thus far failed to reduce emissions. Here, the expansion of capital
trumps actual public interest in protecting the vital conditions of life. At all times, ruling-class circles actively work to prevent radical structural change in this as in other areas, since any substantial transformation in social-environmental relations would mean challenging the treadmill of production, and launching an ecological-cultural revolution. Indeed, from the standpoint of capital accumulation, global warming and desertification are blessings in disguise, increasing the prospects of expanding private riches.

It is with political-ecological reasoning, seeing through the lens of capitalist crisis and, consequently, the more desperate search for profit (with an ever more intense capital-nature metabolism), that we can substantially understand how over-accumulated capital found spatial, temporal and imperialist routes to flow through, over the past three decades, eventually landing in the emissions markets over the last decade. Financial markets are central to the story, for they exploded in size and reach once the temporal fix began in earnest with liberalization and a shift to a higher-interest rate regime in the late 1970s. As productive sector profit rates in the North declined and financial returns boomed, financial expansion into various exotic derivative investments permitted virtually any notional value to be marketed as a credit for packaging and onward sale, including emissions of SO₂ in the US in the early 1990s, carbon in Europe by the late 1990s and a new round of sales of nature and its derivatives within both the North and the emerging markets in the coming decade. With this sort of lubrication, the commodification of the environmental commons proceeded apace, with water privatization, biopiracy, genetic modification and other processes controlled by multinational corporations generating expectations for what became the world’s largest artificial market, i.e., carbon emissions.

The contradictions are extreme, as financial markets over-extended geographically during the 1990s–2000s with investment portfolios diversifying into distant, risky areas and sectors. Global and national financial governance proved inadequate, leading to bloated and then busted asset values ranging from subprime housing mortgages to illegitimate emissions credits. Likewise, geopolitical tensions emerged over which sites would be most vulnerable to suffer devalorization of over-accumulated capital after 2008, i.e., which regions or countries would bear the brunt of the deep financial sector and real economic downturns. The geopolitical context during the 2000s featured a sole military superpower oriented to neoconservative imperialism (especially in relation to US energy needs and hence in-built climate-change denialism), but mitigated somewhat by a global class politics of neoliberalism. This arrangement evolved somewhat since 2010, what with BRICS becoming the most coherent emerging-market network. But as BASIC countries’ (Brazil, South Africa, India and China) leaders Lula da Silva, Jacob Zuma, Manmohan Singh and Wen Jiabao showed in 2009, they were perfectly willing to agree to a Copenhagen Accord that served Northern – and elite Southern – interests of GHG emissions without constraint (Bond 2012). Competition in emissions laxity is the only way to describe the COPs under present circumstances, in which delegates appear to come to summits in carbon-intensive countries where the UN Framework Convention on Climate Change secretariat was led by a carbon trader (Christiana Figueras) and each of the summit presidencies bore the market of local fossil industry power.

No better examples can be found of the irrationality of capitalism’s spatial-ecological fix to climate crisis – and the limits of shifting-stalling-stealing strategies – than two remarks from London. First, in 2010, said Tory climate minister Greg Barker: ‘We want the City of London,
with its unique expertise in innovative financial products, to lead the world and become the global hub for green growth finance. We need to put the sub-prime disaster behind us.’ In that spirit, World Finance magazine’s ‘Western European Commodities Broker of the Year’ award in March 2012 went to Simon Greenspan, who bragged of his City of London firm, ‘At Tullett Brown we’ve only ever invested in areas of the market that have truly stood the test of time, such as gold and silver and property. When our analysts were looking for the next great area of growth it was fairly obvious to them. It was the planet, it was the environment.’ Just days later, British financial authorities forced Tullett Brown into provisional liquidation, and at the executives’ fraud trial a few months later, the suspects in this financial-ecological crime could not even afford a lawyer (Penman, 2012).

**Conclusion**

Can the logic of capitalism generate repairs for the intrinsic damage being done during the Anthropocene or, more specifically – since obviously not all humans are equally responsible – the ‘Capitalocene’ (Moore 2013)? Some believe in a ‘green capitalism’ strategy, including Al Gore (2009), often based on arguments by Paul Hawken, Amory Lovins, and L. Hunter Lovins (1999) (for a critique see Tanuro 2014). But as Salleh (2012) argues, a serious consideration of externalized costs should include at least three kinds of surplus extractions, both economic and thermodynamic, never comprehensively incorporated by reformers: 1) the social debt to inadequately paid workers; 2) an embodied debt to women family caregivers and 3) an ecological debt drawn on nature at large.

In contrast to the weak form of sustainability are concepts of the left, stressing distributional equity, non-materialist values and a critique (and transcendence) of the mode of production. They include the environmental justice vision that African-American activists in North Carolina began to articulate in the 1980s (Bullard 2000); ‘anti-extractivism’ and the ‘rights of nature’ articulated by Ecuadorean and Bolivian activists and constitutions (even if not in public policy, as pointed out by Accion Ecologica [2014]) along with the Andean indigenous peoples’ versions of buen vivir (living well) and allied ideas (Council of Canadians et al, 2011); ‘degrowth’ (décroissance) (Latouche 2004); post-GDP ‘well-being’ national accounting (Fioramonti 2014) such as Bhutan’s Gross National Happiness which emphasizes sufficiency; ‘the commons’ (Linebaugh 2008); and eco-socialism (Kovel 2007). Strategies for transitioning to genuinely sustainable societies and economies are also hotly debated (Swilling and Anneke 2012; Scoones, Leach and Newell 2015).

With such creative options flowering – albeit in sometimes reformist mode harking back to indigenous conservation, mere accounting reforms and the slowing (not ending) of capitalism – determining genuine sustainability does ultimately depend on the nature of the critique of unsustainability. Perhaps the most popular systemic analysis comes from Annie Leonard’s (2007) Story of Stuff film and book which link the spectrum of extraction, production, distribution, consumption and disposal. Klein’s (2014) This Changes Everything puts the onus on capitalism for climate change. The opening for Global Studies analysts is obvious, insofar as these divergent ideologies are partly understood only when the world as a whole becomes the unit of analysis, as historical processes are made explicit, as critical post-colonial and indeed post-capitalist thinking is increasingly vital, and as narrow disciplinary boundaries inherited from the late 19th century (in most social sciences) are discarded. The logic of environmental catastrophe as a series of local symptoms within a
global crisis can no longer be denied. As a result this is where studies of global processes are not just an innovation but now a necessity.

References

Accion Ecologica Colectivo Miradas críticas del Territorio desde el Feminismo 2014, ‘La vida en el centro y el crudo bajo tierra: El Yasuní en clave feminista.’ http://www.accionecológica.org/component/content/article/1754


Daly, H (Ed) 1973, Toward a steady state economy. San Francisco: W.H.Freeman & Co Ltd.


Climate justice, big oil and natural capital
in S. Jacobsen (Ed), Climate Justice and the Economy: Social Mobilization, Knowledge and the Political, New York, Routledge, 2018

Abstract
The difficulty of realizing climate justice in the United Nations Framework Convention on Climate Change is obvious given how much fossil fuel corporations and other high-carbon emitters determine the largest member states’ strategies and hence global governance parameters. Public policy success for climate activists will require much more creative and aggressive strategies to shift power relations. There are three such economic features of Climate Justice advocacy that are potentially ready to deploy in the near term: developing arguments for a ‘climate debt’ liability (including measurement of natural capital so as to disincentivize oil, gas and coal extraction); raising the critique of emissions trading, especially in the high-polluting emerging markets; and establishing sanctions and divestment tools to impose accountability on companies and countries that refuse to cut emissions. The strategies, tactics and alliances must still be worked out through practice, so as to complement the existing approaches deployed by Climate Justice activists.

Introduction
To date, large fossil fuel corporations and allied states have shaped global climate politics far more than have Climate Justice (CJ) activists, as witnessed at annual UN Framework Convention on Climate Change (UNFCCC) negotiations and national policy-making. Aside from the obvious lack of political will with respect to the (inadequate) scale of emissions-reduction commitments at the 2015 Paris Climate Agreement, that landmark agreement provided at least three crucial provisions that serve the interests of Big Oil (including gas and coal):

1) the prohibition of signatories being sued for their ‘climate debt’ liability;
2) the ongoing endorsement of carbon markets especially in the high-polluting emerging markets led by China, as a route for fossil fuel corporations’ offsetting of their greenhouse gas emissions;
3) the difficulty of imposing accountability for violation of historic and current responsibility to cut emissions, e.g. through climate-related sanctions.

This chapter updates critiques of these three areas of status quo policy drawn from the climate justice movement since the early 2000s and proposes remedies. However, in spite of hundreds of fragmented activist initiatives across the world that Naomi Klein (2014) labels ‘Blockadia’ (Temper and Bliss 2018) as well as divestment strategies targeting the major fossil fuel corporations (Lenferna 2018), there has been a distinct lack of coordinated CJ social mobilization (Jacobsen 2018). If carbon-intensive businesses and the states (and their UNFCCC delegates) that they influence are not systematically confronted by such a generalized CJ movement, there is simply no hope for resolving the climate crisis.

In moving forward to such a CJ movement, it will be necessary to identify sites of alliance building with what is termed Climate Action, i.e., the mainstream of climate activism (Bond 2018). Doing so will probably require what David Harvey (1996, 401) insists is a vital strategic and intellectual task: “to reclaim for itself a non-coopted and non-perverted version of the theses of ecological modernization... [and] to radicalize the ecological modernization
discourse.” The possibility of consolidating local CJ initiatives into national and then global-scale struggle lies ahead, and will require CJ strategists to avoid the dangers of co-optation (including within the UNFCCC) and brute repression (e.g. as was becoming evident in the United States during the Obama-Trump era). At some future stage, the potential for a much more sophisticated CJ attack on fossil fuels may emerge, including the integration of what appear at surface level as ecological modernization strategies such as ‘natural capital accounting’ (Bond 2014, 2018).

Firstly, with Donald Trump’s withdrawal from the Paris Climate Agreement, the opportunity to revisit climate debt – currently prohibited from discussion, although under the rubric of ‘Loss and Damage’ some minor discursive concessions have been permitted – will arise. One route is through the generational justice strategies invoked by youth, including two dozen children who sued Obama and now Trump. To measure damage done by climate change requires a degree of ‘pricing’ the ecological processes that are, of course, priceless. This has become a major point of debate among CJ strategists as international governance of ‘green economy’ processes continue. The chapter introduces these debates and argues that, in the interests of CJ radicalizing the ecological modernization discourse, ‘natural capital’ should be included in the national accounting schemes to go beyond the traditional measurements of economic development in GDP and other capital-based indicators. Including ‘natural capital’, highlighting pollution costs, and measuring resource depletion would, for example, better prove that the ‘underdevelopment’ of African countries is far more severe than Gross Domestic Product (GDP) indicators suggest. One reason is to make the case for natural capital depletion is that in courts of law, liability for ecological debt is being increasingly accepted. Nigeria’s recent $11.5 billion claim against Shell for a 2011 oil spill includes more than $5 billion to compensate fisherfolk.

Secondly, there is a need to avoid recourse to emissions trading and other vehicles by which nature is put up for sale. There is indeed a danger that natural capital accounting will degenerate into promotion of payments of ‘fees’ for pollution: the damage continues, but with an ongoing payment. The strategy known as ‘Payment for Ecosystem Services,’ promoted by the more neoliberal of ecological modernizationists, represents this sort of parallel danger: commodifying the environment.

Third, the CJ movement has generally been focused on micro-politics, and only in late 2017 did Trump’s withdrawal from Paris lead to some activists demanding that the US State Department vacate the UNFCCC negotiations (in Bonn, Germany) (Pan African Climate Justice Alliance 2017). There is an urgent need to go further so as to impose the kind of accountability system that Paris signatories ignored, given that the Agreement – like all those since the 2009 Copenhagen Accord – is voluntary, not binding. CJ activists have been encouraged by Klein (2017), Joseph Stiglitz (2017) and others (Lenferna 2017) to impose a ‘people’s sanctions’ strategy on Trump, on allied corporations (including Big Oil) and on the US economy where that might prove effective. Consider each in turn.

**Natural capital accounting as an anti-extraction, climate debt measurement tool**

GDP only counts extraction of non-renewable resources (such as hydrocarbons) as a positive ‘credit’ in the accounts, failing to recognize that a country’s depleted wealth should also be considered a ‘debit.’ In making such a calculation, it is clear that not only has the revenue from such resources been drawn from the earth and typically taken abroad by transnational
corporations. In addition, historic wealth in the form of environmental assets has also been depleted, never to be recovered: the dinosaurs and ancient living matter that gave us fossil fuels won’t come back.

The resulting economic argument is that by calculating natural resource depletion associated with extraction, and comparing to reinvestment made by the corporations which do the extraction, the overall impact is net negative for nearly all of Africa and many other sites across the world (World Bank 2014). Even though the World Bank has traditionally lined up in favour of extraction, including fossil fuels, several Bank staff in the office called Wealth Accounting and the Valuation of Ecosystem Services (Waves) group annually calculate ‘adjusted net savings.’ The implications – a net decline in wealth from extraction – should be of advantage to CJ advocates, in arguing against the extractivist mode of economic activity.

Specifically, the World Bank’s (2014, 10) Little Green Data Book concedes that “88% of Sub-Saharan African countries were found to be depleting their wealth in 2010,” with a 12 percent decline in per capita net African wealth that year attributed to the extraction of minerals, energy and forest products (natural capital). With that degree of underdevelopment obvious even to an agency committed to further extraction, it is long overdue for CJ and other anti-extraction activists to add an economic logic of this sort to the existing micro-ecological, spiritual, political and social critiques. In turn, this kind of measurement of the resource curse Africa suffers can assist in one of the de-cursing processes desperately needed: ecological debt advocacy. There is an urgent need to punish polluters by considering the formal monetary liabilities – or some approximation, since nature is priceless – so that reparations to environment and affected peoples are sufficiently financed, and so in the process an incentive is generated not to pollute in future. This is the central reason to make at least a rough monetary case for ecological debt payments within courts of law.

For example, of Nigeria’s $11.5 billion claim against Shell for a 2011 oil spill, more than half is meant to compensate fisherfolk. The liability owed to silicosis-afflicted mineworker victims of Anglo American and other gold mining houses has begun to reach payment stage. The South African firms Gencor and Cape PLC had to pay $65 million in 2007 to settle asbestos lawsuits after they lost their last appeal in the UK House of Lords. Similar arguments should be made against the MNCs most responsible for what the UN calls loss and damage due to climate change. Ideally, over time, this strategy would develop as ‘fine-and-ban,’ so that as a corporation makes an egregious error, it is fined punitively for the damage done, and then nationalized and sent packing.

To be sure, there is a danger that if ‘fine-and-ban’ is not the local state policy, then natural capital accounting will lead, instead, to a ‘fee’ for pollution, with the damage continuing, alongside ongoing payment. That would logically result from establishment of a formal market in pollution rights, such as the EU’s Emissions Trading Scheme. Serious environmental activists beginning with the Durban Group for Climate Justice in 2004 have firmly rejected these strategies to ‘privatize the air.’ The distinction should thus be clear, between valuing nature for ecological debt payment purposes (a fine and ban) on the one hand, and on the other pricing nature for market-making (a fee). As Vandava Shiva put it in a 2014 South African talk, ‘We should use natural capital as a red light to destruction, not as a green light’ (Bond 2014).
The ‘red light’ strategy is an example of a potential rapprochement between two different framing strategies, emphasizing technicist analysis in the ecological modernization tradition as well as being useful to anti-extractivist campaigners who need further economic arguments against fossil fuel depletion. The simple standpoint, which has been explored in the Niger Delta and Ecuador’s Yasuni National Park as amongst the world’s cutting-edge struggle sites, is that oil should be left underground, but the ecological debt that Northerners owe the Global South should be paid, in a way that strengthens local societies, not comprador elites.

However, at the time of writing, UNFCCC negotiators had done very little to advance the climate debt concept, not since Ethiopian leader Meles Zenawi raised the demand erratically in 2009 during preparations for the Copenhagen summit (McClure 2009). Grassroots articulations of climate debt have long come from African climate justice advocates, e.g. Nigerian activist Nnimmo Bassey (2011) and the general secretary of the PanAfrican Climate Justice Alliance, Mithika Mwenda. The activists demanded that Zenawi – Africa’s main official voice in Copenhagen – maintain his initially strong stance on climate debt. Although Zenawi and the AU did initially make a $67 billion annual demand for compensation, he came under severe pressure. First, French President Nicolas Sarkozy persuaded Zenawi to halve the figure just before Copenhagen, and then the US State Department (according to cables leaked by Chelsea Manning) compelled him to instead sign the Copenhagen Accord in exchange for Washington’s increased financial and military support to his dictatorial regime (Bond 2012, 2017a).

In succumbing to Northern pressure, Zenawi was “undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa,” according to Mwenda. “Meles wants to sell out the lives and hopes of Africans for a pittance. Every other African country has committed to policy based on the science” (Reddy 2009, 1). Mwenda suggested, instead, that the African delegation could have repeated the continent’s walk-out from World Trade Organization summits in both Seattle in 1999 and Cancun in 2003, when their denial of consent caused both summits to collapse (Bond 2006). This was not unthinkable, for on September 3, 2009, Zenawi had issued a strong threat about the upcoming Copenhagen summit: “If need be we are prepared to walk out of any negotiations that threaten to be another rape of our continent” (Ashine 2009). And in a UNFCCC meeting the month before in Barcelona, the African delegation followed through with that threat.

Doubts about staying in the UNFCCC in spite of Copenhagen’s shift away from Kyoto’s binding commitments were repeated broken promises of North-South climate financing. In Copenhagen, such financing was meant to have risen to a sustained figure of $100 billion annually, paid through the Green Climate Fund (Bracking 2015). But according to former senior UN officials Anis Chowdhury and Jomo Kwame Sundaram (2017),

As of July 2017, only $10.1 billion has come from 43 governments, including 9 developing countries, mostly for start-up costs. Before Trump was elected, the US had contributed $1 billion. Now that the US has announced its withdrawal from the 2015 climate treaty, the remaining $2 billion will not be forthcoming. Moreover, the $100 billion goal is vague. For example, disputes continue over whether it refers to public funds, or whether leveraged private finance will also count. The OECD projected in 2016 that pledges worldwide would add up to $67 billion yearly by 2020. But such
estimates have been inflated by counting commercial loans to buy green technology from developed countries.

In 2009, with African countries and other poor allies in the G77 relatively weak (in spite of a very strong G77 chief negotiator, Lumumba Di-Aping), the stage was set for the Global North to provide the clearest answer in multilateral climate policy to the question of who would be liable for compensating victims: blunt denial. US State Department climate negotiator Todd Stern insisted: “the sense of guilt or culpability or reparations, I just categorically reject that” (Broder 2009). Stern maintained this stance over the subsequent years, and was successful in forcing it into the 2015 Paris Climate Agreement, which refused to countenance standard ‘polluter pays’ principles.

“The red line that US, EU and other developed countries in the Umbrella group, such as Norway have drawn for the developing countries,” according to Nithin Sethi (2015), was insisting “Loss and Damage would find way its way into the core Paris Agreement only if they agree to explicitly saying that compensation and liability issues would never be raised in future.” Just before the 2012 Warsaw UNFCCC summit, Sethi recalled, “A leaked US document at that time showed how it had briefed all its embassies across the world to oppose such an idea from the outset.” In Warsaw, Stern warned in relation to the emerging liability narrative, “I will block this. I will shut this down.” Although watered-down Loss and Damage language survived in the 2012 UNFCCC declaration’s final text, Stern’s ruthless defence of US interests ensured it was tokenistic.

Although any such prohibition on seeking climate debt compensation was not contained in the November 2015 draft, the final Paris Climate Agreement a month later has a clause (52, Article 8) specifying that the deal does “not involve or provide a basis for any liability or compensation.” The phrasing is considered by the Global North’s lawyers to be sufficient protection against climate debt claims. As the Pan African Climate Justice Alliance (2015, 45) concluded, “Northern countries have exempted themselves from paying for the effects of climate change to future generations.” A similar form of liability is also contested by Northern corporations: climate-related financial loss due to the vast reserves of ‘unburnable carbon’ claimed by fossil fuel corporations, even though if we are to survive, such assets should be entirely devalued, according to Carbon Tracker, a City of London watchdog.

Who are the climate debtors? The main countries emitting greenhouse gases today are China (around 10 Gigatons of CO2 equivalents in 2013), the US (5Gt), Europe (3Gt) and India (2Gt), together responsible for 58 percent of world emissions. Taken in absolute terms and using the year 2000 as a (random) starting point, by 2017 six countries owed at least 3 percent of the world total each: the United States (33.4), China (18.1), Japan (4.8), Russia (4.0), South Korea (3.8), Saudi Arabia (3.4) and Canada (3.3). China and India emit in per capita terms at a far lower level than the Northern countries, and their leaders maintain the necessity of an upward trajectory of emissions at least through the 2020s, in order to ‘develop.’

Yet recent US and European claims to be reversing their emissions rise rely upon their corporations and consumers outsourcing large amounts of emissions to new production sites mostly in East Asia. According to the Intergovernmental Panel on Climate Change: “A growing share of CO2 emissions from fossil fuel combustion in developing countries is released in the production of goods and services exported, notably from upper-middle-income countries to
high-income countries” (Hawkins 2014). The amounts of such net outsourcing to China are vast, having risen from 404 million tons of CO2 in 2000 to 1.561 billion tons in 2012.

Regardless of outsourcing, the richer countries have – by all accounts – failed to cut emissions (or plan to do so) to the extent required. By late 2015, the (voluntary) Intended Nationally Determined Contribution (INDC) statement of the G20 countries confirmed huge shortfalls in emissions cuts. According to the NGO Climate Action Tracker (2015), “None of the G20 INDCs are in line with holding warming below 2°C, or 1.5°C.” The agency rated the following as ‘inadequate’: Argentina, Australia, Canada, Indonesia, Japan, South Korea, Russia, Saudi Arabia, South Africa, and Turkey, with the INDCs of another set – Brazil, China, India, the EU, Mexico, and the USA – also “not consistent with limiting warming to below 2°C either, unless other countries make much deeper reductions and comparably greater effort.” In other words, the Global North (including the elites of the poorer G20 countries such as South Africa) are digging themselves further into climate debt.

As Rikard Warlenius (2017) confirms, “Current climate agreements do not reflect considerations of justice or historical responsibility. Developed countries have emitted disproportionate amounts of carbon dioxide and the resulting climate change disproportionately affects poor countries.” The rejection of the historical link is mainly due to the negotiating stance of Todd Stern at the 2009 Copenhagen and 2011 Durban UNFCCC summits (Bond 2012, 2016). In Paris, negotiators essentially cancelled the climate at debt, in spite of Pope Francis’ (2015) Laudato Si appeal that “developed countries ought to help pay this debt by significantly limiting their consumption of non-renewable energy and by assisting poorer countries to support policies and programmes of sustainable development.”

The concept of climate debt first emerged in 1992 at the Earth Summit of the United Nations in Rio de Janeiro of 1992, in an NGO ‘Alternative Treaty’. The Institute of Political Ecology in Santiago, Chile then made the case in relation to the ozone hole, followed by Colombian lawyer José María Borrero with a 1994 book on the topic. Research and advocacy were provided by the Foundation for Research on the Protection of the Environment, and then Jubilee South at its founding Johannesburg conference in 1999. That year, Friends of the Earth International and Christian Aid agreed to campaign against ecological debt default by the Global North, especially in relation to climate damage. In 2000, the concept was defined by the Quito group Acción Ecológica (2000: 1): “ecological debt is the debt accumulated by Northern, industrial countries toward Third World countries on account of resource plundering, environmental damages, and the free occupation of environmental space to deposit wastes, such as greenhouse gases, from the industrial countries.”

Three years later, Barcelona ecological economist Joan Martinez-Alier (2003: 26) calculated ecological debt in many forms: “nutrients in exports including virtual water, the oil and minerals no longer available, the biodiversity destroyed, sulphur dioxide emitted by copper smelters, the mine tailings, the harms to health from flower exports, the pollution of water by mining, the commercial use of information and knowledge on genetic resources, when they have been appropriated gratis (‘biopiracy’), and agricultural genetic resources.” As for the sums of money involved, “although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion... If we take the present human-made emissions of carbon, [this represents] a total annual subsidy of $75 billion is forthcoming from South to North” (Martinez-Alier, 2003: 28). In 2008, a partial ecological debt accounting was published by
environmental scientists: $1.8 trillion in concrete damages over several decades (Srinivasan et al. 2008). Co-author Richard Norgaard, ecological economist at the University of California, Berkeley, generated a crucial finding: “At least to some extent, the rich nations have developed at the expense of the poor, and, in effect, there is a debt to the poor” (The Guardian 2008). The study included factors such as greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, over-fishing, and the conversion of mangrove swamps into shrimp farms.

In 2009, Bolivia’s UN Ambassador Pablo Solon tabled a statement for the UNFCCC:

The climate debt of developed countries must be repaid, and this payment must begin with the outcomes to be agreed in Copenhagen. Developing countries are not seeking economic handouts to solve a problem we did not cause. What we call for is full payment of the debt owed to us by developed countries for threatening the integrity of the Earth’s climate system, for over-consuming a shared resource that belongs fairly and equally to all people, and for maintaining lifestyles that continue to threaten the lives and livelihoods of the poor majority of the planet’s population… Any solution that does not ensure an equitable distribution of the Earth’s limited capacity to absorb greenhouse gases, as well as the costs of mitigating and adapting to climate change, is destined to fail. (Republic of Bolivia, 2009)

The kinds of natural capital accounting and climate Loss and Damage measurements described above are vital tools for those CJ activists aiming to radicalize ecological modernization discourse, in the interests of both compensation and disincentives against further emissions. However, aside from attempting to prohibit climate debt within the Paris Agreement, another way in which Big Oil, Global North states and allied negotiators attempted to avoid responsibility for greenhouse gas emissions is the displacement technique known as carbon trading (or, in the US, ‘cap and trade’).

**Carbon trading as a ‘false solution’**

The most revealing case of an ecological modernization strategy – impossible to radicalize, but instead deserving of CJ rejection – is carbon trading. The most notorious advocacy on behalf of pollution trading was by World Bank chief economist Lawrence Summers in 1991, in the form of a memo to his closest Bank colleagues suggesting, in effect, that nature be privatized, to better assess costs and benefits of Bank ecological intervention. As Summers (1991) put it, “I think the economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable and we should face up to that… Africa is vastly underpolluted.”

The overall point of carbon markets is that society can ‘price pollution,’ simultaneously cut costs associated with mitigating greenhouse gases, and fund innovative carbon-cutting projects which are, in effect, ‘offsets’ introduced to speed transitions to post-carbon energy, transport and other activities. After a cap is placed by the state upon total emissions, the carbon-trading strategy is that high-polluting corporations and governments can buy ever more costly carbon permits from those polluters who don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in high-pollution production, energy-generation, agriculture, consumption, disposal or transport.
Misgivings first arose about an earlier version of carbon trading, in the form of lowering US sulphur dioxide emissions in Southern California. This strategy was, ultimately, a slower and less effective than command-and-control strategies adopted in Germany’s Ruhr Valley during the early 1990s. Nevertheless, large environmental INGOs endorsed the idea when presented with it as a deal-breaking demand by US vice president Al Gore at the COP3 in Kyoto. Gore promised that Washington would sign the Kyoto Protocol if it included carbon markets as an escape hatch for companies that polluted too much and then desired the right to purchase other companies’ pollution permits. The US Senate had already voted 95-0 against endorsing Kyoto. Even though Gore won this critical concession, there was no change in attitude on Capitol Hill, so the US never ratified the Kyoto Protocol.

In any event, these markets fell into just as much chaos as any financial casino, at a time that faith in bankers – especially faith they can fairly manage climate-related funding – was badly shaken after the 2008 meltdown. In the US, the national Chicago voluntary carbon market (strongly promoted by Gore) died in late 2010, and regional markets crashed. The European Union Emissions Trading Scheme (EU ETS) is the main site of carbon trading, and has been moribund since its 2006 and 2008 peaks, when the right to emit extra carbon cost around €30/ton. The carbon price’s recent low point was less than €3/ton, in the wake of oversupply, various episodes of fraud and hacking, and declining interest in climate change following the 2008-09 Great Recession.

By 2017, prices remained low and the World Bank (2017) calculated the 2016 global carbon trade at just $32 billion. Of the 15 percent of world CO₂ equivalent emissions that are covered by either carbon trading or a tax, only a quarter of those carry a price above $10/ton. The Canadian, Californian, Japanese and New Zealand carbon trading systems are rare exceptions, with prices in the $11-14/ton range. (The countries with a carbon price above $25/ton have achieved this by taxation, not carbon trading: Sweden $126; Switzerland and Liechtenstein $84; Finland $66; Norway $52; France $33; and Denmark $25.)

For poorer countries, a category of UN-authorized Clean Development Mechanism (CDM) projects was created to allow wealthier countries to engage in emissions reductions initiatives in poor and middle-income countries, as a way of eliding direct emissions reductions. But reflecting the global oversupply of carbon credits, the price of CDM credits fell to less than $0.50, and in order to lower supply, after 2012 the main emerging markets (especially China, India and Brazil) were no longer allowed to issue them. China then started eight pilot carbon-trading projects at local and provincial level, with highly volatile prices ranging in 2017 from $8/ton in Beijing down to just $0.50/ton in Chongqing. Reflecting the extreme volatility in Chinese financial markets (including stock market crashes in mid-2015 and early 2016), the Shenzhen carbon market had fallen from a Chinese high of $11/ton in early 2013 to just $5/ton by mid-2016. These prices are woefully short of making a dent in climate change, according to Joseph Stiglitz and Nicolas Stern’s (2017) report to the Carbon Pricing Leadership Coalition: “at least US$40–80/ton of CO2 by 2020 and US$50–100/tCO2 by 2030” are needed so as to lower the rate of emissions to keep below the 2 degree temperature increase targeted at Paris.

Without an ever-lowering cap on emissions, the incentive to increase prices and raise trading volumes does not exist. The overall context remains one of economic stagnation, financial volatility and shrinking demand for emissions reduction credits. The world faces increasing sources of carbon credit supply in an already glutted market, thanks to the COP
negotiators’ failure to mandate binding emissions cuts. But another factor remains the lax system the UN, EU and other regulatory bodies appear to have adopted. All manner of inappropriate projects appear to be gaining approval, especially in Africa (Bond 2012). As California’s carbon market was renewed in 2017, a new round of complaints arose from activists about the scheme’s implicit environmental racism (insofar as polluting industries in neighbourhoods of colour continue emissions because of their purchase of carbon credits).

The carbon market’s failures have renewed concern about the ‘privatization of the air’ amongst CJ activists, given that there appears to be no way to ‘radicalize the ecological modernization discourse’ in this instance. Even attempting to redirect funding from emissions trading schemes has proven controversial, but there are a few CJ groups that continue to try, in both policy and practice, e.g. Green for All (in California), the Pan African Climate Justice Alliance, and some indigenous people who adopted Free, Prior and Informed Consent strategies within forestry carbon offset schemes. But opposition to ‘market solutions to market problems’ within climate policy has been firmly articulated by the Durban Group for Climate Justice (Lohmann 2006) and in the film by Annie Leonard (2009), *Story of Cap & Trade*. In contrast, in the Climate Action branch of advocacy which is grounded in ecological modernization, groups like WWF and Greenpeace International endorse such markets (Bryant 2016, 12-13).

**Climate sanctions as popular accountability strategy during global governance failure**

The Trump administration removed the US from the 2015 Paris Climate Agreement in June 2017 on the grounds that compliance will be too expensive for the world’s largest economy (Trump 2017). In reality, starting with the Copenhagen Accord of 2009, Obama’s State Department ensured that UNFCCC negotiations were (unlike the Kyoto Protocol) voluntary and non-binding. The Paris Climate Accord avoided accountability mechanisms, as even its chief negotiator Stern (2017) bragged. Yet in spite of Obama pledging only $3 billion (in contrast to several trillion dollars his administration spent on bailing out banks), Trump (2017) expressed misplaced concern about the Green Climate Fund “costing the United States a vast fortune,” and that “massive liabilities” would result from damage done by US historic emissions.

Global-scale climate regulation had, by 2016, become generally acceptable to the US population, even if many in support also voted for Trump. In November 2016, the Yale University Program on Climate Change Communication (2016) poll of registered voters found that 78 percent supported taxing or regulating emissions, and 69 percent agreed this should happen in an international agreement. In 2009 even Trump publicly supported the Copenhagen Accord, although by 2012 he argued (on Twitter) that “The concept of global warming was created by and for the Chinese in order to make the U.S. manufacturing non-competitive” (Trump 2012). His first 100-day plan stressed resurgent climate denialism as the default policy position; infrastructure construction focusing on fossil-fuel pipelines, airports, roads, and bridges; cancellation of international obligations including withdrawal from Paris and default on payment obligations to the Green Climate Fund; retraction of shale gas restrictions; enabling the Dakota Access Pipeline and Keystone pipeline; denuding of the Environmental Protection Agency (EPA); and a (futile) attempt to “save the coal industry.” Further privatization of public land was also imminent, including Native reservations, in search of more fossil fuels.
The retreat from Paris opens up a new opportunity for a revived strategy and tactic: *delegitimation of Trump, and sanctions against his regime and supportive US corporations more generally* (Bond 2017b). Formidable alliances could be ignited internationally with much more positive implications for climate futures than otherwise exist. Such “social self-defence” alliances (Brecher 2017) would ideally have been forged on the day of Trump’s election in November 2016. But after Trump walked out of Paris and indeed a year into his presidency, these alliances remained only potential political approaches, because even the most sophisticated, militant U.S. climate activists simply did not adopt any strategy aside from condemnation and defense of existing space (Funes 2017). There was no open discussion in the climate movements about how to change the balance of forces, aside from continuing to promote localized blockades against fossil fuel facilities, to defend (profoundly inadequate) state regulations and improve their enforcement, mostly via the courts, and to divest from the main fossil fuel companies and climate-destructive banks while encouraging reinvestment in clean energy.

Each of these was a necessary strategy – but a much more decisive shift in the balance of forces will be necessary to secure a climate future that transcends just survival and moves society to the potentials Klein (2014) discussed in *This Changes Everything*. Such post-capitalist visions include renewable community-owned energy, massive investments in public transport, the burgeoning of organic agriculture, compact eco-cities, a widely-shared green production ethos, humane consumption (so indispensable for the survival of the global South), and “zero-waste” disposal so that oceans, rivers, and land may recover from the ‘Capitalocene’ (Moore 2016).

The failure to take advantage of Trump’s regime to ratchet up pressure reflects the US Left’s general weakness. In spite of the political fragility, personal foibles, administrative chaos, leadership buffoonery and shrinking legitimacy, Trump’s first months in office failed to generate a sustained, unified response from the society’s progressive forces. Most critiques by the local US and world Left came from specific incidents or from sectorally-narrow interests. Protest marches on Washington regularly drew tens or even hundreds of thousands of women, tax justice advocates, scientists, and climate activists from January through April 2017, as well as impromptu immigrant protection rallies at airports. But these generally occurred without linkage or fusion, and without a convincing strategy for changing power relations. The most effective resistance to Trump came from either late-night comedians or competing elites.

However, there are important examples of powerful resistance, in part grounded in climate change advocacy. The main activist groups which attacked the Dakota Access Pipeline owner Energy Transfer Partners and its creditors – including Greenpeace, 350.org, BankTrack and Sierra Club – did “billions of dollars in damage” as a result of “campaigns of misinformation,” according to the firm’s lawsuit in August 2017 (Horn 2017). As a target of anti-corporate activism, according to 350.org’s May Boeve and Brett Fleishman (2017), “Exxon is the most famous example because the company’s own scientists actively studied the threat of climate change, and in response the company developed taller offshore drilling rigs in anticipation of rising sea levels. Yet while they were preparing for a warmer climate, they also funded campaigns claiming that the science was uncertain.” Exxon and other fossil fuel corporations were divestment victims of $5 trillion in withdrawn stock market financing, thanks to thousands of activists in universities, pension funds, churches and other institutions (Carrington 2016).
City of London investment analysts Carbon Tracker had in 2012, recall Boeve and Fleishman (2017), “juxtaposed the amount of carbon the world could burn within ‘safe’ limits of global warming and the amount of carbon embedded in the reserves of the publicly traded fossil fuel companies – the coal, oil, and gas planned for future production. It provided incontrovertible evidence that the companies intended to burn all this carbon, and against the backdrop of increased caps on doing so, thereby creating a high likelihood for a massive stock devaluation: a ‘carbon bubble.’ This attracted the attention of more mainstream investors, who began to rank the carbon bubble as a material risk.”

How far might this divestment movement reach into Trump’s own wallet, and how far can his regime be delegitimated by a wider sanctions movement? Aside from repeated 2017 polls showing Trump with less than 35% support within the United States, Pew Research (2017) pollsters reported in mid-2017 that much of the world is strongly anti-Trump. Most opposed are Mexico, Spain, Jordan, Sweden, Germany, Turkey, Chile, Argentina, Brazil, France, Colombia, and Lebanon, all recording their citizenries’ support for Trump at less than 15 percent. (Only the Philippines, Vietnam, Nigeria, and Tanzania record more than 50 percent, although the two most populous countries, India and China, were not polled.) Imposing sanctions on rogue regimes is a time-tested approach that has often succeeded in the past. Especially in the event that Trump initiates yet another unjust US war, a “people’s sanctions” strategy should put not only the president’s and First Daughter’s own product lines under pressure, but also tackle Trump-friendly big businesses such as ExxonMobil, Koch Industries and Goldman Sachs.

One immediate reaction to Trump’s rise was a call for boycott and sanctions against his own firm and associates: Color of Change (2016) pulled CocaCola out of the 2016 Republican Convention sponsorship; Grab Your Wallet compelled Nieman Marcus, Belk and Nordstroms to discontinue Ivanka Trump clothing sales; Sleeping Giants forced hundreds of advertisers which supported pro-Trump alt-right websites to withdraw their financing; and Boycott Trump has a long list of targets. Encouraged by the successes, a Boycott45 (2017) campaign expanded the sanctions strategies to Trump and Kushner tenant companies, on grounds their $100 million in annual rental payments “enable and normalize Trump and Kushner’s hateful and intolerant views and agenda, participate in Trump and Kushner’s unprecedented lack of transparency to use the office of the President to enrich themselves, and strengthen Trump’s political brand.” High-profile Trump buildings are located not only across the US, but also in Istanbul, Seoul, Rio de Janeiro, Toronto and Vancouver, Panama and Uruguay, Manila, Mumbai and Pune.

“Boycott Divestment Sanctions” (BDS) movements have recently been effective against Israeli apartheid and during1985-94, can be credited with splitting white business from the South African apartheid regime, in conjunction with very strong local protest. BDS against the US could succeed if US progressives are motivated to call for a world boycott of the US government plus key Trump-related corporations. Implementing a BDS-Trump strategy will be an important challenge for climate activists the world over, argues Klein (2016, 2017). She was soon joined by European Environmental Bureau leader Jeremy Wates (2017): “Trump is known to like walls. Maybe a wall of carbon tariffs around the U.S. is a solution he will understand.”
Indeed 25 major US corporations (including Apple, Facebook, Google, Morgan Stanley, Microsoft, Unilever and Gap) warned Trump in an open letter that “withdrawing from the agreement ... could expose us to retaliatory measures” (Petroff 2017). Suddenly sanctions were discussed as a powerful, useful threat in diverse media sites like Forbes (Kotlikoff, 2017), Financial Times (Wolf 2017), DailyKos (Lenferna 2017), The Guardian (Stiglitz 2017) and The Independent (Johnston 2017). The credibility of sanctions was enhanced by Nobel Economics Prize Laureate Joseph Stiglitz (2006), who in a 2006 paper argued that, “unless the US goes along with the rest of the world, unless producers in America face the full cost of their emissions, Europe, Japan and all the countries of the world should impose trade sanctions against the US.” In May 2017, Stiglitz co-chaired a UN-mandated commission based at the World Bank that advocated widespread, urgent adoption of carbon taxes.

Even former French president Nicolas Sarkozy had in November 2016 raised the prospect of punishment against US products as a result of Trump’s climate-destructive campaign promises: “I will demand that Europe put in place a carbon tax at its border, a tax of 1-3 percent, for all products coming from the US, if the US doesn’t apply environmental rules that we are imposing on our companies” (Kentish 2016). A technical policy term for such sanctions emerged: “border adjustment taxes” or for short, border measures which avoid World Trade Organization anti-protectionist penalties (such taxes are not a “disguised trade restriction”).

Ironically, when in 2009 Obama promoted carbon trading strategies within his ultimately-unsuccessful pro-market legislative strategy, further incentives were discussed so that big corporations would agree to emissions caps. Establishment economists like the Peterson Institute’s Gary Hufbauer and Jisun Kim (2009) observed that in such a context, US companies “paying to pollute” would need additional protection from outside competitors: “border measures seem all but certain for political reasons.... many U.S. climate bills introduced in the Congress have included border measures [against] imports from countries that do not have comparable climate policies.”

For CJ and allied movements to ramp up the existing initiatives will require a major unifying effort by US progressive groups, and a realization that international solidarity will be a critical force in shifting the power balance. In South Africa, Ronnie Kasrils (2015) – a leader of the underground movement and from 2004-08 the Minister of Intelligence – agrees: “BDS made apartheid’s beneficiaries feel the pinch in their pocket and their polecat status whether in the diplomatic arena, on the sporting fields, at academic or business conventions, in the world of theatre and the arts, in the area of commerce and trade and so on. Arms sanctions weakened the efficiency of the SA Defense Force; disinvestment by trade unions and churches affected the economy as did the termination of banking ties by the likes of Chase Manhattan and Barclays banks; boycott of products from fruit to wine saw a downturn in trade; the disruption of sports events was a huge psychological blow; dockworkers refusing to handle ship’s cargoes disrupted trade links.” The strategy drove a wedge between white (‘English-speaking’) Johannesburg capitalists and the racist (‘Afrikaner’) Pretoria regime. As internal protest surged, it was the 1985 foreign debt crisis caused in part by BDS which broke the capital-state alliance and compelled South Africa’s nine-year transition to democracy.

With Trumpism such a logical target, international solidarity to weaken that power requires a boycott of both high-profile state functionaries and key corporations in order to attack the
legitimacy of profits made within a climate-denialist USA. As Public Citizen’s Rob Weissman (2017) warned, the U.S. faces “a government literally of the Exxons, by the Goldman Sachs and for the Kochs”. In contrast, installing the eco-socialist governments required in the US and everywhere to generate a climate future that not only keeps the temperature within the scientifically necessary maximum and does so with justice at its very core will require a dramatic shift in the balance of forces. Such principles must be undergirded by further analysis of how to weaken the power structure, by the widening of delegitimation strategies beyond just Trump to major corporations, by the toughening of sanctions tactics and by the forging of international alliances urgently required to repeat the South African BDS success.

**Conclusion: Reducing fossil fuel influence over climate politics**

How might CJ activists most forcefully resist Big Oil and other carbon-intensive corporations, along with their purchased politicians? Indeed, Todd Stern was simply responding, as he continually reminded audiences, to the US Republican Party’s veto capacity over any such climate treaty if presented to the Congress, hence driving down ambitions of a comprehensive binding treaty to a mere voluntary agreement. That veto capacity, in turn, was a function of the exceptional power of the fossil fuel lobby to purchase the service of politicians, who initially denied the existence of climate change and then when that was untenable, denied the role of greenhouse gas emissions in causing it. The primary actors included ExxonMobil, whose scientists knew about catastrophic climate change threats in the late 1970s but which covered up the information and funded denialist propaganda, and two oil tycoon brothers, the Kochs, who built a far-right anti-environmental lobby including the American Legislative Exchange Council (amongst whose 40 members are the carbon-intensive US Steel, General Electric, General Motors, 3M and Phillips Petroleum). The Council’s role under Trump is to remove worker, social and environmental legal protection.

Likewise, ExxonMobil – the world’s fourth largest firm – rose in power in January 2017 when Trump appointed as US Secretary of State its chief executive Rex Tillerson (who in December 2017 was rumoured to be on the brink of being fired by Trump). A contract for a massive $500 billion Siberian oil drill had in 2013 earned Tillerson the Russian ‘Order of Friendship,’ although a year later, the deal was postponed due to sanctions that followed Moscow’s Crimean invasion. The fluidity of anti- and pro-Russian forces within the White House and Congress makes it difficult to predict whether those sanctions will eventually be dropped, but regardless, the Trump White House has a vast network of corporate backers starting with Goldman Sachs bank, whose several former executives in the White House include Treasury Secretary Steve Mnuchin and economic policy head Gary Cohn. (These conditions make ExxonMobil and Goldman Sachs ideal world sanctions targets.)

Extreme corporate power can also be found in other capitals. To illustrate, another instance of malevolent global climate governance occurred at Copenhagen when Obama met privately with the leaders of Brazil, South Africa, India and China (‘BASIC’), in the process jettisoning the broader UN summit process so as to privately co-sign the Copenhagen Accord (Bond 2012). An unintentional metaphor was uttered by the then head of the US Senate Foreign Relations Committee, John Kerry (2009): “It’s a powerful signal to see President Obama, Premier Wen, Prime Minister Singh and President Zuma agree on a meeting of the minds. These are the four horsemen (sic) of a climate change solution.”
The BASIC countries, which along with Russia are together better known as the BRICS, are among the world’s most carbon-addicted economies. From these states, large fossil fuel firms have arisen – e.g. respectively, in the BRICS, Brazil’s Petrobras; Russian oil and gas corporations Gazprom and Lukoil; Coal of India, Vedanta and ArcelorMittal; China National Petroleum and Sinopec; and South Africa’s new black-owned firms Oakbay (run by the notorious Gupta family) and Shanduka (founded by leading politician Cyril Ramaphosa), as well as the much larger Anglo American, BHP Billiton, Exxaro and formerly state-owned coal-to-oil firm Sasol (all formerly initiated at the Johannesburg Stock Exchange and subsequently relisted in other stock markets).

BRICS fossil fuel companies have enjoyed outsized influence over public policy, often at the cost of major corruption scandals. The impeachment of Brazilian President Dilma Rousseff in 2016 was due to Petrobras payoffs that motivated corrupt members of Congress to put in her place a more pliable leader, Michel Temer. Vladimir Putin had, after 2003, switched policies from opposing fossil fuel and other corporate oligarchs, to embracing them. Narendra Modi’s crony capitalists have long been notorious allies (Roy 2012), and China’s state-capitalist relationships have hinged on unlimited fossil fuel consumption (Smith 2017).

Together, these are the kinds of vectors that require of CJ strategists a much more nuanced and unified strategy, than has existed in past Blockadia protests and UNFCCC engagements. The climate debt owed by Big Oil, the tendency by corporations and banks to promote carbon trading instead, and the potentials for sanctions against climate change criminals – especially those associated with Donald Trump – are, in combination, a formidable set of targets. But it is in the sphere of such economic forces that CJ activists must operate, ultimately, for here we can find the most intense combinations of both power and vulnerabilities. It is up to CJ to move Big Oil from the former to the latter, so as to finally exert pressures in their own states and the UNFCC to solve climate chaos in a just and effective way.

References

414


McLure, J. (2009) “Ethiopian leader chosen to represent Africa at climate summit,” Addis Ababa, 1 September


Roy, A. (2012) “Indian capitalism as ghost story” Outlook India, 26 March
Subimperial ecosystem management in Africa: Continental implications of South African environmental injustices

INTRODUCTION

The South African government was democratised in 1994, but since then has not responded effectively to either inherited or new environmental injustices (Cock 2016, Satgar 2016, Bond 2016a). The resulting footprint of ecological destruction reaches thousands of kilometers north into the African continent. Both Pretoria-based politics and Johannesburg-based economics are responsible for such extreme damage to the continent’s environmental sustainability, as to warrant the label ‘subimperialist.’ As the theory of subimperialism (Marini 1965, Harvey 2003, Bond and Garcia 2015) would suggest, this occurs in at least three ways:

• first, South Africa’s long settler-colonial traditions of facilitating ultra-exploitative ecosystems management as promoted by imperial powers, namely the avaricious use of free environmental space for the purpose of externalising pollution (i.e., without paying environmental and social liabilities especially where these have racial, gender and class bias);
• second, South Africa’s homegrown-neoliberal systematisation of that power through intensified ecological modernisation, in the form of supposedly-corrective ‘Green Economy’ governance strategies that commodify nature so as to save it; and
• third, the role of South African corporations in amplifying capital-nature exploitation in other African settings, aided by Pretoria’s diplomatic, financial and military support.

The era of neoliberalism since 1994 affected both global and local elite strategies for environmental governance: ‘market solutions for market problems.’ As this strategy became generalised in the early 21st century thanks to the United Nations, World Bank and associated institutions, the metabolism of capital-nature relations intensified. This was partly a function of the rhythms of capitalist crisis and global uneven development – most obviously China’s role in rapidly shifting both capital accumulation and pollution from West to East – and specifically the 2002-11 commodity super-cycle.

But the minerals and petroleum upturn and subsequent 2011-15 crash left a devastating impact upon African economies and environments. The incentive for firms to produce higher volumes of commodities was one driving force before 2011, but also as the price fell, many firms’ shareholders demanded even higher volumes of output to make up for lower prices, which in those instances intensified the already extreme metabolism of extraction. With the heightened metabolism, researchers began noticing upturns in social protests across Africa (ACLED 2016, African Development Bank 2016), as described in the conclusion.

The combination of neoliberal economic policies (imposed since the early 1980s) and resource-extractive dependency (especially since 2002) left Africa much more exposed than it should have been, by the time of the commodity price downturn. Many minerals and petroleum fell more than 50 percent in price after 2011, with the most dramatic declines
during 2015. Once-powerful multinational corporations dependent upon commodities lost more than 85 percent of their London Stock Exchange share value from their 2009-11 peak to 2015-16 trough, including Glencore (87 percent), Anglo American (94 percent) and Lonmin (99 percent). By mid-2016 the World Bank had downgraded the continent’s overall annual GDP growth from the 2000-10 period’s 5.4 percent average to the 2010-15 period’s 3.3 percent average to just 1.6 percent for 2016, the lowest in two decades.

Such over-exposure not only reflected the Bretton Woods Institutions’ policy power, with its export-oriented dogmatism. It was also a function of Pretoria’s subimperial location as the legitimator and often amplifier of imperial power on the continent. For example, the 2001 New Partnership for Africa’s Development (NEPAD) which Pretoria – joined by leaders from Nigeria, Algeria and Senegal – pushed into the African Union, was described by the US State Department as “philosophically spot on” because it relegitimised orthodoxy (Gopinath 2003, Bond 2005). NEPAD soon housed the Program for Infrastructure Development in Africa, a trillion-dollar strategy mainly aimed at providing roads, railroads, pipelines and bridges that, like the colonial era, largely emanate from mines, oil/gas rigs and plantations, and are mainly directed towards ports. Electricity generation is overwhelmingly biased towards multinational corporate mining and smelting needs.

Simultaneously, environmental injustices associated with helter-skelter extraction of minerals (see Chapter 30) and petroleum still worsen under imperial control, with the increasing dimension of subimperial legitimation. The ‘Africa Rising’ myth followed logically (e.g., Perry 2012), as the continent’s much higher 21st century Gross Domestic Project (GDP) initially appeared to justify the renewed export orientation and overall commitment to liberalisation (no matter how misleading the GDP data).

Part of the critique of subimperialism is Pretoria’s role in multilateral processes that are objectively unjust in relation to Africa, and that are becoming more so over time. In addition to a variety of world and regional economic summits, since 1994 South Africa hosted:

- the 1998-2001 World Commission on Dams, which two leading South African water experts subsequently fatally undermined (Briscoe 2010, Muller 2014);
- the 2002 World Summit on Sustainable Development, which generalised the practice known as ‘neoliberal nature’ (Bond 2002);
- the 2011 United Nations Framework Convention on Climate Change (UNFCCC) climate conference, which was celebrated by the US State Department (Stern 2011) for ending core justice principles (Bond 2012); and
- the 2016 Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), where South Africa joined a few owners of large stockpiles of rhino horn and elephant ivory to attempt to overturn trade bans, against a huge majority of countries which wanted them strengthened (Lunstrum and Bond 2016).

Most importantly, in Paris at the UNFCCC’s decisive 2015 summit, a South African chaired the G77 delegation, arguing there that ‘climate apartheid’ required a strong global response, and yet the South African government celebrated the outcome notwithstanding such fatal deficiencies that the world’s leading climate scientist, James Hansen, labelled the Paris outcome ‘bullshit’ (Bond 2016b). At the same moment, destructive subimperial power over Africa was reflected in South Africa’s role in other controversial multilateral bodies, such as the World Trade Organisation’s December 2015 Nairobi summit (which decisively attacked
poor countries’ food sovereignty) and the 2010-15 restructuring of International Monetary Fund (IMF) voting power, leaving Africa profoundly disempowered (e.g. Nigeria losing 41 percent of its share). Pretoria represented Africa in the Brazil-Russia-India-China-South Africa (BRICS) network, which aimed to have the latter play a ‘gateway’ function in Africa for capital’s benefit (Bond and Garcia 2015).

In a context of global governance that is so adverse to Africa’s interests, it is not surprising that South Africa’s micro-economic, socio-political and environmental interventions are also contributing to the continent’s problems, as documented in the next section.

SOUTH AFRICAN SUBIMPERIALISM, FROM CORPORATE TO MILITARY TO FINANCIAL

The framing for environmental injustices that best reflects the South African economy’s and state’s power in Africa is the theory of subimperialism (Bond and Garcia 2015). Prior to 1994, there were three modes of apartheid’s ‘constellation of states’ in the region that exemplified this power:

- the pull of inexpensive male migrant labour from regional sites to the South African mines, fields and factories, dating to the late 19th century;
- the extension of South African mining conglomerates up-continent, starting with Rhodes’ British South African Company in 1890; and
- the security capability of the Pretoria regime, especially in fighting border wars (Angola, Namibia and Mozambique) that left millions dead in the course of attacks against African National Congress (ANC) guerrilla operations in neighbouring countries, especially during the era of armed, decolonisation struggles in Southern Africa from the 1960s-80s.

But after 1994, instead of offering cessation and reparations to the region, the new ANC rulers in Pretoria mainly amplified existing subimperial power relations. Legalisation of (apartheid-era) resident migrant workers’ status in South Africa went hand-in-hand with wider-scale crises in the sub-region that brought in millions more economic refugees from Malawi, Mozambique, Zambia and Zimbabwe, and political refugees from the eastern Democratic Republic of the Congo, Burundi, Rwanda, Somalia, Sudan and Zimbabwe. Together, one impact was a lowering of the cost of unskilled and semi-skilled labour power which, together with intensified internecine competition amongst poor people in township retail and housing markets, generated xenophobic tendencies amongst South Africans.

South African over-accumulation processes date to the 1970s, but the early-1990s capitalist crisis helped facilitate a political power transfer that included the continental legitimation of Johannesburg and Cape Town corporations (Bond 2014). They began to move much more decisively up-continent following the apartheid-era investment drought, at a time most whites were shunned in the rest of Africa. After 1994, social, economic and environmental change followed new waves of South African retailers, financiers, cellphone operators, infrastructure construction firms, tourism companies and mining houses. The latter sector was often characterised by extreme exploitation of nature and society:

- At the eastern DRC’s Mongbwalu mine, Johannesburg-based AngloGoldAshanti closely collaborated – in a context of approximately six million civilian deaths and extreme environmental damage – with notorious warlords (the Nationalist and
Integratio

nant Forces), and when criticised by Human Rights Watch (2005) in *The Curse of Gold*, the firm’s CEO Bobby Godsell (2005) remarked, “Our central purpose is to find and mine gold profitably... [but] mistakes will be made.”

- The Johannesburg mining house Mvelaphand and associates (e.g. Mark Willcox and Walter Hennig) of a leading ANC politician, Tokyo Sexwale, were implicated during the US Securities and Exchange Commission’s prosecution of a major ($39 billion) New York financier, Och-Ziff, which in 2016 pled guilty to mining- or petroleum-related bribery of state officials from Libya, the DRC, Chad, Niger, Guinea, Zimbabwe (AmaBhungane 2016).

- The diamond mining house De Beers was charged by two academics, Khadija Sharife and Sarah Bracking (2016), with systematic misinvoicing of more than $2.8 billion in diamonds over a seven year period, including batches from Botswana and Namibia.

- A year after South African President Jacob Zuma took power, his nephew Khulubuse and lawyer Michael Hulley gained access – thanks to assistance from Zuma’s ally DRC President Joseph Kabila and the Israeli ‘blood diamonds’ tycoon Dan Gertler – to a $10 billion oil concession at Lake Albert that originally had been controlled by Ireland’s Tullow (Congoleaks 2011).

These were just a few of the highest-profile adverse incidents involving South African mining corporations in Africa. In many other cases associated with resource extraction from Africa, Illicit Financial Flows (‘IFFs’) were specifically national in character. An example is the documented tax avoidance strategies of Lonmin, Angloplats and Impala Platinum, discovered in 2014 by labour-aligned researchers during the 5-month mineworkers’ strike, but similar allegations were made against Implats’ Zimbabwe subsidiary. More generally, such IFF profits are mainly drawn from minerals and oil ripped from the African soil. In 2015 Global Financial Integrity measured the IFFs alone from 2004-13 as costing $21 billion per year in South Africa and $18 billion in Nigeria, while Sub-Saharan Africa as a whole lost 6.1 percent of GDP annually to IFFs, more than 50 percent higher than the rate for poor countries in general (Kar and Spanjers 2015: 8-9, 23).

These environmentally unjust outflows are not merely the result of accounting gimmicks; they are enforced by the sheer might of regional military power. Pretoria’s security capacity was tested in the case noted above involving Khulubuse Zuma’s eastern DRC investment, worth $10 billion (although in 2016 he claimed to be near penniless when faced with repayment of overdue salaries to his bankrupted Aurora mining house workers). In 2013 at Jacob Zuma’s request, the South African National Defence Force (SANDF) deployed more than 1300 ‘peace-keeping’ troops near his nephew Khulubuse’s oil stake. A variety of scandals beset the force there, including wild drunken (and sexual) rampages by the SA troops, who also ignored a 2016 massacre by warlords just a kilometre from the SANDF base (Allison 2016).

Pretoria’s military commitment to defending mining and petroleum interests in the DRC echoed the earlier deployment (by Presidents Thabo Mbeki and Zuma) of hundreds of SANDF troops in Bangui, Central African Republic (CAR). That decision followed a 2006 deal for diamond market monopoly control signed by Mbeki and the CAR dictator Francois Bozizé. By early 2013, socio-political and ethnic tensions in CAR had become extreme, as the French government and military switched support from Bozizé to opposition rebels. But as Bozizé was ousted by a coup during a March 2013 Bangui firefight – a few days before the BRICS had their Durban heads-of-state summit – there were 15 SANDF fatalities. Some
SANDF survivors were furious with their role as mercenaries, they told senior Johannesburg reporters (Hosken and Mahlangu 2013): “Our men were deployed to various parts of the city, protecting belongings of South Africans. They were the first to be attacked... outside the different buildings – the ones which belong to businesses in Jo’burg.”

Lesotho’s attempted army coup in mid-1998 was another example, as the SANDF killed two dozen Basotho soldiers at the wall of the Katse Dam that supplies Johannesburg and Pretoria with water, fearing the rebels would blow up the dam (Bond 2002). Added to South Africa’s periodic military incursions up-continent, these political, economic and environmental influences contribute to a sense that leading officials in Pretoria amplify rather than reduce the continent’s degradation.

This is especially true in light of Pretoria’s cooperation with the US military’s Africa Command (AFRICOM), which is active in dozens of countries. AFRICOM bears testimony to Washington’s overlapping desire to maintain control over core African conflict sites amidst rising Islamic fundamentalism from the Sahel to Kenya, which are, coincidentally, theatres of war in the vicinity of large petroleum reserves (Turse 2014). US Air Force strategist Shawn Cochran (2010: 111) relayed the words of a ‘US military advisor to the African Union’ whom he interviewed in 2009, “We don’t want to see our guys going in and getting whacked... We want Africans to go in.” Jacob Zuma (2014) was content with this arrangement, for at a 2014 African leaders’ summit in Washington, he announced, “As President Obama said, the boots must be African.”

Financing is another area where subimperial relationships would be important. The BRICS New Development Bank entered into a collaborative arrangement with the World Bank in 2016, and its much-anticipated launch of a regional centre in South Africa soon afterwards had a precedent: financing by the Development Bank of Southern Africa (DBSA). In 2013-15 the DBSA was given an additional $2 billion in working capital in large part to pave the way into the sub-continent. Many major DBSA corporate beneficiaries in Johannesburg and Cape Town have played a predatory role in African sites of extreme environmental injustice, and by 2016, 14 percent of DBSA assets were in Africa (outside South Africa), with plans for an additional $400 million in semi-privatised infrastructure investment.

However, profound contradictions soon emerged. The main DBSA regional lender was Mo Shaik, the former head of state intelligence and brother of a man convicted of bribing Jacob Zuma in the late-1990s arms deal, and of another state official most responsible for that notorious $5 billion deal. By 2015, Shaik was disarmingly open about the limitations of his brief. In a talk to the main strategic leadership seminar held at South Africa’s foreign ministry (at which this author took notes), he conceded that, in the rest of the continent, he sometimes “felt like an economic hit man... [selling] projects they don’t need and they can never pay for, but my job is to sell them these projects.” He named the largest proposed infrastructure work on earth, the Congo River’s Inga Hydropower Project (“who would invest $80 billion in the DRC?”) and other random development finance disasters from the Sahel to Southern Africa (Bond 2016c).

Given the unreliability of African conditions for multinational corporate investment and development finance, the DBSA and BRICS New Development Bank will stumble to fulfil the subimperial function. They will require much closer cooperation with corporations from Brazil, Russia, China and India. The BRIC bloc had welcomed South Africa in 2010, and in
2013 in Durban, the heads of state planned more of the ‘gateway’ role that the New Development Bank might play in Africa (Bond 2016c). In this and other settings, South Africa often attempts to ‘speak for’ Africa in multilateral strategies; e.g., it is the only African state in the G20. But this means in several crucial environmental management functions – climate change, mining, commercial agriculture, wildlife, timber and water (ranging from oceans to household sanitation) – South Africa exhibits power relations based on state policy and regulatory processes biased towards pro-corporate standpoints.

**SOUTH AFRICA’S POLLUTION AND NATURAL CAPITAL DEPLETION**

South Africa’s own economy – which since the early 2000s has been increasingly directed by transnational corporations and international commodities and financial markets – generates exceptionally high levels of greenhouse gas emissions, minerals-related toxics, land and bulk water degradation, solid waste, and maritime pollution. The results include myriad injustices in the way climate change, air pollution, declining land capacity, and household water constraints affect low-income black people. A new ‘Blue Economy’ oceans management strategy features oil and gas exploration, beachfront tourism and commercial mariculture (in contrast to subsistence fishing), and will exacerbate environmental injustice locally but potentially also in neighbouring sites.

The spillover impacts of all these policies and practices on regional African and even global ecologies is increasingly obvious, especially in terms of climate change, trans-boundary rivers, commodified and genetically-modified food provision, and oceans. Indeed, since the end of apartheid in 1994, various aspects of South African ecosystems management have degenerated: water and soil quality, greenhouse gas contributions to global warming, fisheries and other aspects of the maritime environment, industrial toxics, genetic modification, Acid Mine Drainage, fracking and offshore oil and gas drilling. The South African Government Communications and Information Service (2007) conceded that in the state’s most thorough self-assessment, a dozen years after liberation, there was “a general decline in the state of the environment.”

There were many ways this localised ecological destruction was experienced regionally, in Africa. As a prime example of an overly large carbon footprint, the threat of water scarcity and water table pollution worsened dramatically after 1994 in the country’s main megalopolis, Gauteng. With 12 million residents stretching from the Vaal steel and petrochemical complex through Johannesburg to northern Pretoria’s sprawling townships, Africa’s largest industrial and commercial complex required new mega-dams known as the Lesotho Highlands Water Project. The first two, Katse and Mohale, were built during the late 1990s, and featured the world’s highest-profile construction-corporation corruption cases, the (uncompensated) displacement of indigenous people, loss of scarce fertile farmland due to dam impounding, and other destructive environmental consequences downriver.

Moreover, the extremely high costs of Lesotho water transfer across the mountains (five times the existing marginal price) deterred consumption by the poorest people in Gauteng townships, since they paid a disproportionate share (see also Chapter 27). One result was an upsurge of social protest and Africa’s main early-2000s “water war,” between Soweto residents and their municipal supplier (outsourced to a Paris water company, Suez, whose construction subsidiary was one of the firms prosecuted for corruption in Lesotho). This followed higher prices and a commercialised system of water delivery via pre-payment
meters and water-limiting sanitation. The wealthiest urban (mainly white) families continued to enjoy swimming pools and English gardens in Johannesburg and Pretoria, which meant that in some of the most hedonistic suburbs water consumption was 30 times greater each day than in low-income townships (some of whose residents continue doing gardening and domestic work for whites) (Bond 2002).

In spite of market-based management strategies in water catchment areas, there remains a growing need for state command-and-control systems (e.g. water rationing) to shift systems associated especially with commercial agricultural irrigation, mining degradation of the water table, the cooling of coal-fired power plants, commercial timber’s impact on groundwater, as well as a few million high-income urban South Africans’ hedonistic lifestyles in even Lesotho-supplied Johannesburg. Neither traditional Riparian rights (water drawn from owned land) nor market-centric water pricing strategies have proven effective in incentivising change. Nor has a tokenistic ‘Free Basic Water’ strategy adopted nationally in 2001 supplied sufficient water to poor people, as witnessed by ubiquitous illegal water connections across the low-income areas of South Africa.

There are other examples of wide-ranging environmental injustices within South Africa, including numerous unresolved conflicts over access to energy (highly class segregated), natural land reserves (where in minerals-rich sites, displacement of indigenous people continues), deleterious impacts of economic activity on biodiversity, insufficient protection of endangered species, and state policies favouring genetic modification for commercial agriculture. Marine regulatory systems have become overstressed and hotly contested by European and East Asian fishing trawlers, as well as by local medium-scale commercial fishing firms fending off new waves of small-scale black rivals. Expansion of gum and pine timber plantations, largely for pulp exports to East Asia, remained extremely damaging, not only because of grassland and organic forest destruction – leading to soil adulteration and far worse flood damage downriver, such as Mozambique suffered in 2000–1 – but also due to the spread of alien invasive plants into water catchments across the country. A constructive state program, “Working for Water”, slowed but did not reverse their growth.

Thanks to accommodating state policies, South African commercial agriculture remained extremely reliant upon fertilisers and pesticides, with Genetically Modified (GMs) crops increasing across the food chain while virtually no attention was given to expanding organic farming. The huge US agri-corporation Monsanto used Makhatini Flats in KwaZulu-Natal as a high-profile ‘success story’ to draw small (black) farmers into GMO cotton after 1999, but by 2005, the strategy had become an embarrassment. Monsanto and the Gates Foundation advanced pro-GM advocacy to the rest of the continent from South Africa, which proved an easy site to establish the strategy, given the preponderance of medium- to large-scale farming (by white landholders and corporations). Tellingly, although the Monsanto Bt maize variety MON801 failed to halt pest resistance in South Africa it was marketed elsewhere in Africa through the Insect Resistant Maize for Africa strategy (African Centre for Bio-Safety, 2015).

The South African government’s failure to prevent toxic dumping and incineration (see Chapter 25) led to a nascent but portentous group of mass tort (class action) lawsuits. The victims included asbestos and silicosis sufferers who worked in or lived close to the country’s mines, and by 2016 they were on the verge of winning tens of millions of dollars in damages. Other legal avenues and social activism were pursued by residents who suffered persistent
pollution in extremely toxic pockets like South Durban and, just south of Johannesburg, the industrial sites of Sasolburg, Secunda (the world’s single biggest emission site for CO2) and Steel Valley. In these efforts, the environmental justice movement almost invariably fought both corporations and Pretoria. From 1994, progressive-sounding environmental statements were regularly made by officials, yet in reality they regularly downplayed ecological crimes (a Green Scorpions anti-pollution team did finally emerge but with subdued powers that barely pricked). Exemplifying Pretoria’s approach was the 2015 decision to avoid enforcement of an Air Quality Act on grounds that the largest polluting corporations required further exemptions.

The explanation for Pretoria’s lack of concern about environmental injustices at home and abroad is obvious: a national economic structure in which wealth and political influence remained vested in the so-called Minerals-Energy Complex. One result, obvious to even the World Bank by 2000, was the way South Africa’s reliance upon non-renewable resource extraction gave the country a net negative per capita income, once adjustment to standard GDP is made. The typical calculation of ‘growth’ adds GDP for the extraction and sale of minerals, but does not take into account pollution or depletion of mineral wealth (i.e. the transaction only receives a credit, not a debit in spite of the mineral’s depletion).

The Gaborone Declaration (2012) – signed by officials from Botswana, Gabon, Ghana, Kenya, Liberia, Mozambique, Namibia, Rwanda, South Africa and Tanzania – recognised “the limitations that GDP has as a measure of well-being and sustainable growth.” The signatories committed to “integrating the value of natural capital into national accounting and corporate planning.” But as such corrections begun to be made, it became apparent that South Africa (and most of Africa) suffered a net disaccumulation of wealth. The Bank’s (2011) Changing Wealth of Nations calculated a 25 percent drop in South Africa’s natural capital and by 2008, according to the Bank (2011), the average South African was losing $245 per person per year. Although methodologies are subject to debate, the overall message is fairly straightforward, namely that even relatively industrialised South Africa had become overly dependent upon natural resources. The more platinum, gold, coal and other metals are dug from the soil, the poorer South Africa becomes. Many other African countries had far worse ratios of net to gross wealth.

CLIMATE INJUSTICE IN SOUTH AFRICA

The extraction, transport and smelting of minerals and metals remain South Africa’s major contributor to climate change (see Chapter 29), mainly because of the extremely high amounts of electricity required. Most of the three dozen corporations comprising South Africa’s Energy Intensive Users Group (EIUG) are the largest mining and smelting firms, which together consume 44 per cent of the electricity supplied by Eskom, a parastatal which relied 93 percent upon coal-fired generation during the early 21st century. Although South Africa has the world’s third greatest potential for harnessing solar capacity, and although a rapid roll-out of private-supplied renewable energy – wind and solar – raised the proportion of the country’s grid to more than 10 percent from 2010-16, Eskom’s chief executive Brian Molefe in 2016 announced he would no longer purchase further amounts. In search of more ‘base load’ (for the EIUG’s benefit) he would instead began a nuclear energy procurement process that would in the short term cost the company at least $10 billion (along with anticipated corruption, not to mention longer-term cost estimates of $100 billion).
Yet aside from long-delayed maintenance, the country’s short-term grid expansion was unnecessary in the period after 2015 due to the severity of the commodity price crash. South Africans had feared a lengthy period of potential electricity black-outs (‘load-shedding’), a phenomenon that began in 2006 because Eskom had delayed new construction following a 1980s-90s oversupply of as much as one third (in turn premised on a high gold price following a 1979-81 blip). At the time, excessive demand from EIUG mining and smelting firms was apparent, continuing after the 2009 economic crisis until the commodity super-cycle peaked in 2011.

This is not an unusual configuration in ‘resource-cursed’ Africa, where vast amounts of electricity are delivered via high-tension cables to multinational corporate mining houses for the sake of extraction and capital-intensive smelting (McDonald 2008). Meanwhile, below those wires, most African women slave over fires to cook and heat households: their main energy source is a fragile woodlot, their transmission system is their (and often a child’s) back, and their energy consumption is often done while coughing thanks to dense particulates in the air. The transition from HIV-positive status to full-blown AIDS is just one opportunistic respiratory infection away, again with gendered implications for care-giving. In addition to these hazards, in 2006 Christian Aid (2006) estimated that 182 million Africans were at risk of premature death due to climate change this century.

Amongst the conventional neoliberal strategies to address climate change is carbon trading, especially the Clean Development Mechanism (Bond 2012). Moreover, also in the interests of ‘internalising externalities’ (like pollution), South Africa is gradually implementing a carbon tax, but one far lower than what is required to switch high-carbon economic activities towards post-carbon trajectories. In 2014, the Treasury’s proposed tax was cut from the equivalent of a $5.50/tonne to $14.90/tonne range which “would be both feasible and appropriate to achieve the desired behavioural changes and emissions reduction targets,” to much lower levels: “When the tax-free threshold and additional relief are taken into account, the effective tax rate will range between $0.89 and $3.55 per ton of CO2e (and zero for Agriculture and Waste)” (South African Treasury 2014). And even more beneficial to corporations, “one of the ways to recycle the expected carbon tax revenue is by reducing other taxes. One such tax that could be reduced is the existing electricity levy on electricity produced from non-renewable sources (e.g. coal) and nuclear energy.”

By 2015, in spite of leadership of the G77 at the UNFCCC Paris summit, Pretoria’s delegates defended a (voluntary) Intended Nationally Determined Contribution that was deemed by the NGO Climate Action Tracker (2015) to be ‘inadequate’ (the lowest level of ambition). At the time, in spite of its 2009 announcement of post-2020 greenhouse gas emission cuts of 34% below “growth without constraints” (an imprecise concept), the South African state was:

- building two of the world’s four largest coal-fired powerplants for an estimated $20 billion at Kusile and Medupi, with a third planned, each anticipated to add 35 million tonnes of CO2 to the air;
- planning the export of 18 billion tonnes of coal from the northeastern South African provinces via the Richards Bay terminal, following $20 billion in new rail line expansion (the single highest priority infrastructure project in the country’s National Development Plan);
• preparing for an $18 billion port-petrochemical complex expansion in South Durban (which in 2016 was delayed until 2030 though it remained the second highest priority infrastructure project) and a new $6 billion heavy-oil refinery in another port city, Port Elizabeth;
• offering shale-gas fracking exploration rights to South African, Norwegian and US firms in the fragile Drakensburg mountain range and arid Karoo region;
• hastily supporting coal mines in ecologically-sensitive Mpumalanga province (the most fertile land and a tourist zone) even ignoring water licensing requirements, as well as a controversial coal mine on the border of the ancient Mapungubwe national heritage site;
• investing in Carbon Capture and Storage technology, which aims to compress carbon dioxide from the petro-chemical and energy complex into potentially unstable underground storage sites, even though its boosters were rapidly retreating from Norwegian and US pilot projects, and in spite of the fact that it violates the Precautionary Principle, increases energy to produce power by 25 percent, is an unproven technology, is at least a decade away from implementation, and prolongs the extraction of coal;
• building or refurbishing ten World Cup stadiums and revising local economic strategies towards sports tourism in spite of the universally-acknowledged ‘white elephant’ character of these investments;
• doubling the capacity of the Durban-Johannesburg oil pipeline, including its redirection from the traditional route (through white suburbs) so that black peri-urban residential areas suffer pipeline breakage risks, at a cost which was ultimately at nearly triple the original estimates;
• subsidising the national airliner with more than $100 million annually as it proved incapable of turning a profit; and
• approving offshore oil and gas exploration drilling prospects to ExxonMobil, Norway’s Statsoil and other controversial firms in the dangerous Agulhas Current (near Durban) as part of re-envisioning South Africa’s 3000 km-coastline share of the Indian and Atlantic Oceans through the ‘Operation Phakisa’ Blue Economy strategy.

These and other features of capital accumulation and state infrastructure mega-project construction have far-reaching implications for African climate and water management. Blowback can be expected, for once the desertification of neighbouring states, food crop failure and sustained droughts – or sometimes extreme floods as were witnessed in 2000-01 in Mozambique – hit the continent with full force, often combined with localised warfare, the result will be a profusion of ‘climate refugees’: migrants who cross the long South African border in a desperate search for livelihoods. One facet of this blowback is the likely amplification of local working-class xenophobia, which already due to a post-apartheid influx of political and economic refugees, occurred in three major upsurges that left dozens dead and thousands displaced in 2008, 2010 and 2015. These are the indirect aspects of South Africa’s prolific environmental injustices, amongst many more direct aspects of subimperialism.

CONCLUSION

The effects of South African subimperial economic, financial, infrastructural and military activity – especially in the interests of the extractive industries – include severe pollution and environmental degradation. What can be done by way of mitigation? There are usually two
routes that open up once the damage is recognised: managerial ‘ecological modernisation’ strategies strongly premised on market rationality; and environmental justice campaigning. The countervailing strategies for environmental protection favoured by global, by South African and by most African national leaders are typically based upon market principles (with some important exceptions such as banning trade in elephant ivory and rhino horns, in which African countries defeated CITES proposals by Swaziland, South Africa, Namibia and Zimbabwe in 2016). But to date, like carbon trading, they do not appear to be effective (Bond 2012).

The one area of market-related valuation of ecosystems in which implementation might lead to economic transformation is natural capital accounting, but attempts to adjust GDP calculations in this manner—e.g. the Gaborone Declaration of 2012—were stymied, with no progress to report four years later. As noted above, South Africa recorded a net negative wealth once non-renewable resource depletion is considered, and for the rest of Africa, the situation is even worse. The World Bank’s (2014) Little Green Data Book recorded 88 percent of Sub-Saharan African countries suffering net negative wealth accumulation in 2010, because a net 12 percent of GDP was lost once this adjustment is made. This suggests an indisputable economic case for leaving minerals and petroleum underground, until Africa’s resource curse is ended.

What can be done to halt the uncompensated depletion of wealth, to address climate change properly (e.g. with systematic demands for ‘climate debt’ reparations to be paid to African climate victims) and to prevent South Africa and its BRICS allies from adopting explicitly subimperial accumulation strategies? These tendencies might be dampened by global capitalist crisis, but the ebb and flow of accumulation often has the effect of intensifying extraction: as commodity prices fall, increased volume is demanded by shareholders who insist on steady net revenue.

On the other hand, there is always the bottom-up factor: class and eco-social struggle. During this stage of increasingly intense extractivism, there have never been more recorded African protests. The African Development Bank (AfDB) commissions measurements based upon journalistic data, and these suggest that major public protests rose from an index level of 100 in 2000 to nearly 450 in 2011. Instead of falling back after the Arab Spring—especially acute in Tunisia, Egypt and Morocco—the index of protests rose higher still, to 520 in 2012, as Algeria, Angola, Burkina Faso, Chad, Gabon, Morocco, Nigeria, South Africa and Uganda maintained the momentum of 2011 (African Development Bank 2013). In 2013, the index rose still higher, to 550 (African Development Bank 2014). In 2014 it fell back just slightly, but as in the earlier years, the main causes of protest were socio-economic injustices (African Development Bank 2015). For 2015, the Sussex University Armed Conflict Location Events Data (2016) project found even higher levels of dissent. There are all manner of reasons, but according to Agence France Press and Reuters reports, the vast majority since 2011 were over inadequate wages and working conditions, low quality of public service delivery, social divides, state repression and lack of political reform (African Development Bank 2015: xvi). But a fair share of the turmoil in Africa prior to the 2011 upsurge took place in the vicinity of mines and mineral wealth (ACLED 2016). As the super-cycle is now definitively over and as corporate investment more frantically loots the continent (as argued below), the contradictions may well lead to more socio-political explosions.
The scale of the problems that have emerged, and worse problems that lie ahead, do not only offering sobering considerations about Africa’s adverse power relations and the limits of existing managerialist strategies. When viewed from below, they also allow for optimism that once society begins to recognise the threats, a more visionary approach can be established by some of the continent’s leading environmental justice organisations. That in turn will likely entail direct confrontation with South Africa and a more active search for solidarity from progressive South African environmentalists. As Naomi Klein (2014) has posited, *This Changes Everything*. The climate crisis can force a broader recognition of society’s need for radical restructuring in virtually all capitalist sub-systems of social reproduction, in areas including energy, transport, agriculture, urbanisation, production, consumption, disposal and financing. To these it will be important to add: the system of imperial power that maintains Africa as a victim of environmental injustice, one in which South Africa continues to play a subimperial facilitating role.

**References**


congoleaks.blogspot.com/2011/11/initial-drc-report.html
Hosken, G. and I. Mahlangu (2013). “We were killing kids.” Sunday Times, 31 March, http://www.timeslive.co.za/local/2013/03/31/we-were-killing-kids-1.
Washington, DC: Global Financial Integrity, December.
https://wikileaks.org/clinton-emails/emailid/24887C05784614
Turse, N. (2014). “Africom becomes a war-fighting combatant command,” TomDispatch, 13 April,
http://www.tomdispatch.com/blog/175830/tomgram%3A_nick_turse___africom_becomes_a__war-fighting_combatant_command%22/
Social movements for climate justice, from international NGOs to local communities
in S.Lele, E.Brondizio, J.Byrne, G.M.Mace and J.Martinez-Alíer (Eds), Rethinking Environmentalism: Linking Justice, Sustainability, and Diversity. Vol 23. Cambridge, Massachusetts Institute of Technology Press, 2018

Abstract
With political foresight, the Ernst Strüngmann Forum recently considered ‘how differences in framing environmental problems are driven by differences in normative and theoretical positions; and ways in which more inclusive framings might enable more societally relevant and impactful research and more concerted action/practice.’ When this exercise began, the British electorate’s rejection of the European Union and the election of Donald Trump as President of the United States appeared inconceivable. Instead, both the mid-2015 G7 summit and December 2015 Paris climate conference left the impression that a viable global governance arrangement had been accomplished, and that irrevocable steps toward economic decarbonisation were being taken so as to potentially save the planet from catastrophic climate change. Opposing this elite consensus, one International Non-Governmental Organisation (INGO), Friends of the Earth International, as well as most of what are considered ‘Climate Justice’ (CJ) movement components, condemned these two crucial instances of global climate governance. However, the CJ opposition made no difference whatsoever, because for world climate policy, the die appeared to be cast, leaving intact several dangerous features of the Paris strategy: no legally-binding responsibilities and no accountability mechanisms; inadequate stated aspirations for lowering global temperatures; no liabilities for past greenhouse gas emissions; renewed opportunities to game the emissions-reduction system through state-subsidised carbon trading and offsets, soon moving from the European Union and North America to the emerging markets led by China; and neglect of emissions from military, maritime and aviation sources. In mid-2017, Trump withdrew the US from the Paris Agreement. The CJ answer to both Trump and the top-down policy regime – one overwhelmingly favourable to the United States, from where the strategy emanated – appears to be two-fold: an intensification of bottom-up strategies that aim to weaken GHG-emitting state and corporate targets through both direct action (disruptions), and financial divestment. Given that the Paris deal is now in question due to Trump’s promise to abrogate US participation in the overarching UN climate convention, the CJ strategy appears prescient: to undo the damage at local and national scales. As the forces of ‘extractivism’ (especially petroleum and coal mining) are re-empowered by Trump, there may be merit to CJ activists utilising one of the framing narratives of ‘neoliberal nature’: natural capital accounting (so as to argue that net losses make it fossil fuel extraction economically irrational). For the foreseeable future, the global balance of forces appears extremely adverse – especially with the rise of rightwing populism and the decline of the Latin American centre-left regimes – and no system-saving change appears possible at that scale. This may therefore permit a decisive shift of orientation by INGOs towards the CJ approach, especially because of the potential for unity against Trump at sites like Standing Rock. This is already beginning to become evident in the ways Greenpeace and 350.org have taken up direct action and divestment strategies, respectively, during this rapidly-closing window to address climate change and related eco-system breakdowns effectively and fairly.
Introduction

We’re going to rescind all the job-destroying Obama executive actions including the Climate Action Plan... We’re going to save the coal industry [and] Keystone Pipeline. We’re going to lift moratoriums on energy production in federal areas. We’re going to revoke policies that impose unwarranted restrictions on new drilling technologies... We’re going to cancel the Paris Climate Agreement and stop all payments of US tax dollars to UN global warming programs.


We are the poor cousins of the global jet set. We exist to challenge the status quo, but we trade in incremental change. Our actions are clearly not sufficient to address the mounting anger and demand for systemic political and economic transformation that we see in cities and communities around the world every day.

Civicus et al, ‘An open letter to our fellow activists across the globe: Building from below and beyond borders,’ South Africa, 2014

Is the die cast, must at this one throw all thou hast gained be lost?

The Worlds a Lott’ry; He that drawes may win;

Who nothing ventur’s, looks for nothing

Sir Thomas Herbert (1634), from the preface to A relation of some yeares travaile begunne anno 1626, into Afrique and the greater Asia

‘Ālea iacta est.’ On 10 January 49 BC, as he crossed the Rubicon River in Italy, Julius Caesar spoke of casting the die (rolling the dice), of a gamble that could not be reversed. That day he took a crucial step towards conquering Rome, one that would leave the world changed forever.

By 2015, the importance of addressing climate change was so clear that the same metaphor was invoked in the World Bank’s Turn Down the Heat series: ‘The die is cast. If we do not act now, rising temperatures will endanger crops, freshwater reserves, energy security and even our health.’

The following year, the presidency of Donald Trump and the British electorate’s rejection of the European Union appear to have cast the die for the demise of global governance especially in relation to climate policy. With that comes the likelihood of runaway climate change. The political turn of 2016 sets the stage not only for similar right-wing populist movements gathering pace in other European countries, joining dangerous authoritarian leaders in Turkey and the Philippines, but also an excuse for worsening pollution from the Brazil, Russia, India, China and South Africa (BRICS) bloc.

What can be done? Is the new political situation appropriate for renewed attention to social-movement resistance, especially in the form of Climate Justice (CJ)?
After all, the elite strategy associated with climate policy gambles at the June 2015 G7 Summit hosted by Angela Merkel in Elmau and six months later in Paris at the United Nations Framework Convention on Climate Change (UNFCCC) climate conference would, like Caesar, change the world. But this was not due to decisive action, but rather the opposite: failure to grapple with climate change as an existential crisis for humanity (Bond 2016).

In both sites, the assembled world leaders’ economic, geopolitical, technical, ideological and media powers were dedicated to what they presumed was an irreversible, logical proposition: marginal, market-driven changes augmented by a slight degree of state regulatory assistance will decarbonise the world’s energy, land-transport and production systems, and also protect forests. (No one would deny that nothing of substance was offered at either summit to reduce climate change caused by air transport, shipping, the military, corporate agriculture, over-consumption and methane-intensive disposal sources.) The self-confidence of those signing the Paris Climate Agreement was a reflection of how far from reality global climate governance had roam – and how quickly they would be given an unprecedented reality check.

The flaws in the elites’ logic would lead to two reactions: an initial leftist critique of the Paris Agreement’s reliance upon capitalism’s self-correction mechanisms and hence the downplaying of climate justice, on the one hand; and then, on the other, a revival of climate denialism along with the rise of extreme petro-military complex power within the country most guilty of historic greenhouse gas pollution. Ironically, the US is itself extremely divided, for Trump won the presidency (even while losing the popular tally by three million of 130 million votes) thanks to an ‘Electoral College’ which rewarded just 55 000 voters in four ‘swing states’ whose switched vote to Hillary Clinton would have elected her instead. The same month, a poll by Yale and George Mason Universities (2016) found that 69 percent of US registered voters endorsed Paris (only 13 percent were opposed) and 78 percent supported taxes or regulations against greenhouse gas emissions (with 10 percent opposed). The grassroots will for ‘climate action’ was in place, though it was not evident in presidential or congressional leadership.

Regardless of Trump’s impact, global climate policy as determined in 2015 had become a very risky toss, indeed. Starting at Copenhagen’s 15th UNFCCC Conference of the Parties (COP) in 2009, the US State Department’s chief climate negotiator, Todd Stern, successfully drove the UN negotiations away from the four essential principles that will be required in a future global governance regime to achieve climate justice:

- ensuring emissions-cut commitments are sufficient to halt runaway climate change;
- making the cuts legally binding with accountability mechanisms;
- distributing the burden of cuts fairly based on responsibility for causing the crisis; and
- offering adequate financial compensation to repair weather-related ‘loss and damage’ occurring directly because of that historic liability (Bond 2012a).

The Elmau goal was for ‘net zero carbon emissions’ by 2100 – **50 years too late** – and instead of full decarbonisation, the G7 endorsed ‘net’ strategies (these are based not on direct cuts but instead on offsets, emissions trading, ‘Reducing Emissions through Deforestation and Forest Degradation’ (REDD) and carbon sequestration) (Reyes 2015). As
for the rest of the world, including the high-pollution emerging markets (especially the BRICS), the so-called ‘bottom up’ pledge-and-review strategy that Stern imposed in Copenhagen was once again endorsed by the major new emitters. Six months after Elmau, at the COP21, the ‘Intended Nationally Determined Contributions’ – i.e. voluntary pledged cuts – agreed upon by Paris signatories were so low that even if achieved, they would collectively raise the temperature for 2100 to above 3 degrees, catalysing runaway climate change (Bond 2016).

Given the extreme dangers to civilisation and planet Earth’s species represented by Trump regression and by the Paris and Elmau gambles, it is vital that a civil society counter-movement to world policy-makers emerges more forcefully and that such a movement prevails against both climate denialism and the Paris climate policy within the next decade at the latest. But how will this counter-movement arise?

This chapter assesses differences between two major civil society forces within climate activism, whose divergences are continually reproduced in global and local settings: International Non-Governmental Organisations (INGOs) which are part of the global governance regime, on the one hand, and grassroots Climate Justice (CJ) activists on the other. At the moment they appear united against Trump’s threat, but it is the more durable divisions between market-oriented climate politics favored by INGOs and the need for direct, democratic intervention posited by CJ that will determine the viability of life on Planet Earth.

The critical question is whether either or both forces will muster the oppositional power necessary to reverse Trump’s petro-military politics and the ‘marketisation’ of climate policy. Can global civil society generate the counter-movement required? If not, both the Trump withdrawal from climate governance and the gambles made in Elmau and Paris will likely result in ecological catastrophe, whether because of climate denialism or because world elites anticipate that corporate self-survival mechanisms will kick in. But as scientists point out, greenhouse gas emissions lag times mean that market reactions will be too little, too late.

How might INGOs or CJs or some combination move the world economy and society off the current trajectory? As shown below, civil society forces currently appear bogged down in interminable conflict over principles, analysis, strategies, tactics and alliances (the ‘pasta’ problem). The former include the most active Climate Action Network (CAN) members – Worldwide Fund for Nature (WWF) and Greenpeace (GP) – but also one notable self-exiled group from CAN, the environmental justice movement Friends of the Earth International (FOEI) which typically allies closely with grassroots movements. The INGOs – even Greenpeace – are much more open to alliances with politicians and in some cases corporations and green business federations. And to make matters more complicated, the leaders of the CAN’s US chapter have embraced climate justice with gusto. The two most savvy INGOs, 350.org and Avaaz, have become known largely through highly creative social media campaigning, and some – like 350.org’s Bill McKibben and Greenpeace International’s 2009-15 leader Kumi Naidoo and Greenpeace USA’s Annie Leonard – have well-recognised, visionary leadership. In the latter case, there was probably no one more influential in developing anti-racist and labour networks with climate justice.
But in contrast, CJ groups are committed to global critique but essentially local-level solutions, to militant strategies, and to ‘direct action’ tactics described by their best-known proponent, Klein, as ‘Blockadia.’ To the extent they tackle corporate power at its financial Achilles Heel, they support the divestment strategy catalysed by 350.org. But their strength, especially in the wake of Paris, is in the use of a disruptive repertoire to defend land, water and air against polluters. The peak moment of Blockadia was probably the Standing Rock defence of North Dakota ‘Treaty Land’ and water that the Dakota people had won generations ago – and that was threatened by the Dakota Access Pipe Line (DAPL). The opposition to DAPL in late 2016 was formidable, and the Obama regime backed down. In February 2017, however, DAPL opponents were routed by the Trump regime and forced to leave the land.

Blockadia activists (depending upon circumstances) point out how the success of their local battles against oil, gas, coal and major greenhouse gas emitters will also benefit humankind and the planet. But the local climate activist movement is so broad – as witnessed in the diversity of signs that appeared at the 400 000-strong New York Peoples March on Climate in September 2014 – that all manner of interventions qualify as climate activism. For Klein (2014) is correct that ‘This changes everything.’

However, an authentic CJ nomenclature relies in part upon the Climate Justice Now! network’s 2007 launch at the Bali COP13, in opposition to CAN which was seen as too market-oriented. There were five founding principles:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights-based resource conservation that enforces indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming, fishing and peoples’ food sovereignty.

By 2010, a conference of 35 000 people in Cochabamba, Bolivia had developed these into concrete demands (in hundreds of pages of workshop reports), of which these stand out:

- 50 per cent reduction of greenhouse gas emissions by 2017;
- stabilising temperature rises to 1ºC and 300 parts per million;
- acknowledging the climate debt owed by developed countries;
- full respect for human rights and the inherent rights of indigenous people;
- universal declaration of rights of Mother Earth to ensure harmony with nature;
- establishment of an International Court of Climate Justice;
- rejection of carbon markets and commodification of nature and forests through the REDD programme;
- promotion of measures that change the consumption patterns of rich countries;
• end of intellectual property rights for technologies useful for mitigating climate change; and
• payment of 6 per cent of developed countries’ GDP to addressing climate change.

Some high-profile climate advocates – such as Mary Robinson (a supporter of carbon trading) – soon appropriated the concept CJ for use in a manner inconsistent with these demands. Other strategies for equity also came into dispute, such as ‘Greenhouse Gas Development Rights’ and ‘Contraction and Convergence’ approaches which also advocated the sale of surpluses on the markets. CJ critics argue that such markets have the tendency to turn a ceiling into a floor. Other concepts such as Common but Differentiated Responsibilities between national states and Converging Per capita Emissions were much more in the spirit of CJ as defined in Cochabamba. Most importantly, as Edgardo Lander (2010) explained in his review of Cochabamba, the conference brought together the main contemporary struggles in a constructive fusion of interests:

‘justice/equality/war/militarisation, free trade, food sovereignty, agribusiness, peasants’ rights, struggles against patriarchy, defence of indigenous peoples’ rights, migration, the critique of the dominant Eurocentric/colonial patterns of knowledge, as well as struggles for democracy.’

Bearing the contested rise of CJ narratives in mind, this chapter seeks to add to the Ernst Strüngmann Forum’s Rethinking Environmentalism debate about ‘how differences in framing environmental problems are driven by differences in normative and theoretical positions; and ways in which more inclusive framings might enable more societally relevant and impactful research and more concerted action/practice.’ The stereotypical premise here is that the INGOs are pragmatic and hence correct in their normative approach: deal-making within existing UNFCCC constraints. In contrast, CJs are principled, radical and unbending in their opposition to compromise on a matter as vital as climate change, and are increasingly unwilling to countenance the kinds of compromises that the December 2015 Paris UNFCCC COP 21 summit represented. This is a simple dichotomy, one that begins to break down somewhat upon closer examination (e.g. Greenpeace’s direct actions).

However, in the field of climate politics, conditions are becoming so desperate that the more militant, localistic approach may be judged by future generations as the more pragmatic step required for basic civilisational survival, especially if the alternative is what can be termed ‘neoliberal nature,’ a conceptual framing implicitly adopted by both world elites and many INGOs. The reliance on market solutions is one of the main strategic impulses within what is sometimes termed the theory of ecological modernization, whose other features include technological innovations, efficiencies and the management of externalities aimed at improving environmental outcomes in a rational manner (see Harvey 1996 for a critical discussion).

The basic thesis is that market imperfections such as externalities (such as pollution) require market interventions to get the prices right. In what may be its most advanced form of such self-correction within neoliberal capitalism, Deutsche Bank’s Pavan Sukhdev initiated ‘The Economics of Ecosystems and Biodiversity’ (TEEB) within the UN Environment Program to ‘make nature’s values visible’ and thus ‘help decision-makers recognise the wide range of
benefits provided by ecosystems and biodiversity, demonstrate their values in economic terms and, where appropriate, capture those values in decision-making. TEEB’s search for optimal resource use emphasises ‘low-hanging fruit’ that can achieve the least costly form of market-facilitated environmental management.

In contrast, CJ networks use contrary framings of environmental justice that are especially hostile to market strategies. Yet to date, they have gathered insufficient strength to counter neoliberal nature advocates, beyond moralising. One of the most important sites for this debate is climate finance, ranging from carbon markets to the Green Climate Fund. As this paper concludes, it may be well worth CJers taking on board some of the logic of neoliberal-nature INGOs, even on their own terms, so as to explore these limits and then confirm the futility of reforming a thoroughly corrupted structure. And the more serious INGOs – such as FOEI and Greenpeace – have also redoubled efforts at linking global and local, as confirmed by their 2015-16 promotion of local campaigns that incorporate direct action. In other words, the two different environmental narratives are yet to have a necessary interconnection in search of dialectical tensions and perhaps resolutions.

To make this case, the structure of the argument that follows is aided if, first, we personalise these complex issues by considering climate debates involving several colleagues based in Durban, South Africa. This is an ethnography of social struggle vignettes, informed by the fact that personal positionality is vital to the framing narratives chosen by INGOs and CJ groups. The four (men) who are profiled below occupy positions of interest to the wider story of climate narrative construction, and their similar origins and political perspectives are such that subsequent placements in an INGO, a national NGO, a community organisation and academia provide an opportunity to assess where CJ movement principles, analysis, strategy, tactics and alliances have taken them in relation to the UNFCCC.

Second, we then set out the wider terrain of neoliberal nature. There we find groups which adopt insider positions in relation to global power structures. They broadly agree with the conceptual premises behind global incremental change – following market principles – on the one hand, versus, on the other hand, CJ movements that work locally and reject market strategies. But by considering issues as vital as carbon trading and natural capital accounting, third and fourth respectively, the complexities become clearer and general principles begin to emerge. Fifth, these principles are not, however, easily reduced to a ‘sustainable development’ rubric – they are more contradictory, as we will see.

Sixth, finally, if we consider how climate policy analyses, strategies, tactics and alliances emerge to lend themselves to this dichotomy, we see INGOs and CJers in conflict over markets and technicist solutions – or ‘false solutions’ as CJers argue – and that in turn allows us to reframe both INGO and grassroots CJ argumentation. The rise of Trump makes the search for unity all the more urgent, but also more feasible if a world divestment movement picks up momentum.

For the lack of a better phrase, we might term the alternative ‘eco-socialism’, respectful of the merits of valuing nature (though not counting it for the sake of marketisation), at the
same time confirming the role of de-commodifying social movements – including those of indigenous people and eco-feminists – in nature’s stewardship.

Vignettes of Paris Seen from Durban

Four Durban friends of mine are worth introducing (and returning to in the conclusion): Kumi Naidoo, Bobby Peek, Desmond D’Sa and Ashwin Desai. The stories they tell about climate politics illustrate the main framing narratives, the structurally-delimited locations they occupy at different scales, and the breakthrough potentials.

Kumi Naidoo, Bobby Peek, Desmond D’Sa and Ashwin Desai

- Naidoo was Greenpeace International’s leader from 2009-15 and now works continentally in Africa on diverse civil society strategies, having also led South African civil society organisations, the international network Civicus and various initiatives during the mid-2000s global anti-poverty mobilisations. He holds a doctorate in politics from Oxford and is respected by many world leaders.
- Peek directs the NGO groundWork (working nationally in South Africa), having won the Goldman Prize in 1998 and establishing himself as one the world’s leading environmental justice experts and practitioners.
- Working mainly locally with the South Durban Community Environmental Alliance which he helped found (alongside Peek) in 1995, D’Sa has become the city’s conscience on matters ranging from climate change to anti-drugs, anti-gangs, anti-pollution and anti-privatisation struggles underway in many neighbourhoods, especially his toxin-saturated home base of Wentworth. D’Sa also won the Goldman Prize, in 2014.
- Desai is a world-renowned sociologist – a professor at the University of Johannesburg though mostly resident in Durban – whose dozen major books about Gandhi, daily life in South African struggles and sports racism are exceptionally well-read and furiously debated, since he finds every opportunity to slaughter holy cows, including his own traditions on the once-revolutionary left.

These extremely energetic, accomplished activists are about a decade’s age apart, ranging from late-40s to late-50s. They grew up during apartheid in Durban, within 20 kilometers of each other (in the suburbs of Chatsworth, Wentworth, Cato Manor and the downtown Indian Quarter, respectively). They were influenced by highly-principled anti-capitalist, anti-racist scholar-activists of the earlier generation, such as the late Fatima Meer and Dennis Brutus. They all fought against the Pretoria regime with exceptional courage.
And since freedom was won in 1994, they have regularly come together against injustice, e.g. at the 2001 United Nations World Conference Against Racism in Durban and 2002 UN World Summit on Sustainable Development in Johannesburg. At the Durban climate summit of December 2011, the four adopted insider-outsider approaches which included

- high-profile roles in disruptive events (for which Naidoo and Peek were arrested) inside the lobby of the Durban convention centre,
- leadership of a 10,000-strong march by D'Sa, and
- ruthless, scathing critique of the whole process by Desai.

With such similar backgrounds, they speak the same language of street-heat politics, they harbour fury at injustices big and small, and they possess enormous charisma that each draws upon regularly, extending from small strategy meetings to academic seminars to mass rallies. And they are all regularly frustrated by power, so even when they win minor reforms they immediately point out the bigger structural enemies they face.

But three of my four friends came together – and grew decisively (if temporarily) apart – in Paris in December 2015. As Greenpeace International’s leader, Naidoo endorsed the deal as ‘progress’ although Paris was ‘one step on a long road and there are parts of it that frustrate and disappoint me… there’s a yawning gap in this deal but it can be bridged by clean technology.’ Like Greenpeace, the 42-million member clicktivist group Avaaz celebrated: ‘most importantly, [the Paris deal] sends a clear message to investors everywhere: sinking money into fossil fuels is a dead bet. Renewables are the profit centre. Technology to bring us to 100% clean energy is the money-maker of the future.’

In contrast, Peek and D'Sa wholeheartedly denounced Paris, as had Desai at the same summit four years earlier in Durban (in part because of the admittedly weak counter-summit organising by the other three plus this author) (Bond 2012b). After the Durban COP17 concluded, Desai attacked ‘big name spectacle NGOs’ which dominated the main protest march, including Greenpeace:

The local grassroots organisations were reduced to spectators, and were allowed only the occasional cameo appearance with most often a single line; ‘Amandla!’ [Power!] The march delivered the Minister of International Relations and COP17 president Maita Nkoana-Mashabane to the masses gathered below. She used the opportunity to say how important civil society was and promised to study a memorandum. She was gracious and generous. I could see the NGOs on the truck preening themselves in the glow of this recognition and probably increased funding.

Actually, D'Sa was mightily pleased about the crowd he led to the Convention Centre that day (3 December 2011) against the COP15: in comparative terms, it was a very large march for Durban (certainly the largest that leftist activists had managed since the 2000 World Conference Against Racism) – and the reason for that was that there were so many visiting activists, unfortunately, not because Durban communities brought out the thousands of participants. However, when it came to his two week sojourn in Paris in December 2015,
D’Sa appreciated the civil society mobilisations outside. After all, in the wake of 130 murders by Islamic extremists two weeks before, the inside was hermetically sealed:

The stark reality is that the people who have the potential to create great changes are being excluded from the process. Instead, an elite minority with access to the COP make decisions for the masses, outside. This is quite ironic, as it seems to be the same model which has intensified the crisis. The leaders, who are elected by the people, together with the big corporations, are in collaboration, halting the necessary measures needed to stop this runaway climate catastrophe.

For D’Sa, the essential problem was framed as one of participation, self-interest and power relations. In Peek’s recorded comments on the Paris Agreement’s failings, the FOEI stance led him to express a North-South critique, namely that the Paris deal

avoids recognition of the climate debt owed to the people of Africa. It sees the need for adaptation, but provides paltry resources. It absolves the imperial powers of any liability for loss and damage resulting from climate change... We call on African governments to negotiate as if our lives mean something. If they cannot put a good deal on the table, we call on them to walk out of the Paris talks.

It was not to be. The African elites joined the world elites. They could have, instead, repeated the precedent of World Trade Organisation summits in 1999 and 2003. Africa’s delegates walked out of those events in order to sabotage the neoliberal agenda. And at the 2009 Copenhagen Accord, one African leader – Lumumba di Apeng from Sudan, coordinating the G77 countries – unsuccessfully attempted a delegitimisation strategy so as to gain more concessions.

Amongst the larger INGOs, FOEI (2015) was the only one to condemn the deal – while also criticising Avaaz for its collaboration (Bond 2016). As FOEI’s Asad Rehman explained, in relation to paying for climate damage, ‘The political number mentioned for finance has no bearing on the scale of need. It’s empty. The iceberg has struck, the ship is going down and the band is still playing to warm applause.’ The rural advocacy movement Via Campesina – also possessing global consciousness and anti-imperialist sensibilities – was even more scathing about the COP21: ‘There is nothing binding for states. National contributions lead us towards a global warming of over 3°C and multinationals are the main beneficiaries. It was essentially a media circus.’

The world’s best known climate scientist, James Hansen, called Paris, simply, ‘bullshit.’ This was not only because of the non-binding nature of the deal and its signatories’ inability to offer less than the emissions required to keep the temperature under 3 degrees – far off the 1.5 degrees limit that the delegates claimed to aspire to – but also because Hansen’s favourite financial solution was not contemplated: a ‘cap and dividend’ carbon tax that avoids the pitfalls of carbon trading.

But even that mild-mannered idea (taxing externalities so as to ‘make the polluter pay’), raises CJ concerns on two levels: whether small, marginal increases in carbon costs will generate the radical decarbonisation needed (because such taxes lead to marginal – not
structural – changes and are passed to consumers in any case); and whether the commodification of pollution represents the adoption of the neoliberal-nature policy strategy often favoured by INGOs. What, then, is neoliberal nature?

The Wider Terrain of Struggle: Neoliberal Nature

The very different climate framing narratives and the policy strategies that follow them do not represent a brand new debate: distinctions in scale politics and the degree of political pragmatism date back decades within environmentalism. Andrew Jamison’s (2001) book *The Making of Green Knowledge* identified a distinct division between first, a mode of thinking and practice he termed ‘green business’ which co-opted environmentalism into the nexus of capital accumulation and flexible regulatory regimes, while deploying rhetoric of sustainable development and the ‘Triple Bottom Line.’ The green business ontology is grounded in faith in science and technology, instrumental rationality, and market democracy.

In contrast, Jamison shows, ‘critical ecology movements’ place emphasis upon the embeddedness of environmental processes with society, state and market power relations. The various interest groups behind different types of environmental management strategies are highlighted. Their focus is on transformative strategies that also improve human inter-relationships, especially tackling racism, sexism and class power in search of environmental justice. These movements resist the greening of business, demand stronger laws and enforcement, and engage in campaigns against corporations and states which despoil the environment.

Jamison posited four types of environmentalisms: civic work on campaigns and social ecology; professional interventions based upon science and law; militant direct action; and personal environmentalism. Each of these has either reformist or revolutionary currents. Regardless, their politicisation of ecology runs counter to green business in virtually all issues and processes, as will be explored below.

Green business networks have been around for decades, and prominent ones today include the UN Global Compact, World Business Council on Sustainable Development and World Forum on Natural Capital. In sector after sector, they continue to promote the notion that profit can be reconciled with environmental stewardship, e.g. in the Marseille-based World Water Council in which commercialisation of the most basic element of life is firmly promoted so as to achieve more efficient, sustainable management of the resource. These networks are dedicated to the strategies of ‘natural capital accounting’ (up to a point, as we will see), Payment for Ecosystem Services, cleaner production, green products and environmental management systems.

A 2010 list of major environmental NGOs that work closely with the more enlightened businesses compiled by a *Greenbiz.com* reporter included the Carbon Trust (with a focus on product carbon footprinting), Ceres (the Global Reporting Initiative), the Clinton Climate Initiative (efficient buildings and waste), Conservation International (biodiversity conservation, product sourcing), EarthShare (workforce charities), Environmental Defense Fund (corporate reforms and efficiencies), GreenBlue (Sustainable Packaging Coalition, CleanGredients and Green2Green), The Nature Conservancy (fresh water, biodiversity,
forestry and land management), Rainforest Alliance (sustainable forestry, agriculture and tourism) and Rocky Mountain Institute (green business re-engineering).

But these relationships sometimes are extremely thorny, as when from 2007-10, the Sierra Club was given $25 million by Chesapeake Energy. Apparently as a result, Sierra’s then leader Carl Pope allowed the organisation to endorse fracking as a ‘bridge technology’ to lower greenhouse gases, even though methane leakage means fracking is as bad as or worse than coal.

Indeed, to unveil the true character of green business, investigative journalists at ‘Don’t Panic’ taped Conservation International (CI) in 2011 blatantly offering Lockheed Martin (or so CI presumed – though the ‘firm’ was represented by Don’t Panic undercover reporters) its ‘greenwashing’ public relations support for a partnership rigged to cover up pollution, including the recycling of weaponry for future use. The single most uncompromising website at which to follow critiques of environmental INGOs is http://www.wrongkindofgreen.org/

The macro-political context is terribly important, Naomi Klein (2013) explains:

the environmental movement had a series of dazzling victories in the late ‘60s and in the ‘70s where the whole legal framework for responding to pollution and to protecting wildlife came into law. It was just victory after victory after victory. And these were what came to be called ‘command-and-control’ pieces of legislation. It was ‘don’t do that.’ That substance is banned or tightly regulated. It was a top-down regulatory approach. And then it came to screeching halt when Reagan was elected. And he essentially waged war on the environmental movement very openly. We started to see some of the language that is common among those deniers – to equate environmentalism with Communism and so on.

As the Cold War dwindled, environmentalism became the next target, the next Communism. Now, the movement at that stage could have responded in one of the two ways. It could have fought back and defended the values it stood for at that point, and tried to resist the steamroller that was neoliberalism in its early days. Or it could have adapted itself to this new reality, and changed itself to fit the rise of corporatist government. And it did the latter.

One revealing example of a market-friendly strategy that continues to divide the environmental movement is carbon trading. Misgivings first arose about its pilot in the form of lowering US sulphur dioxide emissions in Southern California, which were slower and less effective than command-and-control strategies adopted in Germany’s Ruhr Valley during the early 1990s. Nevertheless, large environmental INGOs endorsed the idea when presented with it as a deal-breaking demand by US vice president Al Gore at the COP3 in Kyoto. Gore promised that Washington would sign the Kyoto Protocol if it included carbon markets as an escape hatch for companies that polluted too much and then desired the right to purchase other companies’ pollution permits. The US Senate had already voted 95-0 against endorsing Kyoto.
Even though Gore won this critical concession, there was no change in attitude on Capitol
Hill, so the US never ratified the Kyoto Protocol. Yet carbon markets later became one of the
most important wedge issues dividing INGOs from the CJ movement.

The Rocky Terrain of Carbon Markets and Other False Solutions

The overall point of carbon markets is that society can ‘price pollution’ and simultaneously
cut costs associated with mitigating greenhouse gases. Moreover, claim proponents, these
markets are vital for funding not only innovative carbon-cutting projects in Africa, but also
for supplying a future guaranteed revenue stream to the Green Climate Fund (GCF), which
in turn is meant to have $100 billion to spend, annually, on climate-saving projects. The
fund’s design team co-chair, the then South African Planning Minister, Trevor Manuel,
argued alongside British economist Nicholas Stern in 2010 that up to half the CGF revenues
would logically flow from carbon markets, whose annual trading volume had recently
peaked in 2008 at $140 billion (Bond 2012a).

The use of such ‘market solutions to market problems’ will, supporters argue, lower the
business costs of transitioning to a post-carbon world. After a cap is placed on total
emissions, the idea is that high-polluting corporations and governments can buy ever more
costly carbon permits from those polluters who don’t need so many, or from those willing to
part with the permits for a higher price than the profits they make in high-pollution
production, energy-generation, agriculture, consumption, disposal or transport.

But these markets are in just as much chaos as any financial casino, at a time that faith in
bankers – especially faith they can fairly manage climate-related funding – is badly shaken.
In the US, the national Chicago voluntary carbon market (strongly promoted by Gore) died
in late 2010, and regional markets crashed. The European Union Emissions Trading Scheme
(EU ETS) is the main site of carbon trading, and has been moribund since its 2006 and 2008
peaks, when the right to emit extra carbon cost around €30/tonne. The carbon price’s
recent low point was less than €3/tonne, in the wake of over-supply, various episodes of
fraud and hacking, and declining interest in climate change following the 2008-09 Great
Recession.

By 2017, prices remained low and the World Bank (2017) calculated the 2016 global carbon
trade at just $32 billion. Of the 15 percent of world CO₂ equivalent emissions that are
covered by either carbon trading or a tax, only a quarter of those carry a price above
$10/tonne. The Canadian, Californian, Japanese and New Zealand carbon trading systems
are rare exceptions, with prices in the $11-14/tonne range. (The countries with a carbon
price above $25/tonne have achieved this by taxation, not carbon trading: Sweden $126;
Switzerland and Liechtenstein $84; Finland $66; Norway $52; France $33; and Denmark
$25.)

For the Third World, a category of UN-authorised Clean Development Mechanism (CDM)
projects was created to allow wealthier countries to engage in emissions reductions
initiatives in poor and middle-income countries, as a way of eliding direct emissions
reductions. But reflecting the global oversupply of carbon credits, the price of CDM credits
fell to less than €0.50, and in order to lower supply, after 2012 the main emerging markets
(especially China, India and Brazil) were no longer allowed to issue them. China then started eight pilot carbon-trading projects at local and provincial level, with highly volatile prices ranging in 2017 from €8/tonne in Beijing down to just €0.50/tonne in Chongqing. Reflecting the extreme volatility in Chinese financial markets (including stock market crashes in mid-2015 and early 2016), the Shenzhen carbon market had fallen from a Chinese high of €9.5/tonne in early 2013 to just €3.5/tonne by mid-2016.

These prices are woefully short of making a dent in climate change, according to Joseph Stiglitz and Nicolas Stern’s (2017) report to the Carbon Pricing Leadership Coalition: “at least US$40–80/tonne of CO2 by 2020 and US$50–100/tCO2 by 2030” are needed so as to lower the rate of emissions to keep below the 2 degree temperature increase targeted at Paris.

Without an ever-lowering cap on emissions, the incentive to increase prices and raise trading volumes does not exist. The overall context remains one of economic stagnation, financial volatility and shrinking demand for emissions reduction credits. The world faces increasing sources of carbon credit supply in an already glutted market, thanks to the COP negotiators’ failure to mandate binding emissions cuts. But another factor remains the lax system the UN, EU and other regulatory bodies appear to have adopted. All manner of inappropriate projects appear to be gaining approval, especially in Africa (Bond et al 2012). As California’s carbon market was renewed in 2017, a new round of complaints arose from activists about the scheme’s implicit environmental racism (insofar as polluting industries in neighbourhoods of colour continue emissions because of their purchase of carbon credits).

The carbon market’s failures have renewed concern about the ‘privatisation of the air’ amongst CJ activists. This fear was originally articulated by the Durban Group for Climate Justice (Lohmann 2006) and in the film by Annie Leonard (2009), Story of Cap & Trade. Again, aside from FOIE, the INGOs sought reforms not abolition of the carbon markets, with Greenpeace deprioritising the ETS, but WWF strongly endorsing such markets along with renewables investment and innovation (Bryant 2016, 12-13).

At some point, weaknesses in the carbon trading strategy should be forcefully addressed by INGOs and their justification for ongoing futile reform advocacy reconsidered. But this is not the only aspect of neoliberal nature that splits global from local CJ activists; there are other ‘false solutions’ to the climate and other environmental crises. Many more continue to emerge from the private sector, some in alliance with the business-oriented INGOs, including:

- controversial forms of so-called ‘cleaner energy’ such as nuclear, ‘clean coal’, fracking shale gas, hydropower and hydrogen;
- biofuels, biomass, biochar; and
- other geoengineering gimmicks such as Carbon Capture and Storage, Genetically Modified trees and other biomass, sulfates in the air to shut out the sun, iron filings in the sea to create algae blooms, artificial microbes to convert plant biomass into fuels, chemicals and products, and large-scale solar reflection such as industrial-scale plastic-wrap for deserts.
Many such technical-fix strategies violate the Precautionary Principle, create land-grab pressure, have excessive capital costs, require increased energy, are unproven in technological terms and are many years if not decades from implementation. While promoting some obvious technological improvements such as renewable energy and transport efficiencies, several very small INGOs with a decidedly CJ orientation – the ETC Group, EcoNexus, the African Biodiversity Network, Gaia and Biofuelwatch (2012) – confirm their opposition to the more extreme false solutions: ‘The shift from petroleum to biomass is, in fact, worsening climate change, increasing deforestation and biodiversity loss, degrading soils and depleting water supplies. Further, the new “bio-based” economy threatens livelihoods, especially in the global South where it encourages “land grabs”.’ As Kathy McAfee (2012) puts it, ‘Compensating the poor and other land users for practices that maintain healthy, “service-producing” ecosystems may be an important part of strategies for sustainable and equitable development. Serious problems arise, however, when such compensation schemes are framed as markets.’

If the ‘net’ emissions reduction strategy is not questioned, not only will carbon trading and offsets potentially revive (with all their intrinsic problems unresolved), but a panoply of false solutions will be funded by the GCF. Yet even when INGOs with a CJ orientation get involved in global technical advocacy, debilitating problems emerge due to adverse power relations, as the GCF has already demonstrated. Sarah Bracking (2015) criticises both the mainstream INGOs and CJ participants in the GCF who ‘invested resources and energy into a process that distracts from other types of politics and issue framing’ required to address climate finance:

The promise of incremental reform became privileged over strategic withdrawal [from the GCF process], structural change and the insistence on effective government regulation. Representatives of the climate justice movement fought to give substantive weight to the initial radical framings, only for them to be captured in financial logics.

The Uncertain Terrain of Natural Capital Accounting

There is just one case, however, in which a neoliberal nature strategy may have appeal to those with a CJ orientation: in contesting extraction of fossil fuels (and other raw materials). This can easily be done in sites where it can be demonstrated that drilling for oil or coal does not make sense economically – not just in terms of pollution and environmental (including climate) damage, social dislocation and disrupted spiritual values that are normally the basis for opposition. The main economic argument is that by calculating natural resource depletion associated with extraction, and comparing the outflow of those values with the inflow of retained profits and reinvestment made by the corporations which do the extraction, the overall impact is net negative.

Even though the World Bank has traditionally endorsed extraction, including of fossil fuels, several Bank staff in the group studying Wealth Accounting and the Valuation of Ecosystem Services (WAVES) annually calculate ‘adjusted net savings’ as an augmentation of national economic accounting. This follows ecological economics founder Herman Daly’s (1996) resignation letter in which he scolded the Bank for its failure to comprehend natural capital. WAVES’ results are extremely disturbing. For example, the Bank’s 2014 Little Green Data
Book conceded that ‘88% of Sub-Saharan African countries were found to be depleting their wealth in 2010,’ with a 12% decline in Africans’ per capita wealth that year attributed to the extraction of minerals, energy and forest products (natural capital) (World Bank, 2014, 8). This information stayed entirely within the World Bank’s environmental research unit, and had no apparent impact upon Bank staff’s ever-enthusiastic promotion of export-led growth based especially on raw materials extraction by transnational corporations.

Figure 1  The World Bank ‘decomposes change in wealth per capita’, Sub-Saharan Africa, 2010

The adjusted net savings measure is the most ambitious attempt to comprehend changes in wealth incorporating nature. Sub-Saharan Africans had the world’s second most dramatic loss between gross and adjusted savings. For North Africa and the Middle East, gross savings were 27.9% but adjusted savings were 8.1% thanks mainly to energy depletion being 12.4% of GNI. In contrast, resource-rich wealthy countries – including Canada, the United States, Australia and Norway – witness sufficient reinvestment by (home-based) corporations, that their natural capital depletion was outweighed by new physical capital, leaving a net positive outcome (World Bank 2015, 12).

Why might CJ groups dedicated to decommodification of life tolerate such counting exercises, given that their premise is the monetary valuation of natural resources? After all, argues one powerful critic of natural capital accounting, Sian Sullivan (2013), in addition to concern about marketisation that inexorably follows the monetisation of natural values, there are
broader implications of conjuring ‘nature’ in the form of the socio-economic construct of money. Layer upon layer of abstraction lie between the connected breathing entities comprising aspects of ‘biodiversity’, for example, and their selective calculation as ‘units’ that can constitute ‘ecosystem service’ work and be factored into ‘natural capital accounts.’ Once visible as these units, however, ‘nature’ can be put to work as a value-generating asset, just like any other unit of capital. It can become a new source of monetary income (e.g. through Payments for Ecosystem Services and REDD+ carbon credits), and be leveraged as new forms of value-generating capital asset... Indeed, it seems strange, if not delusional, to expect that affirmations of the current economic paradigm will solve these related crises. To invoke Einstein, ‘we cannot solve our problems with the same thinking we used when we created them.’

This is a fruitful and long overdue discussion. In a parallel debate, Paul Robbins and Sarah Moore (2015) ask whether, ‘Amidst – and despite – its deep-seated rejection of technocratic fixes, can political ecology reconcile itself with eco-modernism?’ in the sense the term includes monetary valuation of nature. They answer cautiously in the affirmative: ‘We suggest that we join together to render eco-modern political ecology a therapeutic empirical project. Rather than become entrenched in an ongoing battle over the dysfunction of the other group’s phobic attachments, then, we would instead explicitly engage them, working together to pose specific questions, open to productive exploration’ (one of which might be whether natural capital accounting can be deployed to negate most existing forms of extractivism in Africa).

What CJ-informed opponents of natural capital accounting have most trouble in criticising, ultimately, is the need to punish polluters by considering the formal monetary liabilities – or some approximation since nature is priceless – so that reparations payments to environment and affected peoples are sufficiently financed, and in the process an incentive is generated not to pollute in future. This is the reason to make at least a rough monetary case for ‘ecological debt’ payments in courts of law.

For example, of Nigeria’s $11.5 billion claim against Shell for a 2011 oil spill, more than half is meant to compensate fisherfolk. The liability owed to silicosis-afflicted mineworker victims of Anglo American and other gold mining houses has begun to reach payment stage. The South African firms Gencor and Cape PLC had to pay $65 million a decade ago to settle South African asbestos lawsuits after they lost their last appeal in the UK House of Lords. Similar arguments should be made against the MNCs most responsible for what the UN calls loss and damage due to climate change. Ideally, over time, this strategy would develop as ‘fine-and-ban,’ so that as a corporation makes an egregious error, it is fined punitively for the damage done, and then sent packing.

To be sure, there is a danger that if ‘fine-and-ban’ is not the local state policy, then natural capital accounting will lead, instead, to a ‘fee’ for pollution, with the damage continuing, alongside ongoing payment. That would be the result if a formal market emerged, such as the EU ETS. Naturally CJ activists beginning with the Durban Group for Climate Justice firmly rejected these in 2004. The distinction should thus be clear, between valuing nature for ecological debt payment purposes (a fine and ban) on the one hand, and on the other
pricing nature for market-making (a fee). As Vandana Shiva put it in a 2014 South African talk, ‘We should use natural capital as a red light to destruction, not as a green light’ (Bond 2014).

The ‘red light’ strategy is an example of a potential rapprochement between INGO and CJ framing strategies, emphasising technical analysis as well as being useful to anti-extractivist campaigners who want an economic argument against fossil fuel depletion. The ‘differences in normative and theoretical positions’ remain but nevertheless, use of natural capital accounting against extractivism offers one example of ‘more inclusive framings [that] might enable more societally relevant and impactful research and more concerted action/practice.’

In sum, natural capital accounting is potentially one bridge narrative between INGOs and CJ, especially in making the economic argument to ‘leave the oil in the soil, coal in the hole, tar sands in the land and fracking shale gas under the grass,’ as Joan Martinez-Alier has posited. Instead of extracting such resources when they demonstrably lead to much lower adjusted savings, is there scope for a different narrative that compels a climate debt to be paid to those who suffer climate change and who are also residents of fossil fuel reserve sites? This has been one route taken by Oilwatch members to justify national leaders in places like Ecuador (the Yasuni case) and Nigeria (Ogoniland) to leave fossil fuels untouched (Bond 2012a).

To arrive at that narrative requires one more detour through the philosophies of environmental management: sustainable development.

The Scorched Earth of Sustainable Development Narratives

If there is an alternative worldview to neoliberal nature, most INGO and CJ narrative shapers and strategists would immediately point to the phrase ‘sustainable development.’ The 1987 United Nations Commission led by Gro Harlem Brundtland offered a definition still worth returning to. Not only does it contain the intergenerational requirement so well known in the first clause of her definition: ‘Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their needs.’ Consider, as well, her next two sub-clauses in the definition, which first observe ‘the concept of “needs”, in particular the essential needs of the world’s poor, to which overriding priority should be given’, hence generating grounds for social justice advocacy. Second, ‘the idea of limitations imposed by the state of technology and social organisation on the environment’s ability to meet present and future needs’ repudiates pro-growth assumptions of those who use the words sustainable development in public relations greenwashing.

The idea gained popularity in 1972 with the first Earth Summit in Stockholm and in The Limits to Growth (Club of Rome 1972), culminating in the Brundtland Commission and 1992 Rio Earth Summit. But soon, co-opted by corporations during the 1990s, sustainability was downgraded in favour of neoliberal ideologues’ advocacy of export-led growth and the commodification of nature. Sustainability was raised once again at a 2002 UN earth summit in Johannesburg, which unfortunately fused the UN’s strategy with the for-profit agendas of privatisers, carbon traders and mega-corporations which supported the UN Global Compact
(which was mostly a fund-raising exercise for a beleaguered institution). Then in 2012 at the next Rio Earth Summit, sustainability was fused with ‘Green Economy’ rhetoric, biodiversity offsetting and market-centric climate change policy. Sustainability had again flowered, but now with a much more direct relationship to neoliberal nature (Büscher et al. 2014). For the 2015-30 period, Sustainable Development Goals are now the mantra of the UN and many other multilateral agencies, in spite of extensive critique of the realities they elide (such as by the scholar-activist network The Rules [2015]).

But even if this weak version of the sustainability narrative is contested by CJ critics – and also still attacked by the most pollution-intensive fractions of capital – there is no questioning the problem of rampant socio-environmental unsustainability as the world hits what the Club of Rome (1972) had long warned would be ‘planetary boundaries.’ The most serious threat is running out of the carrying capacity for greenhouse gases that cause climate change, and in turn, ocean acidification. There are others: biodiversity loss, stratospheric ozone depletion (abated by the 1987 Montreal Protocol that phased out CFCs by 1996 – but leaving atmospheric aerosols as a danger), oceanic degradation and acidification, crises in the biogeochemical nitrogen and phosphorus cycles, other resource input constraints, chemical pollution, freshwater adulteration and evaporation, and shortages of arable land (Magdoff and Foster 2011; Mace et al 2014; Steffen et al 2015). So for those in INGOs and CJ grassroots groups genuinely concerned with global environmental sustainability, the next question is whether the logic of capitalism can generate repairs for the intrinsic damage being done during the ‘Capitalocene’ (Moore 2013)? Seeking sustainability, many INGOs believe in a ‘green capitalism’ strategy based on arguments by Gore (2009) and Paul Hawken, Amory Lovins, and L. Hunter Lovins (1999) (for a critique see Tanuro 2014). But as Ariel Salleh (2010) argues, a serious consideration of externalised costs should include at least three kinds of surplus extractions, both economic and thermodynamic, never comprehensively incorporated by reformers: 1) the social debt to inadequately paid workers; 2) an embodied debt to women family caregivers and 3) an ecological debt drawn on nature at large. The more conservative INGOs have simply ignored the logical trajectory of ‘polluter pays’ externalisation in the sense that Salleh points out.

In contrast to this weak form of sustainability are concepts of the left, stressing sustainability as achieved through distributional equity, non-materialist values and a critique (and transcendence) of the capitalist mode of production. They include the environmental justice vision that African-American activists in North Carolina began to articulate in the 1980s (Bullard 2000); ‘anti-extractivism’ and the ‘rights of nature’ articulated by Ecuadorian and Bolivian activists and constitutions (even if not in public policy, as pointed out by Accion Ecologica [2014]) along with the Andean indigenous peoples’ versions of buen vivir (living well) and allied ideas (Council of Canadians et al, 2011); ‘degrowth’ (décroissance) (Latouche 2004); post-GDP ‘well-being’ national accounting (Fioramonti 2014) such as Bhutan’s Gross National Happiness which emphasises sufficiency; ‘the commons’ (Linebaugh 2008); and eco-socialism (Kovel 2007). Strategies for transitioning to genuinely sustainable societies and economies are also hotly debated (Swilling and Anneke 2012; Scoones, Leach and Newell 2015).

With such creative options flowering – albeit in sometimes reformist mode harking back to indigenous conservation, mere accounting reforms and the slowing (not ending) of
capitalism – genuine sustainability does ultimately depend on the nature of the critique of unsustainability. Perhaps the most popular systemic analysis comes from Annie Leonard et al’s (2007) Story of Stuff film and book which link the spectrum of extraction, production, distribution, consumption and disposal. Klein’s (2014) This Changes Everything puts the onus on capitalism for climate change. But expressed most bluntly, Martinez-Alier and Jochen Spangenberg (2012) explain what is truly at stake: ‘Unsustainable development is not a market failure to be fixed but a market system failure: expecting results from the market that it cannot deliver, like long-term thinking, environmental consciousness and social responsibility.’

**Conclusion: From Duelling Narratives to Practical Fusions**

Returning to Durban, here is a revealing question: can Kumi Naidoo, Bobby Peek, Desmond D’Sa and Ashwin Desai – ensconced as they are in an INGO, a local NGO, a CJ community organisation, and academia (albeit with Naidoo having moved from Greenpeace to Johannesburg in 2016 to set up the Africans Rising civil society network) – identify common framings for addressing climate change, given the huge wedge between them that was opened up in the COP process, especially at the COP21 in 2015? The answer remains ambiguous.

At first blush, there is one factor dating to the anti-apartheid struggle that draws them all together: a deep respect for mass democratic action. And that is where one of Naidoo’s most important recent statements – made in mid-2014 with dozens of other INGO leaders and strategists at his Rustler’s Valley eco-ranch in South Africa – provides hope that, on the one hand, there is underlying humility in the current generation of INGO leaders. And on the other, there is a profound organic intelligence on the part of local CJers, who have the potential to take their perspective onto what at first blush appears to be the extremely hostile terrain of natural capital accounting.

So first, here Naidoo and more than 30 others explain why CJ and similar grassroots forces are holding the INGOs to account, in an extraordinarily frank and refreshing confessional:

> A new and increasingly connected generation of women and men activists across the globe question how much of our energy is trapped in the internal bureaucracy and the comfort of our brands and organisations. They move quickly, often without the kinds of structures that slow us down. In doing so, they challenge how much time we – you and I – spend in elite conferences and tracking policy cycles that have little or no outcomes for the poor. They criticise how much we look up to those in power rather than see the world through the eyes of our own people. Many of them, sometimes rightfully, feel we have become just another layer of the system and development industry that perpetuates injustice. (Civicus et al, 2014)

It is that cringe-worthy honesty that opens the door to alliances with CJ groups which want, as Naidoo et al put it, to ‘challenge the business–as-usual approach. Prioritise a local community meeting rather than the big glitzy conferences where outcomes are pre-determined.’ To be sure, cynics (like Desai) would point out that the glitzy Elmau and Paris conferences – where such unsatisfactory outcomes were predetermined – gained the...
endorsement of Greenpeace under Naidoo’s leadership. And it is true that Peek and D’Sa continually prepare community activists to intensify multiple Blockadias in South Durban in their attempts to halt neighbourhood-destroying truck and ship traffic (partly on grounds of climate change) calling for divestment from the firms involved (with Desai sniping, most often with exceptional insight, from the sidelines).

But it is also true that Naidoo’s time at Greenpeace was marked by a revival of both militant leadership (e.g. his heroic disruption attempt in the Arctic) and decentralisation of resources to the South, and that Greenpeace US under Annie Leonard’s lead has fused traditional monkey-wrenching with social and racial justice advocacy for the first time. Linkages of women, Muslims, Latinos, African-Americans, immigrants, indigenous Native Americans, other minorities, the LGBTQ community, poor people, trade unionists, environmentalists and social justice activists are increasingly common as a result, offering a ‘social self-defence’ that activist Jeremy Brecher (2017) identifies in his survey of anti-Trump struggles at the time of the inauguration.

Trump’s decades worth of extreme real estate corruption, property gambles, debt defaults and full-fledged bankruptcies, refusals to pay suppliers and tax chiselling have reportedly attracted more than 4000 lawsuits (Penzenstadler and Kelly 2016). One high-profile suit Trump is opposing has been filed by lawyers on behalf of 21 youth, on grounds his policies (like Obama’s) threaten their future.

But regardless of how courts address climate challenges, it is in attacking Trump’s policies and projects that CI and other climate activists can find unprecedented unity. Trump’s (2016) plan is to build filthy-Keynesian infrastructure (fossil-fuel pipelines, airports, roads and bridges); cancel international climate obligations; retract shale gas restrictions and the ban on the Keystone oil pipeline; encourage drilling; defund renewable energy and public transport; and destroy the Environmental Protection Agency (EPA). His choices for the main climate-related Cabinet positions left no room for doubt: former ExxonMobil chief executive Rex Tillerson as Secretary of State; Scott Pruitt as EPA Director (based on his Oklahoma career attacking EPA); and former Texas governor Rick Perry as Secretary of Energy. Tillerson was not only a major contributor to climate policy inertia over several decades as an ExxonMobil leader. More recently his contract for a massive $500 billion Siberian oil drill earned him the Russian ‘Order of Friendship’ from Vladimir Putin in 2013. A year later, the deal was postponed due to sanctions that followed Putin’s invasion of the Crimea, and tightened sanctions in mid-2017 make the project’s revival unlikely.

The climate critique of Trump is also the basis for divestment, e.g. of firms associated with Trump’s cabinet and top officials (Goldman Sachs bank, ExxonMobil oil, Koch Industries oil, Lockheed Martin military, Pfizer drugs, General Dynamics military, Wells Fargo bank, Amway beauty and Breitbart media). A broader world divestment movement would build on conceptual tools that have been around for years and that immediately came to life after Trump’s election (Bond 2017):

- A decade earlier, Joseph Stiglitz had argued that ‘unless producers in America face the full cost of their emissions, Europe, Japan and all the countries of the world should impose trade sanctions against the US.’
• Journalist Naomi Klein reacted to Trump’s election: ‘We need to start demanding economic sanctions in the face of this treaty-shedding lawlessness.’

• Representing French business, conservative ex-president Nicolas Sarkozy threatened, ‘I will demand that Europe put in place a carbon tax at its border, a tax of 1-3 percent, for all products coming from the US, if the US doesn’t apply environmental rules that we are imposing on our companies.’

• The New York Times quoted a leading Mexican official at the UNFCCC COP22 summit in Marrakesh: ‘A carbon tariff against the US is an option for us,’ a stance echoed by a Canadian official.

Some INGOs are already playing a major role in these sorts of crucial battles. Even while it had become obvious that the carbon trading strategy countenanced by Greenpeace had failed, the impact of the group’s attacks on Shell Oil was formidable in 2015, far outweighing the failed EU ETS reforms in strategic importance. Any institutional cost-benefit analysis of the INGOs’ emissions market advocacy (e.g. the astonishing $200 million spent during 2009-10 US congressional lobbying for cap&trade legislation) would logically place Blockadia strategies far ahead in the benefits category although not without considerable costs (Shell’s legal threats against Greenpeace plus the Portland court’s fines for blocking its bridge access in mid-2015, for instance). Similarly, 350.org’s commitments to direct action grow more vibrant, the more the frustrations rise about the slow pace of state and corporate decarbonisation. In late 2016, this was evident at the Standing Rock showdown where several INGOs assisted Native Americans in fighting (and initially defeating) the DAPL in a manner suffused with respect and local ownership. (Partly as a result, the framing of ‘water protectors’ rather than climate warriors was emphasised.)

Some INGO visionaries are aware of the limitations of their structural location. For example, African anti-extractive activists – ranging from faith-movement progressives to ActionAid – have responded vigorously to challenges made by Farai Maguwu and Christelle Terreblanche to the ‘Alternative Mining Indaba’ (AMI), held every February in Cape Town to coincide with the African Mining Indaba of major corporate and state attendees. Instead of being resolutely committed to fighting mining – especially coal, which is increasingly destructive across a range of constituencies – the AMI tends towards mild-mannered reforms. The dispute recorded in Maguwu et al (2016) – including several duelling op-ed articles in March 2016 in the main African ezine, Pambazuka – is one example of the INGO-CJ tensions noted above.

Another example is a reform network of capital and the state, the Extractive Industries Transparency Initiative (EITI), which in 2016 witnessed a legitimacy challenge from the (INGO) ‘Publish What You Pay’ movement of Soros-funded NGOs (some of which have grassroots CJ connections) when EITI imposed a ‘civil society’ representative in their decision-making processes through a dubious process.

In other words, more connectivities between these differently-located and philosophically-divergent types of civil society – INGOs and CJers – may unearth the frictions. I believe it is
incumbent now upon the better-resourced INGOs to take up the challenge made by Civicus et al (2014) to provide not just auto-critique but new modes of operation sensitive to the (often more radical) grassroots agenda.

That means, second, a complementary move by CJ groups might be considered, both to scale up their critique so they can offer concrete global scale analysis and start networking properly, and then gather sufficient confidence to take on INGO rhetoric, much of which was learned in struggles within the system. This is the argument made by one of the world’s leading contemporary historical materialists, David Harvey (1996, 400-401), who insists that CJ activists must become more forward-looking, and hence must deal in the material and institutional issues of how to organise production and distribution in general, how to confront the realities of global power politics and how to displace the hegemonic powers of capitalism not simply with dispersed, autonomous, localised, and essentially communitarian solutions (apologists for which can be found on both right and left ends of the political spectrum), but with a rather more complex politics that recognises how environmental and social justice must be sought by a rational ordering of activities at different scales.

In turn, I believe, the CJ movement organisations – often suffering from excessive localism (or expressed more positively, ‘militant particularism’, as Harvey calls it) – should attempt to more decisively link up with each other, take the broadest terrain as their mandate (including cultural and spiritual features of ecological and social life), and seek to rationally reorder the space economy in a way that directly confronts capitalism’s neoliberal discourses. This is what Harvey (1996, 401) also suggests:

The reininsertion of ‘rational ordering’ indicates that such a movement will have no option, as it broadens out from its militant particularist base, but to reclaim for itself a non-coopted and non-perverted version of the theses of ecological modernisation. On the one hand that means subsuming the highly geographically differentiated desire for cultural autonomy and dispersion, for the proliferation of tradition and difference within a more global politics, but on the other hand making the quest for environmental and social justice central rather than peripheral concerns. For that to happen, the environmental justice movement has to radicalise the ecological modernisation discourse.

To radicalise ecological modernisation requires that CJ not boycott the neoliberal nature thesis but instead engage, and search out ways to avoid what Erik Swyngedouw terms a ‘post-political’ quagmire when it comes to combatting climate change and the corporations and states behind it. Both Bryant (2016) and Bracking (2015) cite Swyngedouw’s (2010) critique of climate governance, in which carbon markets and the CGF represent ‘the predominance of a managerial logic in all aspects of life [and] the reduction of the political to administration where decision-making is increasingly considered to be a question of expert knowledge and not of political position.’

It is here, to return to Andrew Jamison, that a typology of the dichotomy between green business and critical ecology leads to a third option that transcends even environmental
justice: ‘eco-socialism’ (a term I have inserted into Jamison’s rubric – but it is only a semantic intervention):

**Dialectics of environmentalisms**

<table>
<thead>
<tr>
<th>terrain</th>
<th>green business</th>
<th>critical ecologies</th>
<th>eco-socialism</th>
</tr>
</thead>
<tbody>
<tr>
<td>type of agency</td>
<td>corporations, states and global agencies</td>
<td>environmentalists, radical communities and green NGOs</td>
<td>hybrid red-green networks</td>
</tr>
<tr>
<td>forms of action</td>
<td>commercial, brokerage</td>
<td>popularisation, resistance</td>
<td>exemplary mobilisation</td>
</tr>
<tr>
<td>ideal of ‘science’</td>
<td>theoretical, expert</td>
<td>factual, lay</td>
<td>situated, contextual</td>
</tr>
<tr>
<td>knowledge sources</td>
<td>disciplines</td>
<td>traditions</td>
<td>experiences</td>
</tr>
<tr>
<td>competencies</td>
<td>professional</td>
<td>personal</td>
<td>synthetic</td>
</tr>
</tbody>
</table>

Source: adapted from Jamison 2001

In the first row, Jamison concedes that green business can sometimes, perhaps often, co-opt environmentalism into the nexus of capital accumulation, using concepts of sustainable development, a problem observed above. The critical ecology movements (including CJ) resist, drawing upon concepts of environmental justice. But the battle of environmentalists and green NGOs against TNCs, states and global agencies will not succeed without a dialectical advance to the next stage: hybrid red-green networks. As for emblematic forms of action, the commercial, brokerage functions of green business – often with INGO legitimation (such as in the carbon trading and CJF examples) – come into direct cultural conflict with the repertoire of resistance tactics utilised by the CJ activists. The eco-socialist project, in contrast, has to advance to the stage of what Jamison terms ‘exemplary mobilisation.’

Intellectual buttressing remains crucial, and hence the ideal articulation of ‘science’ is also worth pursuing. The ‘theoretical, expert’ inputs – no matter how flawed in reality – used by ecological-modernisation promoters working from a green business standpoint, contrast with the factual and lay languages of activists. Can we build upon the second by defying the first, and achieving a situated, contextual science, such as in the natural capital controversy? The knowledge sources that undergird such efforts are typically divided into the technical disciplines of green business, the political traditions of eco-social justice, and the transcendental experiences of the eco-socialist project. As for the terrain of competencies, the green-business suits claim professionalism; the critical ecologists invoke personal commitment; and eco-socialists strive for a synthetic understanding of personal, professional and, above all, political.

And that dialectic tension, ultimately, will allow us to draw out ‘differences in framing environmental problems,’ because they do come from quite substantive ‘differences in normative and theoretical positions.’ In exploring the tensions in positionality between INGOs and CJ, it is extremely difficult, yet perhaps not impossible, to identify ‘ways in which more inclusive framings might enable more societally relevant and impactful research and more concerted action/practice.’ But this is surely a matter of debate through praxis in the months and years ahead.
REFERENCES

Accion Ecologica Colectivo Miradas críticas del Territorio desde el Feminismo 2014, ‘La vida en el centro y el crudo bajo tierra: El Yasuní en clave feminist.’ http://www.accioneecologica.org/component/content/article/1754


Leonard, Annie, Louis Fox, and Jerome Sachs. 2007. Story of Stuff, directed by L. Fox, produced by Free Range Studios. Executive Producers include Tides Foundation and the Funders Workgroup for Sustainable Production and Consumption


Yale University and George Mason University. 2016. Climate Change and the American Mind, New Haven: Yale Program on Climate Change Communication (climatecommunication.yale.edu) and Fairfax: the George Mason University Center for Climate Change Communication (climatechangecommunication.org).
German fingerprints at the scene of Lonmin’s Marikana Massacre: From BASF to Volkswagen and the World Bank
in Maren Grimm, Jakob Krameritsch and Britta Bekker (Editors), Business as Usual after Marikana: Corporate Power and Human Rights, Johannesburg, Jacana, 2018

1. Introduction

In December 2017, London and Johannesburg investors witnessed what seems to be the death of Lonmin, a firm born as the London and Rhodesian Mining and Land Company Limited in 1909 (Bond 2017). Lonrho had languished through the 1950s but then became one of the world’s most degenerate corporations, thanks to managing director Tiny Rowland’s corrupt deals across post-colonial Africa. By 1973 even British Conservative Prime Minister Edward Heath labelled Lonrho “the unpleasant and unacceptable face of capitalism.” One reason for the company’s death was the backlash against the Marikana Massacre.

Lonmin’s 16 August 2012 massacre of 34 workers and a variety of other crimes it has committed against communities, workers and environment should be seen within the context and logic of world capitalism, especially where linkages to firms like Volkswagen (via BASF) and the World Bank implicate Germany. If the bigger picture is considered, this will not be merely a case study of inadequate corporate social responsibility – a black sheep in the otherwise supposedly exemplary mining industry – but an incident that unveils many relationships that would otherwise be pushed into the background. Without addressing the larger connections between Lonmin and the metabolism of profit, leading to two major German firms – BASF and Volkswagen – and at least one agency of international neoliberal power, the World Bank, even a partial fix for the problems at Marikana is unlikely – as unfortunately has been proven to be the case.

It is tempting to begin with the highest-profile individual – Cyril Ramaphosa – who still receives blame for the massacre. Incriminating email evidence shows that the day before, as the main local owner of Lonmin, Ramaphosa repeatedly insisted that the police move in for ‘concomitant action’ against ‘dastardly criminals’ who were engaged in a wildcat strike. (Only around five years later did Ramaphosa apologise for the choice of words in his email.) He certainly would not have wanted a massacre, as subsequently unfolded a day later. Yet testimony by police underlings to the Farlam Commission indicates in no uncertain terms that as they surrounded the mineworkers’ Marikana gathering on the hill the day after Ramaphosa’s emails, they interpreted their duty as, suddenly, lethal.1

1 Lieutenant General Zukiswa Mbombo, in particular, told the Farlam Commission (2015, 164), that: when she spoke to the Minister of Police, Mr Mthethwa, he had said that Mr Cyril Ramaphosa was calling him and pressurising him. In this regard she said that the National Commissioner had asked her the previous evening who the shareholders were and that she had replied that she did not know but that the Minister had mentioned Mr Ramaphosa, whereupon the National Commissioner had said that she ‘got it’. Explaining this, Lieutenant General Mbombo referred to the fact that Mr Ramaphosa had presided over the hearing of the appeal brought by Mr Julius Malema against the decision of the African National Congress to expel him from the party and that Mr Ramaphosa was, as she put it, ‘very strong in terms of the decision made.’ She went on to mention that Mr Malema had intervened in the dispute at Impala and that the police had been able to manage the situation there after his visit. She stated that in her discussions with the National Commissioner they had been concerned about the fact that if once again it came across that
In his book, *How Europe Underdeveloped Africa*, Walter Rodney (1973) used a British multinational corporation (Unilever) to draw the links between North and South. As Rodney explained

> The question as to who and what is responsible for African underdevelopment can be answered at two levels. Firstly, the answer is that the operation of the imperialist system bears major responsibility for African economic retardation by draining African wealth and by making it impossible to develop more rapidly the resources of the continent. Secondly, one has to deal with those who manipulate the system and those who are either agents or unwitting accomplices of the said system.

But in the subsequent five years, as Ramaphosa rose to the presidency of South Africa in February 2018, a useful myth circulated. Amongst others (e.g. Everatt 2018), *New York Times* journalist Norimitsu Omishi (2018) claimed, “Ramaphosa was accused of using his political influence to press for a police crackdown, though an official inquiry into the massacre eventually absolved him of guilt.” And to be sure, Justice Farlam et al (2015, 438) indeed concluded, “There is no basis for the Commission to find even on a *prima facie* basis that Mr Ramaphosa is guilty of the crimes he is alleged to have committed.”

But this is the beginning, not the end of the story, for Ramaphosa’s predecessor, Jacob Zuma, had a habit of hiring commissioners who blinded themselves to broader realities. The most notorious was the 2011-16 Seriti Arms Deal Commission which likewise found no malfeasance by ANC elites in collaboration with British and German transnational corporations (some of which were being prosecuted in their own jurisdictions for bribing South African politicians) mainly because it ignored damning evidence.² Likewise, the 2015-17 Heher Commission on whether university fees should be waived ignored corporate tax increases as an option, and thus declared free education impossible. Like Seriti and Heher, the inability to consider structural processes and corporate privileges – including those “critical to the operation of the imperialist system,” as Rodney put it – behind the Marikana massacre led to some important silences in the Farlam Commission.

Thus on the one hand, Farlam et al (2015, 522) could not avoid consideration of the obvious misery that characterised Marikana mineworkers’ daily lives. Lonmin “created an environment which was conducive to the creation of tension, labour unrest, disunity among its employees.” It repeated this finding twice more, stressing how Lonmin “created an environment conducive to the creation of tension and labour unrest by failing to comply with the housing obligations” it was legally committed to within the firm’s Social and Labour Plans (SLPs, which were required by the state so as to gain mining rights to South Africa’s platinum) (Farlam 2015, 557). Lonmin’s SLP commitment called for 5500 houses to be built

---

² Specifically, Seriti refused to consider 4.7 million computer pages and 460 boxes of evidence against BAE, the German Frigate Consortium and the German Submarine Consortium which showed evidence of sustained bribery of men including Fana Hlongwane, the arms deal fixer.
between 2007-11, at a cost of R665 million (at peak rand value in mid-2011, $106 million, but far less when the rand declined, e.g. to the value of just $37 million at the very lowest point in early 2016). But by the time of the Marikana massacre, Lonmin had only built three show houses – and even they were uninhabitable. Lonmin repeatedly violated its SLP even though it openly acknowledged in risk assessments that one result of not building houses could be “withdrawal of our Mining Licences resulting from failure to deliver commitments made” (Farlam et al 2015, 534). Drawing out the irresponsibility of Lonmin was one of the merits of the Farlam Commission.

On the other hand, the report of Farlam et al (2015) had telling silences, for the Commission did not even mention the Lonmin board’s Transformation Committee, which was responsible for labour and social conditions, including housing. It did not mention that Ramaphosa chaired that committee starting in November 2010, when he could have directed an emergency housing construction programme to make up for lost time. Lonmin’s refusal to build the houses was due to a variety of shifting excuses (Amnesty International 2016). But the firm’s most important excuse was also Ramaphosa’s own, when testifying to the Farlam Commission: a lack of funding within the firm, due to the 2008 world financial meltdown which temporarily reduced demand for platinum. As a 2009 Lonmin report claimed, “The financial situation of the company impacted by the global economy on the price of platinum resulted in a review of the housing and hostel upgrade programme” (Farlam et al 2015, 534). The rebuttals are simple:

- First, the construction should have begun in earnest in 2007-08, when the first 2000 houses were to be built (hence even Farlam et al [2015, 526] termed this excuse ‘irrelevant’).
- Second, $148 million in revenues were removed from South Africa to the tax haven of Bermuda in the same period, ostensibly for the purpose of paying a major marketing wing of the firm. In reality there was no such marketing operation, and the Bermuda office had just two employees. Ramaphosa was directly implicated in the tax-avoidance scandal via his Shanduka firm’s control of the Black Empowerment partner Incwala Resources, and according to Lonmin’s lawyer, “Incwala for very many years refused to agree to the new structure” to halt the outflow.3
- Third, there were from 2007-11 more than $600 million in profits and dividends repatriated to shareholders of Lonmin and Incwala, so merely redirecting around 15 percent of that surplus would have provided the housing stock.4

---

3 This was the third such public incident involving Ramaphosa’s dubious international financial relations, for as the ‘Paradise Papers’ revealed in late 2017, Ramaphosa’s firm also retained Mauritius accounts for nefarious purposes. Furthermore, as chair of Africa’s largest cellphone operator, MTN, he suffered continent-wide criticism for illicit capital flight.

4 One standard approach would have been to rent the houses for a nominal maintenance fee, thereby ending Lonmin’s ‘living out allowance,’ which in turn could even have allowed the housing to remain a company asset. Thus decent housing for workers would have been supplied, even – as Lonmin complained – if the workers lacked sufficient financial capacity of their own, or if they desired the retention of their rural housing as their main priority because they viewed their Marikana migrant labour commute as temporary and thus not meriting a major residential investment in a desolate site whose lifespan was limited in any case by the wasting platinum asset.
Fourth, Ramaphosa’s committee had access to a $100 million World Bank loan that had been pre-authorised well before the meltdown and that stood available for housing construction, had Ramaphosa and his Lonmin colleagues so desired.

In testifying to Farlam, Ramaphosa did not mention the role of the World Bank, even though it considered its Marikana community development a success story, as discussed below. Hence when it comes to financing, the links from the police massacre of wildcat striking platinum workers up to the highest levels of global capitalism – especially the tax havens and multilateral lenders which transnational corporations regularly access – were specifically obscured by the Farlam Commission. Likewise, as for the consumption of Lonmin’s output, the Commission failed to consider a series of upstream purchases of platinum that also deserved consideration. For example, the most important links are to the German firm BASF which purchased and processed platinum for use by Volkswagen in its diesel engines. Those engines became the source of intense controversy given the firm’s subsequent corporate malfeasance on emissions controls associated with both local air quality and climate change. No such linkages were made by Farlam et al (2015).

These are the kinds of relationships that any good scholar, journalist and campaigner for social justice will identify as vital context and sometimes also a source of critical pressure to generate positive change. It was, after all, the boycott of unethical products from apartheid South Africa, including financing relationships and foreign direct investment, that contributed to the dramatic mid-1985 collapse of the economy. And as we will see, it is thanks to two international campaigns against Lonmin that links to BASF and the City of London are being unveiled by solidarity activists:

- In London, there are regular picketing, film screenings and tours arranged by the Marikana Miners Solidarity Campaign, targeting Lonmin, its institutional owners and its financiers: “London-based asset management funds Investec, Majedie, Schroders, Standard Life and Legal & General who own 44% of the corporation. A consortium of banks including Lloyds, HSBC and RBS are Lonmin’s biggest lenders.”

- In Germany, the major platinum purchaser BASF – Lonmin’s largest single customer, dating back three decades – came under pressure from a “Plough Back the Fruits” campaign of solidarity activists demanding that BASF put pressure on Lonmin to improve workplace and community conditions, discussed below.

Before considering solidarity campaigning, the two cases of linkages from Germany to the Marikana massacre deserve more attention: BASF and Volkswagen buying Lonmin platinum; and Germany’s role in a World Bank that committed serious crimes while earning a share of Lonmin’s illegitimate profits. The Bank’s prolific contribution to the super-exploitation of Africa deserves comment in this instance, even at the same time the Bank’s own researchers acknowledge how much the looting of Africa’s minerals by multinational corporations causes its underdevelopment: at least $100 billion annually in natural capital depletion uncompensated by corporate reinvestment (Lange et al 2018, Bond 2018). As for Walter Rodney, the story of how “Europe underdeveloped Africa” can be updated because Lonmin (Britain), BASF and Volkswagen are obviously the core firms involved in this

instance. To be sure, the story of African underdevelopment has subsequently expanded to include firms not only from the North, but more recently also from the Brazil-Russia-India-China-South Africa BRICS bloc (Bond and Garcia 2015). They may well follow in the footsteps of the once-lucrative – now financially and morally bankrupt – German-British arrangements with Lonmin.

**Volkswagen’s platinum-demand distortion and Lonmin’s demise**

The world capitalist system’s extraordinary capacity to generate crises helps explain the rise and fall of commodity prices, as witnessed in the 2002-11 ‘super cycle’ rise from $500/ounce to $2270/ounce in 2007. But after the crash, the price settled at below $1000 after 2016. The impact of not only the price crashes but Lonmin’s mismanagement were profound, driving the firm’s share value from $28.6 billion in 2007 to $383 million when it was purchased by Sibanye in late 2017.

The price decline during 2015 was from $1500 to $900 and subsequently remained at the latter low level, at which nearly half South Africa’s mines were unprofitable. One reason is that Volkswagen was exposed for its abuse of platinum in diesel engines which were falsely marketed as having lower emissions than they were in reality. The world’s largest car manufacturer was prosecuted and paid more than $15 billion in fines for installing “defeat device” software in diesel-powered vehicles. The scam allowed 40 times the legal limit of nitrogen oxide emissions, a chemical not only dangerous when generating smog (and asthma) but also as a greenhouse gas, 300 times more damaging than carbon dioxide.

One of the world’s leading platinum marketers, Huw Daniel, told *Mining Weekly* in 2017 that one reason vast over-supply of platinum persisted was that “demand took a knock following vehicle manufacturer Volkswagen’s emissions scandal and extensive anti-diesel sentiment, losing market share to palladium.” Of 8.5 million tonnes of demand for platinum in 2016, Daniel noted that 40 percent was generated in the automotive sector (Solomons 2017). As the scandal broke, reporter Jo Confino (2015) complained about VW’s broader damage to the corporate sustainability movement. Volkswagen’s actions will fuel the cynics who believe businesses are just paying lip service when it comes to issues like climate change and resource scarcity... What the Volkswagen scandal illustrates is that profit maximisation is so deeply embedded in corporate culture that when push comes to
shove, the vast majority of companies will put the bottom line above any moral case for change, and sometimes even cheat to keep the short-term profits coming in.

The bottom line for Lonmin should have included longer-term support for emissions cuts, including platinum fuel cells in new automobiles, buses and other vehicles. Platinum plays a catalyst role during hydrogen’s conversion into electricity, so as various kinds of transitional processes are under consideration, the merits of platinum as an ingredient can be better understood. As one of the competing mining leaders, Royal Bafokeng Platinum CEO Steve Phiri, put it in late 2017, “Our message to particularly the regulators and government is that you cannot produce 80 percent of the world’s platinum group metals and still be on Euro 2” (Creamer 2017). He was referring to the terribly low anti-pollution standards that the rest of the Minerals Energy Complex had compelled the state to adopt over the years.

The crash of Lonmin is terribly important because at the time this book goes to press in early 2018, the platinum market remains glutted. The new owner – the Johannesburg firm Sibanye-Stillwater led by a corporate manager notorious for squeezing margins to improve profits, Neil Froneman – announced when buying Lonmin in December 2017 that it had one overarching objective in acquiring the firm: its relatively cheaper smelting over-capacity for use by other firms. Closure of Lonmin mine shafts will accelerate so as to save more than $100 million annually by 2020. As a result, not only are 38% of Lonmin’s 33 000 employees due to be retrenched within the next three years, according to Froneman. He also immediately warned critics to cease attacking Lonmin for repeated, ongoing SLP violations: “Communities that are unhappy, the Department of Mineral Resources that is unhappy – need to stop and allow us to complete this so that in the longer-term we can do more.”

This proved an unconvincing plea, judging by the main trade union leader representing Lonmin workers, Joseph Mathunjwa of the Association of Mineworkers and Construction Union (AMCU): “We are prepared to join forces with communities around Lonmin to ensure that the interests of mineworkers’ mine-affected communities are defended. We want to warn the new owners and current shareholders that we will fight and not sit quietly as our members’ future is destroyed.” Similar hostile sentiments from Marikana’s shack settlements continued in 2018, directed against the other major international player which profited from exploitation at Marikana, the World Bank.

Banking on Marikana misery

Berlin’s influence at the World Bank is considerable, for as one of five top Bank officials, its “Executive Director represents Germany in meetings at the World Bank and engages in direct consultations and negotiations with other Executive Officers in efforts to gain support for the World Bank’s efforts in reducing poverty,” according to the Bank (2017) website.5 Thanks to its citizens’ generosity since it joined the Bank in 1952, Germany now holds a 4.31 percent share ownership, ranking it fourth behind the United States (17.17 percent), Japan

5 Recent German directors have included Ingrid Hoven (2010-14), Ursula Müller (2014-17) and Jürgen Zattler (2017-present). Even though controversies have been raging for several years about Bank profiteering by Lonmin and about IFC investment-quality oversight failure, none of these directors have made any recorded statement on the scandal. On rare occasions, the German representative to the Bank takes critical stances against projects, e.g. against Newmont Mining in 2006 following lobbying by Brot für die Welt.
(7.39 percent), and China (4.76 percent). German financing of the Bank, though impossible to calculate, is also lucrative to its numerous bond-holders. More importantly, as the strongest European Union economy, Germany has oversized influenced in the Bank, with Berlin co-serving with Beijing as global neoliberalism’s most important capital city, now overtaking Trump-ruled Washington, DC and Brexit-sabotaged London. Indeed the power of Germany over the World Bank was revealed when in late 2016, Berlin’s federal development minister Gerd Müller told Bank president Jim Yong Kim to halt any further financing of fossil fuel projects, which within six months Kim then publicly announced as Bank policy.

In 2015, the Farlam Commission’s failure to fully connect the dots to housing finance was reflected in how explicitly its leaders and researchers ignored the glaring role of the World Bank. At the same time that Lonmin workers were meant to live in housing that was not even of 19th century quality, the firm was removing R1.3 billion ($148 million) to Bermuda from 2007-11, ostensibly for marketing expenses (Forslund 2015). In addition, from 2007-11 Lonmin paid dividends of more than $600 million while ignoring “its much lesser R655 million legally binding commitments to build social housing for its workers” (Higginbottom 2017, 17). One beneficiary of these profit and dividend outflows was the Bank’s private-sector investment arm, the International Finance Corporation (IFC).

From 2007, the IFC had invested $15 million in an equity position in Lonmin, via the Johannesburg Stock Exchange, to support “the development of a comprehensive, large-scale community and local economic development program.” This stake, along with another $35 million share equity purchased subsequently, brought with it the IFC’s Investment & Advisory (I&A) services, which was meant to support Lonmin’s community development strategies. In addition to the $50 million equity investment, World Bank president Robert Zoellick authorised a further loan facility of $100 million, although Lonmin never drew this down. As the well-read business journalist Rob Rose (2007) reported at the time in one of the country’s main newspapers,

Lonmin CEO Brad Mills said the plan was to use the [$$100 million] cash to create “thriving communities” around Lonmin’s projects so that when the platinum was depleted and the miners left, the communities would be “comfortably middle-class” and able to support themselves. “We intend to use 100 percent of this facility to facilitate partners in our

---

7 Similar voting arrangements prevail at the Bank’s sister institution, the International Monetary Fund, which was led by Managing Director Horst Kohler from 2000 until he resigned to take up the German presidency in 2004.

8 The Bank’s $3.75 billion loan to Eskom, to finance construction of the fourth largest coal-fired power plant in the world, remained a source of ongoing embarrassment, even leading to a controversy in early 2018 over Eskom’s inability to repay the Bank. That loan, originally made by the widely discredited Bank president Robert Zoellick in 2010, should be considered Odious Debt and repudiated by a non-corrupted South African government, once one is finally elected (Bond 2012).

9 It should be pointed out that in making hard-currency (US dollar) investments in Lonmin during the height of the commodity super-cycle – when at peak in 2011, the South African rand was valued at R6.3 to the US dollar – the World Bank perpetuated its dubious record of compelling repayments in hard currency even though soft currencies like the rand devalued radically after the commodity super-cycle ended in 2011 – in the South African rand’s case, to as low as R17.9/$ by early 2016, before stabilising in the R12-14/$ range in subsequent years.
business,” Mills said. Lonmin would use part of the cash to build 5,000 houses in the next five years for community members, with 600 scheduled to be built this year.\textsuperscript{10}

From Washington, meanwhile, the IFC regularly bragged about Lonmin’s “developmental success” thanks to the introduction of IFC “best case” practices ranging from economic development to racially-progressive procurement and community involvement to gender work relations (IFC 2006, 2010b).\textsuperscript{11} The Bank was especially delighted with Lonmin’s ‘gender equity’ work (Burger and Speora, 2009). Moreover, according to its own 2012 \textit{Sustainable Development Report}, Lonmin

has established community resettlement policies which comply with the World Bank Operation Directives on Resettlement of Indigenous Peoples and Cultural Property. There were no resettlements of communities and no grievances lodged relating to resettlements. In terms of the Restitution of Land Rights Act 22 of 1994, the Company is in the process of addressing several land claims lodged against it before 2011. The resolution of these claims is being managed within the legislative framework of the regional Land Claims Commission and Land Claims Court (Lonmin, 2012).

This justification for mining on stolen land ignores the long historic context of pre-1913 land dispossession, as well as the relegation of the platinum-rich area just west of Marikana to ‘Bantustan’ status (as the tyrannical ‘Bophuthatswana’ dictatorship) from 1961 until 1994. Another important and related bit of historical context, ignored in all IFC literature promoting Lonmin, is the company’s roots – from 1909 until 1999 – as ‘Lonrho’, the London and Rhodesian Mining and Land Company Limited. Lonrho gained a very poor reputation for its role in Africa, especially in the years 1962-93 when Roland Walter Fuhrhop (‘Tiny Rowland’) managed it, as for Brian Cloughly (2008) explained,

A British prime minister, Edward Heath, observed in 1973 that a businessman, a truly horrible savage called ‘Tiny’ Rowland, represented “the unpleasant and unacceptable face of capitalism.” The description was fitting because Rowland was a perambulating piece of filth who had indulged in bribery, tax-dodging, and the general range of ingenious whizz-kid schemes designed to make viciously unscrupulous people rich and keep them that way.

Mismanagement at Lonmin’s Marikana operation was legion, in spite of IFC marketing propaganda. The church-founded Bench Marks Foundation reported in 2007 (just as the IFC was getting involved) and 2012 (after the main IFC work had been completed) about the ways Lonmin had demonstrably failed in the main areas of corporate social responsibility: job creation and subcontracting (including labour broking); migrant labour, living conditions and the living-out allowance; ineffectual community social investments and lack of meaningful community engagement and participation; and environmental discharges and

\textsuperscript{10} The actual numbers should have been 5500 and 700, if the SLP had been followed to the letter.
\textsuperscript{11} The IFC was not the only agency to laud Lonmin’s Marikana management. In 2008, the South African commercial bank most actively green-washing its record of minerals and coal investment, Nedbank, awarded Lonmin and the World Bank its top prize in the socio-economic category of the Green Mining Awards (\textit{Daily Business News}, 2008). By 2010, Lonmin’s “Sustainable Development Report” was ranked “excellent” by Ernst and Young.
irresponsible water use, especially in relation to local farming (Bench Marks Foundation, 2007). Considering the broader gender oppression, Samantha Hargreaves (2013) reaches back into the migrant labour system itself: “The Marikana story is about much more than a strike for higher wages, it is also a story about a crisis in social reproduction. State neglect and corporate greed have fomented household crises stretching from the mines back to the sources of migrant labour in far-flung regions and neighbouring countries.”

The Center for International Environmental Law (CIEL) (2012) argued the World Bank had ignored critical information before making its Lonmin investments:

The mine has had a troubled history with the communities and its workers. A stakeholder perception survey commissioned by Lonmin in 2005 shortly after it acquired the mine and before IFC’s investment showed that most respondents regarded the mine with “negativity combined with mistrust, suspicion and in some cases hatred”… Despite criticism from communities and NGOs that industrial mining projects often result in serious human rights violations and little economic development, the IFC continues to justify its investments as a “key source of jobs, economic opportunities, investments, revenues to government, energy and other benefits for local economies.” In documents disclosed on the Lonmin deal, IFC asserted that: “This investment is expected to have beneficial results for the workforce and surrounding communities.” Indeed, IFC documents state that Lonmin “supports the protection of human life and dignity within their sphere of influence by subscribing to the principles laid down in the United Nation’s Declaration of Human Rights.”

And yet despite attesting to a close working relationship with the South African police force on matters of security, a statement made yesterday [i.e. 16 August 2012] by Lonmin chairman Roger Phillimore characterised the violence as “clearly a public order rather than a labour relations associated matter”… In addition to seeking a full investigation into the violence and what led to it, CIEL has called on World Bank President, Jim Yong Kim, to revisit the Bank’s investment in this project in light of recent events, specifically, and its approach to lending in the extractive industries more generally.

Exactly two weeks after the massacre, Kim went to nearby Pretoria and Johannesburg for a visit. Tellingly, he neglected to check on his Lonmin investment in Marikana, and instead gave a high-profile endorsement to an IFC deal with a small junk-mail firm (Mailtronic Direct Marketing) that was prospering from state tenders (Bond, 2012). The other systems of accountability within the Bank were also deficient, as women residents of Marikana would later find. From 2012-13, an investigation by the IFC’s independent Compliance Advisor Ombudsman (CAO) transpired, in which the CAO (2013) objected to the IFC’s evaluation of “industrial relations and worker security” problems that were apparent over at least the 18 months before the August killings. The CAO found the IFC had inadequate monitoring systems at several crucial points:

- the IFC’s response to Lonmin’s dismissal of 9,000 employees in 2011;
- the limited discussion between the IFC and Lonmin over worker-management relationships;
the IFC’s response to the death of one employee and assault of five others on their way to work in April 2012; and
the adequacy of IFC reports after visits to Lonmin, especially since sections of some of the reports seemed to have been copied from previous years (Dasnois 2014).

However, in the absence of a formal complaint from workers, the CAO dubiously argued that no link could be established between these concerns and the deaths at Marikana and closed the case in 2014. As Alide Desnois (2014) remarked,

neither the IFC evaluation teams nor the World Bank’s own evaluation team, which reported in June 2012, had much to say about employment issues at Lonmin in the run-up to the events in August. After the killings, the IFC team “noted violence at Lonmin occurring in the context of increasing tensions between rival unions in the mining sector in South Africa, mines being shut down, worker lay-offs and declining workers’ bonuses.”

The IFC’s (2010a) video report on the initial stage of the partnership bragged that the deal “helped transform the way the world’s third-biggest platinum miner operates.” The IFC’s (2010b) Strategic Community Investment best practices handbook featured Lonmin’s Marikana operation:

The company has embarked on a multi-stakeholder effort to help bring prosperity and sustainable development to the local communities in which it operates. Alongside Lonmin, there are three key stakeholder groups – the traditional authority, local government, and local mining companies – that share the same vision for socioeconomic development.

‘Stakeholders’ emerge from the shacks to attack the Bank

The stakeholders considered legitimate by Lonmin and the IFC specifically excluded the people upon whom the vision was to be imposed: workers and community residents. As a result, furious women’s residents of Nkaneng shack settlement formed a group, Sikhala Sonke (“We cry together” – later the subject of a major film, Strike a Rock), aided by leading Johannesburg-based public interest lawyers at the Wits University Centre for Applied Legal Studies (CALS) (Marinovich 2015). In 2015, they laid a complaint against the IFC through the CAO (2017, 1), citing:

an absence of roads, sanitation and proper housing, as well as accessible, potable, and reliable sources of water. Further, the Complainants allege that to the extent the mine offers benefits in the form of employment, less than 8 percent of employees currently are women. The complainants also allege environmental pollution, specifically relating to air and water. They further allege failure by Lonmin to provide the Nkaneng community with adequate health and educational facilities which were promised at the inception of the project.

Indeed there were persistent problems with men forcing women mine workers into unwanted underground sexual relations, and Lonmin was no better than other mining houses in spite of the IFC intervention, according to research by Asanda Benya (2009, 2015).
Instead of monitoring community development and gender equity directly, “the IFC has played the role of an ‘absentee landlord,’ relying on the annual reports of the company. The IFC should have been more vigilant around their investment, but at least they have a mechanism to receive complaints,” according to CALS director Bonita Meyerfield (Davis 2015). The Sikhala Sonke complaint (CALS 2015, 17) pointed out that even a year before it invested in Lonmin, the IFC itself held a high-minded, self-congratulatory stance on development finance ‘Performance Standards’:

Central to IFC’s development mission are its efforts to carry out its investment operations and advisory services in a manner that “do no harm” to people or the environment. Negative impacts should be avoided where possible, and if these impacts are unavoidable, they should be reduced, mitigated or compensated for appropriately. In particular, IFC is committed to ensuring that the costs of economic development do not fall disproportionately on those who are poor or vulnerable, that the environment is not degraded in the process, and that natural resources are managed efficiently and sustainably. IFC believes the client’s regular engagement with local communities about matters that directly affect them plays an important role in avoiding or reducing harm to people and the environment. IFC also recognises that the roles and responsibilities of the private sector in respecting human rights are emerging as an important aspect of corporate social responsibility. The Performance Standards, developed by IFC to help private sector clients address environmental and social risks and opportunities, are consistent with these emerging roles and responsibilities.

Accordingly, IFC endeavors to invest in sustainable projects that identify and address economic, social and environmental risks with a view to continually improving their sustainability performance within their resources and consistent with their strategies. IFC seeks business partners who share its vision and commitment to sustainable development, who wish to raise their capacity to manage their social and environmental risks, and who seek to improve their performance in this area.

IFC statements about gender equity at Marikana have focused upon the rising (albeit still small) share of women in the workplace. IFC mining principal investment officer Robin Weisman claimed Lonmin as a success story in 2017. As Mining Weekly reported (with no mention of sexual harassment in the mines or the Sikhala Sonke fight against the IFC), “In July 2007, the IFC entered into a three-year partnership with Lonmin to promote the sustainable development of Lonmin’s workforce and the communities in the vicinity of its mining operations. A key focus of the partnership was to develop a Women in Mining programme, which sought to promote the employment and retention of women in Lonmin’s workforce” (Breytenbach 2017).

In light of such misplaced self-congratulatory rhetoric, Sikhala Sonke and CALS (2015, 24-25) lambasted the IFC for its failure to monitor the Lonmin investment:

Documentation between the IFC and Lonmin contained no requirement for Lonmin to conduct its operations in accordance with the Performance Standards and “the IFC’s ability to monitor the client’s social and environmental performance throughout the life of IFC’s investment and assure itself that it (IFC) was meeting its commitments under the
Sustainability Policy was limited.” If this is correct, then this is a damning indictment of the IFC’s commitment to continuous monitoring of its projects against its Performance Standards and Sustainability Policy...

By 2010 any community support had evaporated. Lonmin’s 2008 Sustainability Report noted a substantial decrease in community support. The 2009 and 2010 Sustainability Reports contained no data on community support, likely because it was in free-fall. Then in Lonmin’s 2011 Sustainability Report, received by the IFC, a “principal risk” identified within Lonmin’s staff and community stakeholder engagement was that “poor community and employee relations” could result in “strike action and civil unrest”. In light of all this information, the IFC ought to have been aware of the significant deterioration of mine-community relations... The IFC ought to have been aware that Lonmin was failing to provide adequate housing and failing to provide adequate water and sanitation to the local communities, and ought to have known that Lonmin was failing to reach its targets for gender mainstreaming in the mine... Even the most basic review would have identified the very serious, detrimental impacts of the mine on the local community, and the failure of the I&A Project to deliver the benefits it promised.

As for Sikhala Sonke’s demands, they were posed in reasonable terms, within the confines of what an international investor in Lonmin should be expected to do, bounded by the constraints of CSR:

The IFC must face up to its moral responsibility for the social and environmental impacts of the I&A Project, and learn from its mistakes. A policy of “do no harm” is worthless if not enforced. With Lonmin, the IFC engaged in a project that promised to deliver substantial community benefits but failed completely to ensure that those benefits were delivered. Rather than facilitating social development, the IFC has instead been complicit in a long-term act of social degradation.

The Women of Marikana would welcome a Dispute Resolution process with Lonmin. However, if that is where this Complaint ends, then the opportunity for the IFC to learn from its own mistakes, and avoid them in future, is lost. Consequently, the Women of Marikana urge the CAO to conduct a Compliance Investigation irrespective of the outcome of any Dispute Resolution process (CALS 2015, 25).

That process was adopted with strong endorsement from the CAO, but during 2016 – after three meetings – it broke down (CAO 2017, 2):

In December 2016, the Complainants advised the CAO and Lonmin that they were dissatisfied with the progress made regarding the dispute resolution process and determined to withdraw from the CAO Dispute Resolution process. Over the course of three months CAO worked with the Complainants and Lonmin to determine whether there was any scope for continued dialogue. In March 2017 the Complainants informed CAO that they were withdrawing from the dialogue process, citing, from their perspective, the lack of progress and failed implementation of undertakings given by Lonmin as part of the dialogue. The Complainants are of the view that none of their
grievances have been resolved. Accordingly, the complaint will be transferred to CAO Compliance.

According to Sikhala Sonke, Lonmin made

no progress on access to housing, water, and sanitation, and ensuring sound and effective environmental management, gender empowerment, education and black economic empowerment. Lonmin made minor and resourceless commitments. Even on these peripheral and minor issues (i.e. counselling, scrap metal and communication channels), Lonmin failed to keep its commitments. It became evident to Sikhala Sonke that this was an indication of Lonmin’s engagement in bad faith and the ineffectiveness of the dispute resolution process (Bruce 2016).

In contrast, the CAO (2017, 3) initially placed blame for the breakdown on external local forces: “local elections, the identified need to reach out to external parties, and internal dynamics within each party that presented delays, and ultimately did not allow the process to pick up enough momentum for the Complainants to have confidence it would address their concerns.” Regardless of whether such a dispute resolution could work, given the World Bank’s notorious evaluation biases (as discussed in the case of failed oversight at the Lesotho Highlands Water Project by Letsie and Bond 2002), there are all manner of constraints to finding agreement on development priorities, subsidies and financing mechanisms in one of the world’s most exploitative settings.

Belatedly, the CAO recognised the IFC’s failures in December 2017, a decade after they should have been obvious, and then only in a rather muted, indirect way: “It is unclear to CAO whether IFC provided support to the client in terms of meeting its requirements, and managing community expectations, as the client’s financial situation became more constrained.” Nevertheless, there was great hope expressed in Johannesburg by CALS lawyer Nomonde Nyembe: “The IFC has a great deal of immunity, but this could result in the entity changing its methods of operation in other contracts and ensuring the companies they invest in, such as Net1, comply with their safeguards and human rights standards” (Omarjee 2017).

In all of this oversight, perhaps most important was what did not appear on the agenda: the broader nature of the World Bank’s role in financing the underdevelopment of Marikana. Such an agenda would bear in mind the Bank’s prolific support for apartheid, its role in introducing and cementing neoliberalism in public policy between 1990-96, its other dubious IFC investments in the post-apartheid economy (including the highly-profitable Net1 CPS extraction of funds from the poorest social grant recipients), its largest-ever loan ($3.75 billion) which was for the corruption-riddled Medupi power plant, its bizarre research on inequality, and various other features of Bank advocacy and investment (Bond 2014).

Campaigning for justice at Marikana

The struggles for fair wages by AMCU workers and decent living conditions by Sikhala Sonke women activists are joined by solidarity campaigns, of which one in Germany is exemplary. The Plough Back the Fruits movement consists of the German branches of the Association of
Ethical Shareholders, Bread for the World, the Rosa Luxemburg Foundation, and KASA – Ecumenical Services on Southern Africa, and the Swiss-based KEESA – Swiss Apartheid Debt and Reparations Campaign and SOLIFONDS. From South Africa, the participants are Bench Marks Foundation, Khulumani Support Group and Widows of Marikana. The campaign’s 2017 demands were:

- BASF must contribute at least 25 million Euros as an immediate relief payment to a solidarity fund benefitting the families of the killed and injured miners. (This does not release the South African government and Lonmin from their responsibility to provide sustainable reparation for the families of the killed, injured and arrested miners.)
- BASF must contribute, on a large and tangible basis, to the improvement of the working and living conditions of mineworkers and their communities, e.g. via a fixed percentage per each purchased ounce of platinum.
- BASF must put pressure on Lonmin to publish and implement their social and labour plans.
- The campaign wants to underline the necessity for binding legislation on the basis of human rights and transparency of trade activities and financial transfers. It also wants to raise public attention with regard to trade agreements currently negotiated as e.g. the Economic Partnership Agreements EPA between the EU and former colonies in Africa, Caribbean and pacific countries.

BASF resists acknowledging this secondary pressure, but in 2017 was finally compelled to admit, “We note that the development of living conditions for Lonmin workers is not progressing as quickly as one would expect or hope. This is due to the fact that the situation in South Africa is extremely multi-faced and cannot be solved in the short term by one institution alone” (Faku 2017). Indeed, it must be observed that solutions to these problems have not been found in disparate civil society strategies that followed the Marikana massacre. One strategy was the demand for higher wages, which the workers are gradually winning – though the R12 500/month (in 2017 just $925/month) requested will only be achieved in 2019 when inflation will have eroded that sum by more than a third. Another strategy was community development, advocated most strongly by Sikhala Sonke women who, in part, attacked the World Bank for its failures, followed by further Bapo community grievances.

In future months and years, can these forces find common cause? As Hargreaves (2013) insists,

Narrow male-dominated trade union and worker interests mean that hope for a radical resolution lies in the struggles of women in places like Wonderkop. The challenge is linking these with (mainly male) worker struggles and environmentalist solidarity to challenge the extractivist model of development, the social, economic and environmental costs of which are principally borne by working-class and peasant women.

It may well be, in this context, that both shopfloor and grassroots forces require assistance from institutions with larger agendas, including those challenging the broader economic agenda of transnational corporations. For example, in mid-2015, Lonmin’s tax avoidance was raised by AIDC director Brian Ashley (a leading AMCU advisor): “As the AIDC, we will
pursue a campaign for the company’s licence to be revoked and for the state owned mining company to take over the company... We need to hold these huge corporations to account. You cannot have a company in a country that needs to be rebuilt sucking the resources dry” (Faku 2015b).

At the same time, the leftist Economic Freedom Fighters (EFF) party also demanded mine nationalisation and in the case of the massacre punishment including both jail for Lonmin leaders and compensation (Faku 2015a, Faku 2015b): “The EFF will institute a process of reparations against Lonmin to demand reparations and payments of all the families of deceased mineworkers of R10 million ($1.1 million) per family and R5 million ($0.55 million) per injured worker.” Even the centre-right Democratic Alliance announced that it also supported forcing Lonmin to compensate massacre victims’ families. These are the sorts of demands that the PIC should put to Sibanye.

With Lonmin unable to continue as a going concern, much bigger questions about political strategy can be raised. To think creatively about the options for Lonmin (via Sibanye) not only requires a revived debate about whether or not to take away the firm’s mining license (as AIDC advocates and as was threatened by Pretoria in late 2016) or to nationalise it with – or preferably without (given such immense liabilities) – compensation to traditional overseas owners (as the Economic Freedom Fighters argue).

But setting aside the particular problems at Marikana, the disastrous recent period of mining capital’s over-accumulation and ruinous competition also compels much wider considerations on the need for new priorities that would radically change the corporate financing parameters now in place. These might include

- developing a world platinum cartel centred in South Africa;
- establishing a genuinely green economic strategy to move the Minerals Energy Complex away from its traditional roots in coal, iron ore, manganese, gold and diamonds (and not simply to hydrogen fuel cells for individualised electric vehicle production);
- incorporating natural capital accounting into state (and corporate) decision-making so that the true costs and benefits of mining can finally be understood in full cost-accounting terms; and ultimately,
- ensuring a ‘just transition’ to low-carbon, post-extractivist economic activities that are especially friendly to women’s needs – within not just the sphere of production but also the reproduction of society, as the AIDC Million Climate Jobs campaign advocates (http://aidc.org.za/programmes/million-climate-jobs-campaign/about/).

These are the kinds of big picture strategic questions that can be raised thanks to injustices that continue at Marikana. For there, we find not the power but also the overlapping, interlocking vulnerabilities associated with Lonmin’s historic abuse of people and planet (and Sibanye’s likely amplification of these). The vulnerabilities even huge mining corporations face have so far generated fragmented campaigns for reform. As the limits of reformist strategies are reached in each of these, it is still possible for much greater unity to be established between disparate groups of mining capital’s victims. If these victims soon include investors representing South Africa’s large civil service as well as financiers, it will be
up to the grassroots, shopfloor and environmental activists to ensure that an even more exploitative regime of extraction in the platinum belt does not emerge in coming years.

Given the German establishment’s role along the value chain – from supporting the IFC’s private-sector investment regime (no matter how wicked, as in the Lonmin case) to the BASF and Volkswagen roles in the ups and downs of platinum and their failure to conduct minimal oversight – there may be a vital factor that can shift the balance of forces: international solidarity. For just as Germans came to the anti-apartheid movement to heed the call of Tambo, Mandela and the liberation movements, it will not be long before the contradictions in Marikana again demand a unifying support base. Plough Back the Fruits is one model, and it may be that once made aware of the crimes in which German financing and shareholding are contributing to, there will be new opportunities for even more extensive solidarity. For what is being revealed at Marikana about the way platinum is financed, mined, purchased and remoulded within a system of increasingly brutal, ecologically-destructive international capitalism, should compel Germans of goodwill to examine the full extent of their own responsibilities – as well as their liberatory potentials.

REFERENCES


Benya, A. (2009), “If you don’t hear the bell, you’re mince,” South African Labour Bulletin 33, 5, pp.7–9


Confino, J. (2015), “After the Volkswagen emissions scandal, why should we trust companies to protect the environment?” Huffington Post, 21 September


Faku, D (2015a), “Lonmin repatriated R400m annually, says AIDC report,” The Mercury, 3 June


475


Eco-capitalist crises in the ‘Blue Economy’: Operation Phakisa’s small, slow failures

Introduction

The mid-2014 South African introduction of the ‘big fast results’ methodology behind Operation Phakisa (‘hurry up’ in Sesotho) – applied in the first instance to the ocean’s ‘blue economy’ – followed President Jacob Zuma’s 2013 visit to Malaysia, whose leaders applied the strategy to economic policy. The nomenclature, process and strategy reflected the increasing desperation and quickening of what might be considered an ‘extractivist’ metabolism (Martinez-Alier 2002) between global capital, local ruling classes, society and nature (Terreblanche 2017).

Though Zuma’s (2014) stated objectives of ‘growing’ ocean-related economic activities – especially shipping, boat construction and offshore oil and gas exploration – are running afoul of global economics, the conversion of nature into capital and attempts at ‘deriving value’ – as Zuma (2014) put it – from ecosystem services are increasingly common internationally. But the Phakisa rush follows a period of upsurging fusions between what Jacklyn Cock (2004) calls ‘red, brown and green’ resistance movements, including mineworkers, fisherfolk, farmers, feminists and climate activists, to name a few of the more prominent, some of which aim to introduce strategies associated with ‘just transition’ philosophy.

Regardless of the capacity of bottom-up resistance, Phakisa soon appeared on the verge of failing due to the trajectory of crashing commodity prices from above, as China’s growth slows and as the Global North’s financial speculators moved from one bubble to the next. Shipping, mining, smelting and petroleum industry firms were demolished in the world’s main stock markets during 2015. Either this stage of world capitalist crisis would require from South Africa’s elites a more intense extraction of the country’s resource base, or an entirely new trajectory, aimed at accumulation via routes other than what Ben Fine and Zavareh Rustomjee (1996) termed the ‘minerals–energy complex’ (MEC).

Recall the exhortation from leading business publisher Peter Bruce to ‘please, mine more and faster and ship what we mine cheaper and faster’.\(^1\) Economic policy makers soon moved to the very depths of their terrain: the 3.5 kilometre deep trenches below the treacherous Agulhas Current offshore Durban. Rumoured to be full of oil and gas, along with the rest of the nearly 3 000 kilometre long coastline, the new opportunities for capital accumulation are setting climate activists against the world’s biggest oil companies, at a time when the former are also slowly coming to grips with the durability of the South African ruling class’s coal addiction, including exports through the Richards Bay and Durban ports.

In this chapter, we consider the oceans, specifically, and argue that the Phakisa concept of ‘big fast results’ has been characterised, in reality, by \textit{small, slow failures} in planning and

\(^{1}\text{P. Bruce, ‘Thick end of the wedge’, Business Day, 13 February 2012.}\)
implementation, with miserable overall outcomes for the economy, polity, society and ecology. As political–economic constraints became acute, the Phakisa team reacted by downplaying the numerous environmental and democratic costs of the blue economy. The project’s overhyped GDP-led evaluation of the oceans’ potential did not sufficiently balance short-term economic and political gains – which are mainly grabbed by multinational corporations (in oil and shipping), political oligarchs and well-connected tenderpreneurs – against Phakisa’s massive eco-social destruction.

To make this case, we first map out how Phakisa fits within the current political economy. Second, we explain the problems caused by shoreline expansion for ocean pollution and multilateral arrangements. Third, we show that notwithstanding environmental and economic risks that should have been vividly evident to planners in 2014, Phakisa has been overhyped to an extraordinary degree. Fourth, we explain the deeper-rooted crises of capital accumulation that threaten the viability of Phakisa. Fifth, we argue that Phakisa’s top-down economic development strategy – in a setting characterised by insufficient democratic and diplomatic consultation, along with uncritical GDP evangelism – is already failing.

Finally, we contend that Phakisa’s recklessness in relation to social justice, the environmental commons and meaningful economic empowerment will cost South Africa dearly. A just transition approach to decarbonising the ocean and coastline is needed. Otherwise, billions of rands are being thrown at the project not only under highly unfavourable global macro-economic conditions, but also at a time when climate change throws world trade into question (because of a future maritime carbon tax imposition). In addition, Phakisa will lead to economic losses being socialised and gains privatised, as is the case in so many state–market–society–nature relations.

**Situating the oceans accelerator in an extractive political economy**

A great many state subsidies are already dedicated to exploiting the ocean, in part by promoting minerals exports at all costs. Phakisa will accelerate this process not only by intensifying shipping, but by adding offshore oil and gas to the MEC. (Other elements such as micro-aquaculture entrepreneurialism are trivial in comparison, so we leave them to other critics.) The then finance minister Pravin Gordhan promised in his 2016 budget speech:

> Building on the Phakisa oceans economy initiative, a R9 billion investment in rig repair and maintenance facilities at Saldanha Bay is planned, and work has begun on a new gas terminal and oil and ship repair facilities at Durban. Transport and logistics infrastructure accounts for nearly R292 billion over the next three years…Transnet is acquiring 232 diesel locomotives for its general freight business and 100 locomotives for its coal lines. (Gordhan 2016)

The profitability of those lines – from north-eastern South Africa to Richards Bay and Durban – depends upon coal’s export potential. The first Presidential Infrastructure Coordinating Commission project (National Planning Commission 2011) anticipates eighteen billion tons becoming available for digging, transport and then shipping. Local ecological
destruction and climate change were not considered worthy of mention. In mid-2011, export coal prices were US$120/ton and the rand was R6.3/US$. Although international coal prices fell to as low as US$50/ton, they recovered to US$75/ton by 2017 while the currency crashed in half to R13/US$, so in rand terms the R800 billion project appeared viable, although it has been delayed due to financing constraints.

The US$5 billion loan made by the Chinese state bank to Transnet at the 2013 Durban BRICS summit for purchasing 1064 coal-bearing locomotives capable of hauling 3 km-long trains became a matter of intense controversy in 2017. Not only was it revealed that the parastatal systematically overpaid (by US$1.3 billion) thanks to an apparently brazen backhander (of US$400 million) to the corruption-riddled Gupta network (one repeated in a Chinese sale of seven container cranes to Transnet for the Durban port, worth $92 million of which $12 million was a kickback). In addition, many of the Chinese-made locomotives did not comply with localisation construction requirements (amaBhungane and Scorpio 2017a, 2017b).

Moreover, announced Gordhan (2016), the parastatal agency Transnet aimed to ‘accelerate private sector participation in the ports and freight rail sector…In taking this forward, we are able to draw on our experience in road-funding concessions’. The unfortunate reference was to the public–private partnership initiative known as ‘e-tolling’ in Gauteng province (especially the Johannesburg ring road and Pretoria highway). That project earned over R1 billion in revenues in 2011 alone for the Austrian company Kapsch TrafficCom that won the contract, about the same amount Gauteng taxpayers paid in additional annual unbudgeted subsidies. Popular rejection of e-tolling continued through 2017, with less than a forty per cent payment rate.

Notwithstanding growing concerns around South Africa’s fossil fuel addictions, Zuma (2014) announced more extraction opportunities through Phakisa: within six years, US$7 billion would be sunk in investments in thirty offshore oil and gas rigs by Total, ExxonMobil, Shell, Anadarko and other drillers, in search of nine billion barrels of oil and sixty trillion cubic feet of gas. A plethora of oil and gas platforms would accompany the refinery boom signalled in the 2012 National Development Plan (NDP), including a US$25 billion South Durban port-petrochemical complex expansion (the Presidential Infrastructure Coordinating Commission’s second priority) featuring the doubling of refining and pumping capacity from Durban to the Gauteng market and an (imagined) eightfold rise in container traffic (National Planning Commission 2012).

As Phakisa emerged, Roger Southall (2015) documented how Zuma’s patronage networks were placed under further stress because of South Africa’s ‘fiscal cliff.’ The networks required the ‘oil and gas bonanza’ promised in what Jedrzej Frynas and George Paulo (2007) described as the ‘new scramble for African oil’. In addition to polluting South African politics, these activities are threatening the very viability of the proximate seas – the Indian and Atlantic – and indeed the world’s entire ocean body.

---

2 Brazil, Russia, India, China, South Africa.
Shoreline expansion, ocean pollution and Phakisa’s fossil-extraction accelerator

In October 2014, Zuma offered a commitment to protect the environment by lowering the national economy’s extreme carbon intensity:

> If all sectors implement the measures to fight climate change at the same time, together we can build the biggest mitigation buffer against climate change. We can save our country and the world for future generations. Our economy will become resilient to the possible effects of climate change only when we take bold steps like the reduction of emission of carbon dioxide and other gases that lead to increasing global temperatures. (Zuma 2014)

By then it was clear that pollution of the world’s oceans – nature’s main form of sequestering carbon dioxide – had reached dangerous levels of saturation, resulting in higher levels of acidification, rising temperatures (hence more intense hurricanes and typhoons), coral reef blanching and loss of marine micro species. The dumping of plastics and other pollutants in the ocean’s gigantic ‘sink’ became so prolific by the early twenty-first century as to threaten the marine food chain, as plastics fragment (due to ultraviolet rays) into microbial pieces less than five millimetres, and are ingested by zooplankton and fish. Phakisa is also reckless about the dangers of ocean phosphate mining. Prohibited in every other country in the world, three prospecting permits were granted by the Department of Mineral Resources to allow prospectors to cut up the ocean floor with cylindrical drums studded with metal teeth, endangering fish stocks and increasing pollution.

To address ocean pollution at this ecosystem-threatening scale, collaboration between national states is vital. The main multilateral ocean initiative was the 1982 United Nations Convention on the Law of the Sea, with its focus on capital’s geopolitical and property-right imperatives. Dating to the seventeenth century’s ‘freedom of the seas’, agreements on the extension of sovereign territorial coastline crept up from three nautical miles (4.8 km, a cannon shot’s distance) to today’s twelve nautical miles (22.2 km). Nearly all emerging national states made attempts to colonise ocean areas for the sake of protecting fish stocks and engaging in minerals exploitation. The United States led the extension of such claims out to the continental shelf in 1945, which in turn generated the argument that 200 nautical miles (370 km) would be the appropriate border for national sovereignty in the form of exclusive economic zones.

Here, a country can claim control over all marine resources, oil and gas, and minerals. South Africa’s reaches out not only beyond its immediate mainland borders into an area of 1 069 million square kilometres, but since 2006 Pretoria has also claimed another 0.467 million square km around the Prince Edward and Marion islands. This grab was made, according to Petroleum Agency of South Africa chief executive Jack Holliday, because ‘We hope, of course, to find oil and more exploitable gas. But much of the extended claim is in very deep water, more than 2.5 km, where hydrocarbon, gas hydrates, minerals and placer deposits are thought to exist’ (SA Info 2006). Phakisa contemplates the extension of South Africa’s

---

continental shelf claim by around five per cent and this could lead to as yet untested diplomatic constraints (Van Wyk 2015).

Transnational agreements are vital to address border overlaps, especially with regard to pollution, systemic overfishing, shipping lane access, piracy and other aspects of ocean regulation. As the chair of the Global Ocean Commission, former South African finance and planning minister Trevor Manuel confessed,

The inability of African countries to work together on this issue is what continues to hinder meaningful development and allows others to benefit from Africa’s resources. The benefits of co-operation are not limited to coastal countries; the benefits are spread to neighbouring landlocked countries that rely on these ports for export and trade. (Philip 2014)

South Africa’s 2002 New Partnership for Africa’s Development reduced the scope for collaboration projects such as the 1980 Lagos Plan of Action and the 1989 African Alternative Framework to Structural Adjustment Programmes, which Pretoria’s continental policy architects explicitly ignored (Bond 2005). The 2012 African Union 2050 Integrated Maritime Strategy sets as its main premise that Africa’s maritime domain ‘has vast potential for wealth creation’, although also expresses concern about oceans in relation to virtually all major issues that Africa is confronted with, namely diverse illegal activities which include toxic waste dumping and discharge of oil, dealing in illicit crude oil, arms and drug trafficking, human trafficking and smuggling, piracy and armed robbery at sea, energy exploitation, climate change, environmental protection and conservation and safety of life and property at sea. (AU 2012: 9)

Less well articulated are costs associated with capital’s impacts on coastal climate change. In addition to more powerful storms, ice melts caused by higher levels of atmospheric carbon dioxide are destroying glaciers and large parts of Antarctica, the Arctic and Greenland. As the ocean warms, water’s physical mass expands and the sea level rises, in recent years by five millimetres per annum, the fastest rate ever recorded. Ecological crises caused by capital’s externalisation of costs are exceptionally difficult to resolve, unlike other obvious maritime problems such as geographically specific piracy or border disputes. And it is here, too, that the Phakisa rhetoric of economic gain most explicitly runs up against the limits of ocean exploitation in a context of capital’s global overaccumulation (i.e. overcapacity in relation to consumer buying power), especially in shipping and oil.

**Phakisa’s process**

The glaring contradiction between South Africa’s attempt to amplify capital accumulation through shipping, coal, oil and gas on the one hand, and the promise to ‘build the biggest mitigation buffer’ on the other, can in part be explained by the Phakisa oceans process that unfolded in July–August 2014 at Durban’s Riverside Hotel. It was a helter-skelter, non-consultative, elite navel-gazing and ultimately unrealistic exercise, devoid of awareness of the capitalist crisis bearing down on South Africa’s two oceans. At the time, mid-2014, the oil price, the world’s demand for minerals and the main global shipping indices were already crashing, and the climate crisis was evident in worsening droughts and floods.
South Africa’s ocean economic potential ranges between R129 and R177 bn by 2033, with between 800 000 to 1 million jobs created.

**GDP contribution**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2033</th>
<th>CAGR, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine transport and manufacturing</td>
<td>16</td>
<td>42-61</td>
<td>6%</td>
</tr>
<tr>
<td>Tourism</td>
<td>15</td>
<td>25-35</td>
<td>4%</td>
</tr>
<tr>
<td>Offshore oil and gas</td>
<td>4</td>
<td>11-17</td>
<td>9%</td>
</tr>
<tr>
<td>Construction</td>
<td>8</td>
<td>20-21</td>
<td>4%</td>
</tr>
<tr>
<td>Renewable energy</td>
<td>0</td>
<td>14-17</td>
<td>25%</td>
</tr>
<tr>
<td>Fisheries and aquaculture</td>
<td>7</td>
<td>10-16</td>
<td>4%</td>
</tr>
<tr>
<td>Communication</td>
<td>4</td>
<td>7-10</td>
<td>4%</td>
</tr>
<tr>
<td>Desalination</td>
<td>0</td>
<td>0.1-0.1</td>
<td>1%</td>
</tr>
<tr>
<td>Marine protection services</td>
<td>0</td>
<td>TBD</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>54</td>
<td>129-177</td>
<td>316</td>
</tr>
</tbody>
</table>

Source: The Presidency of South Africa (2014)
The main Phakisa activities Zuma expressed a desire to pursue – shipping (especially coal, platinum and iron ore), boat building and refurbishment, and offshore oil and gas exploration – were at that very moment in the process of plummeting to unprecedented low levels of profitability. Yet simultaneously, reflecting a predictable myopia in the business press, a flurry of excitement prevailed about the blue economy rising from two to four per cent of GDP from 2010 to the near future, once Phakisa delivers ‘big fast results’. A journalist reported in the main newspaper chain:

Phakisa is about tapping into our off-shore oil and gas reserves, which international oil giants say are enormously significant, as well as some other areas of our oceans’ economy. The headline results are staggering and suggest that if the resources tied up in our oceans are unlocked without any further delay, they have the potential to contribute approximately R177 billion to GDP in 20 years from now, compared to the current contribution of R54 billion.  

The country’s most powerful corporate publisher, Business Day’s Peter Bruce, was effusive in mid-2015:

Phakisa is a terrific idea. A little like tourism, it’s a potential forex earner, an export, that doesn’t even have to move. You just have to invest in it where it is. What could be more simple?...Phakisa holds open an opportunity to create new industrial and service industry value on a grand scale.

Capitalist crises visit the seashores

Like most hopes for ocean riches, the contradictions of micro capitalism are on view in many of the cities Phakisa hopes will stitch down the broader investment fabric. These include Indian Ocean ports – Richards Bay, Durban, East London and Port Elizabeth – but it is at the global scale that the capitalist crisis is most debilitating. Those tendencies include a dramatic 2014/15 slowdown in global trade (UNCTAD 2016), declines in Foreign Direct Investment and cross-border financial asset holdings, and the associated overaccumulation of shipping capital, speculative currency crises and commodity price rises and falls.

Although unmentioned in Phakisa documentation, the mid-2008 peak for pricing the transport of a typical container across the world’s main routes reflected the intense metabolism of commodity trading at the time. But measured as the Baltic Dry Index (the most reliable measure of container shipping capacity and pricing), the collapse exceeded ninety per cent within six months. The Baltic Dry Index level of around 12 000 in 2008 fell to below 300 by early 2016, as vast overcapacity came on line. The Index subsequently rose back to the 1000 level but new capacity continued to threaten industry upheaval, especially involuntary mergers and acquisitions. So-called ‘post-Panamax’ ships – carrying more than 5 000 containers (until 2015 the limits of the size that fit through the Panama Canal) – came to dominate world shipping, to the point that vessels with more than 10 000 containers were flooding the market. Such robotised ships carried only thirteen crew. But shallow

berths characterise Durban, East London, Port Elizabeth and Cape Town (the four main port cities). There are only three deep-water ports in South Africa that can potentially handle the newer Supramax and Capesize ships (some now carrying 21 000 containers): Richards Bay, Coega and Saldanha (all far from the major markets) (Pieterse et al. 2016).

The shake-out of excess capacity that followed was uneven, and created havoc for massive port construction projects that Chinese state capital had promoted along its Maritime Silk Road. Fifty ports have annual container throughput of more than a million twenty-foot equivalent units, of which a large proportion are on the Chinese coast. Durban’s 2.5 million containers a year represent the largest such facility in Africa. The NDP projected an increase in Durban’s container processing to twenty million annually by 2040 (from 2.5 million in 2012), an estimate far out of line (by 150 per cent) with even the most optimistic growth figure generated by the shipping industry (National Planning Commission 2012).

One reason for sluggish container growth is the extreme expense associated with processing freight in the two main South African ports, Durban and Cape Town: US$1 080 per container, making them the two most costly ports in the world (Pieterse et al. 2016). It is inconceivable that an additional US$25 billion in Durban port refurbishment and dig-out port investment (no doubt much greater sums, what with recent mega-project trends doubling or tripling original estimates) will cut operating and maintenance costs to competitive levels. Repaying the principle, interest on the capital and all the additional operating costs will force much higher container handling charges, leaving the likely prospect of another Durban white elephant (joining similar projects that were anticipated to earn profits – such as the airport, stadium, convention centre and marine entertainment complex – but which have needed multimillion dollar annual taxpayer bailouts). For these reasons, it was myopic for Zuma (2014) to declare,

Compatriots, we were concerned that South Africa did not own vessels while we are surrounded by about three thousand kilometres of a coastline...Through the oceans economy segment of Operation Phakisa, we are trying to solve this challenge...I am pleased that two bulk carrier vessels have been registered in Port Elizabeth, and a third tanker in Cape Town under the South African flag.

Ship building in South Africa is impossible under conditions of world merchant-capital overaccumulation, in part because more than 1 400 dry bulk ships (fifteen per cent of the world fleet) were scrapped in 2016 (Ship & Bunker 2016),7 and in part because of limited economies of scale within the local construction industry. This point was also recognised by Peter Bruce:

One of the problems with any industrial effort in SA – and one the shipbuilders return to time and again – is the prices of marine plate, both aluminium or steel. All the shipbuilders complain that import parity pricing by local steel and aluminium producers hurts them...when your domestic market is only capable of ordering in small batches, those customers are never going to attract the

discounts that really big orders do. Shipbuilders complain they cannot buy plate at a competitive price in SA. On finding the plate at a better price in Asia, it has more than once arrived in SA only to bear the name of a South African mill on it.8

Indeed, at that time, not only were the three main ship builders on the verge of trying desperately to consolidate so as to survive the downturn, but South Africa’s steel industry was being flattened by Chinese imports, with the second largest producer, Evraz Highveld (owned by a Russian), moving quickly to formal bankruptcy in 2015, while the largest, ArcelorMittal (owned by an Indian), shut a half-dozen of its foundries. Likewise in Brazil, the iron-ore operations of what was South Africa’s largest corporation over the prior century – Anglo American – resulted in a US$8 billion loss, leading to the main executive’s humiliating resignation and contributing to the firm’s ninety-four per cent decline in London Stock Exchange share value.9 Notwithstanding intra-BRICS solidarity rhetoric, in the face of a global capitalist crisis the desperate emerging economies’ corporations engaged in ruinous competition in steel, mining and commerce (Timmons 2015).

Given the slowing Chinese import and export growth, in addition to vast overcapacity in shipping and steel (including iron ore), nearly all minerals and other commodity prices began crashing in 2011. The process intensified in mid-2014, though this somehow went unnoticed at the Phakisa think tank held in the Durban luxury hotel. In the following year alone, prices of oil fell by fifty per cent, iron ore by forty per cent, coal by twenty per cent and copper, gold and platinum by ten per cent. Mining houses as large as BHP Billiton, Anglo American and Lonmin lost, respectively, 87, 93 and 99 percent of their share value in 2015. Yet a scenario of deflated demand and corporate upheaval on this scale was not worthy of Phakisa strategists’ consideration – even though a commodity price collapse on the same scale was experienced from July to December 2008.

By early 2016, the oil glut was partly catalysed by Saudi Arabia refusing to hold back supply, so as to maintain its market position in the face of American shale oil production and new African oil finds (Masie 2015). The oil price collapse not only caused spectacular devaluation of capital and job losses for oil majors such as BP, Tullow and Royal Dutch Shell, it also placed oil-dependent economies under immense stress, resulting in austerity. Nigeria and Angola were soon unable to deliver on government planning commitments, and hence lowered their own demands for products and services in the offshore oil industry – contracts that Cape Town firms had anticipated supplying under the Phakisa rubric.

Big, fast results reduced to small, slow failures

The words ‘Operation Phakisa’ were applied to several aspects of state policy after 2014, including the oceans economy, mining, education, technology and health care. These Phakisa strategies are meant to support the government’s NDP, specifically to ameliorate poverty, inequality and unemployment by accelerating policy implementation, setting clear

8 Bruce, ‘Phakisa floats hope for shipyards’.
targets and emphasising monitoring and evaluation. On paper, the scale and potential of the projects are impressive, but as is the case with so many of South Africa’s hastily assembled mega projects, the underlying imperatives are bedevilled by capital’s overaccumulation crisis and accelerating climate change. These are becoming increasingly debilitating, with centrifugal, deglobalising forces bedevilling the world economy and especially BRICS (Bond 2017), leaving Phakisa vulnerable to a series of slow, small failures.

As it became evident that Phakisa would not deliver any real results in a big or fast way, environmental affairs minister Edna Molewa became defensive: ‘Contrary to recent media reports questioning our progress, we continue to register notable successes.’ Yet the first-year investment flows she referenced are woefully insufficient to meet the R180 billion target by 2030 or projected production of 370 000 barrels of oil per day (Zuma 2015). At the time of writing, the oil price was trading around US$50 for a barrel of Brent crude, just over half of the US$70 considered economic for existing projects by Goldman Sachs (Masie 2015).

As for assessment of the impact on climate change and the environment, Zuma bragged in his 2015 report on Phakisa, ‘With regard to legislative reform, the Environmental Impact Assessment (EIA) and Biodiversity Regulations have been amended. A Basic assessment is now required instead of a full environmental impact assessment. This will certainly reduce the timeframes tremendously and ensure faster implementation’ (Zuma 2015). The kinds of EIA delays witnessed by Transnet in expanding its Durban harbour operations when the South Durban Community Environmental Alliance (SDCEA) complained of various ecological attacks, from sandbank destruction to climate change,11 would no longer merit official state attention (Bond 2014). Moreover, probable diplomatic conflicts – such as South Africa’s desire for an expanded continental shelf (by five per cent) – have been neglected (van Wyk 2015). Instead, the higher priority appears to be facilitating incentives for international investors.

GDP evangelism and commodification

Finally, South Africa’s economic slowdown coupled with capital flight and pressures from the country’s neopatrimonial, rent-seeking patronage networks are contributing factors to Phakisa’s haphazard, frenetic planning. The merits of a GDP growth-driven, mega-project promotion are dubious. GDP attempts to compress the immensity of the national economy into a single data point of surpassing density. As Jon Gertner remarks, GDP ‘has skewed global political objectives towards the single-minded pursuit of economic growth’.12 In Africa, Morten Jerven (2015: 56) points out that comparative GDP estimates ‘tell us nothing about the relative distribution of wealth within each economy. The pitfalls of using these variables alone, without any information to contextualise the data, become clear’ (see also Fioramonti 2013; Sen 2007; Stiglitz, Sen & Fitoussi 2010).

---

10 E. Molewa, ‘We have the means to solve problems in the oceans economy’, Business Day, 27 November 2015.
GDP-led economic incentives thus perpetuate the drive to bluntly quantify and commodify everything. But what will foil Phakisa as a GDP generator using foreign direct investment (FDI), is that short-term inflows of billions for oil-rig construction are vastly outweighed by natural capital depletion, as well as multinational corporate profits and dividends – a problem already profoundly unsettling to South Africa’s current account balance. That balance turned decisively negative once the largest Johannesburg Stock Exchange firms shifted financial headquarters to London in the early 2000s.

Phakisa ocean valuation methodology within the oft-quoted report by Nelson Mandela Metropolitan University (NMMU) marine economists calculates only the positive contribution of the oceans economy to ‘ecosystem services’ generated through ‘competitive markets’ (Tate et al. 2012: 19). The NMMU study calculates natural capital extraction as having a substantial positive impact upon GDP: ‘value added of natural gas for 2010 was 1,222 kilotons... (R2.012 billion) [and] total production of crude petroleum for 2010 was 1.358 million barrels... (R1.018 billion)’ (Tate et al. 2012: 19).

But the researchers neglected to observe that when non-renewable petroleum, gas and mineral resources are removed (forever), then South Africa’s natural capital shrinks. This wasting away of net natural capital (as part of a measure of overall societal wealth) is a major problem for African economies, eighty-eight per cent of which the World Bank (2014: vii) found suffered a net negative impact from resource extraction. The resulting reinvestment of profits (by multinational corporate extractors) fell far short of the value of the non-renewable resources that left the continent. In contrast, three wealthy resource-intense countries – Australia, Canada and Norway – had positive net wealth effects because the corporations doing the extraction recirculated profits back within the home economies (World Bank 2011).

In South Africa’s case, there was a positive contribution of mineral extraction to GDP, to be sure, but in the last year that the World Bank (2011) broke down the detailed impact on ‘genuine savings’ (wealth that includes natural capital), the impact of coal combustion and export was a negative 6.4 per cent of GDP. This was the single largest debit in their methodology for adjusting GDP so as to find a genuine savings rate, dragging down wealth generation per capita to negative US$245/person/year. In short, the more that is extracted, the poorer South Africa becomes once full ecological costs are accounted for. It is logical to expect the same results once the ocean economy is rigorously understood, since fossil fuel extraction is largely done by foreign-based firms such as ExxonMobil, Shell and Anadarko.

Phakisa does concede that marine protection and governance should be a component of the plan and that degraded marine resources are both socially and economically costly to replace. But it does so by describing such stakeholder frictions as ‘issues that may undermine or subvert lab aspirations’ (The Presidency of South Africa 2014). One methodology does exist (and is ignored by NMMU and the Phakisa planners): the Gaborone Declaration for Sustainability in Africa (2012: 1), whose nine African signatories (including Molewa) committed in May 2012 to ‘integrate the value of natural capital into national accounting and corporate planning and reporting processes, policies, and programmes.’ A government report on subsequent Gaborone Declaration implementation progress reaffirmed: ‘A true understanding of the value of using those resources, including all
externalities, is needed. Methods for recognising the value of natural capital need to be more widely adopted and integrated into national reporting to reduce the reliance on solely GDP figures’ (DEA 2013: 5).

The opposite trend is more obvious: ignoring natural capital accounting and downplaying EIAs. Perhaps most dangerous is the 2014 Infrastructure Development Act which fast-tracks mega projects – including the critical energy, port, rail and road projects associated with Phakisa – by setting artificial time limits on environmental considerations. As GDP critic Lorenzo Fioramonti (Interview, Pretoria, 1 March 2016) told us, ‘Operation Phakisa is potentially very dangerous. There may be some small entry points and windows of opportunity to bend it towards radical change, but otherwise it is a powerful move towards broad-based commercialisation through GDP-based industrial expansion policies.’

Phakisa fails to balance social, environmental and democratic values with narrowly calculated economic objectives. The top-down approach places more emphasis upon investment promotion and implementation, leaving public and environmental concerns as perfunctory box-ticking exercises. One problem of balancing the marine-protected areas is their competition with sites of offshore oil and gas exploration. The twenty-one proposed marine-protected areas are under continuous pressure not to overlap the prospecting areas (Miza, Malebu & Sink 2015).

Earthlife Africa (2014) was particularly alarmed about Phakisa’s promotion of oil and gas exploration, as this would surely ‘break SA’s carbon budget’ at a time when the country’s emissions rate per person was already forty-three per cent higher than the global average. Earthlife advised that corporations ‘should definitely not be exploring for any new reserves’. Moreover, in the event of an oil spill, hazardous materials are nearly impossible to remove from contaminated water. The South African National Biodiversity Institute revealed the mood of hostility to such concerns in a 2015 Phakisa presentation (Miza, Malebu & Sink 2015): potential conflicts between ‘stakeholders’ (i.e. the citizenry) and offshore leaseholders were detailed as one of the ‘obstacles’.

**From GDP evangelism to FDI evangelism**

Phakisa’s official outreach to international investors took place initially at South Africa House in London in July 2015. At the time, Jo-Ansie van Wyk (2015) expressed concern that mimicking Malaysia’s approach would entrench the increasingly undemocratic nature of development practice in South Africa. Malaysia’s strategy was led by an executive and implemented at breakneck speed. Phakisa’s delivery laboratories were described by Zuma (2014) as intensive work sessions where ‘multiple stakeholders work full-time in one location for about five weeks’. They ‘create transparency and help to remove bottlenecks and resolve the most critical challenges facing a sector’. The delivery lab teams were comprised of ‘180 delegates from national Government departments, provincial Government departments, civil society, private sector, labour and academia’ (Zuma 2014).

This strategy fits within two South African government traditions dating to the mid-1990s: dependency upon elite focus groups and consultants, and the imperative to uncritically attract FDI as a means to its ends. FDI incentives have been skewed, as Zuma (2014) made
clear by amending the Mineral and Petroleum Resources Development Act (MPRDA), the Royalties Act and the Income Tax Act for the purpose of ‘increasing South Africa’s attractiveness as an investment destination for international oil and gas companies’. The involvement of PetroSA in Operation Phakisa is also a worrying element. PetroSA was involved in several large-scale fraud and corruption scandals, and has a US$8 billion strategy for expanding oil refining at the port of Coega.

FDI can be useful for expanding a country’s productive forces but is often economically disadvantageous when corporations (and their northern governments) engage in trade and investment negotiations over taxes, incentives, capital flows, employment conditions and protection of the environment (Jones 2013, 2014). The repeated danger arises of FDI serving as a vehicle to externalise hot money and internalise patronage networks in vulnerable communities, societies and ecologies. As Earthlife Africa (2014) warned,

The national government wants to fast track service delivery and reduce unemployment and poverty through Operation Phakisa. It won’t work. Phakisa has very little to do with poverty alleviation and everything to do with profits for corporates, most likely with the familiar kickbacks for well-connected tenderpreneurs and their political allies.

If profits and dividends are then repatriated to foreign corporate headquarters, the balance of payments falls further into deficit, driving the current account into crisis. That, in turn, requires that state elites attract yet more new FDI or borrow abroad, so as to have hard currency on hand to pay returns on old FDI. And since FDI flows have stagnated (UNCTAD 2016), that puts rising pressure on foreign debt (which exceeded US$150 billion by 2017), and also renews the need for ever more frenetic extraction. All of this generates a desperate sense by policy makers that they should pump even more public subsidies into corporate-friendly infrastructure, which was the objective of the 2017 G20 Compact with Africa.

Ashwin Desai (2015: 24) worries that Phakisa is resonant of similar ‘Faustian pacts’ with multinational capital: ‘government, as the pronouncements of President Zuma and Minister Malusi Gigaba indicate, remains obsessed with driving an economy that always requires one more mega-project [or] mega event to facilitate the Rostowian take-off into the flight path of the Northern economies’. The New York consultancy McKinsey was chosen by the Zuma government to manage Phakisa, but within three years came under attack because of its links to the Guptas. The opposition centre-right Democratic Alliance filed a lawsuit against the consultancy in mid-2017 for fraud, racketeering and collusion as a result of further parastatal kickback allegations drawn from leaks within a damning Gupta-related email cache.

Nevertheless, minister in the presidency, Jeff Radebe, exhibited blind faith in McKinsey’s stewardship of the ‘big fast results’ methodology, hoping to ‘create a conducive enabling environment’ for attracting blue economy FDI: ‘We have a new kind of leadership now and when we, as a government, talk about radical economic transformation, this is what we are talking about. We are not about to watch our wealth be exported.’13 However, exemptions were offered to multinational oil and gas corporations from MPRDA provisions promoting

13 Forde, ‘The treasure beneath our oceans’. 

489
state ownership and beneficiation. Thanks to such small, slow failures, it is logical for progressive social forces across South Africa to mobilise in coming years, demanding that Phakisa be replaced – but by what?

Conclusion: Just transition strategies against blue economy exploitation

The uncritical market-based philosophy that has resulted in ineffective macro-economic policies and Phakisa-style accumulation could instead be replaced by the logic of the just transition: a decisive move away from carbon-intensive ‘development’, but in a manner that takes seriously the need to protect capital’s victims in poor and working-class, female and black, and differently-abled populations from further upheaval. To do so, the prevailing mega-project strategies must have their technological and rhetorical assumptions disrupted, their underlying economic assumptions questioned, environmental risks recalibrated, and leadership displaced by progressive, democratic forces.

However, the task of facilitating a just transition quickly runs up against an even more powerful logic: clientelist politics in the African National Congress’s factional patronage networks. Zuma’s 2016 State of the Nation Address confirmed the South African government’s ongoing desire for ‘big fast results’, no matter the cost. Mounting evidence of small, slow failures confirms that Phakisa suffered excessive hype, a top-down non-consultative process and an extraordinary belief in the wisdom of multinational extractive-industry corporations, despite the vulnerability of the polity and environment to extraction, and despite the dangers to small open economies such as South Africa’s in a turbulent global economy (Zuma 2016).

In short, there is no point in assuming that ideas alone will be persuasive, especially given the Zuma government’s 2014 downgrading of EIAs and fast-tracking of mega projects in the Infrastructure Development Act. Aside from the top-down capitalist and climate crises discussed above, the greatest risk to Operation Phakisa’s proposed port and petrochemical expansions is a still-to-be entrenched form of progressive activism that unites a variety of critics in a coherent, ideologically clear political project: the just transition.

Mark Swilling and colleagues (2016: 12) argue that ‘Although a just transition in South Africa is currently unlikely, the rapid emergence of the renewable energy niche signals what may be possible’. That ‘niche’ is far too limited, mainly because of Pretoria’s tacit approval of Eskom’s fossilfuel addictions, its failure to subsidise solar and wind properly and its failure to deliver a democratised renewables project, ultimately leaving it to wealthier households to go off-grid and insulate themselves from load shedding. This means that merely minor augmentations – not transformations – of South Africa’s unsustainable economic and social ecosystems are under way, not mainly because of pressure from below but through market-based processes. Describing this phenomenon, Jacklyn Cock (2013: 8) observes that a minimalistic just transition ‘emphasises shallow, reformist change with green jobs, social protection, retraining and consultation. The emphasis is defensive and shows a preoccupation with protecting the interest of vulnerable workers’.

In contrast, Cock (2013: 9) argues (and we agree) that a deeper, necessary just transition entails ‘an alternative growth path and new ways of producing and consuming’. The richer
sense of the term ‘just transition’ is also being explored by those with a post-Phakisa perspective on oceans: progressive environmentalists and affected communities (including fisherfolk) who become militant once the opportunities of standard ‘stakeholder participation’ are exhausted. Although they mostly operate in separate silos, the defence of South Africa’s oceans and coastal land will necessarily bring together a wide variety of these forces as logical allies in coming decades.

Meaningful job creation has not yet been scoped out by South Africa’s Million Climate Jobs researchers (Alternative Information and Development Centre 2014), but parallel British campaigners believe that 270 000 annual jobs can be created merely on the electricity-generation work associated with wind, tidal and wave energy (representing more than half of Britain’s post-carbon grid within two decades):

About half of the jobs in offshore wind will be the same as onshore wind – at first mainly in factory jobs. The other half, though, will be in assembling the turbines, taking them out to sea, and putting them in place. There are also more maintenance jobs offshore. Turbines break down more often at sea...a new technology called ‘floating wind’ now makes it possible to go out to depths of 1,000 metres – a turbine rises from a broader platform that is anchored to the ocean floor by cables... (Campaign against Climate Change 2014: 19, 20)

As for communities, consider cases representing alternatives to Phakisa-logic on the Eastern Cape’s Wild Coast and in South Durban. In the former, a campaign has been waged since 2008 by the peasant-dominated Amadiba Crisis Committee (ACC) and allies in the green network Sustaining the Wild Coast, against coastal mineral extraction in Xolobeni (Bennie 2010). In the latter, untrammelled South Durban port and petrochemical expansion has since 2010 threatened intensified displacement and amplified pollution (Bond 2016). The two communities’ successes to date in stalling these coastline projects were in part due to the just transition framing adopted by advanced activists as they withstood extractive and expansion attacks.

Space constraints do not permit a full exploration of how defensive manoeuvres against commodification of the coastline contain within them the seeds of just transition strategies. But the ACC’s desired just transition is articulated in these terms:

Development strategies in keeping with these principles will include the utilisation of the natural beauty of our environment, fertile land and good rainfall, integrating tourism, enhanced agricultural production and the necessary infrastructure including health, education, road access and services. (Amadiba Crisis Committee 2016: 13).

Higher levels of social grants would help, as would decommodified access to clean water, electricity, a clinic, better roads and expanded conservation zoning, including a marine-protected area (Bennie 2010). The MPRDA is one of the terrains of struggle, with the Constitutional Court likely to be asked to rule that the law is unconstitutional due to the inability of a community (with collective tenure rights) to turn down mining licence applications. A victory there would confirm sufficient security to expand alternative
strategies consistent with a just transition to local autonomy, preservation of indigenous values and expansion of ubuntu society–nature values.

A more expansive project is required in the second case, where the SDCEA has made various post-carbon development demands for the South Durban Basin, in opposition to the massive port-petrochemical expansion (Bond 2016; SDCEA 2008, 2011). Defensively, the SDCEA would reverse the liberalised zoning that currently allows freight transport to creep into historic Clairwood, displacing thousands of black households. It would also defend and generate more green space in the toxic-saturated industrial and petrochemical areas. As an antidote to Operation Phakisa, the SDCEA’s (2008: 1) thirty-page Spatial and Development Vision includes demands such as ‘a halt to the privatisation of ocean, Bay and shore resources that belong to all the people of this country’. A lengthy follow-up statement just prior to the SDCEA’s co-hosting of the climate counter-summit to the 2011 UN Conference of the Parties 17 included this language appropriately critical of the state’s pro-shipping agenda: ‘localisation is essential to any serious programme of mitigation and requires that national resources should be focused on supporting people’s capacities to direct local development...we call for people’s energy sovereignty founded on democratic and local control’ (SDCEA 2011: 73).

The struggle against projects such as Oceans Phakisa will not be won by default thanks to conditions of capitalist crisis, or in technicist argumentation or because of activists’ defensive critiques alone. A just transition will occur only with visionary ambition and ideological clarity about what is at stake, forged in ever more intense eco-social struggle, as it becomes clear that carbon-intensive, tinkering-type reforms like Phakisa simply fall flat, and progressive openings necessarily emerge.

References


Interview

Lorenzo Fioramonti, Pretoria, 1 March 2016.
Climate debt, community resistance and conservation alliances against KwaZulu-Natal coal mining at Africa’s oldest nature reserve
in Bettina Engels and Kristina Dietz (Eds) Political and social impacts of climate change in Africa, Frankfurt, Peter Lang Verlag, 2018

Introduction: who owes climate debt and who is a climate creditor?

What liability exists for polluters – and what compensation should be given to victims of climate change, especially in Africa? Although the Global South faces much greater impacts from climate change, at least $200 billion in costs to residents and businesses in Texas and Florida caused by Hurricanes Harvey and Irma in mid-2017 brought the terms ‘Loss and Damage’ into the public eye. The climate debt concept has been controversial, but in 2012 there was finally recognition by the United Nations Framework Convention on Climate Change (UNFCCC) that Loss and Damage require recognition and calculation. The insurance industry has been doing so for many years, but increasingly severe storms and threats from sea-level rise in Miami and surrounding areas mean real estate empires – including Donald Trump’s ‘winter White House’ at Mar-a-Lago – are at risk.

Nowhere is this more important than on the least-insured continent, Africa. Christian Aid (2006) scientists estimated that 182 million Africans were at risk of premature death due to climate change in the 21st century. In 2008, UN Intergovernmental Panel on Climate Change director R.K. Pachauri (2008:17) predicted, “In Africa, crop net revenues could fall by as much as 90% by 2100, with small-scale farmers being the most affected.” A year later, former UN Secretary General Kofi Annan’s Global Humanitarian Forum (2009) calculated that more than 300 000 current deaths per year were already attributable to climate change, mostly in the Global South. Africa was most affected: in 2009, 22 African countries out of 28 across the world were considered at ‘extreme risk’ in the Climate Change Vulnerability Index, whereas the United States was near the bottom of the world rankings of countries at risk even though it was the leading historical per capita contributor to climate change (Agence France Press, 2009). In 2011, the Washington-based Center for Global Development predicted that extreme weather events would affect Djibouti, Kenya, Somalia, Mozambique, Ethiopia, Madagascar, Zambia and Zimbabwe by 2015 (Wheeler 2011: 15). Devastating droughts ranging from Southern Africa up to the Horn occurred in 2011-12 and in some areas (including South Africa’s eastern province of KwaZulu-Natal) (Stolley 2015) a new round persisted from 2014 into 2017, interrupted by extreme flooding.
Projecting the costs of climate change to the continent, African Union (AU) official Abebe Hailegabriel remarked, “Trillions of dollars might not be enough in compensation. Thus, there must be an assessment of the impact before the figure” (Redi 2009). There is also a debt owed to the African diaspora and people of colour because of systematic environmental racism in cities like Houston and Miami, according to Black Lives Matter: “The inequalities that turn an extreme weather event into a disaster or human catastrophe mirror the inequalities that cause the disproportionate loss of black and poor life globally – and the exact systems that Black Lives Matter fights against” (Cullors and Nyeusi 2017).

Meanwhile, world leaders have done very little to advance the climate debt concept since Ethiopian leader Meles Zenawi raised the demand erratically in 2009 during preparations for the Copenhagen summit (McClure 2009). Grassroots articulations of climate debt have long come from African climate justice advocates, e.g. Nigerian activist Nnimmo Bassey (2010) and the general secretary of the PanAfrican Climate Justice Alliance, Mithika Mwenda. The activists demanded that Zenawi – Africa’s main official voice in Copenhagen – maintain his initially strong stance on climate debt. Although Zenawi and the AU did initially make a $67 billion annual demand for compensation, he came under severe pressure. First, French President Nicolas Sarkozy persuaded Zenawi to halve the figure just before Copenhagen, and then the US State Department (according to cables leaked by Chelsea Manning) compelled him to instead sign the Copenhagen Accord in exchange for Washington’s increased financial and military support to his dictatorial regime (Bond 2012a).

In succumbing to Northern pressure, Zenawi was “undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa,” according to Mwenda. “Meles wants to sell out the lives and hopes of Africans for a pittance. Every other African country has committed to policy based on the science” (Reddy, 2009: 1). Mwenda suggested, instead, that the African delegation could have repeated the continent’s walk-out from World Trade Organisation summits in both Seattle in 1999 and Cancun in 2003, when their denial of consent caused both summits to collapse (Bond 2006). This was not unthinkable, for on September 3, 2009, Zenawi had issued a strong threat about the upcoming Copenhagen summit: “If need be we are prepared to walk out of any negotiations that threaten to be another rape of our continent” (Ashine, 2009). And in a UNFCCC meeting the month before in Barcelona, the African delegation followed through with that threat.

Doubts about staying in the UNFCCC in spite of Copenhagen’s shift away from Kyoto’s binding commitments were repeated broken promises of North-South climate financing. In Copenhagen, such financing was meant to have risen to a sustained figure of $100 billion annually. But according to former senior UN officials Anis Chowdhury and Jomo Kwame Sundaram (2017),

As of July 2017, only $10.1 billion has come from 43 governments, including 9 developing countries, mostly for start-up costs. Before Trump was elected, the US had contributed $1 billion. Now that the US has announced its withdrawal from the 2015 climate treaty, the remaining $2 billion will not be forthcoming. Moreover, the $100 billion goal is vague. For example, disputes continue over whether it refers to public funds, or whether leveraged private finance will also count. The OECD projected in
2016 that pledges worldwide would add up to $67 billion yearly by 2020. But such estimates have been inflated by counting commercial loans to buy green technology from developed countries.

Unfortunately, the Northern strategy gained the full support of Africa’s most important negotiator and largest CO2 emitter, South Africa (Bond et al., 2009). Thanks to Pretoria’s 2009 ‘Long-Term Mitigation Scenario’ (Yawitch 2009), South Africa’s own rates of CO2 outputs were anticipated to rise through at least 2030. Only then are absolute emissions declines offered as a scenario. In the meantime, Pretoria has earmarked more than $100 billion for emissions-intensive coal generation plants and coal exports, so its delegation had no intention of challenging the UNFCCC from the standpoint of climate justice.

Back in 2009, with African countries and other poor allies in the G77 relatively weak (in spite of a very strong G77 chief negotiator, Lumumba Di-Aping), the stage was set for the Global North to provide the clearest answer in multilateral climate policy to the question of who would be liable for compensating victims: blunt denial. US State Department climate negotiator Todd Stern insisted: “the sense of guilt or culpability or reparations, I just categorically reject that” (Broder 2009). Stern maintained this stance over the subsequent years, and was successful in forcing it into the 2015 Paris Climate Agreement, which refused to countenance standard ‘polluter pays’ principles. Pretoria diplomat Nozipho Joyce Mxakato-Diseko chaired the G77 in Paris, and although she spoke eloquently about how power relations were “just like apartheid,” South Africa remained part of the bloc – including the US, EU and BRICS – which was pleased to prohibit liability and compensation within the UNFCCC (Bond 2016).

“The red line that US, EU and other developed countries in the Umbrella group, such as Norway have drawn for the developing countries,” according to Nithin Sethi (2015), was insisting “Loss and Damage would find way its way into the core Paris Agreement only if they agree to explicitly saying that compensation and liability issues would never be raised in future.” Just before the 2012 Warsaw UNFCCC summit, Sethi recalled, “A leaked US document at that time showed how it had briefed all its embassies across the world to oppose such an idea from the outset.” In Warsaw, Stern warned in relation to the emerging liability narrative, “I will block this. I will shut this down.” Although watered-down Loss and Damage language survived in the 2012 UNFCCC declaration’s final text, Stern’s ruthless defence of US interests ensured it was tokenistic. As explained by an advisor to small-island nations, Michael Dorsey, “A World Court finding could cause a flurry of exploratory climate lawsuits in various jurisdictions, so the State Department twisted arms, even threatening aid, to prevent island nations like the Republic of Palau from even putting it on the agenda” (Bond 2012b).

Although any such prohibition on seeking climate debt compensation was not contained in the November 2015 draft, the final Paris Climate Agreement a month later has a clause (52, Article 8) specifying that the deal does “not involve or provide a basis for any liability or compensation.” The phrasing is considered by the Global North’s lawyers to be sufficient protection against climate debt claims. As the Pan African Climate Justice Alliance (2015: 45) concluded, “Northern countries have exempted themselves from paying for the effects of climate change to future generations.” (A similar form of liability is also contested by
Northern corporations: climate-related financial loss due to the vast reserves of ‘unburnable carbon’ claimed by fossil fuel corporations, even though if we are to survive, such assets should be entirely devalued, according to Carbon Tracker, a City of London watchdog.

Who are the climate debtors? The main countries emitting greenhouse gases today are China (around 10 Gigatonnes of CO2 equivalents in 2013), the US (5Gt), Europe (3Gt) and India (2Gt), together responsible for 58 percent of world emissions. Taken in absolute terms and using the year 2000 as a (random) starting point, by 2017 six countries owed at least 3 percent of the world total each: the United States (33.4), China (18.1), Japan (4.8), Russia (4.0), South Korea (3.8), Saudi Arabia (3.4) and Canada (3.3). China and India emit in per capita terms at a far lower level than the Northern countries, and their leaders maintain the necessity of an upward trajectory of emissions at least through the 2020s, in order to ‘develop.’

**CO2 emissions (absolute) per annum, 1960-2013**

| Climate Debt as 2017 share of global debt, accumulated by 24 main emitters since 2000 |
|---------------------------------|---------------------------------|
| United States | 33.36% |
| China | 18.07% |
| Japan | 4.80% |
| Russia | 4.02% |
| South Korea | 3.77% |
| Saudi Arabia | 3.41% |
| Canada | 3.30% |
| Australia | 2.97% |
| Germany | 2.64% |
| Qatar | 1.98% |
| Kuwait | 1.68% |
| Iran | 1.59% |

France | 1.30% |
Italy | 1.11% |
United Kingdom | 1.04% |
United Arab Emirates | 1.01% |
Spain | 0.98% |
Malaysia | 0.86% |
Netherlands | 0.79% |
Oman | 0.75% |
Kazakhstan | 0.75% |
Turkey | 0.72% |
Mexico | 0.70% |
South Africa | 0.65% |
Yet recent US and European claims to be reversing their emissions rise rely upon their corporations and consumers outsourcing large amounts of emissions to new production sites mostly in East Asia. According to the Intergovernmental Panel on Climate Change: “A growing share of CO2 emissions from fossil fuel combustion in developing countries is released in the production of goods and services exported, notably from upper-middle-income countries to high-income countries” (Hawkins 2014). The amounts of such net outsourcing to China are vast, having risen from 404 million tons of CO2 in 2000 to 1.561 billion tons in 2012.

Regardless of outsourcing, the richer countries have – by all accounts – failed to cut emissions (or plan to do so) to the extent required. By late 2015, the (voluntary) Intended Nationally Determined Contribution (INDC) statement of the G20 countries confirmed huge shortfalls in emissions cuts. According to the NGO Climate Action Tracker (2015), “None of the G20 INDCs are in line with holding warming below 2°C, or 1.5°C.” The agency rated the following as ‘inadequate’: Argentina, Australia, Canada, Indonesia, Japan, South Korea, Russia, Saudi Arabia, South Africa, and Turkey, with the INDCs of another set – Brazil, China, India, the EU, Mexico and the USA – also “not consistent with limiting warming to below 2°C either, unless other countries make much deeper reductions and comparably greater effort.” In other words, the Global North (including the elites of the poorer G20 countries such as South Africa) are digging themselves further into climate debt.

At the same time, the climate meltdown has been rising as a topic of global awareness, even in the Northern debtor countries subject to a barrage of self-interested climate denialism. In 2017, Pew Global Research (2017) identified 61 percent of those surveyed across the world rating climate change as a ‘major threat,’ substantially higher than 47 percent in 2015 and 51 percent in 2013 (with climate ranking just below terrorism as the world’s greatest concern). Simultaneously, the Northern and Southern elites’ multilateral climate policy was degenerating much further and faster, as were so many other global-scale power relations under conditions of multinational corporate influence, even before Trump’s ascent (Bond 2017). Indeed, Todd Stern was simply responding, as he continually reminded audiences, to the US Republican Party’s veto capacity over any such climate treaty if presented to the Congress, hence driving down ambitions of a comprehensive binding treaty to a mere voluntary agreement.

That veto capacity, in turn, was a function of the exceptional power of the fossil fuel lobby to purchase the service of politicians, who initially denied the existence of climate change and then when that was untenable, denied the role of greenhouse gas emissions in causing it. The primary actors included ExxonMobil, whose scientists knew about catastrophic climate change threats in the late 1970s but which covered up the information and funded denialist propaganda, and two oil tycoon brothers, the Kochs, who built a far-right anti-environmental lobby including the American Legislative Exchange Council (amongst whose 40 members are the carbon-intensive US Steel, General Electric, General Motors, 3M and Phillips Petroleum). The Council’s role under Trump is to remove worker, social and environmental legal protection.
Likewise, ExxonMobil – the world’s fourth largest firm – rose in power in January 2017 when Trump appointed its chief executive Rex Tillerson as US Secretary of State. A contract for a massive $500 billion Siberian oil drill had in 2013 earned Tillerson the Russian ‘Order of Friendship,’ although a year later, the deal was postponed due to sanctions that followed Moscow’s Crimean invasion. The fluidity of anti- and pro-Russian forces within the White House and Congress makes it difficult to predict whether those sanctions will eventually be dropped, but regardless, the Trump White House has a vast network of corporate backers starting with Goldman Sachs bank, whose several former executives in the White House include Treasury Secretary Steve Mnuchin and economic policy head Gary Cohn. (These conditions make ExxonMobil and Goldman Sachs ideal world sanctions targets; Bond 2017.)

Extreme corporate power can also be found in other capitals. To illustrate, another instance of malevolent global climate governance occurred at Copenhagen when Barack Obama met privately with the leaders of Brazil, South Africa, India and China (‘BASIC’), in the process jettisoning the broader UN summit process so as to privately co-sign the Copenhagen Accord (Bond 2012a). An unintentional metaphor was uttered by the then head of the US Senate Foreign Relations Committee, John Kerry (2009): “It’s a powerful signal to see President Obama, Premier Wen, Prime Minister Singh and President Zuma agree on a meeting of the minds. These are the four horsemen (sic) of a climate change solution.”

The BASIC countries, which along with Russia are together better known as the BRICS, are among the world’s most carbon-addicted economies. From these states, large fossil fuel firms have arisen – e.g. respectively, in the BRICS, Brazil’s Petrobras; Russian oil and gas corporations Gazprom and Lukoil; Coal of India, Vedanta and ArcelorMittal; China National Petroleum and Sinopec; and South Africa’s new black-owned firms Oakbay (run by the notorious Gupta family) and Shanduka (founded by leading politician Cyril Ramaphosa), as well as the much larger Anglo American, BHP Billiton, Exxaro and formerly state-owned coal-to-oil firm Sasol (all formerly initiated at the Johannesburg Stock Exchange and subsequently relisted in other stock markets).

BRICS fossil fuel companies have enjoyed outsized influence over public policy, often at the cost of major corruption scandals. The impeachment of Brazilian President Dilma Rousseff in 2016 was due to Petrobras payoffs that motivated corrupt members of Congress to put in her place a more pliable leader, Michel Temer. Vladimir Putin had, after 2003, switched policies from opposing fossil fuel and other corporate oligarchs, to embracing them. Narendra Modi’s crony capitalists have long been notorious allies (Roy 2012), and China’s state-capitalist relationships have hinged on unlimited fossil fuel consumption (Smith 2017).

In South Africa’s case, the government of Jacob Zuma was paralysed in 2015-17 by worsening ‘state capture’ scandals associated with the three Gupta brothers and Zuma’s son Duduzane, including their 2015 acquisition of a major coal supplier to the state electricity company Eskom. This was feasible because that year, the Guptas had arranged that Zuma appoint a mining minister whom they strongly influenced. He was immediately flown to Zurich to put pressure on the chief executive of the world’s largest commodity trader (Glencore’s South African leader Ivan Glasenberg), to sell a subsidiary at a bargain price to Oakbay. Likewise, the president (and potential president after Zuma’s term ends in 2019) Ramaphosa was the former owner of numerous Shanduka coal mines, and was alleged by...
state whistle-blowers to have ignored the need for water licenses in one of the most ecologically-sensitive areas of the country (Bond 2014).

What difference does this make, when calculating which countries are climate debtors? The widespread nature of South African corporate corruption is undeniable, and is repeatedly analysed by PricewaterhouseCoopers (2016) as the world’s most extreme. Pretoria’s UNFCCC stance reflected this power, and it was not surprising that in 2011 a leading climate negotiator (Joanne Yawitch) moved from the government’s delegation to head the National Business Initiative, publicly expressing satisfaction that carbon markets were advanced when South Africa hosted the UNFCCC summit in Durban that year (Bond and Dorsey 2012). Earlier, from the mid-1990s, the first head of the National Energy Regulator of South Africa (Xolani Mkwanazi) had authorised repeated contract approvals of BHP Billiton to receive the world’s cheapest electricity (around $0.01/kilowatt hour) – from coal-fired plants – for up to 5 percent of the entire grid, for the purpose of smelting imported bauxite in to aluminium. Meanwhile poor customers’ electricity bills skyrocketed to levels more than ten times as high, per kWh as BHP Billiton’s. Two other crucial apartheid-era officials (Finance Minister Derek Keys, Eskom’s Treasurer Mick Davis) had also moved seamlessly from public service to the leadership of BHP Billiton (the world’s largest mining house) during the 1990s, after helping the company acquire vast benefits from the state.

In this context of extremely adverse power relations and revolving doors between the state and business in South Africa and indeed across the world, it is insufficient to make idealistic arguments about climate debt. Also required is a convincing prospect of successful social agency, a problem mainly ignored in the academic literature on climate ethics as well as in advocacy for ‘contraction and convergence,’ and in the Berlin NGO GermanWatch (2009) film, The Bill, which is one of the most important tools in climate debt advocacy.

In other words, we must urgently ask, what kind of global eco-social justice movement is most appropriate to conceptualise and implement the Global North’s repayment of the climate debt, not to elites in the Global South who could well abuse such funds, but to the people directly affected? This chapter argues for creative relationships across race, gender, class and geographical terrains that might draw African activists into meaningful movement-building with Global North allies (including those based, like this author, in Johannesburg’s suburbs).

There is one ideal-type potential pilot project in South Africa in which to consider this argument and consider agency, in a rural setting of KwaZulu-Natal Province. The Somkhele and Fuleni residential areas (with 48 000 and 15 000 residents, respectively) and Hluhluwe-iMfolozi nature reserve have witnessed bursts of activism by campaigners against coal mining (EJAtlas 2017). Opponents of the existing Tendele coal mine in Somkhele (which acquired mining rights to 21 000 hectares in the vicinity) and proposed Ibutho coal mine in
Fuleni (which is on hold following widespread protests) include more than a thousand women and men in local villages who have protested coal mining (Berry 2016). They attempt to farm relatively barren land under worsening drought conditions that were devastating in 2014-16, and to live without fear of their houses collapsing due to Tendele blasting.

The Mfolozi Community Environmental Justice Organisation (MCEJO) is their main local representative. As the iMfolozi Communities and Wilderness Alliance, they are joined by committed conservationists aiming to “Save Our iMfolozi Wilderness” (SOiW), led by the Global Environmental Trust. The latter group began mainly by attempting to protect white rhinos and other endangered animals in the continent’s oldest nature reserve, but in the tradition of the founder of the iMfolozi Wilderness Area, Ian Player, the Trust overcame white South African conservationist biases, so as to firmly embrace (not displace) nearby black communities (Barbee and Smith 2014).

The SOiW campaign is supported by highly-respected environmental lawyer Kirsten Youens and by allied NGOs elsewhere in KwaZulu-Natal (especially groundWork) and Johannesburg (Women in Mining). They have been establishing the basis for unity in their joint fight, determining how to scale up the demand to halt coal mining and to reach other sites where decisions are made. These include Johannesburg, when pressuring the coal owners and creditors (e.g. protesting outside a shareholders meeting of Tendele’s owner Petmin in May 2017), and Pretoria, in trying to change national policies and laws related to mining and environment, and to withdraw permission the state gave to Tendele to mine in Somkhele ever closer to the iMfolozi park border.

It is dangerous terrain, Youens (2017) reports: “Lebogang Ngobeni, from the Fuleni Reserve in Kwazulu-Natal, recently received death threats warning that she will be killed for appealing a proposed bridge and road development that will open the area to mining. Other Fuleni activists whose lives have been threatened include Phila Ndimande and Billy Mqondo for leading opposition against a proposed open cast coal mine on the boundary of the Hluhluwe-iMfolozi Park, a sanctuary with the world’s highest concentration of threatened Southern White Rhino.”

To improve their chances of success, it may make sense for a new argument to be deployed: climate debt should be paid to these campaigners in part by “leaving the coal in the hole” (their unifying demand) and in part by compensating the victims of climate change in this area. This could be accomplished both on an individual basis using a so-called “Basic Income Grant” (BIG) and, more urgently, by helping build the movement for environmental justice by strengthening MCEJO.

Before discussing this case, two precedents are first worth our consideration: a BIG in the Namibian town of Otjivero that for several years supplied mainly women-headed households with the equivalent of €8 per person per month (financed by a German solidarity movement), and a campaign in Ecuador to “leave the oil under the soil” in the Yasuni National Park, in the Amazon jungle at the eastern border with Peru. Though ultimately unsuccessful, the Yasuni campaign has positive lessons for the KwaZulu-Natal
activists, once they determine how Global North climate activists might join them in solidarity.

The case for climate debt payments in Namibia and the Amazon, and the saboteurs

Among many shortcomings, the Paris Climate Accord – described as ‘bullshit’ by leading climate scientist James Hansen (Bond 2016) – failed to both cut greenhouse emissions sufficiently, fairly and with accountability, and to acknowledge the ecological debt that those who benefited from such historic emissions owe to those already suffering from climate change. As Rikard Warlenius (2017) confirms, “Current climate agreements do not reflect considerations of justice or historical responsibility. Developed countries have emitted disproportionate amounts of carbon dioxide and the resulting climate change disproportionately affects poor countries.” Nick Meynen (2017) writes, “This historic emissions balance is no longer translated into differentiated responsibilities,” a concept Todd Stern also rejected at the 2011 Durban climate summit (Bond 2016). Paris negotiators essentially cancelled the climate at debt, in spite of Pope Francis’ (2015) Laudato Si appeal that “developed countries ought to help pay this debt by significantly limiting their consumption of non-renewable energy and by assisting poorer countries to support policies and programmes of sustainable development.”

The concept of climate debt first emerged in 1992 at the Earth Summit of the United Nations in Rio de Janeiro of 1992, in an NGO ‘Alternative Treaty’. The Institute of Political Ecology in Santiago, Chile then made the case in relation to the ozone hole, followed by Colombian lawyer José María Borrero with a 1994 book on the topic. Research and advocacy were provided by the Foundation for Research on the Protection of the Environment, and then Jubilee South at its founding Johannesburg conference in 1999. That year, Friends of the Earth International and Christian Aid agreed to campaign against ecological debt default by the Global North, especially in relation to climate damage. In 2000, the concept was defined by the Quito group Acción Ecológica (2000: 1): “ecological debt is the debt accumulated by Northern, industrial countries toward Third World countries on account of resource plundering, environmental damages, and the free occupation of environmental space to deposit wastes, such as greenhouse gases, from the industrial countries.”

Three years later, Barcelona ecological economist Joan Martinez-Alier (2003: 26) calculated ecological debt in many forms: “nutrients in exports including virtual water, the oil and minerals no longer available, the biodiversity destroyed, sulphur dioxide emitted by copper smelters, the mine tailings, the harms to health from flower exports, the pollution of water by mining, the commercial use of information and knowledge on genetic resources, when they have been appropriated gratis (‘biopiracy’), and agricultural genetic resources.” As for the sums of money involved, “although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion... If we take the present human-made emissions of carbon, [this represents] a total annual subsidy of $75 billion is forthcoming from South to North” (Martinez-Alier, 2003: 28). In 2008, a partial ecological debt accounting was published by environmental scientists: $1.8 trillion in concrete damages over several decades (Srinivasan et al. 2008). Co-author Richard Norgaard, ecological economist at the University of California, Berkeley, generated a crucial finding: “At least to some extent, the rich nations
have developed at the expense of the poor, and, in effect, there is a debt to the poor” (The Guardian 2008). The study included factors such as greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, over-fishing, and the conversion of mangrove swamps into shrimp farms.

In 2009, Bolivia’s UN Ambassador Pablo Solon tabled a statement for the UNFCCC:

The climate debt of developed countries must be repaid, and this payment must begin with the outcomes to be agreed in Copenhagen. Developing countries are not seeking economic handouts to solve a problem we did not cause. What we call for is full payment of the debt owed to us by developed countries for threatening the integrity of the Earth’s climate system, for over-consuming a shared resource that belongs fairly and equally to all people, and for maintaining lifestyles that continue to threaten the lives and livelihoods of the poor majority of the planet’s population... Any solution that does not ensure an equitable distribution of the Earth’s limited capacity to absorb greenhouse gases, as well as the costs of mitigating and adapting to climate change, is destined to fail. (Republic of Bolivia, 2009)

Coincidentally, as the climate debt argument became heated in 2009, a solution to a conceptual dilemma was attempted: how to compensate poor people who are the rightful recipients of climate debt repayments. The simplest form of payment distribution appeared in rural Namibia: simply passing along a monthly grant – universal in amount and access, with no means-testing or other qualifications – to each resident of a climate change-affected area via an individual Basic Income payment. According to Der Spiegel correspondent Dialika Krahe, the village of Otjivero was an exceptionally successful pilot for this form of income redistribution, funded at pilot stage by the German Evangelical Lutheran church and some IG Metall metalworker trade unionists (Krahe, 2009: 3-5):

It sounds like a communist utopia, but a basic income program pioneered by German aid workers has helped alleviate poverty in a Namibian village. Crime is down and children can finally attend school. Only the local white farmers are unhappy... Dirk Haarmann and his wife Claudia, both of them economists and theologians from Mettmann in western Germany, were the ones who calculated the basic income for Namibia. And both are convinced that “this is the only way out of poverty... a basic income would achieve what conventional development aid could never do: provide a broad basis for human development, both personal and economic” (Krahe, 2009: 5).

The first priority would be to supply a Basic Income Grant to those who live in areas most adversely affected by droughts, floods or other extreme weather events. Logistically, the use of Post Office Savings Banks or rapidly-introduced Automated Teller Machines would be sensible, although currency distortions, security and other such challenges would differ from place to place. The Namibian case has much to recommend it, in part because it amongst the driest sites in Africa. It was considered a major success, although limited to 2000 recipients for a delimited period (Ferguson 2014). The reasons for Otjivero not moving into permanency and becoming generalised as social policy in Namibia relate, first, to the unwillingness of the neoliberal-nationalist government to support this kind of entitlement, especially if funded from the former colonial power, Germany. Second, a much wider
solidarity movement was not built in Germany or elsewhere, in part because an argument for linking Otjivero payments to Germany’s climate debt was not considered at the time.

The narrowness and truncated character of Otjivero’s Basic Income Grant notwithstanding, this was a timely experiment, because not only were environmental economists and critical ecologists moving the debate forward. In addition, in 2009 the World Development Movement and Jubilee Debt Campaign (2009) produced a major campaign document advocating large-scale resource transfers from North to South. Later that year, Canadian journalist/campaigner Naomi Klein (2009) argued for acknowledging climate debt in a powerful Rolling Stone magazine article, following up in 2014 with an exploration of case studies such as the Northern Cheyenne and Ecuadoran indigenous people’s struggles in her path-breaking book This Changes Everything (Klein 2014).

Klein stressed the vital role of progressive civil society in demanding justice through repayment of climate debt, using as a prime example Acción Ecológica and allies within Ecuador’s Confederation of Indigenous Nationalities. Beginning in 2007, they argued for funding to be paid to the Ecuadoran government in the range of $3.6–5 billion so that $10 billion of oil would be left unexploited (given oil price fluctuations): a down-payment on ecological debt owed by wealthy European countries to Ecuador. Such a payment would allow the government to protect the Amazonian biodiversity hotspot of Yasuní National Park forever, from oil extraction (Martinez 2013). Klein (2014: 353) cites a 2013 research paper co-authored by Acción Ecológica co-founder Esperanza Martínez providing three reasons for the campaign: first, the precedent “that countries should be rewarded for not exploiting their oil”; second, to fund the renewable energy transition and other socio-ecological purposes once funds were “distributed democratically at the local and global levels”; and third, as “payments for the ecological debt from North to South.”

Moreover, Klein (2014: 356) insists, the most vital aspect of “the power of paying our debts” is the potential for empowering climate activists to halt fossil fuel projects, whether in south-eastern Montana or the Ecuadoran Amazon, just two potential pilot sites of ‘Blockadia.’ From her Global North vantage point, Klein (2014: 356) well understood that

the real battle will not be lost or won by us. It will be won or lost by those movements in the Global South that are fighting their own Blockadia-style struggles – demanding their own clean energy revolutions, their own green jobs, their own pools of carbon left in the ground. And they are up against powerful forces within their own countries that insist that it is their ‘turn’ to pollute their way to prosperity and that nothing matters more than economic growth.

The first of three kinds of saboteurs thus emerged: local elites. The highest profile of these was Indian prime minister Modi, who at the UNFCCC Paris summit threatened not to sign on grounds that his 1.3 billion citizens needed to emit their fair share of the earth’s carbon carrying capacity, even though it was no longer available. As seen by Al Gore (2017) in his sequel film to An Inconvenient Truth, the Global North establishment refused to provide sufficient low-cost financing for renewable energy to India, and it was only a promised technology transfer (in which Intellectual Property belonging to the firm Solar City was given
to India free) that ensured the Paris Climate Agreement was signed by Modi. (Gore’s selfinterested claim has been contested, but there is no doubting the argumentative logic.)

Sabotage was more concrete in Ecuador, where the Yasuní anti-oil extraction campaign was formally backed as a state initiative and then, when Northern funding proved insufficient, cancelled in August 2013 by president Rafael Correa. Ruling with an increasingly stern fist from 2005-17, Correa spent much of 2014 putting down a rebellion by local activists trying to resuscitate the project via a popular referendum, which he refused to permit, knowing that he would lose. On two other occasions, he banned Acción Ecológica, although in both cases the group successfully fought back (unlike another Yasuní-supporting NGO with strong ties to California, the Pachamama Foundation, which remained banned). Addressing local elite saboteurs is the responsibility of local activists, but it is vital for international solidarity that their role is understood – and delegitimised (at a time when Correa had a good international reputation for hosting Julian Assange in his London embassy and having defaulted on illegitimate foreign debt he had inherited in 2007).

Given that Modi made a very strong point, regarding the Global Norths’ historic over-use of fossil fuels, the second type of saboteurs are those like Todd Stern and Donald Trump who simply refuse to pay for that abuse: climate debt defaulters (Goodman 2017). One of the most notorious cases is in a region of Ecuador just northwest of the Yasuní National Park, where the US oil firm Texaco (later merged into Chevron) was responsible for $8 billion in environmental and social damage done in a prior round of drilling, according to local courts. Chevron not only won’t pay, it has slapped racketeering suits on the US and Ecuadoran lawyers who had successfully prosecuted the firm in Quito.

The third saboteurs are those who should know better: Northern environmentalists who refuse to reckon with the debt because climate justice is beyond their comprehension. As Klein (2014: 358) put it, “A great many Big Green groups in the United States consider the idea of climate debt to be politically toxic, since, unlike the standard ‘energy security’ and green jobs arguments that present climate action as a race that rich countries can win, it requires emphasizing the importance of international cooperation and solidarity.”

Can that perspective be shifted? In the particular case of Yasuní, the failure of major Northern environmental organisations to offer solidarity was certainly a factor, but the strategy was mainly sabotaged in 2013-14 by a combination of Northern governments’ debt denial, Chinese corporate oil thirst and Ecuadoran elite politics. Together they trumped the global-scale solidaristic social advocacy begun by Acción Ecológica. In the wake of the failure to more firmly establish climate debt, there is, however, a potential follow-up eco-social movement to take forward the main ‘Yasunization’ principles: leaving fossil fuels unextracted, protecting local indigenous people, transferring funds from the Global North to the Global South, and building a mass democratic movement to challenge conventional climate politics. For ‘Yasuní 2.0’ to succeed in coming years under Correa’s successor, Lenin Moreno (who was born in a small town on the eastern end of Yasuní Park), the sabotage of its first manifestation must be understood.

In sum, these appear to be the primary factors:
• Correa mainly attempted elite deal-making with neoliberal regimes in Berlin, Oslo and Rome – which donated only a pittance to Yasuní fund – rather than going to the masses for broad support;
• top-down efforts to woo elites distracted attention from bottom-up mobilisations required to force Northern governments to make grants to Yasuní;
• such grants could have been framed as ‘climate debt downpayments’, aimed not just to leave oil in the soil but also to compensate oil and climate-related burdens in Ecuador from the Andes to the Amazon;
• instead, Correa’s acceptance of climate finance drawn from carbon markets and offset strategies (e.g. Reducing Emissions through Deforestation and forest Degradation, or REDD) for the Yasuní payment mechanism was considered equivalent to ‘privatising the air’ and could not gain the support of the climate justice movement;
• likewise, the UN’s new Green Climate Fund was useless for Yasuní or similar strategies, given its pro-corporate biases (Bracking 2015);
• Latin American societies whose states have Amazonian oil – including shale-rich Venezuela – taught the vital need to make red-green alliances;
• but even at their peak before hydrocarbon prices crashed in 2011-15, elites in such states – Venezuela, Ecuador and Bolivia – were still far too committed to petro-socialism, petro-Keynesianism and petro-indigenism respectively; and
• to illustrate, Correa secretly encouraged Ecuadoran oil companies to prepare Yasuní drilling plans and even negotiated future extraction with Chinese oil companies, and then when faced with an upsurge eco-resistance, became even more authoritarian.

Perhaps the most debilitating factor was that the formulation for paying the climate debt downpayment was top-down, and did not motivate sufficient world solidaristic sentiments. The project itself was sound: funding Ecuador’s general fiscus so as to compensate for oil extraction that would not be undertaken in the world’s most biodiverse hotspot. But the devil was in the details, for by virtue of its top-down strategy, Correa’s campaign was constructed in a manner that allowed wiggle room. The first wiggle was the move from a climate debt downpayment narrative to an offset strategy. The second was a tokenistic payment by some European governments, including one (by Germany) accompanied by demands that Correa use the REDD mechanism to fund Yasuní. Berlin’s Minister for Cooperation Dirk Niebel insisted, “Germany will not contribute to a fund that is based on the philosophy of ‘payment for non-action’,” thus attacking the very foundation of the Yasuní strategy. Responding to intense pressure to assist, he did provide €24 million, but instead of being part of a project to leave the oil under the soil, Niebel countenanced only market-oriented projects. At that point, insufficient funds had been accumulated, so Correa announced the project’s failure in August 2013, and authorised the first phase of oil extraction. Before the Ecuadoran and Chinese firms proceed into Yasuní, a new strategy must avoid these traps, which indeed is the objective of Yasuní 2.0.

To take Otjivero and Yasuní’s best lessons forward and to avoid sabotage may also require finding potential sites where not only can fossil fuels be left unexploited, but also where those fighting extraction – Klein’s Blockadia communities – are in future rewarded for their ‘eco-system services’ to the planet. (The idea of “Payment for Eco-system Services” remains
controversial in general, but in these particular cases merits an open mind.) Favourable publicity and moral support are given to campaigners such as critics of the Dakota Access Pipeline (DAPL) in US First Nations communities and their allies defending against oil spills in North Dakota, or the Ende Gelände activists who bring thousands together to block Germany’s largest coal mine each summer. These courageous activists are deserving of solidarity financing in their fights for justice. To illustrate the stakes, the non-indigenous anti-DAPL activists led by Greenpeace were in 2017 sued for hundreds of millions of dollars in damages to the DAPL by its Energy Transfer Partners, while in Germany, the firm operating the targeted coal mine and power plant (RWE) sued Ende Gelände activists for €2,300-10,000 each if they refused to sign a formal commitment preventing them from protesting (in any form) there again. The initiation of solidarity funds (such as https://www.ende-gelaende.org/en/donations/) for such activists is timely; doing so in the name of climate debt payments would be perfectly appropriate.

Likewise in Norway, one of the world’s major per capita emitters thanks to a lucrative oil industry, the 2017 Lofoten Islands Declaration endorsed by most climate activists insisted on leaving oil underground, starting with richer countries:

It is the urgent responsibility and moral obligation of wealthy fossil fuel producers to lead in putting an end to fossil fuel development and to manage the decline of existing production. We stand in solidarity with, and offer our full support for, the growing wave of impacted communities around the world who are taking action to defend and protect their lives and livelihoods in the face of fossil fuel extraction and climate change. It is a priority to elevate these efforts. Frontline communities are the leaders we must look to as we all work together for a safer future...

Not only are new exploration and new production incompatible with limiting global warming to well below 2°C (and as close to 1.5°C as possible), but many existing projects will need to be phased-out faster than their natural decline. This task should be first addressed by countries, regions, and corporate actors who are best positioned in terms of wealth and capacity to undergo an ambitious just transition away from fossil fuel production. In particular, leadership must come from countries that are high-income, have benefitted from fossil fuel extraction, and that are historically responsible for significant emissions.

The unit of the country is vital for legislative and regulatory purposes, but companies are the critical target for coal-face struggles. A 2015 study by Christophe McGlade and Paul Ekins (2015) published in Nature again made clear that the vast majority of fossil fuels must be left underground so as to avoid the 2 degree increase in temperatures expected to trigger runaway climate change. As The Guardian summarised, “Prospects are bleakest for coal, the most polluting of all fossil fuels. Globally, 82 percent of today’s reserves must be left underground. In major coal producing nations like the US, Australia and Russia, more than 90 percent of coal reserves are unused in meeting the 2C pledge” (Carrington 2015). Moreover, a different kind of climate debt is owed by these firms to their shareholders: “Major fossil fuel companies face the risk that significant parts of their reserves will become worthless, with Anglo American, BHP Billiton and Exxaro owning huge coal reserves.”
Un-sabotaging future Yasuni-Otjivero style pilots: KwaZulu-Natal’s anti-coal activism

These three firms originate in South Africa, a country with per capita income in between Ecuador and Norway but with the world’s highest-ever recorded income inequality (0.77 prior to state redistribution) (World Bank 2014). Here, community and environmental activists have been fighting fossil fuels ranging from fracking shale gas in the western Karoo and KwaZulu-Natal Drakensburg regions, to the world’s worst single point source of greenhouse gas pollution at the Sasol gas-to-oil plant in Secunda (near Johannesburg), to Durban’s offshore oil drilling and petroleum refining (next to Africa’s largest refinery complex), to the coal mines and power plants in South Africa’s north and east provinces.

One particular case witnessing extreme tensions in recent years, including violent physical attacks on anti-coal activists, is the anthracite-rich region of northern KwaZulu-Natal. This site combines the oldest game park in Africa (Hluhluwe-iMfolozi, where the world’s last several dozen white rhinos were saved from extinction by Player during the 1960s), the adjacent communities of indigenous people who were victims of apartheid’s dumpground ‘Bantustan’ policy, households already adversely affected by coal mining at Somkhele, and a variety of local, national and international allies. There are also potentially progressive workers in the coal and smelting industries in nearby Richards Bay, including those at the world’s largest single coal export terminal as well as those who are members of the leftist National Union of Metalworkers of South Africa, who have not yet been formally engaged but for whom a “Million Climate Jobs” campaign is vital for persuasion (AIDC 2017).

The gender aspect of the struggle against coal is especially important in this migrant labour-sending area, as explained by Samantha Hargreaves (2017):
Women carry the burden of the impact of coal extraction, combustion and ultimately climate change. They live in patriarchal communities where they are given primary responsibility for domestic work and care responsibilities. Men in their families and communities benefit from this unpaid labour. But so too do the corporates which save costs from the unpaid labour of women and girls. This is part of the logic of a capitalist system that steals and exploits to maximise profit. The South African government also benefits from women’s unpaid labour. Women “fill in” for absent public services related to water, healthcare (including homebased care of HIV positive people), education and general provisions for social security of the young, sick and elderly...

The Somkhele and Fuleni region was declared a disaster area in 2015. The drought is due to the El Niño weather phenomenon which is more severe because of climate change. In the last six months, leading women activists in both these communities have begun to strengthen their organising, using water as the entry point. Their organising addresses the water grabs by Somkhele’s Tendele mine, the deepening drought, water pollution, and very importantly corruption and illegality surrounding water services provided by the local municipalities. They have researched and documented the impacts of these processes on their communities, and on women in particular...

The most serious impact of the [proposed] Ibutho mine will be that the already acute water shortage will get worse. The proposed mine will use at least the equivalent of 56 municipal swimming pools of water a day to operate. Farming has historically been a main source of livelihood to the Fuleni community. The drought has devastated local agriculture and decimated livestock, which is one of the main forms of saving amongst rural peoples. The coal dust from the Tendele mine in Somkhele is, in part, blamed for the erosion of local farming.

Supporting the demand to “leave the coal in the hole” at Somkhele and Fuleni – for a variety of reasons – is a growing solidarity movement ranging from communities facing similar mining threats and environmentalists to Avaaz’s constituency to celebrities. In different ways, all are threatened by coal, and epitomize some combination of creditor and debtor relationship that is presently being worked through. They are in desperate need of an alternative socio-economic and ecological model, one that moves from Not In My Back Yard (NIMBY) to Not On Planet Earth (NOPE) politics. If big-picture advocacy strategies ever emerge from climate debt advocacy, this area serves as a potentially useful methodological guide and even a possible ‘next Yasuní’ pilot to explore appropriate forms of alliance-building and solidaristic support.

Trump’s walk-out from the Paris Climate Agreement in June 2017 is one catalyst from which to proceed, because it raised the question of climate debt faced by the US now that the Paris Climate Agreement protections against such liabilities no longer offer protection to US polluters. One of the most important opportunities to begin this long-overdue debate in the US is the lawsuit filed on behalf of 21 ‘climate kids’ who argue that the US government owes a generational debt, to protect future lives from climate chaos. The same principle can be extended from the terrain of time to that of space: the US owes a climate debt to victims of
Climate change, in places as diverse as post-hurricane Houston and Miami (which are partially being paid with state funding assistance, albeit with unsurprising race and class biases initially taught in 2005 by the Hurricane Katrina clean-up and 2012 by Hurricane Sandy) to Yasuní to northern KwaZulu-Natal.

In a context in which all verities are upended – not only by climate change but by Trump himself – new alliances can be forged. Fresh demands to repay the climate debt have surprising potential. Supporters would logically range from liberals and even neo-liberals – in the ecological modernization tradition – who agree with the ‘polluter pays’ logic, to radicals in the climate movements who argue that such debt repayment is a central component of the broader notion of climate justice. The next challenge, once political strategies are reformulated and once the climate debt is recognised, is how the next effort along these lines can be un-sabotaged. In direct contrast to ways Yasuní suffered from elite takeover, these would be principles required to make climate debt a much more strategically powerful approach using the principles of climate justice:

- reject carbon markets as a payment mechanism;
- before any elite deal-making commences, a mass support movement is needed in the Global North entailing people-people and people-nature solidarity;
- until global balance of forces changes, expect the UN and its programmes to continue providing climate ‘solutions’ that are not useful;
- bottom-up mobilisations can ultimately compel Northern people and then their governments (via corporate taxes) to pay Yasunization grants;
- such grants should be framed as ‘climate debt downpayments’, directed not just to leaving fossil fuels underground, but also to compensating ‘loss & damage’: climate-related financial burdens of local people (e.g. the Basic Income Grant);
- new red-green alliances are vital to ensure not just conservation but also that social goals are met – ideally with community-labour-ecology projects;
- since all elites remain committed to business as usual, red-green alliances would attempt to avoid the South-v-North ideology but instead focus on struggles between Global South and Global North;
- illusions about supposed the merits of BRICS or non-Western corporate extraction should be avoided, as some of the BRICS have a climate debt to their people and especially their regions; and
- Yasuní’s best lessons are bottom-up and solidaristic, whereas sabotage comes top-down in the spirit of atomising capitalism.

The challenge is the identification of follow-up cases. In northern KwaZulu-Natal province in South Africa, one has emerged since 2014, incorporating increasingly militant organising by community activists and conservationists during a period of El Nino drought amplified by climate change. The former have organic eco-feminist orientations, and survived apartheid forced removals as well as patriarchal traditional rule; the latter defend the legacy of Player’s white rhino rescue operation in Africa’s oldest nature reserve, fusing strong consciousness-raising, legal and solidarity-forging capacities.
At the confluence of the Hluhluwe-iMfolozi Wilderness Area, the Somkhele community to the park’s east and the Fuleni community to the south, can be found one of the region’s richest seams of anthracite coal. Much of it is of high quality and used in metallurgical production across the world, but approximately 12 percent is from discard and used for thermal coal combustion in energy generation. Since 2007, a major open-cast mining operation has been operating in Somkhele under the name Tendele, initially owned by the Petmin corporation of Johannesburg but in 2017 transferred to a Johannesburg venture capital firm, Capitalworks Investment Partners, which purchased Petmin outright and delisted it from the local stock market.

Petmin itself was a roller-coaster mining house in terms of share value, like most fossil fuel corporations in an era of commodity ‘super-cycle’ rises and crashes. Petmin’s price on the Johannesburg Stock Exchange fell from a peak of R510/share in 2008 to R150/share in 2009, rose back to R330/share in 2012 and then crashed to as low as R107 in 2016, in spite of huge recent increases in coal output. The secret to a 70 percent production increase in 2015 was Petmin’s discovery of an aquifer in the Somkhele water table at a time of extreme drought, which provided more water with which to wash coal. On BusinessDay TV (BDTV) in March 2016, Petmin official Bradley Doig (BD) remarked,

BD: ... we found a lot of underground water in the vicinity of our mine so we’re in a very fortunate position right now that we have sufficient water available to run all three plants at maximum capacity to the end of this calendar year.

BDTV: Is this something that you should do?
BD: Yes, we believe it’s necessary. The market is there for our product, we have the water available, and obviously we’re still anticipating rainfall … but assuming it does not rain at all, we still have sufficient water for 12 months.

At that point, the price of export coal was recovering from a crash: from a 2008 high of $170/tonne to a 2015 low of $45/tonne, rising to $80/tonne by 2017. But because Petmin’s speculation in Canadian pig iron production ended up as a write-off, it was vulnerable to takeover. In 2016 the parent company recorded only a R11 million profit (less than $850 000) to share, compared to R125 million in 2015. The firm’s main shareholders – Investec, Old Mutual, Barclays Bank, Afena Capital and RECM – ignored a May 2017 activist appeal to halt coal extraction and instead sold Petmin to Capitalworks Investment Partners (Bloomberg 2017), a highly speculative oil/gas/carbon-based investment fund that “seeks to exit its investments within three to five years,” and hence will encourage Tendele mine manager Jarmi Steyn to maximise extraction (50/50 2017).

Opposing Tendele coal mining are community activists in Somkehele as well as an impressive group of professional supporters, along with solidarity activists from other oppressed communities. There is also potential for international awareness that includes celebrity endorsements and a crowd-sourcing strategy. Early on, Tendele’s operators dug out graves of Somkhele residents’ ancestors to access the rich anthracite. In doing so, the firm removed the bones without, as angry residents charge, requiting the long-rested spirits of the dead, in violation of sacred traditional protocol. Hundreds of people removed from their land around Tendele’s Somkhele operations were also abandoned by their local traditional ‘nkosis’ (ethnic chiefs) and elected leaders. Bought-off chiefs and politicians decided to side with the Johannesburg firm, thus permitting the rapid pollution of nearby water, land and air (Bond and ka-Manzi 2015).

In this kind of setting, it is important – though not always obvious – to explicitly draw out the linkss between fossil fuels, climate change (as experienced locally) and the divergent benefits and costs derived from these factors. Tendele’s anthracite production includes
350 000 tonnes of coal from discard used in thermal energy generation. As the firm’s website confirms, “low volatile, high-ash energy coal is exported to various markets around the world and is primarily used in the cement and low-volatile power station markets” (Tendele 2017, Overendstudio 2015). The firm’s so-called “Competent Person’s Report” on Tendele Coal Assets does not mention climate change and the associated write-down of coal assets (Overendstudio 2015).

As a result of ignoring these impacts, rising social unrest has included critique of Tendele’s devastating environmental footprint. In September 2017, for example, the lead anti-coal campaigner of the NGO groundWork, Robby Mokgalaka, told a national television audience in a documentary (50/50 2017), “That ecological debt is not being measured. It’s not being assessed properly.” (Indeed, groundWork has joined two other NGOs – Earthlife Africa and the Centre for Environmental Rights – to forge path-breaking legal challenges to coal-fired power-plants on grounds of climate abuse in Environmental Impact Assessments, so filing climate debt lawsuits is a logical next step to be taken.) One other interviewee, Nelisiwe Mchunu, complained, “now nothing grows because of Tendele Coal Mine.” Mchunu pointed to toxic coal dust from blasting and to the mining company’s diversion of 750 000 litres of water from the iMfolozi River, a feeder stream into which her community has depended for generations. “They have taken our water. We don’t have water to water our crops. We now use bath water to water our crops. We don’t even have streams to fetch water from. The stream has been cordoned off and it now belongs to the mine, and if you dare go in then the police will arrest you” (50/50 2017).

The documentary featured evidence of extreme climate change in the area, as well as adverse local environmental, health, economic and political effects of mining at the Tendele anthracite coal mine. Indeed although further research remains to be pursued in the area, Tendele’s impacts feature strongly amongst the ten typical socio-ecological debts associated with non-renewable resource extraction:

- ecological: degradation and pollution of land, air, water
- socio-psychological: displacement, gendered violence
- labour and health: migrancy, workplace safety, disease
- spiritual/traditional: sacred sites, common spaces
- political (local, national): elite formation, ‘state capture’ of regulators
- geo-political: imperialism and subimperialism
- mal-developmental: ‘Dutch Disease’ economy skew
- financial: Illicit (and Licit) Financial Flows
- ecological-economic: ‘natural capital’ wealth depletion
- climatic: fossil fuel emissions (including for smelting)

Mchunu is part of the Women in Mining (WoMin) network of activists fighting mining houses. In a 2015 statement, “Women Stand their Ground against Big Coal,” the group reflected on links between the local and global:

Climate change impacts are felt most intensively by women because of patriarchal role allocations and unequal control over natural resources in families, communities and economies. Peasant women in Africa will carry the brunt of climate change effects
because of their responsibilities for provisioning between 60-80 percent of food consumed by rural households, the collection of safe drinking water, and the care of sick household members.

“Coal kills. It has destroyed our land, our lives and our community.” These are the words of a woman member of the Somkhele community in KwaZulu-Natal who has endured devastating environmental and social effects of coal mining over the last decade. Just a few miles west, communities in Fuleni are fighting Ibutho Coal, a shadowy firm linked to BHP Billiton and Glencore – the world’s largest mining house and commodity trader – which aims to mine coal on the southern boundary of the iMfolozi Wilderness Area.

Thousands of local residents in Fuleni will be relocated (for the second time in a generation) to make way for the mine in an area already suffering more than a year of deep drought. Thanks to increased burning of coal and other fossil fuels, such conditions are now more commonplace, as climate change takes hold across the world. South Africa is both victim and villain, on a grand scale, and this is just one of many sites where the class, race and gender character of the winners and losers are blatantly obvious. (WoMin 2015)

Although leaving the coal underground is the primary objective of all these activists, there has not yet been a concerted strategy to ‘Yasuníze’ – especially to introduce the climate debt component – the struggle of the Somkhele and Fuleni residents and allied conservationists (especially the Global Environmental Trust that Player’s work inspired). However, if there is such an expansion of the existing critique of socio-environmental justice that can be levelled at Tendele, it will also be vital to link the production of coal – with all the problems it causes – to its consumption. Richards Bay has the world’s largest export coal terminal, with 77 million tonnes sent to India, Pakistan, Japan, Korea, Taiwan, China, Turkey and Europe in 2016 (Asia takes 77 percent and the European Union 12 percent). Allies there who can oppose coal imports from South Africa will logically be sought, and to the extent that a case for targeted climate debt payment can be made, it should rapidly extend to the wide variety of anti-coal struggles being conducted by the Mining Affected Communities United in Action, whose members fight mining houses across a vast arc of coal extraction from KwaZulu-Natal in the east through Mpumalanga and Limpopo provinces. The urgency of their battles cannot be overstated, since they are in the target range for extraction and export of 18 billion tonnes of coal, as a result of proposed new rail and mining infrastructure costing $50 billion. It is the first of the Presidential Infrastructure Coordinating Commission’s Strategic Integrated Projects in the South African National Planning Commission (2011) National Development Plan.

Conclusion: climate debt within KwaZulu-Natal community and conservation campaigns

In the process of debating and potentially implementing a climate debt strategy in South Africa, it will be vital to learn lessons from not only Ecuador but also Namibia. The Yasuni and Otjivero experiences combine, respectively, environmental and social protections through payment of the climate debt:
• Ecological payments to Yasuní-type communities (such as iMfolozi’s defenders) which protect climate-sensitive areas from exploitation or degradation is one way that Southern countries’ governments and directly-affected peoples can justify “leaving the oil under the soil, coal in the hole, tar-sand in the land, and fracking shale gas under the grass” (so long as such payments are not channelled through carbon markets and do not entail carbon offsets representing a “privatisation of the air” strategy).

• Likewise, social payments to Otjivero-type communities featuring direct compensation to climate change victims may be optimal across Africa (e.g. in drought-affected sites such as Fuleni and Somkhele), in the form of universal albeit geographically-specific Basic Income Grant payments – an especially sensible strategy where it can be demonstrated that individual and households benefit with minimal administrative drainage (i.e., ensuring that funds do not leak into undemocratic states, to NGOs or to local elites).

These are the sorts of criteria that can promote Global North financial and political solidarity. However, what is crucial is emphasising the overdue (re)construction a global movement typically known as ‘Climate Justice.’ In South Africa, if this approach is increasingly discussed in Somkhele and Fuleni as well as with iMfolozi’s conservation advocates, the critique of carbon offsets will be important for three reasons:

• past carbon offsetting and emissions trading practices in South Africa have been largely unsatisfactory (Bond et al 2009, Bond 2012a);

• there is a real danger that a currently-proposed national carbon tax will become an offset market (Republic of South Africa National Treasury 2015), and that climate debt payments are deformed into emission markets (either suffering the fate of Yasuní in the formal UN REDD system – or merely becoming a guilt-assuaging technique for individuals who voluntarily offset); and

• South African firms (and individuals in the top fifth of income earners) are typically just as high if not higher carbon emitters than their international counterparts, so climate justice requires that there be, within the geographic South, a distinction between the vast majority of Global South under-emitters and Global North over-emitters, such that the latter also pay their climate debt.

A coherent process of defining climate debt can unfold if solidarity from both local and global climate debtors is based upon common cause with the people (and environment) of sites such as northern KwaZulu-Natal. That level of person-to-person awareness of global-local socio-ecological processes is rare. (A popular 350.org film released in 2017, Thanks for the Rain, does so emotionally, as a poignant friendship emerges between a Norwegian filmmaker and climate-stressed Kenyan peasant, but at the expense of analytical rigour and political coherence.)

To generate that extent of solidarity will require, first, a full-fledged climate justice narrative emerging within the social movements at the grassroots, allowing the many dimensions of the climate debt to be explored in their complexity. In my view, the first stage in this is to
establish a solidarity fund, such as “The Crowd Versus” in the case of campaigning against Ibutho Coal at Fuleni: https://saveourwilderness.org/2016/10/03/grrrowd-becomes-the-crowd-versus/). This particular example taps into the ‘Crowd Versus’ (2016) network’s “crowdfunding platform for legal action against multinationals – and if necessary governments – that make their profits at the expense of people and nature. By collectively raising money for targeted legal action, the crowd can help the individual to withstand their disproportional power.”

The focus on financing lawsuits is one strategy, although it may be far more effective in the early stages to prioritise grassroots movement-building: organisational development, basic office infrastructure and the transport, food, cellphone airtime and other logistical inputs that every activist depends upon to gather support. Such support coming from climate debtor solidarity activists (not off-setters of their own pollution for reasons noted above) would be the basis for equalising the uneven development of financial resources that the global climate justice movement has suffered. The potential therein is enormous – if prerequisite processes unfold so that political clarity is achieved – for Global North climate debtors to pay their debt via movement-building and solidarity. The aim is for Tendele, Ibutho and any other operators in KwaZulu-Natal to be halted in their tracks, by increasingly militant and well-networked ‘Blockadia’ activists and their supporters.

Such a precedent, like the partially-successful Yasuní and Otjivero movements, would inspire further innovative strategies to combine local climate justice with international solidarity. These global-local solidarity strategies have been pioneered before in South Africa, in the victorious fights against apartheid from the 1950s-90s, and against Intellectual Property access barriers to AIDS medicines during the early 2000s (the latter raising life expectancy from 52 in 2004 to 64 a dozen years later as four million HIV+ South Africans gained access to free drugs that were once patented). Such moments of local protest calling forth internationalist anti-corporate activism are the kinds of inspirations that make the quest to pay the climate debt and leave fossil fuels unexploited not just a fantasy, but a strategy whose time has come.

References

50/50 (2017) iMfolozi mine, Johannesburg, 10 September, https://www.youtube.com/watch?v=9jDNROU94M&feature=youtu.be&t=9m25s
Barbee, Jeff and David Smith (2014) Mining poses new threat to world’s greatest rhino sanctuary, The Guardian, 17 July,


Bond, Patrick (2012b) Another ‘Conference of Polluters’ confirms climate catastrophe, Counterpunch, 12 December.


Crowd Versus (2016) Grrrowd becomes the crowd versus, 3 November, https://saveourwilderness.org/2016/10/03/grrrowd-becomes-the-crowd-versus/
GermanWatch (2009) The Bill, Bonn, https://www.youtube.com/watch?v=kI7GI-Ku6d0
Klein, Naomi (2014) This changes everything. Toronto, Knopf.


Climate justice movements need to hit Trump where it hurts most
Entitle blog, 7 July 2017 (Interview by Ethemcan Turhan and Cem İskender Aydın)

Political economist and climate justice expert Patrick Bond comments on the prospects for a progressive anti-capitalist agenda in the face of increasing alt-right populism, xenophobia, climate denialism and economic-political exceptionalism.

So we are back to square one: Trump’s withdrawal from Paris Agreement in early June 2017 has raised – quite understandably – many eyebrows around the world. This anticipated, but not entirely expected, move by the Trump administration calls us to question not only the viability of the Paris Agreement in the medium/long-term or the feasibility of commitments from non-state actors bridging the ambition gap, but also the tactics and strategies of global climate justice movements in the face of increasing alt-right populism, xenophobia, climate denialism and economic-political exceptionalism.

So where do we go next? Or better said, what are the prospects for a progressive anti-capitalist political agenda in a world where even the lowest common denominator like the Paris Agreement can’t hold? Can techno-fixes and allegedly apolitical sustainability governance approaches save capitalism from itself in its new authoritarian, post-truth disguise?

We caught up with Patrick Bond, who is in the advisory board of the ISSC-funded Acknowl-EJ project (Academic-activist co-produced knowledge for environmental justice) during a project meeting in Beirut, Lebanon.

Patrick Bond is professor of political economy at the Wits School of Governance, University of the Witwatersrand. He was formerly associated with the University of KwaZulu-Natal, where he directed the Centre for Civil Society from 2004 to 2016. He held visiting positions in various institutions including Johns Hopkins University and the University of California, Berkeley.


First of all, let’s start with a reality check on the state of play in the sixth month of the Trump administration. What meaning should we make of the situation and what should we expect from the climate justice movement?

Patrick Bond: We are speaking the morning after the Labour Party made surprising progress in the UK. Moreover, Le Pen in France, Wilders in Holland, the Alternative for Germany and other proto-fascist electoral threats anticipated in the past couple of months seem to be contained. In this landscape, Trump has also failed to build a fascist coalition in the way that we worried might emerge. Firstly, he doesn’t have full control of the US state. Secondly, his
core support base on the hard right seems to be both shrinking and ineffectual. Thirdly, corporations are more divided than we thought they would be, although there are some fractions of capital, especially in the real estate and construction, military, fossil fuel and banking sectors, which are anticipating improved profits.

Neoliberal authoritarianism fusing with protectionist and nationalist political undercurrents could still become dominant in the immediate future, but it is less a threat today then I thought it would be. One reason is that dissident groups have developed some surprising capacity to resist Trump on various fronts. We haven’t quite begun that process of generating solidarity in the international level, for example by imposing popular sanctions against Trump and US corporations. I think this is long overdue. The whole world should be doing what we have seen in the BDS (boycott, divestment, sanctions) movement for Palestine’s liberation, which follows South African anti-apartheid activists’ similar successes.

One start was the vigorous protest when Trump visited Belgium, and there will be much more, for example at the anti-G20 protests in Hamburg. Stronger international reactions to Trump’s proto-fascist threat combine with the fact that we are all much more aware that climate change is accelerating. There can hardly be any remaining pretense that the Paris Climate Agreement is a solution.

This raises two fundamental questions for climate justice. First, are we ready now to start coordinating and fighting much harder for the very different values, programmes and direct-action blockades that will be required? Second, are we ready to fight not only Trump’s polluting industries but also the green capitalist threat? Pro-market ideologues tell us that they have the solutions: cheap renewable energy, driverless electric cars, carbon trading, genetically modified climate-resilient crops and nuclear energy. Many of these are false solutions if based on markets and technology, from a climate justice perspective, which takes class analysis seriously.

How do you feel about the short-term future of the Climate Justice movement against a green capitalist takeover?

PB: The forces backing CJ lost ground from the more hopeful 2007-2009 peak period when the Climate Justice Now! movement broke away from the Climate Action Network at the Bali UN climate summit. Diverging and atomistic tendencies in our movements are partly to blame. I think that too much emphasis on localism with autonomist politics is the general dilemma of the left critique of neoliberalism, as witnessed in the Occupy movement’s limitations. I hope we have learned from the reluctance to adopt more democratic yet centralized politics.

It seems to me that the ultimate challenge will be whether climate justice activists will link across scales, establishing more effective national and international networks and avoiding the tendency in which climate justice is used merely as a buzzword. The major dilemma here is cooptation of a radical vision.

For example, Trump’s withdrawal from Paris Agreement means that the call for a popular sanctions campaign by allies like Naomi Klein and Joseph Stiglitz in North America require...
more international solidarity. And yet tellingly, the main statements from the Climate Justice movement organisations – ranging from indigenous rights to the larger environmental NGOs – merely condemned Trump without any strategic way forward.

**Trump recently visited Saudi Arabia and Israel, and he seems to have encouraged an alliance to form against Qatar. Do you think the oil producing countries of the Gulf and beyond will affect the future of climate politics?**

**PB:** Oil has caused so much military and geopolitical conflict that it is easy to predict more chaos and turmoil in the Middle East and other oil-producing regions. But on the other hand, taking a longer-range view into the future, the US doesn’t import substantial oil now, since its fracking industry is up and running. Trump’s paleo-conservative ideology – in which “paleo-” implies a dinosaur age, that is, a tradition of isolationism identified with Ron Paul and Pat Buchanan as well as the ‘alt-right’ gutter press – was justified by his electioneering attempts to criticize the vulnerabilities of over-extended US imperial power.

This ideology seems to have stalled out, although it may be revived by the people around Steve Bannon. Instead, the neo-conservative foreign intervention agenda set by George W. Bush and largely continued by Obama continues apace, with Trump murdering thousands of civilians already in his attempt to crush militant Islam.

But the general trend appears to be a shift in the foreign policy interests of the US. Some of the biggest cracks in this coalition also come from allies like Turkey, Philippines and Pakistan. These departures confirm how difficult it is to keep US empire intact.

**It seems there will be more attention to the rise of China as a leading climate policy maker, bringing together other countries. India and China already pledged to stay in. What does this mean?**

**PB:** It’s not just a matter of climate. I see the emergence of the Brazil-Russia-India-China-South Africa (BRICS) network not as anti-imperialist but as a subimperialist group in accommodating the needs of the US-led empire. Let’s take a few sites of contestation. One would be the International Monetary Fund’s 2015 vote re-allocation, in which four of the BRICS won substantial increases in power – as did Turkey – but South Africa lost 21 percent, and Nigeria and Venezuela lost 41 percent. The BRIC countries stand higher in the IMF, but only by stepping on African and Latin American heads. The same is true in the World Trade Organisation, where BRICS agri-corporations lobbied to end food sovereignty, joining the US and Europe in late 2015 at the Nairobi summit.

Another was the failure to agree on binding emission cuts in the Paris Agreement. This was a break from Kyoto Protocol which was binding. It was a strong objective of Obama’s government and especially his chief climate negotiator Todd Stern to ensure neither common-but-differentiated treatment nor binding emissions cuts would remain after Kyoto. The same goes for climate debt liability, which was specifically prohibited as a strategy for climate victims claiming compensation for loss and damage. These are some of the objectives that Stern regularly reported to Hillary Clinton, which we now know thanks to State Department cables and emails posted at WikiLeaks.
The US sabotaged climate politics by first weakening the Kyoto Protocol with carbon trading at the outset in 1997, then by not ratifying Kyoto, and ultimately in 2009 by setting up this alternative strategy with BRICS in Copenhagen. So the US achieved some clear objectives already, and therefore when Trump pulled out of the Paris Agreement even corporations like Exxon Mobil were not in favor. After all, the Paris Agreement has no accountability mechanism, re-opens the door for carbon trading and prohibits liability lawsuits for loss and damage due to climate change, also known as climate debt.

In contrast, a much stronger climate justice sentiment can be found in the solidarity movement with native American activists fighting the Dakota Access Pipeline, and similar struggles over land and water. But what kinds of strategies link up the dots of resistance? Naomi Klein made a call for people’s sanctions against the US and Nobel economics prize winner Joseph Stiglitz agrees that it makes sense to have a carbon tax against US products, for example. Those are the sorts of things that we need to begin to say to US power-brokers: because of your failure to address climate properly, we are turning now to people’s power. Climate justice movements need to hit Trump where it hurts most, in his and allied corporations’ wallets.

In your book BRICS: An Anticapitalist Critique (Haymarket Books, 2015) you refer to the idea of BRICS from below. Is there a way to do that in an age of Modi, Putin, Zuma, Temer and Xi?

PB: Yes absolutely, because this is not ultimately a network aimed at driving out leaders, even corrupt ones – as in Brazil and South Africa – whose grip on power is weakening. More durably, we see resistance to BRICS in the regions where their extractive industry firms penetrate. A quarter of the 2200 struggles recorded at the Environmental Justice Atlas are against BRICS firms.

For example, one of the largest firms originating in India, Vedanta, is also taking over the assets of Africa’s biggest mining house, Anglo American. Russians are particularly anxious to spread nuclear power. A South African firm, Sasol, is moving into China with oil-from-gas and oil-from-coal investments. Chinese capital looted Zimbabwe’s diamonds, with even Robert Mugabe admitting last year that $13 billion of $15 billion worth of the stones are unaccounted for.

There are exploitative BRICS companies in Latin America creating the anti-extractive forces there. Most spectacularly, in the struggle to conserve the Yasuni National Park in Ecuador and to leave the oil in the soil, the enemy is a Chinese company. BRICS from below critiques in these hinterland struggles need to be as tough as struggles against western multinational corporations. One example is a global campaign against Brazil’s Vale, the world’s second largest mining house.

But BRICS often have even weaker systems of accountability. Moreover, the BRICS New Development Bank will soon be ready to step in where even World Bank doesn’t want to engage, such as in nuclear energy lending. Therefore, I believe the conditions are ripe for a systematic critique from bottom up. For example, Turkish anti-coal fired power plant
activists might in future team up with anti-mining activists in South Africa, as these struggles are in essence connected.

Organizations like Global Witness document an increased number of environmental activists killed each year. Very recently, two environmental activists fighting against stone quarries in Turkey were killed in their homes. Similar violence happens regularly against labor movements in extractive industries, such as the Marikana massacre of striking workers in South Africa in 2012.

PB: Neoliberal authoritarianism’s rule means the state often answers the corporation’s request for violence against critics, as we saw in the case of the Marikana platinum mine massacre, where 34 miners were killed within an hour. The man who is now the deputy president in South Africa was also the main local shareholder in that mine company, Lonmin. The Marikana massacre was an extraordinary moment in South African history, which caused a dramatic decline in the ruling party’s union support, leading to a split.

The workers’ demand for a $1250/month living wage came just as platinum prices began falling. One of the responses to shareholder demands for sustained profits even when commodity prices crash, is more intensive exploitation. When profits are harder to earn due to lower prices, one response is cutting costs: less environmental protection and social investment in the surrounding communities, and refusal to pay a living wage and ensure occupational safety and health standards. Violent corporate and state responses to resistance can be traced to places where companies have decided to respond to falling prices by increasing the volume of output.

What are the potentials for environmental justice struggles in different spaces and at different scales to respond this worsening uneven development?

PB: Struggles limited to local demands without international solidarity are sometimes coopted, so linking as much as possible makes sense, and climate is one vehicle for this. Naomi Klein argues in her book This Changes Everything that we need to not only strengthen the defensive capacity of local movements for water, land and air, but also talk about a just transition to a different mode of production. Linking labor movements to these struggles will be essential.

Climate crisis can help us rethink how we produce not just energy and transport but also urbanization patterns, agriculture, and our inherited production, consumption and disposal systems. Global western middle class norms need to be questioned. These make up a huge political agenda that might be called the eco-socialist strategy. And that will require local, autonomous politics to gain sufficient confidence, to make macro structural demands.

The main fear I have is that the world’s youth have been slow in developing a healthy dose of anger and rage. People like me over 50 years of age have abused our right to the environmental commons. Our greenhouse gas consumption has reduced the capacity of future generations to use fossil fuels. So I hope youth get into climate justice politics including direct action, but with more anger and then strategic vision about the larger socio-economic structures.
Related to this, what potentials and pitfalls with new left wing wave of parties – from Latin America to Southern Europe – do you see? Can we get past talk left, walk right?

PB: The Syriza experience did not ultimately challenge the predatory financial system and there are disappointments with the Pink Tide in Latin America partly on grounds of the new ruling parties’ addiction to fossil fuel. After all, Chavez was petro-socialist, Morales petro-indigenous and Correa petro-Keynesian, with all sorts of ‘resource curses’ resulting from over-reliance on global markets.

If the oil price had stayed high instead of falling to as low as $26/barrel last year, Maduro might have prevented some of the social unrest, but by becoming so dependent on oil extraction and not reinvesting the surplus to diversify, the lesson Venezuela teaches is that we definitely need to take state power but then question the underlying system of capital accumulation. The same is true for South Africa’s rulers, who were assimilated into what is now termed ‘White Monopoly Capital’ instead of fighting it.

If the British example is anything to go by, it is not simply Corbyn’s popularity thanks to his return to social democratic promises that gave hope, as did Bernie Sanders’ U.S. presidential campaign last year. Also, they have an interesting strategy called ‘One Million Climate Jobs’. If the new wave of support for Corbyn can be translated into anything concrete, I hope it’ll be in this direction, so that when Labour does win back state power, the spirit will be eco-socialist not the neo-liberalism of Blair.
1. The G20 will take place soon in Hamburg. In your opinion, what will be the strategic issues of this meeting?

There are three areas of extreme danger that we would expect the G20 to address, if they are indeed claiming to be the world’s elite managers of human welfare: geopolitics, economics and environment. They won’t solve the crises brewing in these areas, naturally – because they remain constipated as a group of leaders, lacking the needed tools and ideology to successfully confront and defeat these extreme threats.

Politically, the most complicated armed conflicts are in Syria and the Middle East, with renewed US-Iranian tensions and heightened war in Afghanistan coming; in Ukraine and Poland where Nato over-reached; in Kashmir between India and Pakistan; and in the Korean Peninsula and South China Sea, both involving Pentagon blustering. The G20 contains most of the major state players needed to address these conflicts, but it is abundantly evident that the most unpredictable, dangerous leader, Donald Trump, does not have the attention span to do anything more than promote a banal self-interest for the US military and corporations.

The major wars and extreme civil conflicts the last two years have been in Syria, Afghanistan, Turkey, Pakistan, Mexico and northern and central Africa. There is a close correlation between such conflicts and low levels of ‘well-being,’ identified in the annual Global Happiness Index.

Meanwhile, two quite unpredictable processes are in play, centering on Russian and Chinese relations with Washington. First, in Russia, Vladimir Putin was accused by the defeated candidate Hillary Clinton and the US Central Intelligence Agency of assisting Trump to win the November 2016 election, in the hacking and leaking of her and allies’ internal emails. This has not been proven, though the main US media have come to premature conclusions about the allegations in a burst of Moscowphobia unprecedented in at least three decades. As for the WikiLeaks revelations, Julian Assange denied he had direct access to leaked emails from any Russian source. But given Putin’s hatred of the US State Department following its $5 billion putsch in the Ukraine in early 2014 which led to the Crimea invasion, he obviously favoured the election of Trump and had the spy-craft capacity to make an intervention. Trump’s Secretary of State is the pro-Russian oil tycoon, ExxonMobil chief executive Rex Tillerson. But the intense backlash by the Washington establishment seems to have changed the new administration’s power relations decisively, leaving anti-Russians in the National Security Council leadership. But the zig-zags, the confirmation of Deep State power over Trump, and dangers to his survival as President, are together revealing, and dizzying.

The same is true for China, where relations with Washington worsened in the months before and weeks following last November’s election, but with rapprochement in the air. The South China Sea a site of conflict since 2011 given Obama’s “pivot to Asia,” entailing transfer of nearly two-thirds of US naval forces to the Pacific by 2020 and more than 400
American military bases encircling China. In the short term, the conflict with North Korea may overshadow Trump’s concern that trade competition – specifically subsidised Chinese exports and currency devaluation, as well as alleged Chinese commercial computer hacking – is to blame for US deindustrialisation. He backed off on all these charges once Xi visited Trump and made clear to him the Korean sensitivities, and perhaps coincidentally once Ivanka Trump simultaneously won long-delayed trademark permissions. Perhaps the Global Times, a Chinese state mouthpiece, put it best last December, describing Trump as having “no knowledge of what he’s talking about. He has overestimated the US capability of dominating the world and fails to understand the limitation of US powers in the current era.”

Economic crisis (mis)management

As a result, if the Tory government wins re-election in Britain, the dominant G20 alignment appears to be the combination of far-right socio-cultural politics with mega-corporate interests. It became clear immediately after the Trump election in Wall Street’s surge that investors expect military, financial and fossil fuel industry stocks to prosper far more than any others, as the Dow Jones index hit a new record. Trump promises to lower corporate taxes from 35 to 15% and rapidly inject a trillion dollars into what might be called ‘dirty Keynesian’ infrastructure – carbon-intensive airports, roads and bridges – thus heralding a new boom in US state debt. Along with the Federal Reserve’s December 2016 rise in interest rates and the 12% rise in Wall Street prices from November 2016-April 2017, this in turn will draw more of the world’s liquid capital into the US economy, similar to the 2008-09 and post-2013 shifts of funds that debilitated all the emerging market currencies aside from the Chinese yuan.

Given that such economic volatility remains a major threat across the world, we can expect even more extreme uneven development, unprecedented income inequality, excessive financialisation and overproduction. The resulting ‘sectoral stagnation’ is “the defining economic challenge for macroeconomic policy over the next decade,” according to former US Treasury Secretary Lawrence Summers. Although himself discredited – as the main official responsible for the most dangerous financial deregulation (the 1999-2000 ending of the division between investment banking and commercial banking) – Summers now diagnoses a serious deficiency in global economic management, including the G20.

In spite of these dangers, the G20 global economic managers appear incapable of taking decisive action. Various attempts to restore business confidence in most parts of the world appear to be failing. Multilateral institutions lack legitimacy and power. In addition, various kinds of class struggles are breaking out across the globe, revealing very weak redistributive systems. Refugees from poorer regions and war zones are moving at an unprecedented rate to Western borders. As a result, neo-fascist movements have gained strength in the US, UK, France, the Netherlands, Germany and Greece.

This stagnation is evident in what is increasingly being termed ‘degLOBALisation,’ which applies not only to xenophobic attacks on migrants and refugees, but declining international economic interactions. One sign is the convergence between falling corporate profits in the G7 and the Brazil-Russia-India-China-South Africa (BRICS) economies, and as a result, a decline in the importance of Foreign Direct Investment (FDI) in the world economy.
peak year for FDI was 2008 with $1.9 trillion, nearly 3.5% of world GDP. But as the US-catalysed crisis spread across the world, FDI fell to $1.2 trillion and just 1.7% of GDP by 2015. Cross-border financial asset holdings fell from a peak 55% of world GDP in 2008 to just 35% by 2015. Various measures of trade also confirm a decline since 2014.

Last July, the G20 trade ministers diagnosed the root cause of economic malaise at their Shanghai meeting but simply could not solve it: “We recognise that the structural problems, including excess capacity in some industries, exacerbated by a weak global economic recovery and depressed market demand, have caused a negative impact on trade and workers. We recognise that excess capacity in steel and other industries is a global issue which requires collective responses.”

With such high excess capacity at the global scale, China’s moves to cut steel and coal output have been marginal and merely ameliorative, as shown by continuing low prices, invasive exports and the extremely serious threat to entire national steel industries. Protectionism and tariffs are rising on many borders as a result.

At the global scale, this tendency towards capitalist overproduction can be delayed by artificial financial stimulation – but as we’ve seen since 2008, that strategy adds new contradictions. Loose G20 monetary policy encouraged new financial bubbles, without generating genuine sources of wealth. The $15 trillion in ‘Quantitative Easing’ (QE) paper-wealth printed and sent to the world’s largest banks since 2008 only ultimately trickled upwards to the top 0.1% of the richest societies, i.e. to enterprises where speculation has replaced production. The profits were not reinvested but instead plowed into corporate share buy-backs, which mainly benefit top management.

Thanks to the hollowed-out Western economy that resulted from the repeated QE fix in Washington, London, Brussels and Tokyo, financial crisis is again brewing. Perhaps it will be Deutsche Bank or Italian banks that play the same role that Bear Stearns and Lehman Brothers did in 2008, or maybe it will be a spectacular malware virus or another unexpected financial crisis. But regardless, the G20’s strategy then and today is merely the financial band-aiding of a deep-rooted capitalist cancer.

Environmental chaos

Finally, as for the environment, the G20 – especially the US, China, India, Brazil and South Africa – did practically nothing in the critical 2009 (Copenhagen) to 2015 (Paris) climate negotiations. Their main accomplishments, which we know because WikiLeaks-documented State Department emails and cables implicate Hillary Clinton’s staff, were to outlaw the concept of the ‘Climate Debt’ which the G20 economies owe the rest of the world, and to end the Kyoto Protocol’s insistence on legally-binding accountability for emissions reductions.

As a result, the greatest climate scientist, James Hansen, correctly labelled the Paris Climate Agreement “bullshit,” for the present trajectory of warming is anticipated to break 4 degrees above normal by 2100, with inland Africa heating up by 6 to 7 degrees. Not only are humans threatened, but so too is nearly every living species – biodiversity itself – reliant upon water
and a stable eco-system. Trump’s climate denialism is merely the straw that will break the ecological camel’s back. And the areas of the world that contributed least to causing the crisis – small islands, inland Africa, the Himalayas and Andes – will be the ones suffering first and most.

2. Could you explain to us what the “Compact with Africa” is, initiated by the G20? Isn’t it a form of neocolonialism to bleed Africa even more rapidly?

Yes, it’s a return to the re-scrambling of Africa, this time for the benefit of both Western and BRICS corporations. The first codification of this process was in Berlin, when in 1885 the map of Africa was drawn by the then five big colonial powers (Britain, France, Portugal, Belgium and Germany), with no Africans present. No reparations were ever paid for the subsequent looting, not only until independence from the 1950s-90s, but also in the neo-colonial era.

Why do we see a G20-Africa Compact and other gimmicks such as a ‘Marshall Plan’ now? One reason is that the Compact’s architect, German finance minister Wolfgang Schäuble, probably believes he must assist Angela Merkel with this rhetorical device, in order to justify to voters in the coming election how the million African refugees who entered Germany over the last dozen years can be kept at bay in future.

And Schäuble needs an African ally: the South African finance minister Malusi Gigaba. Sadly, South Africa has only the third largest African economy and sixth most populous society – but claims to represent the entire continent, along with continental bodies like the African Union and its New Partnership for Africa’s Development which are allowed to join as observers. In March, the Compact was unveiled at the G20 finance ministers’ Baden-Baden meeting. Côte d’Ivoire, Morocco, Rwanda, Senegal and Tunisia presented evidence there that they are playing by Schäuble’s rules, as has Greece, to the detriment of their societies.

In contrast there is a ‘C20’ group of civil society critics whose critique of the Compact is powerful: “higher costs for the citizens, worse service, secrecy, loss of democratic influence and financial risks for the public... and the multinational corporations involved demand that their profits be repatriated in hard currency – even though the typical services contract entails local-currency expenditures and revenues – and that often raises African foreign debt levels, which are now at all-time highs again in many countries.”

The three largest economies in Africa began experiencing serious debt crises in 2016, including South Africa which got a junk status rating by two major credit-rating agencies in April, Nigeria which fell into a deep recession, and Egypt which required an emergency $12 billion IMF bailout. From 2005-07, Sub-Saharan Africa’s foreign debt had fallen from $240 to $200 billion thanks to G7 and Bretton Woods debt relief.

But largely due to new Chinese lending, the sub-continent’s sovereign debt rose to $350 billion by 2014. The economies suffering with the highest 2015 current account deficits (i.e., combining outflows of legal profits, interest payments and trade deficits) included several that were once celebrated during the ‘Africa Rising’ era: Uganda, Malawi, Tanzania, Angola,
Senegal, Equatorial Guinea, Burkina Faso, Zambia, Mali, Lesotho, Eritrea, Madagascar and Guinea-Bissau.

Worse, while Africa enjoyed world commodity price increases of 380% from 2002-11, these were followed by crashes of more than 50% in 2014-15, to unprofitable levels. As a result, there is a renewed demand from corporations exploiting the extractive industries for state subsidies, including from impoverished African countries. So the new challenge for the G20-Africa Compact represented by Schäuble is that its corporations depend on higher volumes of output – to compensate the lower returns resulting from the lowest prices in a dozen years – so as to cheapen the average extraction cost for minerals and petroleum. That in turn requires more subsidisation of the infrastructure required to get the output of mines and oil wells across vast swathes of unpoliced land, on roads, railroads and bridges or through pipelines, to new ports closer to the markets.

Most of the companies that are risk-averse in Africa are from China. Some are vast, some are relatively unknown. Their 2015-16 capital investments are far lower than in prior years, when Western and South African corporations led the scramble up-continent. The largest recent such investment is not in mining, but in land development near Cairo, by a Chinese developer.

Yet in part because of the extreme profiteering and illicit financial flows that these corporations are used to getting away with in Africa, the states that they loot don’t have enough funding to build the supportive mega-project infrastructure. The investment envisaged in strategies such as the African Development Bank’s 2010 Programme for Infrastructure Development in Africa (PIDA) or 2012 Southern Africa Development Community regional master plan has never materialised.

For example, the most ambitious of the PIDA projects was the Inga Hydropower Project in the Democratic Republic of the Congo, which at $100 billion would be the most expensive development project in history. If taken to fruition, it will produce 43,200 MegaWatts of electricity, more than twice the second largest, China’s Three Gorges Dam. But with commodity prices crashing, even China attempted in mid-2014 – on the eve of Obama’s summit with African leaders in Washington – to get US government co-financing support. The Obama administration regularly rebuffed such approaches, even foolishly attempting to sabotage membership in the Asian Infrastructure Investment Bank so as to keep Beijing at bay. The World Bank withdrew its Inga financing commitment on grounds of the managers’ failure to comply with socio-economic and environmental agreements.

So Inga may always remain a dream to the Western mining houses that have been its most enthusiastic backers, since they want the power to dig and smelt more minerals in central Africa. But the world’s largest, BHP Billiton from Australia, once anticipated a massive aluminium smelter on the shores of the Congo, and then after the 2008 crisis, world overproduction forced it to back out. The next major backer, South African electricity parastatal Eskom, is also unwilling for it now finds itself with a huge surplus of electricity due to the decline in local mining and smelting.
Other huge African infrastructure schemes have been cancelled or are not performing. Chinese projects in particular have been criticised, such as Botswana’s failed coal-fired power-plant and Zambia’s disastrous hydro-electricity expansion which suffered allegedly sub-standard Chinese equipment that excessively reduced the Kariba Dam’s water level. China’s $12 billion port at Bagamoyo, Tanzania — supposedly part of the One Belt One Road network — was just canceled. Other notorious mega-project failures, according to the Wall Street Journal in 2014, include China Railways in Nigeria ($7.5 billion) and Libya ($4.2 billion), Chinese petroleum in Angola ($3.4 billion) and Nigeria ($1.4 billion), and Chinese metal investors in the DRC and Ghana ($3 billion each).

The renewal of the Forum on China-Africa Cooperation in December 2015 did nothing to assuage critics of the type of Chinese investment and credits, and their appropriateness in a post-commodity super-cycle environment. It is also well documented, of course, that infrastructure is weak due in part to corruption by the major construction firms operating in Africa, often financed by both Western and BRICS banks and multilaterals including the World Bank, whose standards on corruption remain as low as ever.

But a more general problem for Western and BRICS corporations is that their ‘Illicit Financial Flows’ from Africa are coming under scrutiny. The recent ‘Panama Papers’ and HSBC leaks revealed a great deal, as have studies of individual firms. The United Nations Economic Commission on Africa in 2013 showed how $319 billion was transferred illicitly from Africa during the commodity super-cycle (from 2001-10), with the most theft in Metals, $84 billion; Oil, $79 billion; Natural gas, $34 billion; Minerals, $33 billion; Petroleum and coal products, $20 billion; Crops, $17 billion; Food products, $17 billion; Machinery, $17 billion; Clothing, $14 billion; and Iron & steel, $13 billion.

During this period, African Foreign Direct Investment fell from its $66 billion peak annual inflow in 2008 to a level of $50 billion by 2015. Still, each year, in addition to illicit financial outflows, there were licit flows in the form of profit and dividend repatriation and debt repayments that created extreme balance of payments deficits in many African countries. These outflows of profits and dividends are the main reason that the ‘current account deficits’ in Africa’s poorest countries soared since 2007.

Can the Compact with Africa incentivise multinational corporate investment merely with state supply-side subsidies? My guess is that it won’t reverse those inherent crisis conditions within global capitalism, in which Africa is looted at the most rapid rate. The conditions for making profits from extraction are more difficult each year, as much more resistance and conflict rise in the main sites of mining and oil drilling.

3. African political elites are often obsolete and corrupt, and obey the neo-liberal roadmap drawn by the likes of Wolfgang Schäuble and Christine Lagarde. Don’t they need to be changed?

Yes, everywhere! Lagarde got quite a taste of that, five years ago. On the last day of December 2011, she had instructed the Nigerian finance minister to remove the internal petrol subsidy that kept fuel relatively cheap for mass consumption, in a country with such
vast oil resources. When the price then doubled, poor and working-class people embarked on a huge protest, and very nearly overthrew Goodluck Jonathan’s regime within weeks.

The year before, two very close friends of the IMF’s were tossed out of power in Tunisia and Egypt after imposing neo-liberal programmes. In mid-2010, the IMF told Tunisian dictator Ben Ali to reduce corporate taxes and raise the Value Added Tax on the society, and a few months later the North African uprising began. In Cairo, Lagarde had to instruct her representative to temporarily start using two foreign words, “social justice,” in IMF reports so as to appease the angry populace, as $32 billion in foreign debt taken out corruptly by Mubarak came due for repayment just weeks after he was removed.

So yes, obsolete economic ideas and personal corruption are closely linked in Africa but especially within the G20 financial establishment. Lagarde herself had a close scrape last year after her conviction for negligence in a €403 million payout to a major Conservative Party contributor, Adidas owner Bernard Tapie, when she was French finance minister. Yet she continues in her present job, even gaining a unanimous re-endorsement on the day of her Paris conviction by IMF directors. There was also the extreme sexual corruption that her predecessor, Dominique Strauss-Kahn, visited upon countless unwilling women, or the blatant financial crimes committed by another former IMF Managing Director, Rodrigo de Rato, for which he was recently convicted in the Madrid courts. Schäuble too was expelled as leader of the German Conservative Party in 2000 for accepting and then publicly denying a cash bribe from notorious arms dealer Karlheinz Schreiber.

There is very uneven resistance to these ghastly Western rulers, sadly. Trump is obviously the most corrupt of all. The G20’s typical patronising remarks about African governance will get no sympathy here. Instead we might want to consider more hopeful ways to describe a ‘regime change’ – one not dreamed up in the US State Department to re-impose neo-liberalism with more credibility, but instead driven organically by African activists.

But I retain great optimism, especially because of the anger rising from the continent’s communities and workplaces. The World Economic Forum’s regular Global Competitiveness Reports poll corporate managers to rate ‘Cooperation in labour-employer relations’ in each country on a scale from ‘generally confrontational’ (1) to ‘generally cooperative’ (7). African countries are by far the most militant of the 138 sites surveyed annually, with 28 African proletariats scoring above the world median of militancy, and just four below. Every year since 2012, South African workers (scoring 2.5 last year) have won the ‘gold medal’ in this global class struggle, if this measure is to be trusted. Other African countries with very militant workforces are Chad (3.5), Tunisia (3.6), Liberia (3.7), Mozambique (3.7), Morocco (3.7), Lesotho (3.7), Ethiopia (3.8), Tanzania (3.8), Algeria (3.8), Burundi (3.8), and Zimbabwe (4.0). These dozen were in the top 30 countries in terms of labour militancy.

The continent’s urban communities are also increasing their protest rates. Sussex University’s Pentagon-funded Armed Conflict Location and Event Data index and the African Development Bank’s African Economic Outlook report have both documented a dramatic rise since 2010. The latter studies, drawing on press reports, find that while changing government was overwhelmingly the main rationale to protest in the 2011-13 period, since
2014 the combination of demands for higher wages and better working conditions, plus better state services, are more prevalent.

And with that in mind, recall what Frantz Fanon himself complained about in his book *Toward the African Revolution*: “For my part the deeper I enter into the cultures and the political circles, the surer I am that the great danger that threatens Africa is the absence of ideology.” Not long after, the revolutionary leader Amilcar Cabral agreed: “The ideological deficiency within the national liberation movements, not to say the total lack of ideology – reflecting as this does an ignorance of the historical reality which these movements claim to transform – makes for one of the greatest weaknesses in our struggle against imperialism, if not the greatest weakness of all.”

If we take these cautions seriously, it is not only the removal of corrupt, unpatriotic regimes that is needed, though that is a pre-condition. What is now urgent to discuss in many settings growing ripe for revolution, is the replacement of venal African comprador relations with neo-colonialism with a programme of popular political empowerment. Otherwise, without structural change based on ideological clarity, the same conditions will generate the same corrupt African compradors. The forces of resistance may be rising fast – labour, community, environmental, women’s, youth, students and other groups angry about the ‘Africa Rising’ nonsense – but they urgently need to discuss how to implement a set of policies that diverge from the Washington Consensus, in advance of democratisation.

That State Department and Bretton Woods Institution narrative – so successful in narrowing African political discourses since the first democratisation wave of the early 1990s – is simple: achieving a free society means imposing ‘free-market’ (pro-corporate) economics. In opposition, an egalitarian economic argument will be increasingly easier to make now that world capitalism and the dynamics of deglobalisation are forcing Africa towards rebalancing. This will ultimately compel discussion of much more courageous economic policies, potentially including:

- in the short term, as currency and debt repayment crises hit, reimposing exchange controls will ensure control of financial flows, quickly followed by lowered interest rates to boost growth, with an audit of ‘Odious Debt’ before any further repayment of scarce hard currency, along with much better management of imports – to serve national interests, not the interests of elite consumers;

- as soon as possible, the adoption of an ecologically sensitive industrial policy aimed at import substitution (making things locally), sectoral re-balancing, meeting social needs and true sustainability;

- once finances are secure, it will be possible to dramatically increase state social spending, paid for by higher corporate taxes, cross-subsidisation and more domestic borrowing (and loose-money ‘Quantitative Easing,’ too, if necessary, so long as it does not become hyper-inflationary);

- the medium- and longer-term economic development strategies will reorient infrastructure to meet unmet basic needs, and the expand, maintain and improve the
energy grid, plus water and sanitation, public transport, clinics, schools, recreational facilities and universal access to the internet; and

- in places like South Africa and Nigeria that have an excess reliance on extraction and burning of fossil fuels, it will be vital to adopt what have been termed ‘Million Climate Jobs’ strategies to generate employment for a genuinely green ‘Just Transition’.

These are the kinds of approaches requiring what the continent’s greatest political economist, Samir Amin, terms ‘delinking.’ He stresses that this is not a formula for autarchy, and certainly would gain nothing from North Korean-type isolation. But it would entail a sensible approach to keeping G20 politicians and corporations as far away as possible.

Even John Maynard Keynes agreed with this strategy. He wrote in 1933: “I sympathise with those who would minimise, rather than with those who would maximise, economic entanglement among nations. Ideas, knowledge, science, hospitality, travel – these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible and, above all, let finance be primarily national.”

Keynes saw the merits of the deglobalisation of capital, alongside the globalisation of people. So should all G20 critics, instead of agreeing with a Compact with Africa that will make everything worse.

4. The riches of the African continent, instead of being an asset, especially for the development of countries, are not they rather a curse? For example, my country of origin Algeria, which has not been able to get out of oil revenue, which is totally dependent on imports, and which has not built a varied economy.

Yes, the dilemma of the Resource Curse is quite obvious if we add a corrective feature to the very flawed Gross Domestic Product (GDP) measure called ‘natural capital accounting.’ GDP only counts extraction of non-renewable resources like oil as a positive ‘credit’ in the accounts, failing to recognise that it is a country’s depleted wealth and should also be considered a ‘debit.’

When we do this, we learn that not only has the oil revenue been wasted, but the historic wealth of Algerians – and likewise of so many other Africans – in the form of environmental assets has also been depleted, never to be recovered. The dinosaurs that gave us fossil fuels won’t come back. The patrimony is gone forever.

The resulting economic argument is that by calculating natural resource depletion associated with extraction, and comparing to reinvestment made by the corporations which do the extraction, the overall impact is net negative for nearly all of Africa. So even though the World Bank has traditionally lined up in favour of extraction, including fossil fuels, several Bank staff in the office called Wealth Accounting and the Valuation of Ecosystem Services annually calculate ‘adjusted net savings’ and the implications should subvert that commitment to extractivism.
For example, the Bank’s 2014 *Little Green Data Book* concedes that “88% of Sub-Saharan African countries were found to be depleting their wealth in 2010,” with a 12% decline in per capita net African wealth that year attributed to the extraction of minerals, energy and forest products (natural capital). With that degree of looting obvious even to an agency committed to further looting, it is long overdue for anti-extraction activists to add an economic logic to their micro-ecological, spiritual, political and social critiques.

In turn, this kind of measurement of the resource curse Africa suffers can assist in one of the de-cursing processes we desperately need to intensify: ecological debt advocacy. There is an urgent need to punish polluters by considering the formal monetary liabilities – or some approximation, since nature is priceless – so that reparations to environment and affected peoples are sufficiently financed, and so in the process an incentive is generated not to pollute in future. This is the central reason to make at least a rough monetary case for ecological debt payments within courts of law.

For example, of Nigeria’s $11.5 billion claim against Shell for a 2011 oil spill, more than half is meant to compensate fisherfolk. The liability owed to silicosis-afflicted mineworker victims of Anglo American and other gold mining houses has begun to reach payment stage. The South African firms Gencor and Cape PLC had to pay $65 million a decade ago to settle asbestos lawsuits after they lost their last appeal in the UK House of Lords. Similar arguments should be made against the MNCs most responsible for what the UN calls loss and damage due to climate change. Ideally, over time, this strategy would develop as ‘fine-and-ban,’ so that as a corporation makes an egregious error, it is fined punitively for the damage done, and then nationalised and sent packing.

To be sure, there is a danger that if ‘fine-and-ban’ is not the local state policy, then natural capital accounting will lead, instead, to a ‘fee’ for pollution, with the damage continuing, alongside ongoing payment. That would logically result from establishment of a formal market in pollution rights, such as the EU’s Emissions Trading Scheme. Serious environmental activists beginning with the Durban Group for Climate Justice in 2004 have firmly rejected these strategies to ‘privatise the air.’ The distinction should thus be clear, between valuing nature for ecological debt payment purposes (a fine and ban) on the one hand, and on the other pricing nature for market-making (a fee). As Vandava Shiva put it in a 2014 South African talk, ‘We should use natural capital as a red light to destruction, not as a green light.’

The ‘red light’ strategy is an example of a potential rapprochement between two different framing strategies, emphasising technicist analysis in the ecological modernisation tradition as well as being useful to anti-extractivist campaigners who want an economic argument against fossil fuel depletion, but one that allows claims by the Global South – such as climate victims in Nigeria, South Africa, Algeria and other fossil fuel sites. The simple standpoint, which has been explored in the Niger Delta and Ecuador’s Yasuni National Park as amongst the world’s cutting-edge struggle sites, is that oil should be left underground, *but the ecological debt that Northerners owe the Global South should be paid*, in a way that strengthens local societies, not comprador elites.
The best model of North-South payment I know of is one set up for a few years in Otjivero, Namibia, in a desertifying zone about an hour east of the capital Windhoek. That region suffered Germany’s genocidal displacements of the Herero people more than a century ago. Partly as a preliminary downpayment on paying the social debt owed, as Germans do to Israel for the Holocaust, some Lutherans and their allies arranged a small monthly payment to each resident of Otjivero.

This sample ‘Basic Income Grant’ trial was successful by all accounts, although it was opposed by governments on grounds that it might raise expectations for more citizenries. But that is exactly the point: we need to identify strategies such as natural capital accounting and payment of ecological debt (especially climate debt) that radically redistribute from rich to poor. Along with South Africa, Namibia is the second most unequal country in the world.

But these ideas are microscopic in impact so far, or even outright failures in implementation, such as the Yasuni case. There, former German development minister Kurt Niebel’s stubborn opposition led the Ecuadoran president Rafael Correa to drop the protection and to authorise Chinese oil drilling. So while logical as sites for advocacy, they may be slow to take root, and so far they have tiny constituencies. Yet there is an undeniable urgency to both halting oil extraction to save the climate, and redistributing the world’s wealth in a manner that the most adversely affected are paid directly, not through corrupted aid mechanisms.

Activists in the high-pollution G20 countries who are looking for strategic ways forward, in addition to blockading coal extraction sites such as Ende Gelände in Germany, might listen to visionary peripheral groups like the eco-feminists of Accion Ecologica based in Quito, or the Womin Women in Mining network based in Johannesburg, for guidance along these lines. A film by the GermanWatch NGO called “The Bill” – available on YouTube – helps the anti-G20 activists to make the case that we must become more creative about these huge debts that we owe. (And I speak as a Global North resident of Johannesburg who has a vast carbon footprint and a desire to help pay activist movements – such as at Yasuni and the Fuleni anti-coal campaign in South Africa – for their inspirational work in leaving fossil fuels underground.)

For Africa and for the entirety of humanity, climate change is the most important issue area for us to all increase awareness and activism. It is a crisis that links the workplace, the energy system, transport, agriculture, urbanisation, our lives as consumers, disposal and financing, so all kinds of activities could be considered climate activism. With a global movement that recognises these opportunities, the G20 might become a site that addressed a global crisis with genuine resolve.

Indeed if the G20 ever deserves to have world leadership, it would be because of the ambition to repeat what was accomplished through global governance back in 1987, a year in which the United Nations issued a genuinely progressive report on sustainable development authored by former Norwegian prime minister Gro Harlem Brundtland’s Commission. At that time, there was a major new global crisis: the expanding hole in the
ozone layer that protects humans from ultraviolet rays. The main cause was the emission of ozone-depleting CFCs through aerosols and refrigeration.

Since the urgency of the situation required a global response, the 1987 Montreal Protocol was supported by even the US Reagan Administration. It committed national states to ensure their corporations (e.g. Dow Chemicals and General Electric) stop producing and emitting CFCs within nine years. The ban worked and the problem is receding.

But this global-governance success story occurred before the era of neo-liberal state capture. Today, to argue for a Montreal Protocol-type ban on greenhouse gas emissions—with binding emissions cuts, accountability and state control of corporate pollution—is practically unthinkable, notwithstanding impending eco-social catastrophe.

What we need to shift power relations and return as soon as possible to a global governance strategy is the amplification of what Naomi Klein calls ‘blockadia.’ In addition, the ‘divest-invest’ movement against fossil fuel companies is having a major impact on shareholder sentiments, as activists insist that the companies devalue their reserves of ‘unburnable carbon.’

The classic example of this sort of battle is the South African anti-apartheid movement, which called for boycott, divestment and sanctions to complement direct activism. The pressure reached the boiling point when in 1985 protest from below rose just as international solidarity tackled firms supporting the Pretoria regime. The resulting financial crisis was only resolved when corporations (owned by white English-speakers) broke relations with the white (Afrikaner) regime and belatedly supported democracy.

5. Your career is very rich, both politically and professionally. You have notably accompanied the political process of the end of Apartheid in South Africa, by being a drafter of many policy documents for the government of President Nelson Mandela, including his first White Paper on Reconstruction and Development. Do you think that South Africa is a model of success for other African countries?

We are, sadly, an anti-model, because Southern Africa is still perhaps the most resource-cursed part of the continent, although West African and North African oil-saturated states are certainly close. Southern Africa regularly scores the worst inequality rates on earth, and this is a function in part of deals made by local elites with foreign corporations.

I saw many of those deals unfold, while writing two major policy documents for Mandela and other policies for ministers when I worked in the first democratic government. I still hope they can all be reviewed and in some cases even reversed, including decisions during the 1990s to:

- repay $25 billion of inherited apartheid-era foreign debt (October 1993)
- give the South Africa Reserve Bank ‘independence’ in the country’s 1993 interim constitution and 1996 final constitution (November 1993)
- borrow $850 million from the International Monetary Fund (IMF) with tough conditions (December 1993)
• reappoint apartheid’s finance minister Derek Keys and South Africa Reserve Bank governor Chris Stals, at the insistence of IMF Managing Director Michel Camdessus (May 1994)
• join the World Trade Organisation on adverse terms as a ‘transitional’ (not ‘developing’) economy (August 1994)
• lower primary corporate taxes from 48 per cent to 29 per cent and maintain countless privileges enjoyed by white people and corporations (1994 – 99)
• privatise parts of the state and demutualise mega-insurance firms (1995 – 99)
• relax the main exchange controls and raise interest rates (March 1995)
• adopt the neo-liberal Growth, Employment and Redistribution (‘Gear’) macroeconomic policy (June 1996)
• approve South Africa’s biggest companies moving their financial headquarters and primary stock market listings to London (1999).

Since 1994, largely as a result of these deals, unemployment soared from 16 to 27%, poverty rose from 45 to 63% and inequality rose from a Gini coefficient of 0.59 to 0.69. Mandela is now regularly described by the younger activist generation – as well as by his ex-wife Winnie – as an economic ‘sell-out.’

It was at the Davos World Economic Forum in 1992 that Mandela agreed to drop his own party’s 1955 Freedom Charter, especially its provisions for nationalisation the mineral wealth, banks and monopoly capital. So at the WEF-Africa 2017 summit held in Durban in May, protests were held by grassroots activists, and a ‘People’s Economic Forum’ counter-summit offered alternatives.

Since Schäuble will be relying upon South Africa’s very controversial finance minister Malusi Gigaba to do his bidding in selling the Compact With Africa to the rest of the continent, we can expect a great deal more vibrant debate in South Africa about the G20, especially the need imperialism has for subimperialist collaboration. For that analysis, a ‘brics-from-below’ network is busy developing subimperialism theory – drawing on the Brazilian Ruy Mauro Marini and City University of New York’s David Harvey – as well as activist sites where subimperial projects are being fought by community, labour, feminist and environmental activists.

In South Africa, this will be aided by the left revival in the unions (the SA Federation of Trade Unions was launched in April), in electoral politics (the Economic Freedom Fighters achieved 8% of the vote in 2016 municipal elections and share power in two of the four biggest cities) and in diverse social movements including the #FeesMustFall student campaign (which won major victories in 2015 including a 0% fee increase and the ‘insourcing’ of low-paid university workers). There was hope that a ‘United Front’ network that emerged in 2014 might pull all such progressive forces into alignment. Unfortunately it relied too much on sponsorship by the huge metalworkers union of 330 000 members – whose powerful, class-conscious leadership led labour’s walk-out from the ANC-aligned COSATU trade union federation in 2013-15. But with internecine battles within the unions occupying the leadership, they did not achieve the promised linkage between a relatively well-paid proletariat and the sub-proletariat which so desperately needs material support and ideological coherence. That linkage probably must happen bottom-up, in town after town,
as the unemployed masses in shack settlements find unity with workers living in townships, perhaps in socio-economic campaigns.

However, the last year has witnessed these left forces distracted, as an extraordinary elite battle rages over control of the state. On the one hand, there is a clique committed to corrupt accumulation opportunities stemming from President Jacob Zuma’s alliance with India’s Gupta brothers, and on the other, a neo-liberal clique that until April was located mainly in the Treasury and now draws strength from the residual power of the major media houses, the highly-unified financial capitalists, diverse liberal institutions including universities, and the centre-right opposition party (Democratic Alliance).

Most progressive activists – aside from a few centre-left NGOs – are uncomfortable with both these cliques, but nevertheless, substantial protests have been held in the major cities calling for Zuma to resign, and even the formerly Zuma-aligned trade unions and SA Communist Party are now calling for him to quit. However, if he does, the most likely inheritor of the presidency is Zuma’s deputy, Cyril Ramaphosa, who is not just distasteful as a leader to many in labour and social movements due to his collaborative role in the Marikana massacre, but who is seen as the candidate of what is termed ‘White Monopoly Capital.’

If as a result, Ramaphosa fails to secure the party’s support, it is likely that Zuma’s ex-wife Nkosazana Dlamini-Zuma – who until this year served a term as the African Union leader – will take over the party in December and if Zuma himself stays in power for his full term, she would inherit the national presidency in mid-2019. The irony is that due to the personalisation of these distracting battles, there is rhetoric about “radical economic transformation” from the Zuma camp yet Gigaba maintains the same neo-liberal policies as his predecessor because underlying power balances have not shifted in the least. And by maintaining the semi-austerity policies the neo-liberals demand, South Africa’s economy will remain stagnant and the populace will grow angrier, as leftist-sounding slogans from Zuma won’t fill their bellies. And that structural inability of capitalism to meet even the most basic needs is why the left revival is necessary here, and indeed everywhere.
Uneven development and resource extractivism in Africa

Introduction

As neoliberal ideology has expanded into environmental management and Africa has suffered as a result. The most serious eco-social contradiction may well be the extraction of non-renewable resources—minerals, oil, gas and old-growth forest resources—at a pace far in excess of returns to source countries, especially in the wake of the catastrophic commodity price crash from 2011-2015. Even during the 2002-2011 commodity super-cycle, extraction left a net negative ‘adjusted net savings’ once natural capital accounting is applied; in other words, countries are demonstrably poorer the more they face resource extraction by multi-national corporations. Most serious of all environmental problems is the extreme vulnerability Africans face due to human induced climate change, with estimates of unnecessary deaths approaching 200 million and large parts of the continent expected to be unliveable by the end of the 21st Century, if not well before. In addition, African climate justice advocates and progressive conservationists have often found themselves confronting the adverse impacts not only of resource ‘extractivism’ and neoliberal socio-economic policies, but also of specific market-environmentalist strategies such as Clean Development Mechanism projects, forest offsets and proposed trading systems for rhinoceros horn and elephant ivory (Bond 2012).

Signs of dissent across Africa are the main hope—far greater than top-down Sustainable Development Goals or the United Nations Paris Agreement on climate—for a dramatic reversal in Africa’s eco-social development prospects. Though there are few ecological economists and political ecologists in Africa doing research and developing a pedagogy at present (aside from the Council for the Development of Social Science Research in Africa and a few non-governmental organisation (NGO) initiatives mainly aimed at resource-related transparency), such intellectual work is urgently needed by grassroots dissidents. The period ahead requires revitalised political economy research, with more sensitivity to gender [Chapter 5], race and identity as central facets of uneven development [Chapters 4 and 15], alongside a critique of capitalism’s widespread environmental damage (Bond 2006).

This chapter will introduce the reader to some of the central problems facing Africa today. The next section gives a brief general background to the political, social and economic situation. This is followed by a more specific account of debates over eco-social development in which ecological economics concepts are usefully invoked.

Background to development in Africa

The conditions for reproduction of daily life, sustainable economic development and ecological conservation in Africa have not improved as a result of the frenetic expansion of global capitalism over the past third of a century. In many ways conditions have worsened. The period has been characterised by the fall, rise and crash of commodity prices; the Soviet
Union’s collapse and hence the 1990s’ dramatic shrinkage of overseas development aid (earlier so closely tied to the Cold War); persistent civil wars and regular cross-border conflicts; structural adjustment austerity imposed by the Bretton Woods Institutions, carried out by dictatorships or at best semi-democratic regimes; the intensification of export-oriented macroeconomic policy; deepening of extractive industry super-exploitation, in which profits are captured by local rentiers and multi-national corporations, both using tax-avoidance techniques known as ‘Illicit Financial Flows’ (IFFs); worsening relative deindustrialisation; AIDS, Ebola and other preventable diseases; and the resulting amplification of various political, economic and ecological injustices.

Simultaneously, though paradoxically, a cacophony of ‘Africa Rising’ rhetoric emerged from business journalists, mainstream think tanks and financial institutions. Some of the rhetoric was based on the post-2000 arrival of new fixed capital investment, including mega-infrastructure projects, emanating from the BRICS (Brazil, Russia, India, China and South Africa) countries. Some was based upon microeconomic innovations, such as cellular telephony ‘leapfrog technology,’ or micro-credit’s role in ‘financial deepening’ (i.e. higher domestic debt loads). Some celebration was justified by the continent’s Gross Domestic Product (GDP) growth rate, which initially appeared relatively unscathed by the 2008-2009 ‘Great Recession’. In 2015 there were also partial celebrations of Millennium Development Goal (MDG) achievements, including nominal declines in the numbers of people suffering ‘poverty’ (depending upon definitions). Minor progress on the social welfare front in some African countries can indeed be traced to slightly more generous public education and health system spending—including free AIDS medicines that before 2000 cost $10,000/year, until desperate health activists compelled change (hence resulting in dramatic African life expectancy increases from the mid-2000s)—as well as cash transfer redistribution schemes. However, while some have ‘developed’, others still suffer dramatic declines in living standards and ecological conditions, for the African continent remains the world’s most extreme site of uneven development.

A period of even more extreme uneven development lies ahead, not least due to the growing contradictions within and between markets, States, societies and the environment. The 2011 peak of world commodity prices followed by crashes of 50 percent or more for many African raw materials by 2016, left most of Africa suffering from global capitalism’s vicissitudes. Symptoms included fast-rising current account deficits and foreign debt. Yet there are many residues of ‘Africa Rising’ rhetoric that remain to be contested.

**African eco-social development, from above**

Overconfidence in a top-down ‘development’ model coincides with pressure on Africa to further extract and export raw materials, tighten State budgets as revenues shrink, and continue financial and trade liberalisation, ultimately emphasising GDP growth above all else. To define development as GDP leaves out factors that are especially vital in Africa: non-renewable resource depletion, the pollution of air and water, loss of farmland and wetlands, unpaid women’s and community work, and family breakdown due to widespread migrant labour systems (Fioramonti 2014).
Technocratic interventions promoting Keynesian and basic-industrial strategies, such as the 1980 Lagos Plan of Action for the Economic Development of Africa and 1989 African Alternative Framework to Structural Adjustment Programmes, were useful as semi-official reform proposals. These were ignored in practice as neoliberalism dominated policy-making, but in any case did not highlight environmental values. As a result, subsequent debate centred on whether the export-oriented, resource-intensive strategy could be improved by new counting techniques, greater transparency, attention to IFFs, and the incorporation of Nature into the market. Advocating the latter, the World Bank (2012:12) argues that: “green growth is about good growth policies—addressing market failures and ‘getting the price right’ by introducing environmental taxation, pricing environmental externalities (such as carbon pricing), creating tradable property rights, and reducing inappropriate subsidies.”

Environmental considerations are apparently a lower priority, however, now that the commodity price super-cycle is definitively over. As a result, foreign investors are more frenetically extracting resources from existing mines, oil fields and plantations across the continent, raising output levels where possible to offset the commodities’ lower profitability. There is limited incentive to reinvest, to engage seriously in Corporate Social Responsibility or environmental protection, or to open new production facilities. Tens of thousands of Africa’s resource-sector workers have lost their jobs in several of the countries most adversely affected. These contradictions may well lead to more social and political explosions.

Debates over Africa’s resource dependency

The most powerful statements concerning uneven eco-social and cultural development in contemporary Africa are from the diaspora’s critical intellectuals and political visionaries (e.g. Ake 2001, Amin 1976, Fanon 1963, Nkrumah 1966, Onimode 1988 and Rodney 1974). Many such works reflected on how Africa’s comprador classes emerged to lubricate transnational corporations’ value transfers to the West. These transfers included not just undercompensated labour values, but also under-priced natural resources, as commodity prices fell steadily after the 1973 oil price spike, through the early 2000s. Moreover, the continent’s residual pre-capitalist patriarchal, ethnicist, xenophobic, homophobic and other oppressive narratives were often amplified during the post-colonial transition (Mama 2002).

Reflecting the lost decades associated with structural adjustment, three International Monetary Fund (IMF) economists (Salinas, Gueye and Korbut 2011:3) recognised the reality of post-colonial economic decline:

The apparent stagnation of Sub-Saharan Africa (SSA) (the poorest region in the world) in an era of freer markets has fuelled strong criticisms against market reforms. Indeed, condemnation of economic liberalization has become part of mainstream development thinking, and several commentators urge SSA countries to accelerate growth by modifying their comparative advantage on natural resources. But does SSA stagnation imply the failure of market reforms and of the natural resource-based model in the region?

Reflecting the dominant discourse, however, they answered firmly in the negative:
SSA countries can grow sustainably without changing their comparative advantage in natural resources. The growth experience of SSA countries that dismantled the Import Substitution Industrialisation model and avoided major political instability provides further evidence that a natural resource-based model can be consistent with sustained economic growth. [emphasis added] (Salinas, Gueye and Korbut 2011:3)

This ideologically-charged claim was made in 2011, at the peak of the commodity price cycle, and entailed a misleading characterisation of high-growth African countries to include those that were recovering (rapidly in GDP terms) from ubiquitous civil wars, while the majority of the continent still suffered (Weeks, 2010). Similarly, a decade earlier, the New Partnership for Africa’s Development (NEPAD) strategy adopted by the African Union also decried historic underdevelopment processes and, as a solution, proposed even more integration into the world economy (Bond 2005). According to standard liberal doctrine, this was meant to be accompanied by democratisation, but in 2016 the African Peer Review Mechanism—a continental agreement promoting freedom and human rights that was meant to undergird NEPAD’s economic strategy—was also at risk of “breathing on life-support in a coma, while effectively brain-dead”, according to one of its main NGO supporters (Fabricius 2016). In other words neither neoliberalism nor its liberal political veil were suitable frameworks to prevent the rise of resource-related super-exploitation during the commodity super-cycle, nor to prevent adverse exposure to global economic volatility and crashing markets in the subsequent period. Moreover, notwithstanding claims to the contrary about a ‘rising middle class’ in Africa, there was a decline in the proportion of Africans spending at least $20/day, from 6.5 to 4.8 percent of the population from 2000-2010 (African Development Bank 2011). Claims made by advocates of the MDGs and Sustainable Development Goals are just as misleading (Amin 2006, The Rules 2015).

The case for export-led growth is further weakened when ecological economists introduce calculations of Africa’s changes in ‘natural capital’, i.e., physical resource endowments. The removal of non-renewable minerals, oil and gas—and the failure to reinvest profits from these resources—leaves Africa far poorer in net terms than anywhere else on Earth. That bias towards non-renewable resource depletion without reinvestment meant the continent’s net wealth fell rapidly after 2001. Even the World Bank (2014:vi) admits that 88 percent of Sub-Saharan African countries suffered net negative wealth accumulation in 2010. (In contrast, what is termed ‘Adjusted Net Savings’ rose in Latin America and East Asia.) Although the end of the commodity super-cycle means a lower rate of value extraction, this should not blind Africans to the dangers of extractivism where transnational corporations primarily benefit, in contrast to Australia, Canada and Norway, whose resource extraction generates profits to home-based corporations, and hence reinvestment.

The failure of the resource-based model is reflected in declining African exports after 2011, a (small) trade deficit, a near doubling of foreign debt from $200 billion in 2005 to $400 billion a decade later, and an annual current account deficit in excess of $50 billion by 2015 (largely driven by the payments account, i.e. export of profits and dividends). Most aspects of the neoliberal model covered below—Foreign Direct Investment (FDI), IFFs and also licit (legal) financial flows, manufacturing deindustrialisation, land grabs, climate change and
militarisation—still prove destructive to any reasonable expectations the African citizenries may have about their eco-social development prospects.

Current assessment of major issues

The situation facing an Africa increasingly dependent upon the world economy after 2000 became dire once the commodity crash gathered pace in 2014. According to the United Nations Conference on Trade and Development (2016), “FDI inflows to Africa fell by 31% in 2015 to an estimated $38 billion, due largely to a decline of FDI in Sub-Saharan Africa”. Subtracting mergers (i.e., not the more desirable ‘greenfield’ investments) from FDI, the 2014-2015 drop was from $50 billion to $18 billion. The most developed economy, South Africa, in 2015 witnessed only $1.5 billion in new FDI, a 74% decline from 2014 levels.

On the other hand, the slowing of FDI inflows mean the extractive industries’ extreme pressures on people and environments will probably slow, although in some cases, corporate desperation will intensify site-specific extractive industry malpractices, more extreme forms of ecological degradation, social depravity and labour exploitation. Traumatic job losses were announced in 2015—with the Anglo American Corporation (the largest on the continent over most of the prior century) revealing it would scale down mining employment by more than half—but on the positive side, that could also mean less financial disinvestment from Africa and hence less pressure on the balance of payments from profit repatriation (as occurred in 2008-2010 when prices and profits were also lower).

However, aside from licit profit outflows facilitated by the relaxation of exchange controls across the continent, there are huge IFFs—thanks to transfer pricing, mis-invoicing and various other tax avoidance gimmicks—which an African Union commission headed by Mbeki recorded at a minimum of $80 billion annually (Mwiti, 2016). Global Financial Integrity (2015:8-9, 23) measured annual average IFFs from 2004-2013 at $21 billion in South Africa alone (rising to $29 billion in 2013) and $18 billion in Nigeria. Sub-Saharan Africa as a whole lost at least 6 percent of GDP annually to IFFs, more than 50 percent higher than the rate for other continents’ poor countries. Out of every dollar in capital flight, 80 percent comes from: metals (26 percent); oil (25 percent); natural gas (11 percent); minerals (10 percent); and petroleum and coal products (6 percent). Specific examples abound:

- In South Africa, Sarah Bracking and Khadija Sharife (2014) reported that De Beers mis-invoiced $2.83 billion of diamonds over six years, while even Zimbabwean President Robert Mugabe claimed $15 billion in missing revenues from diamonds mainly mined by Chinese capital and local military officials from 2008-2015 (Saunders and Nyamunda 2016).

- The Alternative Information and Development Centre (2014) showed that Lonmin’s platinum operations—notorious at Marikana not far from Johannesburg, where the firm arranged a massacre of 34 of its wildcat-striking mineworkers in 2012—has also spirited hundreds of millions of dollars offshore to Bermuda since 2000.
• The Indian mining house Vedanta’s chief executive arrogantly bragged at a Bangalore meeting how in 2006 he spent $25 million to buy Zambia’s Konkola Copper Mines, which is Africa’s largest, and then reaped at least $500 million profits from it annually (Lusaka Times 2014).

Sustained analyses of IFFs at continental scale have been carried out by Leonce Ndikumana, James Boyce and Adeth Ndjiaye (2014), demonstrating how Africa is both more integrated but more marginalised in world trade due to exploitation. There are also policy-oriented NGOs working against IFF across Africa and the South, including several with northern roots like Trust Africa’s ‘Stop the Bleeding’ campaign, Global Financial Integrity, Tax Justice Network, Publish What You Pay, Open Society and Eurodad. Such institutions’ studies of IFFs are a source of economic critique that gives hope to so many who want Africa’s scarce revenues to be recirculated inside poor countries, not siphoned away to offshore financial centres. Nevertheless, the implicit theory of change adopted by the head offices of some such NGOs is dubious to the extent that they argue that because transparency is like a harsh light that can disinfect corruption, their task is mainly a matter of making capitalism cleaner by bringing problems like IFFs to light (a notable exception is the WoMin—African Women Unite Against Destructive Resource Extraction—which explicitly opposes extractive industries from eco-feminist and anti-imperialist standpoints).

Africa’s growing current account deficit requires that State elites attract yet more new FDI or foreign debt, so as to have hard currency on hand to pay back profits and dividends on prior FDI, to overseas Transnational Corporate headquarters. Foreign debt in Sub-Saharan Africa was in the $170-210 billion range during 1995-2005, and was then reduced 10 percent by G7 debt relief in 2006. However, when China stepped in as creditor, it rose to nearly $400 billion by 2015. Neoliberal conditionalities by the IMF never stopped, in spite of successful demands to give more voting power to leaders of the Global South in late 2015: China received a 37 percent greater weight, Brazil 23 percent, India 11 percent and Russia 8 percent. Simultaneously, every African State lost voting power, with six losing more than a quarter, including Nigeria at 41 percent and even BRICS member South Africa lost 21 percent (Bond 2016).

In spite of rising Chinese corporate investment, the single biggest country-based source of FDI in Africa is internal, from the continent’s largest foreign debtor (at nearly $140 billion), South Africa. A dozen companies with Johannesburg Stock Exchange listings draw out profits from the rest of the continent: British American Tobacco, SAB Miller breweries, the MTN and Vodacom cell phone networks, Naspers newspapers, four banks (Standard, Barclays, Nedbank and FirstRand), the Sasol oil company and the local residues of the Anglo American Corporation empire. The main retail chains—such as Walmart-owned Massmart and its affiliates—use the larger market in the south to achieve economies of scale in production that then swamps and destroys Africa’s remaining basic-needs manufacturing sector.

As another reflection of ‘subimperial’ accumulation, South Africa’s MTN cell phone service was reported by the Amabhungane (2015) investigative journalist network to have Mauritian and Dubai financial offices which systematically skim profits for dubious tax-avoidance purposes from high-profit operations (Mauritian company taxes are 3 percent with no capital gains). This was a blatant practice when MTN’s chairperson was Cyril
Ramaphosa, subsequently South Africa’s deputy president from 2014 and the likely president in 2019. In November 2015, MTN was fined $4 billion by Abuja authorities due to its failure to disconnect more than 5 million unregistered Nigerian customers during the State’s crackdown on Boko Haram terrorists’ cell phones. There were few MTN defenders and indeed, as South African corporations advance further in Africa, they carry the baggage of home: when xenophobia broke out in 2015, branch plants of Johannesburg firms became targets of protest by Nigerians, Zimbabweans, Malawians, Mozambicans and Zambians concerned about their relatives’ safety.

Hostility to Johannesburg capital is logical because South African corporate leadership was named the world’s most corrupt by the auditing firm PricewaterhouseCoopers (2016) on two occasions since 2014. That year, 80 percent of managers admitted that they commit economic crimes, making them the “world leaders in money-laundering, bribery and corruption, procurement fraud, asset misappropriation and cyber crime” (Hosken 2014). The profits do not stay in South Africa. Since the early 2000s the current account deficit has soared because nearly all the country’s biggest companies relocated to London, New York or Melbourne, including: Anglo American and its historic partner De Beers, SAB Miller, Investec bank, Old Mutual insurance, Didata IT, Mondi paper, Liberty Life insurance and Gencor (now BHP Billiton). As a result, the South African Reserve Bank (2015: 39) revealed that Johannesburg firms were by 2012-2014 drawing in only 45 percent as much in internationally-sourced profits (dividend receipts) as TNCs were taking out of South Africa.

Is this withdrawal of Africa’s surplus sustainable? In assessing the current direction of African eco-social development, a critical factor is the degree of popular discontent with the status quo. The end of the commodity super-cycle coincided with major public protests across Africa, rising from an index level of 100 in 2000 to nearly 450 in 2011, as measured by Agence France Press and Reuters (AfDB et al 2016). Even after the end of the North African uprising (‘Arab Spring’)—especially in Tunisia, Egypt and Morocco—the index of Africa-wide protests rose still higher, to 520 in 2012 and 550 in 2013. In 2014 the protest rate fell back just slightly (to 540) and in 2015, according to the African Development Bank, there were several reasons for a substantial decline (to an index of 300).

Ebola in West Africa and terrorist attacks in several countries led to reduced tolerance for public demonstrations by authorities. Temporary bans or restrictions were imposed on rallies in Guinea, Liberia and Sierra Leone and in the context of officially declared states of emergency in Chad, Egypt, Mali, Niger and Tunisia. (AfDB et al 2016:118)

A good share of the social turmoil in Africa prior to the 2011 upsurge took place in the vicinity of mines and mineral wealth, as reflected in mappings of ‘Armed Conflict Location Events Data’ (Berman et al 2014) and the Environmental Justice Organisations, Liabilities and Trade (EJOLT) project (http://ejatlas.org). The World Economic Forum (2015) regularly cites African countries as having amongst the most militant workforces, including South Africa as the proletariat least cooperative with employers from 2012-2015.

Future directions
The central question for Africa’s eco-social development in coming years is whether the world economy will continue to stumble—leading to further commodity price deterioration—in part because the Chinese infrastructure boom that required such bountiful raw materials from Africa has come to a grinding halt. If so, while new mining and petroleum projects are likely to be cancelled or postponed, there is a serious threat to the continent, of even more frenetic extraction from existing mines and wells. However, if, partly as a result of State subsidies, a new series of mines and oil rigs are financed, this will probably occur within the Program for Infrastructure Development in Africa (PIDA). The donor-supported, trillion-dollar strategy is mainly aimed at providing new roads, railroads, pipelines and bridges, but they largely emanate from mines, oil/gas rigs and plantations, and are mainly directed towards ports. Electricity generation is already overwhelmingly biased towards projected mining and smelting needs. One route for further indirect financing subsidies to corporations (i.e., loans at preferential rates) is via the BRICS New Development Bank (Bond 2016). The first loan in Africa, made in 2016, is to connect privatised electricity supply from solar plants that the State-owned firm Eskom refused to finance in spite of consistent advocacy by climate activists (and opposition to privatised supply by organised labour). Eskom’s most influential customers are the Energy Intensive Users Group of 33 companies in the carbon-intensive mining and smelting sectors which consume nearly half the country’s electricity, so the benefits of renewable supply are quickly overwhelmed by the extractive character of production.

That the first BRICS loan was ‘green’ in that limited sense would not be typical of a future portfolio anticipated to stress extractive-industry accumulation. Already, as the climate campaigning group 350.org Africa (2014) points out: “South African banks are greenwashing their work while funding Africa’s growing addiction to fossil fuels at the same time, [through financing] massive coal power stations, oil refineries and drilling rigs.” These include Nedbank, Barclays (owner of ABSA) and Standard Bank which together invested more than $1 billion in coal projects from 2005-2013. It is fair to predict that the BRICS bank and PIDA will amplify the problems of resource extractivism, given the prevailing power structure (Bond and Garcia 2015).

The resulting intensification of climate change will affect the most vulnerable Africans in the poorest countries, who are already subject to extreme stress as a result of war-torn socio-economic fabrics in West Africa, the Great Lakes and the Horn of Africa. The Pentagon-funded Strauss Center of the University of Texas (2013) is acutely concerned about the extent to which social unrest will emerge, as a result. There is some potential for African leaders to access the United Nations Green Climate Fund for adaptation funds, though the fund will have nowhere near the $100 billion annually that was promised by USA’s, then Secretary of State, Hillary Clinton in 2009 (Bond 2012). However, hopes that claims for climate-related ‘loss and damage’ could be claimed against those with the highest historic emissions were dashed at the Paris climate summit in 2015 when African leaders agreed to a ‘no liability’ clause insisted on by the USA and Europe. They were also pushed to accept non-binding and non-accountable emissions targets that in any case fall far short of addressing the crisis or reaching the 2°C maximum temperature increase, let alone 1.5°C aspirations (Spash 2016).
Finally, land grabs and militarisation are also threats to eco-social development, most urgently when faced by the African peasantry, especially women, and especially those in areas attractive to foreign investors whether in agri-corporate or extractive sectors (Hargreaves 2014). Already, small farmers are being displaced in sites like Ethiopia and Mozambique as a result of land grabs by Middle Eastern countries and Brazil, India, South Africa and China, a problem likely to be amplified as food shortages worsen (Ferrando 2012). The growing role of the USA military’s Africa Command in dozens of African countries bears testimony to Washington’s overlapping desire to maintain control amidst rising Islamic fundamentalism from the Sahel to Kenya, sites which are, coincidentally, theatres of war in the vicinity of large petroleum reserves (Turse 2014).

**Concluding remarks**

Africa’s eco-social development is marred by numerous forces that reflect the continent’s subordinate political-economic power relations. Excessive profits exit Africa as IFFs and as licit (legal) financial flows. FDI continues to leave Africa poorer in part thanks to the need to pay foreign corporations their profits and dividends in hard currency, a factor which recently raised Africa’s foreign debt to unprecedented heights. Other emerging adverse factors include South African and other BRICS countries’ subimperial accumulation; new State and donor subsidised extractive-oriented infrastructure and financing that will exacerbate African underdevelopment; uncompensated mineral and oil/gas depletion; and land grabs, militarisation and climate change. Finally, on all fronts ranging from economy to climate to militarisation, global governance has failed.

Only social resistance [Chapter 17] can halt and reverse these trends. In most countries, the African people are not allowing these processes of eco-social underdevelopment to proceed without opposition. However, if protesters continue to challenge specific projects and sectoral problems without drawing links, and making common cause with others in their home countries and across their region, then the cycles of extraction, capitalist crises, heightened accumulation-by-dispossession and repression of dissent will continue. If the protesters do join forces with new movements and political parties, and adopt some form of post-extractivist developmental ideology, then there are indeed prospects for overthrowing the current eco-social system, that offers most Africans underdevelopment and environmental destruction, and replacing it with one more attuned to Ubuntu, the idea that “we are who we are through others”.

**Key Further Reading Cited**


**Other Literature Cited**

350.org Africa (2014). ‘350 Africa.org launches Fossil Free Africa campaign with call on dirty South African banks to stop financing fossil fuel projects.’ Johannesburg,


Ndikumana, L., Boyce, J., Ndyiaye, A. (2014). Capital Flight: Measurement and Drivers.’ University of Massachusetts/Amherst Political Economy Research Institute,
University of Texas (2013). ‘Climate change and African political stability,’ Austin, Strauss Center, https://strausscenter.org/ccaps/
Multinational corporations invade global governance institutions, causing for-profit paralyses
*Civicus State of Civil Society Report, 2017, Civicus*

Declining popular sovereignty in the main Northern states since the early 1990s – the US under Bill Clinton, Britain under Tony Blair, Germany under Helmut Schroeder and France under Francois Holland – is not just a ‘Third Way’ drift from centre-left social democracy to ‘neoliberalism’ (the pro-corporate, anti-social philosophy of privatisation). Even more profoundly, the hollowing of democracy is directly correlated to the rise of finance in the world economy.

That process has given the three major credit rating agencies – Standard&Poor’s, Fitch and Moody’s – and the financiers they serve the same kind of power the International Monetary Fund (IMF) and World Bank have abused since the early 1980s across the Third World. The latter category should be updated to include IMF-occupying Greece, Ireland, Portugal and even Spain by the 2010s. That power comes from having more than $100 billion in debts owed by weak governments that in turn allowed the IMF to impose austerity against poor and working people, especially affecting women and people of colour.

*IMF loans, 1970-2015*

Source: International Monetary Fund

The main beneficiaries of the ‘neoliberal’ (pro-corporate, anti-social) policies that result from growing financial influence over national states are multinational corporations. Their taxes have been cut and labour costs and environmental regulation lowered by outsourcing or by shifting operations to repressive sites of production. These firms have also moved
taxes so far beyond state borders, with trillions worth of ‘Illicit Financial Flows’ manoeuvred into offshore financial centres, leaving governments with rising budget deficits and their social sectors experiencing permanent cost-cutting pressures. IMF economists Jonathan Ostry, Prakash Loungani, and Davide Furceri admitted in 2016 that as a result, “The increase in inequality engendered by financial openness and austerity might itself undercut growth, the very thing that the neoliberal agenda is intent on boosting. There is now strong evidence that inequality can significantly lower both the level and the durability of growth.”

In the emerging-market economies with some of the worst income inequality rates – South Africa, Brazil, Mexico, Argentina, Russia – this income divergence is now also recognised as a public policy concern, though prevailing power relations still result in austerity budgeting in most. For example, the South African mental health scandal that left more than 100 patients dead after transfer from a state-subsidised $24/person/day facility (Life Esidimeni) to NGOs charging a third as much, followed a 13% real cut in national-provincial health funding in 2016.

In turn the predatory debt, precarious work and privatisation of so many aspects of life experienced by the world’s citizenries calls forth two kinds of responses: appeals to global governance to sort out problems national states have shied away from, and popular revolt. There are both good and bad versions of the these top-down and bottom-up responses, and unfortunately the adverse balance of political forces have made it difficult to argue that either is a terrain for social progress and environmental preservation.
Bottom-up, the political uprisings were manifest in 2016 in the Brexit vote, in the rejection of Renzi’s reforms in Italy, and in the US the election of Donald Trump, followed by 2017 threats posed by growing loyalists of Marine Le Pen in France, Geert Wilders in Netherlands, and the Alternative for Germany amongst others. Other authoritarian turns were recently made in Erdogan’s Turkey, Orban’s Hungary and Duterte’s Philippines. Within the Brazil-Russia-India-China-South Africa (BRICS) bloc, two parallel leaders are Vladimir Putin and Narendra Modi, both of whom continue to consolidate power. The revolt becomes more intense in part because of the racist, xenophobic, Islamophobic and misogynistic ‘populism’ that blames other poor and working-class people for troubles caused by neoliberal capitalism.

The right-wing critique of the ‘Globalists’ (as pro-Trump Breitbart journalists term the neoliberal elite) continues partly because multilateral institutions are ‘state-captured’ by multinational corporations and the world’s wealthiest elites, to the detriment of the working class of the Global North. Many such voters who supported Brexit and in the US backed Trump last November are to be found in the group represented by the famous ‘elephant curve’ of City University of New York economist Branco Milanovic, an accounting of the 1988-2008 era of hyper-globalisation that reveals shifting income shares. During this era, the richest 1% grew to hold as much wealth as 50% of the world’s citizens. The differentials represented by the rise of the top 1% (along with the privileged sector of urban workers in China) contrast with the bottom decile (who gained nothing over the two decades) as well as with that now-dethroned ‘labour aristocracy’ of the North, which is justifiably grieving over deindustrialisation and much lower state services.

These data help explain the rise of far-right sentiments, insofar as the economic grievances are displaced into the sphere of identity politics. In contrast, opposition to corporate elites from the left – recall protesters in 2011 from Tunis to the Occupy city sites, for example – also rises not merely because of this new income and wealth divergence. In addition, high levels of world citizen concern remain about two overarching problems (according to regular Pew Research surveys): climate change and global economic volatility. In both cases, the profusion of corporate elites invading global governance institutions has distorted the potential for genuine solutions, beyond any recognition.

**Global governance worked against ozone depletion, but not fossil fuel emissions**
To illustrate the positive potential of multilateral solutions to global problems, consider that way back in 1987 – a year in which the United Nations issued a genuinely progressive report on sustainable development authored by former Norwegian prime minister Gro Harlem Brundtland’s Commission – there was a major new global crisis: the expanding hole in the ozone layer that protects humans from ultraviolet rays.

The main cause was the emission of ozone-depleting CFCs through aerosols and refrigeration. Since the urgency of the situation required a global response, the 1987 Montreal Protocol was supported by even the US Reagan Administration. It committed national states to ensure their corporations (e.g. Dow Chemicals and General Electric) stop producing and emitting CFCs within nine years. The ban worked and the problem is receding.

But this global-governance success story occurred before the era of neoliberal state capture. Today, to argue for a Montreal Protocol-type ban on Greenhouse Gas emissions – with binding emissions cuts, accountability and state control of corporate pollution – is practically unthinkable, notwithstanding impending eco-social catastrophe. Instead, the political-economic dynamics of the UN Framework Convention on Climate Change (UNFCCC) served the interests of high-pollution multinational corporations within the 2015 Paris Climate Agreement: no binding emissions cuts, no ‘climate debt’ for past pollution to be paid to victims, a return to carbon trading gimmicks (to ‘privatise the air’) and no emissions cuts for maritime, air transport or military-relation pollution.

Lead climate scientist James Hansen called Paris ‘bullshit.’ Representing pro-corporate strategic thinking, the Harvard neoliberal Robert Stavins celebrated the deal for allowing a new round of carbon trading, in which financial markets adopt the responsibility for allocating emissions cuts to those who pay the most. (UNFCCC head Christiana Figueres had earlier been a carbon trader.) The scheme had been tried on a voluntary basis in the US but in 2010 the Chicago Climate Exchange collapsed entirely.

Meanwhile, the price of carbon in the European Union Emissions Trading Scheme had plummeted from its 2008 high of 35 euros/tonne to one tenth that amount by 2014. Carbon trading is a strategy that gives bankers the responsibility for saving the planet through arranging the purchase of pollution rights, an especially incongruous approach given financiers’ own self-regulatory failure to save their own markets from periodic meltdowns.

There was simply not enough pressure to cut emissions being generated in the multilateral system, to justify financiers’ bidding up the price as the theory had suggested, not to mention systemic fraud and corruption throughout the new market. The system was still profitable to some EU corporations, even if many London and Frankfurt financiers began closing their trading desks. The Chinese also started carbon markets in seven metropolitan areas, so the International Emissions Trading Association continued to play a substantive role in UNFCCC summits.
The Paris summit’s logic dates to the 1997 Kyoto Protocol which introduced carbon trading at Al Gore’s behest (before he too became a carbon trader as co-owner of the ill-fated Chicago exchange). Starting then, the corporate climate agenda has been to profit from ‘false solutions’ to a problem the corporations created, an agenda advanced by the standard-bearers of neoliberal global governance at the US State Department. Other false solutions include geo-engineering and bio-fuels, none of which has borne fruit despite billions of public R&D and pilot subsidies. Nuclear is another threat to public safety, gaining support from governments often seduced (as in South Africa’s case) by a handful of nuclear corporations on the grounds that its carbon footprint is lower than fossil fuels.

Thanks to WikiLeaks (via Chelsea Manning), we know that in early 2010, Washington’s main negotiator Todd Stern was extremely active, bullying and bribing small governments whose citizens will be adversely affected by the new climate regime, then termed the ‘Copenhagen Accord,’ with its new feature: voluntary, so-called ‘bottom-up’ pledge-and-review commitments, far short of what is required to halt runaway climate change. The Hillary Clinton e-mails provided by WikiLeaks in 2016 revealed Stern in late 2011 celebrating his accomplishments at the Durban UNFCCC summit when the distinction between rich, historic polluters and poor countries was dropped: ‘Common but Differentiated Responsibilities.’

It is evident that the UNFCCC had fallen under Washington’s thumb, as Stern gained the power to steadily lower the bar on global climate governance. But Stern was simply responding – as he continually reminded – to the Republican Party’s veto capacity over any such treaty if presented to the US Congress, which in turn was a function of the exceptional power of the fossil fuel lobby to purchase the service of politicians who initially denied the existence of climate change and then when that was untenable, denied the role of Greenhouse Gas emissions.
The primary actors included the Koch Brothers oil network – highly influential in generating a far-right anti-environmental lobby known as the American Legislative Exchange Council (ALEC) – and ExxonMobil, whose scientists knew about catastrophic climate change threats in the late 1970s but which covered up the information and funded denialists. ALEC’s origins date to the 1971 Lewis Powell memo to the American Chamber of Commerce, in which the judge who was soon appointed to the US Supreme Court insisted that corporate power over politics be “assiduously cultivated; and that when necessary, it must be used aggressively and with determination without embarrassment and without the reluctance which has been so characteristic of American business.” The main companies taking up the challenge were US Steel, GE, ABC, GM, CBS, 3M, Phillips Petroleum and 33 others. ALEC’s role under Trump is formidable: gutting worker, social and environmental protections across the US from federal to state to municipal levels.

And as an exemplar of manipulating the environmental agenda, ExxonMobil – the world’s fourth largest firm – rose in power in January 2017 when Trump appointed its chief executive Rex Tillerson US Secretary of State. A contract for a massive $500 billion Siberian oil drill had in 2013 earned Tillerson the Russian ‘Order of Friendship’ from Putin, though a year later, the deal was postponed due to sanctions that followed Moscow’s Crimean invasion. The fluidity of anti-Russian and pro-Russian forces within the White House makes it difficult to predict whether those sanctions will be dropped, but regardless, the Trump White House has a vast network of corporate backers starting with Goldman Sachs bank, whose five former executives in the White House include lead Trump advisor Steve Bannon, Treasury Secretary Steve Mnuchin and economic policy head Gary Cohn.

This sort of corporate power is felt also in other capitals. Undermining global climate governance also entailed Barack Obama privately meeting the leaders of Brazil, South Africa, India and China (‘BASIC’) in December 2009, in the process jettisoning the broader UN summit to generate the Copenhagen Accord. The BASIC countries – which along with Russia added are known as BRICS – were as a group the world’s most carbon-addicted economies. In these states, fossil fuel firms (e.g. Brazil’s Petrobras, China National Petroleum and Sinopec, South Africa’s Oakbay) enjoy outsized influence. The impeachment of Brazilian President Dilma Rousseff in 2016 was a function of Petrobras payoffs that motivated corrupt members of Congress to put in her place a more pliable leader, Michel Temer.

In South Africa’s case, a top government climate negotiator (Joanne fdor) moved from the Pretoria delegation to lead the National Business Initiative. ‘State capture’ of the president’s inner circle and electricity company by a family (the Guptas) with substantial coal interests (through Oakbay) became a national scandal. The country’s deputy president, Cyril Ramaphosa, was also the former owner of numerous Shanduka corporation coal mines, where he was alleged by state whistle-blowers to have ignored the need for water licenses in one of the most ecologically sensitive areas of the country.

Corporate influence over the BRICS, US, EU and other major states makes it impossible to craft a global governance strategy to save the planet from climate catastrophe. Trump has promised to abrogate the Paris deal and give free reign to oil, gas and coal companies, as well as cancel renewable energy subsidies and roll back air and water protections.
The only short-term solution is much more intensive bottom-up critique and activism against fossil fuel extraction, such as recent campaigns against the Dakota Access Pipe Line in the US, the Ende Galönde anti-coal movement in Germany, South African women fighting coal mining on Somkhele’s peasant lands bordering Africa’s old nature reserve in KwaZulu-Natal, the periodic shutdowns by Niger Delta residents of oil pipelines, and similar instances of what Naomi Klein calls ‘blockadia.’ The ‘divest-invest’ movement against fossil fuel companies is having a major impact on shareholder sentiments, as activists insist that the companies devalue their reserves of ‘unburnable carbon.’

The classic example of this sort of battle is the South African anti-apartheid movement, which called for boycott, divestment and sanctions to complement direct activism. The pressure reached the boiling point when in 1985 protest from below rose just as international solidarity tackled firms supporting the Pretoria regime. The resulting financial crisis was only resolved when corporations (owned by white English-speakers) broke relations with the white (Afrikaner) regime and belatedly supported democracy.

Financial prowess and chaos

Global governance is regularly distorted by many other corporations, especially amongst the top 20: Walmart, Samsung, Royal Dutch Shell, Exxon Mobil, Volkswagen, Toyota, Apple, BP, Berkshire Hathaway, McKesson, Glencore, Daimler, United Health, CVS Health, Exor, General Motors, Ford Motor, AT&T, Total and Foxconn.

World’s 20 largest companies by annual revenue (October 2016)

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Name</th>
<th>Industry</th>
<th>Revenue ($ billions)</th>
<th>Employees</th>
<th>Headquarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Walmart</td>
<td>Retail</td>
<td>$485</td>
<td>2,300,000</td>
<td>Bentonville, Arkansas</td>
</tr>
<tr>
<td>2</td>
<td>Samsung</td>
<td>Conglomerate</td>
<td>$305</td>
<td>319,000</td>
<td>Suwon</td>
</tr>
<tr>
<td>3</td>
<td>Royal Dutch Shell</td>
<td>Oil and gas</td>
<td>$272</td>
<td>90,000</td>
<td>The Hague, London</td>
</tr>
<tr>
<td>4</td>
<td>Exxon Mobil</td>
<td>Oil and gas</td>
<td>$246</td>
<td>75,600</td>
<td>Irving, Texas</td>
</tr>
<tr>
<td>5</td>
<td>Volkswagen</td>
<td>Automotive</td>
<td>$237</td>
<td>610,076</td>
<td>Wolfsburg</td>
</tr>
<tr>
<td>6</td>
<td>Toyota</td>
<td></td>
<td>$237</td>
<td>348,877</td>
<td>Toyota, Aichi</td>
</tr>
<tr>
<td>7</td>
<td>Apple</td>
<td>Consumer electronics</td>
<td>$234</td>
<td>110,000</td>
<td>Cupertino, California</td>
</tr>
<tr>
<td>8</td>
<td>BP</td>
<td>Oil and gas</td>
<td>$223</td>
<td>79,800</td>
<td>London</td>
</tr>
<tr>
<td>9</td>
<td>Berkshire Hathaway</td>
<td>Conglomerate</td>
<td>$211</td>
<td>331,000</td>
<td>Omaha, Nebraska</td>
</tr>
<tr>
<td>10</td>
<td>McKesson</td>
<td>Pharmaceuticals</td>
<td>$192</td>
<td>68,000</td>
<td>San Francisco</td>
</tr>
<tr>
<td>11</td>
<td>Glencore</td>
<td>Commodities</td>
<td>$170</td>
<td>102,388</td>
<td>Baar</td>
</tr>
<tr>
<td>12</td>
<td>Daimler</td>
<td>Automotive</td>
<td>$166</td>
<td>284,015</td>
<td>Stuttgart</td>
</tr>
<tr>
<td>Ranking</td>
<td>Name</td>
<td>Industry</td>
<td>Revenue ($ billions)</td>
<td>Employees</td>
<td>Headquarters</td>
</tr>
<tr>
<td>---------</td>
<td>---------------</td>
<td>-------------------</td>
<td>----------------------</td>
<td>-----------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>13</td>
<td>United Health</td>
<td>Health care</td>
<td>$157</td>
<td>200,000</td>
<td>Minnetonka, Minnesota</td>
</tr>
<tr>
<td>14</td>
<td>CVS Health</td>
<td>Retail</td>
<td>$153</td>
<td>199,000</td>
<td>Woonsocket, Rhode Island</td>
</tr>
<tr>
<td>15</td>
<td>Exor</td>
<td>Financial services</td>
<td>$153</td>
<td>303,247</td>
<td>Turin</td>
</tr>
<tr>
<td>16</td>
<td>General Motors</td>
<td>Automotive</td>
<td>$152</td>
<td>215,000</td>
<td>Detroit</td>
</tr>
<tr>
<td>17</td>
<td>Ford Motor</td>
<td>Automotive</td>
<td>$150</td>
<td>199,000</td>
<td>Dearborn, Michigan</td>
</tr>
<tr>
<td>18</td>
<td>AT&amp;T</td>
<td>Telecommunications</td>
<td>$147</td>
<td>281,450</td>
<td>Dallas, Texas</td>
</tr>
<tr>
<td>19</td>
<td>Total</td>
<td>Oil and gas</td>
<td>$143</td>
<td>96,019</td>
<td>Courbevoie</td>
</tr>
<tr>
<td>20</td>
<td>Foxconn</td>
<td>Electronics</td>
<td>$141</td>
<td>1,060,000</td>
<td>Taiwan</td>
</tr>
</tbody>
</table>

Source: company accounts

Systemic corruption characterises many such firms, e.g. the oil companies and even the well-known Volkswagen brand which notoriously cheated on diesel emissions tests. These firms appear to be financially robust but many suffer from over-indebtedness. The overall level of debt in the world economy has risen to unprecedented heights: from 125% of world GDP in 1980 to 200% in 2008 and then, with the global bailout of banks, to 240% by 2015. The ‘too big to fail’ mentality also protected banks by lowering interest rates and printing money, and another feature of financial corruption characteristic of the 2008 crash (e.g. Goldman Sachs’ penalty of $15 billion for misleading customers about the quality of packaged home mortgage loans) was that punishment was merely based on a fine that in turn was passed back to customers, and never to jail. Millions of victims, in contrast, lost their houses.

Large firms have fallen deeper into debt – global corporates have a 15% higher level than even in 2008 when so many suffered bankruptcy – and simultaneously suffer unwillingness to reinvest profits in new plant and equipment. Thanks to the ‘investment strike,’ profit streams are redirected into buybacks of stock and other financial instruments. To illustrate, from 2009-16 European high-yield bonds provided investors with a 210% rate of return, the Wall Street S&P 500 index was up 180%, and US high-yield corporate bonds soared 170% in value. In contrast, in the real economy, wages of US and European workers rose less than 20%, house prices were flat, and commodity prices dipped 50%.

Rise in global debt (% of GDP)

Global corporate debt and investment rates
Overseeing the management of these multinational corporations are active and passive owners, which include a ‘network of global corporate control’ centred around fewer than 20 financial institutions, according to corporate scholars James Glattfelder and Stefano Battiston. The ‘economic super-entity’ can easily sway public policy in weak countries, in association with credit ratings agencies. Brazil and Russia were given junk status in 2015, and South Africa is regularly threatened with a downgrade to junk unless it adopts investor-friendly policies, especially a lower budget deficit and social-spending cuts. In 2016, Brazil’s ‘coup president’ Temer and Congress adopted a 20-year austerity plan.

This arrangement gives financiers ever greater sway, as hot money sloshes into economies. At peak in 2007, the flows represented by cross-border loans and ‘portfolio’ (financial) investments in stock and bond markets had risen to an unprecedented 23% of world GDP before crashing in 2008-09 and subsequently falling back to the 3-6% range since. Yet the power of the corporations remains unchecked as every country competes to attract the mythical foreign direct investment that will allegedly fix their economic problems.

**Global financial institutions owning corporations**

**Investment flows, 1990-2015**
But as most countries’ main exchange controls have been lifted, those financial flows then easily find their way back out to corporate headquarters or, more typically, to offshore tax havens. Apple, Google and Starbucks have been named and shamed for their tax avoidance strategies, even affecting European countries like Ireland adversely. But over a recent ten-year period, the main victims of outflows have been the emerging markets, according to Global Financial Integrity, with China having lost an average $140 billion annually, followed by Russia ($105 billion), Mexico ($53 billion) and India ($51 billion).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>China, Mainland</td>
<td>81.517</td>
<td>82.537</td>
<td>88.381</td>
<td>107.435</td>
<td>104.980</td>
<td>138.864</td>
<td>172.367</td>
<td>133.788</td>
<td>223.767</td>
<td>258.640</td>
<td>1,392,276</td>
<td>139.228</td>
</tr>
<tr>
<td>2</td>
<td>Russian Federation</td>
<td>46.064</td>
<td>53.322</td>
<td>66.333</td>
<td>81.237</td>
<td>107.756</td>
<td>125.062</td>
<td>136.622</td>
<td>183.501</td>
<td>129.545</td>
<td>120.331</td>
<td>1,048,772</td>
<td>104.977</td>
</tr>
<tr>
<td>3</td>
<td>Mexico</td>
<td>34.239</td>
<td>35.352</td>
<td>40.421</td>
<td>46.443</td>
<td>51.505</td>
<td>38.438</td>
<td>67.450</td>
<td>63.299</td>
<td>73.709</td>
<td>77.583</td>
<td>528,439</td>
<td>52.844</td>
</tr>
<tr>
<td>4</td>
<td>India</td>
<td>19.447</td>
<td>20.253</td>
<td>27.791</td>
<td>34.513</td>
<td>47.221</td>
<td>29.247</td>
<td>70.337</td>
<td>85.584</td>
<td>92.879</td>
<td>83.014</td>
<td>510,286</td>
<td>51.029</td>
</tr>
<tr>
<td>5</td>
<td>Malaysia</td>
<td>26.589</td>
<td>36.255</td>
<td>36.554</td>
<td>36.525</td>
<td>40.779</td>
<td>34.416</td>
<td>62.164</td>
<td>50.211</td>
<td>47.804</td>
<td>48.281</td>
<td>418,542</td>
<td>41.854</td>
</tr>
<tr>
<td></td>
<td>Total of Top 10</td>
<td>262.964</td>
<td>300.569</td>
<td>329.526</td>
<td>397.912</td>
<td>466.623</td>
<td>479.289</td>
<td>622.435</td>
<td>634.524</td>
<td>682.086</td>
<td>707.765</td>
<td>4,885,718</td>
<td>488.572</td>
</tr>
<tr>
<td></td>
<td>Top 10 as Percent of Total</td>
<td>56.5%</td>
<td>57.3%</td>
<td>60.6%</td>
<td>56.9%</td>
<td>56.6%</td>
<td>64.2%</td>
<td>68.7%</td>
<td>63.9%</td>
<td>65.8%</td>
<td>64.9%</td>
<td>82.3%</td>
<td>82.3%</td>
</tr>
<tr>
<td></td>
<td>Developing World Total</td>
<td>465.269</td>
<td>524.588</td>
<td>543.524</td>
<td>699.145</td>
<td>827.969</td>
<td>747.026</td>
<td>1,006.631</td>
<td>1,035.904</td>
<td>1,090.130</td>
<td>1,173.258</td>
<td>7,847,921</td>
<td>784.792</td>
</tr>
</tbody>
</table>

The IMF is the main multilateral institution enforcing these outflows, reflecting a dogmatic commitment to property rights even though its founder John Maynard Keynes strenuously supported capital controls. Although occasionally IMF economists offer mildly encouraging words regarding inward-oriented exchange controls (‘speed bumps’) against hot-money capital inflows, the institution has never countenanced regulations that keep funds locked up within a given country. The IMF’s deregulatory bias continues, no matter its repeated incompetence when it comes to predicting and preventing financial crises, and the IMF not reversed its self-confessed class bias when it comes to austerity to ‘solve’ such crises.

Revealing personal scandals have engulfed recent IMF leaders: in 2016 Managing Director Christine Lagarde was convicted of negligence-related corruption of 400 million euros (benefiting Adidas) yet continues in her job – endorsed even by the BRICS’ conservative IMF directors, who once had lobbied for a non-European candidate. Her predecessor Dominique...
Strauss-Kahn was forced to resign in 2011 after being jailed over a sex scandal. And his predecessor Rodrigo Rato was jailed in 2017 for Spanish financial fraud.

<table>
<thead>
<tr>
<th>Largest IMF Shareholders: Before and After 2010 Quota/Share Reforms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong> Shares (%)</td>
</tr>
<tr>
<td><strong>1</strong> United States</td>
</tr>
<tr>
<td><strong>2</strong> Japan</td>
</tr>
<tr>
<td><strong>3</strong> Germany</td>
</tr>
<tr>
<td><strong>4</strong> U.K.</td>
</tr>
<tr>
<td><strong>5</strong> France</td>
</tr>
<tr>
<td><strong>6</strong> China</td>
</tr>
<tr>
<td><strong>7</strong> Italy</td>
</tr>
<tr>
<td><strong>8</strong> Saudi Arabia</td>
</tr>
<tr>
<td><strong>9</strong> Canada</td>
</tr>
<tr>
<td><strong>10</strong> Brazil</td>
</tr>
<tr>
<td><strong>11</strong> India</td>
</tr>
<tr>
<td><strong>12</strong> Netherlands</td>
</tr>
<tr>
<td><strong>13</strong> Belgium</td>
</tr>
<tr>
<td><strong>14</strong> India</td>
</tr>
<tr>
<td><strong>15</strong> Spain</td>
</tr>
<tr>
<td><strong>16</strong> Germany</td>
</tr>
<tr>
<td><strong>17</strong> Switzerland</td>
</tr>
<tr>
<td><strong>18</strong> South Korea</td>
</tr>
<tr>
<td><strong>19</strong> China</td>
</tr>
<tr>
<td><strong>20</strong> Venezuela</td>
</tr>
<tr>
<td><strong>21</strong> Sweden</td>
</tr>
<tr>
<td><strong>22</strong> Argentina</td>
</tr>
<tr>
<td><strong>23</strong> Austria</td>
</tr>
<tr>
<td><strong>24</strong> Indonesia</td>
</tr>
<tr>
<td><strong>25</strong> Denmark</td>
</tr>
<tr>
<td><strong>26</strong> Norway</td>
</tr>
<tr>
<td><strong>27</strong> South Africa</td>
</tr>
<tr>
<td><strong>28</strong> Malaysia</td>
</tr>
<tr>
<td><strong>29</strong> Nigeria</td>
</tr>
<tr>
<td><strong>30</strong> Poland</td>
</tr>
<tr>
<td><strong>31</strong> Italy</td>
</tr>
<tr>
<td><strong>32</strong> Thailand</td>
</tr>
<tr>
<td><strong>33</strong> Argentina</td>
</tr>
<tr>
<td><strong>34</strong> Singapore</td>
</tr>
<tr>
<td><strong>35</strong> Kuwait</td>
</tr>
</tbody>
</table>

The power of wealthy countries within the Bretton Woods Institutions is reflected in the apparently permanent leadership of the World Bank and IMF by citizens of the US and Europe, respectively; while Chinese, Indian and Brazilian nationals hold second-tier leadership positions.

The US Treasury enjoys veto power, given its 15%+ holding of votes in both institutions, using it regularly for geopolitical purposes. IMF membership was adjusted slightly during the 2010-15 voting reforms, as China rose from 3.8% to 6.1% of shares, along with smaller increases by three of the other BRICS. In contrast, Nigeria and Venezuela both lost 41% of their voting power in 2015, and even South Africa’s share declined by 21%. In other words, reform is illusory, and never touches deeply-rooted neoliberal orthodoxy.

**The comfort zone linking multilateral agencies and corporate profits**

Aside from the international financial institutions, some of the most important forms of corporate influence over global economic governance are to be found in the clubby rooms of the World Economic Forum (WEF), held annually in Davos, Switzerland as well as at continental level. In 1992, this was where Nelson Mandela was pressured to give up on the idea (from the 1955 Freedom Charter) of better redistributing South Africa’s mineral, banking and monopoly capitalist wealth amongst the citizenry. The WEF is where the latest trends in philanthro-capitalism are unveiled, led by the Bill and Melinda Gates Foundation and Clinton Global Initiative.

As South African analyst Lebohang Pheko asked after hearing Gates deliver the 2016 Mandela Lecture in Pretoria, “How can a small club of extremely rich white men who have bullied markets, governments and competitors in the most undemocratic ways, now be looked upon to decree on democracy and accountability merely by the size of their bank balances and trust funds? This perhaps is the most insidious form of state capture.” Specifically, she worried, “Companies such as Microsoft, McDonalds, Philips, have used international institutions such as the World Trade Organisation to flout labour and human
rights, push for inequitable tariffs which disable the Global South and have boosted their own trade output by 250% over the past 20 years.”

Two other multilateral institutions invaded by global corporations are the United Nations itself through the UN Global Compact – developed by Kofi Annan in the early 2000s to attract funds from large firms – and the World Bank’s International Finance Corporation. The latter faced notoriety in 2012 when its main poster-child for corporate social investment was the platinum mining house Lonmin at Marikana, for which the Bank had deployed more than $135 million in loans and investments. In reality Marikana was the site of such social dissatisfaction that a wildcat strike (in which miners demanded a 100% increase to $1500/month) led to police firing on a crowd of several thousand strikers, killing 34 within a half-hour. Yet the Bank retained its investment and when visiting South Africa a few days later by coincidence, its president Jim Kim – once an NGO health activist – refused to even mention the incident much less visit the scene of the massacre.

The Bank’s largest-ever loan was then being disbursed to South Africa, for $3.75 billion to construct a coal-fired power plant, ‘Medupi’. The largest such power plant under construction in the world, Medupi was rife with corruption and delays, not to mention social and ecological damage (including climate change). Objections included the bias in the state electricity company’s pricing regime, which gave the world’s largest mining house (BHP Billiton) the world’s cheapest electricity ($0.01/kWh), a tenth the price ordinary low-income people paid. When outsourcing construction of Medupi’s boilers, the country’s ruling party was implicated in accepting a bribe from the Japanese firm Hitachi. The US Justice Department prosecuted and notwithstanding a $19 million settlement by Hitachi under the Foreign Corrupt Practices Act, again the Bank was silent with respect to its own liabilities.

Multilateral development banks are increasingly committed to providing mega-project infrastructure subsidies, such as Eskom offers bulk-electricity purchasers. Public Private Partnerships (PPPs) are emerging in deals offered by the World Bank and regional development banks. But with financial volatility now rising again and the end of the 2002-11 commodity super-cycle confirmed, a greater desperation characterises extractive-industry firms, which are seeking as many global, regional and national subsidies as possible, no matter how irrational the mega-project in question. In early 2016, the World Bank strongly endorsed the export of 18 billion tonnes of coal from South Africa, for example, no matter that when the mega-project rail transport was planned, the price was $170/tonne, twice its 2016 peak. In addition to crony capitalists connected to the SA ruling party (Oakbay and Shanduka), the major winners will be the world’s largest mining corporations, including BHP Billiton, Anglo American, Glencore and Exxaro.

The ability of multilateral institutions to turn a blind eye to major violations of economic, political, social and ecological governance continues unabated. In winning endorsements for introduction of Genetically Modified (GM) Organisms, multinationals – including Dow, Syngenta, Monsanto and Bayer – have been caught bribing national governments. The Gates Foundation controversially supports the International Rice Research Institute to promote GM products with vitamins.
To support these firms, the World Trade Organisation (WTO) Trade Related Intellectual Property System grows ever stronger (in spite of a vital exemption for emergency medicines). The WTO Nairobi summit in 2015 led by the Brazilian Director General Roberto Azevêdo was, according to the University of Ghana’s Kwame Nkrumah Chair Horace Campbell, not only a potentially fatal blow for food sovereignty, but excluded “‘African issues’ from the agenda while simultaneously pushing through the expansion of the Information Technology Agreement, which benefits US corporations.”

The same invasion of multinational corporate interests is observable in the World Health Organisation (WHO), dating to the late 1990s when due to funding pressures, its director Gro Harlem Brundtland began PPP relationships for the Tobacco Free Initiative, the HIV/AIDS campaign, the Global Alliance for Vaccines and Immunisation, Roll Back Malaria, Stop TB Partnership, Safe Injections Global Network, and the Global Polio Eradication Programme. WHO’s pro-corporate officials abandoned the universalism and primary health objectives of the seminal Alma Ata Declaration, which it criticised for “the complete omission of private finance.” It began pursuing “third generation” reforms aimed at making “money follow the patient.”

Such clubby relationships contribute to the sense that multilateral public sector leaders have succumbed to the blandishments and even bribery of multinational corporations. Civicus leader Danny Kriskandaraj criticises “the collusion between business and political elites who want to protect their collective grip on power and money by limiting citizens’ options to speak out, take action and criticise… Too often when governments choose to ignore citizens’ voices, it is to the benefit of the big businesses waiting in the wings.”

It doesn’t have to be this way. Back in 1987, the UN hosted a constructive state-led approach to solving a global crisis – the ozone hole’s expansion – that entailed a ban on CFCs. Subsequently in one other counter-example, the power of Big Pharma was foiled at the 2001 Doha WTO summit when South Africa’s Treatment Action Campaign and its allies made a persuasive case for exempting AIDS medicines from intellectual property rights, thus allowing tens of millions of HIV+ patients access that would not have had the drugs. In South Africa alone, this raised life expectancy from 52 to 62 years.

These are the kinds of struggles for justice and planetary stewardship in which enlightened leaders and citizen activists stood up against multinational corporate power, making multilateral institutions work for the world. They are rare indeed, but should inspire more of us to tackle power at the global scale.
**Tripping up Trumpism with global Boycott Divestment Sanctions**  
*Counterpunch, January 2017*

Does it make sense to prepare a global Boycott Divestment Sanctions (BDS) strategy against Donald Trump, his leading cronies in the Cabinet, their companies and United States corporations more generally? Even if much more urgent matters occupy Trump’s progressive critics today, there will soon be a need to consider this strategy. Arguments should be rehearsed regularly by both popular movements and representatives of those states soon to be harmed by Trumpism or that aim to offer solidarity to the oppressed.

There will soon be many human rights victims in the US for which the world will want to offer support: women, Muslims, Latinos, African-Americans, immigrants, indigenous Native Americans, other minorities, the LGBTQ community, prisoners, poor people, trade unionists, environmentalists and social justice activists. Mutual aid commitments like the new United Resistance movement linking dozens of campaigning groups and ‘sanctuary cities’ (hated by the far right) offer close-to-home “social self-defence,” as activist Jeremy Brecher remarks.

When it comes to raising the costs of Trump’s noxious politics internationally and preventing corporations from full cohesion to his program, the US oppressed still must take the lead. Evidence of this is already emerging, with Trump boycotts seeking to delegitimise his political agenda and companies that support it. Internationally, we can predict that when Rex Tillerson takes trips or Trump attends the Hamburg G20 in July, protesters will be out.

The most serious threat to humanity and environment, aside from the return of first-strike nuclear fantasies, is climate change denialism and new spikes in US greenhouse gas emissions from deregulated fossil fuels and filthy infrastructure. This article briefly

- reviews Trump’s threats to the climate;
- considers sanctions and how they might work against Trump and US megacorporations;
- reminds of the recent history of climate sanctions and carbon-tax advocacy;
- lists some Trump-related corporations to potentially target; and
- concludes with a hopeful precedent – anti-apartheid sanctions that allowed black South Africans and their allies to wedge global and local capital away from a fascist state.

**Climate chaos reignited**

First, what will it take to solve the climate crisis? There are technicist strategies to lower greenhouse gas emissions associated with energy, transport, agriculture and forestry, urbanisation, production, consumption and disposal. But the overwhelming change required will be to overcome what has been termed “inertia by political and social will.”

As climate change evidence gathers pace, so has awareness. By last November, the Yale University Program on Climate Change Communication poll of US registered voters found that 78% supported taxing or regulating emissions, and 69% agreed this should happen in an international agreement.
Key Findings

Drawing on a nationally representative survey (n=1,226; including 1,061 registered voters) conducted soon after the 2016 election, this report describes how American registered voters view a variety of current and proposed global warming and clean energy policies. Key findings include:

Global Warming Policies

- Seven in ten registered voters (69%) say the U.S. should participate in the international agreement to limit climate change (the Paris COP21 agreement), compared with only 13% who say the U.S. should not.

- Two-thirds of registered voters (66%) say the U.S. should reduce its greenhouse gas emissions, regardless of what other countries do.

- A majority of registered voters want President-elect Trump (62%) and Congress (63%) to do more to address global warming.

- A majority of registered voters say corporations and industry should do more to address global warming (72% of all registered voters; 87% of Democrats, 66% of Independents, and 53% of Republicans).

- Nearly eight out of ten registered voters (78%) support taxing global warming pollution, regulating it, or using both approaches, while only one in ten opposes these approaches.
The concept of global warming was created by and for the Chinese in order to make U.S. manufacturing non-competitive.
The results of a search for "climate hoax" on Google Trends
Google Trends shows a remarkable spike in the interest for the coupled terms "climate" and "hoax". Does that mean that people are becoming more skeptical about climate science? Or simply more interested in the subject? On this point, Google Trends tells us that there has been no special change in the level of interest in the general subjects of climate change and global warming. The interest is specific in the coupling of "climate" and "hoax." And, if we couple the terms "climate", "hoax" and "Trump" we see that there is a clear correlation.

Climate change denial will be ‘default position’ of White House says Trump’s chief of staff
Donald Trump believes climate change is ‘mostly bunk’, says Reince Priebus

Protestors demonstrated outside the US embassy in London in response to Donald Trump's vow to withdraw from the Paris Agreement
But last November in another poll, Trump was elected president. In three states – Michigan, Pennsylvania and Wisconsin – the margin required to reverse the result was a total of just 55,000 votes. Trump won the electoral college but lost the national popular vote by nearly three million votes. Supported by only 45 percent of those who voted, his popularity rating of just 37 percent a week before taking office gave Trump no domestic mandate for climate change denialism. Yet this is the new government’s ‘default position,’ says Trump’s chief of staff Reince Preibus.

The areas in which we can anticipate Trump’s climate policies to quickly affect the world, according to his 100-day plan, are resurgent climate denialism; filthy-Keynesian infrastructure construction (fossil-fuel pipelines, airports, roads and bridges); cancellation of international obligations (e.g. withdrawing from the United Nations climate treaty and payment obligations to the Green Climate Fund); retraction of shale gas restrictions and the Keystone pipeline ban; destruction of the Environmental Protection Agency (EPA); and a (futile) attempt to “save the coal industry.” After that, expect privatization of public land including Native reservations, in search of more oil.

His choices for the main climate-related Cabinet positions left no room for doubt: Tillerson as Secretary of State, Scott Pruitt as EPA Director, Rick Perry as Secretary of Energy and Ryan Zinke as Secretary of the Interior. Tillerson was not only a major contributor to climate policy inertia over several decades as an ExxonMobil leader. More recently his contract for a massive $500 billion Siberian oil drill earned him the Russian ‘Order of Friendship’ from Vladimir Putin in 2013. A year later, the deal was postponed due to sanctions that followed Putin’s 2014 invasion of the Crimea in the wake of the US-financed ($5 billion) overthrow of Ukraine’s pro-Russian leader. Even without Tillerson at the helm, ExxonMobil is anticipated to remain a very strong target for environmental boycotters.
But beyond specific firms, the challenge will be to address Trumpism’s malevolent power, all over the world. As much as any issue area, climate change offers that opportunity because the products of corporations in the US – more than in any other country – are tainted by the world’s highest historic emissions of greenhouse gases.
Before assessing Trump’s climate destruction, consider a thought experiment: had Hillary Clinton been elected president and under her rule had US corporations continued to pollute without any accountability or penalty (one of several fatal flaws in the Paris Agreement, a deal which climate scientist James Hansen defined as ‘bullshit!’) – then would the world have been in a position to react? The election’s silver lining may be more effective activism.

Simply put, Trump’s election gives the world impetus to belatedly develop a BDS strategy in a way that activists should have been doing since at least 1992, when President George HW Bush told the Rio Earth Summit “The American way of life is not up for negotiations.”

The climate case for BDS

Conceptual tools needed to boycott US exports on grounds of climate change have been around for years. Already in 2006, Nobel economic prize laureate Joseph Stiglitz argued, “unless the US goes along with the rest of the world, unless producers in America face the full cost of their emissions, Europe, Japan and all the countries of the world should impose trade sanctions against the US.” A technical policy term for such sanctions emerged: “border adjustment taxes” or for short, border measures which avoid World Trade Organisation anti-protectionist penalties (i.e., such taxes are not a “disguised trade restriction”).

By 2009, US President Barack Obama promoted carbon trading strategies within his ultimately-unsuccessful pro-market legislative strategy (to “privatize the air” by letting the rich pay to pollute), in order that big corporations would agree to emissions caps. Establishment economists like the Peterson Institute’s Gary Hufbauer and Jisun Kim observed that in such a context, US companies “paying to pollute” would need additional protection from outside competitors: “border measures seem all but certain for political reasons... many US climate bills introduced in the Congress have included border measures [to] imports from countries that do not have comparable climate policies.”

Due to Republican Party climate denialism, the ‘cap-and-trade’ legislation failed in 2009-10, and although Obama gained allies for a new non-binding, market-friendly agreement at the Copenhagen UN summit in 2009, it was only in 2015 that the UN Paris Climate Agreement finally emerged as the first all-in deal.

But when last November, Trump’s victory squelched any prospect of Paris being implemented by his government – hence confirming the impossibility of the goal of lowering the temperature increase above pre-industrial times to 1.5 Centigrade degrees, all hope evaporated for the subsequent UN negotiations that had just begun in Marrakesh, Morocco. Widener Law School climate specialist Donald Brown reported: “I heard participants proclaim defiantly that they were going to ‘Trump Proof’ the world. They claimed they were going to go ahead with or without the United States. Several claimed that if the US pulled out of the Paris deal, they would pursue economic sanctions against the US.”

Climate justice advocate Naomi Klein reacted: “We need to start demanding economic sanctions in the face of this treaty-shedding lawlessness.” Representing French business, conservative ex-president Nicolas Sarkozy threatened, “I will demand that Europe put in
place a carbon tax at its border, a tax of 1-3 percent, for all products coming from the US, if the US doesn’t apply environmental rules that we are imposing on our companies.”

In a front page story, the *New York Times* quoted a leading Mexican official in Marrakesh: “A carbon tariff against the US is an option for us. We will apply any kind of policy necessary to defend the quality of life for our people, to protect our environment and to protect our industries,” a point echoed by a Canadian official.

Can Trump be badgered by corporate campaigns?

“Honey badger don’t give a shit!,” according to a slogan that has motivated Breitbart.com’s reckless ‘journalists’ since the time of the late maniacal founder Andrew Breitbart. Its subsequent leader Steve Bannon – now Trump senior political advisor – appears to carry that gonzo style directly into the White House. (The phrase comes from a youtube video about a ‘crazy nastyass’ African animal unnerved by danger.)
Sometimes a thin-skinned Trump does indeed give a shit, most recently defending clothing retailer LL Bean against the #grabyourwallet boycott of 75 Trump-related firms. His ego may be bruised by singer Cher’s “Turn him off” strategy to deny Trump an Inauguration Day tv audience. Setting aside the myriad personal pin-pricks from which journalists and politicians have drawn blood, what kinds of activist and legal attacks on Trump’s business have truly tripped him up and reversed his course? Decades worth of extreme real estate corruption, property gambles, debt defaults and full-fledged bankruptcies, refusals to pay suppliers and tax chiselling have reportedly attracted more than 4000 lawsuits.

More rarely, however, there are popular victories that reveal Trump’s weaknesses in political battle. Within the past year, former students at Trump University who claimed their $35,000 annual education was fraudulent won an out of court settlement of $25 million. A month later, Trump backed down from trade union disputes against his Los Vegas hotel. Also in 2016 he was forced to drop out of a Brazilian construction branding deal due to local corruption, and in Ireland he also acknowledged defeat when a snail’s survival compelled local environmental regulators to halt his wall-building (against sea level rise) at a golf course. Trump’s giant ego, public relations gaffes and inevitable allegations of misconduct draw his firms towards such chaos like a moth to a flame.
**Trump retailer boycotts**

[https://grabyourwallet.org](https://grabyourwallet.org) receives up to 100,000 unique visits per week and monitors inventories of companies, immediately dropping them from the list once it’s been verified that official Trump products are no longer available. To date, five retailers were dropped from the #GrabYourWallet list. (14 January 2017)

**RETAILERS TO BOYCOTT**

6pm.com  
Amazon  
Bed Bath & Beyond  
Belk.com  
Bloomingdale’s  
Bluefly  
Bon-Ton  
Build.com  
Burlington Coat Factory  
Buy Buy Baby  
Carson’s  
Century 21 Dept. Store  
Dillard’s  
DSW  
Elder Beerman  
Filene’s Basement  
Gilt  
Heels.com  
Hudson Bay  
HSN  
Jet  
Kmart  
Lord & Taylor  
Macy’s  
Marshalls  
Neiman Marcus  
Nordstrom  
Nordstrom Rack  
Overstock.com  
Perfumania  
Ross  
Saks Off Fifth  
Sears  
ShopStyle.com & ShopStyleUK  
Stein Mart  
TJ Maxx  
Walmart  
Winners  
Zappos

**OTHERS TO BOYCOTT: REASON**

ABC Supply: CEO raised funds for Trump and/or for Trump super PAC  
Breitbart “News”: Hate speech site that propagated fake news about Trump’s opponents during election  
Carnival Corporation: Advertiser on Celebrity Apprentice, of which Donald is Executive Producer  
The New Celebrity Apprentice: Donald is executive producer of this NBC show  
Forbes.com: CEO supports Trump  
Hobby Lobby: Company CEO endorsed Trump  
The Honest Company: Advertiser on Celebrity Apprentice, of which Donald is Executive Producer  
Kawasaki: Advertiser on Celebrity Apprentice, of which Donald is Executive Producer  
King’s Hawaiian: Advertiser on Celebrity Apprentice, of which Donald is Executive Producer  
Kushner Properties: Owner Jared Kushner led Trump’s campaign  
L.A. Clippers: Advertiser on Celebrity Apprentice  
LendingTree: CEO raised funds for Trump SuperPAC  
LL Bean: Company board member raised funds for Trump PAC  
Lorissa’s Kitchen: Advertiser on Celebrity Apprentice  
MillerCoors: CEO raised funds for Trump and/or for Trump super PAC  
NASCAR: CEO Endorsed Trump  
New Balance: Retailer that Has Expressed Public Support for Donald Trump  
National Enquirer: Media outlet that endorsed Trump & prevented negative
news about Trump from being released
People Magazine: Media outlet that normalized Trump at a pivotal moment
QVC: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Scion Hotels: Trump-Owned, Branded, or Operated Business
See’s Candies: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Trident: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Trump Golf Courses: Trump-Owned, Branded, or Operated Business
Trump Hotels: Trump-Owned, Branded, or Operated Business
Trump Winery: Trump-Owned, Branded, or Operated Business
Tyra Beauty: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Uline: CEO raised funds for Trump and/or for Trump super PAC
Ultimate Fighting Championship: President endorsed Trump
Universal Studios Hollywood: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Welch’s: Advertiser on Celebrity Apprentice, of Which Donald Trump is Executive Producer
Yuengling Beer: Founder endorsed Trump
Donald Trump Agrees to Pay $25 Million in Trump University Settlement

By STEVE EDER  NOV. 16, 2016

The Trump White House

Wielding Claims of 'Fake News,' Conservatives Take Aim at Mainstream Media

Changos Coming to White House Press Room

Who, Where, When and How Inside the Trump Organization, the Company That Has Run Trump's Big World

Jason Miller Backs Out of White House Communications Job Under Trump

Denying Conflict, Trump Family Tries to Be More Transparent

See More →

Donald J. Trump in 2005, when he announced the establishment of Trump University.

Trump Organization Moves to Avoid Possible Conflicts of Interest

By NOAM SCHEIBER  DEC. 21, 2016

Immigrant workers and volunteers, including members of the Culinary Union, protesting outside the Trump International Hotel Las Vegas in October. (Rob Hager/The New York Times)
Trump company targets will continue to be relevant, especially because the new president refuses to divest any of his holdings, thus ensuring coming years of activist protests and court hearings over conflicts of interest. What other corporate targets are logical for consumers and sympathetic states worldwide, are vulnerable to brand damage associated with BDS strategy, and will most adversely affect Trump and his cronies?
Grievances against Trump family-firm holdings are legion, but political attacks on Trump-associated companies are even more important. In February 2016, for example, the e-activist network Color of Change directed its Trump campaigning against one of the world’s largest companies because of its sponsorship of last year’s Republican Party convention: “How can Coca-Cola, a company that heavily markets to and profits from Black people, fund a platform for a presidential nominee that is being bolstered into office by former Grand Wizard David Duke, the KKK, and other white supremacists?”

The petition was signed by 100,000. Within three weeks, Coca-Cola had agreed to withhold $600,000 it had earlier earmarked to help pay for the Cleveland convention.

Another example was the ‘Sleeping Giants’ Twitter network of several thousand activists which since last November discovered that more than 1000 major firms and non-profit institutions were advertising (most without being aware) on the breitbart.com white nationalist website. Their attempts to confront these firms by sending a screenshot were remarkably successful, and led to 400 withdrawing the adverts.

But there are, in contrast, mega-corporations anxious to pick up vast new contracts with the US government, reflecting the 9 percent increase in the Dow Jones stock market index after November 8, led by banking, oil and military firms. Trump’s cabinet and top officials are from Goldman Sachs bank, ExxonMobil oil, Koch Industries oil, Lockheed Martin military, Pfizer drugs, General Dynamics military, Wells Fargo bank, Amway beauty, Hardees food and Breitbart media.
Precedents against not a person (Trump) but a system (Trumpism)

How far have dominant US politics slid to the far right? Trump only received 25.3 percent of the eligible vote, yet there can be no mistaking how Washington’s state-corporate power now fuses multiple reactionary political, socio-cultural and economic forces into a US version of neo-fascism.

To be sure, conflicts will continue rising between Trumpism and moderate Republicanism, the neo-liberals and liberal Democratic elites, the so-called Deep State opponents (especially in the Central Intelligence Agency) and neoconservative factions of the military, and increasingly in 2017, deficit hawks. Probably though, these won’t reach break point. If they do, a Trumpism-without-Trump may well be the result. If Trump is removed from the presidency by a faction of the Deep State or a bloc representing Koch interests, they will simply have concluded that Michael Pence would far better serve their interests.

Could a smart-sanctions campaign against the corporations undergirding Trumpism (not just Trump) be effective? If some of these firms – e.g. Goldman Sachs, ExxonMobil, Koch
Industries, Lockheed Martin, Pfizer – are the most likely targets of a people’s smart-sanctions strategy, there are some lessons to be learned from prior BDS campaigns.

Current BDS-from-below targets include Israel due to its legal and human rights violations in Palestine, and the world fossil fuel industry which faces an ‘unburnable carbon’ financial crisis known as ‘stranded assets,’ in which investment managers’ fiduciary responsibility is to not invest in firms which falsely state the value of their coal, oil and gas assets. The Dakota Access Pipe Line battle partially won by mass action last December also has a parallel divestment fight underway against the pipeline’s bankers. In both cases, the stigmatization strategy has worked to some extent, and often, the disinvestment tactic has been financially painful to the target.
The Gates Foundation Have Sold Their Exxon Stock – But Why?

The Gates Foundation’s recent tax filings show that even those that are stubbornly resistant to the logic of divestment are moving huge amounts of money out of the fossil fuel industry.

by Alec Connon

At a time when the Bill and Melinda Gates Foundation has been under unprecedented pressure to commit to fossil fuel divestment, their annual tax filings were released last week. The filings revealed that the Foundation’s investments in fossil fuels have dropped by almost two-thirds, from a huge $1.4 billion to a significantly less huge $475 million. Almost all of that drop can be accounted for by their decision to shed their portfolio of Exxon Mobil, a whopping $824 million share in the company reduced to naught with the stroke of a pen.
Making the process as democratic as possible is vital. In 2006, 170 Palestinian civil society groups initiated BDS, insisting on three unifying demands: the retraction of illegal Israeli settlements (a demand won in the Gaza Strip) and the end of the West Bank Occupation and Gaza siege; cessation of racially-discriminatory policies towards the million and a half Palestinians living within Israel; and a recognition of Palestinians’ right to return to residences dating to the 1948 ethnic cleansing when the Israeli state was established.

One result has been an attempt by Zionists – including in powerful US state agencies – to stigmatize those who advocate BDS (e.g. as ‘anti-Semitic’), an indication of how great a threat BDS may become to an unjust order known by its critics as ‘Israeli apartheid.’

Against this, says BDS-Israel co-founder Omar Barghouti, “Boycott remains the most morally sound, non-violent form of struggle that can rid the oppressor of his oppression, thereby allowing true coexistence, equality, justice and sustainable peace to prevail. South Africa attests to the potency and potential of this type of civil resistance.”
In South Africa, the crime against humanity known as apartheid was a form of fascism in which state power, corporate profitability and the racist, patriarchal and ecologically destructive cultural elite within white society exercised power, refusing the masses’ demands for “one person, one vote in a unitary state.” BDS was one part of the resistance.

According to Ronnie Kasrils – a leader of the underground movement and from 2004-08 the South African Minister of Intelligence – “BDS made apartheid’s beneficiaries feel the pinch in their pocket and their polecat status whether in the diplomatic arena, on the sporting fields, at academic or business conventions, in the world of theatre and the arts, in the area of commerce and trade and so on. Arms sanctions weakened the efficiency of the SA Defence Force; disinvestment by trade unions and churches affected the economy as did the termination of banking ties by the likes of Chase Manhattan and Barclays banks; boycott of products from fruit to wine saw a downturn in trade; the disruption of sports events was a huge psychological blow; dockworkers refusing to handle ship’s cargoes disrupted trade links.”

Internally, protests in townships and trade unions catalyzed global support for intensified financial sanctions in 1985. They peaked when at the Durban City Hall on August 15 that year, apartheid boss PW Botha addressed his National Party and an internationally televised audience of 200 million with his belligerent “Rubicon Speech.” He refused to budget on demands to end apartheid.

Realizing the Trumpian character of Botha, Pretoria’s frightened international creditors – subject to intense activist pressure – began calling in loans early. Facing a run on the SA Reserve Bank’s hard currency, Botha defaulted on $13 billion of debt payments coming due,
shut the stock market and imposed exchange controls. Within days, leading English-speaking businessmen Gavin Relly, Zac de Beer and Tony Bloom began dismantling their decades-old de facto alliance with the Pretoria regime, met African National Congress (ANC) leaders in Lusaka, and helped engineer a transition that would free South Africa of racial (albeit not class) apartheid less than nine years later.

Botha was gone by 1989 but civil society ratcheted up anti-apartheid BDS even when his successor FW De Klerk offered reforms in February 1990, such as freeing Nelson Mandela and unbanning political parties. Proposed international bank loans to Pretoria for ostensibly ‘developmental’ purposes were rejected by activists, and threats were made: a future ANC government would default. It was only by fusing bottom-up pressure with top-down international delegitimization of white rule that the final barriers were cleared for the first free vote, in April 1994.

South Africa sanctions worked in part because they were initially conceptualized by Albert Luthuli in 1959: “The economic boycott of South Africa will entail undoubted hardship for Africans. We do not doubt that. But if it is a method which shortens the day of bloodshed, the suffering to us will be a price we are willing to pay.” They developed through alliances of South African leaders like Luthuli and Mandela, with British supporters and US civil rights movement leader Martin Luther King. By 1962, the first of many UN resolutions called for sanctions against apartheid.

The ANC-influenced Congress of South African Trade Unions endorsed BDS as “an essential and effective form of pressure” even though in the short term it would cost them jobs. The main opposition to BDS from black South Africans was from Bantustan collaborators, who promoted their own much narrower reform strategy for multinational corporations active in South Africa (the “Sullivan Principles” from which even Leon Sullivan retreated in 1987 due to Botha’s intransigence).

The main point to reflect on is the strategic wedge driven between white (‘english-speaking’) Johannesburg capitalists and racist (‘Afrikaner’) Pretoria regime. As internal protest surged, it was the 1985 foreign debt crisis caused in part by BDS which broke the capital-state alliance and compelled South Africa’s nine-year transition to democracy.

With Trumpism such a logical target of BDS-USA, international solidarity to weaken that power requires a boycott of both high-profile state functionaries and key corporations in order to attack the legitimacy of profits made within a neo-fascist, climate-denialist USA. As Public Citizen’s Rob Weissman warns, the US faces “a government literally of the Exxons, by the Goldman Sachs and for the Kochs.” Several dozen leading US activist groups have offered much-needed mutual solidarity as ‘United Resistance,’ which perhaps will soon add an international component to its armory.

Trump and his cronies are rapidly taking power in Washington, and in doing so they are currently battling Washington’s ‘Deep State’ over his pro-Russian perspective, as well as all Democratic elites and many from the Republican Party. He or at least the Koch/Cheney faction of Trumpism will likely win. At that point, when their threats to the climate and US
oppressed people’s human rights become undeniable, can they then be challenged by the US and world progressive movements?

Certainly one way to test how powerful Trumpism may become, is to tackle it where its Achilles Heel stands out most – climate change – and with a well-tested strategy and tactics: BDS USA.
Red-green alliance-building against Durban’s port-petrochemical complex expansion

Introduction: Overaccumulated merchant capital

Two processes are now underway, responsible for uprooting existing urban processes in many of the world’s port cities, in the process amplifying the socio-ecological metabolism of capitalism. First, there is the intensified role of the city as an export platform, and second, rising contradictions associated with global overproduction and the subsequent decline in shipping. These processes became more obvious since 2008, when many port cities appeared extremely over-extended. Trade crashed dramatically during the second half of that year, and commodity prices fell further. In many cities with major ports, there were social uprisings. While very few of these were centered on the direct issue of export orientation, the indirect causes of socio-political unrest can be traced, to some extent, to the perceived need to make cities more friendly to export-oriented – and increasingly unpatriotic – capital.

Dating to the liberation of the country from apartheid in 1994, the democratic South Africa’s Urban Development Strategy states the neoliberal, export-oriented agenda clearly: ‘Seen through the prism of the global economy, our urban areas are single economic units that either rise, or stagnate and fall together.... South Africa’s cities are more than ever strategic sites in a transnationalized production system’ (Ministry of Reconstruction and Development, 1994-95). But to be a ‘strategic site’ in an exceptionally competitive milieu requires the reconfiguration of port cities, according to Kim Moody (2014):

Port extensions and the huge ‘back of the port’ logistics centers are gobbling up land and communities, often moving further and further inland. This in return requires new transport ‘corridors.’ It isn’t just merchant capital because these relate to manufacturing production supply chains as well and, of course, commodities export. Pollution is massive.

But in the wake of the commodity super-cycle’s rise and fall, port cities’ reliance upon the maritime sector, tourism and commodity exports has severe dangers, as the globalized economy begins what may become known as a 1930s-style ‘deglobalization’ era. The Economist argued in October 2013 in its cover story, entitled ‘The Gated Globe’,

Globalization has clearly paused. A simple measure of trade intensity, world exports as a share of world GDP, rose steadily from 1986 to 2008 but has been flat since. Global capital flows, which in 2007 topped $11 trillion, amounted to barely a third of that figure last year. Cross-border direct investment is also well down on its 2007 peak... hidden protectionism is flourishing, often under the guise of export promotion or industrial policy (The Economist, 2013).

The pause button will no doubt be lifted. Yet in what was otherwise a celebration of global flows, the consulting firm McKinsey Global Institute also acknowledged that a peak had
been reached in 2007 with $29.3 trillion in flows – 52 percent of world GDP – which then sunk in relative terms over the next five years, to just 36 percent: ‘This reflects the correction from the global credit bubble and deleveraging of the financial system. Financial flows have changed direction, too, with outflows from emerging markets rising from 7 percent of the global total in 1990 to 38 percent in 2012’ (Mckinsey Global Institute, 2014). Beginning in May 2013, investors roiled South Africa and four other major emerging markets when the US Federal Reserve’s Quantitative Easing began to be phased out (‘tapered’). As a result of slightly higher US interest rates, outflows meant that four of the five BRICS – South Africa, India, Brazil and Russia (which suffered again from financial sanctions imposed after its Crimea invasion) – experienced substantial currency crashes that, in turn, would limit their capacity to import.

Because of the economic turmoil affecting the BRICS, Indonesia, Turkey and similar sites, it is wise to recall the United Nations warning, that the world’s financial markets aim to shift ‘high-risk activities from more to less strictly regulated environments,’ especially sites where massive state-subsidized and guaranteed infrastructure projects are envisaged (United Nations, 2013). In these sites, both borrower and lender are facing intense levels of desperation: to sink excess funds into mega-projects on behalf of multinational capital. The decline (1900-2002), rise (2002-11) and crash (2011-present) of commodity prices reflects this desperation, and also helps explain why ports are facing such intense competition, with fewer surpluses to draw upon for the sake of financing expansion. From 1982, the Third World Debt Crisis compelled commodity-producing economies to lower currency values and raise exports to pay off debt. The Bretton Woods Institutions and other banks restructured these economies into neoliberal export platforms.

With persistent oversupply, until 2002 there was a distinct downturn in world commodity prices, but a turning point in 2002 reflected a new critical mass in East Asian (especially Chinese) imports of raw materials. This led to a massive price spike that withstood the 2008-09 crash and ultimately peaked in 2011. Since then the prices of nearly every major mineral and fossil fuel have crashed, often by more than half. With slowing demand from China, the overall result contributed to a decline in world trade, not only dramatically during the 2008-09 Great Recession, but in the period from mid-2011 to the present as global overproduction trends resurfaced.

Also since 2012, there has been a major decline in annual Foreign Direct Investment at world scale, with the peak of $1.56 trillion reached in 2011, followed by a drop to $1.40 trillion in 2012 and to $1.23 trillion in 2014 (United Nations Conference on Trade and Development, 2015). The increase in US Federal Reserve interest rates in December 2015 is slowing real-economy activity even further, and one indication of the latter is the glut in corporate savings that follows a steady recent decline in corporate investment that in turn follows the decline in the rate of profit.

One specific victim of this stagnation is shipping. The mid-2008 peak for pricing transport of a typical container reflected the intense metabolism of commodity trading at the time, falling by more than 90 percent within six months. But even though after the 2009 recovery, commodity prices resumed their rise, the Baltic Dry Index of shipping prices never rose to even a third of their peak, and by 2016 sunk to a 30-year low. So while to carry a container
from Shanghai to the US East Coast in March 2015 cost $2500, that price fell to $1500 by June and less than $400 by January 2016. At the same time, there was a dramatic rise in the capacity of ‘post-Panamax’ ships – carrying more than 5000 containers (so named because of the limits of the size that fit through the Panama Canal before 2016) – to the point that ships with more than 15,000 containers were flooding the market. Such ships were so robotized that they had only 13 crew.

The question that many shipping observers in Latin America, Africa and Asia were forced to ask by 2016, was whether their own capacity expansion had also gone too far. Would crashing commodity prices, rising US interest rates, ongoing European stagnation, worsening financial volatility and emerging market slumps (especially in the three most vulnerable BRICS: Brazil, Russia and South Africa) together doom shipping growth and thus the new port developments? And what, then, would that structural combination ‘from above’ imply for urban politics ‘from below’?

The Durban port-petrochemical expansion

South Africa’s biggest single location-specific investment project ($25 billion – the cost estimated prior to what could become a typical 50-300 percent price escalation) is the proposed eight-fold expansion of South Durban’s port-petrochemical complex over the next three decades. The doubling of the petroleum pipeline capacity from Durban to Johannesburg recently cost $2.3 billion alone. The notorious refineries owned by BP, Shell and the Malaysian firm Engen present major health threats to residential areas. These neighborhoods have been occupied by black South Africans for generations – the ‘Indian’ areas of Merebank and Clairwood and ‘colored’ Wentworth – but have become very slightly desegregated since the end of apartheid, mainly through the influx of low-income black ‘African’ shackdwellers.¹ The potential to desegregate Durban was great in 1994, given large tracts of land that became redundant by deindustrialization, and the need for densification. But by all accounts, practically no progress was made.

Jobs for South Durban’s vast unemployed labor reserve are desperately needed, and government’s (myopic) national planners claim the expansion of world shipping, from the Panamax 5000-container ships to super post-Panamax ships more than three times larger, will raise annual container traffic from 2.5 million to 20 million units processed annually in Durban by 2040. However, local residents’ organizations – united as the South Durban Community Environmental Alliance (SDCEA) – offer multiple overlapping critiques of this project, including the flawed participatory process; the destruction of small-scale farming and long-standing communities (with tens of thousands of expected displacements; major ecological problems in the estuarine bay; climate-change causes and effects; and irrational economics fuelled by overly generous state subsidies but still resulting in an unaffordable harbor.

¹ In South African terminology, the African, Indian and Colored people have been considered ‘Black’ in relation to the need to fuse their interests against the historic white apartheid project, though after 1994 when democracy was won, the breakdown of the cross-racial alliances has often been a painful feature of life in Durban and elsewhere, and in South Durban in 2015, the eruption of widespread working-class xenophobia against immigrants from the African continent was just one indication of the intensity of social division.
The framing of the campaign is of great importance not simply because the state and allied businesses falsely promise tens of thousands of ‘jobs’ (in an increasingly capital-intensive sector) but because an alternative vision is being established by SDCEA based on an ecologically-sensitive, labor-intensive economic and social strategy for the South Durban Basin. To achieve victory will require a major shift in the balance of forces, one which campaigners argue can be enhanced by financial sanctions against the project and its parastatal corporate sponsor, Transnet. This is a site-specific project but one with more general lessons for grassroots contestation of industrial mal-development.

Global contradictions are often amplified at lower scales, especially when intensified metabolisms of capitalist commerce and energy threaten widespread displacement, pollution and community unrest. The ‘spatial fix’ to overaccumulation crisis is witnessed in the ongoing restructuring of world shipping, while externalities such as greenhouse gas emissions represent ‘accumulation by dispossession,’ as capital takes further control of non-capitalist territories, consistent with theories of imperialism and crisis displacement pioneered by Rosa Luxemburg (Luxemburg, 1968).

To illustrate with a detailed South African case study sometimes termed Africa’s ‘armpit’ (for its noxious smell), the expansion of the Durban port and petrochemical complex is the main site-specific ‘Strategic Investment Project’ within the national government’s 2012 National Development Plan. South Durban is the second highest-priority mega-project of the Presidential Infrastructure Coordinating Commission (after a coal railroad expansion) (National Planning Commission, 2012). Raising the vast funds required will be the most critical challenge, given SDCEA’s willingness to begin a financial sanctions campaign against the project. The first phase of the work, costing approximately $4 billion, was pre-funded by the government and allied financiers so as to bring more oil from Durban to Johannesburg and shore up the Durban port’s main existing quays. Major contestations ahead are over the much greater needs entailed in a new ‘Dig Out Port’ to be built on the site of the city’s old airport as well as a logistics park and massive roads and rail lines.

**Transnet’s investment strategy**

But funding is already being lined up. In March 2013, during the Durban summit of the heads of state of Brazil, Russia, India, China and SA (BRICS), a Chinese bank lent $5 billion to Transnet. This was mainly for the purpose of extending rail infrastructure further into the northern and eastern coal fields for subsequent coal exports mainly to India and China. But the funds also provided resources for the purchase of locomotives (mainly from Chinese producers, mainly for the Waterberg-Richards Bay coal route) and for Durban’s harbor expansion, since such funding is essentially fungible. In addition to increasing the speed and magnitude of freight to the world’s largest coal export terminal, at Richards Bay, Transnet has also been planning a fully-privatized port management model for the Durban Dig Out Port.

Durban is also now a site of offshore oil prospecting by ExxonMobil, not far from the point where Africa’s largest refinery complex stands in hyper-toxic South Durban. There, near-universal community opposition has emerged against Transnet’s plans, including on grounds of climate damage. Transnet’s Environmental Impact Assessment (EIA) consultants made a
contentious statement in 2013 – that larger ships in the new port will allegedly result in lower emissions per container carried – because they failed to consider the alternative of not increasing shipping by the extreme eight-fold multiple.

Aside from the doubling of the width of a petroleum pipeline to Johannesburg, the first set of projects will result in a dramatic increase in existing port capacity, in order that 5000+ container ‘post-Panamax’ ships can be accommodated in the current harbor (stages 1-3). Originally, the dig-out port at the old airport site was to be excavated in 2016, with an anticipated first berthing in 2020 (stage 4), but in November 2015 Transnet announced an indefinite postponement due to adequate existing capacity. The final growth of the existing port will include an extensive dig-out of the area currently under Transnet railroad siding property (stages 5-6).

The helter-skelter growth of container traffic prior to 2008 reflected the liberalization of transport in the early 1990s, and with it, the move of freight to road-based trucking. That left large amounts of Transnet rail-related land mostly unused. The latter stages of the project are in close proximity to the predominantly Indian areas of Isipingo and Merebank in the south and Clairwood in the north, as well as the African township of Umlazi and the colored Wentworth area. The Clairwood area is most immediately threatened by Stages 1-3 port expansion, as trucking companies invade the residential space to stack containers.

Transnet’s most critical challenge will be finding the money for an estimated $25 billion worth of other mega-projects, especially given the scale of the project and how many aspects are being contested. The Chinese bank loan apparently comes without conditions (and with terms not publicly disclosed), and subsequently, there were also several bond offerings of several hundred million dollars, including in the London markets in November 2013 where Transnet paid an enormous premium on its Rand-denominated bonds: 9.5 percent. But the longer-term threat to South Durban and other communities is that the BRICS New Development Bank launched in July 2015 will seek projects like this one, as exemplars of export-oriented infrastructure.

In July 2013, a high-profile meeting of the Durban Transport Forum heard Transnet’s port expansion director Marc Descoins update his team’s planning: ‘The fatal flaws analysis yielded many risks but no show-stoppers (Creamer’s Engineering News, 2013) Descoins had not, at that time, factored in resident and labor opposition to the mega-project, its vast environmental implications, or rising disgust about construction-driven White Elephants. Tracing several of the problems with the port-petrochemical expansion in South Durban sheds light on the interconnections between social and environmental grievances, as well as a growing debate about SA’s vulnerability to the world economy.

The doubling of oil pipeline capacity

Transnet’s Durban-Johannesburg oil pipeline construction project lasted from 2007-14. The mega-project, known as the ‘new multi-product pipeline’, cost $2.34 billion, a dramatic cost escalation in part because the pipeline was diverted hundreds of kilometers from the traditional route west along the N3 highway. That route ran through mostly-white Durban suburbs (Mariannhill, Hillcrest, Shongweni and Camperdown), and now the pipeline moves
double the pre-existing oil volume through (mostly-black) South Durban, Umbumbulu and other former KwaZulu bantustan areas.²

According to Durban’s leading environmental journalist, Tony Carnie, ‘The $600 million petrol, diesel and jet fuel pipeline will replace the existing Durban-to-Johannesburg pipeline which was built in 1965. The existing pipeline is believed to have rust defects and cannot cope with the future demand in fuel growth in Gauteng (Carnie, 2008).’ By moving the project southwards before turning west, the cost estimate rose by more than 50 percent. But there were many other cost increases, with the total reaching $2.34 billion by 2013, in part because of apparent construction company collusion on tendering by one of the main pipeline construction companies, Group Five Civil Engineering (Venter, 2013).

In his own 2012 review of the cost overruns, without considering construction company collusion, Public Enterprises Minister Malusi Gigaba uncovered ‘systemic failings that compromised the intended outcomes’ and he admitted that his project managers ‘lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity especially related to ‘analysis of risks.’ Nor were EIAs or water and wetland permits ‘pursued with sufficient foresight and vigour (Gigaba, 2012).’ Well before this became public knowledge (Group Five only stepped forward to confess its role in industry collusion in 2009), SDCEA offered several critiques of the pipeline, including the racially-biased routing; inadequate public participation; dubious motivations for the pipeline; government’s failure to prevent, detect or manage pipeline leaks; and climate change (SDCEA, 2008).

According to SDCEA, the race and class bias were crucial reasons to reject Transnet’s re-routing strategy, because ‘The pipeline threatens people with potentially severe environmental safety and health problems (well known to refinery victims in South Durban), in a manner that is discriminatory along class and racial lines.’ The local ecology itself was already saturated with toxins, SDCEA alleged in 2008:

Durban Bay, in which the harbor is situated, is struggling to cope with the pollution loads from harbor and associated activities, contaminated riverine and storm-water inflows. The expansion will require further removal of aspects of the Bay’s ecosystem, which will in turn further reduce the assimilative capacity of this threatened and fragile estuary. There have been major incidents affecting the harbor, including the September 2007 fire at Island View Storage. Reducing the amount of hazardous material being stored, handled and transported in the harbor is a crucial first step to reducing the risk to people living, traveling and working in the area. Yet the pipeline proposal will do the opposite. The routing of the pipeline south, directly through low-income black residential areas instead of through areas.

---

² SDCEA suggested: ‘Refurbishing the existing pipeline in an incremental manner (instead of doubling capacity), as maintenance is required, replacing the sections with a larger pipeline, using the existing route and servitudes, and installing additional pump stations, as and when required. Accelerating the upgrade of railways and public transport in Gauteng, so as to get more people and product off the roads to minimize transport-related congestion, fuel burning, emissions and associated health effects, by establishing urban transport networks to enable safe and affordable rail transport, linked to park and ride centers with connections to bus and taxi routes.’
including farming lands owned by wealthy white South Africans, is suspiciously reminiscent of the environmental racism we in South Durban have become familiar with... The leaks that have occurred in existing petroleum pipelines have been devastating to South Durban, including the 1.3 million liters that spilled from Sapref lines in 2001, that were not detected until residents complained. According to present practices, only a leak of more than 1 percent will be detected. Incidents leading to a loss of product which is not detectable by the system may continue to pollute the soil and groundwater for a long time. During this period, many people, fauna and flora may be affected by the consequences of the pollution and not understand the cause until it is too late. In this case, the costs will not be borne by the polluter, as our legal framework requires.³

Many of the same complaints arose again four years later, in mid-2012, when the next stage of the port-petrochemical complex reached fruition: the proposal for a new dig-out port and expansion of the old port. The most heart-felt of the critiques levelled was against displacement because, for many Indian and African residents of South Durban, their earlier neighbors during apartheid were moved to South Durban from Cato Manor, a well-located residential area. Displacement was central to apartheid’s racial segregation strategy. Now the same appeared imminent, though this time for class reasons.

Displacement and the trucking threat

SDCEA, the Wentworth Development Forum and Merebank Residents Association and the Clairwood Residents and Ratepayers Association are justifiably convinced that the port-petrochemical project will generate not just traffic chaos, but residential displacement on a substantial scale. From the north, the old harbor’s expansion creep will displace residents by the thousands from the culture-rich, 150 year old Indian and African community of Clairwood. That area’s African shackdwellers and long-time Indian residents are already under threat from reckless trucking companies, who are beneficiaries of the rezoning – or simply failure to enforce existing zoning – that facilitates Back-of-Ports creep.

In the process of liberalized zoning and lack of residential area zoning enforcement by the municipality, ten Clairwood and nearby Bluff suburb residents were killed in the decade 2003-13 by truck accidents. Mostly carrying freight, these drivers killed 70 people in the course of 7000 accidents in Durban in 2012 alone. The worst single case occurred in September 2013, when 23 people were killed by a runaway freight truck on a mountain range within Durban city limits: the Field’s Hill section of the alternative (non-tolled) highway from Johannesburg.

That tragic accident was revealing, for one of the world’s three largest shipping companies, Evergreen, hired a local informal truck company which allegedly instructed its driver to avoid tolls to save $4. Police cracked down after the accident and found several of the company’s trucks operating under unsafe conditions. The one that hit two commuter taxis was driven by an unqualified, underpaid immigrant driver; the truck’s brakes failed on one

³. On the climate, according to SDCEA, ‘the rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided.’
of the steepest highways in the country. A few weeks later, government proposed restricting that particular hill to only 5 tonne trucks, banning 16 tonne trucks. But the broader problem of rising accidents was not addressed.

**Local ecological degradation**

Opposition from local communities will grow even more intense once the largest part of the port expansion begins. The proposed dig out port is where the old airport stood, on the southern border of Merebank. To dig a 1.5 kilometer length of soil 20 meters deep is dangerous, given how many toxic chemicals have come to rest there over the decades. Even Descoins conceded, ‘We have to look at contamination issues. Hydrocarbons have been pumped around this area for decades and we know there have been some leaks.’ That soil, water and air pollution will exacerbate the five-year dust cover under which the dig-out port’s construction will suffocate Merebank and Wentworth, the mainly Indian and colored communities of South Durban. These neighborhoods are already coated with regular oil-related sulfur and soot showers from the oil refining complex, as witnessed in their world-leading asthma rates.

In addition to damage to human health, BirdLife SA observed that, since Durban has one of just three estuarine bays in SA, its ‘ecosystem services’ value of goods and services is vast: as a heat sink and carbon sink, for biodiversity, as a fish nursery, for waste disposal, and for storm protection. Moreover, the Bonn Convention’s protections for bird migration should make estuaries and wetlands, such as South Durban’s, immune from cementing. In May 2013, Gigaba dismissed the worries over ‘frogs and chameleons (Gedye, 2013). In contrast, the ecological damage implied in this stage of Transnet’s expansion was so extreme that the Department of Environmental Affairs rejected the first version of the EIA in October 2013 (Abadar 2013), which described the impacts of the build-out of Berths 203-205 – then able to handle ships of no more than 12 meters depth – so as to accommodate super-post-Panamax ships of 15 000 containers or more.

One of the two reasons was Transnet’s failure to do more than ‘monitor’ the damage caused to the major sandbank in the middle of the estuarine bay, which hosts so many reproductive processes for fish and birdlife (Abadar 2013). As SA’s leading maritime journalist Terry Hutson remarked at the time:

> In Durban there is little likelihood of any big growth in volumes in the near future. A few years ago, the port went backwards in the number of containers it handled, dropping something like 200, 000 TEU in a year and there has been little growth since... So the questions remain: Does Durban need the deeper berths and aren’t the bigger ships premature? (Hutson, 2014)

**Global ecological implications and local climate adaptation**

The other reason Transnet suffered an early rejection of its EIA was due to the most important environmental problem of all, climate change. The firm’s consultants simply did not consider the impact of rising sea levels or extreme storms (Ibid?date?). As oceans warm up, cyclones and hurricanes intensify, with resulting sea-level rise. The volume of Arctic sea
ice has been reduced by 75 percent in just 30 years,’ reported the world’s most respected climate scientist, James Hansen in 2012: ‘There is a danger that the ice sheets will begin to collapse and we could get several meters of rising sea levels in one year’ (Cornell University, 2012). At that rate, big parts of central Durban would sink, along with other cities where coastal sprawl has left millions in low-lying danger: Mumbai (2.8 million inhabitants exposed as sea waters rise), Shanghai (2.4 million), Miami (2 million), Alexandria (1.3 million) and Tokyo (1.1 million).

Durban has suffered early indications of extreme weather events and associated damage. In March 2007, in one storm exacerbated by unusual tidal activity akin to a tsunami, Durban’s main municipal official reported ‘wave run-up heights’ which ‘peaked at 10.57 meters above Mean Sea Level.’ The bulk of the beach sand was washed away along the coast and nearly a billion dollars’ worth of coast infrastructure was destroyed. In June 2008, a storm submerged much of the South Durban Basin’s main valley, cutting off the Bluff and Wentworth from the main access highway. In November 2011, the day before the United Nations Framework Convention on Climate Change (COP17) summit began in Durban, a rainstorm wreaked such havoc that a dozen people died when their poorly-constructed, publicly-funded houses collapsed on them. In August 2012, the same Durban port berths (203-205) proposed for expansion were severely damaged during heavy winds which bumped a ship up against cranes, resulting in a two week-long closure, and a few miles south, the Engen oil refinery was largely submerged by flooding.

Just as important, what of the mitigation challenge associated with the port-petrochemical complex? According to the Academy of Science of SA’s 2011 book, *Durban: Towards a Low Carbon City*, ‘The transport sector is pivotal to the transition to a low carbon city... The top priority was identified as the need to reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants’ (Academy of Science of SA, 2011). The port-petrochemical expansion will do the opposite, in part because for decades, Transnet sabotaged its own rail freight capacity, allowing road trucking of container traffic to surge from 20 to 80 percent.

Yet in addressing the obviously adverse ecological implications of their project, Transnet hired Nemai Consulting, an EIA specialist with no apparent climate consciousness. They in turn hired a sub-contractor, an official of the SA Council for Scientific and Industrial Research, whose 2011 report, ‘Modelling of potential environmental change in the port marine environment’, also completely ignored climate change. Follow-up with officials of Nemai in 2012 generated this reply: ‘The project will decrease the ship waiting and turnaround times which will have a lower carbon impact.’ The consultants did not factor in the dynamic aspects of the shipping system, meaning that if there is an increase in efficiency by reducing the ships’ offshore wait, the result is to speed up the system as a whole, thus *increasing* carbon impact (Bond 2012-13).

The same carefree, denialist attitude to climate was evident in the doubling of oil pipeline capacity from Durban to Johannesburg. According to a SDCEA EIA critique (ignored by officials),
The proposed pipeline will make a vast contribution to the climate crisis, yet the EIA only speaks in two areas, very briefly, of this problem. The Draft Scoping Report notes that the current Durban International Airport site is within the 1:100 year flood plain, and that the Island View site is ‘potentially affected by sea level rise in the future as a result of climate change.’ The Scoping Report promises to consider this in the future EIA. In addition, the Draft Scoping Report summary notes in ‘TABLE 5-1: Summary of legal requirements that apply to the project and the EIA process’ that the Kyoto Protocol is relevant, as it ‘Commits a country to quantified emissions limitations and reductions.’

In the first instance, SDCEA does not believe the Draft Scoping Report has begun to grapple properly with location of the pipeline along the South Coast. As our appendix of photographs of 2007-08 storm damage shows, even concrete structures came under severe attack from the elements and were found wanting, as a result of locations in low-lying coastal areas, including The Bluff, Wentworth and Merebank, through which the new pipeline will run. Other areas of Amanzimtoti and the South Coast were demolished in June 2008.

The Draft Scoping Report treats these dangers casually, in spite of the record of public infrastructural decay noted above, in which a variety of pipeline maintenance crises have arisen, causing enormous ecological despoilation. Second, the rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided. Since Minister of Environment and Tourism Marthinus van Schalkwyk has committed South Africa to substantive emissions cuts which will be formalized at the 2009 Copenhagen Conference of Parties to the Kyoto Protocol, a huge effort by all state agencies, including Transnet, will be required to reduce emissions in all areas. The proposed pipeline does the opposite, just as South Africa enters the 21st century with emissions that are 42 percent of the entire African continent’s output, and 20 times higher per unit of per capita GDP than even the USA’s emissions (SDCEA, 2008).

Whether pointing out emissions-reductions promises made in Copenhagen or in the 2011 Durban and 2015 Paris UN climate summits, it proved impossible to shame South African officials for climate denialism. In his February 2016 budget speech, Finance Minister Pravin Gordhan (2016) on the one hand proudly observed how in Paris “South Africa’s response to the global climate change challenge has been prepared” but three sentences later he bragged, “work has begun on a new gas terminal and oil and ship repair facilities at Durban.”

**Economic irrationality**

Ironically, in spite of all the socio-economic controversies, financing for the port-petrochemical project may ultimately be threatened most by the project’s inefficiency and lack of economic feasibility. The argument in favor of the port is mainly that jobs will be created and SA will have world-class infrastructure for export-led growth. But rising capital intensity at Transnet along with trade-related deindustrialization may result in fewer
manufactured exports as well as net employment loss. This has been the norm since 1994 when democracy also ushered in economic liberalization after SA joined the World Trade Organization. Subsequent port expansion and Transnet restructuring did not create new jobs, but destroyed employment.

The project only makes financial sense if South Africa’s economic development mentality is locked into national boundaries established in Berlin during the colonial ‘Scramble for Africa’ in 1885, the point at which borders were determined by white men representing imperial interests. As the region’s main port-rail link to the largest market, Gauteng – and from there to the rest of the subcontinent – Durban is facing stiff competition from Maputo in Mozambique for shipments to Johannesburg, because it is a more direct, shorter and much less mountainous journey. In addition, there is general container-handling competition from other ports along the coast attempting to set up regional freight hubs and export processing zones, including a vast state-subsidized complex, Coega, in the Eastern Cape near Port Elizabeth (Bond, 2002).

As it stands, Durban’s costs of processing freight are the highest in the world, at $1080 per container, or $400,000 per typical ship. What port advocates have not been able to do is explain how an additional $25 billion in investments (no doubt much more what with recent trends tripling original estimates) will cut operating and maintenance costs to competitive levels. Repaying the principle, interest on the capital, and all the additional costs will force much higher container handling charges, leaving the real prospect of another white elephant. In Durban, similar projects that were anticipated to earn profits – such as the airport, convention center and marine entertainment complex – all have needed multi-million dollar annual taxpayer bailouts.

An alternative strategy

Is an alternative to this flawed economic development strategy possible? A very different Strategic Investment Project would recognize the urgent need to detox South Durban and reboot the local economy towards more labor-intensive, low-polluting industry, and add much more public transport, renewable energy, organic agriculture not reliant upon pesticides, a ‘zero-waste’ philosophy and a new ethos of consumption. The South Durban activists and the national Million Climate Jobs campaign want society to adopt this approach, but they remain on a collision course with Transnet, its financiers, the Treasury and Presidential Infrastructure Coordinating Commission, as well as the municipality. Unlike the Medupi campaign from February to April 2010, there is far more time for mobilization of advocacy pressure to halt Transnet’s access to external financing, and hence the project itself.

In October 2012, at a Presidential Infrastructure Investment Conference in Johannesburg, Deputy Public Works Minister Jeremy Cronin confessed what was patently obvious in the neo-colonial SA economy: ‘Too much of our development has been plantation to port, mine to port.’ Instead, Cronin argued, South Africa needs ‘social infrastructure, such as water, hospitals, schools, and housing, in order to prevent the kind of protests witnessed recently in the mining sector (City Press, 2012).’ Cronin’s influence notwithstanding, this rhetoric is probably just a case of ‘talk-left, invest-right’: in mega-projects like Medupi and South
Durban’s port sprawl, against the interests of people and planet, and instead on behalf of corporate profits. In these respects, there was more continuity than change in the pre-1994 and post-1994 eras. For many years, such mega-projects have dominated corporate investment, and these have always entailed very generous state-supported subsidies, usually associated with mining (Free State Goldfields), smelters (Alusaf, Columbus), airports and ports (Richards Bay, Saldanha, Coega), mega-dams (Gariep, Lesotho), coal-fired powerplants and other energy projects (Mossgas, Sasol oil-from-coal) and special projects (sports stadiums and the Gautrain).

There remains a formidable lobby for fossil-fuel based infrastructure investment in SA, ranging from mining houses to the construction industry. The elite mandate is to ‘mine more and faster and ship what we mine cheaper and faster’, as Business Day editor Peter Bruce ordained just as Gordhan was finalizing his $100 billion infrastructure budget in February 2012 (Bruce, 2012).

Thanks to this philosophy, South Africa’s national and local ecological problems have become far worse, according to the government’s 2006 Environmental Outlook research report, which noted ‘a general decline in the state of the environment (South African Department of Environment, 2007).’ By 2012, the country’s ‘Environmental Performance Index’ ranking slipped to 5th worst of 133 countries surveyed by Columbia and Yale University researchers (Environmental Performance Index, 2015) For example, Gauteng, the country’s main megalopolis, experienced water scarcity and water table pollution. When the first two Lesotho mega-dams were built during the late 1990s with World Bank financing, there were not only destructive environmental consequences downriver, but the extremely costly cross-catchment water transfer to Johannesburg raised water prices, thus, deterring consumption by poor people in low-income townships and generating world-class water protests.

With this level of degradation, it is no surprise that there is such intense labor, social and environmentalist resistance. The 2012-15World Economic Forum Global Competitiveness Reports placed SA in the world-leading position for adverse employee-employer relations out of the 140 countries surveyed (World Economic Forum, 2015). And thousands of protests are recorded by police each year; in 2012-13, for example, the minister of police reported on ‘1882 violent public protests’ (SAPA, 2013) a number that rose above 2200 in 2014-15.

But local protests rarely coagulate to threaten national power structures, aside from unusual moments such as the October 2015 student protests against high fee increases which led to three national targets on subsequent days and hence the state’s $150 million tuition concession to the activists. But all attempts to change South Africa’s carbon-intensive, export-oriented economic policy have failed, thus far. One harbinger of the coming conflict was in January 2014 when in Parliament, SDCEA was prevented from testifying about the port-petrochemical complex during hearings on a fast-track Infrastructure Development Bill which passed a few weeks later, and which will reduce to a maximum of one year the approval processes for EIAs and other permits. As a result, if the project does not suffer more delays due to the overarching world capitalist stagnation of shipping, the only obvious pressure point will be for SDCEA to attack Transnet’s financing.
What is at stake in South Durban, as in so many other similar sites of micropolitical-ecological struggle, is whether common sense prevails over profits, and the only determinant of that common sense appears to be the fusion of social justice and environmental advocacy, in what we can term a red-green coalition. That advocacy is typically aimed at swinging the balance of power in the favor of the former (common sense), by reducing the latter (profits), perhaps through non-violent civil disobedience of the sort pioneered in KwaZulu-Natal (in Newcastle, not far from Durban) in 1913 by Mahatma Gandhi; i.e., of the sort international anti-apartheid activists used to assist in ending apartheid. The most powerful weapon was financial sanctions. And whether the World Bank and other international lenders—including China and the coming BRICS New Development Bank—can be compelled to avoid new Transnet financing, is a matter of organizing prowess.

**Conclusion: Activist narratives aiming to connect the dots**

South Durban’s experience so far corresponds to more general conclusions about community contestations of industrial activity as a result of global-local rescaling processes sometimes termed ‘glocalization. In the face of the widespread yet elusive power of transnational corporations, civil society nonetheless continually pressures companies to reduce environmental and social impacts from their activities,’ as Leah Horowitz explains:

Protestors may use direct action, such as violent attacks, or discursive action, including court battles as well as attempts to tarnish the companies’ reputations, which are increasingly important in a globalized world. All these costs contribute to ‘the internalization of externalities.’ Beyond direct costs to corporations, these actions influence the financial sector as investors realize that companies pass financial and reputational risks on to the institutions that support them, and that a company’s management of environmental and social issues may provide an indication of its ability to tackle other management problems. These concerns have prompted investors to screen potential funding recipients, through mechanisms such as the FTSE4Good Index Series, and have inspired powerful funding agencies such as the World Bank to impose directives upon clients (Horowitz, 2002).

Aside from the top-down threats of capitalist irrationality, the greatest risk to Durban’s proposed port-petrochemical complex expansion is the repertoire of mandatory tools in any activist’s toolbox: popular education, democratic decision-making, mass-based organization, linkages of people across interest areas leading to new alliances, unity of purpose, an ability to transcend divisions, powerful analysis, fluidity and pragmatism combined with a profound commitment to eco-social justice principles, and effective strategies and tactics. There is not sufficient space to do more than reveal some of the discourses being developed in 2011-14 in South Durban by SDCEA activists and their allies. One risk that Transnet and major oil companies—even ExxonMobil—face is that the critical narrative catches on in the broader society, and affects the way we think about infrastructure priorities. The timing is propitious, because for at least two decades, South Africa has witnessed what are probably the most prolific protests in the world dedicated to improved ‘service delivery’—i.e. demonstrations against lack of (or excessively expensive) water and sanitation, electricity, housing, clinics, schools, roads and the like. These have occurred in South Durban, but as
ever, the challenge is linking people’s immediate concerns to wider matters, i.e. to connect the dots between local and global and back again, and between economic, social and ecological matters.

SDCEA’s activists were motivated by a variety of minor victories against polluting industries. In two cases, substantial landfills that were used as toxic dumps by unethical waste companies were shut down. SDCEA leaders of those campaigns, Bobby Peek and Desmond D’Sa, were successful in 1996 (Umlazi) and 2012 (Chatsworth), respectively, and in each case they won the Goldman Environmental Prize for Africa two years later as a result. SDCEA recorded other victories, notably against the Engen and Sapref refineries which are collectively the largest refinery zone in Africa. Because of SDCEA lobbying, they both installed SO2 scrubbers so South Durban is not nearly as thick with airborne pollution and the sickly-sweet smells of chemical emissions.

SDCEA’s own strength ebbs and flows, as does any civil society institution fighting injustices where the adverse balance of forces is so glaring. In an earlier stage of opposition to the port-petrochemical expansion, in 2004-05, SDCEA gathered thousands of residents to halt a major link road planned from the city’s main southern freeway to the port. In 2006 SDCEA began campaigning against the doubling of the oil pipeline capacity and its rerouting through South Durban. In 2008, SDCEA used the EIA to challenge the climate implications of a major project for the first time. But at that stage, neither protests nor allegations (quite valid) of environmental racism nor EIA interventions slowed Transnet; Gigaba openly admitted the roughshod way Transnet treated such contestation led to numerous problems in the pipeline’s implementation.

In 2011, Durban municipal City Manager Mike Sutcliffe – perhaps the city’s most controversial leader in history – drew up a secret plan, estimated to cost the equivalent of $25 billion, for the entire South Durban Basin. The plan reflected many decades of official ambition to re-engineer the Basin, in the wake of the 1940s-60s attacks on black residents which turned South Durban communities into racial enclaves. Racial settlement patterns existed nearly entirely exchanged into the second decade of democracy, with the exception of Clairwood’s desegregation by shack settlers as urban blighting began in the 1990s. Sutcliffe’s master plan was only unveiled to the public in mid-2012 at which point a half-dozen community meetings called by the city under the rubric of public participation were taken over by SDCEA activists, led by D’Sa. A near unanimous sentiment was expressed in meeting after meeting: close down the event and refuse to have it declared a form of tick-off participation. The main planner, consultant Graham Muller, was repeatedly frustrated.

The narrative in the August 2012 pamphlet, ‘ACT NOW! EXPANDING PORT, POLLUTION AND FREIGHT THREATEN SOUTH DURBAN’ is worthy of even brief consideration because, like a poster for a March 2014 SDCEA protest at Durban’s City Hall, it helps reveal activist attempts to link issues and constituencies. The first of eight SDCEA critiques in the pamphlet was that ‘We need one planning process. The municipality refuses to discuss the port expansion projects, which are spear-headed by Transnet.’ The city’s strategy was to join Transnet in fragmenting the long 2014-2040 process of approval, construction and operation so that the vast implications for the entire project are not collected in any single moment of opposition. In reply, SDCEA demanded ‘a single participation process with all
spheres of government, developers and communities to chart a sustainable and common way forward. Otherwise we will be arguing one puzzle piece at a time and will never change the overall picture.’

The second critique was ‘Cost vs. Benefit… Proponents boast 130 000 permanent jobs will be created – is this accurate? If correct this means a high capital investment of $190 000/job created. What other ways could this money be invested to create sustainable livelihoods without the terrible social and environmental impacts? Are the full costs – including community destruction, adverse health effects, and our greater contribution to climate change – being considered?’ Activists suspected the jobs calculation was far out of touch with reality given, as noted earlier, that even the largest container ships are designed to have crew numbering less than two dozen (13 in the case of Walmart’s 15 500-TEU China-California shuttle).

The third critique also questioned the planners’ understanding of global shipping demand: ‘Is the expansion justified? Transnet are arguing expansion based on projections for the growth in container handling. At an 8 percent growth rate their projections show that a capacity of only 12 million containers will be needed by 2040 – yet they are building capacity for 20 million. Is this growth rate attainable given competition from other ports, growing resource constraints, carbon taxes on shipping, and global economic collapse?’ Activists pointed out that harbor efficiency was appalling and that Durban’s notorious status of world’s highest-cost port would not be changed by adding $25 billion in capital costs given high interest rates affecting repayment of loans plus high operating and maintenance costs.

The fourth critique was that ‘Increased containers mean increased impacts,’ and that this would translate into ‘8x the traffic, pollution and noise… There will also be an increase in Port related illegal activity including smuggling, drug trafficking, prostitution and shebeens’ (informal pubs).

The fifth was of the ‘wrong fossil fuel development model. Port expansion will serve increased imports of consumer goods (60 percent of container cargo are imports to Gauteng), expansion of petro-chemical industries & fuel storage and the automotive industry (Toyota). This does not take into account dwindling resources, especially oil, and the need to stop climate change.’

The sixth was the environmental risk: ‘In addition to increasing climate change, port expansion will increase large water areas within the south Durban flood plain while removing the last natural wetlands. Toxic industry is also expanding in the basin. This increases the potential for flooding and hazardous chemical spills as extreme weather events increase.’ Moreover, ‘the Bay’s estuarine ecosystem has been compromised to the point that it has lost resilience… The Bay provides a critical breeding ground for reef associated and migratory marine fish. 132 species of birds are found here and 62 species of endangered, migratory birds rest and feed here.’ The sandbank’s destruction in the first phase would wreck any remaining chance of restoring the harbor’s ecological integrity.
The seventh was the resulting ‘Community upheaval... Clairwood is earmarked for rezoning to logistics with some light industry. 6000+ people will be forced to relocate through market pressure, and with no active community present will inevitably result in the degeneration of historic cultural sites in the area. The port expansion requires 878 hectares of land for containers!’

The eighth critique was to ask, ‘Freight – rail or road? The documents make reference to rail and interchange nodes. However, the documents refer to ‘freight routes’ which on some plans are shown as rail but more recently as roads.’ Just over a year later, on the Field’s Hill slope through the main mountain pass towards Durban, 24 people were killed by a runaway truck carrying a container belonging to Taiwanese-based shipping behemoth Evergreen. It was being freighted from Johannesburg by a small Durban truck transport agency, which skimmed on paying toll fees (staying on the main highway with its more gradual slope would have cost $4 more), hired as a driver a low-paid Swazi national with an illegitimate license, and failed to have its faulty brakes repaired before the fatal trip. The SDCEA ‘truck off’ protest of 500 residents on the freight area’s main throughway (Solomon Mahlangu Drive) in March 2012 had forewarned of this kind of risk, given that there were 7000 accidents in Durban in 2010 involving trucks, leaving more than 70 fatalities. In Clairwood alone, trucking companies invading the residential area with illegally zoned truck yards, and accidents there and on nearby Bluff roads had killed nine residents in the prior five years. The Clairwood community leader who opposed trucks the most vigorously, Ahmed Osman, was assassinated in April 2009, shot dead on his front porch in one of many unsolved crimes involving the deaths of Durban activists.

In spite of such dangers (D’Sa himself was a target of a nighttime firebombing in his working-class flat in December 2007), the rhythm of street protest is also revealing. As the municipality and Transnet began public consultations in 2012, SDCEA activists were able to use the mass meetings as rallying points. For example, in September 2012, Clairwood’s established Indian residents most immediately threatened by the existing harbor’s expansion invited Finance Minister Gordhan – who thirty years earlier was a community organizer against apartheid housing in those very streets – to make a presentation defending Transnet and the city. He attempted to do so, using the standard neoliberal narrative of international competition, and specifically the threat that Maputo would get ahead in port traffic to Johannesburg (itself a reasonable proposition given that it is a shorter route without the Durban-Johannesburg mountainous terrain to cross).

Tellingly, however, Gordhan also hinted that a divide-and-conquer strategy lay ahead against SDCEA activists, because Clairwood is also a site of several thousand black African shackdwellers barely surviving in informal settlements, backyard slums and even large tents. Fires regularly ravage these residents’ shacks, destroying their belongings and often injuring (and even occasionally killing) people, including one night-time blaze that wrecked a double-yard settlement of 500 shacks in mid-2013. The mainly middle-class audience of traditional homeowners of Indian ethnic origin were reminded by Gordhan that the ANC’s ability to mobilize in a relatively desegregated Clairwood could haunt a coming political showdown, in which those with the most to lose were Indians in Clairwood and Merebank, followed by those in the mainly Colored area of Wentworth (which suffers the most pollution) and the traditionally white Bluff area.
Still, three months later, in December 2012, several hundred people heeded SDCEA’s call to block the back port entrance, leaving a three kilometer long queue of trucks. Protests slowed in 2013 as the port EIA process and other high-profile debates with Transnet and municipal politicians took priority. But by March 2014, when SDCEA held a march to City Hall of 800 residents, new issues and constituencies were added to the coalition, including farmers on the old airport land who are to be displaced as the Dug-Out Port is built, and subsistence fisherfolk whose access to the existing harbor was contested from the time of the 9/11 bombings – thus generating US paranoia over port security – until in 2013 they were permitted back into their traditional fishing area. The challenge for connecting dots and adding issue areas would arise in subsequent years, as the Umlazi Unemployed People’s Movement (UPM) joined the anti-port coalition, for their ambition is to have the old airport land turned into low-income housing and labor-intensive industrial cooperatives. There is also potential for the country’s largest trade union, the National Union of Metalworkers of South Africa (Numsa), to concretize its ambitions of a United Front linking workers, residents, environmentalists, women and youth. If Numsa succeeds in taking over the organization and representation of Durban port workers – as they were doing down the coast at the Coega container terminal – and evoking genuine eco-socialist politics, if the UPM leads land invasions at the airport before the digging is due to begin, and if Clairwood shackdwellers and nearby worker-hostel residents in Umbilo and Jacobs are fully organized, then the threat of racial divisions would fade.

However, it must be conceded, finally, that SDCEA remained weak when it came to an alternative approach to the South Durban Basin’s development. As SDCEA’s 2012 pamphlet reported, ‘We must urgently invest in a post-fossil fuel development path including renewable technologies and resilience to climate impacts. Are we giving up our land, environment and community to facilitate imports feeding rampant consumerism?’ That stark choice lay ahead not only for SDCEA, South Durban residents and the broader city – but for the country and world as a whole. With the capitalist ‘development model’ representing by far the greatest risk to the continuation of a decent life on a climate-constrained planet, and with inequality and political degradation out of control in South Africa and across the globe, then the showdown over South Durban’s future would, in microcosm, signal whether disparate red and green forces can find unity in opposition, and use that unity to plan a future based on less risky ways of arranging economy, society and nature.

Afterword

In mid-2016 as this book was going to press, the combination of global capitalist crisis (especially shipping overcapacity) and local resistance combined to postpone Durban’s dig-out port. But according to a Transnet official, the country’s single largest site-specific mega-project ‘has been programmed and will not be abandoned. It is just a matter of timing. The view is that construction of phase one should begin by 2030, once the deepening of the pier one berth in the port and other port projects get underway’ (Baillache 2016). Instead of assuming a 6.5 percent annual growth in containers, Transnet would plan based on only a 3.5 percent growth estimate, a figure also likely to be far too optimistic if the long-term stagnation continued. The announcement was welcomed by SDCEA and its main NGO ally
groundWork (2016): it was ‘a result of SDCEA’s organised resistance over many years... this is an important victory for SDCEA and the communities it represents, as it means retention of the community space as a residential zone, and no displacement of residents and workers such as the old Durban airport farmers.’

That new breathing space is vital. But the main challenge in understanding South Durban, as in so many other sites where capital is in conflict with communities and environments (and especially when the conflicts relate to climate change), is to assess structure and struggle in a more balanced way. As commodity prices crashed and shipping capital overaccumulated in this critical period, it was natural that activists engaged in such permanent class and social struggles were bound to overestimate their role, and likewise that capitalist planners were bound to under-estimate their mistakes, believing in the perpetual prosperity of a system that in reality generates such crises and resistances in the same breath.

References


Bond, P. (2012-13), Correspondence with the Nemai consulting company, Durban May 2012-November 2013.


Environmental Performance Index (http://epi.yale.edu/) Accessed 12 December 2015.


Ministry of Reconstruction and Development (1994-95) Urban Infrastructure Investment Framework, Pretoria 17-41


South Africa’s next revolt: Eco-socialist opportunities

The political ecology of South Africa reflects extreme uneven and combined development. As one crucial aspect of this condition, environmental degradation extends deep into the households and workplaces populated mainly by the country’s black majority. The regroupment of the socialist movement will, in the coming months and years, have to embrace the environmental challenge just as profoundly as it will need to reindustrialize the economy under worker and social control, while also redistributing wealth and restructuring the reproduction of labour power in a humane, rational manner to spread what is now women’s caregiving responsibilities properly. As these overlapping processes unfold, there are opportunities to ‘red-green’ several aspirational strategies now being articulated by leading eco-socialist currents: renewable energy generation, manufacturing localization, minerals beneficiation, land reform, urban repurposing and desuburbanization, the cessation of migrant labour relations, shifts from private to public transport and other overdue geographical restructurings. These objectives are supported, at least in principle, by all social forces aside from the most dogmatic neoliberals.

But under ever more intense domination of the South African state by capital and its agents (e.g. international credit ratings agencies Fitch, Moody’s and Standard & Poor’s), it is likely that these strategies will be tokenistic. They will be underfunded, will fall prey to ‘Green Economy’ eco-capitalist manoeuvers, and will eviscerate any potential eco-socialist orientation. In the municipal site of Durban, for example, greenwashing has been extremely aggressive even under the reign of an ostensibly communist mayor and city manager since 2002. Hence the challenge is to wrench power from corporations and their allied politicians and state officials, by developing a programmatic approach that internalizes as many ‘red-green’ values as possible, notwithstanding all the countervailing pressure. To gain space to do so will also necessarily mean coming to grips with the extreme international vulnerabilities associated with post-1994 neoliberalism. These include South Africa’s exposure to world commodity overproduction, its financial vulnerabilities, its economy’s contradiction-ridden subimperial positioning within Africa, and most explicitly today, the failure of the BRICS project: the mistaken idea that alliances with Brazil, Russia, India and China would generate radically new global governance power relations that would successfully address economic, social, geopolitical and ecological crises from the top-down.

In contrast, several bottom-up victories since the end of apartheid in 1994 offer examples of the decommodification, destratification and deglobalization approaches that can be emulated so as to move forward the eco-socialist agenda: access to free HIV/AIDS medicines, the partial decommodification of municipal water and electricity services, and workplace health and safety class-action lawsuits (especially over silicosis). These are instances of struggle that bring home – to the scale of the body itself – some of the socio-ecological processes most damaged by capitalism, where revolt has been most portentous. There are also some isolated but important cases of environmental justice victories over polluters that contribute to broader eco-socialist conceptions and movement-building. And a few institutions and visionary leaders have begun to emerge to
carry forward the eco-socialist agenda across South Africa’s rocky terrain. Finally, a new generation of activists is emerging from university struggles (#FeesMustFall), which in 2015 were partially successful in gaining not only a freeze on student payments (partially offset by increased state funding), but also linking with casualized ‘outsourced’ campus workers who the students assisted in winning in-sourcing and a living wage.

Still, the most vital missing element in 2017 is a political party that reflects and regenerates eco-socialist campaigns and ideology deep within the society. All other ideologies currently in the mainstream of political discourse – especially nationalism, neoliberalism, petit-bourgeois radicalism, Black Consciousness and an ossified ‘Marxist-Leninism’ promoted by the official Communist Party, as well as half-hearted mainstream environmentalism – have failed to achieve the potential that a red-green political process offers. Even the best prospect for an eco-socialist ideology – the National Union of Metalworkers of South Africa (NUMSA) in alliance with the Association of Mineworkers and Construction Union (AMCU) and a slow-maturing ‘United Front’ with social movements – has a great distance to travel before the merits of radical environmentalism are evident to leaders and lay members alike.

The narratives required to make this case will be diverse but must somehow fuse the economic, environmental, social, political, gendered and even spiritual critiques of the status quo: something akin to the (much-abused) vernacular ‘Ubuntu’ framing in which the philosophy that ‘we are who we are through others’ also requires future application to society-nature relations. If not, too many silo-specific narratives will continue to compete with each other and the progressive forces in South Africa will never generate the kind of overarching anti-capitalist ideology, programme and network that they did during the 1980s in the final push to defeat apartheid. But those deficiencies may soon be addressed as a socialist party emerges from the independent left’s numerous fragments of struggle.

To assess this potential with the optimism of the will and pessimism of the intellect required now more than ever, demands that we review, first, the characteristics of capitalist crises felt so acutely in economic, socio-ecological and gendered respects following two decades of neoliberal-nationalist politics; second, the now-shifting political alliances from above, and from below the fragmented red and green political forces that have, albeit haltingly, finally begun a regroupment process; third, inspirational moments when indicative victories were won in spheres of social reproduction; which in turn, fourth, may inform a series of struggles that lie ahead.

The crisis-ridden conditions of accumulation and the uneven state of class struggle may collide in a way that compels the working class to decisively address the forces and relations of production – especially devaluation of overaccumulated capital – such that through leaps and bounds, reversals and maturations, a South African version of eco-socialism begins to make common sense to the society. The fabled ‘second stage’ of socialist struggle was forever delayed by the historic forces of liberation, especially the African National Congress (ANC) led by Nelson Mandela (ANC president from 1991-97), Thabo Mbeki (1997-2007) and Jacob Zuma (2007-present). New forces are pregnant, but
how deeply they generate red-green philosophy, analysis, strategies, tactics and alliances remains to be seen.

NEOLIBERAL FRAGMENTATION AND ACCUMULATION CRISES

The fragmentation of red and green political potentials is not unusual in the contemporary world, but few if any sites are subject to the extremes of South Africa, not least because of increasingly adverse conditions for capital accumulation. Neoliberalism has dug itself deep into social and environmental management since 1994. On the one hand, that year’s achievement of the liberation movements’ hard-fought ‘one person, one vote in a unitary state’ demand, and the cessation of the formal legal and geographic framework of apartheid, can never be discounted. On the other, the costs of political victory – i.e., concessions demanded by white South Africans and their international capitalist allies – were high. The disastrous socio-economic and environmental results of an ‘elite transition’ imposed upon the majority are well known. They include much more severe unemployment, poverty and inequality than even under apartheid, plus extreme damage to the country’s natural assets. The liberation movement itself became distorted, following the classic route Fanon described as ‘pitfalls of national consciousness’.

The elite transition’s neoliberal culture spread deep into the society. The working class is both ripe for a new, overarching left political initiative, while contradictorily, corporate advertising and consumerist culture have made this class ever more committed to standard modernization processes in the reproduction of daily life. South Africans are prone to celebrate even those features of Western eco-social abuse which are rapidly coming into question in the rest of the world: suburbanization, individual auto use, diets based on meat and sugar, genetically-modified crops, and consumer credit binging associated with over-consumptive (and import-intensive) tastes. The hedonistic values of pre-1994 South Africa – in which the country’s wealthiest 5 million white residents (9 percent of the population) plus a smattering of Indian, ‘coloured’ and African middle-class consumers lived an advanced Western materialist lifestyle – were deracialized after liberation. Mass marketing, post-racial advertising and liberalized credit meant the conditions for consumption overwhelmed residual attempts at transformation.

There are limits, however, including the ceiling to credit expansion and the broader macro-economic crisis. The former ceiling was hit in 2008 when half of the country’s 20 million credit-active consumers (out of 53 million residents) were given ‘impaired credit’ ratings by the National Credit Regulator as non-performing loans (i.e. defaults) soared, a ratio that has remained steady since. Although a 2005 National Credit Act had anticipated these problems, instead of sharing liability between creditor and debtor, the law invoked a role for debt counselors to assist banks with repayments. The contradictions proved overwhelming, and African Bank, the major lender catering aggressively to the most

---


2 Frantz Fanon, The Wretched of the Earth, Boston: Grove Press, 1963.
desperate sections of the working class, lost 54 per cent of its stock market value during a mid-2013 investor panic and went bust the following year. As formal financial institutions’ appetite for working-class lending waned, credit became even more exploitative within the smaller-scale microfinance markets. To illustrate, the name ‘mashonisa’ refers to the ubiquitous usurer in black South African townships; the isiZulu word means ‘to impoverish’ (or ‘to sink’).  

The deeper micro-economic dilemma was something that the ANC’s Economic Transformation Committee had become aware of a decade earlier: ‘The commercial micro-lending sector has rapidly reached the limit of its expansion. The nature of its business model is such that it can only extend financial services to the salaried workforce.’ One of the country’s main advocates of microfinance, Ted Baumann, conceded that poor people were unable to generate surpluses sufficient to make loan repayments, especially in rural areas: ‘Unlike peasantry elsewhere in Africa, South Africa’s rural poor lack access to basic means of production, such as land, because of unresolved issues of comprehensive settler dispossession. They live in crowded rural villages squeezed between commercial farmland (no longer exclusively white) and tourist-oriented game reserves.’ Likewise for urban residents, income-generating activity is ‘constrained by South Africa’s manufacturing and retail sectors, the most advanced in Africa, which relegate small-scale trading and manufacturing to the margins’.  

Displacing capitalism’s crises into the credit sphere simply enhanced the contradictions over time.

Indeed South African capitalism bumped up against the latter ceiling – macro-economic in character – around 2011, partly because of forces beyond local managerial control: world capitalist crisis dynamics. Since 1994, there were three periods in which integration into the global economy adversely affected South Africa, and one period in which terms of trade and global interest rates were relatively more benign. From 1994-2002, the economy was liberalized and with deindustrialization and the import of capital-intensive machinery, society suffered a doubling of unemployment and worse poverty and inequality than before 1994. Repeated currency crises reduced the Rand’s value by more than 20 per cent within a few weeks, in 1996, 1998 and 2001. The R3.6/$ level in 1994 was untenable under the pressure, and a low was reached in 2001 of R11.9/$ before bouncing back strongly over the subsequent decade. The result of these crashes was a spike in interest rates – at worst by 7 per cent in two weeks during mid-1998 – that made local manufacturing investment yet more expensive.

The only positive experience from greater global economic integration came from the 2002-11 commodity price ‘super-cycle,’ in which South Africa’s four main mineral exports of coal, gold, platinum and iron ore soared in price and output. But the negative features of integration returned during the 2008-09 world recession, with South Africa’s budget deficit rising to more than 7 per cent of GDP as 2010 soccer World Cup related infrastructure spending helped the economy to survive the world crash. Although China’s vast Keynesian investment boom from 2008-11 raised global commodity prices in a last

gasp for the extractive industries from 2009-11, the subsequent period has been disastrous for an economy that had grown so reliant upon minerals exports. It is true that the local Rand price of those minerals fell faster than the global commodity index – the peak currency was R6.3/$ in 2011 and it fell to a low of R18/$ in early 2016, whereas the prices of four main minerals fell 50 per cent. But that also created a temptation for mining houses to increase output, thus exacerbating the global gluts, in search of profits, rather than reduce supply.

As a result, by mid-2016 South Africa’s current account deficit had fallen to a critical -5 per cent of GDP because the balance of payments (mainly profit outflows) suffered rapid decay. The other component of the current account, the trade deficit – i.e., imports minus exports – is trivial in comparison. Most disastrously for the macro-economic balancing act, the net outflow of corporate dividends paid to owners of foreign capital reached $11 billion in the first quarter of 2016 (measured on an annualized basis), 30 percent higher than the equivalent 2015 level (and in comparison, that quarter’s trade deficit was just $2.5 billion). At the time, only one other country among the 60 largest economies, Colombia, had a higher current account deficit. Because repatriating profits must be done with hard currency, South Africa’s external debt had by then soared to 39 per cent of GDP, $125 billion, from a level less than 16 per cent of GDP ($25 billion) in 1994.5

This pressure to raise hard currency for foreign shareholders, in turn, quickened the metabolism of extraction in which capital, labour and nature interact. The mass of profits (in hard currency) that mining corporations require to please owners and to service debt must be kept at a satisfactory level. If commodity prices drop, one way to address the problem is to increase the volume of output, hoping that costs of production in a specific site are far enough below competitors to drive them out of business. This appeared to be a strategy adopted in South Africa, for as the minerals slump began in 2011, many of the global mining and smelting corporations squeezed harder, for they too faced attack by investors. Anglo American and Glencore lost three quarters of their share value in 2015 alone, and Lonmin was down 99 percent in value from its 2011 peak to 2015 trough.6 Desperate, such firms took to exporting profits ever more rapidly, in comparison with the overseas-generated profits that South African corporations paid to local shareholders.7

In turn, that outflow was the result of a policy choice during the 1990s, remarked upon by ANC Secretary General Gwede Mantashe in 2015: ‘At the time when neoliberalism was on the ascendancy as an ideology, it became fashionable to allow companies to migrate and list in the stock exchanges of developed economies’.8 Exchange control liberalization had begun in 1995 with the dual exchange rate’s abolition and sped up when in 1999 permission was granted by Finance Minister Trevor Manuel and Reserve Bank Governor Tito Mboweni to allow the country’s largest firms to delist from the Johannesburg Stock Exchange and shift

7 The ratio is about two to one, in the same range of 20 to 50 per cent of local profit retention characterising the other BRICS countries: Brazil, Russia, India and China. South African Reserve Bank, Quarterly Bulletin, Pretoria, September 2015.
8 Gwede Mantashe, ‘Rising Inequality may Destroy Us,’ The Star, 7 August 2015.
dividend flows abroad. (Manuel and Mboweni received accolades from world financiers and by 2014 were employees of Rothschild’s and Goldman Sachs, respectively.) Exchange controls were relaxed on dozens more occasions. The 2015 concessions, for example, allowed the wealthy to take $650,000 offshore annually, 2.5 times more than prior years. As a Moneyweb reporter explained, this ‘effectively ended [individual] controls for all but the most wealthy South Africans’. Meanwhile, institutional investors – representing the savings, pension funds and insurance accounts of the mass of small investors – are compelled to keep 75 percent of their assets in local investments. By all accounts, such controls prevented the 2008 world crisis from melting South Africa’s finances. But the big institutions have avoided reinvestment in fixed capital; instead, they keep price levels on the Johannesburg Stock Exchange and real estate at the world’s most over-valued levels.

The rapid hemorrhaging of corporate profit outflows is all the more frustrating because, according to the Reserve Bank, corporate fixed investment shrunk nearly 7 percent in early 2016, while government investment also fell 12 per cent. The only major new South African fixed investment came from parastatals: the electricity company Eskom’s over-priced and ecologically destructive Medupi and Kusile coal-fired power generation plants (running at $10 billion each). Even more destructive projects by the Transnet rail and port agency lie ahead, costing more than $20 billion each: the planned export of 18 billion tonnes of coal via a new rail line, and the eight-fold increase in the South Durban port-petrochemical capacity. These are the top two of Pretoria’s National Development Plan infrastructure priorities, both mainly located in Zuma’s home province. Notwithstanding such subsidies, South Africa’s investment-wary corporations claim they act rationally, leaving local profits as idle cash especially in the wake of the Reserve Bank’s four interest rate hikes in 2015-16. By mid-2016, South Africa’s medium-term interest rates had risen to fourth highest amongst the world’s major countries surveyed by The Economist. As for the price of debt, only governments in Brazil, Venezuela and Turkey pay a higher interest rate, and only companies in these countries plus Argentina, Ukraine, Egypt and Russia pay more when borrowing.

Even more frustrating, the same firms – mostly in the extractive industries – removed an additional $21 billion offshore annually as ‘illicit financial flows’ through tax-dodging techniques from 2004-13, according to the Washington NGO Global Financial Integrity. These outflows exceed $80 billion annually across the continent, reported Thabo Mbeki’s African Union commission, throwing into question the merits of Foreign Direct Investment. Several spectacular local cases were documented: tax avoidance by the biggest platinum

10 Anton Rupert, ‘We all have a Job to do to Make SA Work,’ Leader, 31 October 2008.
11 FTSE, FTSE/JSE All-Share Index, London, 30 June 2016.
13 The Economist, Financial Indicators. 30 June 2016.
15 Lee Mwiti, "$80 billion, not $50 billion: loss of African funds even worse than thought – Mbeki,’ Mail&Guardian, 27 April 2016.
companies, especially Lonmin with its Bermuda ‘marketing’ arm, at a time when 9 percent of the London firm was owned by the former mineworker leader and main author of the country’s 1996 constitution, Cyril Ramaphosa (who became Zuma’s Deputy President in 2014 and so disinvested); De Beers with its $2.8 billion in diamonds mis-invoicing over seven years; and profit diversions from several African countries to the hot money centre of Mauritius by the continent’s largest cell phone company, MTN (under then chairman of the board Ramaphosa). In 2016, the ‘Panama Papers’ revealed how infamous corporate cowboys set up profit hideouts in Mauritius and similar sites, including the president’s nephew Khulubuse Zuma and 1700 other South Africans.16

Such ‘economic crime’ is common, laments the Johannesburg NGO Corruption Watch: ‘Two years ago PricewaterhouseCoopers revealed in their 2014 Global Economic Crime Survey that 69 per cent of [SA] respondents indicate they had experienced some form of economic crime in the 24 months preceding the survey.’ In its 2016 Survey, PwC once again recorded a world-leading 69 percent corporate corruption rate for South Africa, compared to a global average for economic crime of 36 percent. According to the firm’s forensic services chief Louis Strydom, ‘We are faced with the stark reality that economic crime is at a pandemic level in South Africa.’17 The authorities’ inability to uncover such crime, prosecute it and put criminals into jail is no secret. More than two thirds of PwC’s 232 South African respondents believe Pretoria lacks the regulatory will or capacity to halt the top financial criminals.

Extraordinary profits are outsourced from mining but even starker damage to the society and environment is being done by the smelting industry, most obviously in the aluminium factories run by BHP Billiton. The firm was once a South African operation, Gencor (whose roots are in Harry Oppenheimer’s Anglo empire but whose ownership he shifted to Afrikaners during the mid-1960s so as to ensure the Pretoria regime had an interest in mining industry profitability). Gencor was given special permission by the finance minister (who later resumed his career as chief executive of the same firm) to externalize a vast share of its capital in 1993 so as to purchase Shell Oil’s Billiton minerals division, which merged with Broken Hill Properties in Melbourne to become the world’s largest mining house by the early 2000s. Its South Africa profits were artificially augmented by deals its leadership made with Eskom and the Treasury to supply electricity – sometimes as much as 8 per cent of the grid – at $0.01/kWh, the world’s cheapest for most of the 1990s-2000s. Yet BHP Billiton faced overproduction of aluminium and a 50 percent price collapse from 2011-16. Instead of increasing South African production (as were other, more desperate mining houses), it rationalized its structure and cut output. In 2013, it spun off the South African operations as part of a new firm, South32. BHP Billiton appears to be in a position to buy up

much of the world’s devalued mining industry and emerge from the present crisis stronger than ever.

The steel industry is also suffering extreme overproduction tendencies, also emanating from South Africa’s BRICS ‘partner,’ China. In spite of an early 2016 commitment to cut back capacity, Chinese capitalists were overproducing steel at an unprecedented rate: more than a billion tonnes/year at a time when world overcapacity was already 550 million tonnes in 2016. 18 The three South African victims were also BRICS country investors: Lakshmi Mittal (the Indian owner of Areccelar Mittal), Tata Steel (from India), and Roman Abramovich (the Russian owner of Evraz Highveld). These firms simply ran the South African capital stock into the ground with very little reinvestment (even basic maintenance), as even Trade and Industry Minister Rob Davies (an SA Communist Party member) complained. 19 They priced their local output far higher than the steel they exported (as they desired a higher share of hard currency in their revenue stream). With thousands of jobs at stake, by 2015 there were more insistent calls by NUMSA for the renationalization and then protection of the steel industry. Evraz Highveld and Tata Steel went into formal bankruptcy but Abromovich repeatedly sabotaged rescue efforts, as his accountants found it more profitable to liquidate the firm. Arcelor Mittal closed the majority of its foundries, while Tata’s local subsidiary desperately sought new owners in a 2016 court battle. The only relief was a 10 percent import duty imposed in 2015 by Davies, but it was too little, too late.

The essence of the situation facing steel and other exposed capitalists, is who will suffer the costs of devaluation during the shakeout of producers, financiers and other asset holders made vulnerable by overaccumulation, not to mention labour, communities and ecologies. One of the first deep Marxist probes of the overaccumulation process, including devaluation, was by Heinrich Grossman in his (well-timed) March 1929 Law of Accumulation and Breakdown of the Capitalist System: ‘However much devaluation of capital may devastate the individual capitalist in periods of crisis, they are a safety valve for the capitalist class as a whole. For the system devaluation of capital is a means of prolonging its life span, of defusing the dangers that threaten to explode the entire mechanism’. 20

Resistance to devaluation is a necessity for anyone in the South African economy disadvantaged when the currency swings from R6.3/$ to R17.99/$ in just 54 months, but especially workers (and their families) who face sustained unemployment as a result of plant and mine shutdowns, nearby communities and those defending the environment that is often left degraded by failure to pay for restoration. The social potential for combining these red-green agendas through higher-scale narratives is enormous, for in 2015 the Pew Research Center’s biannual survey of world opinion found that South Africans (like the world’s citizens) prioritized climate change (47 percent) and global economic instability (33 percent) as the top two problems about which they are ‘very concerned’ (the world rates were 46 and 42 percent, respectively).

Success in fusing the environmental and economic struggles would have an extraordinary teaching impact, and unify poor and working people in a manner that shakes off the traditional South African reliance upon mining and energy for employment. As a first step, waging defensive battles against devaluation successfully is a logical prerequisite for gaining the momentum and direction that would turn existing ideologies towards eco-socialism. We turn to those potential alliances next, because tensions between nationalist politicians, corporatist trade unions, confused Communists and corrupt corporations reflect the limits of the 1994 elite transition to neoliberal ‘democracy’.

CORPORATE-POLITICAL ALLIANCES AND MOVEMENT MOBILIZATIONS

In any analysis of power dynamics in South Africa, it is clear that transnational corporations still determine the character of overproduction and devaluation. Aside from those moments when their own share values are demolished (most of the mining houses in 2015), these corporations are generally willing and able to transfer these costs to workers, communities, women and the environment. The state is complicit, for the largest industries and financiers have also corrupted the political integrity of a once-proud liberation movement whose main manifesto – the 1955 Freedom Charter – had called for mines, banks and monopoly capital to be nationalized. The current state’s occupants are the beneficiaries of largesse from these companies, and vice versa. From the internal mass movement, the main personality who capital pursued – providing at least a billion dollars’ worth of Black Economic Empowerment deals – was Ramaphosa, after he shifted from being National Union of Mineworkers leader to ANC Secretary General in 1991. Ramaphosa lost a 1994 power struggle with Mbeki to be Mandela’s Deputy President, but then led the Constitution-writing exercise in 1996. That document confirmed the overarching power of property rights.21 The ANC (and most of the SACP) leadership were willing allies for the legitimation of the largest post-apartheid corporations, illustrated by the warm tribute they paid to Harry Oppenheimer upon his death in 2000, and by the 2003 remark by Mandela upon launching the Mandela-Rhodes Foundation in Cape Town: ‘I am sure that Cecil John Rhodes would have given his approval to this effort to make the South African economy of the early twenty-first century appropriate and fit for its time.’22

The largest firms on the Johannesburg Stock Exchange relentlessly pursued the objectives of internal sectoral restructuring and internationalization with ANC assistance. Their role as all-encompassing corporate conglomerates quickly evolved, for in the mid-1990s the big mining houses and financial institutions shed most non-core businesses so as to attract foreign investment. Indeed their denationalization was completed by the early 2000s, as the largest apartheid-era firms – Anglo, De Beers, BHP Billiton, the Old Mutual and Liberty Life insurers, SA Breweries, Didata IT, Investec Bank, Mondi Paper and others – shifted their primary stock market listing to London and Melbourne. The ongoing importance of racial power relations within the largest corporations was illustrated tragically in August 2012 when the Lonmin mining firm’s co-owner Ramaphosa sent

emails to the minister of police demanding a ‘pointed response’ to a wildcat platinum mineworker strike at the Marikana mine, resulting in a massacre of 34 workers the following day.23

After the commodity super-cycle peaked in 2011, the subsequent crash left major investments in mining exposed not only to declining Chinese demand and the financial whims of London stockbrokers, but to workers who began to win higher wages as well as expensive class action lawsuits for long-suppressed occupational health and safety (e.g. a huge silicosis settlement in 2015). The corporations’ extreme contributions to ecological degradation also became more expensive to remediate, for acid mine drainage caused by mining-related pollution began to be understood as a profound threat to Johannesburg’s water table. A new set of corporate liabilities emerged to raise state funds for pumping and cleaning the water. Polluted air was another source of protests, law suits and legislation that threatened corporate profits. Community activism against polluters was becoming much more evident in high-profile sites such as the South Durban petrochemical complex, the Vaal River’s steel complex, the Wild Coast’s Xolobeni titanium mining zone (site of a high-profile community leader’s assassination in March 2016), the Somkhele/Fuleni coal mining and conservation area of KwaZulu-Natal, and a half-dozen other mining sites.

Yet simultaneously, the state has made environmental protection a much lower regulatory priority. The Infrastructure Development Act of 2014 downgrades Environmental Impact Assessments so as to fast-track mega-projects. In 2015, new Minimal Emissions Standards began to apply to 119 firms – including the toxic operations of Eskom, Sasol, AngloPlats, PPC cement, Shell, Chevron and Engen oil refinery – whose more than 1,000 pollution point sources are subject to the Air Quality Act. One of these (Sasol in Secunda, which squeezes oil from coal and gas) is the single largest point source of CO2 emissions on earth. A decade before, as the air quality legislation was prepared, these firms should have begun the process of lowering emissions. Just as the law was about to take effect, Environment Minister Edna Molewa let 37 of them (mostly the largest) off the hook for another five years by granting exemptions at just the point the state could have benefited from fines for the purpose of raising clean-up funds and reparations payments.

Moreover, the continual heightening of the most extreme forms of extractivism amplified many of the highest-profile workplace conflicts. As platinum prices fell precipitously in 2014, for example, AMCU called a massive strike of most of the sector’s workers: 80,000 were out for five months, followed immediately by NUMSA’s five-week strike in the metals sector. Both strikes were judged successful thanks to the power of these institutions to withstand pressure from capital and the state, even if their lost wages will not be readily recovered notwithstanding with the substantial wage percentage increases won. In 2015-16, precedent-setting silicosis-damage victories by labour lawyers against Anglo and other mining houses had a similar impact on profits, at a time international investors no longer had any appetite for the extractive industries. Hence Lonmin’s 2015 efforts to fund a $400 million capital injection were barely successful, and only because

the South African state’s pension fund guaranteed the purchase of the largest share of the firm’s offering: once again, a form of devaluation, this one born by older working-class civil servants.

The need to oppose this degree of brazen corporate-state interlocking power, by linking activists across various sectors of struggle, became clear once Eskom began to regularly cut its supply mainly to consumers and small firms. Starting in late 2014, Eskom threatened near-daily ‘load-shedding’ (i.e., black-outs generally lasting two hours), predicting the situation would prevail for years to come due to insufficient power generation capacity (only 30,000 MegaWatts when 43,000 are technically available, due to constant maintenance crises). But at the time, the mining corporations retained their access to electricity, symbolized in 2014 when Mike Rossouw, a former executive of the world’s largest commodity trading firm, GlencoreXstrata, was seconded into Eskom to represent mining interests. For many years Rossouw served as chair of the Energy Intensive Users’ Group (EIUG), the lobby group of the nearly three dozen largest mining and smelting firms which together consume 44 per cent of the country’s electricity supply.

South Africa’s load-shedding phenomenon had begun in earnest in 2006 and could mainly be blamed on excess demand from EIUG mining and smelting firms at the height of the commodity super-cycle. This is not an unusual configuration in ‘resource-cursed’ Africa, where vast amounts of electricity are delivered via high-tension cables to multinational corporate mining houses for the sake of extraction and capital-intensive smelting. Meanwhile, below those wires, most African women slave over fires to cook and heat households: their main energy source is a fragile woodlot, their transmission system is their back, and their energy consumption is often done while coughing thanks to dense particulates in the air. The transition from HIV-positive status to full-blown AIDS is just one opportunistic respiratory infection away, again with gendered implications for caregiving.

The South African low-income household’s fight for electricity access will require confronting the EIUG’s prodigious power, as witnessed in the November 2014 load-shed crisis caused by the collapse of a coal silo at Eskom’s Majuba operation, a Stage 1 System Emergency. At that point, ‘National Load Shedding was implemented affecting municipal customers and Eskom residential customers,’ according to the EIUG – *but did not affect its own members*. Ten days later, finally, EIUG arranged electricity-demand ‘curtailment from Key Industrial Customers to assist Eskom in meeting demand requirements over the peak’. Likewise in February 2008, as an early round of load-shedding crippled the economy, the chair of Standard Bank, Derek Cooper, suggested offhandedly to Mbeki at a private crisis meeting that BHP Billiton’s Richard Bay smelter supply be temporarily cut

since it provided just 1,500 jobs and less than 0.5 per cent of GDP, but Mbeki did not muster the courage to take his advice.27

In this context of such terribly adverse power relations, it is vital for every opponent of corporate privilege to link their issues and present a united front. For example, a Cape Town-based ‘Million Climate Jobs’ campaign already suggests how turning off the vast flow of electricity to South Africa’s smelters and mines would, in turn, help redirect employment there to more constructive, post-carbon activities: jobs in renewable energy, public transport, insulation retrofitting, digging biogas digesters and many others. As for communities, a class/race analysis of electricity access is expressed readily when some of the more advanced groups show visitors their own dirty household energy (paraffin, wood or coal), often in the immediate vicinity of a massive mine, smelter or power-plant.28

The terrain for connecting dots between the environment-labour-community-feminist sites of struggle has been fertile, especially in the provinces – Limpopo, Mpumalanga and KwaZulu-Natal – attracting the most militant and sophisticated attacks on Big Coal anywhere in Africa. They are carried out by a myriad of community and environmental groups, including Mining Affected Communities United in Action, the Green Revolutionary Council, Bench Marks Foundation (a progressive church-based research/advocacy network), radical NGOs groundWork and Earthlife (the latter hosts a branch of the International Coal Campaign), the Centre for Environmental Rights and Legal Resources Centre when lawyers are needed, the local ActionAid branch (also providing funding assistance), and women’s resistance organizations (supported by Women in Mining, WoMin).

What precedents of struggle can they turn to, what principles of ‘commoning’ resources apply, and what experience do activists have in jumping from body-scale politics – where so much environmental racism is directly visited upon the working class – to national policy? How will these serve as the building blocks for a more widespread eco-socialist practice? And finally, in what ways are discussions now underway about a forthcoming Workers Party conducive to fusing these fragments of eco-social resistance, given the predominance of ‘Marxist-Leninist’ philosophy and Third Internationalist (‘two stage’) strategies born by NUMSA and other key unions? The final two sections of this essay consider a few case studies and the broader ideological problems on the horizon.

CONTINGENCIES AND CASES OF ECOLOGICAL ANTI-CAPITALISM

Naomi Klein’s This Changes Everything names capital as the major threat to future human existence because of its relatively unhindered rush to emit greenhouse gases.29 Klein asks whether, because capitalism profits from climate change, if we want to solve the latter,

must we not also transcend the former? Although she may be insufficiently explicit about the socialist alternative, her answer is in the affirmative. A South African parallel is instructive, for a great many left scholars and revolutionary activists made a well-meaning mistake with a similar framing of capitalist’s extra-economic functional needs during the 1960s-80s, the last period in which explicitly (neo-)Marxist political economic analysis really flourished. Because capitalism profited from apartheid, they asked: if we want to rid the state and society of legally structured racism, must we also end capitalism? The independent left answered affirmatively, in part because scholars and activists alike were impressed by the rapid emergence of trade unionists after the Durban dock strikes of 1973 followed by many other manifestations of radical anti-apartheid opposition, often with socialist phraseology.  

It thus surprised many when in 1985 the leading bloc within white English-speaking big business began shedding the apartheid shell, paving the way to the replacement of race discrimination with more intensive class exploitation after 1994. In other words, what had seemed to be a theoretically-informed necessity of political economy in South Africa was in reality a contingency of politics, one strongly mediated by the class alliances described above. Some leading Marxists reacted to this change by replacing the terms ‘apartheid capitalism’ with ‘racial Fordism,’ attempting in the process to introduce ‘progressive competitivism’ and other post-Fordist visions of re-integrating successfully into the world economy. The distinction between necessity and contingency is, thus, the critical problem for analysts of extra-economic features of capitalism, especially in such a resource-extractive site of accumulation. It represents the danger in positing an inexorable logic of eco-socialism as the next stage of the South African revolt. But eco-socialist potentials in South Africa need not rely upon overtly functionalist readings of contemporary political ecology. There are much more nuanced ways of contemplating a trajectory towards eco-socialism, starting with real-world experiences that include activist mobilizations for free AIDS medicines, struggles over water decommodification and labour’s compensation for workplace environmental injustices. These cases offer indicators of the sensibilities needed

to continue advancing the next set of South African revolts, and direct them into eco-
socialist opportunities associated with the devaluation of overaccumulated mining and
smelting capital.

In the first instance, the 1998 establishment of the Treatment Action Campaign (TAC) by
several ex-Trotskyists, notably Zackie Achmat, gave five million HIV-positive South Africans –
then a tenth of the population – able representation, even if TAC activists numbered only a
few thousand at peak. TAC soon allied with the US group ACT-UP (AIDS Coalition to Unleash
Power) to pressure the Bill Clinton administration to drop the so-called ‘full-court press’ that
the US State Department had put on South African Minister of Health Nkosazana Dlamini-
Zuma to withdraw the 1997 Medicines Act. That law allowed generic medicines to replace
expensive branded imports, at a time when the cost of Anti-Retroviral (ARV) treatment was
$15,000/year, far beyond the reach of low-income Africans.31

TAC increased pressure on Mbeki – in the streets and courts – by targeting the Pretoria
administration’s ‘AIDS-denialist’ tendencies, and in 2001 won a Constitutional Court case
judgment forcing the provision of ARVs to pregnant women so as to halt the disease’s
transmission to infants. By 2004, TAC’s advocacy work – including hundreds of daily arrests
during one push – forced the ANC leadership to renounce Mbeki’s AIDS policies, which were
regularly termed ‘genocidal’ by that stage. Generic ARV production began soon thereafter.
By 2016, more than 3.8 million South Africans were getting free ARV treatment, and the
country’s life expectancy had soared from 52 in 2004 to 62 a decade later. By 2016, activist
control of the ARV decommodification process was by no means complete and satisfactory,
as shortages and uneven treatment at clinics remained sources of conflict between TAC and
the state. But TAC moved into a more collaborative relationship with the state – albeit a
partnership suffused with regular protest – in order to watchdog policy, provide
administrative support in AIDS treatment and maintain lobbying power. One exceptional
step that resulted from the victory was the transformation of society’s stigmatization of
AIDS into social solidarity with TAC activists, even against Mbeki (indeed, AIDS denialism was
probably one of main delegitimizing forces that led to Mbeki’s 2007-08 political downfall).
The biopolitics that destratified, decommodified and ‘commoned’ AIDS medicines proved to
South Africans that the struggle for post-apartheid liberation would entail a battle with the
outmoded forces within transnational corporate capital and its allies, within the South
African state, and within social consciousness.32

Water and electricity also offer prefigurative examples of eco-socialist potentials, at least in
providing lessons for community organizing, decommodification, community control and
the limits to constitutional ‘socio-economic rights.’ During the 1990s, sustained efforts were
made by neoliberal South African state and parastatal water administrators (both apartheid
and post-apartheid) together with the main French and British water privatizers (especially

31 Offering TAC solidarity, ACT-UP’s disruptive tactics against presidential candidate Al Gore defeated Big
Pharma’s insistence on Washington’s strong-arming of Dlamini-Zuma during his mid-1999 campaigning.
Activists haranguing Gore raised the nuisance costs beyond the $2.3 million that Big Pharma had donated to
the Democratic Party that year, forcing Gore into a U-turn on AIDS medicines. In late 2001, the George W.
Bush administration suffered a similar defeat at Doha when the World Trade Organization approved an
exemption to intellectual property rights for essential medicines during pandemics. Patrick Bond, Against
Veolia, Suez and Thames) to establish public-private partnerships in major cities, including Johannesburg. The continent’s main industrial hub was an especially difficult site for water commodification because Johannesburg’s new bulk water supply – several Lesotho mega-dams – were being built at a cost five times (per unit of water delivered) higher than prior bulk water supplies.33

The soaring water cost was one of the factors that spurred the resentment that led to community organizing in various Johannesburg-area townships (as well as in many other South African locales), eventually leading to the 2000 launch of the regional Anti-Privatization Forum (APF) of leftist civic groups. Boasting a constitution committing the APF to promoting socialism, the group’s protests intensified against ‘service delivery’ shortcomings. As these became more intense in the run-up to the country’s December 2000 municipal elections, Water Minister Ronnie Kasrils (a committed Communist who eventually left the ANC due to its ‘Faustian pacts’ with big capital) insisted that state policy should include a ‘Free Basic Water’ component, as had been mandated in the first democratic election campaign six years earlier. However, Johannesburg municipal water management contracts with Suez were signed before this took effect. As prepayment meters and price hikes were imposed in Soweto, activists – mainly in the Soweto Electricity Crisis Committee led by Trevor Ngwane – began to politicize the illegal reconnection of water and electricity, with their rapidly-trained plumbers and electricians serving the cause for free. They also hired lawyers to oppose pre-payment water meters and they demanded a doubling of Kasrils’ free service of 25 liters per person per day.34

The Sowetans’ street battles included scores of protests and an ‘arms race’ in terms of the technology of metering (e.g. Eskom replacing plastic meter boxes with tight-welded metal so as to add the element of electrocution risk). They also embarked on a legal strategy that finally appeared successful when in 2008 both the High Court and Supreme Court ruled in favour of the activists against the Johannesburg City Council. But in 2009, on appeal the Constitutional Court rejected these rulings and authorized the city to continue with existing policies; those advocating the Constitution’s rights to water and to a clean environment had hit the ceiling of what a capitalist state would permit. The unintended consequence was even greater activist recourse to illegal connections; Eskom has conceded that 80 percent of its Soweto electricity customers are not paying.35 Ubiquitous advertisements proclaim that community activists are ‘inzinyoka’ (snakes) but this had little impact in the communities which mainly viewed redistribution of electricity and water as a form of commoning, As articulated in a NUMSA-hosted national electricity strategy meeting in 2015, commoning entailed both redistributive and community control objectives. By 2016, the widespread theft of services was celebrated by the Economic Freedom Fighters leader Julius Malema in his municipal election campaign.36

Activists called disconnected meter boxes ‘statues’, simply for show. To be sure, electrocutions when children stumbled on live wires and the degradation of water systems resulted from the illegal connections in many parts of the country, but the Sowetans in Ngwane’s network were given training on insulation, laying electrical wires safely and rejoining water piping. But from this case, a clear eco-socialist lesson is that once a form of dual power is won in communities, it behooves a movement to jump scale and consider how to achieve metropolitan-wide (and national) redistribution. That could entail higher-level service standards and a larger free lifeline tariff amount, and could allow environmentally sound and socially humane management of resources at both bulk supply and household consumption level. For example, imposing much higher prices not on poor households (the neoliberal approach) but instead on destructive, extractive corporations – which are the main consumers of electricity and water in many locales – as well as on rich people, could limit overconsumption. That in turn would slow the construction of further environmentally destructive dams as well as coal-fired electricity generators. The difference between the eco-socialist perspective and one that instead celebrates autonomist-style commoning without wielding state power is evident here, and in practice was one of the activists splits that Ngwane attributes to the APF’s eventual demise, since his allies’ eco-socialist visions were not universal.

The third case of interest made headlines in 2016: the struggle against occupational hazards, specifically silicosis from asbestos, which has been suffered by hundreds of thousands of mineworkers since the late 19th century. The legal victory in gaining class-action tort rights was hard-won, reflected courageous lawyering, and is hence less explicitly eco-socialist in potential. But like AIDS medicines, it also explicitly highlights the personal biopolitical interests of workers against capital, as mainly black mineworkers bore on their bodies the ecological harm of gold mining, just as the areas they worked and lived in were despoiled by water, air and land pollution. State regulators have been in the mining houses’ pockets, before and after 1994, yet it took until 2012, after new class-actions were opened within hostile courtrooms, for 17,000 living mineworkers to be put in a position to obtain an out-of-court settlement that could yield tens of millions of dollars in compensation. As the workers’ primary lawyer, Richard Spoor, put it as victory emerged in mid-2016, ‘Corporations are soulless entities that do what is in the best interest of their shareholders. To appeal to them to do the right thing is futile.’ The case is a reflection of the ineffectiveness of the main mining unions, as well as the limits of the Corporate Social Responsibility paradigm – which relies upon voluntary compliance – that had appealed to so many South African trade unions, NGOs, environmentalists and communities in high-pollution sites. With South Africa’s state mining and environmental agencies showing all the symptoms of the classic ‘captive regulator’, the use of the courts, in at least this instance, highlights the need to consider all options to prevent free externalities, such as the dreadful death by suffocation of so many mineworkers who gave the ruling class so much of its wealth. The same principle goes for the environmental liabilities these firms seek to avoid, for example by renaming and reregistering mining firms in different jurisdictions, and selling

near-exhausted mines to Black Economic Empowerment elites (like Ramaphosa) who then use their political clout to avoid paying for ecological damage.

What all this shows is the potential for undermining South African capitalist political ecology through social organizing, starting with some important local victories, but which had national-scale impact. As Greg Albo explained in a powerful critique of eco-localism, ‘the “liberated” ecological and political spaces can only be defended to the extent that the scale and scope of capitalist market activities are reduced and the scale and scope of democracy is extended’. Is there an ideological orientation that can take these insights from the case studies forward to a higher structural scale?

**PREFIGURATIVE ECO-SOCIALISM**

Eco-socialist allies of the social, community and labour movements have expressed both hopes and reservations about the translation of examples such as these – and myriad other environmental justice struggles – into a full-fledged eco-socialist ideology. The 2008 launch of the Democratic Left Front (DLF) was one opportunity to link independents under the rubric of eco-socialism, and led many of its activists into the anti-extractivism that Latin Americans were establishing as part of the ‘Buen Vivir’ framework. The DLF ultimately faded in importance as its cadres were integrated into the United Front, a larger progressive network convened by NUMSA, in 2014. Although NUMSA did not provide sufficient resources to sustain the work, and although its own rank-and-file were mainly absent from building the Front, the union’s current advancement of a ‘Movement for Socialism’ relies on the idea that promoting grassroots campaigning is the sine qua non to establish the terrain on which its (self-described) ‘Marxist-Leninist’ vanguard can operate within. This is directly connected with NUMSA break in the last year from the SACP’s Third-Internationalist-era communist-nationalist traditions by taking on the ANC from the left; NUMSA’s leaders often claim that they alone maintain the integrity of those traditions, given how far the official Communist Party has slipped into defending nationalism.

Unlike many earlier-generation socialist activists who located themselves deep in the trade union movement, today’s generation finds different campaigns attractive. Alternative Information and Development Centre political economist Dick Forslund suggests eco-socialist potential in organizing to support ‘subsistence farming in many areas that are now contested by the mining corporations, unleashing many struggles for the land.’ He points to one such area of intense contestation (Xolobeni on the Wild Coast of the Eastern Cape where a local anti-mining leader Bazooka Rhadebe was assassinated in 2016), arguing that, given the collectivized land ownership and pre-capitalist social relations in such sites, politics should emerge ‘in the way the land users want it, taking the parts of “modernity” that are not destructive and unsustainable into “the communal mode of production.”’ Eco-socialism

---

can put food security at its centre.\textsuperscript{43} Indeed, an independent-left food sovereignty campaign emerged (with strong residual influence by DLF cadres), in part because of the difficult conditions in the ex-homelands, as well as food price inflation. One of the main intellectual influences in this movement is Vishwas Satgar, formerly the secretary of the SA Communist Party in greater Johannesburg, prior to a purge that left tradionalists in charge, and also a professor of international political economy at Johannesburg’s main university. According to Satgar, ‘The ANC state has surrendered to market-centred green neoliberalism and the logic of ecocide... It has shown itself incapable of leading transformative just transition. Instead, this has to be led from below by forces such as the United Front, the emerging Food Sovereignty Alliance, the Solidarity Economy Movement, community-mining networks and rural movements’.\textsuperscript{44}

Satgar’s colleague, Jacklyn Cock, has been most persuasive in repeatedly showing how ‘new coalitions and forms of co-operation between both labour and environmental activists contain the promise of a new kind of socialism that is ethical, ecological and democratic’. For Cock that would entail,

...collective, democratic control of production for social needs, rather than profit; the mass roll out of socially-owned renewable energy could mean decentralized energy with much greater potential for community control; the localisation of food production in the shift from carbon-intensive industrial agriculture to food sovereignty; new relations between men and women and the sharing of resources in more collective social forms.\textsuperscript{45}

An example of the ideological innovations emerging to this end within social movements is the Womin eko-feminist network’s critique of the Paris climate summit in late 2015, amongst the loudest critics amongst the protestors of the pro-corporate, Washington-designed deal. In their statement amidst the protestors of the pro-corporate, Washington-designed deal. In their statement, they were not exaggerating in claiming a privileged space for feminist mutual aid systems in the struggle against corporate capitalism, because these are the same tasks in social reproduction they carried out more than a century before apartheid fell, as migrant labour systems became generalized:

African women, alongside our working-class, indigenous, peasant and black sisters in other parts of the world, offer the most revolutionary alternatives to this deeply destructive model of development. These alternatives are found in the ways African women produce food, conserve and steward natural resources, and take care of our families and communities. Ours are the \textit{living} alternatives to be recognised, built on and supported.\textsuperscript{46}

Together, these ideological and practical prefigurations represent a reflection of how South Africans are tackling what Albo observes to be ‘the most immediate and daunting challenge

\textsuperscript{43} Dick Forslund, email communication to Patrick Bond, 15 June 2016.
\textsuperscript{44} Vishwas Satgar, ‘The Climate is Ripe for Social Change,’ \textit{Mail\&Guardian}, 17 December 2014.
for renewing eco-socialist alliances and political organization’. On the one hand, ‘Class and ecological struggles against capitalism depend upon campaigns won in families, workplaces, neighbourhoods and communities, all of which are located within particular environments.’ On the other, the organizers must ensure that ‘everyday acts of resistance in daily life connect with one another through time, so that they can become the building blocks in the process of collectively helping to envisage and build an organizational alternative. This is most basic element of socialist and ecological renewal’

In South Africa it is already evident that the process of left organizational regroupment will rely upon local resistances to the daily indignities and life-threatening attacks by capital, such as those noted above at the scales of the health-impaired body and the household needing basic water and electricity supplies. But jumping scale to the national level, the period immediately ahead is also vital for South African workers – who are judged by the World Economic Forum as the world’s most militant from 2012-16 – to transcend defensive measures when warding off extreme devaluation of overaccumulated capital (such as in the mining and smelting sectors). The left-Keynesian macroeconomic arguments noted above offer one framing that can help jump scale to national policy. But as socialists, the main advocates of a different macroeconomic approach are the NUMSA militants who implicitly understand the ‘non-reformist reforms’ of Andre Gorz. That means ensuring that small victories won today (e.g. a 10 percent import tariff on Chinese steel in 2015 demanded and won by NUMSA) can build working-class confidence and work against the logic of the existing system. Those reforms may appear protectionist or based on outmoded loose-money theory when considered in surface appearance, but they are not the endpoint of the macroeconomic debate.

Tomorrow’s opportunities can be grasped only through the ever-closer interaction of environmental and social justice activists with a soon-to-be-formed radical labour federation (announced in May 2016 with NUMSA and AMCU as the leading forces, and the well-known socialist Zwelinzima Vavi as the likely general secretary). It is only through broader-ranging fronts and coalitions that an anti-capitalist ‘just transition’ will be envisaged and implemented. And that transition will only occur if there is a massive shift in state subsidies towards major public works – community-oriented, worker self-managed, socially-controlled – aimed at the kinds of changes to ‘everything’ required: energy, transport, rural land use, urbanization, production, consumption and disposal. Invoking climate change as a link issue will be critical for an eco-socialist transition, in part because in the period leading up to the current left regroupment, many activists suffered from a tendency towards localism. They celebrated momentary insurgencies, sometimes as ‘the uprising of the poor’ – although these were often, more soberly, ‘popcorn protests’ which while briefly up in the air could be blown by right-wing winds into dangerously xenophobic territory. Another scourge was single-issue civil society campaigning – which even TAC was accused of, at least until the 2008 xenophobia attacks when the group broadened its mandate. These problems will continue to beggar left politics long into the future, so long as activists do not develop unifying campaigns, much less a unifying ideology.

Perhaps the activists will determine that the only route through to such campaigning and ideological clarity is what has been termed eco-socialism (although in South Africa it is just as likely to benefit from different, organic phraseology). As the metabolism of capital-labour-society-environment becomes more exploitative, as overaccumulated mining and smelting capital continues to devalue in ever more destructive ways, and as climate change implications become ever more obvious, the main question is whether the route forward will be blocked by the narrowness of ideology-free localist and sectoral-based activism. Or whether, in considering prior working-class victories that empowered their very bodies, the next generation of radicals turns to the eco-socialist themes so essential to our broader prospects for survival.
Who wins from “climate apartheid”? African climate justice narratives and South African sabotage

*New Politics*, January 2016

The billion residents of Africa are amongst the most vulnerable to climate change in coming decades, and of special concern are high-density sites of geopolitical and resource-related conflicts: the copper belt of the Democratic Republic of the Congo (DRC) and mineral-rich Great Lakes stretching into northern Uganda, western Ethiopia (bordering the Sudanese warzone), Madagascar and smaller Indian Ocean islands, the northern-most strip of Africa and West Africa including Liberia and Sierra Leone (recent sites of diamond-related civil war and then Ebola epidemics). In other words, the African terrains hardest hit by war and economic looting are going to be sites of climate stress and socio-political unrest, according to the University of Texas project researching vulnerability for the US Pentagon (Busby et al, 2013).

![Climate Related Hazard Exposure in Africa](image)

Source: Busby et al 2013
The lost opportunity to change this map at the United Nations Framework Convention on Climate Change (UNFCCC) summit in Paris is tragic. In the 2015 Pew Research world public opinion survey, a near majority of those surveyed – 46 percent – identified climate as a threat about which they were “very concerned,” the highest score of any issue in the poll (economic crisis was second). But where it counts most, in the top two polluting countries, the percentage of people who name climate as a major threat is just 42 in the US and 19 in China (Carle 2015). And even if consciousness rises faster from below, global elites apparently remain paralyzed to take necessary actions to keep temperature increases below 1.5 degrees, the point at which runaway, catastrophic climate change is likely to take off (Bond 2012, Klein 2014). Going into the Paris COP21, the declarations of voluntary commitments were estimated by the French hosts to warm the planet by 3 degrees this century, but this is a vast understatement given the likelihood of runaway climate change once a 2 degree tipping point is reached.

The annual UNFCCC Conference of the Parties (COP) had been held in Africa thrice: in 2001 in Marrakech, 2006 in Nairobi and 2011 in Durban. But the critical moment that defined Africa’s future climate crisis was in December 2009 in Copenhagen. The negotiations at COP15 were diverted one night into a room where five leaders – from the US and the Brazil, South Africa, India and China (BASIC) group – agreed on a side deal, the Copenhagen Accord. That was the source of Africa’s major problems in climate negotiations for years thereafter, including at the Paris COP21.

The fortnight-long COP talk-shops are typically sabotaged by US State Department negotiators, recently joined by brethren governments in Australia and Japan, with Canada a loyal co-polluter prior to the October 2015 election (and probably long after given the national elites’ commitment to exploiting the Alberta tarsands). Initial hopes that the Brazil-Russia-India-China-South Africa (BRICS) bloc might make a difference in world climate policy as well as address undemocratic global financial governance have since been dashed, not only because of BASIC’s 2009 alliance with Barack Obama (Bond and Garcia 2015). Individually, they are each failing to grapple with new responsibilities to decarbonize their economies.

The world’s largest single emitter is China, even if in per capita terms it is far lower than the Northern countries. Beijing claims to have recently reduced coal consumption are dubious given notorious undercounting (probably by 15 percent). The Communist Party leadership decided upon an upward trajectory of greenhouse gas emissions at least through the 2020s. The Chinese standpoint that they need more emissions to ‘develop’ is contradicted by a stark reality: recent US and European claims to be slowing their emissions rely upon their corporations and consumers outsourcing large amounts of emissions to new production sites mostly in East Asia. According to the Intergovernmental Panel on Climate Change: “A growing share of CO2 emissions from fossil fuel combustion in developing countries is released in the production of goods and services exported, notably from upper-middle-income countries to high-income countries” (Hawkins 2014). In the case of China, the amounts of such outsourcing are vast, having risen from 404 million tons of CO2 in 2000 to 1.561 billion tons in 2012.

Moreover, BRICS leaders have all either endorsed carbon markets, the capitalist strategy for offsetting local emissions by buying someone else’s. Initially, from 2005-12, these took the form of United Nations ‘Clean Development Mechanism’ (CDM) opportunities to sell often-corrupt and gimmick-ridden as contributing to emissions mitigation (Bond, Dada and Erion 2009).

In recent years, after the BRICS no long qualified for CDMs, seven Chinese cities started their own
carbon markets, with Brazil and South Africa likely to follow in a few years. Moreover, China’s attempts to control emissions in future appear certain to foster faith in dangerous techniques such as nuclear energy, hydropower and untested Carbon Capture and Storage technology.

The strongest efforts to address climate change from the North are in Europe, where in October 2014 a new goal of 40 percent greenhouse gas reduction from 1990 levels (not including the carbon outsourcing of hundreds of millions of tons per year) was sought for 2030 – far too low according to most scientists, but far ahead of other historic pollution sites. In a late-2014 deal between China and the US, the latter’s goal was only 15 percent reduction by 2025 (from 1990 levels).

In short, very little reason for hope on climate or other aspects of environmental stewardship can be found in any of the major countries’ governments. There is, of course, the exception of Cuba, which by compulsion began a strong decarbonization strategy once Russian subsidized oil was no longer available after 1990. But the good examples that were anticipated in 2008-11 from left-leaning Latin American countries – Bolivia, Ecuador and even oil-rich Venezuela – were subsequently dashed, as each turned to more intense hydro-carbon ‘extractivism’ albeit with nationalist redistributive ends (instead of multinational corporate profiteering).

When the September 2014 United Nations special leadership summit on climate was preceded by a march of 400,000 citizens with strong messages of anger about elite procrastination, nothing more than vague promises were offered. The array of global and national power appears as difficult to affect as ever, what with unprecedented corporate influence – including fossil fuel companies – over policy-makers, and with further awareness that major restructuring of vast industries will be needed.

Going back to 2009, the US+BASIC meeting in Copenhagen not only “blew up the UN,” as Bill McKibben (2009) of 350.org put it, in terms of evading the more democratic process. The Accord promised only inadequate and voluntary emissions cuts. Japan, Russia, Canada and Australia subsequently announced they would withdraw earlier commitments made under the Protocol.

By November 2015, the (voluntary) Intended Nationally Determined Contribution (INDC) statement of the G20 countries confirmed huge barriers to reaching the required emissions cuts. According to the NGO Climate Action Tracker (2015), “None of the G20 INDCs are in line with holding warming below 2°C, or 1.5°C.” The agency rated the following as ‘inadequate’: Argentina, Australia, Canada, Indonesia, Japan, South Korea, Russia, Saudi Arabia, South Africa, and Turkey, with the INDCs of another set – Brazil, China, India, the EU, Mexico and the USA – also “not consistent with limiting warming to below 2°C either, unless other countries make much deeper reductions and comparably greater effort.”

Four reasons Paris failed

The INDC strategy was itself flawed because it is voluntary with no accountability system sufficiently strong – such as economic sanctions, expulsion from the United Nations, etc. Hence the first reason for the Paris COP21’s failure was that the ambition required to cut emissions to survivable levels never materialized. As explained by Pablo Solon (2015), formerly Bolivia’s Ambassador to the United Nations and the man who attempted to block consensus at the Cancun COP16 in 2009, all negotiators since Copenhagen failed to table the need leave 80 percent of known fossil fuels reserves under the ground and make deep emissions cuts: 44 Gigatons (Gt) of CO2e by 2020, 40 Gt by 2025 and 35 Gt by 2030.
Second, the reduction of CO2 agreed upon in Paris – as a vague pledge to keep warming below 3°C – will partly occur through ‘financializing’ the climate via carbon markets and offsets. Although this strategy has failed in the main markets to date – the European Union’s Emissions Trading System (EMS) and Chicago Climate Exchange (which completely collapsed in 2010) – it was reasserted the month before the Paris summit in a preparatory conference. New language emerged to the effect that these markets deliver ‘real, permanent, additional and verified’ emissions reflect awareness of bad publicity stemming from prior mishaps (Carbon Market Watch 2015). The Kyoto Protocol and all subsequent COPs allowed large polluting firms to buy the right to pollute (from other companies) at extremely low cost, and relied on financiers to set up carbon markets and offsets rather than make direct cuts.

The only effective means of cutting emissions is to use state controls to compel deep cuts by the major polluters, as was accomplished with the UN’s 1987 Montreal Protocol with chlorofluorocarbons, in order to halt widening of the ozone hole.

Third, a “Just Transition” can be achieved only by rebooting each sector of the world economy with a central role for labour and affected communities, but such radical change was off the Paris table, with the partial exception of renewable energy. Such a strategy would not only ensure medium-term post-carbonization (as the G7 leaders agreed would be done by 2100, about 50 years too late), but in the short term, a saner way of relating to the natural environment and to other human beings.

Indeed the UN has not yet considered the wide-ranging decarbonization, environmental planning and economic restructuring proposals from climate activists (Klein 2014). Instead, the only strategies adopted will make shifts at the margins, especially those using carbon pricing in attempt to nudge markets with incremental taxation or worse, carbon trading incentives. To address the crisis forcefully, a Just Transition is overdue in the world’s energy, transport, extraction, urbanization, agriculture, manufacturing production, consumption, disposal and financing systems. But while these continue to be driven by the profit motive, most externalities – i.e., ecological and social damage not incorporated as market costs – remain as damages foisted onto the powerless.

Fourth, large parts of Africa as well as low-lying islands, the Latin American and Asian mountain chains and sites like the Bay of Bengal are already owed reparations for the massive damage done to local climates. But Paris failed to substantively advance the cause of ‘climate debt’ payment by the North to the South. This is damage far worse than the effects that will be felt in France and other sites in the industrialised world where CO2 emissions per person are greatest. While being a climate creditor gives African negotiators the moral high ground, unfortunately it took until 2012 (at the Doha COP18) for the UN to recognise ‘loss and damage’ (the UN’s technical term) suffered in weather-related crises.

But the voluntary nature of Copenhagen and its Green Climate Fund means there is no legal liability on the part of climate debtors in the Global North. As Washington’s lead negotiator, Todd Stern, famously explained in Copenhagen, “We absolutely recognize our historic role in putting emissions in the atmosphere up there that are there now. But the sense of guilt or culpability or reparations, I just categorically reject that” (Broder 2009).

What are Africa and other vulnerable sites facing, in the wake of the COP21? In Paris, binding emission cuts were not made on the scale required. Market mechanisms were reaffirmed. A Just
Transition for the world economy towards genuine sustainability was rejected. The climate creditors – especially Africans – continue to be stuck with the bill for most damage done, though they did not cause the crisis. The Paris COP21 process did not allow the power change required to address these four major challenges. Those in the mainstream NGO circuits who entered Paris claiming that the conditions were in place for a planet-saving deal (e.g. Avaaz’s Ricken Patel 2015) were profoundly mistaken.

**Climate apartheid cooks Africa, and Pretoria stokes the flames**

Hence Paris merely continued what is being termed climate apartheid. According to UN Secretary General Kofi Annan’s Global Humanitarian Forum (2009), already more than 300 000 current deaths per year are attributable to climate change, mostly in the Global South. With the present trajectory of warming anticipated to break 4 degrees above normal by 2100, with inland Africa heating up by 6 to 7 degrees, not only are humans threatened, but so too is nearly every living species – biodiversity itself – reliant upon water and a stable eco-system.

With the world insurance industry already facing a rise in annual liabilities associated with extreme weather events from $10 billion during the 1980s to $50 billion since 2000, and with even larger damages simply not covered, even the conservative Bank of England governor Mark Carney (2015) admitted, “currently modelled losses could be undervalued by as much as 50 percent if recent weather trends were to prove representative of the new normal.”

As a result, Africa anticipates worsening weather chaos, and 182 million Africans dead this century, early and unnecessarily, due to climate related disease (Christian Aid 2006). The first ‘climate war’ is often said to be Darfur’s conflict between water-starved peasantry and migratory herders backed by a brutal Sudanese government. In this context, the delegate leading the G77+China group of 130 to Paris, Nozipho Joyce Mxakato-Diseko, put it most starkly at October’s pre-negotiations in Bonn: “It is just like apartheid.”

Mxakato-Diseko is South African, and knows of what she alleges first-hand: “We find ourselves in a position where in essence we are disenfranchised” (Doyle 2015). And yet Mxakato-Diseko’s own principals let her down in the end. South Africans are especially adept at ‘talk left, walk right’ posturing (Bond 2006), and so it is interesting to consider the stance Pretoria takes on climate at home. To change the world balance of forces requires changing national environmental policy in every country, and South Africa is one of the world’s great battlegrounds (Bond 2002).

The large mining-smelting-shipping corporations – whether local, Western or BRICS in origin – still appear to have inordinate influence in Pretoria (surely as much as enjoyed in Washington by the Koch Brothers and others in the oil and gas lobby). Against them, the Department of Environmental Affairs has a minister, Edna Molewa, who did nothing to shift power relations in defense of the climate, in spite of a relatively high profile in international negotiations. She played a central role in Durban’s COP17 (Bond 2011, 2012), and in 2012, she was visible at the Rio+20 UN Earth Summit.

Yet when it counted, in regulating South African polluters, Molewa knew how to avoid conflict. She was silent about the vast bulk of national infrastructure spending on carbon-intensive activities: three major coal-fired power plants, expanded coal exports via a $25 billion rail budget in the first Presidential Infrastructure Coordinating Committee (PICC), and in the second PICC project, the $20 billion expansion of Durban’s port and petrochemical complex, aiming to raise container throughput capacity by a factor of eight by 2040 (Bond 2014a). Government also gave permission in
2013 for Shell Oil to begin the process of ‘fracking’ the arid Karoo. This was followed in mid-2014 by President Jacob Zuma’s Operation Phakisa (‘speed up’) ocean-economy strategy, including $5 billion worth of deep-sea oil and gas exploration, especially by ExxonMobil. Other carbon-intensive state policies include ever-worsening suburban sprawl, facilitated by the doubling of the Durban-Johannesburg oil pipeline at nearly four times the initial budget of $500 million. Pretoria also granted approval for a new $6 billion state oil refinery, and has plans for more smelter-intensive minerals beneficiation including a new Chinese steel factory (in spite of steel imports from China decimating the two main existing producers in 2015).

Facing this intensification of South Africa’s capital-carbon metabolism, Molewa’s 2014-15 budget ($400 million) was revealing. In addition to an 8.3 percent real cut in overall climate change programming, her $1.5 million spending cut from the SA Weather Service’s budget meant, according to Parliament’s Environmental Oversight Committee (2014), “South Africa would be unable to meet its international obligations regarding the monitoring of greenhouse gases through the Global Atmospheric Watch station... The country would also be unable to formulate baselines and monitor emissions versus set targets.”

Writing in the Mail&Guardian, Molewa’s (2014) reply to concerns expressed (by this author, Bond 2014b) about such developments was defensive:

Contrary to Bond’s analysis, South Africa is not at risk of not meeting its international obligations regarding climate change or its attendant priority, greenhouse gas emissions monitoring and reduction. Our national climate change response policy guides the government’s approach to climate change impacts and the country’s transition to a climate-resilient, low-carbon, mitigating economy (Molewa 2014).

Yet as the Environment Oversight Committee (2014) had warned, “As a country, we must be seen making our fair contribution to the global effort to mitigate climate change by ensuring that we reduce our greenhouse gas emissions below the business-as-usual by 34 per cent by 2020 and 42 per cent by 2025.” In mid-2015, the next opportunity arose for Pretoria to commit to the COP21, but the South African office of Greenpeace (2015) was scathing about what Molewa offered:

The ‘Discussion Document: South Africa’s INDC: 1 August 2015’ avoids quantifying any contribution to mitigation and fails to meet the very basic generic requirements agreed for the mitigation component of the INDC. If not rectified, such blatant evasiveness will undermine South Africa’s credibility and any claim to moral authority in leadership of developing country negotiators.

This lack of ambition is consistent with Pretoria’s approach when seen from the perspective of civil society, which argues that the government turns a blind eye to pollution violations especially from coal mining, electricity generation and oil refineries (all associated with climate change) (groundWork et al 2014). Molewa’s (2014) rebuttal confirmed an inappropriate degree of state modesty: “We are constantly addressing issues to do with climate change – mostly behind the scenes.”

Staying ‘behind the scenes’ can be explained by the durable power of South Africa’s so-called Minerals Energy Complex (Fine and Rustomjee 1996). That power was unveiled when her cabinet colleagues Nathi Mthethwa and Cyril Ramaphosa assisted London-based platinum firm Lonmin in August 2012, by deploying the police against striking workers, for the sake of maintaining corporate
mining profits. Ramaphosa, later to become deputy president of South Africa, was a 9 percent owner of Lonmin, and it was his emails that brought massacre-minded troops to end the wildcat strike (he called it ‘dastardly criminal’), leaving 34 corpses of workers, many of whom were trying to surrender. Testimony Ramaphosa gave to the Marikana Massacre commission in mid-2014 confirmed his loyalties: he admitted that instead of building 5500 houses for Lonmin workers, as promised, the corporation’s Transformation Committee he oversaw built just three. He also facilitated the off-shore ‘illicit financial flows’ of Lonmin profits to Bermuda.

Ramaphosa’s massive coal mines and similar dirty coal corporations were, according to insiders, long pampered by Molewa’s water officials. At least forty major new mines are now being dug or planned to provide coal to two new power plants, not to mention new export-oriented coal digs to supply China and India. The coal-producing province of Mpumalanga was by 2014, quite literally, wheezing (groundWork et al, 2014). Yet Eskom applied to Molewa for ‘rolling postponements’ on pollution reductions required by law at 14 power plants there. Eskom’s assumption was that its own crises – and regular load-shedding that struck fear into the society – would persuade Molewa of the need for forbearance. By February 2015, Molewa had agreed to a five year extension on air pollution regulatory forbearance for Eskom, Sasol and dozens of other firms whose emissions both harmed local workers and residents and contributed to climate change.

With the South African population recording 47 percent awareness that climate change is the world’s greatest threat in the 2015 Pew survey (Carle 2015), the possibility for turning awareness into activism remains the only hope, given that Pretoria’s elites appear unwilling to change course.

**Conclusion**

The South African case illustrates how difficult it is for the world to solve the climate crisis, even while its highest-profile delegate offers claims of ‘climate apartheid’ as heard during the Paris COP21. The genuine victims of climate apartheid did not make it to Paris (and not only because of the severe impact of terrorism on EU visa availability). But they will continue to make their voices heard at national and local scales, where after all the war against emission sources will be won or lost.

Terrorist attacks that left more than 130 mainly young Parisians dead on November 13 remind us of blowback hazards that will be faced by future stubborn governments of the North and the BRICS. Refugees will arrive in faster, higher waves to their shores, initially from North Africa and the Middle East – which will heat to unliveable temperatures by mid-century – illustrating how mass migrations from many climate-creditor sites are driven by weather-related conflict. Climate refugees from Syria’s extreme 2006-10 drought – treated so carelessly by the Assad regime, compelling popular rebellion in 2011 – and the simultaneous difficulties faced by migratory herders in western Sudan’s Darfur give these sites the dubious honor of witnessing the first climate wars.

Future COPs will make efforts at enforcement of the non-binding Paris summit agreement. But top-down, this is likely to remain futile, for already in Washington, Obama faces Republican efforts to undue his 2015 Environmental Protection Agency rulings against coal. In Morocco at the December 2016 COP22, conditions for social mobilization will be far more adverse than even Paris. So looking back on Paris, even if the climate marches across the world on November 28-29 played a salutary role in raising consciousness, it was the December 12 protest against the COP21’s weak outcome that sets the stage for climate justice activism in years ahead.
Evidently, nothing useful to solve this crisis will come from world elites. The action will continue to be at the coal-face local sites of ‘Blockadia’ (Klein 2014) and then an aggregation of these, to make national contestations – such as over South African government economic policy – the battlegrounds where activists can muster strength to change the balance of power.

References


Doyle, A (2015) South Africa likens draft climate deal to apartheid. Reuters, 19 October. http://www.reuters.com/article/2015/10/19/us-climatechange-summit-talks-idUSKCN0SD1U920151019#2Z3a4wWTZV8FmZ7m.99

635


Greenpeace (2015) Greenpeace Africa Submission on the draft South African INDC – August 2015, Johannesburg


Klein, N (2014) This changes everything. Toronto: Knopf.


Climate terror from Paris could endure for generations
ZNet, 15 December 2015

Paris witnessed both explicit terrorism by religious extremists on November 13 and a month later, implicit terrorism by carbon addicts negotiating a world treaty that guarantees catastrophic climate change. The first incident left more than 130 people dead in just one evening’s mayhem; the second lasted a fortnight but over the next century can be expected to kill hundreds of millions, especially in Africa.

But because the latest version of the annual United Nations climate talks has three kinds of spin-doctors, the extent of damage may not be well understood. The 21st Conference of the Parties (COP21) to the UN Framework Convention on Climate Change (UNFCCC) generated reactions ranging from smug denialism to righteous fury. The first reaction is ‘from above’ (the Establishment) and is self-satisfied; the second is from the middle (‘Climate Action’) and is semi-satisfied; the third, from below (‘Climate Justice’), is justifiably outraged.

Guzzling French champagne last Saturday, the Establishment quickly proclaimed, in essence, “The Paris climate glass is nearly full – so why not get drunk on planet-saving rhetoric?” The New York Times reported with a straight face, “President Obama said the historic agreement is a tribute to American climate change leadership” (and in a criminally-negligent way, this is not untrue).

Since 2009, US State Department chief negotiator Todd Stern successfully drove the negotiations away from four essential principles: ensuring emissions-cut commitments would be sufficient to halt runaway climate change; making the cuts legally binding with accountability mechanisms; distributing the burden of cuts fairly based on responsibility for causing the crisis; and making financial transfers to repair weather-related loss and damage following directly from that historic liability. Washington elites always prefer ‘market mechanisms’ like carbon trading instead of paying their climate debt even though the US national carbon market fatally crashed in 2010.

In part because the Durban COP17 in 2011 provided lubrication and – with South Africa’s blessing – empowered Stern to wreck the idea of Common But Differentiated Responsibility while giving “a Viagra shot to flailing carbon markets” (as a male Bank of America official cheerfully celebrated), Paris witnessed the demise of these essential principles. And again, “South Africa played a key role negotiating on behalf of the developing countries of the world,” according to Pretoria’s environment minister Edna Molewa, who proclaimed from Paris “an ambitious, fair and effective legally-binding outcome.”

Arrogant fibbery. The collective Intended Nationally Determined Contributions (INDCs) – i.e. voluntary cuts – will put the temperature rise at above 3 degrees. From coal-based South Africa, the word ambitious loses meaning given Molewa’s weak INDCs – ranked by ClimateActionTracker as amongst the world’s most “inadequate” – and given that South Africa hosts the world’s two largest coal-fired power stations now under construction, with no objection by Molewa. She regularly approves increased (highly-subsidised) coal burning and exports, vast fracking, offshore-oil drilling, exemptions from pollution regulation, emissions-intensive corporate farming and fast-worsening suburban sprawl.
A second narrative comes from large NGOs that mobilised over the past six months to provide mild-mannered pressure points on negotiators. Their line is, essentially, “The Paris glass is partly full – so sip up and enjoy!”

This line derives not merely from the predictable back-slapping associated with petit-bourgeois vanity, gazing upwards to power for validation, such as one finds at the Worldwide Fund for Nature and Climate Action Network, what with their corporate sponsorships. All of us reading this are often tempted in this direction, aren’t we, because such unnatural twisting of the neck is a permanent occupational hazard in this line of work.

And such opportunism was to be expected from Paris, especially after Avaaz and Greenpeace endorsed G7 leadership posturing in June, when at their meeting in Germany the Establishment made a meaningless commitment to a decarbonised economy – in the year 2100, at least fifty years too late.

Perhaps worse than their upward gaze, though, the lead NGOs suffered a hyper-reaction to the 2009 Copenhagen Syndrome. Having hyped the COP15 Establishment negotiators as “Seal the Deal!” planet-saviours, NGOs mourned the devastating Copenhagen Accord signed in secret by leaders from Washington, Brasilia, Beijing, New Delhi and Pretoria. This was soon followed by a collapse of climate consciousness and mobilisation. Such alienation is often attributed to activist heart-break: a roller-coaster of raised NGO expectations and plummeting Establishment performance.

Possessing only an incremental theory of social change, NGOs toasting the Paris deal now feel the need to confirm that they did as best they could, and that they have grounds to continue along the same lines in future. To be sure, insider-oriented persuasion tactics pursued by the 42-million member clicktivist group Avaaz are certainly impressive in their breadth and scope. Yet for Avaaz, “most importantly, [the Paris deal] sends a clear message to investors everywhere: sinking money into fossil fuels is a dead bet. Renewables are the profit centre. Technology to bring us to 100% clean energy is the money-maker of the future.”

Once again, Avaaz validates the COP process, the Establishment’s negotiators and the overall incentive structure of capitalism that are the proximate causes of the crisis.

The third narrative is actually the most realistic: “The Paris glass is full of toxic fairy dust – don’t dare even sniff!” The traditional Climate Justice (CJ) stance is to delegitimise the Establishment and return the focus of activism to grassroots sites of struggle, in future radically changing the balance of forces locally, nationally and then globally. But until that change in power is achieved, the UNFCCC COPs are just Conferences of Polluters.

The landless movement Via Campesina was clearest: “There is nothing binding for states, national contributions lead us towards a global warming of over 3°C and multinationals are the main beneficiaries. It was essentially a media circus.”

Asad Rehman coordinates climate advocacy at the world’s leading North-South CJ organisation, Friends of the Earth International: “The reviews [of whether INDCs are adhered to and then need strengthening] are too weak and too late. The political number mentioned for finance has no bearing on the scale of need. It’s empty. The iceberg has struck, the ship is going down and the band is still playing to warm applause.”
And not forgetting the voice of climate science, putting it most bluntly, James Hansen called Paris, simply, “bullshit.”

Where does that leave us? If the glass-half-full NGOs get serious – and I hope to be pleasantly surprised in 2016 – then the only way forward is for them to apply their substantial influence on behalf of solidarity with those CJ activists making a real difference, at the base.

Close to my own home, the weeks before COP21 witnessed potential victories in two major struggles: opposition to corporate coal mining – led mainly by women peasants, campaigners and lawyers – in rural Zululand, bordering the historic iMfolozi wilderness reserve (where the world’s largest white rhino population is threatened by poachers); and South Durban residents fighting the massive expansion of Africa’s largest port-petrochemical complex. In both attacks, the climate-defence weapon was part of the activists’ arsenal.

But it is only when these campaigns have conclusively done the work COP negotiators and NGO cheerleaders just shirked – leaving fossil fuels in the ground and pointing the way to a just, post-carbon society – that we can raise our glasses and toast humanity, with integrity. Until then, pimps for the Paris Conference of Polluters should be told to sober up and halt what will soon be understood as their fatal attack on Mother Earth.
The ubiquitous ‘development goals’ chosen by the United Nations – first Millennium (MDGs) in 2000 and now Sustainable (SDGs) – were and are and will be a distraction from the real work of fighting poverty done by social justice activists.

This weekend in New York heralds another of the annual UN heads-of-state summits at which inappropriate targets, processes and evaluation systems are reconfirmed. Following which, venal heads of state will join multilateral bureaucrats to congratulate each other on a job well done. Not only will overwhelming success will be claimed for the 20 MDGs, but 17 new goals with 169 new SDG targets and more than 300 indicators will be adopted for 2030.

At their core, these are just as disrespectful to those activists in the trenches who are contesting the systems of power that create poverty, hunger, disease and climate change, not least because the UN shies away from causality. The poverty-creating and ecology-destroying features of world capitalism will proceed entirely unhindered by this hot air. Tellingly there are no concrete mandatory greenhouse gas emissions-cut goals in the SDG “13 – Climate action.”

And illustrating the UN’s bean-counting contortions, the very first SDG is, “by 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day.” That measure comes from heartless World Bank economists, and gives us a world poverty count of just 1.2 billion people. But what if you need not just food but minimal healthcare, a roof over your head and clothing? The UN Conference on Trade and Development says the target should be $5 per day.

At an invaluable watchdog group, “The Rules,” Jason Hickel debunks: “The drafters of the SDGs know this fact. So why stick with the discredited $1.25 measure? Because it’s the only one that will allow them to get anywhere near their goal of eradicating poverty by 2030. If we measure poverty by the more accurate $5/day line, the total poverty headcount rises to 4.3 billion people, more than 60 percent of humanity.” That’s 370 million more people than in 1990.

Here in South Africa, World Bank hucksters claimed late last year that at $1.25/day, extreme poverty rate is suffered by just 16.5 percent of our 55 million residents, half what it was before considering state grants to children and the elderly. Moreover, added the Bank, “Thanks to effective use of fiscal policy to achieve redistribution, the Gini coefficient on income falls from 0.77 to 0.59,” a fib obvious to anyone aware of the vast state corporate welfare benefits which Bank economists brazenly ignored.

Bank stats were then repeatedly used by a local gaggle of neoliberals to drum-beat for greater austerity; last February, Finance Minister Nhlanhla Nene obliged by shrinking the real value of grants by 3 percent. Yet it was the same month that a poverty rate of 53 percent was calculated by the main government agency, StatsSA, using $1.88/day as the bare survival level. A few weeks ago, respected University of Cape Town researchers counted $2.50/day costs of 2100 kilocalories of food and other essential expenditures and reckoned that poverty is closer to 62 percent.

“Torturing the data until they confess” is what neoliberal poverty experts apparently feel is necessary in defence of their dark arts. In 2006, political economist Samir Amin described MDG-talk as “intended to legitimize the policies and practices implemented by dominant capital and those
who support it, i.e., in the first place the governments of the triad countries [US, EU and Japan], and secondarily governments in the South.” As for MDGs cutting extreme poverty and hunger by half, said Amin, “This is nothing but an empty incantation as long as the policies that generate poverty are not analyzed and denounced and alternatives proposed.”

In the same spirit, in the journal *Gender & Development*, Caribbean political economist Peggy Antrobus of Development Alternatives with Women for a New Era renamed MDGs Major Distraction Gimmicks. For feminists, said Antrobus, “the exclusion of the goal of women’s sexual and reproductive rights reflects the power of the forces of religious fundamentalism.” The MDGs’ focus on the outcomes masks the process, she told an interviewer for *Alliance*: “We ought to be helping people to understand how these things are the consequences of structures that are profoundly unjust.”

She continued: “the current macro context in which these MDGs have emerged contains the twin demons of religious and economic fundamentalism. Both have at their core the subordination and exploitation of women’s time, labor, and sexuality for the benefit of patriarchal power on the one hand, and capitalism on the other.”

But the point here is that creative people constantly fight neoliberalism, racism, patriarchy and climate catastrophe, even if the UN ignore them and their efforts. Likewise, in our critique of the Global Call to Action Against Poverty (GCAP) a decade ago, my colleagues Dennis Brutus, Virginia Setshedi and I pointed out that its opening newsletter was silent on “organic anti-poverty activism in the Global South, such as – in no particular order – labor strikes, popular mobilizations for AIDS-treatment and other health services, reconnections of water/electricity, land and housing occupations, anti-GMO and pro-food security campaigns, women’s organizing, municipal budget campaigns, student and youth movements, community resistance to displacements caused by dam construction and the like, anti-debt and reparations movements, environmental justice struggles, immigrants’ rights campaigns, political movements to take state power, etc etc.”

We continued, in a critique that applies even more to the UN, “It’s as if the formidable recent upsurge of unrest – 1980s-90s IMF Riots, high-profile indigenous people’s protests since Zapatismo in 1994, global justice activism since Seattle in 1999, the Social Forum movement since 2001, anti-war demos since 2001, autonomist protests and the Latin American left’s revival – never happened, don’t exist, aren’t worthy of acknowledgment much less integration and amplification.”

Since then, add the North African uprising and the Occupiers of 2011, the rise of the Southern European and Irish left (and maybe in the UK and US too, judging by electoral trends), the anti-racism/class/repression movement in the US, NGO campaigning against illicit financial flows, climate campaigners against major polluters, anti-extractivist struggles across the South, and more recent mass protests against socio-economic injustice and authoritarianism in Brazil, Burkina Faso, China, India, South Africa, Turkey and so many other sites of struggle. At such moments you can count on World Bank and UN officials to run in the other direction.

Another direction the SDGs dare not venture towards is asking why poverty and ecological chaos are repeatedly reproduced as the flip side of wealth: in short, uneven development. In ‘hacking’ the SDGs, The Rules campaigners ask three uncomfortable questions that SDGites dare not consider: “How Is Poverty Created?; Who’s Developing Whom?; Why Is Growth The Only Answer?”
Hopefully these are the questions that journalists and the general public also start asking their national poverty officials. And hopefully the tough critiques from The Rules and radical intellectuals such as Amin and Antrobus are given more air time. Otherwise, without attention to poverty causality, without the activists who make social change possible, and without intellectual critics unintimidated by officialdom’s back-slapping, these SDGs are unsustainable distractions whose definitions of development and environment continue being twisted beyond recognition.
Can Climate Activists’ Movement Below Transcend Negotiators’ Paralysis Above?
Journal of World Systems Research (21, 2), September 2015

Do enough activists – and the societies that generate them – care about climate change to force United Nations (UN) negotiators to make the emissions cuts required to halt warming at 2 degrees? The July 2015 Pew Research Center survey of world awareness confirms that in a list also containing global economic instability and several contingent geopolitical factors, a near majority of the world public is ‘very concerned’ about climate change. It is the leading global-scale worry in 2015, but opinion is unevenly distributed: the advanced capitalist societies most responsible for climate change are those who are least willing to acknowledge it as the main threat. They are the societies with the greatest capacity to pay a ‘climate debt’ for the ‘loss and damage’ associated with climate change. But their UN negotiators and politicians, mainly influenced by large corporations, are the most reluctant to discuss the North’s associated liabilities. Against this paralysis above, is there opportunity for movement below?

Figure 1: Priority threats, 2015: Percentages ‘very concerned’ about global problems

<table>
<thead>
<tr>
<th>Threat</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change</td>
<td>46</td>
</tr>
<tr>
<td>Economy</td>
<td>42</td>
</tr>
<tr>
<td>ISIS threat</td>
<td>41</td>
</tr>
<tr>
<td>Iran nuclear</td>
<td>31</td>
</tr>
<tr>
<td>Cyber-attacks</td>
<td>30</td>
</tr>
<tr>
<td>Russian threat</td>
<td>24</td>
</tr>
<tr>
<td>Chinese threat</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: Carle 2015.

Choices: Global climate change; Global economic instability; ISIS the Islamic State; Iran’s nuclear program; Cyberattacks on governments, banks or corporations; Tensions between Russia and its neighbors; Territorial disputes between China and its neighbors.
Figure 2: Who caused climate change? Per capita emissions

Source: Keshvani 2013

Figure 3: Who loses from climate change? Climate Demography Vulnerability Index
G7 Leaders Paralyzed when Cutting Emissions

In mid-2015, the failure to come to grips with the urgency of cutting emissions was obvious, leading even the most pro-establishment periodicals to condemn the G7 leaders after their summit in Elmau, Bavaria. Their declaration to de-carbonize the world economy by 2100 appears at least five decades too late, according to even The Economist (2015):

no fossil-fuel-burning power station will be closed down in the immediate future as a result of this declaration. The goal will not make any difference to the countries’ environmental policies, since they are mostly consistent with this long-range goal anyway. Where they are not (some countries are increasing coal use, for example) they will not be reined in because of the new promises... the G7’s climate effort raises as many questions as it answers. The group seems to have rejected proposals for more demanding targets, such as decarbonization by 2050.

Added Time magazine’s Ian Bremmer (2015),

The results were disappointing... The G7 announced an ‘ambitious’ plan to phase out all fossil fuels worldwide by 2100. Unfortunately, they didn’t make any concrete plans to scale back their own conventional fuel consumption. That’s a big deal when 59 percent of historic global carbon dioxide emissions – meaning the greenhouse gases already warming the atmosphere – comes from these seven nations.

Oxfam, usually more optimistic about elite reforms, complained, ‘This lukewarm summit result will only make the fight harder, if not impossible’ (Euractive 2015). Michael Levi (2015) from the Council on Foreign Relations explained the logic, in which Washington’s laggard position defeated slightly more ambitious European countries:

The United States has long pressed for a shift away from binding emissions reduction commitments and toward a mix of nationally grounded emission-cutting efforts and binding international commitments to transparency and verification. European countries have often taken the other side, emphasizing the importance of binding targets (or at least policies) for cutting emissions. Now it looks like the big developed countries are on the same page as the United States.

An even tougher critique was mounted by Oscar Reyes (2015) of the Institute for Policy Studies in Washington. The G7 pledge of ‘net zero’ carbon emissions by 2100 can be negated by recourse to ‘false solutions’. Such strategies include the scientifically dubious Carbon Capture and Storage to store CO2 underground near power plants, shooting sulfur particles into the air to physically block sunrays, dropping iron filings into the ocean to create algae blooms, and planting timber plantations to sequester CO2. Three NGOs – etc Group, ActionAid (2015) and Biofuelwatch – requested the G7 to reverse their energy ministers’ endorsement of these Dr Strangelove strategies, but their power is negligible.

As a result, climate injustice prevails in the relationships between world awareness, emissions culpability, and climate change vulnerabilities. Whereas climate debt payments from Global North to South could assist in aiding survival and perhaps ecological restoration, the failure so far to put
‘polluter pays’ reparations on the UN Framework Convention on Climate Change (UNFCCC) agenda is just one of the frustrations of the existing multilateral climate management failure. One specific example was the way in which Ecuador’s Yasuni National Park ‘leave the oil in the soil’ climate debt proposal (made originally by Accion Ecologica and indigenous groups) was diverted into a carbon market strategy by the liberal German development minister in collaboration with President Rafael Correa in 2013, resulting in their failure to raise sufficient funding to justify not drilling. Hence in 2014 Chinese oil prospecting began in earnest, even in pristine sites where indigenous people had experienced no contact with the rest of the world.

Trading Carbon Instead of Paying the Climate Debt

One of the central tenets of climate justice, especially since the term was used by the ‘Durban Group for Climate Justice’ in 2004, has been opposition to the UNFCCC’s Kyoto Protocol strategy of carbon trading. Kyoto undergirds the process of emissions cut-backs with various kinds of carbon markets, reflecting the aim of maximizing efficiency. The market-related ordering of the emissions-cutting process will be amplified at the Paris UNFCCC summit in December 2015, as a result of revived emissions markets in several countries. President Barack Obama re-introduced the ‘cap and trade’ strategy as part of national climate policy in the United States in August 2015, for example, in spite of its failure to date not only in the Chicago Climate Exchange which was forced to close in 2010, but in the main test site, the European Union (EU). In the wake of the 90 percent crash in EU carbon market prices between the 2008 peak (€29) and the 2013 trough (down to €2.81/tonne), and similar crashes in the UN’s own Clean Development Mechanism (CDM) carbon market, a comeback will be difficult.

Figure 4: Who is playing the carbon markets?

European and UN carbon market turnover had plummeted from a peak of $140 billion in 2008 to $130 billion in 2011, $84 billion in 2012, and $53 billion in 2013, even as new carbon markets began

Source: World Bank 2015
popping up (Reuters 2014). But after dipping to below $50 billion in 2014, volume on the global market is predicted by industry experts to recover in 2015 to $77 billion (worth 8 Gigatonnes of CO₂ equivalents) thanks to higher European prices and increased US coverage of emissions, extending to transport fuels and natural gas (Nichols 2015). However, geographically extreme uneven development characterizes the markets in part because of the different regulatory regimes. Since 2013 there have been new markets introduced in California, Kazakhstan, Mexico, Quebec, Korea and China, while Australia’s 2012 scheme was discontinued in 2014 due to the conservative government’s opposition. The price per tonne of carbon also differs markedly, with early 2015 rates still at best only a third of the 2006 European Union peak: California around $12, Korea around $9, Europe around $7.3, China at $3-7 in different cities, the US northeast Regional Greenhouse Gas Initiative’s voluntary scheme at $5, New Zealand at $4 and Kazakhstan at $2. The market for CDMs collapsed nearly entirely to US$0.20/tonne.

These low prices indicate several problems. First, extremely large system gluts continue: two billion tonnes in the EU, for example, in spite of a new ‘Market Stability Reserve’ backstopping plan that aimed to draw out 800 million tonnes (Van Renssen 2015). Second, the new markets suffer from unfamiliarity with such an ethereal product, emissions. So trading volume has slowed to a tiny fraction of what had been anticipated (especially as in China and Korea). Third, fraud continues to be identified in various carbon markets (as can be witnessed at the http://map.carbonmarketwatch.org/ website). This is a debilitating problem especially in the timber and forest-related schemes that were meant to sequester large volumes of carbon. Fourth, resistance continues to rise against carbon trading and offsets in Latin America, Africa and Asia, where anti-REDD movements are linking up (as the http://redd-monitor.org website documents, and, more generally as one of the main websites of climate justice analysis – http://www.iicat.org/ – also reveals). As a result, the introduction of market incentives to make marginal changes to emissions is simply not working: the cost of switching from coal to renewable energy remains in the range of $50/tonne, in contrast to the prevailing price of carbon at best a fifth as high in California.

Carbon trading remains the elites’ default option for climate management in spite of the fact that the sites in which carbon trading is today strongest or advancing fastest – the EU, California and China – are also those in which extreme market failure in financial markets (and related real estate) repeatedly threatened these countries’ national economies over the past fifteen years, starting with the 2000 dot.com crisis and 2007 sub-prime mortgage failure in California, enveloping the EU since Iceland crashed in 2007, and coming to China in mid-2015 when more than $3 trillion in paper wealth evaporated in a massive 3-week long stock market crash. Not only China, but at least two others in the Brazil-Russia-India-China-South Africa (BRICS) bloc – Brazil and South Africa – appear ready to gamble on these markets.

Revealing the geographical diffusion of financialized nature, those BRICS countries whose elites might have done more to leapfrog carbon-intensive accumulation strategies (or at least not repeat the most ecologically disastrous strategies of western industrialization) witnessed backsliding. Along with Japan, Australia and Canada, in 2012 Russia also dropped out of the Kyoto Protocol and, along with South Africa remained in the top-ten per capita GHG emitters. South Africa celebrated its hosting of the Durban UNFCCC Conference of the Parties (COP) in 2011 by committing to build three new coal-fired powerplants, including one – Medupi – that received the World Bank’s largest-ever project loan in 2010 ($3.75 billion). Meanwhile, China became the world’s leading GHG emitter in absolute terms. To address the prolific emissions, three BRICS then established or announced future promotion of carbon markets and offsets as strategies to deal with their prolific emissions:
China’s seven urban carbon markets, as South Africa and Brazil committed to doing so. In the same current can be found Chile, Mexico, Thailand, Turkey and Eastern Europe.

China, India, Brazil and South Africa had already enjoyed disproportionate access to the CDM until the rules changed in 2012 (UN Environment Program 2013). By then the price of CDM credits had sunk so low there was little point in any case and nearly three quarters of subsequent CDMs ‘may not represent real emissions reductions’, according to Carbon Market Watch (2013: 1), while ‘The environmental integrity of the other Kyoto offsetting mechanism Joint Implementation is even more questionable with over 90 percent of offsets issued by Russia and Ukraine with very limited transparency and no international oversight.’ In the meantime, as Naomi Klein (2014: 189) pointed out, two BRICS had become notorious for gaming the CDM:

Figure 5: The Clean Development Mechanism’s pre-2012 Domination by BRICS

Registered projects implemented under Kyoto’s “Clean Development Mechanism”


The most embarrassing controversy for defenders of this model involves coolant factories in India and China that emit the highly potent greenhouse gas HFC-23 as a by-product. By installing relatively inexpensive equipment to destroy the gas (with a plasma torch, for example) rather than venting it into the air, these factories – most of which produce gases used for air-conditioning and refrigeration – have generated tens of millions of dollars in emission credits every year. The scheme is so lucrative, in fact, that it has triggered a series of perverse incentives: in some cases, companies can earn twice as much by destroying an unintentional by-product as they can from making their primary product, which is itself emissions intensive.

This is not surprising, according to Gareth Bryant, Siddartha Dabhi and Steffen Böhm (2015: 36), given that the CDM ‘discourse is used to legitimate the inclusion of developing countries in the international climate regime; an essential component of a spatial fix which seeks to accommodate the demands of Northern capital for flexibility and promote new business opportunities for project
developers and carbon traders.’ Similar problems of system integrity plague the seven Chinese carbon markets, according to the Carbon Tax Center (2015): ‘authorities face high hurdles in program design, information provision and political acceptability if the eventual national program is to put an effective ‘price on carbon’ and actually constrain and reduce emissions.’ Within China, there is growing unease with carbon markets. At the Chinese Academy of Marxism, for example, Yu Bin (2014) argues that along with Intellectual Property, emissions commodification is vital to understanding the way capital has emerged under conditions of global crisis.

From Global Crises to Global Movements

The attraction of carbon trading in the new markets, no matter its failure in the old, is logical when seen within a triple context: a longer-term capitalist crisis which has raised financial sector power within an ever-more frenetic and geographically ambitious system; the financial markets’ sophistication in establishing new routes for capital across space, through time, and into non-market spheres; and the mainstream ideological orientation to solving every market-related problem with a market solution, which even advocates of a Post-Washington Consensus and Keynesian economic policies share (Krugman 2009). Interestingly, even Paul Krugman (2013) had second thoughts, for after reading formerly pro-trading environmental economist William Nordhaus’ (2013) Climate Casino, he remarked, ‘the message I took from this book was that direct action to regulate emissions from electricity generation would be a surprisingly good substitute for carbon pricing.’

But rationality and even efficiency do not appear to be the decisive forces in multilateral climate policy. Instead we are better locating the carbon markets and other emissions trading and offset strategies as vehicles for displacing overaccumulated capital, during a period of extended crisis. Still, even if the new markets get off the ground, the contradictions become extreme: frequent estimates of a $3 trillion carbon market by 2020 – and even one (from the lead Merrill Lynch trader) of $30 trillion (Kanter 2007) – were overblown, as the peak year so far was 2008 at $140 billion. With China’s seven pilot projects launched in 2014 ostensibly covering 700 million tons of CO₂ emissions (and $135 million in 2014 deals), renewed estimates are being made of a $3.5 trillion market there by 2020 (Responding to Climate Change 2013). But in China like everywhere else, financial markets over-extended themselves geographically as investment portfolios diversified into distant, risky areas and sectors. Global and national financial governance proved inadequate, leading to bloated and then busted asset values ranging from subprime housing mortgages to illegitimate emissions credits. And another round lies ahead.

What the period after 2008 showed, once again, is that geopolitical tensions emerge over which sites would be most vulnerable to suffer devalorization of overaccumulated capital, i.e., which regions or countries would bear the brunt of the deep financial sector and real economic downturns. The geopolitical context during the 2000s featured a sole military superpower, one oriented to neoconservative imperialism (especially in relation to US energy needs and hence in-built climate-change denialism) but mitigated somewhat by a global class politics of neoliberalism. This arrangement evolved since 2010, what with BRICS becoming the most coherent emerging-market network. But as Lula da Silva, Jacob Zuma, Manmohan Singh and Wen Jiabao showed in 2009, they were perfectly willing to agree to a Copenhagen Accord that served Northern – and elite Southern – interests: GHG emissions without constraint. That deal’s non-binding, voluntary approach would raise world temperatures by 4 degrees C by 2100, even conservative scientists conceded (Bond 2012). The US-China deal in October 2014 continued the fiction that both countries could ratchet down emissions in time to avoid runaway climate change. Competition in emissions
laxity is the only way to describe the COPs under present circumstances, in which delegates arrive at summits in carbon-intensive countries – Mexico in 2010, South Africa in 2011, Qatar in 2012, Poland in 2013 and Peru in 2014 – and where the UNFCCC secretariat is led by a carbon trader (Christiana Figueres). Paris will be no different.

Further ‘neoliberalized nature’ dangers emerge in this context. Remarked Ariel Salleh (2010: 215), ‘The current financial and climate crises are consciousness-raising opportunities all round, but green new deals designed to revive the faltering international system will delay fundamental change.’ In the same spirit, Samir Amin (2010), Africa’s leading political economist, offers this argument about economic theory applied to ecology:

Capture of ecology by vulgar ideology operates on two levels: on the one hand by reducing measurement of use value to an ‘improved’ measurement of exchange value, and on the other by integrating the ecological challenge with the ideology of ‘consensus.’ Both these manoeuvres undermine the clear realization that ecology and capitalism are, by their nature, in opposition.

But the complications implicit in correlating crisis-ridden capitalism to commodifying climate crisis are profound. As David Harvey (2006: 96) warns:

[T]he spatio-temporality required to represent energy flows through ecological systems accurately, for example, may not be compatible with that of financial flows through global markets. Understanding the spatio-temporal rhythms of capital accumulation requires a quite different framework to that required to understand global climate change.

The increased commodification of nature runs under such constraints of uncertainty into various limits, Harvey (2010) is quick to point out, in part because spatio-temporal rhythms of crazed financial markets now drive global-scale public policy, even when it comes to addressing the crucial problem of global climate change. For this reason, as Klein (2014) puts it, This Changes Everything. However, of the two main branches within global and local climate activism – CAN and Avaaz on the one hand and climate justice on the other – only the latter addresses the matter with the sufficiently critical politics required to break through regarding both the world’s main concerns: climate change and global economic vulnerability.

COP21 as Game Changer, or Heart Breaker?

The fork in the road appeared in literal form by June 2015. First, tacking right, Avaaz (2015a) – with its 41-million strong clicktivist team, and backed by CAN – suggested that the appropriate political strategy was to praise the world elites notwithstanding the failures of both emissions-cut ambition and the carbon market strategy:

Many told us it was a pipe dream, but the G7 Summit of leading world powers just committed to getting the global economy off fossil fuels forever!!! Even the normally cynical media is raving that this is a huge deal. And it’s one giant step closer to a huge win at the Paris summit in December – where the entire world could unite behind the same goal of a world without fossil fuels – the only way to save us all from catastrophic climate change… Our work is far from done, but it’s a day to celebrate – click here to read more and say congratulations to everyone else in this incredibly wonderful community!!
Likewise a Greenpeace (2015) press release by international climate politics officer Martin Kaiser announced, ‘Elmau delivered.’ Also, from Greenpeace US Energy Campaign director Kelly Mitchell, ‘Leaders at the G7 meeting have put forward a powerful call to move the global economy away from fossil fuels and toward a renewable energy future. Heading into the Paris climate meeting this year, it’s a significant step toward securing a commitment to 100% renewable energy by 2050.’

The strategy that logically follows such back-slapping pronouncements is to legitimize the Paris negotiators. As Avaaz (2015b) announced in July 2015, that means holding a major march before the Paris summit with the intent of raising expectations that a sufficiently strong deal would be possible:

We have just 5 months left until the Paris Summit, the meeting that can determine the fate of the world’s efforts to fight climate change. It might seem like a long time -- it’s not. We have 5 months to get our leaders to that meeting, give them a plan, and hold them accountable. It’s us vs. the oil companies and fatalism. We can win, we must, but we need to throw everything we have at December’s summit. With pledges of just a few dollars/euros/pounds we’ll be able to massively scale up our work -- we’ll only process the donations if we hit our goal. For the world we dream of, let’s make it happen.

In contrast, one of the main climate justice networks, Friends of the Earth International (2015), announced a few days later that it would promote local home-based protests on 28-29 November and instead join mass mobilizations after the summit. The point of this chronology was to regain momentum after the certain disastrous COP21. Their communique is worth citing at length:

Some organizations, such as Avaaz, are pushing for the big Paris mobilization to happen on November 29. However, there was an inclusive global process and we collectively decided to present the mobilizations as a package: with decentralized actions on November 28 and 29 and a big mobilization in Paris on December 12.

Why is Avaaz pushing November 29? Their narrative continues to promote the idea that by simply calling on leaders to act on climate, they will. That’s why they only want to mobilize before the COP. Our narrative is that the leaders will not save us until we have built a powerful movement that overcomes the vested interests and forces governments to act. That’s why we believe people should have the last word. That is why we have advocated for a centralized moment in Paris on December 12.

FoEI, US-based environmental justice organizations, and others are very concerned with the use of the name and imagery of the ‘Peoples’ Climate March’ (PCM) for our mobilizations this year, as is being spearheaded by Avaaz. Firstly, PCM is too closely associated with some northern organizations. It ignores the mobilizations and important work going on in the rest of the world, especially the south.

Secondly, despite the hard work of thousands of US justice organizations who mobilized people in the communities, Avaaz claimed much of the credit for mobilizing 400,000 people. It is likely the same could happen again this year. Avaaz has used its ‘success’ to dominate climate framing since then, with emails such as ‘5 months to save the world’ or the celebration of G-7 ending fossil fuels only in 2100!! Many of our groups and allies have spent considerable effort rebuilding an alternative and more empowering narrative since Copenhagen that people will deliver the transformation, not political leaders. We are
concerned that all the climate justice narratives could be undone if Paris is too closely associated with the approach of New York PCM.

Thirdly, we have to be very clear about our peoples’ demands for Paris on energy, food, justice and jobs. We have to move beyond marches simply calling for ‘climate action’, as this is perfectly acceptable to elites since it doesn’t challenge their business as usual, doesn’t deepen our movements and ultimately lacks the ambition and urgency needed to deliver climate justice.

Likewise, on the vital matter of a prefered march date, 350.org’s May Boeve (2015) announced, ‘when the talks wrap up, we’re planning a big action in Paris on December 12th to make sure the people -- not the politicians -- have the last word.’ The climate justice critique of climate action was that if society does not dramatically change the balance of forces and applaud activists who engage in much more militant modes of engagement, then global climate malgovernance will continue. Civil disobedience has been breaking out in all sorts of ‘Blockadia’ spaces, and in many cases Avaaz’s online petitions help to raise consciousness. But for its overall campaigning, the need to link these discrete campaigns is enormous.

On September 20 2014, that potential was signaled and climate activists were heartened by the ‘PCM’ – the mass march Avaaz helped organize, with an estimated 400 000 people participating. To be sure, Avaaz’s messaging was confused, for example with unfortunate New York subway advertisements, putting ‘hipsters and bankers in the same boat’ and ‘Blockadia’ spaces. But the next day, the Flood Wall Street protest targeted corporations for a few hours with more than 100 civil disobedience arrests. Still, for Paris, Avaaz and CAN appear intent on repeating ineffectual strategies of prior summits, simply raising expectations and engaging in pre-COP or during-COP set-piece marches, and then no doubt offering feigned disappointment at the result with the call to ‘do better next year’.

In contrast, instead of legitimizing the Paris negotiators, the climate justice movement had worked hard to develop a broad-based ‘Coalition Climat21’ network premised on vigorous, diverse forms of critique. At the main strategy meeting at the Tunis World Social Forum in March 2015, the climate activists present seemed ready for progressive ideology, analysis, strategy, tactics and alliances. Up to 400 people jammed a university auditorium over the course of the two days, mixing French, English and Arabic. The initial signs were upbeat. Christophe Aguiton, one of Attac’s founders, opened the event: ‘In the room are Climate Justice Now!, Climate Action Network, international unions, the faith community, and the newer actors in the global movement, especially 350.org and Avaaz. We have had a massive New York City march and some other inspiring recent experiences in the Basque country and with the Belgium Climate Express.’

Still, he explained, ‘We won’t talk content because in the same room, there are some who are moderate, some who are radical – so we will stress mobilization, because we all agree, without mobilization we won’t save the climate.’ This unity-seeking-minus-politics was reminiscent of a process four years in Durban, South Africa (Bond 2012). But the French movements have been mobilizing much more impressively, with plans for decentralized November 28-29 protests aimed at municipalities; a Brussels-Paris activist train; a ‘run for life’ with 1000 people running 4km each from northern Sweden to Paris; a long march from Italy to France starting in September; and the ‘Alternatiba’ alternatives project with 200 participating villages from the Basque country up to Brussels which will culminate on September 26-27.
Yet the local context sounds as difficult in 2015 as it was in South Africa in 2011. As Malika Peyraut from Friends of the Earth-France pointed out, national climate policy is ‘inconsistent and unambitious’ and the country’s politics are increasingly chaotic, what with the rise of the far right to 25% support in municipal elections. Worse, French society will be distracted by regional elections from December 6-12, and with national elections in 2017, ‘there is a high risk of co-optation,’ she warned. No politicians should have their faces near these mobilizations, suggested Mariana Paoli of Christian Aid (reporting from a working group), as COP21 protesters needed to avoid the celebrity-chasing character of the big New York march.

Behind that excellent principle lies a practical reality: there are no reliable state allies of climate justice at present and indeed there really are no high-profile progressives working within the COPs. This is a huge problem for UN reformers because it leaves them without a policy jam-maker inside to accompany activist tree-shaking outside. The UN head of the COP process is an oft-compromised carbon trader: Christiana Figueres. Although once there were heroic delegates badgering the COP process, they are all gone:

- Lumumba Di-Aping led the G77 countries at the Copenhagen COP15 – where in a dramatic accusation aimed at the Global North, he named climate a coming holocaust requiring millions of coffins for Africa – and so was lauded outside and despised inside, but then was redeployed to constructing the new state of South Sudan;
- President Mohamed Nasheed from the Maldives – also a high-profile critic at Copenhagen – was first a victim of US State Department’s cables (revealed by WikiLeaks) which documented how his government agreed to a February 2010 $50 million bribe to support the Copenhagen Accord (just as Washington and the EU agreed that the ‘Alliance of Small Island States countries ‘could be our best allies’ given their need for financing’) and was then couped by rightwingers in 2012 and, earlier this month, was illegitimately jailed for a dozen years;
- Bolivia’s UN Ambassador Pablo Solon was booted from his country’s delegation after the 2010 Cancun COP16, where, solo, he had bravely tried to block the awful deal there, and not even the Latin American governments most hated by Washington – Bolivia, Venezuela, Cuba and Nicaragua – supported him thanks to Northern bullying;
- in any case a jungle road-building controversy (TIPNIS) soon divided Evo Morales’ supporters, and in 2013 the COP’s progressive leadership void grew wide after the death of Hugo Chavez and the battle by Rafael Correa against green-indigenous-feminist critics for his decision that year to drill for oil in the Yasuni Amazon (after having once proposed an innovative climate debt downpayment to avoid its extraction); and
- Filippino Climate Commissioner Yeb Saño had a dramatic 2013 role in Warsaw condemning COP19 inaction after his hometown was demolished by Super Typhoon Haiyan, but he was evicted by a more conservative environment ministry (apparently under Washington’s thumb) just before the Lima COP in 2014.

The message from these COP experiences is unmistakeable: if you support climate justice, going inside is suicide. It is for this reason that the original protest narrative suggestions that CAN’s Mark Raven proposed here were generally seen as too reformist. Acknowledging the obvious – ‘People losing faith in the broken system, corporations sabotaging change’ and ‘We need a just transition’ – his network then offered these as favoured headline memes: ‘Showdown in 2015 leads to a vision of just transition to fossil-free world’ and ‘Paris is where the world decides to end fossil fuel age.’

Yet with no real prospects of reform, the more militant activists were dissatisfied. Nnimmo Bassey from Oilwatch International was adamant, ‘We need not merely a just transition, but an immediate transition: keep the oil in the soil, the coal in the hole, the tar sands in the land and the fracking
shale gas under the grass.’ That, after all, is what grassroots activists are mobilizing for. Added long-time climate justice strategist Nicola Bullard: ‘This narrative is too optimistic especially in terms of what will surely be seen as a failed COP21.’ Bullard was a Focus on the Global South leader at the 2007 Bali COP13 when Climate Justice Now! was formed based on five principles:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights-based resource conservation that enforces indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming, fishing and peoples’ food sovereignty.

Just as valid today, these principles were further fleshed out at the April 2010 World People’s Conference on Climate Change and the Rights of Mother Earth in Bolivia, to include emissions cut targets – 45% below 1990 levels in the advanced capitalist economies by 2020 – plus a climate tribunal and the decommissioning of destructive carbon markets which have proven incapable of fair, rational and non-corrupt trading. Dating to well before the CJN! split from CAN in Bali, that latter fantasy – letting bankers determine the fate of the planet by privatizing the air – remains one of the main dividing lines between the two ideologies: climate justice or climate action.

In sum, while the elites are paralysed, there is movement below. But it is bifurcated. The narrative divergence between climate action and climate justice does not boil down to merely the choice of a Paris march date and the signal sent in the process. Back in Tunis, ActionAid’s Teresa Anderson had reported back from a Narrative Working Group on lessons from Copenhagen: ‘Don’t tell a lie that Paris will fix the climate. People were arrested in Copenhagen for this lie. No unrealistic expectations – but we need to give people hope that there is a purpose to the mobilization.’ Most important, she reminded, ‘There is Global North historical responsibility, and those who are most vulnerable have done the least to cause the problem.’ This is vital because in Durban, UN delegates began the process of ending the ‘common but differentiated responsibility’ clause. As a result, finding ways to ensure climate ‘loss & damage’ invoices are both issued and paid is more difficult. The UN’s Green Climate Fund is a decisive write-off in that respect, with nowhere near the $100 billion annually promised for 2020 and beyond by then US Secretary of State Hillary Clinton.

Also, continued Anderson, given the tendency of Third World nationalists to posture on this point, ‘Elites in both North and South are to blame, so it’s not a matter of pure geographical injustice. It’s the economic system that is driving climate change.’ Looking at more optimistic messaging, she concluded the report-back: ‘Powerful positive actions are in play. We are life – fossil fuels are death. Paris is a moment to build movements, to show we are powerful and will fight into 2016 and beyond to solve the climate crisis. It takes roots to weather the storm ahead.’ Responding, said former Bolivian negotiator Solon, ‘I think we need a clearer narrative: let’s stop an agreement that’s going to burn the climate. We already know that agreement exists. If China peaks emissions only by 2030 or if we accept Obama’s offer to China, we all burn. The Paris agreement will be worse than the draft we’ve seen. The point is not to put pressure for something better. It’s to stop a bad deal. We are against carbon markets, geoengineering and the emissions targets.’
These are the fault lines. One of the lead scholars of global climate justice, John Foran (2015), predicts the Paris COP21 outcome: ‘we are on course to lock in a genocidally inadequate, woefully underfunded, non-binding set of pledges whose deadlines are laughably too late already.’ But instead of paralysis above, he argues for movement below:

We will need to be very creative to defeat our enemies: the largest corporations in the world, the global political elite, and the systems whose levers they believe they control: capitalism and a make-belief brand of democracy... Can we not imagine a different ending to COP21? The COP operates by voting in the sense that one or more countries can block an outcome, at least in theory. I believe that the movement should be seeking ways to bring this about.

Indeed perhaps the clearest Tunis meeting message for the COP21 came from veteran strategist Pat Mooney of the etc group, describing to the mass meeting what he wanted to see in Paris: ‘It should start like New York and end like Seattle. Shut the thing down.’ Back in 2009, just weeks before he died, this was what Dennis Brutus – the mentor of so many South African and international progressives – also advised: ‘Seattle Copenhagen!’ The UN Paris summit also needs that kind of shock doctrine, so that from an activist cyclone a much clearer path can emerge towards climate justice in the months and years ahead.

References


Avaaz. 2015b. ‘5 Months to Save the World.’ Email from Ricken Patel. London. 12 July.

Boeve, May. 2015. ‘The Time for Feeling Powerless in the Face of Climate Chaos is Over.’ Email from 350.org. 17 August.


Bryant, Gareth, Siddhartha Dabhi and Steffen Böhm. 2015. ‘Fixing’ the Climate Crisis: Capital, States and Carbon Offsetting in India.’ Forthcoming in Environment and Planning A.


Foran, John. 2015. ‘Just Say "No" to the Paris COP A Possible Way to Win Something for Climate Justice.’ Unpublished manuscript, University of California-Santa Barbara, 17 August.


Climate, water and the potential for South Africa’s ecological restoration
HSRC State of the Nation, August 2015

Abstract
The South African government has not responded effectively to the dual threats posed by climate and water, as a result of extremely strong residual power relations that have amplified unsustainable practices. Those power relations bias Pretoria’s state policy and regulatory processes towards pro-corporate standpoints, whether in relation to extreme pollution, degradation of bulk water or injustices in the way climate change and household water constraints are already affecting low-income black people. The impact of these policies on regional and even global ecologies is becoming increasingly adverse. Strategies based upon market pricing do not appear to be effective, including carbon trading and a long-awaited carbon tax that is far lower than what is required to switch energy, transport, agriculture, production, consumption, disposal, urbanisation and other sources of emissions towards post-carbon trajectories. Radical changes will be needed to shift water systems associated especially with mining, agriculture and forestry, as well as high-income South Africans’ hedonistic lifestyles. But basing policies upon market precepts has not proven effective in incentivising change, and nor has the Free Basic Water strategy adopted nationally in 2001. Durban is a worthy case study site of these problems because of its huge public relations successes in promoting both climate and water management. The attempts by civil society organisations to rectify both municipal and national problems with climate and water have not yet borne fruit. But the extreme scale of the problems that lie ahead allow for optimism, nevertheless, that once society begins to recognise the threats, a more visionary approach necessarily can be discussed.

***

Introduction

The scientific literature on looming climate and water disasters is finally being heard and amplified by mass media reporting and activist campaigning. State policy is vital, but South Africa’s is simply not keeping up. When current processes are extrapolated, the social and ecological implications of policies and practices relating to climate and water appear debilitating in the short term – and scientists expect catastrophe only a few decades into the future. According to UN Secretary General Kofi Annan’s Global Humanitarian Forum (2009), already more than 300 000 current deaths per year are attributable to climate change. With the present trajectory of warming anticipated to break 4 degrees above normal by 2100, with inland Africa heating up by 6 to 7 degrees, not only are humans threatened, but so too is nearly every living species – biodiversity itself – reliant upon water and a stable eco-system.

If a post-carbon world economy is to be constructed so runaway climate change is avoided, then all our existing systems – agriculture, energy, transport, extractive, urbanisation, consumption and social reproduction, physical production, disposal, financing, etc – need radical revision. We really do require reboots for all these complex aspects of life, in turn entailing all-encompassing planning strategies. There is only a small window of opportunity before tipping points are reached and exceeded. Several symbolic dates have been identified by scientists and policy-makers at the Intergovernmental Panel on Climate Change (IPCC 2014), as markers to determine whether the world elite is addressing matters adequately at the global scale: the 2015 Paris UN climate summit when finally a new binding deal is anticipated, affecting emissions trajectories of all countries; the 2020 milestone when the industrialised north should have made 50 percent cut-backs and the 2050 deadline to reduce greenhouse gas emissions by 90 percent. (Because of assumptions regarding
what appear to be technically-unworkable Carbon Capture and Storage techniques, the IPCC’s 2014 reporting has less ambitious targets.)

However, it is fair to project, based on current trends, that given prevailing power balances, none of these targets will be reached in time to halt runaway climate change. The strongest efforts from the North are in Europe, where in October 2014 a new goal of 40 percent greenhouse gas reduction from 1990 levels was sought for 2030 – far too low according to most scientists, but way ahead of other historic pollution sites. In a late-2014 deal between China and the US, the latter’s goal was only 15 percent reduction by 2025 (from 1990 levels) and the former will continue peaking emissions until 2030, which will lock in climate catastrophe.

As a result, Africa anticipates worsening weather chaos especially in the Horn, in West Africa and around the Great Lakes – the three areas typically considered most vulnerable – and large parts of South Africa will heat up in comparable ways, with droughts in the country’s arid west and flooding in the east. We can expect more extreme weather events everywhere, and 182 million Africans dead this century, early and unnecessarily, due to climate related disease (Christian Aid 2006).

The first ‘climate war’ is often said to be Darfur’s conflict between water-starved peasantry and migratory herders backed by a brutal Sudanese government. The extreme flooding that submerged large parts of Mozambique in 2000-01 were another signal of future vulnerabilities. So too, in March 2014, was the inundating rain that left Eskom’s coal stock so wet that load-shedding hit the country. That rain reflected higher moisture in the atmosphere, in turn caused by higher greenhouse gas emissions, of which in Africa, the largest single contributor is Eskom (yet the obvious connecting of the dots was studiously avoided by South Africa’s acutely electricity-aware media).

Facing this most serious threat ever, how is the South African government doing? Are Pretoria politicians and officials committed to protecting people, environment and the economy from the effects of extreme storms and changing weather, as well as in slowing and reversing South Africa’s prolific carbon emissions? Is the state beginning to get a handle on the country’s major polluters – Eskom, Sasol, the oil refineries and big mining houses – which emit (or drive) the vast majority of source-specific greenhouse gases? And as this process unfolds, how will the country’s hydrological system react? How is the bulk and retail water infrastructure coping with funding constraints and management capacity deficiencies? Are individual households receiving sufficient energy and water to confirm the right to basic services?

The test case city of Durban is revealing because enormous efforts have been made to promote municipal climate and water policy, to great international applause (including the 2014 Stockholm Water Industry Award and membership in the Rockefeller Foundation’s 100 Resilient Cities network). But in civil society, environmental justice advocates have a different understanding – far more critical – of state performance at national and municipal levels. They promote a more transformative approach to ecological restoration, as a case study of Durban’s climate and water debates reveals. Especially in relation to confirming ‘environmental justice’ as the basis for climate and water policy, Durban offers many lessons.

Paralysis above

In the 2015 Pew Research world public opinion survey, a near majority of those surveyed – 46 percent – identified climate as a threat about which they were ‘very concerned, the highest score of
any issue in the poll. In South Africa, that figure was roughly the same, 47%. Where it counts most, in the top two polluting countries, the percentage of people who name climate as a major threat is just 42 in the US and 19 in China (Carle 2015). Even if consciousness rises faster from below, global elites remain paralysed (Bond 2012). This is evident in the procrastinating way national delegations perform at the formal UN Framework Convention on Climate Change (UNFCCC) Conferences of the Parties (COPs), including the Durban COP17 in 2011. Following further failures to adopt binding targets during the September 2014 United Nations heads of state summit and December 2014 COP20 in Lima, Peru there is one literally last-gasp effort in Paris in late 2015.

According to critics, the fortnight-long COP talk-shops are typically sabotaged by US State Department negotiators, recently joined by brethren climate-denialist governments in Canada, Australia and Japan. The delegates from these countries simply plead realism, citing the harsh right-wing political environment, and the need for emerging Asian economies to make deeper cuts. Recent US and European claims to be slowing their emissions (or even making cuts) are questionable in any case, because these countries’ corporations and consumers have been outsourcing large amounts of emissions to new production sites mostly in East Asia, according to the IPCC: “A growing share of CO2 emissions from fossil fuel combustion in developing countries is released in the production of goods and services exported, notably from upper-middle-income countries to high-income countries” (Hawkins 2014).

In December 2009, four other emerging-economy polluters – Brazil, China, India and South Africa (which along with Russia are the ‘BRICS’ block) – signed on to a Copenhagen Accord at the COP15 that promised only inadequate and voluntary emissions cuts. Copenhagen not only “blew up the UN,” as Bill McKibben (2009) of 350.org put it, in terms of process. The Accord promised only inadequate and voluntary emissions cuts. Japan, Russia, Canada and Australia subsequently announced they would withdraw earlier commitments made under the Protocol.

The largest single emitter is China, even if in per capita terms it is lower than most of the North. It has recently lowered coal consumption but its upward trajectory of greenhouse gas emissions adds to problem caused by the pro-extractive government in New Delhi, Moscow, Pretoria and Brasilia. At the 2014 BRICS summit in Brazil, the most substantial comment about climate change was defensive – “bearing in mind that fossil fuel remains one of the major sources of energy” – and so it appears that the BRICS will continue to follow the US-friendly COP negotiating strategy. Moreover, BRICS leaders have all either endorsed carbon markets as Clean Development Mechanism opportunities for fundraising or have started such markets (including seven Chinese cities). Such gimmicks amount to ‘privatising the air’ and their merits are reflected in the European and US pilot project failures (Bond 2012). South Africa has promised a long-delayed expansion of its existing minor carbon tax, which is likely to turn into offsets and trading mechanisms in spite of numerous problems with pilot projects (Bond 2009, Bond 2011).

Very little reason for hope on climate or other aspects of environmental stewardship can be found in any of the major countries’ governments. There is, of course, the exception of Cuba, which by compulsion began a strong decarbonisation strategy once Russian subsidised oil was no longer available. But the good examples that were in 2008-11 anticipated from the left-leaning Latin American countries – Bolivia, Ecuador and even oil-rich Venezuela – were subsequently dashed, as each turned to more intense hydro-carbon ‘extractivism’ albeit with nationalist redistributive ends (instead of multinational corporate profiteering). When the September 2014 United Nations special leadership summit on climate was preceded by a march of 400 000 citizens with strong messages of anger about elite procrastination, nothing more than vague promises were offered. The array of
global and national power appears as difficult to affect as ever, what with unprecedented corporate influence – including fossil fuel companies – over policy-makers, and with further awareness that major restructuring of vast industries will be needed.

**South Africa remains recalcitrant**

To change the world balance of forces requires changing national environmental policy in every country, and South Africa is one of the world’s great battlegrounds. The mining-smelting-shipping corporations – whether local, Western or BRICS in origin – appear to have inordinate power in Pretoria (surely as much as enjoyed in Washington by the Koch Brothers and others in the oil and gas lobby). The critical baby step towards a sane national climate policy is relatively simple: measure how much SA’s major greenhouse gas polluters emit so they can be capped and cut. Most countries now have quite accurate ways to assess both atmospheric greenhouse gases and extreme point sources. For example, the privatised SA oil company Sasol – now listed on the New York Stock Exchange – has a huge facility not far from Johannesburg, Secunda, squeezing coal and gas to make liquid petroleum, in the process creating the single greatest point-source site of CO2 emissions on earth.

The most powerful source point in government ostensibly opposed to such high greenhouse gas emissions is the Department of Environmental Affairs, whose minister Edna Molewa has been a relatively high-profile figure since replacing Marthinus van Schalkwyk in 2009. (He, in turn, had been demoted to Minister of Tourism in 2009 and in 2014 was dropped entirely from the cabinet, even though in 2010 he was promoted by Zuma to become the new UNFCCC leader, coming in a close second in competition with Christiana Figueres.) Others who held the post earlier included high-profile politicians Valli Moosa – a controversial figure as Eskom chair when coal-fired power plants were built in a manner that, according to the Public Protector, ‘improperly’ benefited the ruling African National Congress (ANC) on whose Finance Committee he sat (according to the Public Protector in 2010) – and Pallo Jordan. None can have claimed to have made even a small dent in the awesome destructive machinery arrayed against environmental regulation, especially mines and smelters.

Molewa was a central figure during Durban’s 2011 UNFCCC COP17, and she made repeated speeches about the need to mitigate and adapt. In 2012, she was visible not only at the Rio+20 UN Earth Summit but a month before, was one of ten African leaders to sign on to the Gaborone Declaration which aggressively attacked the national accounting system known as the Gross Domestic Product, on grounds of its failure to incorporate natural capital (a point to which we return below). But following the money gives a very different impression, for Molewa was silent about the vast bulk of national infrastructure spending on carbon-intensive activities: coal-fired power plants (Medupi, Kusile and Coal3), expanded coal exports through Richards Bay via a R300 billion budget in the first Presidential Infrastructure Coordinating Committee (PICC), and vast increases in shipping. Not only was there a new deep-water harbour at Coega, but in the second PICC project, estimated to cost R250 billion, Durban’s port and petrochemical complex were anticipated by the National Development Plan to expand by a factor of eight by 2040 (Bond 2014a).

Moreover, government gave permission in 2013 for Shell Oil to begin the process of ‘fracking’ the Karoo. This was followed in mid-2014 by Zuma’s Operation Phakisa (‘speed up’) oceanic economy strategy that includes R60 billion worth of deep-sea oil and gas exploration. Then came announcements of Zuma’s commitment to R1 trillion in nuclear spending (with its surprisingly high carbon content). Other carbon-intensive economic strategies were implicit in planning. For
example, ever-worsening suburban sprawl was enhanced throughout, facilitated in Gauteng by the doubling of the Durban-Johannesburg oil pipeline at nearly four times the initial budget of R6 billion. There was preliminary approval for a new R80 billion PetroSA oil refinery at Coega, and plans for more smelter-intensive minerals beneficiation, to name a few.

Facing the intensification of South Africa’s capital-carbon metabolism, Molewa’s 2014-15 budget of R5.6 billion was revealing. In addition to an 8.3 percent real cut in overall climate change programming, her R20 million spending cut from the SA Weather Service’s budget meant, according to Parliament’s Environmental Oversight Committee (2014), “South Africa would be unable to meet its international obligations regarding the monitoring of greenhouse gases through the Global Atmospheric Watch station... The country would also be unable to formulate baselines and monitor emissions versus set targets.” Writing in the Mail&Guardian, Molewa’s (2014) reply to concerns expressed (by this author) about these developments was defensive: “we implemented cost containment measures. This has meant reprioritising operational budgets and exploring different approaches to achieve our objectives and targets.” As for state support for the extremely carbon-intensive accumulation process, she rebutted:

Contrary to Bond’s analysis, South Africa is not at risk of not meeting its international obligations regarding climate change or its attendant priority, greenhouse gas emissions monitoring and reduction. Our national climate change response policy guides the government’s approach to climate change impacts and the country’s transition to a climate-resilient, low-carbon, mitigating economy. It represents our commitment to adapt to climate change and our contribution to the global mitigation effort. This includes the introduction of sectoral emission reduction targets and the use of a carbon budget (Molewa 2014).

The wording above is slippery because technically, South Africa had no formal UNFCCC obligations (it was exempt from the 1997 Kyoto Protocol and at Copenhagen had joined other high-emitting countries to promote only voluntary reductions). Still, even the Parliament’s Environment Oversight Committee (2014) warned, “As a country, we must be seen making our fair contribution to the global effort to mitigate climate change by ensuring that we reduce our greenhouse gas emissions below the business-as-usual by 34 per cent by 2020 and 42 per cent by 2025.”

In August 2015, the next opportunity arose for Pretoria to commit to the next (Paris COP21) round of emissions cut commitments. The South African office of Greenpeace (2015) was scathing about what Molewa offered:

The ‘Discussion Document: South Africa’s Intended Nationally Determined Contribution (INDC): 1 August 2015’ avoids quantifying any contribution to mitigation and fails to meet the very basic generic requirements agreed for the mitigation component of the INDC. If not rectified, such blatant evasiveness will undermine South Africa’s credibility and any claim to moral authority in leadership of developing country negotiators. The only quantification of intended mitigation provided, being an aspiration for emissions in 2050 to be between 212 and 428 Mt CO2-eq, strongly suggests that South Africa is not sincerely committed to the global goal (below 2°C), much less to the Africa Group position, to which SA recently recommitted in the Cairo Declaration, seeking to keep warming below 1.5°C.

As for repeated accusations from civil society that government turns a blind eye to pollution violations, especially from coal mining, electricity generation and oil refineries (all associated with
climate change), Molewa’s (2014) rebuttal explicitly ignored coal: “Action has been taken and successfully concluded against major ‘offender’ companies such as Bumatech in Gauteng, Independent Foundries in Johannesburg and Blue Sphere/Ocwen in Ekurhuleni. We have also worked on and concluded compliance issues with ArcelorMittal’s Vanderbijlpark plant.” The following week, in a report entitled “Slow Poison: Air pollution, public and failing governance”, several environmental justice organisations accused Molewa of repeated failure to regulate the main polluters (groundWork et al 2014).

In sum, faced with the accusation that Pretoria downplays the biggest challenge of our era, climate change, and the need to make far-reaching changes required in economy and society, Molewa’s (2014) rebuttal confirmed an inappropriate degree of state modesty: “We are constantly addressing issues to do with climate change – mostly behind the scenes. This leads to the incorrect impression, alluded to in Bond’s analysis, that neither the ANC nor the government is vocal on this issue.”

The Minerals-Energy-Transport Complex

Molewa’s ‘behind the scenes’ strategy might have something to do with the durable power of the so-called ‘Minerals Energy Complex’ (Fine and Rustomjee 1996). That power was unveiled when her cabinet colleagues Nathi Mthethwa and Cyril Ramaphosa assisted London-based platinum firm Lonmin by deploying the police against striking workers, for the sake of maintaining corporate mining profits on August 16, 2012. Ramaphosa, later to become deputy president of South Africa, was a 9 percent owner of Lonmin, and it was his emails that brought massacre-minded troops to end the wildcat strike (he called it ‘dastardly criminal’), leaving 34 corpses of workers, many of whom were trying to surrender. Testimony Ramaphosa gave to the Marikana Massacre commission in mid-2014 confirmed his loyalties: he admitted that instead of building 5500 houses for Lonmin workers, as promised, the corporation’s Transformation Committee he oversaw built just three.

Ramaphosa’s massive coal mines and similar dirty coal corporations were, according to insiders, long pampered by Molewa’s water ministry. At least forty major new mines are now being dug or planned to provide coal to the Medupi and Kusile power plants (the two largest under construction in the world today), not to mention new export-oriented coal digs to supply China and India. The coal-producing province of Mpumalanga was by 2014, quite literally, wheezing (groundWork et al, 2014), yet Eskom applied to Molewa for ‘rolling postponements’ on pollution reductions required by law at 14 power plants there. According to the NGO groundWork, this would ‘amount to exemption.’ Molewa tellingly failed to mention this allegation in her 2014 Mail&Guardian rebuttal. Eskom’s assumption was that its own crises – and in 2014 occasional load-shedding that struck fear into the society – would persuade Molewa of the need for forbearance. By February 2015, Molewa had agreed to a five year extension on air pollution regulatory forbearance for Eskom, Sasol and dozens of other firms whose emissions both harmed local workers and residents and contributed to climate change.

One poignant example was an illegal coal operation close to the border of Hluhluwe-iMfolozi park – Africa’s oldest game reserve and the centre of rhino survival efforts – where local peasant livelihoods are being wrecked by the opencast Somkhele mine. Nearby, even more damage was proposed by the Ibutho Coal company with a similar proposed open-cast mine stretching 3550 hectares on the historic park’s direct border, an application which government had already approved it in principal. Ibutho refused to disclose its corporate sponsors, but of the six principals named in its application, half were tied to Glencore and BHP Billiton, which are by far the world’s
largest commodity trader and mining house, respectively.

Billiton still enjoys an extraordinary revolving-door relationship with very powerful South African officials, dating to the end of apartheid when the firm raised the salaries of an ex-finance minister (Derek Keys, who gave permission for massive capital flight) and Eskom ex-treasurer (Mick Davis, who set up the original Special Pricing Agreement deals in 1992). Later, BHP Billiton hired the first democratic energy regulator (Xolani Mkhwanazi), the first democratic director general of trade and industry (Zav Rustomjee), and a current national planning commissioner (Vincent Maphai). This revolving door helps explain why the Australian/UK firm received electricity at a fraction of the price of South African households, consuming between 6 and 10 percent of the national power load, and exporting the profits while employing fewer than 1500 at the main Richard Bay smelters, failing to re-invest and in 2014 putting South African assets into a special purpose vehicle presumably to put onto the market for disinvestment after 2015.

In this context, the critique of South Africa’s official climate commitment and pollution management needs nuance, however, because on two occasions in 2013-14, major pollution-intensive projects were foiled. One was Ibutho Coal, for in October 2014 the provincial government rejected the first Environmental Impact Assessment, which was filed prior to the Infrastructure Development Bill’s fast-track procedures becoming law in mid-2014. Amongst those putting pressure on government were the social media lobby Avaaz.org, the Global Environment Trust, conservationists in the Save Our iMfolozi Wilderness group, the Mthethwa Tribal Authority and the people of Ocilwane and Somkhele villages. The former borders an opencast mine which is the country’s largest producer of metallurgical anthracite. This was an admirably (and unusually) broad-based coalition.

The other unusual state decision was in October 2013, when Transnet’s port-deepening Environmental Impact Assessment was rejected by Molewa’s national environment staff on grounds the company had neither properly assessed the damage that would be done to the harbor sandbank – with its vital role in ecosystem maintenance (including bird and sealife spawning grounds) – or the impact of sea-level rise and severe storms. These could swamp and would maybe destroy the R5.6 billion investment in the first stage of the port’s expansion. In July 2014, SDCEA researchers used an EIA challenge to flesh out the sea level rise threat, culminating years of debating climate with Transnet and its consultants Nemai, ZAA (a Cape Town marine consultancy) and the Council for Scientific and Industrial Research. Transnet’s previous filings were based on data five years old, and downplayed rising waters and extreme storm damage, even though the firm’s own Durban infrastructure was badly damaged in 2012 when big waves – caused in part by the harbour entrance’s deepening and widening – pushed a ship into cranes.

After the Durban harbor EIA rejection and suggests Transnet was ‘climate denialist’ (Paton 2014), the firm filed a new EIA in June. But instead of getting new consultants, Transnet used exactly the same sloppy companies – Nemai and ZAA – and emerged with the same data. Their filing came weeks after the revelation by a NASA scientific team that the West Antarctica ice sheet was now irretrievably melting, a process that will dump such a huge slab into the ocean that Nature authors estimated a four meter rise when there’s full submersion in coming centuries. Transnet didn’t mention this, claiming that the time period of this debate is 2014-2060, and at that latter date, Transnet estimated only 0.58 meters sea level rise. But SDCEA’s researchers found a glaring flaw: Nemai and ZAA misread the latest Intergovernmental Panel on Climate Change report and as a result, was 20 percent off in their calculations. As SDCEA (2014) complained, Transnet “mistakes the mean sea level rise for 2081–2100 relative to 1986 – 2005 for the likely sea level rise by 2100.”
This was not the first time SDCEA challenged Transnet on climate change; that was in a 2008 EIA for the Durban-Johannesburg oil pipeline, but its arguments were simply ignored. Van Schalkwyk had approved Transnet’s doubling of capacity to pump the oil, hence increasing the refinery activity that SDCEA constituencies greatly fear. There have been dozens of horrific accidents and explosions at South Durban’s refineries and oil storage tanks since the 1990s. Van Schalkwyk did so in spite of the implicit environmental racism of Transnet, when it detoured the new pipeline hundreds of kilometers through South Durban and Umbumbulu instead of the traditional direct route that passes through the white residential areas of Kloof and Hillcrest and white farming areas. Speaking frankly when describing that project, former public enterprises minister Malusi Gigaba (2012) conceded “systemic failings... Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks.” As Gigaba admitted, “Transnet’s obligations on the project such as securing authorisations – EIAs, land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.”

Next, consider the mega-ships that Durban will attract if Transnet goes ahead. These will continue to contribute to deindustrialisation, leaving a smattering of jobs in shipping and only minerals exports and electricity-intensive smelting ‘beneficiation’. To illustrate the lack of new jobs, Walmart’s next-generation ships, now under construction in Korea, will carry 24 000 containers, reflecting the maniacal pace of consolidation and overcapacity in this industry. The ones carrying 16 500 containers crossing the Pacific have only 13 crew each.

When asked whether maritime commerce’s use of bunker fuels – now 4 percent of world emissions – is a concern for climate (as I did in the EIA process), Transnet’s answer is that the mega-ships have lower costs/unit and emissions/unit, which is true. But the bigger question is whether we could establish a more coherent, balanced economic strategy that will not be vulnerable to whimsical global trends, what with that projected eight-fold increase in container capacity by 2040, from present levels of 2.5 million to 20 million. (The latter figure is in the National Development Plan, although other estimates are considerably less.) Also, consider that these ships will be traveling into Durban via the most dangerous current in the world, Agulhas. Here, periodic ‘monster waves’ have in recent years sunk even a vast coal-carrying vessel in Richards Bay (September 2013) and an oil tanker just north of Durban (July 2011), along with hundreds of other ships over the centuries. No ship is safe, especially as extreme weather intensifies (Bond 2014a).

In spite of these challenges, Transnet has enormous ambitions (Bond 2014c). In mid-2014 Patel announced he would raise finance for “connecting the coal-rich Waterberg to the Richards Bay Coal Terminal, or to Eskom’s power stations, Medupi and Kusile. Mining companies commit themselves to Transnet to export so many thousands or hundreds of thousands of tonnes of coal on the railway lines. Transnet then takes those agreements to the banks to raise the capital to build or expand the railway capacity” (Vecchiatto 2014). The biggest problem for Transnet’s vision is that freight rail cannot compete with the deregulated, chaotic trucking industry, with all its corner-cutting and illegality. In Durban in September 2013, a runaway container truck driven by an illegal immigrant without a driver’s license – who was told by his boss to avoid a R40 toll on the main Johannesburg-Durban highway – careened out of control down a back route: the steep Field’s Hill. Two dozen working-class kombi passengers died when it crashed because the brakes were faulty. That container belonged to Taiwan-based Evergreen, the world’s fourth largest shipper – but like all, prone to hiring fly-by-night transporters.
Eskom suffered a major ratings agency credit downgrade in late 2014, and similarly, Transnet and its sponsors in the national Treasury will struggle to locate bankers for projects like the coal-export rail investments and South Durban port-petrochemical expansion. In November 2013 when Transnet went to the City of London to float a bond, it had to pay an extremely high interest rate of 9.5 percent. Details were never provided about the cost of China’s $5 billion loan to Transnet in March 2013, but it was obvious that part of that payout was Transnet’s $4.8 billion in Chinese joint-venture locomotive deals signed a year later, which the metalworkers union alleges were graft-filled.

The PICC projects, run by Minister of Economic Development Ebrahim Patel, are well funded, but prioritise the two highest-carbon, most capital-intensive mega-projects: Transnet’s rail line extension from Limpopo, Mpumalanga and KwaZulu-Natal coal fields to an expanded Richards Bay coal export terminal; and the South Durban port-petrochemical expansion. There were at least R500 billion in commitments in just these two (and typically the cost overruns add another 100 percent and up). Yet neither of these projects could possibly become economically viable, thanks to crashing coal prices (44 percent in 2014) and Chinese demand for South African coal (down to zero) for the former. As for the latter, the Durban harbour was already the world’s most expensive in 2014 (Dyer 2014). The Durban port will become much more expensive in order to repay capital, interest and operating/maintenance bills, not to mention the cost of overcoming the South Durban community’s intense opposition.

**Neoliberalism put ecological stewardship on hold**

Since 1994, South Africa’s worsening ecological mess was largely associated with the MEC’s greenhouse gas contributions to global warming and its despoliation of water sources, notably Acid Mine Drainage. But the country degenerated in many other crucial respects: water pollution (especially through industrial effluents and inadequate sanitation systems), soil resources mismanagement, fisheries depletion, industrial toxins, and rising levels of genetic modification in agriculture. The state conceded these problems by 2007 when its *Environmental Outlook* report acknowledged “a general decline in the state of the environment” (South African Government Communications and Information Service 2007).

To illustrate, in spite of water scarcity and water table pollution in the country’s main megalopolis, Gauteng, the first two mega-dams within the Lesotho Highlands Water Project were built during the late 1990s without due care to destructive environmental and social consequences downriver. Not only would the Orange River suffer losses; the extremely high cost of water transfer deterred consumption by poor people in Gauteng townships. The project was also the world’s highest-profile legal case of Third World development corruption, as Lesotho official Masupha Sole joined South African and multinational construction corporations to overcharge the public. After doing time in prison for bribery, he returned to a leading position in the mega-dam project.

Another result was the upsurge of social protest in which Africa’s main “water war” – between Soweto residents and their municipal supplier outsourced to a Paris water company, Suez (whose construction subsidiary was one of the firms prosuctured for corruption in Lesotho) in the early 2000s – can be traced to the higher prices and a commercialised system that protesters objected to. The wealthiest urban (mainly white) families continued to enjoy swimming pools and English gardens, which meant that in some of the most hedonistic suburbs water consumption was 30 times greater each day than in low-income townships (some of whose residents continue doing gardening and domestic work for whites). Rural (black) women still stand in line for hours at communal taps in the parched former Bantustan areas. The location of natural surface and
groundwater remained skewed towards white farmers due to apartheid land dispossession and, with fewer than 2 percent of arable plots redistributed by 2000 (as against a 1994-99 RDP target of 30 percent), Pretoria’s neoliberal land policy had conclusively failed.

Focusing more on the challenges in the water sector, a National Water Resources Strategy was established and began to be implemented by 2014. The water sector’s leadership was given a briefing by several officials in December 2014, with several important revelations. The overall director noted that “good policies on pricing of water” would entail combining “cost reflective (and sustainable) charges and tariffs” – revealing the neoliberal inclination of policy – with “protection of the indigent or vulnerable” (Brisley 2014, p.4). Yet her ability to reconcile that contradictory agenda was foiled by the Treasury, which shifted its financing strategy in a manner designed to rationalise taxation. Treasury officials instructed Molewa’s officials to remove the Basic Water Charge, which was a funding mechanism “aimed at subsidising the costs of the proportion of the water resource infrastructure that provides for basic human needs of the indigent population”, on grounds that “it is a case of double-counting with the Equitable Share” – even though such a move would result in “decreased potential for cross-subsidisation” (Brisley, pp.14, 41, 45). One result of less cross-subsidisation – a policy that is anathema to neoliberalism’s commitment to ‘cost-reflective charges’ – was that instead of a nationally-mandated Presidential Outcome (#9) to increase the Free Basic Water allocation to 40 liters per person per day, the amount would remain at 25 liters per day into the foreseeable future (Moshidi, 2014, 19).

Some of Molewa’s officials still claimed that ‘access to water’ was at the 96% level (Sigwaza, 2014, p.42) but others conceded huge backlogs, e.g. sanitation that included “88 127 formal buckets and 183 873 informal buckets”, and moreover, that “about 1000 wastewater treatment plants that are not functioning properly” (van der Walt 2014, p.5). In this case, the national policy strategy was far ahead of the lead municipality, Durban, because “for peri-urban and urban areas utilising the bucket toilet system, the ideal is to replace the bucket sanitation system with a full water borne sanitation solution provided the necessary bulk infrastructure to support should this form of sanitation should be in place” (van der Walt 2014, p.12).

Other examples of residual apartheid ecology could be cited, including numerous unresolved conflicts over natural land reserves (displacement of indigenous people continues), deleterious impacts of industrialisation on biodiversity, insufficient protection of endangered species, and state policies favoring genetic modification for commercial agriculture. Marine regulatory systems have become overstressed and hotly contested by European and East Asian fishing trawlers, as well as by local medium-scale commercial fishing firms fending off new waves of small-scale black rivals. Expansion of gum and pine timber plantations, largely for pulp exports to East Asia, remained extremely damaging, not only because of grassland and organic forest destruction – leading to soil adulteration and far worse flood damage downriver, such as Mozambique suffered in 2000 – 2001 – but also due to the spread of alien invasive plants into water catchments across the country. There was a constructive, high-profile state program, ‘Working for Water’, that slowed but did not reverse the growth of alien invasives.

Thanks to accommodating state policies, South African commercial agriculture remained extremely reliant upon fertilizers and pesticides, with Genetically Modified Organisms increasing across the food chain and virtually no attention given to potential organic farming markets. The government’s failure to prevent toxic dumping and incineration led to a nascent but portentous group of mass tort (class action) lawsuits. The victims included asbestos and silicosis sufferers who worked in or lived close to the country’s mines. Other legal avenues and social activism were pursued by residents
who suffered persistent pollution in extremely toxic pockets like South Durban and, just south of Johannesburg, the industrial sites of Sasolburg and Steel Valley. In these efforts, the environmental justice movement almost invariably fought both corporations and Pretoria, which from 1994 downplayed ecological crimes (a Green Scorpions anti-pollution team did finally emerge but with subdued powers that barely pricked).

One immediate problem that was obvious to even the World Bank by 2000, was the way South Africa’s reliance upon non-renewable resource extraction gave the country a net negative per capita income, once adjustment to standard GDP is made. The typical calculation does not take into account pollution or depletion of minerals, and once such corrections are made, the South African Gross National Income per person in the year 2000 of $2837 would be reduced to -$2 per person in total wealth (Bond 2013). This decline appears largely due to non-renewable resource depletion, which amounted to 1 percent of GNI in 2000. Using quite conservative ways of estimating South Africa’s natural capital in 2000 (with rural land valued at nearly $1900 per person, minerals at around $1100 and timber at $300) South Africa relied a great deal more on intangible capital ($49 000) and the urban built environment ($7 300). Neither of these grew sufficiently to offset the shrinking natural capital, wear and tear on manufacturing and costs of pollution. A 2011 edition of Changing Wealth of Nations calculated a 25 percent drop in South Africa’s natural capital mainly due to land degradation. By 2008, according to the “adjusted net savings” measure, the average South African was losing $245 per person per year (World Bank 2011). Although methodologies are subject to debate, the overall message is fairly straightforward, namely that even relatively industrialised South Africa is dependent upon non-renewable natural resources, and this makes the proper calculation of income and genuine “wealth” an increasingly vital task. The conclusion: the more that platinum, gold, coal and other metals are dug from the soil, the poorer South Africa becomes.

This is where the Gaborone Declaration (2012) is potentially dangerous for Molewa. Her signature in mid-2012 joined others from Botswana, Gabon, Ghana, Kenya, Liberia, Mozambique, Namibia, Rwanda and Tanzania. They committed, “Watersheds, forests, fisheries, coral reefs, soils, and all natural resources, ecosystems and biodiversity constitute our vital natural capital and are central to long-term human well-being, and therefore must be protected from overuse and degradation and, where necessary, must be restored and enhanced.” This in turn entails “reducing poverty by transitioning agriculture, extractive industries, fisheries and other natural capital uses to practices that promote sustainable employment, food security, sustainable energy and the protection of natural capital through protected areas and other mechanisms.” For Molewa, the safest stance would be to ignore the Declaration’s implementation entirely (and this is indeed what seems to happening).

**Durban water access under neoliberal conditions**

One of the first signs of climate change is the onset of increasingly extreme droughts (and consequent water shortages) and floods. The city of Durban has witnessed both, but it is a particularly important city because of a variety of accolades the municipal managers received for both climate and water policies, including the adoption of local pilots as national policy. In the field of climate management, the most telling case was the waste-to-energy conversion at the Bisasar Road landfill, the first major Clean Development Mechanism in South Africa, but one replete with multiple failings. There were also neoliberal aspects of Durban water policy via a celebrated free water policy that in reality penalised the poor, both in terms of overall cost (which rose) and the kinds of water services offered to low-income people. The latter, in turn, had terribly adverse
implications for river and beach water quality. Specifically, amongst many controversies, water and sanitation installation in urban shack settlements and peri-urban communities was deemed simply too expensive, and hence a policy choice was made not to supply household water piping and water-borne sanitation in geographically distant areas, as well as the better-located but informal shack settlements.

Yet the leading municipal water manager, Neil Macleod, won world fame for his implementation accomplishments. The accolades are too numerous to list, but as a reflection, Bill Gates (2010) blogged glowingly about Macleod’s toilet innovations, and in 2014 he won the Stockholm Industry Water Award. Macleod’s video explanation at the Stockholm Award website noted that the installation of shipping containers with toilets and showers and wash troughs, and the construction of 80 000 urine-diverting toilets, speak to our past. But what we’ve realised is that into the future, we need to find new technologies that meet people’s expectations. The reality is that everyone believes that the flushing toilet is the best solution to sanitation…. we’ll bring safe sanitation at an acceptable level to rich and poor alike and we’ll do away with this perceived discrimination where the flushing toilet is seen to be for rich people and dry sanitation is seen to be a solution for poor people. Our challenge is to do away with that differentiation. (Macleod 2014)

Four eloquent bureaucratic/expert practitioners – Teddy Gounden, Bill Pfaff, Macleod and Chris Buckley (the latter is a closely allied University of KwaZulu-Natal academic, justly lauded for his technical interventions) – explain how “provision of free sustainable basic sanitation” follows from the serious practical problem of state legitimation they faced:

In-house full-pressure water supply and flushing toilets linked to waterborne sewerage and wastewater treatment plants represent the ideal to which most of the population aspires. However, the South African government has recognised that it is neither technologically nor financially feasible, nor necessarily environmentally sustainable, to provide these levels of service to all. In particular, peri-urban and rural populations are unsuited to the provision of such services, owing to factors such as land ownership, housing density, mobility of the population, terrain and accessibility (emphasis added) (Gounden et al 2013).

Gounden et al (2013) are correct about the overarching demand – especially flush toilets – from ordinary civil society activists, particularly at a time when racial equity demands run into the barrier of class privilege. But they are incorrect that it is technologically infeasible to provide water-borne sanitation to everyone; after all it was feasible for a medium-sized country to build and test nuclear weapons (in 1978) or host a soccer World Cup (in 2010) with massive stadium construction and refurbishments. Their contention that the ‘financially feasible’ sanitation strategy would be to deny water to poor people is a political value judgment, just as is their view that it is only the distant areas – outside the city’s so-called ‘Sanitation Edge’ (renamed Urban Development Line) – that cannot be served for environmental reasons, while those who live in settlements closer to the city centre are justified to have full water-borne access.

The municipal managers were contested by many activists, amongst whom was Gcina Makoba from Inanda township of Durban, who believed that yet more discriminatory systems were being installed.
Besides our sewer crisis, the worst service might be the communal toilets within shipping containers that have recently been installed in Durban’s townships and shack settlements [which] are not accessible to the greater part of our community. They have restrictive opening and closing times. They are not secure spaces in any case, and lead to increased crime such as rape. Many containers also have broken taps, which is a health hazard because it is impossible for us to wash hands after use. The toilets themselves are often blocked. Some are closed, which leads to males and females sharing the same toilets (Makoba 2014).

The city’s water system is breaking down, and a systematic analysis of the causes is crucial, especially because they relate to broader neoliberal policies and practices, including malpricing of water and artificial fiscal austerity. That breakdown can be quantified in rough terms, because whereas Macleod promised that by 2010 ‘everyone’ in Durban would have access to basic water and sanitation (Koenig 2008, p.744), it is apparent today that many hundreds of thousands of residents of shack settlements still do not.

This was not uncommon in South Africa in spite of a surreal claim – that ‘95 percent’ of the citizenry had acceptable water access – made in Zuma’s 2014 State of the Nation speech; the national water department the next day admitted that a third of those connections had no water in the pipes, and Zuma counted as acceptable a 200 meter radius from house to tap, which in urban shack settlements often mean hundreds of families shared a single source. Instead of making much more substantial investments in water infrastructure, offering more subsidies for operating and maintenance, and regulating water pollution, in 1994 the national government turned to an explicitly neoliberal strategy. Strongly influenced by the World Bank and neoliberal donor agencies, the Department of Water Affairs and Forestry adopted a ‘width not depth’ approach to many basic need services, including housing, water/sanitation and electricity, with adverse implications for both the retail-level supply and related bulk infrastructure (Bond 2002). The roll-out of water services proceeded with concern for quantity (number of communities connected to collective taps), not quality or sustainability in mind. Taps were often far from homes, and a large share broke down when people attempted to access pipes for direct connections. The percentage of GDP devoted to water, gas and electricity actually declined after 1994, and the number of municipal engineers halved (Bond 2011).

In Durban, controversies emerged when water officials were challenged by civil society over various aspects of water delivery. As Fiona Nash (2013) argues, concessions were made by Macleod, which she argues were cooptive, setting back the struggle for longer-term campaigning for a fully liberatory mode of eco-social relations. A good example is the Free Basic Water system in which in 1998, Macleod rolled out a policy of giving 6000 liters per month free (the first in South Africa). But because he simultaneously raised the price of water for the second bloc and beyond by more than double over the period 1998-2004, the impact on poor people (the third poorest residents whose bills could be monitored) was a cut-back in use from 22 kiloliters per household per month to just 15 over that period.

Access to water and sanitation became a regular flashpoint of protest in Durban, as a result. Just as the 1973 dockworker strikes in Durban’s harbour signaled the beginning of a major trade union movement that became the continent’s strongest, there was a seminal 1999-2000 mobilisation of thousands of the city’s Chatsworth neighbourhood residents. Nearly unique in Durban’s history, it brought poor and working-class people of Indian and Zulu ethnicity together in a rare alliance, heralding not only the new post-apartheid urban social movements, but also an intense set of
battles over water access and pricing, leading to widespread illegal reconnection of water once supplies were disconnected (Desai 2002, Bohmke 2003). The broken pipes associated with illegal reconnections contribute a small amount to a 40 percent rate of unaccounted-for-water (Assaf 2011, 55). One response by city officials is “rectification of unmetered connections and informal settlement metering,” as well as “new supply pressure zones to reduce average water pressure” (Assaf 2011, 55), even though high pressure is a crucial factor in tap water’s ability to provide hygienic cleansing to eradicate water-borne disease carriers, a major factor in KwaZulu-Natal’s extreme public health burden (especially of sexually-transmitted diseases).

Community resistance – especially use of illegal reconnections – has recently led to harsh municipal reactions, especially during times when much higher water prices were imposed, e.g. a 39 percent increase in July 2011 at a time the inflation rate was less than 6 percent. Some community groups were coopted into reducing community water consumption through a ‘Citizens’ Voice’ strategy involving the country’s main water NGO, Mvula Trust (Water Information Network South Africa 2009). The objective was to save water by denying it to low-income people through low quality technologies. But notwithstanding some concessions in 2008, including a higher level of Free Basic Water for low-income residents (Nash 2013), contradictions and social strife remained acute.

For households, the sources of conflict included disconnections, pricing debates and service-level controversies relating to household water and sanitation. For water resources management including bulk supply and disposal, the main frictions resulted from the city’s failure to adequately invest in and maintain the water services infrastructure, especially bulk supply, sewage piping and stormwater drainage. In turn, this neoliberal contradiction threatened the future viability of the city’s neoliberal tourist Local Economic Development strategy, especially when sanitation polluted Durban’s famous beaches and, in 2008, the city’s ‘Blue Flag’ beach status was retracted as a result of high E. coli counts in ocean water near a half-dozen river mouths. That, in turn, mostly came from the failure of upstream sanitation.

One study of Durban’s rivers, in the national Department of Water Affairs and Environment’s State of South Africa’s Rivers Report on the Umgeni and neighbouring river catchments, “highlighted several cases of broken sewage pipes and overflows and poor treatment at several eThekwini municipal sewage works,” according to Carnie (2008a). At a time the national guideline for acceptable E. coli recreational contact was 100 parts of faecal pollution per 100ml (Carnie 2008b), poor management of human activities and infrastructure relating to faecal contamination” affected some of Durban’s major rivers: “Isipingo River above the Isipingo waste Water Treatment Works, E. coli count up to 10,000,000,000,000 and exceeding 100,000,000 60 percent of the time. (Cause: broken sewers in uMlazi Township). uMngeni River at Kennedy Road, E. coli up to 1,080,000. (Cause: Informal Community on the banks of the Palmiet River.) This is an example of the impact that a community on a small river can have on a larger river!” (South African Department of Water Affairs and Environment 2008).

Much of the faecal contamination logically followed the failure of Durban authorities to offer adequate sanitation in shack settlements (‘informal communities’) which in turn created vast public health threats across a very large geographical area. Ultimately Macleod (2008) conceded defeat: “It cannot be expected, however, that the rivers in our fast-growing municipality, at the levels of poverty and abuse of the sewerage system we experience, will return to a pristine condition.” No one expected ‘pristine’ rivers, but the penalty for the sanitation crisis was severe: the Blue Flag
controversy in the short term, and a dangerously unsafe set of surface water dynamics as climate change became extreme in the longer term.

**Conclusion: movement below?**

The climate and water crises brewing in South Africa do not appear to be appropriately addressed from national government given the balance of forces, and nor do the allegedly most advanced municipality’s activities give grounds for confidence. But this parallels the global problem of elite paralysis. In 1987 the Montreal Protocol banned CFCs so as to halt the growing ozone hole through a global treaty. But since then, nothing in the global-scale management of environmental, economic (e.g. financial and trade), and geopolitical processes has been accomplished by the world’s leaders. The power of neoliberal capitalism and its post-2001 neoconservative political tendencies have rendered impossible the major changes so desperately needed.

There is certainly paralysis above, but is there movement below? And if not of sufficient momentum at present, is there scope for the appeal by Naomi Klein (2014) – in *This Changes Everything* – to identify the underlying forces behind ecological destruction, and defeat these at the source? The system breakdowns occurring in so many ecological processes have been traced in the pages above to mismanagement that, in turn, is explicable as a function of neoliberal public policy – the current manifestation of capitalism nearly everywhere. On the one hand, in South Africa, this explanation foregrounds the dominance of corporate interests associated with the extractive industries – the Minerals-Energy-Shipping Complex – which get the bulk of state infrastructure investment funds, as some of the world’s largest corporations expand fossil-fuel exploitation.

On the other hand, it simultaneously implies that low-income South Africans (mostly black) are the main victims when it comes to pollution’s costs, as well as to access to affordable state services. As noted in Durban, even having Free Basic Water can be a double edged sword if a tokenistic first bloc is combined with higher-priced second and higher blocs. This is especially true for electricity, whose price has soared. With just 50 kiloWatt hours per month per household free in most areas of South Africa, the tokenistic Free Basic Electricity is used up in a few days. As a result, if there is paralysis above, then ‘movement below’ can be said to include the thousands of post-apartheid protests against overpriced or low-quality state services, such as were identified in Durban.

Given the overwhelming lack of evidence that elites would or could solve these momentous problems within the constraints of their current power structures, then it is to these protest movements that we must look for the pressure required to change the balance of forces. However, by all accounts, they appear more as ‘popcorn protests’ today than genuine mass democratic manifestations. (The latter is what propels radical parties to power in Greece and possibly Spain, as well as parts of Latin America in the late 1990s and 2000s.) A ‘United Front’ is one potential vehicle to link angry communities to militant South African workers – since 2012, the world’s highest scoring working class within the annual World Economic Forum ranking of labour-employer conflict – but if the launch in mid-2015 is successful, the challenge will then be to draw in environmental (as well as feminist) sensibilities at the core of Front politics.

Although Klein (2014) uses the two-century old fight against slavery as her inspiration, South Africans can offer two better models for radical change, both within the last thirty years. Substantial threats to low-income black South Africans were faced and defeated: racial apartheid and AIDS. In both cases, these threats were overcome through collective action, as the social movements fighting racism and denial of access to medicines, respectively, focused on how to
weaken the power of oppressive arrangements of states and capital. In both cases, that entailed going to the roots of the conflict, not merely surface oppressions: the apartheid government (with its racist culture) before 1994 and AIDS denialist politicians during the 2000s. These oppressions were both undergirded by the ceaseless search for corporate profits. By attacking those profits head on, activists weakened the system as a whole. Anti-apartheid sanctions most spectacularly led the government of PW Botha to declare a debt default, exchange controls and stock market closure in mid-1985, which inexorably led the more far-sighted fractions of capital to withdraw long-standing support for apartheid. And in the case of AIDS treatment, the multinational pharmaceutical corporations were challenged to drop their monopoly patents over AntiRetroViral (ARV) medicines.

There was huge resistance to the devaluation of profitability that overcoming these two oppressions implied. In the case of climate change, there are tens of trillions of dollars invested by fossil fuel companies in what is now termed ‘unburnable carbon.’ These companies have enormous stakes in the status quo, including pouring hundreds of billions more rands into the South African Minerals-Energy-Transport complex. The major firms abusing water include the single biggest consumer, Eskom (to cool coal-fired power plants) and corporations in the agricultural and forestry sectors. In municipalities such as Durban, there are frequent cases of corporate abuse of water, including pollution of rivers, and the tariff structure still favours high consumption of water by rich households with swimming pools, against the ordinary low-income resident still struggling for water-borne sanitation as a matter of policy. The great opportunity in the midst of energy, water and climate crises that break out nearly every day in one way or another, is the huge potential to link the issues. Missing so far is the mass mobilisation that takes the form of a genuine social movement. But that cannot be too far off, and in the meantime, it appears that inappropriate state climate and water policies from above, and corporate practices inbetween, will continue to stoke the fires below.

References


Greenpeace (2015) Greenpeace Africa Submission on the draft South African INDC – August 2015, Johannesburg


Klein, N (2014) This changes everything. Toronto, Knopf.


Macleod, N (2008) We are committed to cleaner rivers. The Mercury, 19 February.


Resource-Cursed South Africa suffers more mining massacres: From Marikana to mineral price crash and jobs meltdown

TeleSUR, 26 August 2015

The undermining of the African economy and society by minerals tycoons never ceases. When times were good and the commodity super-cycle raised prices to all-time highs from 2002-11, the natural resources boom could have been channelled into benefits for the citizenry, perhaps through a sovereign wealth fund or nationalised mines.

But pro-corporate policy prevailed and instead of circulating the wealth, most major mining houses are headquartered overseas and export their profits. The continent suffered a net negative outflow of wealth (‘adjusted net saving’), according to even the pro-extraction-and-export World Bank. Depletion of so-called ‘natural capital’ (i.e. ripping minerals from the soil) left the continent’s producers poorer, especially during the 2000s boom that was misnamed ‘Africa Rising’.

---

Commodity price changes

Source: Reserve Bank of Australia

Adjusted Net Saving in Sub-Saharan Africa as a Percentage of Gross National Income

In the resource-cursed country I know best, South Africa, the depletion of this natural capital in a typical year outweighs the additions of ‘produced capital’ and ‘human capital’, the Bank admits, leaving our compatriots an average $245 poorer each (in this expanded measure) than they started the year. Yet the economic irrationality of mining under these circumstances goes unmentioned, because of overwhelming business babble about ‘job creation,’ ‘export earnings’, ‘new downstream and upstream businesses,’ ‘infrastructure to access remote mining areas’, and ‘economic development.’

Those days are now over. The justifications fall apart on closer examination, especially given how vulnerable South Africa is to the whimsical world economy and to the terrible pressure of men like Business Day editor Peter Bruce – local capital’s loudest voice – who insisted in 2012, i.e. after minerals prices started to crash, that the government must help corporations “mine more and faster and ship what we mine cheaper and faster.” The country’s two biggest infrastructure projects, estimated to cost $25 billion each, are aimed at exactly that formula: coal mining across eastern South Africa and shipping expansion in Durban and Richards Bay (one of the world’s largest coal export sites).

Critics of ‘extractivism’ – i.e., the mindless self-destructive accumulation route Bruce advocates – usually highlight the vast political, social and ecological costs of the industry, but the implications of the commodity price crash should be foremost in mind. A chance at economic restructuring in the interests of planet and people is now apparent, so long as the logic of private profit can be transcended.

To illustrate, last week marked the third anniversary of the worst post-apartheid violence by state against society: 34 striking Lonmin platinum mineworkers killed in two locations at Marikana two hours west of Johannesburg on August 16, 2012. London-based Lonmin resisted paying a living wage of $1000/month to its main rock-drillers and instead of opening up negotiations, its 9% local shareholder Cyril Ramaphosa (now the country’s deputy president) emailed the police minister on August 15 to demand action against the ‘dastardly criminal’ strikers. (Six other workers, two policemen and two security guards were killed – several by strikers themselves – in the prior days.)

In 65 sites in South Africa and across the world last Sunday, there were commemorative events. Without government representatives, citizens and international allies expressed anger about the continuing toxic power relations unveiled at Marikana. Although an official commission presented its findings in March, implicating top police officials, there has been no punishment of the murderers.

Today, the murder of tens of thousands of jobs is underway and in spite of heated rhetoric from leaders of the ruling party, no one in power appears prepared to concretely halt the guilty parties:

- Anglo American Corporation – for more than a century, SA’s biggest firm and today the world’s fifth largest mining house – announced on July 24 that more than a third of its 150 000 jobs would be terminated, as its share price hit the lowest level since 2003 and as first-half 2015 losses rose to $1.9 billion. “Quite frankly we didn’t expect the commodity price rout to be so dramatic,” CEO Mark Cutifani confessed.
- Glencore, the world’s largest commodity trader, admitted on August 20 that due to the commodity price crash, its annual revenues fell by a quarter, to $86 billion; it declared a $820 million loss for January-June 2015; and its share price hit a record low. Not far from Marikana, in Brits, Glencore announced one of its main platinum mines would close, and
one of its main coal mines was closed so hurriedly that the state mining minister felt compelled to suspend the parent firm’s license. (Glencore is the new name of the firm that US tax fugitive Mark Rich used to bust United Nations oil sanctions to supply apartheid South Africa.) Two months ago Glencore sold its stake in the world’s third main platinum mine, Lonmin.

- Lonmin was labeled ‘the unacceptable face of capitalism’ by British Prime Minister Edwin Heath (a conservative) in 1973 because of the way that Tiny Rowland looted Africa and bribed its leaders. On July 24 Lonmin also announced 6000 job cuts as several mineshaft closures, as its share price hit a record low, having lost 70% over the past year. Since May alone, the platinum price has fallen 14%.

- Next are the mineral smelters and metal works downstream from mining, which are crashing just as fast as the miners. The Arcelor Mittal iron and steel firm is owned by an Indian but based in tax haven Luxemburg, and is today worth just 5% of its 2008 stock market valuation. According to the National Union of Metalworkers of South Africa (Numsa), “Arcelor Mittal is considering the closure of their plant in Vereeniging; and other major companies such as Evraz Highveld Steel in Mpumalanga and Scaw Metals Group are intending to retrench thousands of workers.” Complained metalworker leader Irvin Jim, “The country’s political alliance with China is becoming problematic for our economy and workers in particular. The dumping of steel by the Chinese in our country is destroying jobs, so we need government’s intervention” in the form of protective tariffs.

Emergency measures are going to be needed, and if that means protectionism to defend the major steel corporations against China’s backlash exports of base metals which they had once imported, a fair deal would involve more power for workers at the point of production in exchange, not just the Employee Share Ownership gimmicks on offer. However, what with the ruling party’s hatred of the metalworkers union – Africa’s largest – because of its recent breakaway left project, a genuine pro-worker arrangement is unlikely. So jobs will be lost permanently at a time the unemployment rate exceeds 35%.

In this extremely difficult period, it also makes sense for critics of mining and smelting to wage a long-haul battle for an economy not subject to world market whims and multinational corporate exploitation. A more visionary approach is required, one piece of which should be a genuine full-cost accounting of mining aimed at fusing the interests of mineworkers, communities (and local small businesses), environmentalists and democrats.

The objective would be to understand not just well-publicized (albeit unreliable) company profits and broader economic benefits that mining houses and state regulators incorporate into decision-making. These pro-mining forces ignore the full spectrum of costs, most of which today are externalized: i.e., not included in the cost structure and pushed onto the economy, environment, workers, communities, consumers and polity.

Full-cost accounting would help make the case that since mining is a net drain on the economy, state resources should instead be allocated to a full employment programme aiming to meet basic needs. One place to start is eliminate the huge subsidies to high-carbon activities, such as billions of dollars in ultra-cheap electricity that go to the world’s largest mining company, BHP Billiton, and others in the Energy Intensive Users Group. These remain unjustifiable at a time of electricity shortages (and blackouts) and concern over South Africa’s extremely high climate change liability.
One countervailing campaign, ‘Million Climate Jobs’, suggests that smelting jobs be converted to welding a new generation of wind and tidal turbines, and home-based solar installations. As for policy, a small step in a more sustainable direction was taken in 2012 when South Africa and nine other African countries endorsed the Gaborone Declaration. Because of “the limitations that GDP has as a measure of well-being and sustainable growth,” the Declaration commits to “integrating the value of natural capital into national accounting and corporate planning,” which if actually done would immediately negate the mining industry’s economic arguments.

Furthermore, the Declaration argues, signatories should be “transitioning agriculture, extractive industries, fisheries and other natural capital uses to practices that promote sustainable employment, food security, sustainable energy and the protection of natural capital.” Such a transition is vital for local economic protection and global climate change mitigation.

Needless to say, a government under the thumb of men like Ramaphosa won’t take seriously this pledge, which was signed by the weak environment minister, Edna Molewa. The capture of the new democratic rulers of South Africa by mining did not lead to better wealth distribution, unlike in Venezuela after the 2002 battle over PDVSA oil. But it has ensured class-struggle showdowns like Marikana, three years ago, will move now from the point of production to economic policy contestation.

Box: Questions that mining houses need to be asked – but never are (because if they answered honestly, they would never be allowed to mine)

1. **ECONOMICS**: Does your firm support GDP corrections (e.g. natural capital accounting) so as to do full-cost accounting over the mining life-cycle? Does this include assessing the minerals’ full extraction and processing costs? In terms of the national economic interest, is there illegal mis-invoicing and transfer pricing in the mining sector, and if so, how can that be mitigated? Do your company’s shareholders anticipate being paid in local South African rands or will they demand hard-currency repatriated profits and dividends? If the latter, how will South Africa’s dangerous current account deficit manage that outflow – with higher (and untenable) foreign debt? Is the consumer’s end-use of the mining product – e.g. throw-away aluminium tins containing sugary liquid – a justifiable economic choice given the externalities not incorporated into that product?

2. **ENVIRONMENT**: Is the entire range of environmental costs being considered? What are the prospects for land restoration given how mining causes soil disturbance, pollution (affecting air quality, water ecosystems and nearby food crops), undermining of land and chemical residues? What have the Chamber of Mines and other industry advocates done to rehabilitate old mining land and prevent Acid Mine Drainage? The minerals production process does not end with mining, so what are the associated costs of smelting your product, in terms of pollution and the electricity consumption required (leading to higher coal-fired power generation, in turn affecting climate change)? If your product is coal, what is the danger of associated CO2 emissions for the future of humanity? What protections are there for water systems, e.g. in sites like much of Limpopo with its extreme supply limitations (and unmet demand for small-scale black farmers), and with climate change due to cause more water scarcity? How much is society and the environment paying for
3. COMMUNITIES: Has ‘Free Prior and Informed Consent’ (as specified by the United Nations) been achieved with all the affected residents, or are there still residents opposed to the mining? Are such residents treated with respect or are they under attack? Are spiritual sites such as graves or traditional monuments incorporated? Is there a plan to build humane – albeit temporary – housing and community facilities in the vicinity of the mine, given that the minerals will inexorably be depleted, leaving a dysfunctional economic space? Since South Africa’s mining towns are associated with extremely inhumane settlements, how does the mining company incorporate problems of violence, prostitution and crime in its cost-benefit analysis? Are women’s specific needs in these mining towns, so central to the social reproduction of the communities, adequately considered?

4. LABOR: Why are mining wages and pensions still so low, in comparison to corporate executives’ skyrocketing pay and bonuses? Are workers’ occupational safety and health adequately incorporated into cost-benefit calculations, and if so, why was it necessary for ex-miners to file lawsuits against the biggest mining houses to gain even fractional health reparations cases involving silicosis and other long-term diseases? What is the state of clinics in mining areas and in areas where mine workers hail from? Does labor cost-accounting involve the notorious migrant recruiting that was characteristic of colonialism, apartheid and post-apartheid’s class-structured segregation? Is the destruction of a family unit – when a sole male breadwinner migrates to a job – accounted for? Are contagious diseases associated with migrancy, such HIV/AIDS and tuberculosis, incorporated into cost-benefit calculations? Are there remittance payment systems to families back home? Is consumer debt – the notorious mashonisa and pay-day lender hanging around the mines – considered as a logical off-shoot of mining?

5. POLITICS. Is there a so-called Resource Curse danger as a result of close proximity between mining companies and local traditional leaders, elected politicians or their officials? Are the politicians incorporated into the mining industry via Black Economic Empowerment and Mining Charter buy-ins, and how far does that empowerment trickle down to the wider society? Do Corporate Social Responsibility gimmicks and discredited mechanisms such as the Kimberley Process merely attempt to disguise harsh realities? Has the emergence of mining industry allies in politics created community and national divisions? Have South Africa’s ruling political elites become so committed to supporting the mining sector, that even three years after the Marikana massacre no punishment has been handed down to those involved?
Avaaz’s climate vanity: Upward gazing can be politically blinding

*Triple Crisis*, 17 June 2015

Who’s not heard the great African revolutionary Amilcar Cabral’s injunction, fifty years ago, “*Tell no lies and claim no easy victories*”? If, like me, you’re a petit bourgeois who is hopeful for social progress, then let’s be frank: this advice hits at our greatest weakness, the temptation of back-slapping vanity.

The leading framers for the 41-million strong clicktivist team from Avaaz need to remember Cabral. They over-reached ridiculously last week in praising the G7:

> Many told us it was a pipe dream, but the G7 Summit of leading world powers just committed to getting the global economy off fossil fuels forever!!! Even the normally cynical media is raving that this is a huge deal. And it’s one giant step closer to a huge win at the Paris summit in December – where the entire world could unite behind the same goal of a world without fossil fuels – the only way to save us all from catastrophic climate change... Our work is far from done, but it’s a day to celebrate – click here to read more and say congratulations to everyone else in this incredibly wonderful community!!

Actually, according to *The Economist*: “no fossil-fuel-burning power station will be closed down in the immediate future as a result of this declaration. The goal will not make any difference to the countries’ environmental policies, since they are mostly consistent with this long-range goal anyway. Where they are not (some countries are increasing coal use, for example) they will not be reined in because of the new promises... the G7’s climate effort raises as many questions as it answers. The group seems to have rejected proposals for more demanding targets, such as decarbonisation by 2050.”

Or *Time*: “The results were disappointing to say the least... The G7 announced an ‘ambitious’ plan to phase out all fossil fuels worldwide by 2100. Unfortunately, they didn’t make any concrete plans to scale back their own conventional fuel consumption. That’s a big deal when 59 percent of historic global carbon dioxide emissions—meaning the greenhouse gases already warming the atmosphere—comes from these seven nations. Taken as a group, G7 coal plants produce twice the amount of CO2 as the entire African continent, and at least 10 times the carbon emissions produced by the 48 least developed countries as a whole. If the G7 is serious about tackling climate change, they should start at home.”

So what was going on, really? Here’s a talking head from the *Council on Foreign Relations* (an imperialist braintrust): “The United States has long pressed for a shift away from binding emissions reduction commitments and toward a mix of nationally grounded emission-cutting efforts and binding international commitments to transparency and verification. European countries have often taken the other side, emphasizing the importance of binding targets (or at least policies) for cutting emissions. Now it looks like the big developed countries are on the same page as the United States. The language above is all about binding countries to transparency – and there isn’t anything elsewhere in the communiqué about binding them to actual emissions goals.”

There is an even tougher critique from the left, e.g. from Oscar Reyes of the Institute for Policy Studies, who annotated the G7 climate communiqué here. He lands many powerful blows, not least of which is that you simply cannot trust these politicians. This is well known in Africa. Exactly a
decade ago, Tony Blair led the (then-G8) Gleneagles Summit that made all manner of ambitious redistributive promises for the continent that weren’t fulfilled.

Another promise to look at more critically is whether ‘net zero’ carbon emissions by 2100 will be gamed through ‘false solutions’ like Carbon Capture and Storage, dropping iron filings in the ocean to create algea blooms, and expansion of timber plantations to suck up CO2. The most serious watchdogs here, the ETC group, ActionAid and Biofuelwatch, agree that the G7 needs to reverse its energy ministers’ recent endorsement of these Dr Strangelove strategies.

Put it all together, and after last week’s Elmau G7 Summit, admits even Oxfam (often also upward gazing), “This lukewarm summit result will only make the fight harder, if not impossible.”

Avaaz are not only embarrassingly contradicted on their right flank. The organisation’s premature celebration is dangerous. After all, the conservative (pro-market pro-insiderism anti-activism) wing of ‘climate action’ politics – as distinct from climate justice advocacy – is gaming us all now, arguing that the Paris COP21 can result in a victory. Avaaz just amped up that narrative.

Will the mild-mannered Climate Action Network (CAN) join a big all-in tent to maximise Paris popular mobilisations? In 2011 at the COP17, that’s the approach that civil society tried in Durban, to my regret. I think CJ activists drawing in CAN – and Avaaz – may be making a serious mistake. For this surprising Avaaz spin – declaring victory at the G7 – compounds the essential problem of mis-estimating the rigour of the fight ahead.

The reality: if we don’t dramatically change the balance of forces and applaud activists who do much more militant modes of engagement, then global COP malgovernance continues another 21 years. Civil disobedience has been breaking out in all sorts of blockadia spaces, and so surely Avaaz should put 99% of its climate advocacy effort into amplifying the work of those heroes?

From Paris, one of the main organisers of COP21 protests, Maxime Combes, was suitably cynical about the G7, which “had already committed in 2009 (in Italy) to not exceed 2° C and to achieve a reduction of at least 50% of global emissions by 2050. So nothing new in the 2015 declarations except that at that time they had also committed to reduce by 80% or more their own emissions by 2050. No mention of this target is present in the declaration this year.” Avaaz is young, yes, but still should be able to recognise backsliding over the half-dozen years.

Last September, I was greatly heartened by Avaaz mobilising (not messaging), against what were my own prior predictions (on RealNews from 4’00”, reflecting pessimism thanks partly to Avaaz’s awfully unfortunate New York subway adverts, putting “hipsters and bankers in the same boat march”). That wonderful mass march linked the issues and put non-compromising placards high into the air (way higher than ‘climate action’ or pro-nuke or pro-cap-and-trade), and the next day, the Flood Wall Street protest hit corporations hard for a few hours. Avaaz and allies appropriately had us marching away from the UN, because after all nothing useful has happened there regarding air pollution – or any global crisis for that matter – since the 1987 Montreal Protocol addressed the ozone hole by banning CFCs.

And I am also one who appreciates Avaaz’s excellent petition machinery. (It’s in use now generating awareness and solidarity for truly excellent anti-mining campaigns two hours south and north of where I live in Durban, for example.) So this is not a standard lefty critique of clicktivism. It is a recognition of how desperately important it is for Avaaz to retain maximum credibility in the
mainstream and among hard-core activists alike. Endorsing the world’s 1% politicians is quite surreal, given how little they did last week in Bavaria, what with their 85-year time horizon and orientation to false solutions.

Avaaz wasn’t alone, by the way. From a press release I learned from Greenpeace’s international climate politics officer Martin Kaiser: “Elmau delivered.” Also, from Greenpeace US Energy Campaign director Kelly Mitchell, “Leaders at the G7 meeting have put forward a powerful call to move the global economy away from fossil fuels and toward a renewable energy future. Heading into the Paris climate meeting this year, it’s a significant step toward securing a commitment to 100% renewable energy by 2050.”

Tell no lies, claim no easy victories. What I hope might happen is that in future Avaaz, Greenpeace and similar well-meaning activists might at least see it in their interest to tell the truth and intensify the battle against the leaders of the G7 (and the BRICS too) and especially against the corporations that yank their chains. Instead of Avaaz massaging the G7 elites for “sending an immediate signal to dirty and clean energy investors that will help accelerate the clean-energy boom we desperately need,” as if capitalism can solve the climate crisis, why not re-boot the power relations?

How about this wording, instead: “Since the G7 rulers finally recognise that fossil fuels must stay underground, duh!, but still fail to act decisively to that end, we in Avaaz condemn the politicians. We’ll redouble our efforts to target their biggest fossil investors. We’ll do so through not only divestment – achieved by small investor committees in wealthy Global North institutions – but now we’ll also turn Avaaz’s mighty 41-million strong listserve towards consumer boycotts of the corporations and especially the banks that have the most power over these G7-BRICS politicos. And we’ll get legal and media support for anyone blockading these firms, since the ‘necessity defence’ for civil disobedience is becoming much more vital to our world’s near-term survival. Even the Pope’s new climate Encylical agrees.”

Wouldn’t that be a more satisfying and nutritious strategy than the climate junkfood email that millions just received from Avaaz? I really felt a little sick after consuming it. Surely Avaaz can see the merits of shifting the goalposts to the left each time they have a chance, and thus enhancing the climate justice struggle – not joining the G7 in a fatal climate snuggle.
BRICS carbon traders bail out the bankers’ climate strategy

*Triple Crisis*, 7 & 14 April 2015

The hope for our collective survival in the face of a likely climate catastrophe has been vested in a combination of multilateral emissions rearrangements and national regulation. But the premise behind the core strategy—the 1997 Kyoto Protocol—must be debated. Assuming a degree of state subsidization and increasingly stringent caps on greenhouse gas (GHG) emissions, Kyoto posited that market-centric strategies such as emissions trading schemes and offsets can allocate costs and benefits appropriately so as to shift the burden of mitigation and carbon sequestration most efficiently. Current advocates of emissions trading still insist that this strategy will be effective once the largest new emitters in the Brazil-Russia-India-China-South Africa (BRICS) bloc are integrated into world carbon markets.

As climate crisis looms ever larger on the horizon, the demise of the Kyoto Protocol’s binding emissions-cuts commitments on wealthier countries will in the near future compel from them a renewed effort to promote market-incentivized reductions. In spite of widely-acknowledged market failure in the emissions trade, especially in Europe, several “emerging markets,” especially the BRICS, have begun the process of setting up or expanding their carbon trading and offset strategies now that (since 2012) they no longer qualify for Clean Development Mechanism (CDM) credits. The Kyoto Protocol had made provision for low-income countries to receive CDM funds for emissions reductions in specific projects, but the system was subject to repeated abuse.

Yet attempts to resurrect market strategies will become more visible as the next global-scale climate treaty takes shape in December 2015 at the Paris summit of the United Nations Framework Convention on Climate Change (UNFCCC). Most notably, that 21st Conference of the Parties (COP21) is anticipated to remove the critical “Common but Differentiated Responsibility” clause that traditionally separated national units of analysis by per capita wealth.

The COP21 appears to already have been forestalled in late 2014 by the climate agreement between Xi Jinping and Barack Obama, representing the two largest absolute GHG emitters. That deal ensures world catastrophe, for in it China only begins to reduce emissions in 2030 and the U.S. commitment (easily reversed by post-Obama presidents) is merely to reduce emissions by 15% from 1990 levels by 2025. The BRICS bloc’s role in forging inadequate global climate policy of this sort dates to the 2009 Copenhagen Accord at the COP15 when a side-deal between Obama and four of the five BRICS’ leaders derailed the much more ambitious UNFCCC.

The failure of the carbon markets to date, especially the 2008-14 price crash which at one point reached 90% from peak to trough, does not prevent another major effort by states to subsidize the bankers’ solution to climate crisis. The indicators of this strategy’s durability already include commodification of nearly everything that can be seen as a carbon sink, especially forests but also agricultural land and even the ocean’s capacity to sequester carbon dioxide (CO₂) for photosynthesis via algae. The financialization of nature is proceeding rapidly, bringing with it all manner of contradictions.

Due to internecine competition-in-laxity between COP negotiators influenced by national fossil fuel industries, the UN summits appear unable to either cap or regulate GHG pollution at its source, or jump-start the emissions trade in which so much hope is placed. European and United Nations turnover plummeted from a peak of $140 billion in 2008 to $130 billion in 2011, $84 billion in 2012, and $53 billion in 2013 even as new carbon markets began popping up. But after dipping to below...
$50 billion in 2014, volume on the global market is predicted by industry experts to recover to $77 billion (worth 8 gigatonnes of CO₂ equivalents) in 2015 thanks to higher European prices and increased U.S. coverage of emissions, extending to transport fuels and natural gas.

However, geographically extreme uneven development characterizes the markets in part because of the different regulatory regimes. Since 2013 there have been new markets introduced in California, Kazakhstan, Mexico, Quebec, Korea and China, while Australia’s 2012 scheme was discontinued in 2014 due to the conservative government’s opposition. The price per tonne of carbon also differs markedly, with early 2015 rates still at best only a third of the 2006 European Union peak: California around $12, Korea around $9, Europe around $7.3, China at $3-7 in different cities, the U.S. northeast Regional Greenhouse Gas Initiative’s voluntary scheme at $5, New Zealand at $4 and Kazakhstan at $2. The market for CDMs collapsed nearly entirely to US$0.20/tonne.

These low prices indicate several problems.

- First, extremely large system gluts continue: 2 billion tonnes in the EU, for example, in spite of a new “Market Stability Reserve” backstopping plan that aimed to draw out 800 million tonnes.
- Second, the new markets suffer from such unfamiliarity with trading in such an ethereal product, emissions, that volume has slowed to a tiny fraction of what had been anticipated (such as in China and Korea).
- Third, fraud continues to be identified in various carbon markets, as can be witnessed at the Carbon Market Watch. This is, increasingly, a debilitating problem in the timber and forest-related schemes that were meant to sequester large volumes of carbon.
- Fourth, resistance continues to rise to carbon trading and offsets in Latin America, Africa and Asia, where movements against reducing emissions from deforestation and forest degradation (REDD) are linking up (as the REDD Monitor website documents).

As a result, the introduction of market incentives to make marginal changes to emissions is simply not working: the cost of switching from coal to renewable energy remains in the range of $50/tonne, in contrast to the prevailing price on carbon.

An overriding danger has arisen that may cancel the deterrents to carbon trading: the international financial system has overextended itself yet again, perhaps most spectacularly with derivatives and other speculative instruments. It needs new outlets for funds. The rise of non-bank lenders doing “shadow banking,” for example, was by 2013 estimated to account for a quarter of assets in the world financial system, $71 trillion, a rise of three times from a decade earlier, with China’s shadow assets increasing by 42% in 2012 alone. The Economist last year acknowledged that “potentially explosive” emerging-market shadow banking “certainly has the credentials to be a global bogeyman. It is huge, fast-growing in certain forms and little understood.” As for the straight credit market, the main result of Quantitative Easing policies was renewed bubbling, with $57 trillion in debt added to the global aggregate from 2007-14, of which $25 trillion was state debt. By mid-2014 the total world debt of $200 trillion had reached 286 percent of global GDP, an increase from 269% in late 2007.
Global financial regulation appears impossible given the prevailing balance of forces, witnessed in failures at the 2002 Monterrey Financing for Development initiative and various G20 summits after 2008. As a result, the BRICS are especially important sites to track ebbs and flows of financial capital in relation to climate-related investments, what with so many expansive claims made about their counter-hegemonic character. In reality, in relation to both world financial markets and climate policy, the BRICS are not anti-imperialist but instead subimperialist.

The first-round routing of CDM funding went disproportionately to China, India, Brazil and South Africa from 2005 until 2012, but by then the price of CDM credits had sunk so low there was little point in any case. Moreover, according to Carbon Market Watch, “The environmental integrity of the other Kyoto offsetting mechanism Joint Implementation is even more questionable with over 90% of offsets issued by Russia and Ukraine with very limited transparency and no international oversight.”

As Naomi Klein pointed out in This Changes Everything, gaming the CDM became a profitable sport: “The most embarrassing controversy for defenders of this model involves coolant factories in India and China that emit the highly potent greenhouse gas HFC-23 as a by-product. By installing relatively inexpensive equipment to destroy the gas (with a plasma torch, for example) rather than venting it into the air, these factories—most of which produce gases used for air-conditioning and refrigeration—have generated tens of millions of dollars in emission credits every year.”

Similar problems of system integrity plague the carbon markets that have opened in China, according to a recent Carbon Tax Center report: “Authorities face high hurdles in program design, information provision and political acceptability if the eventual national program is to put an effective ‘price on carbon’ and actually constrain and reduce emissions.” China’s seven pilot projects launched in 2014 ostensibly cover 700 million tons of CO₂ emissions (worth $135 million in deals last year), and when a national market emerges in 2020, there are estimates of a $3.5 trillion market. However, recall the frequent estimates of a $3 trillion global carbon market by 2020, and even one (from the lead Merrill Lynch trader) of $30 trillion (reported in the New York Times).

Within China, there is growing unease with carbon markets and at the Chinese Academy of Marxism, for example, Yu Bin’s essay on “Two forms of the New Imperialism,” argues that along with intellectual property, the commodification of emissions is vital to understanding the way capital has emerged under conditions of global crisis.

Regardless, an even greater speculative bubble in carbon finance can be anticipated in the next few years, as more BRICS establish carbon markets and offsets as strategies to deal with their prolific emissions. In South Africa, neither the 2011 National Climate Change Response White Paper nor a 2013 Treasury carbon tax proposal endorsed carbon trading, in part because of the oligopoly purchasing conditions anticipated as a result of two vast emitters far ahead of the others: the state electricity company Eskom and the former parastatal Sasol which squeezes coal and natural gas to make liquid petroleum at the world’s single largest emissions point source, at Secunda near Johannesburg. But by April 2014 carbon trading was back on the official policy agenda, thanks to the British High Commissioner whose consultants colluded with the Johannesburg Stock Exchange to issue celebratory statements about “market readiness.”

With all of South Africa’s carbon-intensive infrastructure under construction, the official Copenhagen voluntary promise by President Jacob Zuma—cutting GHG emissions to a “trajectory that peaks at 34% below a business as usual trajectory in 2020”—appear to be impossible to
uphold, just four years after it was made. The state signaled its reluctance to impose limits on pollution in February 2015, when Environment Minister Edna Molewa gave Eskom, Sasol and other major polluters official permission to continue their current trajectories for another five years, ignoring Clean Air Act regulations on emissions of co-pollutants such as SO₂ and NO₂.

Other BRICS countries have similar power configurations, and in Russia’s case it led to a formal withdrawal from the Kyoto Protocol’s second commitment period (2012-2020) in spite of huge “hot air” benefits the country would have earned in carbon markets (for not emitting at 1990 levels) as a result of the industrial economy’s deindustrialization due to its exposure to world capitalism during the early 1990s. That economic crash cut Russian emissions far below 1990 Soviet Union levels during the first (2005-2012) commitment period. But given the 2008-13 crash of carbon markets—where the hot air benefits would have earlier been realised as €33/tonne “Joint Implementation” benefits (but by early 2013 fell to below €4/tonne)—Moscow’s calculation shifted away from the Kyoto Protocol, so as to promote its own oil and gas industries without limitation.

Binding emissions cuts were not in Russia’s interests, no matter that 2010-11 climate-related droughts and wildfires raised the price of wheat to extreme levels and did tens of billions of dollars of damage. The same kinds of self-interested albeit short-termist calculations are being made in the other BRICS, although their leaders regularly demanded (justifiably) larger northern industrial country cuts thanks to the historical legacy of carbon emissions.

The attraction of carbon trading in the new markets, no matter its failure in the old, is logical when seen within a triple context: a longer-term capitalist crisis which has raised financial sector power within an ever-more frenetic and geographically ambitious system; the financial markets’ sophistication in establishing new routes for capital across space, through time, and into non-market spheres; and the mainstream ideological orientation to solving every market-related problem with a market solution, which even advocates of a Post-Washington Consensus and Keynesian economic policies share. Interestingly, even Paul Krugman had second thoughts, for after reading formerly pro-trading environmental economist William Nordhaus’ Climate Casino, he remarked, “The message I took from this book was that direct action to regulate emissions from electricity generation would be a surprisingly good substitute for carbon pricing.”

That U-turn is the sort of hard-nosed realism that will be needed to disprove Klein’s thesis that capitalist crisis and climate crisis are conjoined. Instead, however, financial markets continue to over-extend geographically as investment portfolios diversify into distant, risky areas and sectors. Global and national financial governance prove inadequate, leading to bloated and then busted asset values ranging from subprime housing mortgages to illegitimate emissions credits. No better examples can be found of the irrationality of capitalism’s spatio-temporal-ecological fix to climate crisis than a remark by Tory climate minister Greg Barker in 2010: “We want the City of London, with its unique expertise in innovative financial products, to lead the world and become the global hub for green growth finance. We need to put the sub-prime disaster behind us.”

As BRICS are already demonstrating, though, new disasters await, for both overaccumulated capitalism in general and for what will be, for the next few years at least, under-accumulating carbon markets.
“Leave the coal in the hole”, say women from KwaZulu-Natal’s mining war zone
By Faith ka-Manzi and Patrick Bond (published at CCS Website, 5 April 2015)

Skeletons of cattle and other animals litter a desolate looking land once lush with vegetation. The phenomenon of drought has never been experienced as badly, say the indigenous people of this ancestral land of the Zulus known as Fuleni.

Two coal companies are being blamed. One, Johannesburg-based Petmin, has operated in Somkhele since 2007. Early on, it dug out graves of ancestors to get at the rich anthracite. But in doing so, the Johannesburg firm removed the bones without requiting the long-rested spirits of the dead, in violation of sacred traditional protocol. Residents remain livid.

Hundreds of people removed from their land around Somkhele were also abandoned by their traditional leaders and elected leaders. Bought-off chiefs and politicians decided to side with the Johannesburg tormentors, thus permitting the rapid pollution of nearby water, land and air.

Coal versus communities and conservation

The man in charge of Petmin is Ian Cockerill. No small fry, he was once the boss at both AngloCoal and Gold Fields. His corporate biography claims he is “Chairman of Leadership for Conservation in Africa, a not-for-profit initiative in partnership with the South African Parks Board.”

Cockerill may need this kind of green sugar-coating because of the poison pills he dishes out in Somkhele, both to residents and animals in the nearby game park just 17kms from his massive coal mine. The Hluhluwe-iMfolozi nature reserve is Africa’s oldest formal park. It is also the area where the
Black and White iMfolozi Rivers join, which two hundred years ago, King Shaka Zulu declared to be his royal hunting ground.

Now another firm, Ibutho Coal, is repeating the same destructive exercise in a larger zone of Fuleni about 20km south west of Somkhele, a mere 40 meters from the border of the park. Last month, Ibutho’s mysterious leaders – including Peter Gain and Tom Borman, who have ties to the world’s leading mining house, BHP Billiton and world’s main commodity trader, Glencore – tried again to descend quietly and stealthily like thieves against the people of Fuleni to devour their land in search of coal.

Ibutho filed a ‘Fuleni Scoping Report’ with the government on March 3rd, renewing a license to dig coal over an area hundreds of kilometres wide. But it was clearly lacking integrity, according to the Global Environmental Trust’s Sinegugu Zukulu: “My worry is that while the report mentions the need to consult communities further, it is often a mere box ticking exercise for mining companies to be granted the green light.”

Zukulu is also a leader in the struggle to beat back an attack by an Australian mining house at the world’s tenth largest titanium reserve, at Xolobeni on the Wild Coast beaches a few hundred kilometres south of Fuleni. He was a close ally of the Trust’s founder, the revered conservationist Ian Player. Before passing away late last year, Player insisted on a combined campaign strategy to link animals’ survival with better conditions for Somkhele and for the Fuleni villages bordering Hluhluwe-iMfolozi, where for decades he had worked to bring white rhinos back from near extinction.

If a massive coal mine is established on the border of the iMfolozi Wilderness Area which Player established, such ease of access by rhino poachers will quickly doom hundreds more of the endangered animals, Zukulu’s colleagues at the Trust predict.
Women Stand Firm against Big Coal

In one village certain to be destroyed by Ibutho’s mining strategy, Ocilwane, community activist Mam Khuluse insists, “Leave the coal in the hole.” She is a survivor of forced removals which took place in 1961 in Cwaka, near the port city of Richards Bay from where the Somkhele coal is exported. Khuluse is unwilling to be moved again, and along with others in her community, she is fighting for their land not to become ravaged like Somkhele.

It is one thing for the women victims of mining to tell their stories, and another for one to see this personally, as we both did in recent weeks. One site visit was in conjunction with a ‘Women Stand their Ground Against Big Coal’ regional exchange January. It was evident that the land women have been dependent upon for aeons has been destroyed. Women who toil as cooks and care-givers, as small farmers and as gatherers of wood and water from nature now cannot feed their families: nothing grows anymore, except aloes.

This long drought the women date to Petmin’s arrival. The desolation is striking when contrasted with the huge, profitable estates owned by white farmers and sugarcane companies just 50 kilometers away, towards the sea.

In most of in sub-tropical KwaZulu-Natal, vegetation is green and healthy. In Somkhele, in contrast, there are no beans, no maize, no fruits, nothing but a skeletal land, dry like death. The Somkhele residents’ water was essentially confiscated by the mine. It is now a trickle-down resource, provided by a water truck once a week or even a fortnight.
In a nearby lodge where one of us stayed in January, the water coming from the tap in the bathroom was black like ash. The owner was asked what he thought about the mine. He was perturbed by the question since it bring occasional business, but he listened when told about the attention Somkhele is getting as a result of activist campaigning.

He admitted that Somkhele’s air is full of dust from coal ash. People suffer frequent respiratory disorders when inhaling chemicals used in coal mining. In this area, a large share of the residents are still recovering from the deadly grip of HIV/AIDS (they get medicines now thanks to Treatment Action Campaign lobbying). But the coal mine’s air-borne particulates spread more diseases like TB, taking many more from HIV+ to full-blown AIDS status.

It suddenly dawned on the lodge owner why his business friends who gathered at his pub for drinks were more often complaining of chest pains and breathing difficulties.

The situation in Somkhele is dire, with houses cracking because of frequent blasting at Petmin’s mine. In the next villages in the mining companies’ firing lines, Ocilwane and Ntuthunga, the time has come to fight back.

But activists like Khuluse and Zukulu and their community organisations, NGOs and environmental networks are badly underfunded. And it is here that the link between coal, climate and our liabilities in the Global North (frequent-flier Bond especially) comes full-circle.

**Paying the climate debt**

The tragedy of Somkhele is partly that the region’s drought is an early manifestation of climate change, which will hit African peasant areas like Fuleni as hard as anywhere on earth. Coal is the main cause of climate change. Somkhele anthracite goes to the electricity parastatal Eskom to burn so that mining mega-corporations get extremely cheap power for their digging and smelting. BHP Billiton’s electricity price is R0.12 per kilowatt hour thanks to corrupt apartheid-era deal-making renewed after 2000.

Somkhele coal travels on huge trucks 60km southeast to Richards Bay where along with 80 million tonnes of other coal, it is exported to major buyers in Europe, India, China and the Middle East. In these places, is the burning of coal accompanied by awareness about the damage done upstream, back in the Fuleni area?

Making these links will be easier thanks to *The Guardian*’s climate campaign, clicktivists at Avaaz, and the crowd-source funder Grrrowd who are all helping to put the Fuleni struggle in the spotlight.

But if international climate activists also join in, that may be decisive. Coal prices are at very low levels – around $60/tonne, down from $140/tonne four years ago – and it won’t take much to persuade investors to divest from coal companies like Petmin and Ibutho, especially if they are linked to the threat against the people and animals of Fuleni.

At the same time that the Climate Justice movement calls on the Global North to pay a ‘climate debt’ that is legitimately owed to African drought victims like Mam Khuluse, the struggles of activists like these against coal will rebound to help the whole world combat climate change.
At the UKZN Centre for Civil Society, scholars of reparations are looking at how a climate debt paid to anti-coal activists might work. The present system of payments for greenhouse gas mitigation and adaptation via the Korea-based Green Climate Fund is already a failure on multiple levels, and the ‘loss and damage’ liability accounting Third World countries have pushed for in the United Nations climate summit since 2012 is being blocked by rich countries.

Instead of relying on the elites to start this process, a people-to-people solidaristic strategy is needed, initially. More successors are needed to the heroic but unsuccessful ‘leave the oil in the soil’ campaign for Ecuador’s Yasuni national park. Launching the strategy in 2007, environmental and indigenous-rights activists suggested Northern governments pay the Quito government $3.5 billion to avoid drilling the Amazonian paradise. Activists put the ‘climate debt downpayment’ on the civilised world’s agenda.

Sadly, the neoliberals running the German aid ministry killed it, alongside Ecuador’s rulers who behind the scenes were already inviting a Chinese oil company to prepare to drill. Instead of directing solidarity climate-debt payments to governments which cannot be trusted, should these recipients not be people like Mam Khuluse?

At the same time, those of us living in places like suburban Durban – whose only immediate coal concerns are load-shedding worries – have not been aware of our neighbours’ suffering. After all, coal from Somkhele contributes to our electricity supply. To compensate, we also need to campaign harder for a fossil free KZN: renewable energy is possible, especially wind, solar and maybe even tidal once we harness the powerful currents and tides of the Indian Ocean.

But in this province and country, political will is nearly nill – something we must work to change. So we join with communities in Fuleni, conservationists protecting white rhinos, environmental justice activists, and forward-thinking trade unionists like the National Union of Metalworkers of South Africa. A ‘Million Climate Jobs’ campaign has already been launched to find a just transition for so many Eskom coal or BHP Billiton smelter workers who can contribute to our society’s renewable energy instead of to climate change.

The challenge to coal companies to leave the coal in the hole seems like a losing battle if it is only to be waged by poor women in rural areas who are disadvantaged by traditional patriarchy and a lack of resources to fight this battle. Still, hope now rises that the Fuleni campaign will inspire not just animal lovers and conservationists, but more climate activists and many more ordinary citizens who do not like seeing such extreme environmental injustice along the lines of race, gender and class.

While toppling a Cecil John Rhodes statue in a symbolic way is delightful for the psyche of all of us, the next step must be toppling his deep-rooted legacy. There is no more obvious place where RhodesMustFall than in what is termed the Minerals-Energy Complex. That complex is epitomised by the way coal destroys Fuleni communities, Hluhluwe-iMfolozi’s rhino conservation, and the world’s climate.
Will a “climate movement across the movements” produce Seattle-style shutdowns or a Paris cul de sac?

TeleSUR, 27 March 2015

TUNIS – Looming ahead in eight months’ time is another Conference of Polluters, or COP (technically, the Conference of the Parties to the United Nations Framework Convention on Climate Change). The last twenty did zilch to save us from climate catastrophe. Judging by early rough drafts of the Paris COP21 agreement recently leaked, another UN fiasco is inevitable.

The ‘Coalition Climat21’ strategy meeting for Paris was held in Tunis on March 23-24, just before the World Social Forum. I had a momentary sense this could be a breakthrough gathering, if indeed fusions were now ripe to move local versions of ‘Blockadia’ – i.e. hundreds of courageous physical resistances to CO2 and methane emissions sources – towards a genuine global political project. The diverse climate activists present seemed ready for progressive ideology, analysis, strategy, tactics and alliances. Between 150 and 400 people jammed a university auditorium over the course of the two days, mixing French, English and Arabic.

It was far more promising than the last time people gathered for a European COP, in 2009 at Copenhagen, when the naivety of ‘Seal the Deal’ rhetoric from mainstream climate organisations proved debilitating. That was a narrative akin to drawing lemmings towards – and over – a cliff: first up the hill of raised expectations placed on UN negotiators, before crashing down into a despondency void lasting several years. Recall that leaders of the US, Brazil, South Africa, India and China did a backroom deal that sabotaged a binding emissions follow-up to the Kyoto Protocol. In ‘Hopenhagen,’ even phrases like ‘System change not climate change’ were co-opted, as green capital educated by NGO allies agreed that a definition of ‘system’ (e.g. from fossil fuels to nuclear) could be sufficiently malleable to meet their rhetorical needs.

That precedent notwithstanding, the phrase “A climate movement across the movements” used here seemed to justify an urgent unity of diverse climate activists, along with heightened attempts to draw in those who should be using climate in their own specific sectoral work. The two beautiful words ‘Climate Justice’ are on many lips but I suspect the cause of unity may either erase them from the final phraseology or water them down to nebulousness.

Unity – without clarity, responsibility and accountability?

Over the last nine months, since an August gathering in Paris, a great deal of coalition building has occurred in France and indeed across Europe. The proximate goal is to use awareness of the Paris COP21 to generate events around the world in national capitals on both November 28-29th – just before the summit begins – and on December 12, as it climaxes. There was consensus that later events should be more robust than the first, and that momentum should carry this movement into 2016. (The December 2016 COP22 will be in Morocco.)

The initial signs here were upbeat. Christophe Aguiton, one of Attac’s founders, opened the event: “In the room are Climate Justice Now! (CJN!), Climate Action Network (CAN), international unions, the faith community, and the newer actors in the global movement, especially 350.org and Avaaz. We have had a massive New York City march and some other inspiring recent experiences in the Basque country and with the Belgium Climate Express.”

But, he went on, there are some serious problems ahead that must be soberly faced:
• there is no CJ movement in most countries;
• grounded local CJ organisations are lacking;
• we need not just resistances but alternatives; and
• there are some important ideological divisions.

Still, he explained, “We won’t talk content because in the same room, there are some who are moderate, some who are radical – so we will stress mobilisation, because we all agree, without mobilisation we won’t save the climate.” For more than 15 years, I’ve known Aguiton as one of the most persuasive, committed radicals in Europe. And in New York last September, I remember the ‘c’ word being used quite freely, partly prompted by the launch of Naomi Klein’s This Changes Everything. So to me, the tone here suddenly sounded bland.

This unity-seeking-minus-politics was reminiscent of a process four years in South Africa known as ‘C17’, a collection of 17 civil society organisations that did local preparatory work before the UN’s 2011 Durban climate summit, the ‘COP17.’ Actually, fewer than a half-dozen representatives really pitched in throughout, and the big moderate organisations expected to mobilise financial resources, media attention and bodies ultimately did none of these. South Africa’s Big Green groups and trade unions failed to take C17 ownership, to commit resources and to add the institutional muscle needed.

I watched that process fairly closely, and with growing despondency. The first choice for a university counter-summit venue close by the Durban International Convention Centre was found to be unavailable at the last moment, so my Centre at the University of KwaZulu-Natal became an instant host for the ‘People’s Space.’ Thousands came but the messaging was vapid and virtually no impact was made on the COP or on South Africa’s own reactionary emissions policy. The final rally of 10,000 activists midway through the COP17 gave UN elites and local politicians a legitimating platform. Nor did we use the event to build a South African climate justice movement worthy of the name.

So my own assessment of the ‘state failure, market failure and critic failure’ in Durban strongly emphasised the problem of excessive unity, without ideological clarity, institutional responsibility or political accountability.

At COP21, radicals outside and only moderates left standing inside

Maybe it will be different in France, because their movements are mobilising impressively, with projects like November 27-29 mass actions aimed at municipalities; a Brussels-Paris activist train; a ‘run for life’ with 1000 people running 4km each from northern Sweden to Paris; the ‘Alternatiba’ alternatives project with 200 participating villages from the Basque country up to Brussels which will culminate on September 26-27; and getting warmed up, on May 30-31, an anticipated 1000 local climate initiatives around the country.

Yet the local context sounds as difficult in 2015 as it was in South Africa in 2011. As Malika Peyraut from Friends of the Earth-France pointed out, national climate policy is “inconsistent and unambitious” and the country’s politics are increasingly chaotic, what with the rise of the far right to 25% support in municipal elections. Worse, French society will be distracted by regional elections from December 6-12, and with national elections in 2017, “there is a high risk of co-optation,” she warned.
No politicians should have their faces near these mobilisations, suggested Mariana Paoli of Christian Aid (reporting from a working group), as COP21 protesters needed to avoid the celebrity-chasing character of the big New York march. Al Gore’s name came up as one whose own corporate messaging was out of tune. But Avaaz’s Iain Keith asked, “Hypothetically, what if the president of Vanuatu came to the march – should we refuse him?” Vanuatu is probably the first nation that will sink beneath the waves, and the recent Cyclone Pam catastrophe made this a twister question. Without a real answer, Paoli replied: “What we are trying to avoid is politicians capturing the successes of movement mobilisation.”

Behind that excellent principle lies a practical reality: there are no reliable state allies of climate justice at present and indeed there really are no high-profile progressives working within the COPs. It’s a huge problem for UN reformers because it leaves them without a policy jam-maker inside to accompany activist tree-shaking outside. The UN head of the COP process is an oft-compromised carbon trader, Christiana Figueres. Although once there were heroic delegates badgering the COP process, they are all gone now:

- Lumumba Di-Aping led the G77 countries at the Copenhagen COP15 – where in a dramatic accusation aimed at the Global North, he named climate a coming holocaust requiring millions of coffins for Africa – and so was lauded outside and despised inside, but then was redeployed to constructing the new state of South Sudan;
- President Mohamed Nasheed from the Maldives – also a high-profile critic at Copenhagen – was first a victim of US State Department’s cables (revealed by Wikileaks) which documented how his government agreed to a February 2010 $50 million bribe to support the Copenhagen Accord (just as Washington and the EU agreed that the “Alliance of Small Island States countries ‘could be our best allies’ given their need for financing”) and was then couped by rightwingers in 2012 and, earlier this month, was illegitimately jailed for a dozen years;
- Bolivia’s UN Ambassador Pablo Solon was booted from his country’s delegation after the 2010 Cancun COP16, where, solo, he had bravely tried to block the awful deal there, and not even the Latin American governments most hated by Washington – Bolivia, Venezuela, Cuba and Nicaragua – supported him thanks to Northern bullying;
- in any case a jungle road-building controversy (TIPNIS) soon divided Evo Morales’ supporters, and in 2013 the COP’s progressive leadership void grew wide after the death of Hugo Chavez and the battle by Rafael Correa against green-indigenous-feminist critics for his decision that year to drill for oil in the Yasuni Amazon (after having once proposed an innovative climate debt downpayment to avoid its extraction); and
- Filipino Climate Commissioner Yeb Saño had a dramatic 2013 role in Warsaw condemning COP19 inaction after his hometown was demolished by Super Typhoon Haiyan, but he was evicted by a more conservative environment ministry (apparently under Washington’s thumb) just before the Lima COP in 2014.

If you are serious about climate justice, the message from these COP experiences is unmistakeable: going inside is suicide.

Framing for failure

It is for this reason that the original protest narrative suggestions that CAN’s Mark Raven proposed here were generally seen as too reformist. Acknowledging the obvious – “People losing faith in the broken system, corporations sabotaging change” and “We need a just transition” – his network
then offered these as favoured headline memes: “Showdown in 2015 leads to a vision of just transition to fossil-free world” and “Paris is where the world decides to end fossil fuel age.”

Yet with *no real prospects of reform*, the more militant activists were dissatisfied. Nnimmo Bassey from Oilwatch International was adamant, “We need not merely a just transition, but an immediate transition: keep the oil in the soil, the coal in the hole, the tar sands in the land and the fracking shale gas under the grass.” That, after all, is what grassroots activists are mobilising for.

Added Nicola Bullard: “This narrative is too optimistic especially in terms of what will surely be seen as a failed COP21.” Bullard was a core Focus on the Global South activist in the 2007 Bali COP13 when Climate Justice Now! was formed based on five principles:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights-based resource conservation that enforces indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming, fishing and peoples’ food sovereignty.

Just as valid today, these principles were further fleshed out at the April 2010 World People’s Conference on Climate Change and the Rights of Mother Earth in Bolivia, to include emissions cut targets – 45% below 1990 levels in the advanced capitalist economies by 2020 – plus a climate tribunal and the decommissioning of destructive carbon markets which have proven incapable of fair, rational and non-corrupt trading. Dating to well before the CJN! split from CAN in Bali, that latter fantasy – letting bankers determine the fate of the planet by privatising the air – remains one of the main dividing lines between the two ideologies: climate justice or climate action.

**New York as a positive example**

A unity project is by no means impossible, and these are extremely talented organisers. The world was left with the impression of vibrant climate mobilisation in far more difficult conditions last September 21, after all. Cindi Weisner from Grassroots Global Justice Alliance reflected on the New York march, reminding of how broad-front building entailed surprising trust emerging between groups – leftists at the base, big unions, Big Green – whose leaders in prior years would not have even greeted each other.

From Avaaz, Keith reminded us of the impressive New York numbers: 400,000 people on the streets including 50,000 students; 1574 organisations involved including 80 unions; another 300,000 people at 2650 events around the world; three tweets/second and 8.8 million FB impressions with 700,000 likes/shares. The next day’s Flood Wall Street action was surely the most dynamic moment, what with the financial core of fossil capitalism under the spotlight of several thousand protesters.

But with corporate and UN summits following the big New York march and without escalation afterwards, the elites’ spin was dominant and ridiculously misleading. Barack Obama told the heads of state who gathered two days later: “Our citizens keep marching. We have to answer the call.”
Needless to say the UN summit’s answer was null and void from the standpoint of respecting a minimal scientific insistence on emissions cuts.

**The necessity of a radical narrative**

Since the same will occur in Paris, concrete actions against the emitters themselves were suggested, including more projects like the Dutch ‘Climate Games’ which saw a coal line and port supply chain disrupted last year. There are coming protests over coal in Germany’s Rhineland and we will likely see direct actions at Paris events such as Solution 21, a corporate ‘false solutions’ event where geoengineering, Carbon Capture and Storage, and carbon trading will be promoted.

Likewise, ActionAid’s Teresa Anderson reported back from a Narrative Working Group on lessons from Copenhagen: “Don’t tell a lie that Paris will fix the climate. People were arrested in Copenhagen for this lie. No unrealistic expectations – but we need to give people hope that there is a purpose to the mobilisation.”

Most important, she reminded, “There is Global North historical responsibility, and those who are most vulnerable have done the least to cause the problem.” This is vital because in Durban, UN delegates began the process of ending the “common but differentiated responsibility” clause. As a result, finding ways to ensure climate “loss & damage” invoices are both issued and paid is more difficult. The UN’s Green Climate Fund is a decisive write-off in that respect, with nowhere near the $100 billion annually promised for 2020 and beyond by then US Secretary of State Hillary Clinton.

Most important, said Anderson, given the tendency of Third World nationalists to posture on this point, “Elites in both North and South are to blame, so it’s not a matter of pure geographical injustice. It’s the economic system that is driving climate change.” Looking at more optimistic messaging, she concluded the report-back: “Powerful positive actions are in play. We are life – fossil fuels are death. Paris is a moment to build movements, to show we are powerful and will fight into 2016 and beyond to solve the climate crisis. It takes roots to weather the storm ahead.”

Responding, said former Bolivian negotiator Solon (now Bangkok-based director of Focus on the Global South), “I think we need a clearer narrative: let’s stop an agreement that’s going to burn the climate. We already know that agreement exists. If China peaks emissions only by 2030 or if we accept Obama’s offer to China, we all burn. The Paris agreement will be worse than the draft we’ve seen. The point is not to put pressure for something better. It’s to stop a bad deal. We are against carbon markets, geoengineering and the emissions targets.”

But the clearest message came from veteran strategist Pat Mooney of the research network called the etc group, describing to the mass meeting what he wanted to see in Paris: “It should start like New York and end like Seattle. Shut the thing down.”

Back in 2009, just weeks before he died, this was what Dennis Brutus – the mentor of so many South African and international progressives – also advised: “Seattle Copenhagen!” The Paris Conference of Polluters also needs that kind of shock doctrine, so that from an activist cyclone a much clearer path can emerge towards climate justice in the months and years ahead.
Disconnecting the minerals-energy-climate dots

Counterpunch, 13 March 2015

Sometimes a single event reveals crucial stories about our strengths and weaknesses in advancing progressive social change and ecological sanity. In February 2015, I sought out intersections between three simple phenomena: the predatory extractive industries now looting Africa; our continent’s energy access crises (especially here in South Africa); and climate change. I thought that progressive civil society allies might begin to assemble their strengths in class, gender, race, generational and environmental consciousness; that they would fuse activist passion and NGO technical sophistication; and that they could draw upon lessons from Africa’s many great anti-extraction struggles. I fear I was wrong. Even with the best will, and amongst truly exceptional activists and strategists at the Cape Town Alternative Mining Indaba (AMI) from February 9-12, a typical civil society “intersectionality” gap was glaringly evident.

That clunky word – “the study of intersections between forms or systems of oppression, domination or discrimination” – is increasingly understood to be vital medicine to treat the NGO disease of siloisation: being stuck in our little specialisations with historic prejudices intact, unable to lift up our heads and use the full range of human capacities to find unity. The AMI brought together more than 150 activists from vibrant African community organisations, another hundred or more NGO workers stretching from local to international, the hottest advocacy networks, a phalanx of public interest lawyers, a few brave trade unionists and even some curious armchair academics like myself. It should have offered the best conditions possible for intersectional work.

The kick-off day included a set-piece protest march to the gleaming Cape Town International Convention Centre. The target: the corporate African Mining Indaba attended by thousands of delegates from multinational and local mining houses plus a few of their side-pocket politicians. There, former UK Labour Party prime minister Tony Blair gave a keynote speech notably hostile to “problematic, politicised” trade unions who enjoy class struggle more than class snuggle. Security was ultra-tight because Blair is, after all, regularly subject to citizen arrests because of his Iraq-related war crimes. And money was another reason no activists could make their case inside: the entrance fee was nearly $2000. For a taste of some of the grievances against the big mining houses, see the Business & Human Rights Resource Centre’s balanced fact sheet.

The AMI’s internal critics told me they felt the march was tame and predictable. It was. Actually, the week’s best moment for confrontation was a small guerrilla theatre stunt just outside the convention centre. Pretoria’s Anglican Bishop Jo Seoka invited suited executives to drink the disgusting water that his grassroots allies brought from mining-affected communities. No one took the bait; and amusing video resulted. The march helped activists let off some steam, for they were angry at the blasé mood in both Indabas. Just beforehand in the opening AMI plenary, two charismatic keynote speakers – Zimbabwean democracy advocate Brian Kagoro and Matthews Hlabane from the SA Green Revolutionary Council – were joined by militants from several communities who raged openly against petit-bourgeois NGO reformism. Warned Kagoro, “We risk here, as the elite of civil society – civilocracy – becoming irrelevant. If you want mining to carry on, in just a bit more humane way, there will be another Alternative Mining Indaba happening in the streets.”

Indeed, if the AMI does avoid that fate, a healthier future would probably require switching the event away from trendy Cape Town suburbs and instead convening a people’s assembly and set of (translated, inter-connected) teach-ins located at various sites within the gritty mining belts.
sweeping from northwest to eastern or northern South Africa. Only in such venues can the masses properly hold forth. Perhaps with this bracing threat in mind, the march was followed by three days of exceptionally rich presentations and debates. The break-out rooms were filled with campaigning tales and most carried the frisson of outright opposition to non-essential mining. For example, asked the leading-edge critics, do we really need to drink the fizzy sugar water (Coca Cola products whose profits line South African Deputy President Cyril Ramaphosa’s gorged pockets) from the tin cans (smelted in Richards Bay, South Africa, at a wicked cost in terms of coal-fired electricity) that we immediately toss away into the AMI hotel’s (non-recycled) rubbish bin?

To slow the awesome destruction caused by senseless mining, some activists suggested UN “Free Prior and Informed Consent” language as the best way for communities to deflect prospecting. Techniques to delay Environmental Impact Assessments were shared. Tax justice narratives came in handy, given the mining houses’ prolific capital flight and illicit financial flows. Still other progressive lawyers suggested routes into the jurisdiction of legal reparations. And most everyone complained of a Resource Curse in which multinational mining capitalists corrupt African politics, economics, environments and societies. From this meeting, I had a clear sense that no one believed minor Corporate Social Responsibility reforms will ever treat, much less cure, the Resource Curse. Instead, the reforms discussed were practical handles for raising concerns, getting publicity, adding a bit of pressure, and giving mining-affected communities – especially women – a sense of hope and solidarity.

Still, for me, the event also provided a sobering and somewhat depressing lesson: much more work is needed to generate intersectionality: connecting the dots to other issues, political scales and constituencies. The disconnects were obvious regarding three issues which might become vital elements in campaigning against extractive industries, in both the short and long term: electricity access, climate change and mineral economics. Consider each in turn.

**Short-term empowerment crisis**

Just outside the AMI but nevertheless apparently unnoticed, South African society was seething with hatred against state electricity supplier Eskom. The increasingly incompetent agency has threatened near-daily ‘load-shedding’ (electricity black-outs for two hours at a time) for years to come. There’s not enough working power capacity (only 30 000 MegaWatts when 43 000 are technically available) to meet industrial and household demand most days. With mega-mining corporations having extraordinary access to power – symbolized in 2014 when a former executive of the world’s largest commodity firm, GlencoreXstrata, was seconded into Eskom to represent mining interests: Mike Rossouw. For many years, Rossouw served as chair of the 31-member Energy Intensive Users’ Group (EIUG), the largest corporate guzzlers which together consume 44% of the country’s supply. The nickname Minerals-Energy Complex emerged 20 years ago thanks to very sweet Eskom deals that have persisted for most of the company’s 85 year history. For example, two of the world’s biggest mining houses, BHP Billiton and Anglo American Corporation, signed decades-long agreements supplying them at US$0.01/kWh, a tenth as much as what low-income South Africans pay.

South Africa’s load-shedding phenomenon should be blamed on both the multinational mining corporations and the local energy industry, and their allies in Pretoria and Eskom’s MegaWatt Park headquarters. This is not an unusual configuration in Resource-Cursed Africa, where vast amounts of electricity are delivered via high-tension cables to multinational corporate mining houses for the sake of extraction and capital-intensive smelting. Meanwhile, most African women slave over fires
to cook and heat households: their main energy source is a fragile woodlot; their transmission
system is their back; and their energy consumption is often done while coughing, thanks to dense
particulates in the air. Going from HIV-positive to full-blown AIDS is just an opportunistic
respiratory infection away, again with gendered implications for care-giving.

Given these intense contradictions, how could the AMI anti-mining activists, strategists, funders
and intellectuals not connect the dots; how could they fail to put together load-shedding due to
mining overconsumption, with most Africans’ lack of basic electricity access, and place these at or
near the fore of their grievances so as to harvest so-far-untapped popular support for their
programme of rolling back mining and rolling forward clean household electricity? A Cape Town-
based “Million Climate Jobs” campaign already suggests how turning off the vast flow of electricity
to South Africa’s smelters and mines would, in turn, help redirect employment there to more
constructive, post-carbon activities: jobs in renewable energy, public transport, insulation
retrofitting, digging biogas digesters and many others. As for communities, their class/race analysis
of electricity access is expressed readily when they show visitors their own dirty household energy,
often in the immediate vicinity of a massive mine, smelter or powerplant (see the excellent mini-
doccie “Clear the Air” by the NGO groundWork, for example, or the fiery tv Big Debate episode on
energy). So why can’t those dots — the environment-labour-community-feminist sites of struggle –
be connected at the NGO-dominated AMI? Why do the words energy and electricity not even
appear in the final AMI declaration, in spite of their extreme abuse by multinational mining capital?

**Long-term climate crisis not on SA civil society short-term agenda?**

As I mulled over this paradox in the unlikely (luxury Hilton Hotel) AMI venue, my eye was caught by
a flashy red-and-white document about South African coal, containing explosive information and
some of the most vivid photos I’ve ever seen of ecological destruction and human suffering. It is full
of horrifying facts about the coal industry’s wreckage: of public and household health, local
environments, and the lives of workers, women, the elderly and children. (Regrettably there’s no
web link and I won’t name the agency responsible in order to make a more general point and avoid
singling out a particular example by name.) This particular booklet doesn’t hesitate to explain
mining industry abuse via cooptation of African National Congress ruling-party elites via Black
Economic Empowerment (BEE). Cyril Ramaphosa-style BEE translates into worse misery for the
many, and enrichment for a very few such as South Africa’s deputy president. His billion-dollar net
worth comes not only from that notorious 9% share of Lonmin and all that it entailed, but also from
his Shanduka company’s filthy coal operations. With men like him at the helm, South Africa
certainly isn’t going to kick the life-threatening Minerals-Energy Complex habit.

It’s a good critique that connects many dots, and certainly the particular agency that published it is
one I consider amongst the half-dozen better international NGOs. Their grantees do amazing things
in many South African, other African and global contexts. Yet the coal booklet offered only a token
mention — a few words buried deep in the text — about climate change. Though coal is the major
contributor to greenhouse gas emissions, and although there’s a vibrant world campaign against
coal mining in favour of renewable energy, the climate crisis was completely lost amidst scores of
other eloquently-described grievances.

Drawing this to the agency’s attention, I received this explanation from one staffer: “While climate
change is a great middle class rallying point, it has no relevance to people living in poverty beyond
their empty stomachs, dirty water and polluted air.” As we learned the hard way at the civil society
counter-summit during the United Nations COP17 here in Durban, this may be a brutally frank but
nevertheless a true estimation of the hard work required to mobilise for climate justice. In the last comparative poll I’ve seen (done by Pew in 2013), only 48% of South Africans considered climate change to be a ‘top global threat’, compared to 54% of the rest of the world.

Fortunately though, the terrain is fertile, especially in the South African provinces – Limpopo, Mpumalanga and KwaZulu-Natal – attracting the most militant and sophisticated attacks on Big Coal anywhere in Africa. They are carried out by a myriad of militant community and environmental groups, including Mining Affected Communities United in Action, the Green Revolutionary Council, Bench Marks Foundation (a progressive church-based research/advocacy network), periodic critiques by radical NGOs groundWork and Earthlife (the latter hosts a branch of the International Coal Campaign), legal filings by the Centre for Environmental Rights and Legal Resources Centre, supportive funders like ActionAid, and women’s resistance organisations (supported by Women in Mining, Womin). Still, aside from communiqués by Womin feminists and occasional NGOs (mostly in passing), it is extremely rare that they connect the dots to climate change.

**GreenHouse Gas emissions are pollutants, too**

A good example of disconnecting-the-dots emerged in late February when South African Environment Minister Edna Molewa infuriated grassroots communities, NGO activists and progressive lawyers who fight prolific pollution by mining houses, petro-chemical plants and smelters. Molewa’s job includes applying new Minimal Emissions Standards to 119 firms – including the toxic operations of Eskom, Sasol, AngloPlats, PPC cement, Shell, Chevron and Engen oil refinery – whose more than 1000 pollution point sources are subject to the Air Quality Act. Ten years ago when the law was mooted, these firms should have begun the process of lowering emissions. They didn’t, and so Molewa just let 37 of them (mostly the largest) off the hook for another five years by granting exemptions that make a mockery of the Act.

Yet notwithstanding justifiably vociferous complaints, South Africa’s environmental NGOs (ENGOs) simply forgot to mention climate change. There was just one exception, Samson Mokoena, who coordinates the Vaal Environmental Justice Alliance: “Not only has Eskom been granted postponements, but so has the largest emitter of carbon dioxide (CO2) in the country, Sasol.” (At its Secunda plant, Sasol squeezes coal and gas to make liquid petroleum, in the process creating the single greatest site of CO2 emissions on earth, and Eskom is Africa’s largest CO2 emitter by far when adding up all its plants together.)

In contrast to Mokoena, one of the world’s top campaigning ENGOs ignored CO2 in predicting Molewa’s decision will “result in about 20,000 premature deaths over the remaining life of the [Eskom] power plants – including approximately 1,600 deaths of young children. The economic cost associated with the premature deaths, and the neurotoxic effects of mercury exposure, was estimated at R230 billion.” Add climate change (that NGO didn’t, for reasons I just don’t get) and these figures would rise far higher. The excuse for giving Molewa a pass on the climate implications of her latest polluter-massage is that the Air Quality Act was badly drafted, omitting CO2 and methane. That omission allowed one of the country’s leading journalists to report, “The three pollution baddies that can cause serious health issues, are particulate matter (soot), sulphur dioxide and nitrogen oxides.” But surely in such a list, GreenHouse Gas (GHG) emissions qualify as a baddy? More than 182 million Africans are expected to die prematurely by 2100 thanks to GHGs, according to Christian Aid. Instead, Molewa “seemed to have developed a massive blind spot’, ignoring how air pollution was transported over very long distances to damage human health in places far removed from the source of emissions,” alleged another international ENGO. But just as big a blind
spot exists when that very ENGO simply forgot about climate change, even though GHGs are co-pollutants with all the other air-borne toxins, transported over very long distances, wreaking enormous damage.

There is, however, one thing worse than neglecting climate change when you have an excellent chance to raise consciousness: assimilation into the enemy camp. In some cases, civil society degenerates from watchdog to lapdog. The most notorious case must be the multinational corporate ally, WorldWide Fund for Nature (WWF), whose SA chairperson Valli Moosa also chairs AngloPlats. Moosa was responsible for what, five years ago, the SA Public Protector termed “improper conduct” when approving the world’s largest coal-fired power plant now under construction, Eskom’s Medupi. At the time, Moosa was serving as both Eskom chair and a member of the ruling party’s finance committee, and signed a dubious boiler-supply deal worth more than $4 billion with a company, Hitachi, whose local affiliate was 25% owned by Moosa’s party. The Medupi boilers needed to have 7000 of the welds redone. (The ruling party led the liberation struggle and regularly wins elections... but really isn’t too experienced at making coal boilers.)

With a man like Moosa at the helm, I wasn’t too surprised when, a couple of days after Molewa’s announcement and a day after the SA finance minister yet again postponed introducing a carbon tax law, WWF’s Saliem Fakir “welcomed the government’s commitment to the mitigation of climate change and support which showed that South Africa was leading the way among developing countries in terms of policy measures towards easing the burden on the environment.” When WWF meets a toxic polluter or a captive regulator like Molewa, it seeks a snuggle-not-struggle relationship. It’s long overdue that it changes its acronym to WTF.

**Behind the disconnections lies capitalism**

In Naomi Klein’s brilliant new book and her husband Avi Lewis’ forthcoming film, *This Changes Everything*, we find crystal-clear linkages between climate (“This”) and practically all other areas of social struggle. For Klein, it is the profit motive that, universally, prevents a reasonable solution to our emissions of greenhouse gases: from energy, transport, agriculture, urbanisation, production, distribution, consumption, disposal and financing. In other words, the intersectionality possibilities and requirements of a serious climate change campaign span nearly all human activity. Through all these aspects of the world’s value chains, we are carbon addicted. In each sector, vested corporate interests prevent the necessary change for species survival. It is only by linking together our single issues and tackling climate as the kind of all-embracing problem it is, that we can soar out of our silos and generate the critical mass needed to make a difference.

But in turn, that means that any sort of systemic analysis to save us from climate catastrophe not only permits but requires us to demand a restructured economic system in which instead of the profit motive as the driving incentive, large-scale ecologically-sound planning becomes the fundamental requirement for organising life. So it’s time, in civil society, that “capitalism” should to be spoken about openly, even if this occurs now for the first time in many generations, especially in those politically backward societies – e.g. North America and Europe – where since the 1950s it was practically forbidden to do so. In much of Africa, in contrast, grievances against colonialism were so fierce that when neo-colonialism replaced it over fifty years ago, many progressive activists found courage to talk about capitalism as the overarching, durable problem (worse even than the remaining white settlers). In South Africa, anti-capitalist rhetoric can regularly be heard in every township, blue-collar (and red-collar) workplace, and university. Here, Moscow-trained presidents
and even communists who were once trade union leaders have quite comfortably populated the highest levels of the neoliberal state since 1994.

Talking about capitalism is now more crucial than ever. If we don’t make this leap to address the profit motive underlying so much eco-social chaos, then our economic future is also doomed, especially in Africa. One reason for that is what is sometimes called “natural capital” depletion: the minerals, gas and oil being torn out of the earth don’t grow back. The next logical question is whether, given the diminishing natural wealth that results, the economic activity associated with extractive industries is a net positive or net negative. In resource-rich Norway, Australia, Canada and the US, where the headquarters of mining and petroleum companies are located, the profits recirculate. According to natural capital accounts compiled in the World Bank’s book *The Changing Wealth of Nations*, this plus educational investment gives these countries much higher net positive returns.

Environmental damage is another matter – but on economic grounds, again, the critical question is whether the profits are being reinvested. Answer: in the Global North, yes; but in Africa, no! They’re being looted by multinational corporates and local comprador allies. That means that one of the AMI’s other dot-disconnections was any talk of the capitalist economy, or even mention of the way mineral resources are being stripped away so fast and with so little reinvestment that the net economic effect of mining is profoundly negative for the continent’s wealth. (This fact you need not accept from me; have a look at the *Changing Wealth of Nations* to see Africa’s -6% annual wealth effect from natural capital outflows.)

What is the solution? Can Africans with intersectionality dot-connecting talents now more forcefully consider an eco-socialist model? If we do not recover the socialist traditions of Frantz Fanon, Patrice Lumumba, Amilcar Cabral, Walter Rodney, Ruth First, Thomas Sankara and Chris Hani, and to these add environmentalist, feminist and other intersectional arguments, the generations living now will have quite literally kindled next-generation Africans’ scorched-earth future. Large-scale planning may sound terrifying, given how badly earlier attempts turned out, such as the Soviet Union’s. On the other hand, Cuba has made the jump out of carbon addiction faster than any other society thanks to planning. Or just compare the well-planned and executed evacuation of Havana during Hurricane Katrina in 2005, to utter chaos in capitalist New Orleans. State-led innovations ranging from municipal water systems to the internet (a product of Pentagon R&D) are so vital to daily life that, unless denied them, we don’t think twice about their public sector origins and status as public goods.

And after all, is there any other way to achieve the power shift required to overcome a climate disaster, than to build a movement for democratic state decision-making? To do so, though, requires a somewhat longer-term perspective than the average activist and NGO strategist has scope for, in sites like the AMI. If we do not make that leap out of the silos into which all of us have sunk, we will perish. We are so overly specialised and often so isolated in small ghettos of researchers and advocacy networks, that I’m not surprised at the AMI’s conceptual impotence. Even our finest extractives-sector activists and strategists are not being given sufficient scope to think about the full implications of, for example, where our electricity supply comes from, and why mining-smelting corporates get the lion’s share; how climate change threatens us all; and how the capitalist economy makes these crises inevitable. The solution? A critical part of it will be to think in ways that intersect, with as much commitment as we can muster, to linking our class, race, gender, generational, environmental and other analyses of the oppressed. Action then follows logically.
Keep South Africa’s lights on with renewable energy – or irradiate a darkened nation?

*Counterpunch, 18 February 2015*

After an explosive start to his State of the Nation Address last week, South Africa’s President Jacob Zuma turned to nuclear, coal, fracking and offshore drilling projects – but what about the country’s free sunshine, wind and tides?

Last Thursday night in Cape Town’s Parliament hall, South Africa’s newest and cheekiest political party, the Economic Freedom Fighters (EFF), fought gamely but lost their two dozen seats for the evening. They were expelled during the State of the Nation speech when making what they termed a ‘point of order’: asking whether President Jacob Zuma would ‘pay back the money’ (about $20 million) that the state illegitimately spent on upgrading his rural mansion. As police ushered them out with extreme force, seven were hospitalised, one with a broken jaw.

The society only saw the fracas on journalists’ cellphones later, because the SABC public broadcaster refused to screen the floor, panning only a small area where the Parliamentary leadership were gesticulating for police action. Showing surprising technical prowess but extremely weak political judgment, Zuma’s security officials had jammed cellphone and Wifi signals in the hall just before the event began, creating outrage by opposition Members of Parliament (MPs) and journalists alike. The centre-right Democratic Alliance then walked out in protest against armed police having cleared out the EFF MPs.

The dust settled 45 minutes later, with Zuma chortling and African National Congress (ANC) MPs cheering, and most observers sickened by the spectacle.

Still, much more important news would follow, though in the dull tone that Zuma reserves for formal speeches. Given the country’s fury at electricity load-shedding – near daily outages of 2-4 hours – many were relieved that a substantial 14% of Zuma’s talk was dedicated to this theme: ‘We are doing everything we can to resolve the energy challenge.’

Listen more closely, though. Aside from building three huge coal-fired power plants, two of which are mired in construction crises, the other long-term supply strategy, accounting for one in six of his words on energy, is nuclear. By 2030 a fleet of reactors is meant to provide 9600 MW. Today we have 42 000 MW installed, of which 39 000 comes from coal. But the economy uses just 30 000 at peak. What with so much capacity unavailable, load-shedding is set to continue for at least the next three years.

To truly ‘resolve’ not defer the challenge will require a huge roll-out of public investment. The $2 billion Zuma promised the electricity parastatal Eskom on Thursday is only a fraction of the vast bills we can see on the horizon, including $28 billion for just two of the three projected coal-fired stations, Medupi and Kusile. Together they will deliver 9600 MegaWatts capacity, which comes in at $3 million/MW for construction only, i.e. not including ongoing costs of coal and maintenance, nor the vast environmental damage from these mega-projects’ mega-pollution. Local water, land and air are being poisoned by coal, and climate change will be exacerbated by 30 million annual tonnes of CO2 emitted by each of the coal burners.

One reason for the high cost is the mounting repayment liability for the World Bank’s largest-ever loan, for $3.75 billion. South African environmentalists, community activists and trade unions, as
well as Business Day newspaper and the Democratic Alliance, opposed the loan five years ago; were there justice, it should now be considered ‘Odious Debt’.

One reason they were united was what the public protector had in 2009 termed Medupi’s ‘improper’ conflicts of interest involving Eskom chairperson Valli Moosa. Though he was on the ANC Finance Committee at the time, Moosa approved Hitachi as the main supplier of the $3.3 billion boilers, knowing that the ANC’s Chancellor House had a 25% share of its local subsidiary.

That share was secretly sold to a mainly internal management team last July. But by all accounts the ANC investment was a fiasco, even top leaders including then Treasurer Matthews Phosa and Public Enterprises Minister Barbara Hogan admitted.

The ANC is very good at winning elections, but its boiler-making skills need improvement: no fewer than 7000 welds required repair last year, which was one of the main reasons for the three-year delay in firing up Medupi. Further delays are anticipated due to a failure to properly test the boilers with sufficient steam pressure.

Next comes nuclear. The cost of $100 billion for 9 600 new MW of power – a guestimate at this stage – does not include ongoing expenses for uranium, transport and permanent safe storage. Illustrating the financial risk, the main French company bidding for SA’s attention is Areva, the world’s largest nuke builder – a company facing potential bankruptcy after its credit rating was cut to junk status in November.

Another huge risk is obvious: corruption. Last Thursday, Zuma proclaimed ‘a fair, transparent, and competitive procurement process to select a strategic partner or partners to undertake the nuclear build programme.’ Hmmmm. Replies Moulana Riaz Simjee of the Southern African Faith Communities’ Environment Institute, ‘This nuclear deal poses an enormous corruption risk. It is happening in secret and will make the arms deal look like a walk in the park.’

With prescient timing, the Mail&Guardian last week exposed a Moscow foreign ministry website which provides details about the extent of the nuclear deal that Zuma had already cut with Vladimir Putin six months ago. The contract indemnifies Russian suppliers from any nuclear accident liabilities and gives ‘special favourable treatment’ for taxes.

A durable concern with nuclear energy is safety because three of the world’s most technically advanced countries – Japan, Russia and the US – conclusively demonstrated its catastrophic danger at Fukushima (2011), Chernobyl (1996) and Three Mile Island (1979).

When SA’s only nuclear power plant, Koeberg, was hurriedly shut down in 2006 due to ‘human instrumentality’, as Minister of Public Enterprises Alec Erwin initially described the ‘sabotage’ (actually, just a loose bolt), he drew attention to the nuclear energy proliferation threat: the damage a dirty bomb can do if waste gets into terrorists’ hands.

Indeed, the real Koeberg sabotage was carried out in 1982 by ANC Umkhonto we Sizwe soldiers under the command of fabled Communist Party leader Joe Slovo. The bombings caused $45 million worth of damage just prior to the plant’s launch, a major blow against apartheid.

But post-apartheid security forces were also humiliated, twenty years later, when Greenpeace activists snuck into Koeberg using dinghies, climbed a seawater pump building and unfurled
banners to illustrate the ease of entry – and resulting danger to Cape Town – were the nuclear plant to again come under attack.

Greenpeace continues vibrant anti-nuke protests, this month bringing the ship Rainbow Warrior to local ports and last week, once again unveiling its opponents’ security lapses by disrupting the opening session of Cape Town’s 2nd Nuclear Industry Congress Africa with a banner hang declaring, ‘Nuclear investments cost the earth.’

Other civil society activists work hard against nuclear: to name a few, the National Union of Mineworkers’ Sibusiso Mimi, Mike Kantey from the Coalition against Nuclear Energy and, in Jeffreys Bay where one of the world’s greatest surf waves is threatened by a proposed power plant, Trudy Malan from the Thyspunt Alliance.

Such citizen advocacy helped halt South Africa’s zany Pebble Bed nuclear experiments, in which a generator was meant to be collapsed on top of pebble storage units after its life span, saving storage costs. But regrettablly $1.5 billion of taxpayer funding was wasted, mostly under Finance Minister Trevor Manuel’s nose (his successor Pravin Gordhan pulled the plug).

In 2005, Earthlife Africa and the Pelindaba Working Group had a duel with former President Thabo Mbeki over the nuclear danger. Mashile Philane and Muna Lakhani were amongst those who discovered high radioactivity near Pelindaba nuclear instrument calibration site a few dozen kilometres west of Pretoria.

According to geologist Stefan Cramer, radiation readings at Pelindaba were 200 times higher than naturally occurs, and moreover, within a few meters of a housing project. Radioactive ores were buried in shallow concrete containers, with an open gate and inadequate warning signs.

This humiliated Mbeki at a bad time, just prior to his receiving the United Nations Champion of the Earth award in New York. He attacked the environmentalists’ ‘reckless statements’ as ‘totally impermissible.’ His energy minister, Phumzile Mlambo-Ngcuka (who is now UN Under-Secretary-General and head of UN Women), threatened Earthlife with legislation against ‘incitement’ and ‘the spreading of panic-causing information.’

Within hours, however, the Nuclear Energy Corporation of South Africa confirmed the problem by constructing a new fence and putting up hazard signs. ‘I admit that the fence around the area is not up to scratch,’ said spokesperson Nomsa Sithole.

Thank goodness for the civil society watchdogs because, likewise, Zuma has a penchant for risky energy. Last Thursday he again endorsed fracking shale gas drilling in the sensitive Karoo region (by Shell, which recently was forced to pay Nigeria $5 billion to clean up oil spills). He also repeated last July’s commitment to the allegedly ‘game-changing’ Operation Phakisa Ocean Economy initiative: proposed oil and gas drills by ExxonMobil and a dodgy Burmese company several kilometers off KwaZulu-Natal’s beautiful coastline, in the dangerous Agulhas current at depths of up to 3.5 km.

Karoo fracking and KZN’s offshore oil drills are opposed by three winners of the Goldman Environmental Prize for activists: Bobby Peek (1998), Jonathan Deal (2013) and Desmond D’Sa (2014). But waning profits from extraction may prove to be the decisive factor: huge drilling costs and potential ecological liabilities, during a period of depressed oil and gas prices.
And the much-vaunted Chinese market for imported coal, which companies used to justify their toxic pockmarking of Limpopo, Mpumalanga and KwaZulu-Natal provinces, collapsed 5% last year, with further decline expected as China’s growth both slows and greens.

We really don’t need this risky behaviour. In three years from 2013-15, at least 2500 MW of renewable energy capacity will have been constructed in South Africa. According to Simjee, ‘Eskom itself has completed the construction of the Sere Wind Farm, which is already delivering 100 megawatts to the grid, well ahead of its intended launch in March this year.’ Sere’s cost is just $2.3 million/MW, far below all competitors, with no operating expenses aside from occasional maintenance.

These are supply-side enhancements, and will take time. For more rapid relief, on the demand side it appears Eskom is overdue in addressing wastage by the minerals and smelting corporations. The Energy Intensive Users Group’s 31 members use 44% of our electricity, and their Resource Curse has diminished the integrity of South African politics, economics, society, public health and environment.

Instead of endorsing nuclear-powered corruption, the moment is surely nearing for the state’s phase-out of subsidised energy to foreign corporations? The capital-intensive, high-energy guzzling firms need to be replaced by civil society’s low-energy, high-employment ‘Million Climate Jobs’ campaign alternatives.

Big cuts are possible: apparently, Eskom CEO Tshediso Matona insisted that the largest firms chop power consumption by 15% on Thursday so as to prevent embarrassing load-shedding during the Zuma speech.

But to get there, between Zuma’s business-as-usual speech and Finance Minister Nhlanhla Nene’s February 25 budget, civil society will have to step up the pressure dramatically.

Practically, that puts greater pressure on the new United Front of metalworkers and their social movement allies who are planning national demonstrations that day. What they demand will hopefully become common cause in the citizenry: ecologically sane, economically affordable and socially just access to clean energy.

This is yet another issue area that needs vital attention, amongst so many others. But for those aiming to breed a herd of nuclear White Elephants in coming years, maybe the opening theatrics before Zuma’s speech can resonate; maybe the EFF’s insistent call to, ‘pay back the money’, will prove a deterrent to those with nuclear fantasies.
South Africa in the dark: Eskom’s muddle through, melt down or miracle?

Counterpunch, 9 February 2015

“The metaphor of a car is very useful,” remarked Eskom’s chief executive Tshediso Matona, whom a reporter described as ‘visibly nervous’ at a press conference on Thursday. Matona bitterly denounced the unroadworthy vehicle he was hired to drive just three months ago, apparently having only learnt then of its terribly inadequate maintenance.

As skorokoro-Eskom careens out of control, the coming fork in the road provides three distinct directions. The poorly-lit one straight ahead suffers irregular potholes that force stop-start-reverse maneuvers, but often too late, resulting in quite extreme vehicular damage. As the political drivers and suffering passengers alike shout insults, Eskom’s maak-’n-plan band-aids offer little relief.

The most scary route away from this fork lacks streetlights and appears to be illuminated only by a brief fiery meltdown – utter grid failure – at the end of the road. Then, no Eskom or municipal electricity supplies will be available for weeks, they say.

In a third direction, looking leftwards, a light flickers at the end of a dangerous tunnel, but to get there safely means slowing the vehicle to a manageable pace and tossing the greediest 1% of passengers out, thus allowing everyone else to at least enjoy basic-needs electricity.

When originally built, this car had the capacity to run quickly – with 43 000 MegaWatts of installed peak power – but for the next months and probably years, only 70% is available for use. As a result, travel on the status quo road will become ever more chaotic as competition rises for declining electricity supplies.

Delays in promised new supplies will continue indefinitely, what with the huge coal-fired plant named Medupi – “rain that soaks parched lands, giving prosperity” (sic) – not properly tested as anticipated last month (uh oh!), and what with the Kusile plant’s debut just set back another full year, to mid-2017. These plants are beginning to look like hideous R250 billion paperweights.

Making excuses for muddling through

We reached this juncture, driver Number One keeps saying, because there are many more passengers (about 50% of all households) aboard than what Eskom’s decades-old apartheid bus originally catered for. In reality, many of the new back-seat riders are so poor and ill-served – many getting just 10 amperes, a supply inadequate for powering more than two main appliances at a time, in contrast to apartheid’s 60-amp household installations – that 11 million black families together consume less than does one Australian-owned aluminium firm.

Just as disturbingly, driver Number Two sees Eskom as a ‘glorious company’ (his eyes probably need checking before he’s allowed behind the wheel). By 2014, Eskom and municipalities were meant to have supplied 97% of households, but the deadline was just extended by a full decade as more than five million South Africans suffer with no connection.

Meanwhile, Eskom’s Matona attributes “the unreliability of our equipment” to his predecessors: “The only problem is that Eskom has not stayed faithful to that maintenance religion.” This, he explained, was caused by populist electioneering by the ruling party and, as well, “the World Cup played a big role.”
It’s an all-too-easy target, because the whole world loves to hate Sepp Blatter. The long World Cup diversion in 2010 and state mandate to keep the lights on at all costs crashed Eskom’s maintenance schedule, says Matona (similarly, millions of Brazilians protested against Blatter’s impact on urban public transport and much else before the 2014 World Cup).

Eskom also sponsors cheesy adverts implicitly blaming middle-class consumers for our hedonistic lifestyles. Sure that’s valid enough, but what a hypocritical, poorly executed PR campaign. Especially when it comes within a week of Eskom canceling its subsidy for the solar geysers which we should all be installing to lessen the load; even in wealthy households, the geysers are responsible for a third of our consumption.

According to Eskom (when it wasn’t in such a penny-pinching mood), passive-solar geysers should comprise 23% of the country’s anticipated 10 000 MW renewable energy contribution. Even more would ideally come from photovoltaic (PV) electricity that can be fed back to the grid. Yet of 12.8 million electrified households today, only 68 000 now get a simple basic Eskom PV system (not strong enough to cook, heat, iron or refrigerate with).

The most common populist targets for blame are households who steal electricity, numbering probably more than a half-million. From 2010, Eskom’s national Operation Khanyisa has aimed to collect payments currently short-circuited by illegal connections. Strenuous credit control led to R243 million in recoveries by early 2014, but R200 million were “from the large power-user sector”, according to Eskom, while 77 000 disconnections yielded just R43 million, with 112 arrests and 60 court cases – after 2.35 million connections were checked. So the problem really isn’t the little guy.

Eskom’s own blame game already reached its depths back in 2006 when after a Koeberg shutdown that blacked out Cape Town and lost the ANC the city and province, the apparently inebriated political driver at the time, Public Enterprises Minister Alec Erwin, cried “sabotage is everywhere,” and then backtracked, claiming he hadn’t specifically referred to the nuclear station’s notorious loose bolt.

Other drivers in the Finance Ministry, cheered on by most of big business, attribute Eskom’s problems to its political overlords’ unwillingness to upgrade the vehicle via either privatisation (at higher costs to consumers) or Independent Power Producer outsourcing of new generating plants.

Within corporate South Africa, the 31-member Energy Intensive Users’ Group (EIUG) comprises most of the mining houses and smelters customers and consumes 44% of the country’s electricity. It’s at the core of what academics term the ‘Minerals Energy Complex’, and its leaders were the main authors of the state energy policy in 2010. Their outlandish power dates to the founding of Eskom 91 years ago so that gold mines could pool electric ity for greater profit than the prior system of self-supply.

Three of Eskom’s most pampered passengers are probably getting motion sickness, because their own deal-making prowess since the early 1990s is a major cause of the vehicle’s unreliability, and they know it. Two are amongst the world’s largest mining houses, BHP Billiton and Anglo American, and by hook or by crook (and there were many crooks indeed), ‘Special Pricing Agreements’ gave them vast amounts of Eskom’s output (at one point BHP Billiton chowed 10% of Eskom’s power at any given moment, to zap imported bauxite in its three big aluminium smelters).
The third nauseous passenger must be the African National Congress fundraising company, Chancellor House. Its officials probably rue the day they bought into Hitachi and then not-so-innocently won a tender – thanks to what the SA Public Protector deemed ‘improper conduct’ by then Eskom chairperson Valli Moosa, also on the ANC Finance Committee – to supply R38.5 billion worth of vital boilers for two coal-fired powerplants, Medupi and Kusile.

The ANC led the fight against apartheid and still wins elections handily, so society should give them due credit. But boiler-making is clearly not an ANC skill, so after hundreds of Hitachi design changes and after 7000 welds were done badly, repairs to Medupi caused two years of delays. And another incompetent Eskom multinational corporate contractor, Paris-based Alstom, provided Medupi and Kusile with faulty software, so the firm was fired and replaced by Siemens. More delays.

Ironically, the most angry passengers in the back include furious trade unionists and township residents who are ANC members but who have been paying extreme price increases annually – more than 150% cumulatively since 2007 – while experiencing degenerating service.

One green passenger, Earthlife’s Dominique Doyle, blamed Eskom for emitting more CO2 than anyone else in Africa and hence contributing to more atmospheric moisture which causes more rain, which in turn made Eskom’s coal dust a useless soup last March, thus causing further emergency load-shedding. It’s a refreshingly valid argument in scientific terms, and unusual, in a society near the bottom of world rankings in climate awareness.

The ‘muddling through’ scenario entails Eskom bumbling along, as it has the past quarter century since major decisions were taken about what was then its overcapacity crisis. Instead of mothballing more of its climate-wrecking coal-fired power plants, Eskom attracted new BHP Billiton and Anglo smelters by offering massive rates discount, which still today mean huge firms get power at 1/8th what ordinary consumers pay.

Sometimes the mines and smelters agree to lower their demand, but the EIUG retains sufficient power that when, for example, on November 2 last year, Eskom’s Majuba coal silo crashed, causing a Stage 1 System Emergency, “National Load Shedding was implemented affecting municipal customers and Eskom residential customers” and not the mega-guzzlers, according to the EIUG. It was only days later that there was “curtailment from Key Industrial Customers on 12 November to assist Eskom in meeting demand requirements over the peak.”

That kind of power of priority should put the rest of society on alert: when electricity is scarce, the state and capital become mean, greedy and irrational. As the former director-general of local government, Chippy Olver, told the Mail&Guardian the first time cutting BHP Billiton’s (‘Alusaf’) ultra-cheap power was proposed, back in 1996, “If we increase the price of electricity to users like Alusaf, their products will become uncompetitive and that will affect our balance of payments.” (The quick rebuttal: then impose exchange controls to solve the latter problem, since in any case so much capital flight illegally evades SA taxes.)

Likewise in February 2008, as an early round of load-shedding crippled the economy, the chair of Standard Bank – Derek Cooper – suggested offhandedly to President Thabo Mbeki at a private crisis meeting that BHP Billiton’s Richard Bay smelter supply be temporarily cut since it provided just 1500 jobs and less than 0.5% of GDP. Cooper was punished (and ridiculed by smelting advocates) when from Melbourne, the arrogantly hapless Billiton CEO Marius Kloppers ordered an end to R2.4 billion in annual business with the bank.
‘Meltdown’ emanating from excessive mining and smelting

As a result of such ingrained EIUG stubbornness, the doomsday scenario is not impossible. Indeed Google provides 158,000 citations if you put the words ‘Eskom’ and ‘meltdown’ together, although most concern its finances, reputation and specific components, including Medupi due to its planners’ and financiers’ incompetent water-coolant projections and excessive hype about ‘supercritical’ dry-cooling.

Even World Bank president Jim Kim – formerly a leftist medic and academic, turned public relations shill – used his 2012 trip to justify a $3.75 billion loan by the Bank (its biggest ever) mainly for Medupi as a ‘clean coal’ project. In reality, a vast amount of water is required to wash dirt from filthy Waterberg range coal, a notorious constraint in such a dry area.

If Medupi crashes yet again before it starts up at least the local ecology will be saved a monster of a neighbour. In any case, the World Bank should be sued for Odious Debt resulting from lender liability on this project, and no further interest payments made.

But the bigger melt is what we all fear most: an out-of-control rolling black-out that prevents Eskom from turning its dozen main powerplants back on without the infamous ‘black start’ routine. Last June, the firm’s spokesperson Andrew Etzinger assured that that scenario would result in only a fortnight-long crisis, but not to worry, a good supply of diesel makes the black-start restart feasible at most power plants.

Providing relief from Etzinger’s persistent unfounded optimism, Eskom sustainability manager Steve Lennon confessed in August, “We would have to rely on our own black-start plant to start the system from scratch. We are not ready for that at all.”

There is a terrifying fictional precedent in which an entire advanced economy and society is hit by an indefinite ‘lights off!’ The US television series ‘Revolution’ is based on the premise that nanotechnology nerds can be influenced by asinine politicians as zany as Eskom management and Erwin. In the series plot, nanobots are let loose on the world, sucking up electricity sufficient to cause a 15-year blackout and social mayhem.

To make this meltdown scenario as realistic as possible, the United Nations collaborated with Revolution playwrights to dramatise properly the conditions faced by 1.3 billion people who still survive without electricity. Needless to say, just as on the Revolution set, a Hobbesian state of nature is the scenario South Africa faces. Our race, class and ethnic divisions will be suddenly amplified; any remaining sentimentality of Ubuntu (‘we are who we are through others’) will be the first victim.

If a full grid collapse occurs, mutual aid systems that have existed in so many migrant-labour export sites – such as stokvel collective savings – will be vital. More likely in less civilised places (such as Joburg’s wealthy suburbs) will be a rush for generators and a new wave of wall-building around those elite establishments which can muster off-grid power, as the mass of society’s food runs out and municipal water pumps are turned off.

A miracle scenario?
If that is too horrible to contemplate, then we must hope that the ‘miracle’ scenario allows elites’ paralysis to be overcome by grassroots consumer and community movements, a revitalised commitment by organised labour to broader public interests, and society’s renewed respect for environmentalists – and that all these fractious civil society forces work together in harmony, and rapidly gather sufficient strength to suppress the EIUG’s arguments and vested power relations.

At surface level, this scenario appears nearly impossible because of divisions within the self-interested section of the working class that appears strongest in 2015, in the wake of huge wage increases won during two massive 2014 strikes. The notoriously divided legions of metalworkers and mineworkers would need sufficient unity and then a vision of how to U-turn their industries. That would require them to democratically decide how to manage sustained electricity cuts over at least a ten-year time-frame, and in doing so, make durable alliances with consumers to spread the burden properly.

Who are these workers? Hundreds of thousands of union members labour every day at Eskom and the EIUG smelters and mines. Tragically, they have periodically attacked each other in sites of contested organising, such as Marikana where the August 2012 violence we know as the Lonmin/police massacre apparently began when NUM guards killed workers marching on their local office. Yet thanks to the Association of Mineworkers and Construction Union (Amcu), which soon won the mineworkers’ loyalty, in 2014 a five-month platinum sector strike resulted in a 22% pay increase.

In another example of violence during the rise of worker power, in KwaZulu-Natal just north of Durban, three leaders of the National Union of Metalworkers of South Africa (Numsa) were assassinated last August a week after their union – Africa’s biggest with 340 000 members – won a 10% pay increase following a four-week strike. In 2015 more friction is expected as Numsa is replaced within the Congress of SA Trade Unions (Cosatu) by a new union founded by former Numsa president Cedric Gina.

On the other hand, there are grounds for unity optimism because Numsa has begun talks with Amcu about forms of cooperation, and through the new ‘United Front’ – a network which will be formally launched in April – there is also increasing Numsa contact with scores of militant community groups. These grassroots activists often conduct service delivery protests and on a day-to-day basis, reconnect power illegally.

For instance, the founder of the Soweto Electricity Crisis Committee (SECC), Trevor Ngwane (who is also a University of Johannesburg PhD student), was fired by the ANC as a Johannesburg city councilor and as the party’s Soweto leader in 1999 and within six months the SECC had emerged as an inspiration for similar power struggles across the world. Ngwane was a central figure at last month’s United Front strategy session.

Other new Numsa allies chosen as interim United Front leaders include progressive social justice advocates like Treatment Action Campaign founders Zackie Achmat and Vuyiseka Dubula, former Abahlali baseMjondolo secretary Bandile Mdlalose, former Intelligence Minister Ronnie Kasrils, and political ecologists such as Brian Ashley of the Alternative Information and Development Centre which sponsors the Million Climate Jobs campaign.

That campaign is illustrative of the light at the end of the tunnel, for it poses creative options that would allow metalworkers to turn their welding skills to making turbines for wind and tidal energy,
auto-makers to produce new forms of public transport, and hole-digging mineworkers to return home to townships with the skills required to create underground biogas digesters for sanitation that also supply cooking methane.

A miracle scenario is actually one that Numsa itself occasionally dreams. Its renewable energy team has made inspiring statements over the past five years, led by the union’s education officer, Dinga Sikwebu, who is now helping to coordinate the United Front.

Illustrating some early connections in a precursor to the Front, Numsa took the lead in building a momentarily successful anti-Eskom alliance once before: over prices. Numsa had demanded that the National Energy Regulator of SA (Nersa) lower Eskom’s tariff hike that year from the firm’s proposed 16%. Although Nersa angrily blamed Numsa for a January 2013 labour-community protest that disrupted its first hearing, in Port Elizabeth, eventually the regulator agreed that Eskom should only get an 8% increase.

The problem, though, was that Nersa – a ‘captive regulator’ whose first leader, Xolani Mkhwanazi went on to become BHP Billiton’s local boss, and who now defends the R11.5 billion Eskom subsidy he had repeatedly approved during the 1990s – did not delve into the rest of the energy crisis. So as Nersa napped, Eskom continued to mostly ignore renewable energy, and Transnet doubled the size of its Durban-Johannesburg oil pipeline without critical scrutiny.

**Menu for a miracle**

As Nersa regulation continues to fail society, ironically, the miracle option begins to look more plausible – even if highly unlikely – once one considers underlying political trends.

One factor is the extent of durable anger against the state over electricity, specifically what is sometimes described as ‘poor and expensive electricity supplies’, signifying problems with both access and costs.

The community protests are ubiquitous, sometimes victorious, but also full of dangers, including a localistic perspective without ideology. That problem dates back more than 15 years, to when waves of post-apartheid unrest swept urban and even small-town South Africa, even when Nelson Mandela ruled.

Over just the past six months, South Africa’s national media covered intense electricity protests in the core site of struggle, Soweto (against pre-payment meters) and in the townships of Thembelihle near Lenasia and Lawley near Ennerdale in southern Johannesburg, Kwanonqaba near Mossel Bay, Grabouw in the Western Cape, Mhlotsheni and Qhanqo villages in the Eastern Cape, Mankweng and Thoka near Pholokwane, and oThongathi north of Durban.

In the latter case, one resident interviewed by the Durban Daily News complained of broken promises since 1994 and finally the last straw: the electrocution of three boys at a substation.

> “These boys would not have died. They were connecting electricity to their homes so they could sleep with a warm meal in their stomachs.”

But a lack of linkages to one another and to similar water, housing, healthcare and education protests reflect how much a common democratic organisational home is desperately needed, just as when civic associations pulled together regional associations and then an SA National Civic
Organisation in 1992, or when anti-apartheid protesters fused within the 1983-91 United Democratic Front.

The fiery community protests have had their dark side: scores of electrocutions when activists reconnect wires without caution, kids not being able to attend school during demonstrations, and periodic outbursts of xenophobia. On the latter front, Sikwebu expressed this goal in a 2012 labour seminar, “A search in our region, the rest of the African continent, the global South and the rest of the world for forms of cooperation and solidarity around energy that will ultimately replace competition and avoid workers of different countries being pitted against each other.”

This search was extended, in 2013, to Numsa hosting a BRICS meeting of labour, social and environmental activists to compare notes on electricity. For a miracle of this sort to be truly durable, the masses of angry demonstrators in other emerging markets, denied electricity, will perhaps begin to compare notes more frequently.

Encouragingly, two of South Africa’s four leading unions no longer act in concert as ‘sweetheart unions’ with government, and indeed have prosecuted intense class struggles against the EIUG: Numsa and Amcu. Sikwebu complains of how the EIUG has “through intense lobbying and provision of technical support to government departments at all levels of the state ensured a policy environment that favours their interests.”

The smallest of the four, white-dominated Solidarity, has members with the most technical skills to guide electricity restructuring, but an old-guard mentality. From a campaigning perspective, the big question is what happens to the third, the National Union of Mineworkers (NUM), once the country’s largest before its 2011-14 crisis.

NUM is still formidable when proposing ‘class snuggle’ strategies, and its former leadership includes three who won new national prominence: former President/Deputy President Kgalema Motlanthe (2008-14), ANC Secretary General Gwede Mantashe (since 2007) and Deputy President Cyril Ramaphosa (since 2014). However, these three men distinguished themselves by backing the muddling-through Eskom scenario, with no prospect they will sign onto a visionary strategy.

Although Numsa is no longer in Cosatu, a federation that now appears to be dominated by NUM, the last time a resolution was taken on energy – at the September 2012 Cosatu Congress – it was extremely ambitious, hinting at the need for the miracle scenario:

- the trade union federation endorses the necessity of moving from a high carbon economy dependent on coal and oil to a low carbon economy powered by renewable energy sources based on solar and wind in order to reduce CO2 emissions to mitigate global warming;
- such transition requires a new economic growth path which must address the mechanisms of a just transition from jobs dependent on coal and related products to alternative jobs in low-carbon industries including renewable energy, agriculture and food production and the production of necessary consumer goods for all;
- we must avoid a situation where workers bear all the costs of the transition;
- that to avoid a “just transition” being another capitalist concept, the path to a low carbon economy must be based in worker-controlled, democratic social ownership of key means of production and means of subsistence, including the energy.
In the same spirit, Numsa’s deputy general secretary Carl Kloete offered one of the most optimistic scenarios of how, in the wake of Eskom’s repeated failures, a different electricity institution might emerge from the mess:

1. When we talk about social ownership of energy systems we are referring to the fact that ownership of energy resources must be taken out of private hands and be put in the hands of the public through a mix of different forms of collective ownership, such as public utilities, cooperatives, municipal-owned entities and other forms of community energy enterprises where full rights for workers are respected and trade union presence is permitted. Energy entities that were privatised must be taken back and put under public ownership and control.

2. When we talk about social ownership of energy systems we are referring to energy being a public or common good that is publicly financed and comprehensively planned. We want to roll back the anarchy of liberalised energy markets.

3. When we talk about social ownership of energy systems we are expressing our determination to resist commodification of electrical power and our desire that energy systems should not be for profit but have as their mandate service provision and meeting of universal needs.

4. When we talk about social ownership of energy systems we are speaking of a system where workers, communities and consumers have control and a real voice in how energy is produced and used. We are calling for constituency-based governing councils *in place* of boards of directors in all energy entities. Existing state or publicly owned energy entities that act as private companies and on the basis of a profit motive need to be “socialised”.

5. When we talk about social ownership of energy systems we are calling for the accrual of a large share of economic benefits of energy production and consumption to producers and owners of the actual means through which energy is generated, transmitted and distributed.

6. When we talk about social ownership of energy systems we are referring to energy systems that respect our environmental rights, our rights for survival and those of future generations. Socially owned energy systems must prioritise renewable energy as part of respecting our environmental rights.

These are all fine values, hitting the proper environmental justice buttons. They should be the basis for a coalition bringing together affordable energy activists in communities (as well as feminists possessing class consciousness), providing that such a transition would allow more Free Basic Electricity (FBE) than at present, cross-subsidised by charging more to wealthier over-consumers.

As University of the Western Cape political science professor Greg Ruiters pointed out in the journal *Africa Development* in 2011, FBE accounts for “a very tiny proportion of the total electricity sold in South Africa” and is “generally inadequate for either meeting basic needs or for meaningful pro-poor development.” Instead, suggests Ferial Adam of 350.org in the Earthlife Africa booklet *Free Basic Electricity: A Better Life for All*, a raise to 200 kWh/household/month is reasonable.

**Conclusion**

We all want miracles to happen. One example is the defeat of apartheid in spite of its decades-long attractiveness to multinational corporations and the West’s ‘democracies’ (recall how Washington officially labeled Nelson Mandela a ‘terrorist’ from 1961-2008!).

Another South African miracle is the turnaround in life expectancy from 65 in 1994 to 52 in 2005 to 61 today, mainly as a result of 2.7 million people getting AntiRetroViral drugs from the public
sector, which happened purely because of treatment activists. Access to medicines cut AIDS deaths from 364,000 in 2005 to 172,000 last year.

As the United Front and other leftists in civil society and the Economic Freedom Fighters party make greater waves in 2015, it will be vital to continue the expansion of labour and social movement connectivities deeper into communities and the broader society.

It is here that the United Front might explicitly claim to have within it all the most vital ingredients to provide the political will that generated those other two miracles, namely: the expertise and militancy of Eskom and Billiton workers, the anger of service delivery protesters, the desire of those poor masses lacking affordable electricity, the critical sensibility of environmentalists – all embracing the bravery and vigour of a young new organisation committed to fighting the state and capital from the left.

The sense South Africans have of paralysis above and movement below leaves these sorts of energy scenario planning exercises – ‘muddle through’, ‘meltdown’ and ‘miracle’ – in a rather fluid state.

But at a time the World Economic Forum’s *Global Competitiveness Report* labels South Africa the world’s most intense class struggle site, the vitality of the coming debate on how Eskom should produce, transmit and distribute its power will surely mean we look hard at the extremes as well as the *status quo*.

If change entails rejecting the capture of South Africa’s electricity by multinational corporations as well as the scamming behind ANC crony capitalism, it also must entail advocacy of an alternative strategy. And that means, as the electricity is cut erratically each week into the foreseeable future, and as more South Africans become ever more *gatvol*, we can hope – and work – for a miracle.
South African oil spill pollutes rich whites’ playground
But suburban Durban’s disaster reveals wider planetary abuse and eco-racism

*The Con*, 19 February 2015

Over the holiday season, the front pages of the newspapers in Durban – South Africa’s third-largest city – screamed out again and again about a diesel spill. In the suburb of Hillcrest on December 23, a Durban-Johannesburg pipeline operated by the giant parastatal firm Transnet gushed 220 000 liters into wealthy white residents’ gardens.

The pipeline, built in 1965 and now at least four years past its official retirement date, annually carries three billion litres of petroleum products for BP, Shell and Malaysian-owned Engen. An anonymous company source confirmed to *The Witness* newspaper, ‘The underground pipe had burst along a weld line which had given way.’ A Transnet spokesperson confessed that the Hillcrest clean-up would take ‘close to a year.’

Look more closely at the damage and how it might have been prevented. Not only should this become a case for rethinking both our addiction to climate-destroying petroleum and the geographically-illogical Johannesburg region’s excessive air pollution – and what narratives activists might deploy against fossil-fuel facilitators like Transnet.

Those were points made back in 2008 by one of the country’s finest civil society groups, the South Durban Community Environmental Alliance (SDCEA), when they predicted this sort of incident based on experiences with multinational corporations at Africa’s largest oil refinery site. In 2001, one pipeline used by Shell and BP spilled of 1.3 million liters of oil in the South Durban Bluff neighbourhood (disclosure: this is where I live).

In addition, the mainly white Hillcrest residents’ ‘Not In My Back Yard!’ (‘NIMBY’) tradition stands exposed, as does Transnet’s solution to the unreliable old pipeline: pump more oil through a brand
new pipeline traversing former KwaZulu bantustan areas and South Durban neighbourhoods inhabited by mainly low-income black people.

That ‘New Multi-Products Pipeline’ (NMPP) – whose piping was completed three years ago but which still awaits two new pump stations to reach full capacity – suffered huge delays and overruns, raising the cost from the initial estimate of $550 million in 2006 to $1.98 billion at last count.

In September 2007, even Transnet’s oft-praised then CEO Maria Ramos had estimated the final cost at just $950 million, less than half of what it would balloon to within a matter of three years after the route change through South Durban. Because different petroleum products (unleaded petrol, diesel and jet fuel) move through it, it was a complex pipe to lay out over 544 kilometers. The NMPP has been called the world’s largest pipeline of its kind.

As for timing, the new pipeline and pumping stations were meant to be completed by 2010 so the line running through Hillcrest should have been decommissioned, but April 2015 is Transnet’s latest target date. One reason for missing deadline after deadline is that dozens of kilometers were added by detouring via black residential areas.
New Transnet pipeline route (green) versus old (dotted line)


The rerouting was done with excessive haste, resulting in an intense critique from SDCEA in 2008. Confirming SDCEA’s predictions, former Minister of Public Enterprises Malusi Gigaba conceded in parliament last April that Transnet’s management of the new pipeline project suffered ‘unsatisfactory safety performance, poor environmental compliance, insufficient quality controls, and inadequate control and supervision.’

Earlier, in December 2012 after an investigation, Gigaba had admitted that ‘Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks. Transnet’s obligations on the project such as securing authorisations – Environmental Impact Assessments (EIAs), land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.’

In 2008 when the new pipeline design was approved, Transnet’s ‘systematic failings’ (in Gigaba’s words) were overseen by Minister of Public Enterprises Alec Erwin, a man who just four years earlier won endorsement from Foreign Affairs journal (the main voice of the US imperial establishment) to become the World Trade Organisation’s director-general, and by Ramos, who a year later was named by Fortune magazine as 9th most powerful woman in the world and who now leads the country’s second largest bank (Barclays’ subsidiary Absa).

In other words, this wasn’t rank incompetence, it was systemic eco-social abuse by some of South Africa’s leading public officials. As far as I can tell, they have faced no accountability for their own systematic failings in what was then Transnet’s largest-ever project. Erwin and Ramos were amongst a single handful of managers of South Africa’s neoliberal macroeconomic transition during the Mandela-Mbeki years (he was trade minister, she was finance director-general), but the damage they did also can be felt in many local contexts, including here in KwaZulu-Natal.
Neither Erwin, Ramos or others overseeing Transnet addressed widespread collusion by construction companies during tendering by one of the main Durban-Johannesburg pipeline beneficiaries, Group Five Civil Engineering. Many Transnet projects suffered unjustifiable 50% mark-ups thanks to the now notorious collusion. Corporate abuse of this sort affects the entire society, even the rich.

Indeed, the scene of the latest crime is Hillcrest’s Greenvale Village gated complex, built after 1965, under which the Transnet pipeline crossed in spite of servitudes dating back years. Greenvale boasts comfortable mansions, and one reason for their desirability is the proximity (within 3 kilometers) of some of Durban’s finest schools. This mink, Merc and manure belt, stretching along two highways from Assagay to Kloof, is truly a site of local ruling-class reproduction, just as much as Umhlanga, Durban North and Glenwood.

It was in places like this, SDCEA uncannily predicted in 2008, that Transnet’s carelessness would become obvious: ‘There is no emergency plan available regarding the existing pipeline so those living along its route have no way of knowing how to respond to an emergency or accident… There may be people living along the path of the existing pipeline who do not know it is there, what it may be doing to their land and water, and what to do if the aging structure bursts.’

In this bastion of smug wealth, the centre-right Democratic Alliance opposition political party is popular. Its eloquent local municipal councilor, Rick Crouch, appears aggressive in defending local interests. As he explained to The Mercury, ‘More than a year ago we addressed the issue with Transnet. They took me on an inspection in loco to show me how safe it was to have a pipeline near residential homes. I still had my doubts.’

**Transnet’s serial carelessness and overcapacity**

As well he should (though Crouch apparently kept them to himself), for Transnet was responsible for related disasters in 1998 and twice in 2013. Ramos’ celebrated endorsement of corporatisation apparently allowed managers to short-change broader social and ecological considerations. As an insider source told The Witness: ‘This is not the first time this has happened. Within close proximity to the previous rupture site, the pipe had burst [in 1998] and they were warned of operating the line at high pressure. History repeats itself.’

In 2013, the same pipeline leaked 300 000 liters on a dairy farm an hour west of Hillcrest. The incident was allegedly covered up by Transnet, but revealed the weakness of piping that was punctured by a farmworker ploughing the land. Remarked Bobby Peek, director of one of the country’s leading environmental NGOs, groundWork, ‘The fact that it took Transnet Pipelines three hours to arrest the flow of fuel from the rupture was an indictment on their ability to safely monitor their systems and act promptly in an emergency.’

In contrast, brags a government website, ‘Transnet Pipelines continually monitors the integrity of its pipeline network. Internal inspection tools, known as Intelligent Pigs, are valuable devices for this work. They make use of the magnetic stray flux principle to determine and record possible areas of metal loss from corrosion or any other cause. The results of the most recent Intelligent Pig survey of the network indicate that the pipelines, which are methodically protected against electrolytic corrosion, are in a generally good condition.’

Right then, blame pipeline rot on what must have been a litter of rather Unintelligent Pigs.
But Transnet was also indirectly responsible for a very different Hillcrest attack in September 2013. Just a dozen kilometres from Greenvale Village along the main road to Durban, a driver named Sanele May lost control of his container truck as he rolled down the very steep Fields Hill on the M13 highway. May then crashed into two kombi taxis and killed 24 working-class black people after his brakes apparently failed.

Six weeks ago, the 23 year old Swazi immigrant pleaded guilty to culpable homicide, entering South Africa illegally, being in possession of fake driver’s licences, operating a vehicle without a valid professional driving permit, and failing to comply with a road traffic sign. But the Taiwanese firm which owns the container – the world’s fourth largest shipping company, Evergreen – and Sagekal Logistics truck company which hired May and encouraged him to avoid a toll station on the N3 (because the truck’s registration was outdated) were not prosecuted, though they are to blame, in a systemic sense.

The structural problems driving the transport chaos remain unresolved, and Field’s Hill remains a site of periodic fatal truck accidents. These reflect the risks involved when, after 1994, the government and Transnet consented to shifting the six-meter long containers from railways to road. Transnet had no sensitivity to the needs of ordinary commuters in Durban, to minimal regulatory safety measures or to climate change.

A year ago, Business Day newspaper put Transnet’s climate denialism on the front page due to the parastatal’s rejected EIA for the first phase of Durban’s port expansion. In June last year, the company’s revised EIA confirmed its lack of concern for sea level rise, as its Cape Town consultants (ZAA Engineering Projects) simply misinterpreted a major United Nations climate study. Once again, SDCEA offered a devastating EIA critique.

The parastatal agency is only in the early stages of moving containers back from the road to its mainly idle rail lines. One result of such procrastination is that in 2011, 7000 truck crashes caused 70 fatalities in the Durban area alone. But since the post-apartheid trucking deregulation began, importers have built so much warehouse space and related logistics infrastructure along Durban’s main highways, that a shift back to rail will be nearly impossible under the logic of capitalist transport.

Moreover, at the South Durban port complex, Transnet’s planned $25 billion expansion of the existing harbour plus a new dig-out port at the site of the city’s old airport will, according to National Development Plan projections, raise Durban’s annual container throughput from 2.5 million in recent years to 20 million by 2040. Regardless of whether that estimate is accurate or yet another thumb-suck fantasy, nearly all the containers will continue to be transported by truck.

In contrast, the main merit of Transnet’s new oil pipeline is that far fewer truckloads of petrol and diesel are now being transported by truck. The new pipeline more than doubles the oil-transit capacity, because it uses 24-inch diameter size piping (double the old pipeline), and has a much stronger pumping system that, with much greater pressure possible, can triple the amount the Johannesburg region – with its 12 million residents – receives per year compared to the line that burst in Hillcrest.
Ironically, though, after a 2012 peak of 6.023 billion litres carried in the combined old and new Durban-Johannesburg pipelines (an increase of 87% from 2010 levels), the amount carried last year was only 5.340 billion litres. The assumption in 2006 was that petrol consumption would follow the ‘Accelerated and Shared Growth Initiative for South Africa’ economic plan, which in 2005 had projected annual GDP growth of 6% for the 2010-14 period. In reality, South Africa managed annual average growth of just 2.5% over the last five years.

As a result of aligning state mega-infrastructure spending to persistently optimistic macro-economic assumptions, South Africa’s overbuilding craze was responsible for not just white elephant soccer stadiums built for the 2010 soccer World Cup (which are now draining most municipal coffers), but also massive overcapacity in new and renovated airports, the $2.3 billion Gautrain Johannesburg-Pretoria fast train (with just half the ridership anticipated), and also that region’s hated e-tolled highway.

**Oil flowing from Durban to Johannesburg, 2008-14**

Source: Transnet 2014 tariff application to the National Energy Regulator of SA

**Moving from trucks to piped petrol, while shifting pipes closer to poor black areas**

As for the extreme overcapacity now evident in the Durban-Johannesburg oil pipeline, the main official in the National Energy Regulator of South Africa (Nersa) responsible, Rod Crompton, also criticised Transnet for not understanding why petrol pipeline volumes soon began to fall: ‘This is a concern in view of the new pipeline capacity that Transnet has brought into operation.’
One reason for the disappointing performance, Crompton argued, was that ‘There still appears to be scope to move more volumes away from road and rail transport to pipeline transport.’ There is enormous scope, to be sure, but no incentive under the prevailing for-profit system.

Matters will probably not improve, because Transnet argues it must now charge customers vast increases to cover the new pipeline costs, and in March 2014 requested a 20% increase in overall revenue for the coming year. Crompton only awarded a 5% rise. This was not unusual, for in 2009, Transnet had requested a 74% pipeline-tariff increase but Nersa instead told it to cut tariffs by 10%.

However, it should be evident that the entire system needs rejigging, for as SDCEA pointed out back in 2008, ‘The cost of petroleum does not truly reflect the environmental costs and the increase in availability of petroleum does not reflect diminishing supplies that can be anticipated over time. As a non-renewable finite resource, petroleum supplies will only decrease and their costs will rise as a larger population struggles to share less and less of it. The availability of petroleum today should reflect its limited life-span as a fuel source.’

Even though oil prices fell 40% in 2014, the application of full-cost accounting to cover climate change and local pollution is long overdue. But this kind of logical response appears far beyond Crompton’s and the South African state’s conceptual capacity.

After the Hillcrest blowout, another critical question concerns the safety of the new pipeline – with its dozens of extra kilometres traversing the southern part of Durban – since so many people live alongside its path. As Peek remarked after the latest spill, ‘Now the residents of South Durban have the new pipeline next to their houses. In Hillcrest, the pipes pass through big gardens and are quite far from the houses, but in Umbumbulu it is literally next to the houses, on people’s doorsteps.’

Back in 1965, when the original Durban-Johannesburg oil pipeline was commissioned, the ‘dirty steel’ used had ‘sulphur inclusions’ and also suffered weld defects including ‘fatigue crack growth and preferential corrosion of seam weld.’ Transnet commissioned an investigation into the pipeline by ‘international experts’ who ‘confirmed the multiple inherent defect phenomena of the pre-1970 pipe used and recommended replacement.’

If so, given the excess capacity in the new pipeline, why was the old pipeline still being used on December 23, as well as back in 2013 at Mooi River? According to government’s 2007 Energy Security Master Plan, ‘When it comes to infrastructure investments in the South African liquid fuels sector, in the next five years, the single most important recommendation is the approval of a new appropriately sized, properly integrated pipeline, which should come on line in the 2nd quarter of 2010 at the latest.’ The first diesel began flowing through the NMPP in January 2012, but failure to build two final pumping stations – in the case of the Durban harbour station, because of tank buckling – kept the pipe’s throughput at just 50% of capacity, requiring ongoing use of the old line.

But Transnet apparently received word from pipeline managers that there was no problem with the existing pipeline. PricewaterhouseCooper infrastructure expert Georg Hofmeyr told the Financial Mail a year ago, in the magazine’s words, that ‘An assessment of the original pipeline revealed that it was in better condition than originally thought, and drag-reducing agents were introduced to increase its capacity.’

In its 2008 EIA filing against the new Transnet pipeline, SDCEA offered several critiques, including a re-routing that is ‘suspiciously reminiscent of the environmental racism we in South Durban have
become familiar with; inadequate public participation; dubious motivations for the pipeline; government’s failure to prevent, detect or manage pipeline leaks; and climate change. According to SDCEA, ‘The pipeline threatens people with potentially severe environmental safety and health problems (well known to refinery victims in South Durban), in a manner that is discriminatory along class and racial lines.’

An oil spill can be devastating to people in the immediate vicinity, D’Sa warned Hillcrest residents: ‘Health studies in 2002 and 2007 found that the emissions from petro-chemical plants put the cancer risk at 500 times the norm (1:100 000) and that 75% of cancers in South Durban are caused by the release of chemicals from the petro-chemical facilities.’

Another threat to health posed by petroleum is its use in automobiles, an especially troubling phenomenon in Johannesburg since so much of the ambient air pollution there can be traced to highways in addition to the black townships whose low-income residents still rely upon dirty energy. As SDCEA argued in 2008, pollution ‘will be exacerbated by the petroleum and other fuels distributed in this area by the Transnet pipeline. Again, Transnet’s projections for fuel demands fail to reflect actual conditions by ignoring external factors such as deplorable air quality.’ In May 2014, the World Health Organisation confirmed these fears, in a report that cited Johannesburg for particulate matters (10 microns) ten times the recommended maximum, putting Johannesburg in the same league as China’s ultra-polluted cities.

More petrol to Joburg requires more refining in South Durban, a site whose local ecology is already toxin-saturated, SDCEA argued: ‘Durban Bay, in which the harbour is situated, is struggling to cope with the pollution loads from harbour and associated activities, contaminated riverine and storm-water inflows. The expansion will require further removal of aspects of the Bay’s ecosystem, which will in turn further reduce the assimilative capacity of this threatened and fragile estuary.’

Global-scale pollution was also noted in SDCEA’s critique in 2008: ‘The rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the [EIA] Draft Scoping Report as a potential legal problem, with no details provided.’ Three years later, at the end of 2011, SDCEA was the main local host for activists during the United Nations climate summit and its leader Desmond D’Sa led the march of 10 000 to protest what was termed the ‘Conference of Polluters.’

**Reducing demand – or increasing supply and redirecting the pipeline**

As SDCEA complained in 2008, ‘We do not believe that Transnet should be rewarded by being allowed to install a new pipeline when they are unable to properly manage their existing one.’ What, then, should have happened in early 2008, as Transnet prepared its final pipeline proposal and as load-shedding first hit South Africa?

A rethink was eminently feasible because in February 2008, a great deal of infrastructure was reaching its full capacity. The chairperson of Standard Bank, Derek Cooper, even advised Mbeki to limit Eskom’s ultra-cheap electricity supply to BHP Billiton. In the words of BHP SA chairperson Vincent Maphai, who was at the same meeting, Cooper believed ‘a quick way to the solution of our...’
power crisis was shutting down Hillside’ smelter in Richards Bay, advice that Maphai hotly disputed, threatening to end the firm’s relations with the bank.

But the logic was inexorable, as Mining writer Michael Coulson affirmed in June 2008: ‘The fact is that aluminium smelters, especially in a country with no supplies of the raw material, bauxite – which is one of the few minerals lacking in our rich resource base – are simply a way of exporting electricity. They don’t create many jobs, and the capital investment per job is enormous. They were a luxury we could afford in the 1980s, but are now expensive white elephants that absorb capital and power that could much more productively employed elsewhere. In terms of power alone, an aluminium smelter consumes as much electricity as a medium-sized town.’

In 2009, in what was an otherwise cautious critique of the call from African National Congress youth to nationalize the mines, SA Communist Party deputy leader (and deputy minister) Jeremy Cronin agreed: ‘An analysis of the systemic realities that are reproducing under-development in our country, must surely lead us to call for greater use of renewable energy sources, for the phasing out of aluminium smelters, and for the re-nationalisation of SASOL.’

In 2012, when margins became dangerously low again, Eskom began paying smelters to shut down, saving 500 megaWatts of power. Just 140 high-consuming companies are responsible for 40% of South Africa’s electricity demand. BHP alone consumes in the 5-10% range of electricity depending upon the aluminium market’s profitability.

Sometimes it takes a crisis to focus thinking and redirect energies. If this degree of radical rethinking of South Africa’s electricity consumption was possible (and is needed again as more load-shedding looms), then why not rethink the shipping of petrol products to Johannesburg?

Indeed in 2005, there was a major petrol shortage in Johannesburg and Cape Town – but as with Eskom and electricity, instead of promoting economic sanity, resource conservation and public transport, the result was greater pressure for supply enhancement, especially a new Durban-Johannesburg oil pipeline.

In early 2008, there were two routes forward:

- first, reconsider the costs of Johannesburg’s status as the most industrialised mega-city in Africa, and therefore decentralise new economic activity so as to better distribute future populations closer to the availability of resources such as water; or
- second, simply continue to promote limitless consumption, suburban sprawl, the Sandton financial district’s growth (as Johannesburg’s economic motor) and other forms of maldevelopment, by ‘supply enhancement.’

That would entail mega-projects to provide Johannesburg consumers with more electricity (from three new coal-fired power plants), water (through new Lesotho dams) and transport (e.g. the OR Tambo Airport refurbishment and Gautrain for wealthy commuters).

Since the second option was chosen, the next question was whether the largest single infrastructure project up to that point, the new Transnet pipeline, should cross the paths of rich white homeowners and farmers, or instead, poor black residents under the thumb of local ethnic rulers and ruling-party politicians.
Out of white sight

The latter route was chosen. One reason is that there were vocal opponents of new digging along (or nearby) the existing pipeline servitude, termed the ‘Northern Corridor’. Near Hillcrest, according to Transnet’s Zitholele consultancy, ‘Assagay landowners expressed grave concerns’ because ‘The likely construction damage and nuisance impact on the Northern Corridor is considered to be severe in the Assagay area as a result of the sensitivity of equestrian businesses to disruption.’ (South Africa’s 1% need their horses for recreation and showing off.)

One of the most effective Hillcrest activists was Lilian Develing, who headed the Combined Ratepayers’ Association in Durban. She was quoted as warning that Transnet’s existing pipeline developed underground leaks: ‘These took some time to discover, causing damage to grazing, and animals had to be moved.’

Other reasons Zitholele gave for routing the pipeline through a Southern Corridor included ecological, agricultural and public open space. Yet just outside Durban, the existing servitude on one long section of the old pipeline – from Merrivale to Cedar’s Post through Umgeni Valley Nature Reserve – is being used for the larger pipe, apparently without any such concerns.

The privileged Hillcrest community’s NIMBY strategy was apparently the key factor. As Peek argued in the wake of the December 2014 spill, ‘Hillcrest residents did not want the new pipeline in their area, so they fought it and Transnet decided to move it.’

Along with Peek, D’Sa was a recipient of the Goldman Environmental Prize for activism (in 1998 and 2014, respectively), and in an interview this week he too was fuming: ‘White monopoly capital had a huge influence in the new pipeline’s placement. Even in South Durban, for the majority of white people living here, the pipeline goes nowhere near their houses.’

But, he added, local collaborators helped Transnet get access to black residential sites: ‘The ANC councillors and chiefs in the areas affected by the new pipeline also sold out. They told everyone it would create jobs there. The councillors blocked us even talking to the people there. They were gatekeepers. They also need to be blamed. And other groups taking money from Transnet should also be held accountable.’

NIMBY – or NOPE?

There was a bit of resistance in South Durban, to be sure. In August 2010, the black residents of Adams Mission resisted Transnet’s 11-page temporary servitude agreement and an ‘angry resident’ complained about the construction: ‘Our houses are beginning to crack because of the constant digging Transnet must take their pipes and find an alternate route far from our homes.’

The NIMBY narrative needs reworking. As Naomi Klein argues about the climate change threat, ‘This changes everything.’ Policy elites and community activists alike should be properly preparing for a post-carbon future. The appropriate narrative is then to question our overconsumption of fossil fuels, especially via an overpriced and dangerous pipeline whose long delay in construction resulted in the use of the existing pipe beyond its lifespan.

What is missing is a set of arguments and pressure strategies aimed not at ‘an alternative route far from our homes’ (of whatever race or class orientation) but instead at a different economic and
transport strategy not so reliant upon fossil fuels, so instead of supply enhancement, demand-side management leads to major conservation gains.

The only way to do this is to realign community politics away from NIMBY and towards eco-socialism, and to insert bodies not just into EIA documents but onto the streets and into the fields to block pipelines like Transnet’s. As Klein puts it in *This Changes Everything*, ‘Blockadia is not a specific location on a map but rather a roving transnational conflict zone that is cropping up with increasing frequency and intensity wherever extractive projects are attempting to dig and drill, whether for open-pit mines, or gas fracking, or tar sands oil pipelines.’

First, if ‘the trusty slur NIMBY has completely lost its bite’ in this climate justice movement, who is staffing Klein’s Blockadia? ‘The people at the forefront – packing local council meetings, marching in capital cities, being hauled off in police vans, even putting their bodies between the earth-movers and earth – do not look much like your typical activist, nor do the people in one Blockadia site resemble those in another. Rather, they each look like the places where they live, and they look like everyone: the local shop owners, the university professors, the high school students, the grandmothers.’

For Klein, it is vital for people to link interests, in the way that has not yet happened between Hillcrest and South Durban: ‘What is clear is that fighting a giant extractive industry on your own can seem impossible, especially in a remote, sparsely populated location. But being part of a continent-wide, even global, movement that has the industry surrounded is a very different story. Blockadia is turning the tables.’

She continues, ‘The fossil fuel companies, in short, are no longer dealing with those Big Green groups that can be silenced with a generous donation or a conscience-clearing carbon offset program. The communities they are facing are, for the most part, not looking to negotiate a better deal – whether in the form of local jobs, higher royalties, or better safety standards. More and more, these communities are simply saying “No.” No to the pipeline.’

Instead of NIMBY, the new call-out is simply ‘NOPE’: Not On Planet Earth.

The NOPE demand was made by SDCEA back in 2008, as it contemplated Transnet’s expenditure of billions on the pipeline, but the organisation also expressed the perceived need for a short-termist NIMBY narrative: ‘Nearly every aspect of this pipeline project is contrary to national and global efforts to achieve environmental sustainability… The money should instead be invested in finding other ways of powering Johannesburg via renewable energy sources, or in the meantime, developing a shorter – and less environmentally racist – route for fuel delivery compared to the southerly route.’

There was more NOPE logic in SDCEA’s submission: ‘Global, climatologic and economic forces are pushing toward a sustainable energy package. It will ultimately cost South Africa more to put off adopting environmentally responsible programs because if we wait decades before working on the Long Term Mitigation Scenario commitments, the changes will not be able to occur gradually.’

Combining NIMBY and NOPE, SDCEA concluded, ‘If the north route is found to be unacceptable then the pipeline idea needs to be abandoned in full. The billions of rand that it will cost to build the pipeline should be spent on renewable energy and other more sustainable means. This would be the preferred option in SDCEA’s view because we feel that the presence of the pipeline will have
adverse effects not only on the people of south Durban, but on the whole of South Africa, as it represents a major investment in an unsustainable energy program.’

Specifically, SDCEA suggested: ‘Refurbishing the existing pipeline in an incremental manner (instead of doubling capacity), as maintenance is required, replacing the sections with a larger pipeline, using the existing route and servitudes, and installing additional pump stations, as and when required. Accelerating the upgrade of railways and public transport in Johannesburg, so as to get more people and product off the roads to minimise transport-related congestion, fuel burning, emissions and associated health effects, by establishing urban transport networks to enable safe and affordable rail transport, linked to park and ride centres with connections to bus and taxi routes.’

What tools are available? Klein endorses fossil fuel corporate divestment, and this tool is one that, as in its use against Transnet by anti-apartheid activists during the 1980s, can be very powerful.

After all, Transnet is not financially healthy. Although its March 2014 annual report showed profits of $440 million on revenues of $4.8 billion, the Sunday Times offered a corrective: ‘The bottom line is flattered to some extent by technicalities such as a sharp drop in the revaluation of assets, a drop which helped the 12.3% increase in earnings before interest, tax and depreciation to translate into a 25% increase in bottom-line profit.’

In June 2014, Transnet’s credit rating was cut to BBB-, just one level above junk status. There were further financial ‘problems in the pipeline for Transnet,’ Business Day reported, as a result of declining confidence in the parastatal’s ability to deliver. In mid-2013, for example, when Transnet offered a $64 million security to overseas investors, only $10.3 million was bid for, leading to the bond’s abandonment.

SDCEA has threatened Transnet with a financial sanctions campaign before, due to the $25 billion port-petrochemical expansion in South Durban. The last such campaign it initiated, in early 2010, created a near-crisis for Eskom because once campaigning began, major World Bank shareholders ranging from Norway to the United States refused to support the Bank’s largest-ever loan: $3.75 billion for the Medupi coal-fired powerplant, even after a high-profile appeal from then finance minister Pravin Gordhan.

Infrastructure of this sort, wrote University of Manchester geographers Erik Swyngedouw and Maria Kaika in a pathbreaking article in the International Journal of Urban and Regional Research fifteen years ago, needs special attention. Projects like the Durban-Johannesburg pipelines are ‘largely hidden, opaque, invisible, disappearing underground, locked into pipes, cables, conduits, tubes, passages and electronic waves. It is exactly this hidden form that renders the tense relationship between nature and the city blurred, that contributes to severing the process of social transformation of nature from the process of urbanization. Perhaps more importantly, the hidden flows and their technological framing render occult the social relations and power mechanisms that are scripted in and enacted through these flows.’

It is our work in society, regardless of whether we live in South Durban, Hillcrest, Johannesburg, inbetween or far beyond, to unveil these power relations and wreck them, hopefully faster than Transnet’s pipelines – old and new – continue to wreck and be wrecked.
Climate’s value, prices and crises: Geopolitical limits to financialization’s ecological fix

Abstract

The recent rounds of world climate negotiations reveal severe flaws in the character of global capitalism, the role of the state in its transformation and state-capitalist relations. The hope for the planet’s survival has been vested in a combination of multilateral emissions rearrangements and national regulation, which since 1997 have hinged on the premise that market-centric strategies such as emissions trading schemes and offsets can allocate costs and benefits appropriately. In constructing market arrangements and, later, an accompanying Green Climate Fund to support emissions mitigation and climate change adaptation, there has necessarily arisen a high degree of uneven geographical development. The sources and impacts of greenhouse gas emissions are diverse, with ‘common but differentiated responsibilities’ acknowledged since 2002, and compensation for ‘loss and damage’ recognized as a vital component since 2012. But these global strategies are unfolding not within the parameters of state control of market dynamics. Instead, they remain subordinated to the ongoing neoliberal accumulation strategy of financialization. This process is fraught with contradictions, resulting in amplified crises, and increasing resort to both temporal and spatial fixes, as well as accumulation by dispossession – the three modes of crisis displacement (not resolution) identified by David Harvey (1982, 2003). In this context, recent United Nations Framework Convention on Climate Change summits since Durban in 2011 confirm that with the demise of the Kyoto Protocol’s binding commitments on the wealthy countries to making emissions cuts, a renewed effort is underway to promote market-incentivized reductions. In spite of widely-acknowledged emissions market failure, especially in Europe, several ‘emerging markets’ – including within the Brazil, Russia, India, China, South Africa network – have begun the process of setting up markets or expanding their offset strategies now that, after 2012, they no longer qualify for Clean Development Mechanism credits. The social, geopolitical and ecological implications are sobering, especially for a Climate Justice movement that seeks to radically reduce GreenHouse Gas emissions in a way that permits Southern industrialization, to decommission carbon markets and to enforce payment of the North’s ‘climate debt.’ Aligned against that agenda, re-articulated state-capitalist relations are both formidable with respect to crisis-management, and futile on their own terms given the contradictions implicit within spatial and ecological fixes to climate-crisis capitalism.

Key words
Spatial fix
Ecological fix
Climate
Capitalist crisis
Introduction

What might be termed climate-crisis capitalism is the global environmental managerial elites’ strategy of turning a medium/long-term humanity-threatening prospect – already responsible for extreme, immediate damage to infrastructure and agriculture – into a short-term source of speculative profit. The deals done to resurrect market strategies include commodification of nearly everything that can be seen as a carbon sink, especially forests but also agricultural land and even the ocean’s capacity to sequester carbon dioxide (CO₂) for photosynthesis via algae. The financialization of nature is proceeding rapidly, bringing with it all manner of contradictions. The visionary idea behind the European Union Emissions Trading Scheme, the Kyoto Protocol’s Clean Development Mechanism, offsets and other for-profit climate financing programs, is to harness and direct liquid financial capital towards lower-emissions productive investments, public transport, renewable energy and various kinds of sinks. However, all the evidence suggests that the worst-ever case of market failure, as Nicolas Stern (2007) described GreenHouse Gas (GHG) emissions causing climate change, cannot be solved by recourse to even more chaotic, crisis-ridden financial markets (Lohmann 2006, 2012). Moreover, due to internecine competition between blocs influenced by national fossil fuel industries, the COPs appear unable to either cap or regulate GHG pollution at its source, or jump-start the emissions trade in which so much hope is placed (European and United Nations turnover plummeted from a peak of $140 billion in 2008 to $130 billion in 2011, $84 billion in 2012, and $53 billion in 2013), even as new carbon markets began popping up (Reuters 2014).

This is all proceeding at a time the world economy continues to suffer overaccumulation crisis tendencies, with poor prospects for strengthening the international financial architecture, aside from slap-dash repairs (Bond, 2009, 2014). These crisis tendencies are rarely resolved to the extent that they were in the 1930s-40s, i.e. with a sufficiently far-reaching devalorization of capital that sets the stage for a new round of capital accumulation and restructured class, social and state relations. Instead, today’s crises that are manifest in financial markets tend to be displaced by bailouts, as identified by David Harvey using at least three distinct crisis-management techniques corresponding to space, time and economic power: the ‘spatial fix’, the ‘temporal fix’ and ‘accumulation by dispossession’. For our purposes of exploring how the fixes affect society-nature relations, these concepts refer in the pages below, respectively, to: globalization’s ability to shift problems around spatially, without actually solving them; financialization’s capacity to stall problems temporally, by generating credit-based techniques – including securitization of toxic loans and commodified nature – that permit the purchase of products today at the expense of future arrears and defaults when the upside-down pyramid topples; and imperialism’s compulsion to steal from weaker territories via extra-economic extractive systems, variously termed ‘articulations of modes of production’, ‘primitive accumulation’, ‘uneven and combined development’, the ‘shock doctrine’, and accumulation by dispossession. The shifting, stalling, stealing strategy is at the heart of the management and mismanagement of capitalist crises, most spectacularly in 2008 – 9, when vast taxpayer bank bailouts were required as financial bubbles burst, followed by three bouts of ‘Quantitative Easing’ by the US Federal Reserve, to push dollars into the economy as an artificial stimulant. These techniques, in turn, set the stage for another coming round of subprime disasters, including further bubbles bursting, more sovereign debt defaults, inflation and devaluation of the dollar – as well as a faster push by capital into nature under the auspices of the ‘Green Economy’. That push is explored in Harvey’s (2014, page 167) Seventeen Contradictions of Capitalism:
It may be perfectly possible for capital to continue to circulate and accumulate in the midst of environmental catastrophes. Environmental disasters create abundant opportunities for a ‘disaster capitalism’ to profit handsomely. Deaths from starvation of exposed and vulnerable populations and massive habitat destruction will not necessarily trouble capital (unless it provokes rebellion and revolution) precisely because much of the world’s population has become redundant and disposable anyway. And capital has never shrunk from destroying people in pursuit of profit. Private property entails enclosure of nature’s commons. While some aspects of nature are hard to enclose (such as the air we breathe and the oceans we fish in), a variety of surrogate ways can be devised (usually with the help of the state) to monetize and make tradable all aspects of the commons of the natural world. State interventions are also often developed to correct for market failures.

It is these sets of state facilitations into financialized nature that we explore in this article. As Harvey (2014, pages 167-168) continues,

their effect is to further promote the penetration of market processes and market valuations into all aspects of our life-world. This is the case with carbon trading and the growing market in pollution rights and ecological offsets. When the natural commons are privatized, then all things, objects and processes therein are assigned a value (sometimes arbitrarily by bureaucratic fiat) no matter whether any social labour has been expended on them or not. This is how capital creates its own distinctive ecosystem. Private individuals are then free to extract social wealth from their ownership of a commodified nature. They can even capitalize it as monetary wealth. This creates a basis for the formation of a potentially powerful rentier (including landowning) class, which regulates access to the store of use values by virtue of its class monopoly power and the rents it extracts from the land. This class ‘owns’ the nature we need in order to live and it can threaten the perpetuation of capital by monopolizing all wealth for itself. Capital’s ecosystem is riddled with inequalities and uneven geographical developments precisely because of the uneven pattern of these transfers. Benefits pile up in one part of the world at the expense of another. Transfers of ecological benefits from one part of the world to another underpin geopolitical tensions.

What we must take into consideration, however, is that there are distinct limits to crisis displacement using spatial and ecological fixes such as Harvey identifies. It is now well known that the first major round of carbon trading, centered in the European Union but with a few outlying North American regional markets, hit a ceiling at around $150 billion per annum, and that a new set of emissions trading schemes are popping up in emerging markets. Harvey’s earlier work on *The New Imperialism* already identified how emerging markets would fit into the world system:

The opening up of global markets in both commodities and capital created openings for other states to insert themselves into the global economy, first as absorbers but then as producers of surplus capitals. They then became competitors on the world stage. What might be called ‘subimperialisms’ arose... Each developing center of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence.

But most importantly, for the sake of tracking how spatial and temporal fixes find their way into nature, recall how far the international financial system has overextended itself, perhaps most spectacularly with derivatives and other speculative instruments. The rise of non-bank lenders doing ‘shadow banking,’ for example, was by 2013 estimated to account for a quarter of assets in
the world financial system, $71 trillion, a rise of three times from a decade earlier, with China’s shadow assets increasing by 42 percent in 2012 alone. The Economist (2014) acknowledged that ‘potentially explosive’ emerging-market shadow banking ‘certainly has the credentials to be a global bogeyman. It is huge, fast-growing in certain forms and little understood.’ In this milieu, the United Nations Department of Social and Economic Affairs (2013, page 32) reported, world economic managers have faced – and failed to conquer – a profound challenge:

- To accelerate regulatory reforms of the financial sector. This will be essential in order to avoid the systemic risks and excessive risk-taking that have led to the low-growth trap and financial fragility in developed countries and high capital flow volatility for developing countries. Steps have been proposed in some national jurisdictions, but implementation is lagging behind. Moreover, insufficient coordination between national bodies appears to result in a regulatory patchwork. Global financial stability is unlikely to be achieved in the absence of a comprehensive, binding and internationally coordinated framework. This is needed to limit regulatory arbitrage, which includes shifting high-risk activities from more to less strictly regulated environments.

Financialization failures cause an uneven retreat of globalization

The world’s largest investment banks and commercial banks have become ‘too big to fail’ on account of the inability of regulators to properly manage the temporal and spatial fixes in the form of expansion into distant territories. These are often offshore financial centers where regulation is non-existent. The lack of global oversight capacity is illustrated by how few of the derivatives in world financial markets are regulated or even understood: only $650 trillion or so, which is probably only a third of the outstanding obligations. Multilateral institutions appear impotent to halt contagion, even with the International Monetary Fund’s $750 billion Special Drawing Rights issuance in 2009 which played a mildly stimulatory role, or the US budget stimulation of roughly the same amount. In contrast, the more successful Quantitative Easing strategy kept funds pumping into the world economy in 2009-13, but at the same time degraded the US dollar and British pound. Extremely low real interest rates — often in negative territory and in Japan’s case, lasting nearly a quarter century — did not re-establish the conditions for renewed fixed investment. There were simply too many financial and monetary fixes in the form of bandaids, at the same time global uneven development pushed value creation towards the South and East. Yet the rules of the global financial game were so skewed to the North that when the crisis hit hardest in late 2008, emanating from US real estate markets and bankrupted US financial institutions, ironically the safe haven for nervous investors across the world was the dollar. That compelled dramatic rises in the interest rates that smaller countries had to pay so as to retain fast-flowing financial capital within their own markets.

As a result, one hope expressed by many global-scale reformers is that ‘rising powers’ from ‘emerging markets’ — especially the Brazil-Russia-India-China-South Africa (BRICS) network — will enhance democratic instincts in multilateral institutions or offer their own distinct alternative to rebalance global power relations (e.g. Desai 2013, Ford 2013, Martin 2013, Pesek 2013, Shubin 2013, Third World Network 2013). For example, South African finance minister Pravin Gordhan publicly complained of his G20 peers’ ‘inability to find coherent and cohesive responses across the globe to ensure that we reduce the volatility in currencies in particular, but also in sentiment’ (England and Harding 2013). To reduce volatility, China’s financing of Washington’s massive trade deficit continued, as Beijing held more than $1.3 trillion of US Treasury Bills and only very slowly began diversifying currency holdings and yuan-based trading relationships. Although in mid-2013
the Chinese sold around $40 billion net of T-Bills, this would not genuinely weaken Washington’s power, much less serve to catalyze a new currency that the world could more democratically manage, instead of the Fed with its bias to the interests of the world’s largest banks. Indeed at this very time, the Fed’s monetary policy signaling was helping to tear apart the BRICS. Notwithstanding rhetoric about increasing use of BRICS currencies or barter trade, not much more is being done to end the destructive system in which the US dollar has world ‘seignorage’: i.e., it is the world’s reserve currency, no matter how badly Washington officials abuse that power. If China really wants the renmimbi to one day take its place, the pace at which this is happening is agonizingly slow. In the meantime, as mid-2013 financial chaos showed, the other BRICS paid the price.

And in another reflection of dysfunctional global governance, in order to assist in the elusive search for global regulatory coherence, the BRICS’ 2012 contribution of $75 billion to the IMF’s recapitalization should have at least permitted voting power adjustments and additional seats on the board, regardless of whether or not the BRICS leaders might generate any meaningful change in IMF ideology and practice (before turning over his Treasury’s scarce funds, Gordhan publicly called for the IMF to become more ‘nasty’ to Europe, for example) (Moneyweb 2011). But in January 2014, a refusal to reform IMF governance was announced by the Republican Party controlling the US House of Representatives, confirming dismal prospects for reducing US voting influence or – given Republican paranoia – increasing China’s. Beijing’s vast IMF capital contributions – and a GDP amended for Purchasing Power Parity that made China the world’s largest economy in 2014 – meant its voting power did rise a small amount (in turn leaving Africa’s to decrease). But when a new managing director was chosen in 2011, it was a European, Christine LaGarde. As for the World Bank, in a fit of arrogance, its presidency was grabbed by Barack Obama for his nominee Jim Yong Kim in 2012, without a united response from the BRICS or even a chance for a public debate and questioning of Kim (Fry 2012). The Brazilians nominated a progressive economist, Jose Antonio Campo; the South Africans nominated neoliberal Nigerian finance minister Ngozi Okonjo-Iweala; and the Russians supported Kim. As for China, the reward for not putting up a fight was getting leadership of the Bank’s International Finance Corporation for Jin-Yong Cai. An Indian, Kaushik Basu, was made World Bank chief economist.

The intra-elite rivalry for the commanding heights of the Bretton Woods Institutions meant, however, that new multilateral financial institutions began to emerge. Notably, the BRICS declined to support the main alternative multilateral institution already in place: the Bank of the South. Founded by the late Venezuelan president Hugo Chavez in 2007 and supported by Argentina, Bolivia, Ecuador, Paraguay and Uruguay, Banco del Sur already had $7 billion in capital by 2013. It offered a more profound development finance challenge to the Washington Consensus, especially after Ecuadoran radical economists led by Pedro Paez improved the design, in spite of Brazilian officials’ attempt to sabotage the institution’s more transformative options. In contrast, new BRICS-supported institutions appear to favor stabilization of the world financial status quo, rather than radically changing the most unfair and intrinsically destabilizing components. For example, the Chiang Mai Initiative Multilateralization was established after the 1998 East Asian financial crises as a project directly linked to the application of IMF conditionalities, and by 2014 had reached $240 billion in size. Then in 2012-13 there were BRICS announcements of a future $50 billion New Development Bank and $100 billion Contingent Reserve Arrangement, one of whose objectives, according to South African officials, is to ‘complement existing international arrangements’ (Republic of South Africa Department of National Treasury 2012). These appeared likely to reach fruition at the 2014 Fortaleza heads-of-state summit, at a time Russia was being excluded from the G8 and potentially G20 on grounds of its role in Ukraine. In early 2014, sanctions against Russia
crashed its currency and stock market, a fate witnessed in the prior year’s financial turmoil by Brazil, India and South Africa, along with Turkey and Indonesia.

These latter were soon nicknamed the ‘fragile five’, and to make matters more complicated, in November 2013 the Goldman Sachs investment guru, Jim O’Neill, expressed interest in a new group, ‘MINT’, comprising Mexico, Indonesia, Nigeria and Turkey. Whether or not this was just another Goldman-style financial ‘flipping’ strategy aiming to churn investments in emerging markets, it showed how frivolous the world investment scene had become by late 2013. Many concluded that, as The Economist (2013a) put it, ‘booming emerging economies will no longer make up for weakness in rich countries.’ Influential Swedish economist Anders Aslund (2013) of the Peterson Institute for International Economics was scathing in a Financial Times article: ‘The BRICS party is over. Their ability to get going again rests on their ability to carry through reforms in grim times for which they lacked the courage in a boom.’ Added former South African opposition party leader Tony Leon (2013), ‘The investor community’s love affair with developing-market economies has soured. The romance has been replaced by recrimination.’ O’Neill considered the acronym he created a dozen years earlier: ‘If I were to change it, I would just leave the “C”‘ (Magalhaes 2013).

Tempting as it is to write off the more schadenfreud-suffused and neoliberal of BRICS-pessimist commentators, their confidence grows from several countries’ deep-seated problems, not just momentary financial fluctuations. As Tsinghua University economist Li Dokui argued in September 2013, the inevitable winding down of the US Fed’s Quantitative Easing printing press is ‘good news for the renminbi’ which need no longer rise in value (Tian 2013). But in the process, he went on, ‘the concept of the BRICS may vanish, leaving just China versus other emerging economies.’ According to Merrill Lynch economist Lu Ting, ‘China will be largely immune to the impact due to its sustained current-account surplus, low foreign debt, huge exchange reserves, high savings and capital controls’ (Tian 2013). Offering official multilateral acknowledgment of severe danger, deputy IMF managing director Zhu Min warned that if China opens its capital account by liberalizing the currency, it would ‘exacerbate’ the global crisis – which is typically an observation an IMF man would repress (Tian 2013). At that stage, The Economist (2013b, pages 1-2) seemed to sense limits to financial and geographically-diverse investment ‘fixes’, with a cover story entitled ‘The Gated Globe’ frankly acknowledging that

Globalization has clearly paused. A simple measure of trade intensity, world exports as a share of world GDP, rose steadily from 1986 to 2008 but has been flat since. Global capital flows, which in 2007 topped $11 trillion, amounted to barely a third of that figure last year. Cross-border direct investment is also well down on its 2007 peak... hidden protectionism is flourishing, often under the guise of export promotion or industrial policy... Capital controls, which were long viewed as a relic of a more regulated era, have regained respectability as a tool for stemming unwelcome inflows and outflows of hot money... the UN Commission for Trade and Development shows that restrictions [on foreign direct investment] are increasing.
**Fig 1: Indicators of ‘The Gated Globe’**

Source: *The Economist* (2013)

**Fig 2: Flows of goods, services and finance: absolute $ (trillion) and share of GDP, 1980-2012**

The pause button will no doubt be lifted. Yet in what was otherwise a celebration of global flows, the consulting firm McKinsey Global Institute (2014, page 5) also acknowledged that a peak had been reached in 2007 with $29.3 trillion worth of flows – 52 percent of world GDP – which then sunk substantially in relative terms over the subsequent five years, to just 36 percent:

Financial flows remain almost 70 percent below their pre-crisis level, falling from 21 percent of global GDP to only 5 percent in 2012. This reflects the correction from the global credit bubble and deleveraging of the financial system. Financial flows have changed direction, too, with outflows from emerging markets rising from 7 percent of the global total in 1990 to 38 percent in 2012. The share of financial flows among developed regions fell from 89 percent in 2002 to 57 percent in 2012.

Two leading corporate advisors, Pankaj Ghemawat and Steven Altman (2013, pages 12-15), identify the 21st century’s main economic story as the ‘big shift’: which emerging markets will grow 5.2 percent annually from 2012-18 (leaving them with 54 percent of world GDP), while wealthy countries will grow just 2.2 percent. This means that ‘while the big shift has continued and even surged since the crisis began, some kinds of globalization have gone into reverse... Emerging markets have seemingly gone from hot to not overnight. Financial markets swing violently from “risk-on” to “risk off” and back again.’ In addition to deleveraging – in Marxist terms, the devalorization of overaccumulated fictitious capital – the basis for the most recent episode of financial deglobalization was a shift in Washington’s monetary policy fix to the crisis.

Beginning in May 2013, investors roiled at least five major emerging markets when the US Federal Reserve’s Quantitative Easing began to be phased out (‘tapered’). With US interest rates slightly higher, outflows hit the fragile five. Even China’s fabled property boom appeared ready to burst, as the China Real Estate Index System reported sales by volume in the country’s 44 largest cities down 19 percent in the year between April 2013 and 2014 (Wall Street Journal, 2014). Because of the turmoil in BRICS, Indonesia, Turkey and similar sites, it is wise to recall the United Nations (2013, page 32) warning, that the world’s financial markets welcome opportunities for ‘shifting high-risk activities from more to less strictly regulated environments,’ especially sites where massive state-subsidized and guaranteed infrastructure projects are envisaged. In these sites, including the BRICS, both borrower and lender are facing intense levels of desperation: to sink excess funds into new mega-projects on behalf of multinational capital. That process will in turn require more attention to the prospects for the BRICS New Development Bank and other public financing systems that aim to leverage other forms of capital, directed to risky investments.

**High-risk activities in unregulated markets**

Former World Bank chief economist Stern (2013) bragged to a conference (that he must have presumed was not video-recorded) about being co-instigator of the very idea of a BRICS Bank, but in telling the story to his peers in a jovial way, he emphasized the merits of a bank facilitating deals between states and multinational corporations:

If you have a development bank that is part of a [major business] deal then it makes it more difficult for governments to be unreliable... What you had was the presence of the European Bank for Reconstruction and Development (EBRD) reducing the potential for government-induced policy risk, and the presence of the EBRD in the deal making the government of the host country more confident about accepting that investment. And that is why Meles Zenawi, Joe Stiglitz and myself, nearly three years ago now, started the idea – and are there
any press here, by the way? Ok, so this bit’s off the record. We started to move the idea of a BRICS-led development bank for those two reasons. Coupled with the idea that the rich countries would not let the balance sheets of the World Bank and some of the regional development banks expand very much, and they would not allow their share in those banks to be diluted. So essentially by refusing to come up with more money and by refusing to let other people come up with more money by not allowing those shares to be diluted, you’re essentially limiting what the existing World Bank and existing regional development banks can do. (emphasis added)

Two years earlier, Stern and Joe Stiglitz (2011, page 1) had written an idealistic memo to the BRICS leaders:

A new institution is required to ensure a better allocation of hard-earned savings of developing and emerging economies away from risky portfolios, much of which is in rich countries, and onto sound investments in the developing and emerging world. Low-carbon infrastructure and technologies, in particular, are crucial to lay different and more resilient foundations for growth in the next decades. Investments are urgently required to both mitigate the risks and adapt to climate change, generate economic growth, reduce poverty and promote stability and security. These are the great challenges of the 21st century. Failure on one is likely to imply failure on the others.

Will this vision of infrastructure for genuine sustainable development – with climate consciousness – be realized, or instead, will a more frenzied strategy of high-carbon mega-projects result? At the same time the BRICS Bank was being worked out, the Chinese government also capitalized a new $50 billion Asian Infrastructure Bank which, according to chief economist at the Agricultural Bank of China Xiang Songzuo, ‘would replace some of the functions of the Asian Development Bank. The aim is partly to undermine an institution that is dominated by Japan and the United States’ (Wilson, Rowley and Gilmore 2014). Simultaneously, the ‘Program for Infrastructure Development in Africa’ was developed for continental mega-projects by the African Union Commission, the African Development Bank (which suffers from undue US influence given its share-ownership-centred governance structure) and the New Partnership for Africa’s Development (a long-dormant suffering project of South Africa, once described by the US State Department as ‘philosophically spot-on’) (Bond, 2005). The Program strategy includes $47 billion in short-term mega-hydro and related energy projects across Africa, for which financing is desperately needed by impoverished African states. The biggest long-term project is on the Congo River: the $100 billion Inga Hydropower Project, which will have the capacity to export to markets as far north as Italy and as far south as Cape Town, and which with 42,000 megaWatts of power, will be three times larger than China’s Three Gorges. Another that is likely to receive funding is South Durban’s $25 billion expansion of Africa’s largest port and petrochemical-refinery complex, whose driver – the South African parastatal Transnet – received a $5 billion loan from China at the 2013 BRICS Summit in Durban. That loan is also funding a major increase in coal export capacity – rail lines, locomotives and port upgrading at the world’s largest coal-export site, Richards Bay harbour – with the output mainly destined for China and India.

The merits of such mega-projects are dubious, because they invariably come in far above initial costs, they do enormous ecological damage (including climate change and facilitation of extraction on disadvantageous terms), and their end-user prices are typically beyond the affordability levels of the ordinary low-income Third World consumer, especially for electricity, irrigation water and transport (e.g. tolled roads). Typically, it is mines and plantations that get access to the main
infrastructure benefits, and in Africa, this has resulted in profit rates for multinational corporations far above the global average, simultaneous with a durable lack of access to services for the majority of Africans. It is revealing to consider the ‘non-renewable resource depletion’ associated with minerals extraction facilitated by such infrastructure. If deducted from standard GDP measurements (along with three other minor corrections), the increase in extractive activity in Africa leads not only to the rhetorical ‘Africa Rising’ GDP increase, but more importantly, to a rapid decline in the continent’s net wealth. Very little beneficiation of minerals occurs in Africa, and the Western and BRICS multinational corporations have no problem in expatriating not only minerals but also profits – often through transfer pricing and other illicit means – to their overseas headquarters. Even the World Bank’s latest Changing Wealth of Nations calculations (conservatively) estimate the resulting decline in wealth (‘adjusted net savings’ in Bank-speak) at more than 6 percent per annum by 2008 when commodity prices had an initial peak, and most regained their price levels after the crash that year.

**Fig 3: Decline of Africa’s wealth (‘adjusted net savings’) once GDP corrections are made**

![Graph showing decline of Africa's wealth](source: World Bank (2011))

**Financializing the climate**

As difficult as matters are for poor people in poor countries under these conditions of both ‘globalization’ and the ‘big shift’, the next stage of the environmental commodification and the ‘financialization of nature’ represents an even more acute threat. Land grabs across Africa are a major problem, with BRICS countries India, South Africa and China leading the acquisition process in search of mineral and agricultural takings (Ferrando 2013). Climate change is illustrative because in Africa it will mainly affect the most vulnerable people in the poorest countries, who are already subject to extreme stress as a result of war-torn socio-economic fabrics in west Africa, the Great Lakes and the Horn of Africa (University of Texas 2013). What appears important to the Pentagon-funded University of Texas’s Strauss Center is the extent to which social unrest will emerge as a result. The growing role of the US military’s Africa Command in dozens of African countries bears testimony to the overlapping needs for maintaining control amidst rising Islamic fundamentalism in countries from the Sahel to Kenya, which are also in the vicinity of large petroleum reserves (Turse 2013, 2014).
Fig 4: Areas of Africa most vulnerable to climate change

Source: University of Texas (2013)

Fig 5: The old and new carbon markets
Moreover, notwithstanding multiple failures to date, the primary strategy for addressing this most systemic of risks is what can be termed ‘privatization of the air’: carbon markets and offsets. These have had a flawed record in delivering resources to ordinary people, especially in Africa (Bond et al 2012). Moreover, there is often severe damage done by emissions markets or voluntary offset systems to the climate itself, in the way that an indulgence system in the Catholic Church legitimated bad behavior by offering a mere confessional. This is important, because not only did the EU and North American regional carbon trading schemes perform far below expectations during the first period of operations. Revealing the geographical diffusion of financialized nature, those BRICS countries whose elites might have done more to leapfrog carbon-intensive accumulation strategies (or at least not repeat the most ecologically disastrous strategies of western industrialization) witnessed backsliding: e.g., along with Japan, Australia and Canada, Russia dropped out of the Kyoto Protocol and, along with South Africa remained in the top-ten per capita GHG emitters. South Africa celebrated its award of hosting the Durban COP17 climate summit in 2011 by committing to build three new coal-fired powerplants, including one – Medupi – that received the World Bank’s largest-ever project loan in 2010. Meanwhile, China became the world’s leading GHG emitter in absolute terms. To address the prolific emissions, in the last few years, three BRICS established or announced future promotion of carbon markets and offsets as strategies to deal with their prolific emissions: China started a set of urban carbon markets, and South Africa and Brazil committed to doing so, after the three economies enjoyed – along with India – disproportionate access to the Clean Development Mechanism (CDM) until the rules changed in 2012 (CDM Pipeline 2013), and by then the price of CDM credits had sunk so low there was little point in any case.

As Steffen Böhm, Maria Ceci Misoczky and Sandra Moog (2012 , page 1629) argue, the BRICS move to carbon markets has a consistent logic:
The subimperialist drive has remained the same: while domestic capital continues to invest heavily in extractive and monocultural industries at home, it is increasingly searching for investment opportunities in other peripheral markets as well, precipitating processes of accumulation by dispossession within their broader spheres of influence. This mode of development can be observed in many semi-peripheral nations, particularly in the BRICS... China’s extensive investment in African arable land and extractive industries in recent years has been well documented. What is perhaps less well recognized in the development literature, however, is the extent to which financing from carbon markets like the CDM is now being leveraged by elites from these BRICS countries, to help underwrite these forms of subimperialist expansion.

Confirming the climate-crisis capitalism strategy, South Africa’s official 2004 National Climate Change Response Strategy had endorsed carbon trading, declaring ‘up-front that the CDM primarily presents a range of commercial opportunities, both big and small’ (Republic of South Africa, 2004). There was intense contestation of this stance, especially given the multiple failures and fraud, not to mention environmental racism, associated with the main pilot project in Durban, a $15 million CDM aimed at converting landfill methane to electricity (Bond 2012). However, as the emissions markets collapsed after 2008, ultimately losing as much as 90 percent of their price at the trough, Pretoria backed away. Neither the 2010 National Climate Change Response Green Paper nor 2011 White Paper nor a 2013 Treasury carbon tax proposal endorsed carbon trading, in part because of the monopsony anticipated given there are two vast emitters, the state electricity company Eskom and the former parastatal Sasol which squeezes coal and natural gas to make liquid petroleum at the world’s single largest emissions point source, near Johannesburg. But by April 2014 carbon trading was back on the official policy agenda (Republic of South Africa, 2014). And the 2013 carbon tax proposal was next to worthless in any case, because even though a year earlier, Treasury (2012) officials anticipated that ‘a tax of $7/t CO2e, increasing to around $18/t CO2e would be both feasible and appropriate to achieve the desired behavioural changes and emissions reduction targets,’ the final plan scaled back the tax dramatically: ‘When the tax-free threshold and additional relief are taken into account, the effective tax rate will range between $1 and $4.50 per ton of CO2e (and zero for Agriculture and Waste).’ Even more beneficial to corporations, ‘one of the ways to recycle the expected carbon tax revenue is by reducing other taxes. One such tax that could be reduced is the existing electricity levy on electricity produced from non-renewable sources (e.g. coal) and nuclear energy.’ Meanwhile, with all the carbon-intensive infrastructure under construction, the official Copenhagen voluntary promise made by Zuma – cutting GHG emissions to a ‘trajectory that peaks at 34 percent below a Business as Usual trajectory in 2020’ – appeared to be impossible to uphold, just four years after it was made.

Pretoria’s largest single infrastructure project was expanding the world’s largest coal terminal at Richard’s Bay to benefit a projected 40 new coal mines, in spite of the extreme eco-health dangers these pose to local communities and nature. The second biggest project – with a full price tag of an estimated $25 billion – was the South Durban port and petrochemical expansion, including a $2 billion doubling of the oil pipeline from Durban to Johannesburg, redirected from white upper class areas through low-income black areas. Other major state infrastructure investments included a new stable of airplanes for the national carrier (which regularly loses $500 million per annum), and ten new or refurbished Fifa World Cup 2010 sports stadia (nearly all achieving ‘white elephant’ loss-making status immediately after the soccer ended). Aside from very slow implementation of renewable energy, Pretoria’s allocation for public transit investment was overwhelmingly geared to elite customers, in a fast subway to select Johannesburg and Pretoria locations, starting at the
expensively-refurbished international airport. Another approach to climate is a Carbon Capture and Storage strategy costing around $80 million, aiming to compress carbon dioxide from the petrochemical and energy complex into potentially unstable underground storage sites. The state and the country’s two biggest polluters – Eskom and Sasol – are gambling on the technique even though its boosters are in rapid retreat from Norway to the US (Physorg, 2013). Critics have successfully argued that it violates the Precautionary Principle, imposes excessive costs, increases energy to produce power by 25 percent, is an unproven technology, is at least a decade away from implementation, and prolongs the extraction of coal.

The dubious climate projects promoted by the BRICS, including carbon markets, meant that these important economies were locked into the systems of global environmental governance, which in reality translated into geopolitical competition in emissions laxity. Other BRICS countries have similar power configurations, and in Russia’s case it led to a formal withdrawal from the Kyoto Protocol’s second commitment period (2012-2020) in spite of huge ‘hot air’ benefits the country would have earned in carbon markets as a result of the industrial economy’s disastrous exposure to world capitalism during the early 1990s. That economic crash cut Russian emissions far below 1990 Soviet Union levels during the first (2005-2012) commitment period. But given the 2008-13 crash of carbon markets – where the hot air benefits would have earlier been realised as €33/tonne benefits but by early 2013 fell to below €3/tonne – Moscow’s calculation was to promote its own oil and gas industries helter-skelter, and hence binding emissions cuts were not in Russia’s interests, no matter that 2010-11 climate-related droughts and wildfires raised the price of wheat to extreme levels and did tens of billions of dollars of damage.

The same pro-corporate calculations are being made in the other BRICS, although their leaders occasionally postured about the need for larger northern industrial country emissions cuts. However, the crucial processes in which UN climate regulatory language was hammered out climaxed at the COP17 in Durban in December 2011 in a revealing manner. ‘The Durban Platform was promising because of what it did not say,’ bragged US State Department adviser Trevor Houser to the New York Times. ‘There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action’ (Broder 2012).

**Conclusion: Climate-crisis capitalism displacement strategies – and their limits**

The attraction of carbon trading in the new markets, no matter its failure in the old, is logical seen within context: a longer-term capitalist crisis which has raised financial sector power within an ever-more frenetic and geographically ambitious system; the financial markets’ sophistication in establishing new routes for capital across space, through time, and into non-market spheres; and the mainstream ideological orientation to solving every market-related problem with a market solution, which even advocates of a Post-Washington Consensus and Keynesian economic policies share; Stiglitz and Paul Krugman (2009) are just the most famous. Interestingly, even Krugman (2013) had second thoughts, for after reading formerly pro-trading environmental economist William Nordhaus’ (2013) *Climate Casino*, he remarked, ‘the message I took from this book was that direct action to regulate emissions from electricity generation would be a surprisingly good substitute for carbon pricing.’ Krugman observed that Environmental Protection Agency regulation ‘will probably prevent the construction of any new coal-fired plants.’

While not yet eco-socialism, Krugman’s U-turn is the sort of hard-nosed realism that will be needed to disprove Naomi Klein’s (2014) thesis that capitalist crisis and climate crisis are conjoined. Instead,
however, climate-crisis capitalism has so distorted the playing field, that the ‘Green Economy’ and similar ecological-modernization narratives are bound to continue generating new, futile attempts at an ecological fix. ‘The current financial and climate crises are consciousness-raising opportunities all round, but green new deals designed to revive the faltering international system will delay fundamental change,’ according to Ariel Salleh (2010, page 215). In the same spirit, Samir Amin (2010), Africa’s leading political economist, offers this argument about economic theory applied to ecology:

Capture of ecology by vulgar ideology operates on two levels: on the one hand by reducing measurement of use value to an ‘improved’ measurement of exchange value, and on the other by integrating the ecological challenge with the ideology of ‘consensus.’ Both these manoeuvres undermine the clear realization that ecology and capitalism are, by their nature, in opposition.

This capture of ecological measurement by vulgar economics is making huge strides. Thousands of young researchers, in the United States, and, imitating them, in Europe, have been mobilized in this cause. The ‘ecological costs’ are, in this way of thinking, assimilated to external economies. The vulgar method of measuring cost/benefit in terms of exchange value (itself conflated with market price) is then used to define a ‘fair price’ integrating external economies and diseconomies. For Amin, there are obvious limitations to these sorts of reforms based on actually existing power relations within capitalism:

It goes without saying that the work – reduced to mathematical formulas – done in this traditional area of vulgar economics does not say how the ‘fair price’ calculated could become that of the actual current market. It is presumed therefore that fiscal and other ‘incentives’ could be sufficiently effective to bring about this convergence. Any proof that this could really be the case is entirely absent. In fact, as can already be seen, oligopolies have seized hold of ecology to justify the opening up of new fields to their destructive expansion. Francois Houtart provides a conclusive illustration of this in his work on biofuels. Since then, ‘green capitalism’ has been part of the obligatory discourse of men/women in positions of power, on both the Right and the Left, in the Triad (of Europe, North America and Japan), and of the executives of oligopolies.

Amin faults Stiglitz for having ‘openly embraced this position’, proposing ‘an auction of the world’s resources (fishing rights, licences to pollute, etc.). A proposal which quite simply comes down to sustaining the oligopolies in their ambition to mortgage further the future of the people of the South.’ This is the core idea that has come to be known as ‘ecological modernization’. If we set aside for the moment the moral challenges Amin raises about the maintanance of unfair North-South power relations, another part of the problem is that the market does not readily map on to natural phenomena that are only now being understood by the world’s leading climate scientists, such as the sequestration of carbon in forests, oceans and grasslands. As Harvey (2006, page 96) warns:

[T]he spatio-temporality required to represent energy flows through ecological systems accurately, for example, may not be compatible with that of financial flows through global markets. Understanding the spatio-temporal rhythms of capital accumulation requires a quite different framework to that required to understand global climate change.

The increased commodification of nature runs under such constraints of uncertainty into various limits, Harvey (2010) is quick to point out, in part because spatio-temporal rhythms of crazed
financial markets now drive global-scale public policy, even when it comes to addressing the crucial problem of global climate change. Hence there arose the notion in vulgar economic ideology that financial solutions really do exist for the purpose of mitigating greenhouse gas pollution. Exemplifying vulgarity in the expression of financial market power, there is no one better than Larry Summers, who as a leading US Treasury Department official arranged Wall Street bailouts in 1995 (Mexico), 1997 – 8 (East Asia) and 2009 – 10 (across the world but mainly helping Wall Street and the City of London) through extreme devaluations visited upon vulnerable countries and people. This tendency to devalue other people’s wealth and lives harks back to December 1991 when, as World Bank chief economist, Summers (1991) wrote (or at least signed a memo written by Lant Pritchett) that ‘the economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that . . . African countries are vastly underpolluted’.

The implications of Summers’ analysis and strategy – which extreme as these words sound, in modified form still represent the ecological modernization philosophy to which the World Bank and its allies adhere – are that the US and other Northern polluters should: first, shift problems associated with environmental market externalities to the South; second, stall a genuine solution to the problems by instead opening up the field of pollution-trading for a future market solution, using financialization techniques, derivatives and imaginary ‘offsets’ ostensibly aimed at building tomorrow’s sinks so as to mop up today’s dangerous forms of Northern pollution; and third, steal more of the world’s environmental carrying capacity – especially for greenhouse gas emissions – and perhaps pay a bit back through commodification of the air (resorting to mythical carbon markets and offsets) while denying climate debt responsibilities. Yet while emissions markets as tools for management of economic and ecological crises are attractive (to capital) in principle, they appear impossible to implement in practice, largely because of ongoing disputes about how the deeper capitalist crisis is displaced. Capitalist ‘crisis’ is, Harvey (2010, page 45) tells us in The Enigma of Capital, drawing on Marx’s Kapital:

a condition in which surplus production and reinvestment are blocked. Growth then stops and there appears to be an excess overaccumulation of capital relative to the opportunities to use capital profitably. If growth does not resume, then the overaccumulated capital is devalued or destroyed. The historical geography of capitalism is littered with examples of such overaccumulation crises.

How does the capitalist system ultimately address this underlying tendency to over-accumulate? ‘In a general crisis, a lot of capital gets devalued,’ Harvey (2010, page 46) argues. ‘Devalued capital can exist in many forms: deserted and abandoned factories; empty office and retail spaces; surplus commodities that cannot be sold; money that sits idle earning no rate of return; declining asset values in stocks and shares, land, properties, art objects, etc.’ (Climate change may well visit such destruction on vulnerable sites; after all, Hurricane Sandy did $60 billion worth of devalorization in a few hours in October 2012, requiring New York mayor Michael Bloomberg to develop a $20 billion climate proofing strategy for the city.) But in lieu of sufficient devaluation of over-accumulated capital, those responsible for crisis management attempt various other crisis displacement tactics. One of these, the rise of carbon trading, can be compellingly understood using a theory of capitalist crisis developed in the tradition of Marxian political economy. Here, accumulation by dispossession allows capital to interact with society and nature on non-capitalist terrain, in search of scarce profits, in the way Rosa Luxemburg (1968) argued was central to capitalist crisis management a century ago. Across the world there are a great many examples that Harvey (2003, page 145) traced back to Marx’s idea of primitive accumulation, including ‘conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights; suppression of rights
to the commons; ... colonial, neocolonial and imperial processes of appropriation of assets (including natural resources)... and ultimately the credit system as radical means of primitive accumulation.’ From such origins of understanding capitalist/non-capitalist power relations, a theory of imperialism emerged based on accumulation by dispossession, perhaps best articulated by Luxemburg (1968, page 347) in 1913:

Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market. Capital cannot accumulate without the aid of non-capitalist organizations, nor . . . can it tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist organizations makes accumulation of capital possible.

These concepts help us to better locate the carbon markets and other emissions trading and offset strategies as vehicles for displacing over-accumulated capital, during a period of extended crisis. The Kyoto Protocol’s opportunities for profit from the trade in rights to engage in environmental degradation are considered in The Ecological Rift, by John Bellamy Foster, Brett Clark and Richard York (2010, pages 70-71):

By the perverse logic of the system, whole new industries and markets aimed at profiting on planetary destruction, such as the waste management industry and carbon trading, are being opened up. These new markets are justified as offering partial, ad hoc ‘solutions’ to the problems generated non-stop by capital’s laws of motion . . . Such schemes continue to be advanced despite the fact that experiments in this respect have thus far failed to reduce emissions. Here, the expansion of capital trumps actual public interest in protecting the vital conditions of life. At all times, ruling-class circles actively work to prevent radical structural change in this as in other areas, since any substantial transformation in social-environmental relations would mean challenging the treadmill of production, and launching an ecological-cultural revolution. Indeed, from the standpoint of capital accumulation, global warming and desertification are blessings in disguise, increasing the prospects of expanding private riches.

It is through the lens of capitalist crisis and, consequently, the more desperate search for profit that we can substantially understand how over-accumulated capital found spatial, temporal and imperialist routes to flow through, over the past three decades, eventually landing in the emissions markets over the last decade. Financial markets are central to the story, for they exploded in size and reach once the temporal fix began in earnest with liberalization and a shift to a higher-interest rate regime in the late 1970s. As productive sector profit rates in the North declined and financial returns boomed, financial expansion into various exotic derivative investments permitted virtually any notional value to be marketed as a credit for packaging and onward sale, including emissions of SO₂ in the US in the early 1990s, carbon in Europe by the late 1990s and a new round of sales of nature and its derivatives within both the North and the emerging markets in the coming decade. With this sort of lubrication, the commodification of the environmental commons proceeded apace, with water privatization, biopiracy, genetic modification and other processes controlled by multinational corporations generating expectations for what became the world’s largest artificial market, i.e., carbon emissions. The contradictions are extreme: estimates of a $3 trillion carbon market by 2020 were overblown (the peak year was probably 2008 at $140 billion, though with China’s seven pilot projects launched in 2014 ostensibly covering 700 million tons of CO₂ emissions, renewed estimates are being made of a $3.5 trillion market there alone by 2020) (Responding to Climate Change 2013). The financial markets over-extended geographically during the 1990s – 2000s as investment portfolios diversified into distant, risky areas and sectors. Global and national
financial governance proved inadequate, leading to bloated and then busted asset values ranging from subprime housing mortgages to illegitimate emissions credits.

Likewise, geopolitical tensions emerged over which sites would be most vulnerable to suffer devalorization of over-accumulated capital after 2008, i.e., which regions or countries would bear the brunt of the deep financial sector and real economic downturns. The geopolitical context during the 2000s featured a sole military superpower oriented to neoconservative imperialism (especially in relation to US energy needs and hence in-built climate-change denialism), but mitigated somewhat by a global class politics of neoliberalism. This arrangement evolved somewhat since 2010, what with BRICS becoming the most coherent emerging-market network. But as BASIC countries’ (Brazil, South Africa, India and China) leaders Lula da Silva, Jacob Zuma, Manohhan Singh and Wen Jiabao showed in 2009, they were perfectly willing to agree to a Copenhagen Accord that served Northern – and elite Southern – interests of GHG emissions without constraint. That deal’s non-binding, voluntary approach would raise world temperatures by 4 degrees C by 2100, even conservative scientists conceded (Bond 2012). Competition in emissions laxity is the only way to describe the COPs under present circumstances, in which delegates appear to come to summits in carbon-intensive countries – Mexico in 2010, South Africa in 2011, Qatar in 2012 and Poland in 2013 – where the UN Framework Convention on Climate Change secretariat is led by a carbon trader (Christiana Figueras) and each of the summit presidencies bore the market of local fossil industry power.

At the Rio+20 counter-summit, Joan Martinez-Alier and Joachim Spangenberg (2012) attempted to reverse the dominant market logic: ‘Unsustainable development is not a market failure to be fixed but a market system failure: expecting results from the market that it cannot deliver, like long-term thinking, environmental consciousness and social responsibility.’ No better examples can be found of the the irrationality of capitalism’s spatio-temporal-ecological fix to climate crisis – and the limits of shifting-stalling-stealing strategies – than two remarks from London. First, in 2010, said Tory climate minister Greg Barker: ‘We want the City of London, with its unique expertise in innovative financial products, to lead the world and become the global hub for green growth finance. We need to put the sub-prime disaster behind us.’ Second, in that spirit, World Finance magazine’s ‘Western European Commodities Broker of the Year’ award in March 2012 went to Simon Greenspan, who bragged of his City of London firm, ‘At Tullett Brown we’ve only ever invested in areas of the market that have truly stood the test of time, such as gold and silver and property. When our analysts were looking for the next great area of growth it was fairly obvious to them. It was the planet, it was the environment’ (The Insolvency Service, 2012). Just days later, British financial authorities forced Tullett Brown into provisional liquidation, and at the executives’ fraud trial a few months later, the suspects in this financial-ecological crime could not even afford a lawyer (Penman, 2012).

References


Aslund A, 2013, “Now the Brics party is over, they must wind down the state’s role,’ Financial Times, 22 August. Available at http://www.ft.com/intl/cms/s/0/0147b43c-040b-11e3-8aab-00144feab7de.html#axzz2keJpWM2W


Harvey, D, 2010, Spaces of global capitalism (Routledge, New York).

Klein, N, 2014, This changes everything (Simon & Schuster, New York).
Lohmann, L, 2006 Carbon trading: a critical conversation on climate change, privatization and power (Dag Hammarskjöld Foundation, Sweden).


University of Texas, 2013, “Climate change and African political stability,” Austin, Strauss Center, https://strausscenter.org/ccaps/


Global pessimism and local optimism: that’s how to quickly explain Climate Justice (CJ) ‘scale politics.’ Or, better: *paralysis above, movement below.*

The combination is on display again this week, in Lima, Peru, at the twentieth annual United Nations Framework Convention on Climate Change ‘Conference of the Parties’, the ‘COP20’ (actually, ‘Conference of the Polluters’ is more accurate). So it is opportune to re-assess global environmental governance as a site of struggle, one that has proven so frustrating over the past two decades.

It is time again to ask, specifically, can hundreds of successful episodes in which communities and workers resist local greenhouse-gas generation (‘Blockadia’ is Naomi Klein’s term for the newly liberated spaces) or seed local post-carbon alternatives, now *accumulate into a power sufficient to shape climate negotiations*?

My answer is, unfortunately, *not yet.* We need to become much stronger and more coherent in rebuilding the CJ movement, once so full of hope, from 2007-09, but since then in the doldrums – even though individual, mostly disconnected activist initiatives have deserved enormous admiration, no more so than in the Americas.

Lima comes on the heels of two world attention-grabbing policy events: a United Nations special summit in September just after a 400 000-strong Manhattan people’s march and Wall Street blockade, and the Washington-Beijing deal on a new emissions-reduction timetable.

**The Andean opening**

The COP20 offers a chance to gauge the resulting balance of forces, especially in the critical Andean countries where melting mountain glaciers and shrinking Amazonian jungles meet. Here, combinations of the world’s most radical conceptions of nature’s integrity (‘Rights of Mother Earth’, *sumak kawsay* and *buen vivir*) combine with concrete struggles to transcend the destruction of nature or its commodification.

In my experience, the world’s most visionary CJ, post-capitalist politics are fused when Ecuador’s *Accion Ecologica* eco-feminists find indigenous movement allies and solidarity activists across the world. The Quito NGO had long argued the case for collecting the Global North’s ‘ecological debt’ to the South and to the planet. But it was only when oil drilling was proposed in the Yasuni National Park – on the Peru border, deep in the Amazon – that the stakes were raised for both Action Ecologica and the Confederation of Indigenous Nationalities.

They lost the first rounds of the battle: first, shaming Germany and Norway into making payments to leave the oil in the soil (an initial $3.5 billion was demanded, as a downpayment on the North’s climate debt), and second, once the money was deemed insufficient, a national referendum to protect Yasuni (regardless of payments) was not treated fairly by Ecuador’s extractivist ruling class.

But international outreach continues. As Ivonne Yanez of Accion Ecologica explains, ‘Now we are trying to join with the movements to reclaim the commons, in an effort to start a dialogue with...”
people across the world. We want to see anti-capitalist movements fighting together in a new internationalism, beyond the solidarity with affected peoples in the way it is traditionally understood.’

**Pink plus green, or just fossil-soiled?**

The Yasuni struggle and others like it – e.g. Bolivia’s notorious proposed forest highway, TIPNIS – force onto the progressive agenda this uncomfortable dilemma: are the ‘pink’ governments of Rafael Correa in Ecuador, Evo Morales in Bolivia and Nicolas Maduro in nearby Venezuela capable of generating serious eco-socialist policies consistent with their leaders’ rhetoric? Or instead, are the new elites irretrievably petro-Keynesian, petro-Indigenous and petro-Socialist, respectively, with radical climate politics foiled by their economies’ carbon rentiers?

In more conservative Peru, the current regime of Ollanta Humala swept into power in 2011 on a pinkish electoral platform. Yet the mining sector has since boomed, with disastrous impacts in the highlands and Amazon alike.

Recall that in 2009, the Awajun and Wampis Peoples and the Interethnic Association for Development of the Peruvian Jungle (Aidesep) blockaded roads in Bagua, leading to a confrontation with the military that left 38 dead and 200 wounded. As Aidesep’s leader Alberto Pizango put it, ‘Thanks to the Amazonian mobilizations I can say that today the indigenous agenda is not only inserted in the national level and within the State, but on the international level.’

Yet Pizango and 52 others are in the midst of being prosecuted for that protest. And profiteers continue to apply pressure. To his credit, Peruvian Environment Minister Manuel Pulgar-Vidal admits that thanks to the threat of the ‘forestry market of carbon, people are losing trust and confidence around that mechanism. People are thinking that it can create conditions to lose their land.’

Still, Pulgar-Vidal believes safeguards will be sufficient. At an Indonesian forest debate in May, he asked, ‘What kind of incentives can we create to bring the business sectors to the forest?’ He praised Unilever as ‘a good example of how a private sector [firm] can play a more active role regarding the forest.’

Expressing faith in the ‘green economy’, Pulgar-Vidal continued, ‘What we need to do is to address the problem of the value of the carbon bond around the forest. The current prices are creating a lack of interest... disincentives to have the business sector and the investor more close to the forestry sector.’

**The persistence of COP-hosting polluters and COP saboteurs**

This sort of vulgar-capitalist COP hosting is not a coincidence. The four preceding COPs, in Poland, Qatar, South Africa and Mexico, witnessed dominant local state actors co-presiding alongside UN Framework Convention on Climate Change (UNFCCC) secretary Christiana Figueres. Following the power logic within their national power blocs, they remained universally addicted to hydro-carbon exploitation, with one common, logical COP result: total failure to move world capitalism away from the cliff-edge.
Likewise, the UNFCCC appears addicted to market mechanisms as alleged solutions to climate chaos, even after the breakdown of the two main carbon trading schemes: in the European Union, which has suffered an 80 percent price crash since 2008, and the US where the Chicago Climate Exchange (self-interestedly promoted by Al Gore) suffered a fatal heart attack in 2011. Nevertheless, the UNFCCC and World Bank express high hopes for a new generation of carbon trading and offsets in California, a few major Chinese cities and a layer of middle-sized economies including South Korea, Brazil and South Africa.

In other words, ruling-class personalities still shape global climate politics far more than CJ activists, as witnessed in the futility with which the latter have attempted to influence the UN’s Green Climate Fund. Between the coal, oil and mining barons who rule over recent COP hosts on the one hand, and a former carbon trader (Figuera) who rules the UNFCCC on the other, there has never been any possibility for getting the CJ perspective a seat at the global table.

The structural problem is simple: each national delegation comes to each COP with the agenda of maximizing the interests of its own corporations, which tend to prominently include those with industrial or fossil fuel assets. Hence their need to emit more and more gases, and prevent a CO₂ ceiling from being imposed. A Conference of Polluters it will remain until that flaw is solved, or until the world elects governments possessing even minimal awareness of the climate threat and the political will to address it (the way they did in 1987 when the ozone hole’s expansion was halted by the UN Montreal Protocol that banned CFCs).

The COPs are also stymied because the US State Department’s main negotiator, Todd Stern, looms over the proceedings like a smug vulture during a deadly drought. Thanks to Edward Snowden’s revelations about Washington’s surveillance capacity, we recently learned how Stern and US President Barack Obama cheated their way through the ‘Hopenhagen’ climate summit in 2009 by listening in on the competition’s cellphones, rendering hopeless a genuine deal that would enforce emission cuts.

And thanks also to Chelsea Manning and WikiLeaks providing us those 250 000 confidential State Department cables, we know that the weeks after the Copenhagen fiasco were spent by Stern and his colleagues cajoling, bullying and bribing. They did so with such gusto that they even purchased (for a lousy $50 million in aid) the tough-sounding Maldives Island leadership whose famous scuba-gear-adorned underwater cabinet meeting stunt in late 2009 dramatised that sinking feeling.

As a result of our awareness about Washington’s COP corruption, might the growing US climate activist community become sufficiently brave as to test their budding civil disobedience muscles neck-locking Stern and John Kerry? Could they, for example, prevent the US delegates from departing Washington for Lima? (Comrades, a timely blockade of the I-66 highway and Dulles Airport Access Road in early December would do the trick.) And please add to that ‘no pasa’ list the COPs’ saboteurs from Ottawa, Canberra and Tokyo, too.

Still, such leaders and delegations are rarely much more than the personification of the class power wielded by leading fractions of capital over labour. It is in a structural critique of capitalist, patriarchal, racist-colonialist and anti-ecological systems that we annually find the COP elites sorely wanting.

The merits of CJers harassing COPsters
Even if we can conclude ahead of time that the COP20 will break the ‘Climate Action Network’ (CAN) NGO reformers’ hearts, as have all others since Kyoto in 1997, this event is important. It serves CJ activists as a platform for highlighting Latin American struggles. It will also nurture the flowering activists who attended the CJ-oriented pre-COP prep-coms in Venezuela twice this year.

And it offers a warm-up protest – more fearsome to COP elites than tame Warsaw’s or Durban’s, we might safely predict – for the ‘big one’ in Paris: the COP21. In August this year, French activists’ prep meeting generated visions of shutting down Paris, and identifying a date in early December 2015 for a global mass protest and closure of educational institutions as the youth find their voices.

One reason CJ activists must continue investing the bulk of their political energies ‘below’, locally, and condemning the elites above – i.e., not getting lulled into global COP-reformism – is because more people are asking the question posed after Copenhagen in relation to the UNFCCC (as we did at Seattle in relation to the WTO in 1999): ‘fix it or nix it’?

After all, the World Bank and IMF are now regularly considered last-century institutions given their incapacies, and the US dollar is apparently being terminally weakened by the Federal Reserve’s printing-press dilution and by the coming liberalised yuan trade. Isn’t the UN also destined, as Tariq Ali put it after the US-UK 2003 Iraq invasion was endorsed in the UN General Assembly, ‘to go the way of the League of Nations’?

The UNFCCC’s irrelevance at the time of its greatest need and responsibility will be one of our descendants’ most confounding puzzles. After Copenhagen, illusions promoted by stodgy Climate Action Network member groups under the slogan ‘Seal the Deal!’ were dashed. As 350.org’s Bill McKibbon put it, the presidents of the US, Brazil, China, South Africa and India (the latter four termed BASIC) ‘wrecked the UN’ by meeting separately and agreeing to eventually make merely voluntary commitments. Now add (Kyoto-reneging) Russia to the BASICs and, as the BRICS, the economic agenda signaled at their Fortaleza, Brazil summit in July this year boils down to financing infrastructure to ensure more rapid extraction, climate be damned.

Still, the insolence of the Obama Administration outshines the BRICS, when cutting another exclusive side deal so soon before Lima and Paris. The November 12 climate pact with China clarified to CJers how much more pressure is needed from below if we are to maintain warming below the 2 degrees danger threshold (not the 3+ degrees that Barack Obama and Xi Jinping settled on). Yet the bilateral deal actually reduces pressure to hammer out a genuinely binding global agreement with sharp punishments for emissions violations, plus the needed annual climate debt payments of several hundred billion dollars from polluters to climate victims.

As a result, rising activist militancy is ever more vital, as the window for making the North’s (and BRICS’) needed emissions cuts begins to close tight. I’ve been most surprised by the militancy emanating from what is probably the most difficult place to organise on climate outside China, the US. There, the Climate Justice Alliance, Global Climate Convergence and System Change Not Climate Change networks did an impressive job radicalizing the previously bland (Avaaz) discourses just before the People’s Climate March in New York.

As miserable as the balance of forces appears in Lima, nevertheless the CJ community is regularly reinvigorated when in contact with Andean activists: by the campaign against oil extraction from Yasuni; by the $8.6 billion ecological debt battle against the legacy of oil spills by Texaco (now
Chevron) nearby; and by the region’s indigenous resistance to privatized trees in the form of Reducing Emissions through Deforestation and forest Degradation (REDD).

Indeed if REDD is a chosen battleground for the most advanced Latin American activists, then the worry is that, as happened at the Cancun COP16 in 2010, men like Humala and Pulgar-Vidal will divide and rule civil society with patronage pay-offs. The possibility of consolidating many other local initiatives into national and then global-scale struggle awaits a stronger sense of CJ strategies to prevent cooptation or brute repression. They may well come from the Lima side events and protests.

Since the heady days when 1980s-era IMF Riots gave way to mass social movement formations, to Zapatismo, to Brazil’s Movement of Landless Workers, to leftist political parties and to other manifestations of progress, Latin Americans have been at the vanguard of the world’s civilising forces, in the best sense of that abused term. They – and we – are not strong enough to change the balance of forces favouring climate injustice in Lima. But they do usually signal the way forward.
Did climate justice just get a new lease on life?

*Counterpunch, 26 September 2014*

The world’s largest ever march against climate change on Sunday brought 400,000 people to the streets of New York, starting a lively parade at Central Park. On Tuesday, 120 of the world’s political leaders – notably not including the Chinese and Indians – gathered 25 blocks away at the United Nations. The message they got from society was symbolised by the march route: instead of heading towards the UN building, the activists headed the other way, west.

This directional choice reveals that hope for action on climate change comes not from the apparently paralysed heads of state and their corporate allies, who again consistently failed on the most powerful challenge society has ever faced: to make greenhouse gas emissions cuts necessary to halt certain chaos.

Instead, momentum has arisen largely from grassroots activists, even those fighting under the worst conditions possible, amidst denialism, apathy, corporate hegemony, widespread political corruption and pervasive consumer materialism. Nowhere is this better illustrated than in the place which according to Pew Research polling of major countries, suffers the second most poorly educated citizenry on climate (only 40 percent acknowledge it is a crisis): the United States itself. (Keep travelling west and the country with the least knowledge of climate – only 39 percent are informed – emerges on the horizon: China. In Brazil, awareness is 76 percent.)

So the main encouragement offered by this march, for me as a witness to similar but smaller outpourings of protest at UN Summits in Copenhagen, Cancun, Durban, and Warsaw between 2009-13, comes from the harsh terrain crossed, especially at gaudy Times Square: amongst the most culturally insane, ecologically untenable and politically barren on earth. The US not suffers a congressional science committee led by Republican Party dinosaurs who deny climate change, but its civil society is populated by far too many single-issue campaigning NGOs unable to see outside their silos, defeatist environmentalists many of whom are coopted by big business, and mild-mannered trade unions scared to engage in class and environmental struggles.

Nevertheless, it is here in the US that the most extraordinary victories have been won by climate activists against coal-fired power plants (300 have either been shut or prevented from being constructed). In addition to a huge battle against Canadian tar-sand oil imports, which included 1200 arrests at the White House three years ago, there are countless micro-struggles against fossil fuel extraction and refining sites, whose activists made up the most vibrant delegations at the march.

Many of the battles involve black, Native American, Latino and low-income people, who because of an exceptionally wicked history of environmental racism – akin to South Africa’s systematic dumping of pollution on blacks – have had to take leadership where the ‘Big Green’ NGOs comfortable in Washington DC have failed miserably: insisting on justice as a central component of social-ecological harmony.

This movement named itself ‘Environmental Justice’ in 1982 when deadly toxins were dumped in a North Carolina landfill and African-American communities fought back. In earlier times, the cry was ‘Not In My Back Yard!’ (Nimby) – but as critical mass emerged and links became clear between oppressed people who saw that their plight was not just local racism but systemic ecocide, it became ‘Not On Planet Earth!’ (Nope!).
As climate activists increasingly became concerned with justice since the early 2000s, beginning perhaps most forcefully with Ecuadoran eco-feminist NGO Accion Ecologica’s work in the Amazon, slogans rang out: ‘Leave the oil in the soil, the coal in the hole, the tar sand in the land, the shale gas under the grass.’ Beyond just conservation, these slogans reflected front-line concerns as well as the need for the Global North to pay its climate debt and begin a Just Transition to post-carbon civilisation.

In New York on Sunday, a renewed Climate Justice Alliance – a name I last heard in Copenhagen five years ago – was the main network connecting dozens of these struggles by people of colour (especially Indigenous Peoples) across North America. They offer a vision that includes a fairer distribution of costs and benefits of climate policy, and a transformative view of a world economy that must go post-carbon and post-profit if our species and countless others are to survive.

What the march did, better than any other event in history, was demonstrate the unity of activists demanding genuine emissions cuts and government funding of an alternative way of arranging society. Whether public transport, renewable energy, organic agriculture oriented to vegetarian diets, new production systems, a shift in our consumption norms, new ways of developing cities (so as not to resemble ghastly US suburban wastelands) and even ‘zero-waste’ disposal strategies, the huge crowd showed support for genuine post-carbon alternatives.

Public health activists in the AIDS Coalition to Unleash Power warned of resurgent opportunistic infections thanks to climate change. Anti-war activists connected the dots between global warming and Middle East and African oil, as well as renewed water wars. Democracy activists noted the Koch brothers’ and other fossil fuel corporations’ malign influence in Washington and state capitals. Dozens more such groups related their particular concerns to our more general survival.

Even better, not a single sign I witnessed over six hours tramping back and forth from start to finish promoted establishment ‘fixes’. We have been bombarded with ‘false solutions’ by business and their government allies in climate policy debates the past fifteen years: carbon trading, carbon capture and storage (‘clean coal’), lacing the air with sulphur as a coolant, dropping iron filings in the ocean to create algae blooms (to suck up CO2), biofuels which cause landgrabbing, nuclear energy, genetically modified organisms and other geo-engineering frauds.

That was surprising because the social media campaigning group Avaaz.org had paid for signs plastering New York subways this week, hinting at corporate greenwashing. “What puts hipsters and bankers in the same boat?”, one Avaaz advert asked, on a backdrop of ocean water, illustrating the commonality of our plight. This was also a reference to the October 2012 flooding of Wall Street by Superstorm Sandy, shutting off the subway as waters rose to the tune of $60 billion in damages – a profound wake-up call to the climate-sleepy, politically backward island of Manhattan.

Sorry, Avaaz allies, in my experience nothing but trouble comes from inviting bankers into coalition. After all, they cannot even sort out their own industry’s messes, and evidence of their involvement in climate politics is appalling. Banker logic promotes carbon trading, in which the air itself is privatised and sold to the highest bidder. It has been a disastrous experiment in the European Union since 2005 where carbon credit prices fell nearly 90 percent amidst persistent scamming.

Many feared that for-profit ‘Green Economy’ gimmicks like carbon trading – resurgent now in California, China, South Africa, Brazil and Korea – would result from a big march lacking a central
demand. As activist-writer Arun Gupta put it the day before the march, in Counterpunch ezine: “This is one of those corporate-designed scams that in the past has rewarded the worst polluters with the most credits to sell and creates perverse incentives to pollute, because then they can earn money to cut those emissions. So we have a corporate-designed protest march to support a corporate-dominated world body to implement a corporate policy to counter climate change caused by the corporations of the world, which are located just a few miles away but which will never feel the wrath of the People’s Climate March.”

It was a valid fear, yet Gupta’s critique proved excessively cynical. The prevalence of eco-socialist and anarchist marchers generated repeated anti-capitalist slogans. No one believes that the UN promise to ‘put a price on carbon’ can incrementally address the crisis, given how erratically the trading mechanisms have so far set that price, in a world continually battered by financial speculation.

So on Monday, several more thousand hard-core activists turned out at “Iloot Wall Street, which the Occupy Wall Street movement helped prepare. The planning session I attended was beautifully illustrated by activists using the water metaphor as a way to show participants the ebb and flow of people, attempting to block roads and access to the stock market and nearby banks, amidst an anticipated police crack-down. Even though New York City now has a progressive Democratic Party mayor, Bill de Blasio, there continue to be persistent police abuses, what with the return of the notorious chief Bill Bratton.

But on Monday from 9am-6pm, 3000 activists took first Battery Park at the island’s southern tip, then achieved a seven-hour long occupation of Broadway at the site of the Wall Street raging bull statue. Though police ultimately arrested 100, what with the world’s media glare they were under pressure from de Blasio not to bust heads in the process.

The crowd had been revved up by Canadian writer Naomi Klein whose new book, This Changes Everything, explicitly challenges capitalism as a mode of production. And from Cape Town, so too did Archbishop Desmond Tutu again call for divestment from fossil-fuel corporations, and reinvestment in post-carbon technologies.

The UN heard mostly meaningless babble from heads of state on Tuesday – for example, South Africa’s Jacob Zuma trying to pretend that three massive new coal-fired power plants, widespread fracking, vast increases in coal exports and deep-sea oil drilling all underway now can be made consistent with cutting emissions by 34 percent by 2020, as he promised in Copenhagen. But the hundreds of thousands who turned out on Sunday and a hundred thousand more across the world who had solidarity marches show conclusively that while there remains paralysis above, there is movement below. Climate justice has just received a new lease on life.
Divestment will shake up climate policy paralysis

*Mail&Guardian, 12 September 2014*

The window to halt runaway climate change is closing fast this decade, with world-wide emissions cuts of 50% needed by 2020, and 90% by 2050.

Archbishop Desmond Tutu writes: “People of conscience need to break their ties with corporations financing the injustice of climate change.”

The window to halt runaway climate change is closing fast this decade, with world-wide emissions cuts of 50% needed by 2020, and 90% by 2050, to keep the planet at even a two-degree rise. That heating alone would lead to nearly 200 million additional deaths of Africans this century, Christian Aid estimates. If runaway methane from thawing Siberian tundra and melting Arctic ice worsen, the cuts will have to come even sooner – and deeper.

Can our civilisation face up to this? In the 2013 Pew public opinion survey, the world’s majority – 54% – identified climate as “a major threat”, the highest score in the global poll. But, in South Africa, that figure falls to 48. Where it counts most, in the top two polluting countries, the percentage of people who name climate as a major threat is just 40 in the United States and 39 in China.

Even if consciousness is rising below, global elites remain paralysed. The next major event for hot-air summity is September 23 at the United Nations heads of state gathering in New York. More than 100,000 protesters are anticipated two days earlier. This will be followed by the formal UN Framework Convention on Climate Change summits in Lima, Peru, in November and then the literally last-gasp effort in Paris in late 2015.
These Conferences of the Parties (COPs) – fortnight-long talk shops, the 17th of which was hosted in Durban in December 2011 – are typically sabotaged by US state department negotiators, recently joined by brethren climate-denialist governments in Canada, Australia and Japan.

Recent US and European claims to be making emissions cuts are bogus in any case, because they are outsourcing large amounts of emissions to new production sources in East Asia.

**Bankers wary of ecological controversy**

In 2009, four other major polluters – Brazil, China, India and South Africa – signed on to a Copenhagen Accord that had promised only inadequate and voluntary emissions cuts. Indeed, at the Brics (Brazil, Russia, India, China and South Africa) summit in Brazil last month, the most substantial comment about climate change was appalling – “bearing in mind that fossil fuel remains one of the major sources of energy” – so it appears that the Brics will follow a COP negotiating strategy that they initiated five years ago.

Copenhagen represented, simply, “you pollute, we pollute, let’s call it a deal,” as climate justice writer-activist Naomi Klein accurately described the experience. Her new book, This Changes Everything, is likely to have just as powerful an impact on public opinion as did No Logo and The Shock Doctrine. Klein now blames the profit-logic of mega-corporations, not just their pocket governments, and she insists on post-capitalist climate policies.

Financial jujitsu is one way to turn capitalism against itself. Traditional bankers are increasingly wary of socioecological controversy.

Under growing pressure, even the fossil-saturated World Bank last year agreed not to do loans of the Medupi type again.

What will Eskom, Transnet and the treasury do then, to finance hundreds of billions of rands worth of carbon-intensive infrastructure? The Brics New Development Bank, making dubious promises of “inclusive sustainable development”, will be ready to lend in 2016 and Finance Minister Nhlanhla Nene last month called on “Africa” (in other words, Pretoria) to line up for the first loan.

Many of us at the Fortaleza civil society counter-summit complained that no civilians aside from big business lobbyists were allowed into the official Brics deliberations to observe, lobby or make a contrary case. We all contemplated how Brics bank-financed destructive infrastructure in Africa will in turn catalyse yet more aggressive protests from dispossessed people, at a time that demonstrations by aggrieved Africans are already at a record high (even more numerous last year than in 2011, according to Agence France Pres in an annual survey commissioned, tellingly, by the African Development Bank).

For example, it is likely that the South Durban Community Environmental Alliance (SDCEA) network led by 2014 Goldman Prize winner Desmond D’Sa will formally campaign for financial sanctions if Transnet doesn’t immediately reverse course on its port-petrochemical and coal-export mega-projects.

This was a surprisingly successful threat the last time D’Sa made the same call, in February 2010, when the World Bank loaned Eskom $3.75-billion for Medupi. Thanks to SDCEA, Earthlife Africa and groundWork, intense opposition quickly emerged around the world. As a result, the bank’s executive director representing US President Barack Obama (among others) actually abstained
during the vote three months later, even after heartfelt begging by then finance minister Pravin Gordhan.

**Fossil fuel divestment campaign**

Financial sanctions helped bring down apartheid, and are now being used by Palestine solidarity activists to great effect (and elite panic in Tel Aviv), after a Dutch pension fund disinvested from Israeli banks possessing illegal West Bank occupation branches in January. The divestment of fossil fuel stocks from major funds – even Stanford University’s endowment a few weeks ago – was stimulated by calls from Archbishop Desmond Tutu to follow our example: hitting the oppressive system in the wallet, hard.

The fossil fuel financing challenge is vast since so much money sloshes around the world, but South Africa’s $140-billion foreign debt – a ratio similar to 1985’s, having risen from $25-billion in 1994 – works in the activists’ favour, as it did 29 years ago when PW Botha gave his Rubicon speech. The country would never again be the same once the financiers began their run the next day.

“People of conscience need to break their ties with corporations financing the injustice of climate change,” Tutu argued in a Guardian op-ed in April. “The good news is that we don’t have to start from scratch. Young people across the world have already begun to do something about it. The fossil fuel divestment campaign is the fastest-growing corporate campaign of its kind in history.”

Activists like D’Sa and 350.org’s Africa-Arab team leader Ferrial Adams have begun the next herd dash from fossil stocks, shares and securities: “We’ll be looking at the financial flows into and from fossil fuels, and campaign for divestment from fossil fuel infrastructure projects.”

Teaching the City of London and Wall Street financiers some common sense is one approach, as nongovernmental organisation CarbonTracker is doing to great effect. ExxonMobil was informed by SDCEA at a tense July 31 meeting that its own “unburnable carbon” reserves – a veritable “climate bubble” in financial-asset terms – mean that it’s irrational for the firm to explore for new oil off the Durban coastline. It’s impossible for it to burn the old oil (unless we’re all sunk – literally).

The company’s South Africa representative, Ross Berkoben, had nothing to say in reply, nor did his environmental consultants from ERM, except to remind SDCEA that Zuma himself had warmly endorsed deep-sea oil drilling in a Durban speech a few days earlier.

Yes, we all acknowledged the president’s climate denialism, but continued to insist that ExxonMobil should write down its fossil assets as worthless, because, if sanity finally prevails, the firm won’t be permitted to access them. Instead it should reinvest the entire revenue flow into renewables.

**Concerted activist push required**

It will take groups as tough as SDCEA, 350.org and National Union of Metalworkers of South Africa to tackle behemoths like Transnet and ExxonMobil, and activists as dedicated and savvy as Tutu and D’Sa to make sufficient local and global links for effective solidarity. A similar David and Goliath match was won by the Treatment Action Campaign 10 years ago: versus Washington and Pretoria, Big Pharma, the World Trade Organisation and the very notion of Intellectual Property, and it can be done again.

Winning that battle raised life expectancy from 52 in 2004 to 62 today. With the threat to life posed by climate change, an even greater scale of activist intervention will be needed, especially on the
African continent, which is home to most of the 400,000 people estimated to be dying annually from climate change already.

South Africa is one of the world’s great battlegrounds for this struggle. The mining/smelting/shipping corporates (whether local, Western or Brics in origin) and their Pretoria servants will learn that cutting budgets to reduce public awareness about, and state responsibility for, climate change can delay but not deter the inevitable counterattack by committed activists.
In Durban, South Africa, the risks associated with economic planning errors – especially the city’s growing herd of white elephant construction projects – combine with ecological dangers and social upheaval to generate a potentially explosive situation in coming years. As the South Durban port’s $25 billion expansion gathers momentum and container traffic rises from recent levels of 2.5 million per year (Africa’s highest) to a projected 20 million by 2040, social activists have been establishing lines of argument that pick away at the edges of state-corporate investment logic. That logic has obvious flaws in terms of rising risk in the shipping industry (especially with the Agulhas Current continuing to capsize even extremely large vessels), externalization of costs, overcapacity, inefficiencies and national economic interests. Moreover, the years since 2008 have witnessed a process of ‘deglobalized’ flows of trade and investment, with South Africa increasingly uncompetitive what with recent credit ratings downgrading certain to lower the country’s currency value (hence deterring imports) and to raise interest rates, even on trade finance. In addition, to the extent that Environmental Impact Assessments now include concern about climate change, a project of this magnitude is both a victim and a villain when it comes to rising sea levels, extreme storms and ocean acidification. The risks associated with social unrest, especially as a result of displacement as the back-of-port operations encroach on poor people’s residences, are compounded by the likelihood of community activists (including this author) embarking upon ‘financial sanctions’ campaigning against corporations (such as Transnet) involved in the port-petrochemical expansion. Hence a full spectrum of risks now emerges in an era of frenetic mercantile and fossil fuel activities, in what is already a politically-volatile Durban municipality, stretching eastwards out into the maritime-volatile but potentially oil-rich Agulhas Current.

1. Introduction: The imperatives of port and fossil fuel expansion

If the anthropology of maritime security has so far been understood mainly in terms of geo-strategic positioning, fisheries and mitigation of naval attacks, then major new dimensions of risk associated with port expansions and associated infrastructure mega-projects may stretch the sub-discipline. Vast new investment in maritime infrastructure capacity is terribly risky given the paucity of evidence that containerization can continue at the same rates as in the past, especially what with climate change and social unrest now rising as major considerations in energy, transport, production and consumption systems. Those systems have come to rely upon containers as the most efficient way of packaging commodities for long-distance transport.

The historic shift of mercantile commerce towards shipping containers was also an outcome of risk management in the sense that war-time logistics offered the basis for what came to be world maritime commerce’s primary unit of measure, the Twentyfoot Equivalent Unit (TEU) metal box. As Deborah Cowen (2014) observes,

The standard shipping container, another US military innovation, has been repeatedly dubbed the single most important technological innovation underpinning the globalization of trade. While shipping containers have a long history of experimentation, the standardization of an intermodal container that could be transferred across different modes of transport was first experimented with during World War II as a means to reduce the time and labour involved in transporting military supplies to the front. It was not until the Vietnam War that the military use of the shipping container entrenched its standardized global form.
That war was lost by Washington because of a popular liberation movement’s courage. Although it would be invidious to compare, since there is nothing of the same intensity, resistance to the contemporary commercial transport system can be traced at several stages: petroleum extraction and refining, container shipping expansion, truck freight and warehousing and retail systems. To illustrate, one of the most extreme sites of the mercantile sector’s vulnerability is also targeted for one of Africa’s single largest infrastructure expansions. The largest project in Africa is on the Congo River: the $100 billion Inga Hydropower Project designed to generate more than 40 000 megaWatts of power, making it three times larger than the world’s next largest dam, China’s Three Gorges. But that project’s financing remains in doubt since the host Democratic Republic of the Congo is too unstable and the surrounding region too vulnerable for long-distance high-tension electricity power supply routes in the foreseeable future.

In contrast, in South Africa, two major projects are underway that will boost overall infrastructure spending by several tens of billions of dollars’ worth: the Strategic Investment Projects 1 and 2 run by the Presidential Infrastructure Coordinating Commission (PICC). Both involve extensive port expansions, and both are controversial because of the debatable economics, community displacement and ecological devastation – especially climate-related – associated with the state-subsidised projects. The first is the new rail line (plus $4.5 billion in locomotive purchases) that will bring coal from Limpopo and Mpumalanga Provinces to Richard’s Bay.

The second – the subject of most of this article – is the expansion of the South Durban Basin’s port and petrochemical complex. In both cases, the port municipality and parastatal agency Transnet have begun detailed planning, and both are being contested by environmentalists, with community activists also opposed to South Durban, as discussed in more detail below.

To demonstrate the global and national priorities associated with South Africa’s port infrastructure expansion, consider the broad justification offered by President Jacob Zuma (2014) for the PICC projects:

At the close of the second decade of our democracy, it is clear that we need to change gear. All South Africans need to work together in a concerted effort to improve service delivery, bolster job creation and expedite economic transformation. In South Africa, joblessness is still unacceptably high even with recent growth in jobs numbers. Global economic prospects remain fragile. In response, the Government of the Republic of South Africa has taken a bold decision. We have chosen a path of counter-cyclical spending driven by catalytic infrastructure investment. We are striking a fine balance between protecting our sovereign integrity while leveraging the multiplier impact of fixed capital formation. Valuable lessons have been learned from our most recent build programmes, such as the 2010 World Cup stadiums, King Shaka International Airport, Medupi Power Station and Gautrain.

In the same spirit, Public Enterprise Minister Malusi Gigaba (2014) – who was in charge of Transnet from 2009-14 – made claims two weeks before the 7 May 2014 election that after its decisive win (which was nearly 63 percent of the vote), the ANC would implement “radical socioeconomic transformation” to make the economy “a more labour-absorbing one that is characterised by deracialised and widespread ownership.” Gigaba advocated “local beneficiation and value addition,” “inclusive and equitable growth” and “millions of sustainable and decent jobs. One of the levers we are using to restructure the South African economy is infrastructure investment” of $380 billion. The second – the subject of most of this article – is the expansion of the South Durban Basin’s port and petrochemical complex. In both cases, the port municipality and parastatal agency Transnet have begun detailed planning, and both are being contested by environmentalists, with community activists also opposed to South Durban, as discussed in more detail below.

To demonstrate the global and national priorities associated with South Africa’s port infrastructure expansion, consider the broad justification offered by President Jacob Zuma (2014) for the PICC projects:

At the close of the second decade of our democracy, it is clear that we need to change gear. All South Africans need to work together in a concerted effort to improve service delivery, bolster job creation and expedite economic transformation. In South Africa, joblessness is still unacceptably high even with recent growth in jobs numbers. Global economic prospects remain fragile. In response, the Government of the Republic of South Africa has taken a bold decision. We have chosen a path of counter-cyclical spending driven by catalytic infrastructure investment. We are striking a fine balance between protecting our sovereign integrity while leveraging the multiplier impact of fixed capital formation. Valuable lessons have been learned from our most recent build programmes, such as the 2010 World Cup stadiums, King Shaka International Airport, Medupi Power Station and Gautrain.

In the same spirit, Public Enterprise Minister Malusi Gigaba (2014) – who was in charge of Transnet from 2009-14 – made claims two weeks before the 7 May 2014 election that after its decisive win (which was nearly 63 percent of the vote), the ANC would implement “radical socioeconomic transformation” to make the economy “a more labour-absorbing one that is characterised by deracialised and widespread ownership.” Gigaba advocated “local beneficiation and value addition,” “inclusive and equitable growth” and “millions of sustainable and decent jobs. One of the levers we are using to restructure the South African economy is infrastructure investment” of $380 billion.

Strategic Investment Project 1: Coal exports through Richards Bay Port
Strategic Investment Project 2: the South Durban port-petrochemical expansion
### Plans

<table>
<thead>
<tr>
<th>Back of Port Local Area Plan – rezoning in particular: Clairwood to logistics, Clairwood race course to offices/logistics/recreation, Mobeni East to logistics, Mobeni West to logistics, Merewent to extend industry with office buffer.</th>
<th>Public comment period closing end September 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Expanding <strong>Durban Container terminal</strong></td>
<td>EIA for Berths 203-205 began Feb 2012</td>
</tr>
<tr>
<td>2 <strong>Pier 1 expansion</strong> – Phase 1 &amp; 2</td>
<td>By 2014</td>
</tr>
<tr>
<td>3 <strong>Maydon Wharf</strong> redevelopment</td>
<td>By 2017</td>
</tr>
<tr>
<td>4 <strong>Dig-out port at Reunion</strong> (old Durban International Airport site) -(16 container berths, new bulk liquid terminals, vehicle terminals</td>
<td>Complete by 2019 – 37</td>
</tr>
<tr>
<td>5 <strong>Dig-out at Bayhead</strong> to extend harbour into the railway marshalling yard area</td>
<td>Complete by 2037 – 2050</td>
</tr>
</tbody>
</table>

### Port phases

1. Expanding **Durban Container terminal** (EIA for Berths 203-205 began Feb 2012, 2.9mill TEU)
2. **Pier 1 expansion** – Phase 1 & 2 (By 2014, 1.4 mill TEU)
3. **Maydon Wharf** redevelopment (By 2017, 0.6 mill TEU)
4. **Dig-out port at Reunion** (old Durban International Airport site) -(16 container berths, new bulk liquid terminals, vehicle terminals (Complete by 2019 – 37, 9.6 mill TEU)
5. **Dig-out at Bayhead** to extend harbour into the railway marshalling yard area (Complete by 2037 – 2050, 6 mill TEU)

### Freight routes

1. New freight route from harbour around Clairwood, through the uMhlatuzana river valley connecting to N2 (2012 -17)
2. North-South truck freight roadway from airport dig-out on the M4, then through Mobeni to a junction at Clairwood (2014 – 2020)

## Marketing of the two largest SIPS

### SIP 1: Unlocking the northern mineral belt with Waterberg as the catalyst

- Unlock mineral resources
- Rail, water pipelines, energy generation and transmission infrastructure
- Thousands of direct jobs across the areas unlocked
- Urban development in Waterberg - first major post-apartheid new urban centre will be a “green” development project
- Rail capacity to Mpumalanga and Richards Bay
- Shift from rail to rail in Mpumalanga
- Logistics corridor to connect Mpumalanga and Gauteng.

### SIP 2: Durban Free State-Gauteng logistics and industrial corridor

- Strengthen the logistics and transport corridor between SA’s main industrial hubs
- Improve access to Durban’s export and import facilities
- Integrate Free State Industrial Strategy activities into the corridor
- New port in Durban
- Aeropolis around OR Tambo International Airport.

### Primary Mineral Reserves

- **Coal:** 1bn tons
- **Platinum:** 632m tons
- **Iron ore:** 6.5bn tons
- **Magnesite:** 1bn tons
- **Gold:** 1bn oz
Likewise, the National Planning Commission’s (2011) Diagnostic report argued, “South Africa needs to move away from the unsustainable use of natural resources” and optimistically asserted, “South Africa can manage the transition to a low-carbon economy at a pace consistent with government’s public pledges, without harming jobs and competitiveness.” Yet the Commission’s (2012) National Development Plan endorsement of the PICC SIPs 1 and 2 would, in reality, amplify that very unsustainability and carbon-intensity. The Plan calls first for “The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin,” and hence a rapid expansion of coal exports — mostly to India — from the world’s largest export coal terminal, Richards Bay. In past years, Durban had the honour of exporting the bulk of South African coal, a process which, shipping journalist Sidney Howard (1936) reported in the mid-1930s, “helped to make the port of Durban prosperous. The coal is shipped to East African and Red Sea ports, largely by Union Government vessels, as well as to other parts of the world... The capacity of the loading plant exceeds 1,000 tons an hour.”

By the mid-1970s, coal shipments began to be directed to the new deep-water port at Richards Bay, where the purpose-built Coal Terminal and mechanisation lifted the rate dramatically. By 2014, Transnet used Richards Bay to run 85 percent of its export capacity of 78 million tonnes per year. Still, when Botswana aimed to annually export more than 100 million tonnes of its vast coal reserves — an estimated 212 billion tonnes — by developing a rail link to Walvis Bay, in 2013 it began the process at its Debswana joint venture with DeBeers with Indian and Chinese buyers who loaded at the Durban port. The odd exception like that aside, during the late 20th century, Durban became an extremely expensive and inefficient port. By 2012 it was reportedly the world’s most costly harbour, with a tariff of $285,000 per average container ship, nearly five times higher than the world average. Along with Cape Town (just a bit less expensive), this price was nearly double the next highest, Melbourne (Dyer 2014). As a result, the second major PICC project would be its modernization: “the development of the Durban-Gauteng freight corridor, including the development of a new dug-out port on the site of the old Durban airport” (National Planning Commission, 2012). The prior work on doubling Transnet’s Durban-Johannesburg pipeline capacity (at a cost of more than $2 billion) and a few smaller projects were central to expanding the shipping, freight, and petrochemical industries, in spite of near universal South Durban community opposition. The vast damage done by coal and petroleum to local and global ecologies was not acknowledged in Planning Commission, Transnet or municipal documents, even when repeated Environmental Impact Assessment challenges were made in 2012-14 by the South Durban Community Environmental Alliance (SDCEA) (2014), the University of KwaZulu-Natal Centre for Civil Society (Paton 2014) and other Durban environmentalists.

Finally, by way of background, it is revealing that this kind of port-centric infrastructure strategy was endorsed by SA Communist Party deputy general secretary Jeremy Cronin (2013), who enthused over unlocking the northern mineral belt. Major mining houses have extensive mining licences in the Waterberg region of Limpopo, one of the poorest regions of our country. There are major coal, platinum, chrome and other mineral deposits there, but unlocking these resources for development has been severely restricted by water and energy shortages, and by the absence of an effective transport infrastructure. Through our major parastatals (Eskom and Transnet), coordinated by the PICC, we are addressing the energy and logistics challenges, and through the Department of Water Affairs major dam and water pipe-line construction is underway. The funding for this public-sector driven infrastructure will be recouped through user-pay, off-take agreements with the mines. The mining houses bring investment and technology that
government doesn’t have. Obviously the objective of the mining houses is profits, but in pursuing profits they create jobs.

As Cronin (2013) continued, “The rail infrastructure that is provided by Transnet needs to focus not just on maximising exports (which the mining houses want), but also on connecting coal mining, for instance, more effectively to beneficiation in the new generation power stations. The state-regulated pricing of water, electricity and logistics will also need to ensure that our strategic developmental objectives are leveraged. In particular, we need to ensure that the towns and cities that grow up around this development do not replicate old patterns, but are green and integrated.”

**Durban port’s inefficiency**

Even with sustainability rhetoric added, this ‘development’ narrative – from the President, Public Enterprise Minister, National Planning Commission and Communist Party – confirms South Africa’s ongoing control by what is termed the Minerals-Energy Complex (Fine and Rustomjee 1996). As one casualty, this means that no change to status quo climate destroying policies is on the cards (Bond 2012). Even a few weeks before Durban’s hosting of the United Nations November 2011 world climate summit, Pretoria’s *Climate White Paper* also refused to grapple with fossil fuel addiction. As the national Plan argued, the top priority for economic growth is to “raise exports, focusing on those areas where South Africa has the endowments and comparative advantage, such as mining.”

Though this status quo strategy is destructive to economy, society, polity and ecology, it was unsurprising to see *Business Day* editor Peter Bruce (2012) – for many, the leading organic
intellectual of SA capital – make the same point without any distracting sustainability discourse, urging on the state’s promised $100 billion infrastructure spending in early 2012 with the mantra: “Mine more and faster and ship what we mine cheaper and faster.”

What is unique about the PICC’s plans for South Durban, is that although the Basin’s residents include many people (mostly black) with employment and other commercial links to shipping, freight and petrochemical industries, the extra pollution in this toxic-saturated ‘armpit of Africa’ has over the past decade catalyzed extraordinary resistance (Bond 2011, Desai 2002). The resistance is one of several resistance sites to consider when understanding project risk. Others relate to the character of maritime security and mega-ship construction in an era of extreme weather events and climate change’s impact on one of the world’s most volatile coasts. First, however, consider the risk associated with economic adjustments in South Africa and the world.

2. Durban in a risky national and world economy

The Durban port is an excellent case site in which to explore multifaceted risk-taking. As researcher Jack Dyer (2014) points out:

- it accounts for over 70 percent of trade passing through South Africa’s ports;
- over 5000 vessels calling per year;
- a total of 2.69 million 20 foot TEU units of container traffic growing at 1.2 percent in 2013;
- over 6800 containers handled per day, with 44,829,622 tons of general cargo;
- worth over $10 billion per year in terms of direct expenditure in the local maritime economy and value related activities;
- most significant port in the Southern Hemisphere and in Africa in terms of marine-related economic activity;
- comprises a significant part of not just Durban but the South African economy.

The national economic context is vital when considering the prospects for Durban’s increased container turnover traffic from around 2.5 million per annum in the 2009-13 period to what the National Planning Commission (2012) estimates will be 20 million by 2040. South Africa’s major economic problem remains the sustained overaccumulation of capital (Bond 2014). With its major corporations having the third highest profit rate in the world (IMF 2013) and also, according to a PricewaterhouseCoopers survey in early 2014, ranking first in the world in corporate fraud (Hosken 2014), South African capital is rapacious. The long history of corporate collusion with apartheid could not be erased overnight (Saul and Bond 2014), and as black liberation in 1994 ushered in a “Faustian Pact” (Kasrils 2013) between the new ruling party and capital, demands by a leading fraction of business for neoliberal reform were implemented (Bond 2014). This was economically unwise, for as exchange controls fell, for example, in 2007, an estimated 23 percent of GDP was taken offshore in the form of capital flight (Mohammed 2010).

South Africa was left extremely vulnerable to world economic twists and turns. As the global financial crisis unfolded in 2008-09, the Johannesburg Stock Exchange lost over half its value within weeks, and The Economist’s risk ranking of South Africa was worst of 17 emerging market peers, especially due to the current account deficit, itself driven not mainly by trade deficit but by the negative balance of payments, as profits and dividends flooded out to the new London financial headquarters of the country’s largest firms. The foreign debt then soared, from $25 billion in 1994 to $80 billion in late 2008 to $140 billion by 2014. One reason for this degree of vulnerability was a series of persistent currency crashes: by more than 15 percent within a month-long period on seven
separate occasions, in 1996, 1998, 2001, 2006, 2008, 2011 and 2013, the worst record over the last 15 years experienced in any medium or large country. Another reflection of vulnerability especially to rising interest rates in defense of the currency, was the excessive local consumer credit expansion, a large part of which was based upon mortgage bonds, given South Africa’s world-leading real estate bubble (389 percent larger in 2008 than in 1997, double the height of second place Ireland’s bubble). Internally, domestic state borrowing was kept under control, and although the decline in corporate tax revenue drove the budget deficit to a near-record 7.6 percent of GDP in 2009 and a bit less in 2010, South Africa was not pursuing a classical Keynesian strategy. The state was instead carrying through with massive and usually irrational mega-construction projects contracted years earlier, especially the World Cup stadiums and elite transport infrastructure such as the new Durban airport and the Gauteng fast train and highway e-toll upgrade (Bond 2014).

In this dismal macro-economic context, the most successful sectors were communications, construction and finance while labour-intensive sectors such as textiles, footwear, and gold-mining shrunk. Overall manufacturing also fell as a percentage of GDP, and there appeared no incentive to reach out to the growing black working class market, but instead to surrender cheap production of basic goods – clothing, textiles, appliances, electronics, etc – to East Asian imports, mostly through Durban’s port. The Gini coefficient measuring inequality rose after 1994, and this was racialised, as black households lost and whites won. One reason was the widespread casualisation of labour and the decline of labour’s share of the social surplus, while another was that total unemployment rose to a rate of around 40 percent at peak (if those who have given up looking for work are counted; otherwise around 25 percent, and just 6 percent for whites) (Bond 2014). Environmentally, the depletion of non-renewable resources was formidable, and so was pollution. The economists’ favourite measure of well-being, GDP, should be adjusted to account for these two factors (amongst others), because GDP only considers mining activity as a positive increase each year, instead of factoring in mineral depletion, i.e., a country’s decline in natural capital. If those corrections are made, South Africa would have a net negative per person rate of national wealth accumulation of US$245 per year (for 2005), according to the World Bank (2011). In other words, South Africans are growing poorer all the time, the more the country is stripped of minerals.

In Durban, aside from very strong ethnic links to the ruling faction of the African National Congress (ANC), the political rulers have little beyond tokenistic social grants to offer its 3.5 million residents, of whom more than a quarter live on the very margins of life, in shacks. ANC patronage to major and minor construction companies and other semi-privatised municipal tendering (home building, bus services, etc) has created a small wealthy elite whose performance has been subject to ridicule (the names Mpisanes, Jay Singh, Roy Moodley, Willy Govender, Vivien Reddy, Andrzej Kiepiela, Roy Moodley and Carver Media, for example, all reflect various scandals). The former mayor, Obed Mlaba, was named in an official Durban municipal corruption commission, the 2013 Manase Report, as having hijacked a $300 million tender for waste incineration, yet national ANC rulers soon named him the country’s High Commissioner to Britain. The city’s ruling economic elites have just as dirty roots in apartheid profits, especially the sugar barons who land-grabbed the coast and abused indentured Indian labour, as well as shipping magnates and the tourism industry. But Durban never bragged of a strong organic manufacturing bourgeoisie, although there are several major production sites like Toyota automobiles, the petrochemical complex and a manganese smelter. The city’s status in both manufacturing and the country’s fastest-growing sectors, finance and communications, is merely as branch-plant town. As a result of these ruling-class characteristics, Durban would never be the kind of city that could shape its own future.
As a result, most municipal economic development efforts entailed crafting a marketing strategy based upon sports tourism and convention centre activity (Durban has Africa’s largest hall), as well as a strong patronage impulse within the ruling party, which together generated high-profile white elephant projects. These include a new $390 million stadium built next to a perfectly good stadium for the 2010 World Cup; high annual subsidies to that stadium, the convention centre and the uShaka Marine World entertainment site; and a new airport 40 kilometers north of the city that operates at a fraction of its promised capacity, with unfulfilled fantasies of an “aerotropolis” development at the Dube Trade Port. It was no surprise for Toyota South Africa CEO Johan van Zyl to announce, “Durban as a brand is not strong enough to simply say ‘come and invest in Durban’. What it needs to attract investors are big projects. Durban needs to keep ahead of the competition. China is building ports they don’t even know when they will use. If return on investment is the line of thinking we may never see the infrastructure” (Naidoo 2012).

Yet there is great risk associated with reliance upon the maritime sector, tourism and commodity exports, as the globalised economy begins what may become known as a 1930s-style “deglocalisation” era. As The Economist (2013, 1) argued in October 2013 in its cover story entitled “The Gated Globe”,

Globalization has clearly paused. A simple measure of trade intensity, world exports as a share of world GDP, rose steadily from 1986 to 2008 but has been flat since. Global capital flows, which in 2007 topped $11 trillion, amounted to barely a third of that figure last year. Cross-border direct investment is also well down on its 2007 peak... hidden protectionism is flourishing, often under the guise of export promotion or industrial policy.

The pause button will no doubt be lifted. Yet in what was otherwise a celebration of global flows, the consulting firm McKinsey Global Institute (2014, 5) also acknowledged that a peak had been reached in 2007 with $29.3 trillion worth of flows – 52 percent of world GDP – which then sunk substantially in relative terms over the subsequent five years, to just 36 percent: “This reflects the correction from the global credit bubble and deleveraging of the financial system. Financial flows have changed direction, too, with outflows from emerging markets rising from 7 percent of the global total in 1990 to 38 percent in 2012.” Beginning in May 2013, investors roiled South Africa and four other major emerging markets when the US Federal Reserve’s Quantitative Easing began to be phased out (“tapered”). As a result of US interest rates slightly higher, outflows meant that four of the five “BRICS” – South Africa, India, Brazil and Russia (which suffered again in early 2014 from financial sanctions imposed after its Crimea invasion) – suffered substantial currency crashes that, in turn, would limit import capacity. Even China’s property bubble burst in the 44 largest cities by 19 percent in the year between April 2013 and 2014 (Wall Street Journal, 2014). Because of the turmoil in BRICS, Indonesia, Turkey and similar sites, it is wise to recall the United Nations (2013, 32) warning, that the world’s financial markets aim to shift “high-risk activities from more to less strictly regulated environments,” especially sites where massive state-subsidized and guaranteed infrastructure projects are envisaged. In these sites, including the BRICS, both borrower and lender are facing intense levels of desperation: to sink excess funds into new mega-projects on behalf of multinational capital. Durban’s port-petrochemical expansion is a fine example of the high degree of economic risk involved, in part given what awaits in the nearby waters.

Global flows of goods, services and finance: absolute $ (tn), share of GDP, 1980-2012
3. Risks in riding and drilling the ‘remarkably stable’ (sic) Agulhas Current

Seeking to locate India in 1497, as had Christopher Columbus before being redirected westward five years earlier, Vasco da Gama arrived at what is now assumed to be the Durban harbour, and as it was Christmas, he named it Natal. Not even stopping to alight, he rapidly proceeded up the coast, but names are sticky. The area he glanced at in transit during those weeks fighting the Agulhas Current is today known as KwaZulu-Natal Province and the natural port he might have seen over the sandbar then blocking the entrance — dug out to take in large ships only in the 1880s — is Durban’s harbor. The city was named after a governor of the Cape Colony, William D’Urban, once white English-speaking settlers drove King Shaka’s forces off the land and established a borough in 1835; while the metropolitan area was renamed Ethekwini 160 years later, Durban is the core city.

Although it was South Africa’s leading port by the early 20th century as the sugar industry began exporting in earnest, Durban’s waters were never easy to navigate. The Natal Pulse races down the Agulhas Current a half-dozen times each year, pushing 20km per day. It is the main reason Durban’s coastline hosts more than 50 major ship carcasses. In 1909, one notable victim of mega-waves reaching 9 meters was the Waratah, which sunk 180 miles south of Durban (en route to Cape Town) on 27 July with 211 passengers and crew, leaving no survivors or sign of the wreck. The ship was one of the world’s largest at 142 meters in length and 16 000 gross tonnes.

The Waratah on its fatal journey
The Agulhuas Current

Source: Silver Wave submission to PetroSA
Indeed, the Pulse contributes to waves that have sunk 1000 more vessels off the Transkei Wild Coast. Susan Casey’s (2010) book *The Wave: In Pursuit of the Oceans’ Greatest Furies* pays Agulhas this respect: “Crude, diesel, jet fuel, liquefied natural gas: oil in all its forms was heartbreaking, infuriating and all-too-common sight in the ocean. Supertankers, behemoths that couldn’t make it through the Suez Canal, swung down from the Middle East, took their chances hopping a ride in the Agulhas, and met their share of disasters. Salvagers used every tool at their disposal to prevent the damaged tankers from gushing out their contents, especially in fragile near-shore environments, but sometimes the battle was lost.”

The near shore at South Durban is a critical site for not just shipping accidents but other oil spills. In 2004, just offshore South Durban’s Cuttings Beach, there was a significant spill of five tons at the Single Buoy Mooring, the 50-meter deep intake pump that feeds the refineries with 80 percent of SA’s crude oil imports. Onshore, corporate pollution standards are so lax that the South Durban refineries regularly spring disastrous leaks and explode, sometimes merely from lightning strikes. Daily, poisons are flared onto thousands of neighbouring residents. The Indian, coloured and African communities suffer the world’s highest-ever recorded asthma rate in a school (52 percent of kids), as Settlers Primary sits next to the country’s largest paper mill (Mondi) and between two refineries: one run by Engen, Chevron and Total; and the other, called Sapref, combines BP, Shell and Thebe Investments. Sapref’s worst leak so far was 1.5 million liters into the Bluff Nature Reserve and adjoining residences in 2001. Together these refineries can process 300,000 barrels of oil a day, more than any other single site in Sub-Saharan Africa.

**South Durban oil refinery explosions**

Source: *South Durban Community Environmental Alliance photos of 2007 incidents*

**The World Glory’s inglorious end**

Source: [http://thepowerofthesea.com/images.html](http://thepowerofthesea.com/images.html)
But it is when extreme weather combines with destructive oil shipping that risk amplifies. As just one example of the rogue waves that periodically arise, a swell of more than 20 meters caused by a southwesterly gale sunk a major oil tanker, the World Glory, on 13 June 1968. That ship, heading from Kuwait to Spain, took the hit 65 miles east-northeast of Durban and after two hours had drifted 40 miles further through the Southeast current, eventually spilling its 334,043 barrels of crude oil. Two dozen of the 34 crew lost their lives. *Time* magazine (1954) reported that when launched in February 1954, World Glory was the world’s largest tanker, “with a capacity of 16.5 million gallons, enough to fill 2,062 railroad tank cars.”

In recent years, major storms have worsened. Just offshore Durban on 26 July 2011, the 40-year old MT Phoenix oil tanker was hit by six-meter high waves. It lost its anchor mooring and drifted 25 km north in the main Agulhas eddy, landing on the rocky shoreline in Christmas Bay. The ship was wrecked at the heart of a beautiful – albeit class/race-segregated – tourist and retirement site on Durban’s North Coast. Two weeks earlier, a nearby beach was host to an Association of Surfing Professionals (ASP) world competition, Mr Price Pro, which boasted some of the best waves ever seen in ASP history, contestants testified. The Agulhas Current is the second most volatile in the world, with a 5 knot speed at peak, but is most intense in the July-September months, to the delight of surfers who can find world-class tube waves in which to perform the barrels through which the highest scores are achieved.

**Ballito’s barrel at the Mr Price Pro surf competition, July 2011**

The winter swells arose just when MT Phoenix was being towed into Durban harbour for confiscation, having lost its engines a few hundred miles down the coast. According to Cathleen Jacka (2011) of the maritimematters.net website, the incident confounded the South African Maritime Safety Authority (Samsa), what “with hints at a deliberate beaching; the possibility of a mystery stowaway still hiding onboard; uncertainty as to the true identity of the owners and even that the vessel was scrapped in India last year.” A Samsa official observed that the 15-member crew “seemed inexperienced in the basic actions required to stabilise the vessel’s position” and remarked, “It would not be the first time that an unscrupulous ship owner was prepared to sacrifice a vessel in attempting to realise the insured value”. There was apparently no insurance for the MT Phoenix, since Lloyds had removed it from the books the year before and allegedly it was on its final trip, from West Africa to India’s ship-breaking graveyard. The owner, Suhair Khan of Dubai, *stopped taking calls, leaving South Africans to bear the risk of 400 tons of oil spilling if the ship broke on the rocks*. Estimates of the heroic rescue operation’s cost to the taxpayer easily run into the millions of dollars, but at least the crew was saved and oil was laboriously pumped ashore (Jacka 2011).

**The MT Phoenix beached near Ballito, August 2011**
Just weeks before, in May 2011, the Petroleum Agency of SA (PetroSA) began authorizing seismic oil surveying in the same area. The initial applicant, followed by Sasol and ExxonMobil, was Silver
Wave Energy, a Singapore-registered company whose owner is Burmese businessman Min Min Aung, a close associate of the junta that still rules Myanmar. The Burmese connection is important, in part because exploitation of oil and gas in the Andaman Sea has long been controversial. When Unocal – now Chevron – built a pipeline to Thailand, it did such enormous damage to people and the environment that local villagers, supported by Earthrights International, successfully sued the firm for $30 million. Since 2007 the Arakan islands on Burma’s Bay of Bengal coast have been the main site of intense conflict, as Jockai Khaing from Arakan Oil Watch has revealed, and again Aung is a key player. Silver Wave has also been exploring dubious extraction projects in Russia, Sudan, Guinea-Conakry, Indonesia and Iraq, but in spite of sanctions against Burma at the time, Aung received PetroSA’s endorsement to explore 8000 square km stretching from Durban to Richards Bay. Silver Wave’s permission extends from 30 meters out into the ocean, to depths of 2 kilometers, while ExxonMobil’s goes as deep as 3.5 kilometers. By comparison, BP’s Deepwater Horizon platform in the much calmer Gulf of Mexico drilled 1.5 km down to the seafloor surface. Sasol’s oil drilling is also contentious; it is the former state-owned company (privatized in 1979 and subsequently co-listed on the New York Stock Exchange) repeatedly fined for pollution, with a Secunda synthetic fuel (coal/gas-to-oil) operation that is considered the single largest point-source of CO2 emissions in the world.

As if to demonstrate that a company like Silver Wave (2011) is a high risk, its own Environmental Impact Assessment (EIA) filing to explore for oil includes this prose: “Compared to other western boundary currents the Agulhas Current adjacent to southern Africa’s East Coast exhibits a remarkable stability.” Still today, large ships continue to founder off the KwaZulu-Natal coastline. One winter day, 19 August 2013, the China-bound MV Smart tried to exit the port of Richards Bay in ten-meter waves with a load of nearly 150 000 tons of coal and 1 800 tons of oil. The huge vessel split after grounding on a sandbank at the entrance to the world’s largest coal export terminal. Three tugboats failed to dislodge the boat (Rawlins 2013), after “the slamming of the vessel’s stern on the seabed while encountering exceptional swell,” according to Greek owner NG Moundreas (van der Sandt, 2013). Environmentalists accused the captain and harbor master of negligence for allowing the ship to sail under those conditions; the impact of an oil spill of that magnitude could have been devastating to the fragile ecosystem around Richards Bay. Once the oil was pumped safely off, local port officials agreed to Moundreas’ dumping of nearly all the coal into the Richards Bay harbor, so as to tow the broken-backed Panama-registered ship 70km out to sea for sinking. The project was of great concern to the Department of Environmental Affairs, whose spokesperson Zolile Nqayi worried that “the vessel may break up eventually, sink there, and we will have to close off the port. That may be devastating for the area” (Lancaster 2013), including sensitive nearby estuary sites such as the uMfolozi, uMlalazi and the uMlhathuze Sanctuary.

Although in that case, the sinking didn’t occur within Richards Bay, the local shipping industry appeared ill-prepared for extreme weather and “monster waves”. This is a global problem, as insurance expert Sven Gerhard of Allianz Global Corporate and Specialty explained in 2014: “The claims arising out of maritime emergencies of these ‘mega ships’ can be huge,” in part because – as MV Smart showed – there is “risk of such vessels blocking port and terminal accesses”; as well as enormous costs of “salvage operations to recover ship and cargo when accidents occurred” (Fairplay 2014).

The largest of the mega-ships are container vessels which now regularly carry more than 10 000 TEUs. In 2013 alone, the Danish firm Maersk commissioned seven ships, each 400 meters long and 60 meters wide and 16 meters deep below the waterline, that can carry 17 000 containers. In 2015, China Shipping and United Arab Shipping Company will begin sailing 480-meter long Hyundai ships...
that carry 18 400 containers. And there will be more built with 24 000 container capacity by 2016, mainly in South Korea. These are known as “super post-Panamax”, because the Panama Canal’s limits allow 5 000. The $5.5 billion dig to deepen and widen the canal by 2015 will not deter a $40 billion Chinese-funded competitor in nearby Nicaragua. Most harbours are following suit.

The severe economic risk associated with these ships, however, is akin to many aspects of capitalist overproduction; overcapacity is associated with larger ships on the East-West route, then cascading to smaller ports through hand-me-down post-Panamax ships of only 12 000 TEU capacity. According to Andrew Penfold of Ocean Shipping Consultants, “Ports and terminals, especially in the north-south trades, are being asked to handle ships which would have appeared to be totally out of scale with the demands of the trade – that’s not because the shipping lines are being careful with where they put their ships, but because they’ve got so many of them, there’s nothing else they can do with them” (Martin 2011).

Economies of scale in the shift from ships carrying 16 000 TEUs to 24 000 TEUs saves 17 percent per container ($10 per unit per day at sea is the target). According to Penfold, “Despite the wounds of overcapacity, further ordering off even larger vessels seems inevitable” (International Shipping News 2014). Other savings come in the form of labour; Walmart’s 2011 purchase of the Maersk 18 000 TEU capacity ships for its trans-Pacific route (four days from China to California full, and the ship returns empty to reload) allows it to hire merely 13 to 19 crew (Martin 2011).

Under the pressures of globalization, containerization and mechanization, ports like Durban will then be compelled to install new gantry cranes to unload containers four at a time. But as Transnet’s 2013 installation of seven Chinese cranes costing $65 million showed, design specifications are critical because these now lift not four but only two at a time. Ports are also being pressured to service much larger boats by dredging their harbour entrances deeper; by 2013 the 12 500 TEU boats could only enter and exit Durban at high tide and half-full, even after a major widening and deepening operation. Other requirements are the expanded size of berths to accommodate longer ships, and longer (and stronger) quay walls. The expansion of Durban’s Berths 203-205 reflects these additional requirements, Transnet claims. But South Africa’s leading maritime journalist, Terry Hutson (2014), disagrees, and questioned Transnet’s economic logic in early 2014: “In Durban there is little likelihood of any big growth in volumes in the near future. A few years ago, the port went backwards in the number of containers it handled, dropping something like 200 000 TEU in a year and there has been little growth since... So the questions remain: Does Durban need the deeper berths and aren’t the bigger ships premature?”

4. Climate risk when Transnet is both victim and villain

One factor persistently eluded Transnet in its port expansion advocacy and planning: climate change. As shown in a 2012-14 debate between community critics and Transnet’s environmental consultants – initially adjudicated in the former’s favour by the national government regulator – the extreme weather and rising sea levels that can be expected in coming decades allow a new climate narrative to emerge as part of resisting the port-petrochemical expansion. Disputes date to the first recent stage of major Transnet spending, the oil pipeline’s doubled capacity starting in 2006. By 2008, SDCEA had utilized the climate narrative vigorously, both to highlight damage done to South Durban by climate change, and to consider the damage to the earth done by South Durban industries. That pipeline, originally estimated to cost $600 million, increased to $2.34 billion by 2014. Collusion in the tendering process by major construction companies was one reason (Venter 2013). But there were other telling reasons, too, as the main politician then responsible for
Transnet, Public Enterprises Minister Malusi Gigaba (2012), concluded after a review. Amongst “systemic failings that compromised the intended outcomes” were project managers who “lacked sufficient capacity and depth of experience.” He pointed out that “analysis of risks” was weak and that EIAs and water and wetland permits were not “pursued with sufficient foresight and vigour.”

The critique by SDCEA (2008) of the oil pipeline EIA reflected concerns about local environmental injustices and the race-class combination of biases associated with rerouting the pipeline to black areas from wealth white areas. But in addition, SDCEA observed that there was relevance in the Kyoto Protocol, which as Transnet put it, “commits a country to quantified emissions limitations and reductions.” As SDCEA (2008) claimed, “the rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided.” And SDCEA (2008) pointed out many other aspects of pipeline and refinery mismanagement in South Durban, including the health of the port itself: “Durban Bay, in which the harbour is situated, is struggling to cope with the pollution loads from harbour and associated activities, contaminated riverine and storm-water inflows. The expansion will require further removal of aspects of the Bay’s ecosystem, which will in turn further reduce the assimilative capacity of this threatened and fragile estuary.”

These objections neither changed Transnet’s mind nor slowed the EIA process, even though a risk warning was provided on 19 March 2007. According to marine expert Andrew Mather (2007), a massive storm hit Durban that day: “wave run-up heights were measured at twelve beaches along the Durban and Ballito coastline and these peaked at 10.57 meters above Mean Sea Level.” But having successfully ignored ecological problems caused by the pipeline, the next stage for Transnet was downplaying climate change associated with the first stage of the port’s expansion, in a 2012-14 EIA process. Yet by then, even the Ethekwini metro municipality’s (2009) own Municipal Adaptation Plan had identified a series of vulnerabilities for the harbour:

- Cyclones are projected to track further south down the Mozambique Channel increasing the likelihood that severe storms will occur in the Durban region... roads, bridges, railway lines, storm water and sewerage pipes as well as beachfront property could be washed away...
- Disruption to serves at the Port of Durban (e.g. damaged cranes and ships) could have short to medium term impact on a wide range of businesses, organisations and activities. High winds disrupt the entry of ships to the Durban harbor and prevent the operation of port-side cranes.

The climate report done by Transnet (2012) via its consultants ZAA was revealing, with Transnet in both a victim and villain role. As for the latter, Transnet’s failure to incorporate trends in global climate negotiations meant that even the official statement from the 2011 United Nations climate summit – the ‘Durban Platform’ – was ignored, insofar as that process will erase differences between Annex 1 and 2 countries, hence drawing South Africa into formal obligations at the 2015 Paris climate summit. Those obligations will probably include emissions cuts in shipping and bunker fuel consumption, just as airline emissions cuts began to be mandated by the European Union in 2012. The South African government’s (2010) own climate green paper noted the growing “reluctance to trade in goods with a high carbon footprint.” The carbon tax announced in 2013 would inevitably apply to shipping, given current trends to incorporate maritime activities – but again was ignored by Transnet (2013). In addition, when it came to mitigation, Transnet (2013) made another revealing argument: the vast expansion in shipping that the capacity expansion will facilitate could lead to lower CO2e emissions. Transnet’s (2012) Nemai consultants claimed that the economies of scale associated with post-Panamax shipping would be decisive: “The project will
decrease the ship waiting and turnaround times which will have a lower carbon impact” – not realizing that if efficiency is increased by reducing the ships’ offshore wait, this increases their ability to load, unload and hence raise emissions.

As for Transnet as victim, the desire to build the $380 million first stage of the project as quickly as possible, thereby raising annual container processing capacity from around 2.8 million to 5 million, led to an apparent case of climate denialism. One government researcher – the Council for Scientific and Industrial Research’s Roy Van Ballegooeyen (Transnet 2012) – working for Transnet entirely ignored climate in his “Modelling of potential environmental change in the port marine environment” report. After being repeatedly challenged on climate, Transnet’s (2013) formal EIA then resorted to using 2008-and-earlier information, especially about the impact of sea level rise (SLR):

The probability of sudden large rises in sea level (possibly several metres) due to catastrophic failure of large iceshelves is considered unlikely this century… In 2008, the UN’s expert scientific body on climate change projected that the sea level around the world could rise from anywhere between 180 mm and 580 mm by the end of this century as result of rising ocean temperatures and the melting of glaciers, snow and ice in polar regions.

That EIA report was rejected by the Department of Environmental Affairs as inadequate on two counts: the Durban harbour’s sensitive sandbank would be partially destroyed, nor was climate properly considered (Paton 2014). But in its mid-2014 update, Transnet (2014) and its consultants demonstrated an unwillingness to change, misreading a report by the Intergovernmental Panel on Climate Change (IPCC) (2013) to still maintain a maximum 0.58 meters of SLR within 45 years, the berth upgrade’s lifespan. As SDCEA (2014) pointed out in great detail in their EIA critique, this is a disturbing underestimate of the problem as it will affect Durban. There are two reasons: the IPCC actually estimated a higher SLR figure than the Transnet consultants identified; and in any case the IPCC is persistently too optimistic about climate impacts (typically by 60 percent), and hence more updated scientific literature was required. Columbia University’s Earth Institute (2013) projected in 2013 “sea-level rise of as much as six feet (1.83m) globally instead of two to three feet” by 2100, with higher amounts (3m) possible if more giant ice sheets crack. In May 2014, weeks before Transnet’s (2014) updated filing, scientists calculated the West Antarctic ice sheet’s more rapid submersion and generated much higher SLR estimates.

In addition to SLR and ocean acidification, at least four basic concerns remain, which Transnet failed to answer in its EIA statements:

- by expanding the shipping capacity of Durban harbour to super post-Panamax scale container vessels, will Transnet take up excessive amounts of South Africa’s carbon budget and therefore ruin the government’s pledge to peak and then decrease emissions after 2020?
- expanding the shipping capacity also requires expanding the freight capacity, the danger is that more emissions, congestion, and trucking-related accidents will occur in an area demonstrably unsuitable given lack of road transport and inadequate shifting of freight to rail, so it is critical to know the amount of the new freight capacity being built to handle the much larger shipping capacity – i.e., what proportion of this is being anticipated for freight haulage by rail and by trucking respectively?
- has the recommendation by the Academy of Sciences of South Africa, in its 2011 book Towards a Low Carbon City, commissioned by the city, been incorporated? “The transport sector is pivotal to the transition to a low carbon city... The top priority was identified as the need to
reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants.”

- how much additional CO2 will be emitted by the bunker fuel that is consumed by ships en route to and from Durban as a result of the vast new capacity associated with super post-Panamax ships soon capable of entering the Durban harbor, and how much additional CO2 will be emitted by the trucks that will haul the new freight, assuming this expansion is the crucial link in raising capacity to 5 million containers annually?

5. Conclusion: The risks of activists connecting the dots

Few if any of the risks discussed in this article can provide any genuine, lasting deterrent without social agency. Vast parastatal corporations and the for-profit corporations they serve can easily turn their backs on even the most glaring contradictions, as Transnet demonstrated in repeated EIAs when faced with climate-related objections to the South Durban port-petrochemical expansion. The threat climate change represents to our future survival was, for Transnet and its consultants, merely an opportunity to file repeated arguments representing denialism.

The greatest risk to Durban’s proposed port-petrochemical complex expansion is the repertoire of mandatory tools in any activist’s toolbox: popular education, democratic decision-making, mass-based organization, linkages of people across interest areas leading to new alliances, unity of purpose, an ability to transcend divisions, powerful analysis, fluidity and pragmatism combined with a profound commitment to eco-social justice principles, and effective strategies and tactics.

There is not sufficient space to do more than reveal some of the discourses being developed in 2011-14 in South Durban by SDCEA activists and their allies. One risk that Transnet and major oil companies – even ExxonMobil – face is that the critical narrative catches on in the broader society, and affects the way we think about infrastructure priorities. The timing is propitious, because for at least two decades, South Africa has witnessed what are probably the most prolific protests in the world dedicated to improved “service delivery” – i.e. demonstrations against lack of (or excessively expensive) water and sanitation, electricity, housing, clinics, schools, roads and the like. These have occurred in South Durban, but as ever, the challenge is linking people’s immediate concerns to wider matters, i.e. to connect the dots between local and global and back again, and between economic, social and ecological matters.

SDCEA’s activists were motivated by a variety of minor victories against polluting industries. In two cases, substantial landfills that were used as toxic dumps by unethical waste companies were shut down. SDCEA leaders of those campaigns, Bobby Peek and Desmond D’Sa, were successful in 1996 (Umlazi) and 2012 (Chatsworth), respectfully, and in each case they won the Goldman Environmental Prize for Africa two years later as a result. SDCEA recorded other victories, notably against the Engen and Sapref refineries which are collectively the largest refinery zone in Africa. Because of SDCEA lobbying, they both installed SO2 scrubbers so South Durban is not nearly as thick with airborne pollution and the sickly-sweet smells of chemical emissions.

SDCEA’s own strength ebbs and flows, as does any civil society institution fighting injustices where the adverse balance of forces is so glaring. In an earlier stage of opposition to the port-petrochemical expansion, in 2004-05, SDCEA gathered thousands of residents to halt a major link road planned from the city’s main southern freeway to the port. In 2006 SDCEA began campaigning against the doubling of the oil pipeline capacity and its rerouting through South Durban. In 2008,
SDCEA used the EIA to challenge the climate implications of a major project for the first time. But at that stage, neither protests nor allegations (quite valid) of environmental racism nor EIA interventions slowed Transnet; Gigaba (2012) openly admitted the roughshod way Transnet treated such contestation led to numerous problems in the pipeline’s implementation.

In 2011, Durban municipal City Manager Mike Sutcliffe – perhaps the city’s most controversial leader in history (Bond 2011) – drew up a secret plan, estimated to cost the equivalent of $25 billion, for the entire South Durban Basin. The plan reflected many decades of official ambition to re-engineer the Basin, in the wake of the 1940s-60s attacks on black residents which turned South Durban communities into racial enclaves. Racial settlement patterns existed nearly entirely unchanged into the second decade of democracy, with the exception of Clairwood’s desegregation by shack settlers as urban blighting began in the 1990s. Sutcliffe’s master plan was only unveiled to the public in mid-2012 at which point a half-dozen community meetings called by the city under the rubric of public participation were taken over by SDCEA activists, led by D’Sa. A near unanimous sentiment was expressed in meeting after meeting: close down the event and refuse to have it declared a form of tick-off participation. The main planner, consultant Graham Muller, was repeatedly frustrated.

The narrative in the August 2012 pamphlet, “ACT NOW! EXPANDING PORT, POLLUTION AND FREIGHT THREATEN SOUTH DURBAN” is worthy of even brief consideration because, like a poster for a March 2014 SDCEA protest at Durban’s City Hall, it helps reveal activist attempts to link issues and constituencies. The first of eight SDCEA critiques in the pamphlet was that “We need one planning process. The municipality refuses to discuss the port expansion projects, which are spearheaded by Transnet.” The city’s strategy was to join Transnet in fragmenting the long 2014-2040 process of approval, construction and operation so that the vast implications for the entire project are not collected in any single moment of opposition. In reply, SDCEA demanded “a single participation process with all spheres of government, developers and communities to chart a sustainable and common way forward. Otherwise we will be arguing one puzzle piece at a time and will never change the overall picture.”

The second critique was “Cost vs. Benefit... Proponents boast 130 000 permanent jobs will be created – is this accurate? If correct this means a high capital investment of $190 000/job created. What other ways could this money be invested to create sustainable livelihoods without the terrible social and environmental impacts? Are the full costs – including community destruction, adverse health effects, and our greater contribution to climate change – being considered?” Activists suspected the jobs calculation was far out of touch with reality given, as noted earlier, that even the largest container ships are designed to have crew numbering less than two dozen (13 in the case of Walmart’s 15 500-TEU China-California shuttle).

The third critique also questioned the planners’ understanding of global shipping demand: “Is the expansion justified? Transnet are arguing expansion based on projections for the growth in container handling. At an 8 percent growth rate their projections show that a capacity of only 12 million containers will be needed by 2040 – yet they are building capacity for 20 million. Is this growth rate attainable given competition from other ports, growing resource constraints, carbon taxes on shipping, and global economic collapse?” Activists pointed out that harbour efficiency was appalling and that Durban’s notorious status of world’s highest-cost port would not be changed by adding $25 billion in capital costs given high interest rates affecting repayment of loans plus high operating and maintenance costs.
The fourth critique was that “Increased containers mean increased impacts,” and that this would translate into “8x the traffic, pollution and noise... There will also be an increase in Port related illegal activity including smuggling, drug trafficking, prostitution and shebeens” (informal pubs).

The fifth was of the “wrong fossil fuel development model. Port expansion will serve increased imports of consumer goods (60 percent of container cargo are imports to Gauteng), expansion of petro-chemical industries & fuel storage and the automotive industry (Toyota). This does not take into account dwindling resources, especially oil, and the need to stop climate change.”

The sixth was the environmental risk: “In addition to increasing climate change, port expansion will increase large water areas within the south Durban flood plain while removing the last natural wetlands. Toxic industry is also expanding in the basin. This increases the potential for flooding and hazardous chemical spills as extreme weather events increase.” Moreover, “the Bay’s estuarine ecosystem has been compromised to the point that it has lost resilience... The Bay provides a critical breeding ground for reef associated and migratory marine fish. 132 species of birds are found here and 62 species of endangered, migratory birds rest and feed here.” The sandbank’s destruction in the first phase would wreck any remaining chance of restoring the harbour’s ecological integrity.

The seventh was the resulting “Community upheaval... Clairwood is earmarked for rezoning to logistics with some light industry. 6000+ people will be forced to relocate through market pressure, and with no active community present will inevitably result in the degeneration of historic cultural sites in the area. The port expansion requires 878 hectares of land for containers!”

The eighth critique was to ask, “Freight – rail or road? The documents make reference to rail and interchange nodes. However, the documents refer to ‘freight routes’ which on some plans are shown as rail but more recently as roads.” Just over a year later, on the Field’s Hill slope through the main mountain pass towards Durban, 24 people were killed by a runaway truck carrying a container belonging to Taiwanese-based shipping behemoth Evergreen. It was being freighted from Johannesburg by a small Durban truck transport agency, which skimmed on paying toll fees (staying on the main highway with its more gradual slope would have cost $4 more), hired as a driver a low-paid Swazi national with an illegitimate license, and failed to have its faulty brakes repaired before the fatal trip. The SDCEA ‘truck off’ protest of 500 residents on the freight area’s main throughway (Solomon Mhlangu Drive) in March 2012 had forewarned of this kind of risk, given that there were 7000 accidents in Durban in 2010 involving trucks, leaving more than 70 fatalities. In Clairwood alone, trucking companies invading the residential area with illegally zoned truck yards, and accidents there and on nearby Bluff roads had killed nine residents in the prior five years. The Clairwood community leader who opposed trucks the most vigorously, Ahmed Osman, was assassinated in April 2009, shot dead on his front porch in one of many unsolved crimes involving the deaths of Durban activists (Bond 2011).

In spite of such dangers (D’Sa himself was a target of a nighttime firebombing in his working-class flat in December 2007), the rhythm of street protest is also revealing. As the municipality and Transnet began public consultations in 2012, SDCEA activists were able to use the mass meetings as rallying points. For example, in September 2012, Clairwood’s established Indian residents most immediately threatened by the existing harbour’s expansion invited then Finance Minister Pravin Gordhan – who thirty years earlier was a community organiser against apartheid housing in those very streets – to make a presentation defending Transnet and the city. He attempted to do so, using the standard neoliberal narrative of international competition, and specifically the threat that
Maputo would get ahead in port traffic to Johannesburg (itself a reasonable proposition given that it is a shorter route without the Durban-Johannesburg mountainous terrain to cross). Tellingly, however, Gordhan also hinted that a divide-and-conquer strategy lay ahead against SDCEA activists, because Clairwood is also a site of several thousand black African shackdwellers barely surviving in informal settlements, backyard slums and even large tents. Fires regularly ravage these residents’ shacks, destroying their belongings and often injuring (and even occasionally killing) people, including one night-time blaze that wrecked a double-yard settlement of 500 shacks in mid-2013. The mainly middle-class audience of traditional homeowners of Indian ethnic origin were reminded by Gordhan that the ANC’s ability to mobilise in a relatively desegregated Clairwood could haunt a coming political showdown, in which those with the most to lose were Indians in Clairwood and Merebank, followed by those in the mainly Coloured area of Wentworth (which suffers the most pollution) and the traditionally white Bluff area.

Still, three months later, in December 2012, several hundred people heeded SDCEA’s call to block the back port entrance, leaving a three kilometer long queue of trucks. Protests slowed in 2013 as the port EIA process and other high-profile debates with Transnet and municipal politicians took priority. But by March 2014, when SDCEA held a march to City Hall of 800 residents, new issues and constituencies were added to the coalition, including farmers on the old airport land who are to be displaced as the Dug-Out Port is built, and subsistence fisherfolk whose access to the existing harbour was contested from the time of the 9/11 bombings – thus generating US paranoia over port security – until in 2013 they were permitted back into their traditional fishing area. The challenge for connecting dots and adding issue areas would arise in subsequent years, as the Umlazi Unemployed People’s Movement (UPM) joined the anti-port coalition, for their ambition is to have the old airport land turned into low-income housing and labour-intensive industrial cooperatives. There is also potential for the country’s largest trade union, the National Union of Metalworkers of South Africa (Numsa), to concretise its ambitions of a United Front linking workers, residents, environmentalists, women and youth. If Numsa succeeds in taking over the organization and representation of Durban port workers – as they were doing down the coast at the Coega container terminal – and evoking genuine eco-socialist politics, if the UPM leads land invasions at the airport before the 2016 digging is due to begin, and if Clairwood shackdwellers and nearby worker-hostel residents in Umbilo and Jacobs are fully organized, then the threat of racial divisions would fade.

However, it must be conceded, finally, that SDCEA remained weak when it came to an alternative approach to the South Durban Basin’s development. As SDCEA’s 2012 pamphlet reported, “We must urgently invest in a post-fossil fuel development path including renewable technologies and resilience to climate impacts. Are we giving up our land, environment and community to facilitate imports feeding rampant consumerism?” That stark choice lay ahead not only for SDCEA, South Durban residents and the broader city – but for the country and world as a whole. With the capitalist “development model” representing by far the greatest risk to the continuation of a decent life on a climate-constrained planet, and with inequality and political degradation out of control in South Africa and across the globe, then the showdown over South Durban’s future would, in microcosm, signal whether disparate forces can find unity in opposition, and use that unity to plan a future based on less risky ways of arranging economy, society and nature.

References


Rawlins, L. (2013), ‘Fears for habitat as ship left stranded,’ *The Mercury*, 20 August.


Silver Wave (2011), ‘Environmental Impact Assessment’, DETAILS TO BE PROVIDED.

South Durban Community Environmental Alliance (2008), ‘Comments on the Transnet Multi Product Pipeline Proposal,’ Durban, 7 July.

South Durban Community Environmental Alliance (2012), ‘ACT NOW! EXPANDING PORT, POLLUTION AND FREIGHT THREATEN SOUTH DURBAN’, Pamphlet, Durban, 12 August.


Facing the most serious civilizational threat ever, what is the South African government doing? The new Infrastructure Development Act pushed into law by economic development minister Ebrahim Patel will fast-track carbon-intensive mega-projects on behalf of mainly foreign corporate beneficiaries.

Still, each project must provide convincing EIAs to move ahead. Environment minister Edna Molewa is presently cutting her climate regulatory budget, so we can expect her to ignore regular administrative opportunities to at least query – and sometimes delay – Patel’s filthiest, climate-wrecking, community-polluting, profit-boosting projects.

For example, Transnet is driving the first two major projects promoted by the Presidential Infrastructure Coordinating Commission (PICC). So Transnet CEO Brian Molefe’s response to climate change is just as important as Molewa’s. Transnet and other state agencies are apparently unwilling to factor in climate when building PICC Strategic Investment Projects (SiPs).

Fortunately, progressive environmentalists – e.g. Earthlife Africa, groundWork, Greenpeace, Treasure the Karoo Action Group and the South Durban Community Environmental Alliance (SDCEA) – are fighting SIP mega-pollution.

In the most important current controversy, Transnet’s attempt to expand the main Durban berths for unloading mega-ships, activists forced Molewa’s staff to rise to the challenge, but only half way. Last October, they surprised the shipping industry by ruling that not only did Transnet fail to factor in damage to the Durban harbour’s life-giving central sandbank, but its environmental consultants hadn’t thought through whether sea level rise and severe storms would swamp and maybe destroy the R5.6 billion investment.

What happens here is vital, for this is the pilot project within the second largest SIP, promoted by former Planning Commission leader Trevor Manuel and his replacement, Cyril Ramaphosa, as well as the local Durban ruling elite. They may not win, because amongst their critics is the 2014 Goldman Environmental Prize winner for Africa, Desmond D’Sa at SDCEA. He regularly draws world attention to the toxic pollution that goes unchecked in the South Durban Basin. In late April, The Economist and The Guardian covered D’Sa’s fight against the port-petrochemical expansion.

SDCEA (of which as a Bluff resident I am a lay supporter) has repeatedly protested Africa’s largest refinery complex, where Engen, BP and Shell create airborne havoc. At last count, more than half the children at the school between South Durban’s two main refineries, Settlers Primary, have asthma, the world’s worst known case.

In July, D’Sa and SDCEA researchers Eunice Asante, Tristan Ballard and Priya Pillay used an EIA challenge to review the sea level rise threat, culminating years of debate about climate with Transnet and its consultants Nemai, ZAA (a Cape Town marine consultancy) and even the taxpayer-funded Council for Scientific and Industrial Research. Transnet’s previous filings were based on data five years old, and downplayed rising waters and extreme storm damage, even though the firm’s own Durban infrastructure was badly damaged in 2012 when big waves – caused in part by the harbour entrance’s deepening and widening – pushed a ship into cranes.
After late 2013’s humiliating slap down, Transnet filed a new EIA in June. But instead of getting new consultants, Molefe used exactly the same sloppy companies – Nemai and ZAA – and emerged with the same data. Their filing came weeks after the revelation in Nature that the West Antarctica ice sheet was now irretrievably melting, a process that will dump such a huge slab into the ocean. Nature authors estimate a four meter rise in sea levels at full submersion in coming centuries.

Transnet didn’t mention this, claiming that the time period of this debate is 2014-2060, and at that latter date, Transnet estimates a sea level rise of only 0.58 meters. But SDCEA’s researchers found a glaring flaw: Nemai and ZAA misread the latest Intergovernmental Panel on Climate Change report and as a result, were 20 percent off in its calculations. As SDCEA complained, Transnet “mistakes the mean sea level rise for 2081−2100 relative to 1986 – 2005 for the likely sea level rise by 2100.”

SDCEA first challenged Transnet on climate change in a 2008 EIA for the Durban-Johannesburg oil pipeline, but its arguments were simply ignored. Molewa’s predecessor, Marthinus van Schalkwyk, rubber-stamped Transnet’s doubling of capacity to pump the oil, hence increasing the refinery activity that D’Sa’s constituencies so greatly fear. There have been dozens of horrific accidents and explosions at South Durban’s refineries and oil storage tanks since the 1990s.

Van Schalkwyk did so in spite of the implicit environmental racism of Transnet’s then CEO Mario Ramos (now ABSA bank CEO), when she detoured the new pipeline hundreds of kilometers through South Durban and Umbumbulu instead of the traditional direct route that passes through the white residential areas of Kloof and Hillcrest and white farming areas. The pipeline price, meanwhile, soared from R6 billion to R23 billion.

Speaking frankly in December 2012 when describing that project, former public enterprises minister Malusi Gigaba conceded “systemic failings... Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks.” As Gigaba admitted, “Transnet’s obligations on the project such as securing authorisations – EIAs, land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.”

Next, consider the mega-ships that Durban will attract if Transnet goes ahead. These will continue to deindustrialize our economy, leaving a smattering of jobs in shipping and only minerals exports and electricity-intensive smelting “beneficiation”. Worse, Walmart’s next-generation ships, now under construction in Korea, will carry 24 000 containers, reflecting the maniacal pace of consolidation and overcapacity in this industry.

When asked whether maritime commerce’s use of bunker fuels – now four percent of world emissions – is a concern for climate (as I did in the EIA process), Transnet’s answer is that the mega-ships have lower costs/unit and emissions/unit, which is true. But the bigger question is whether we could establish a more coherent, balanced economic strategy that will not be vulnerable to whimsical global trends, what with that projected eight-fold increase in container capacity by 2040.

Also, consider that these ships will be traveling into Durban via the most dangerous current in the world, Agulhas. Here, periodic “monster waves” have in recent years sunk even a vast coal-carrying vessel in Richards Bay (September 2013) and an oil tanker just north of Durban (July 2011), along with hundreds of other ships over the centuries. No ship is safe, especially as extreme weather intensifies.
In spite of these structural woes, Transnet has hyperactive ambitions. Last month Patel announced he would raise credit for “connecting the coal-rich Waterberg to the Richards Bay Coal Terminal, or to Eskom’s power stations, Medupi and Kusile. Mining companies commit themselves to Transnet to export so many thousands or hundreds of thousands of tons of coal on the railway lines. Transnet then takes those agreements to the banks to raise the capital to build or expand the railway capacity.”

But what if the coal price crashes, as it has the last few months – by 44 percent – and Transnet suffers declining revenues from its main minerals-transport customers? Already Transnet’s financial woes include a vast class action lawsuit by pensioners accusing it of theft, apparently for good reason, and regular ridicule for running the world’s two most expensive ports in terms of container throughput costs: Durban and Cape Town. How can such costs decline, given the capital and interest payments – as well as operating and maintenance costs – on hundreds of billions of rands of upgrading?

The biggest problem for Transnet’s vision is that freight rail cannot compete with the deregulated, chaotic trucking industry, with all its corner-cutting and illegality. No one in Durban will forget how a runaway container truck driven by an illegal immigrant without a driver’s licence was told by his boss to avoid a R40 toll on the main Joburg-Durban highway, instead taking a back route down the very steep Field’s Hill on September 5 last year. Two dozen working-class kombi passengers died when it crashed because the brakes were faulty. That container belonged to Taiwan-based Evergreen, the world’s fourth largest shipper – but like all, prone to hiring fly-by-night transporters.

Will a sickly Transnet and its sponsors in the national Treasury locate bankers for destructive projects like the coal-export rail investments and South Durban port-petrochemical expansion? Last November, when Transnet went to the City of London to float a bond, it had to pay a whopping 9.5 percent interest rate. Details were never provided about the cost of China’s $5 billion loan in March 2013, but it was obvious that part of that payout was Transnet’s $4.8 billion in Chinese joint-venture locomotive deals signed a year later, which the metalworkers union alleges were graft-filled.

Financial sanctions are a strategy SDCEA is considering for Transnet. But whatever weapon is selected, SA society needs to rethink its overexposure to the volatility of the world economy, and localise the production chains – for our own sake, not just the climate’s.
The BRICS remix climate damage and corporate collusion
Telesur, 30 August 2014

Durban – The movement from below to tackle climate change is gathering pace in South Africa, and elsewhere in the world, in advance of the September 21 mass march against the United Nations. Environmentalists lead, but this struggle invokes the world’s greatest class-race-gender-NorthSouth conflict, too. Ban Ki-Moon’s heads-of-state summit on September 23 may generate greater publicity for the cause, but if, as anticipated, world rulers simply slap each other on the back, activists will have to even more urgently intensify the pressure.

This was the message from the recent Venezuelan-initiated People’s Climate Process in Caracas, which built upon a mass meeting four years ago in Cochabamba, Bolivia. Such demands for ‘climate justice’ remain most relevant to our times, in contrast to the watered-down slogans and vacant demands that, sadly, characterize the coming big march. The day before, however, the ‘Converge for Climate’ gathering will offer much more robust analysis, strategies and tactics, seeking much wider alliances than ever before.

Our window to halt runaway climate change is closing fast this decade, with world-wide emissions cuts of 50 percent needed by 2020, and 90 percent by 2050, to keep the planet at even a 2 degree rise. Extreme weather now feels commonplace. If runaway methane from thawing Siberian tundra and melting Artic ice worsens, the cuts will have to come even sooner and deeper. Can civilization face up to this, or will corporations keep us looking the other direction?

Elite paralysis

The September gathering in New York will be followed by the formal UN Framework Convention on Climate Change summits in Lima, Peru in November and then the literally last-gasp effort in Paris in late 2015. Last weekend, a militant prep-com of climate justice activists began preparations, while the Indigenous People of the Andes are expected to mobilize militantly in Lima.

Still, these ‘Conferences of the Parties’ (COPs) are so far merely fortnight-long talk-shops. The 17th was hosted here in Durban in 2011, and was a failure on all accounts, including activism. The COPs are invariably sabotaged by US State Department negotiators, joined by brethren climate-denialist regimes in Canada, Australia and Japan. Best that these events be remembered as Conferences of Polluters.

At the COP15 in 2009, four other major polluters – Brazil, China, India and South Africa – signed on to US President Barack Obama’s Copenhagen Accord. It not only “wrecked the UN,” as Bill McKibbon of 350.org put it, in terms of process. The Accord promised only inadequate and voluntary emissions cuts. Indeed at the mid-July BRICS summit last month, the most substantial comment about climate change was not reassuring – “bearing in mind that fossil fuel remains one of the major sources of energy” – and so it appears that the BRICS will follow a COP negotiating strategy that they initiated five years ago. Added to that is the BRICS strategy of introducing carbon markets (‘privatising the air’) in spite of the massive European and US pilot project failures.

Copenhagen represented, simply, as climate justice writer-activist Naomi Klein accurately described the experience, “nothing more than a grubby pact between the world’s biggest emitters: ’I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.’” In her new book, This Changes Everything, Klein blames the profit-logic of mega-
corporations, not just their pocket governments, and she insists on post-capitalist climate policies.

If she is correct, in this opportune context there is already some evidence that activist pressure is beginning to affect even Washington, DC, surely the most corporate-dominated political capital in world history thanks to recent campaign finance deregulation. Teased by activists for five years, Obama finally gathered enough will to regulate the powerful coal energy industry in June. He announced what is in effect a ban on constructing 150 coal-fired power plants proposed in 2001 by then Vice President Dick Cheney. Only two have been built since then, mainly thanks to vigorous community opposition but also because Sierra Club lawyers bogged down the coal industry, and so Obama has only recently codified what was already a major shift away from the dirtiest energy source, coal.

To be sure, the US climate movement’s next challenges are extreme: fracking, new oil drilling in deep-sea waters and national parks, coal exports, and the import of Canada’s tar sands shale oil, not to mention the full economic reboot Klein calls for. As for claims by Obama and Europeans that their economies’ greenhouse gases are being cut, these brags are not genuine, for the North is simply outsourcing dirty industries to East Asia, while enjoying cut-rate products sent back, paid for by degraded currencies.

Financial fight-back

If capitalism is the problem, undercutting financial flows to the status quo is a vital strategy. Divestment from fossil-funded profits parallels what worked so well thirty years ago when we were fighting South African apartheid. Financial jujitsu is one way to turn capitalism against itself, as we learned then. And today, traditional bankers are increasingly wary of socio-ecological controversy, with the London NGO Carbontracker pointing out Big Oil’s ‘unburnable carbon.’ Under growing pressure, even the fossil-saturated World Bank last year agreed not to lend more for coal-fired power plants, though Bank President Jim Yong Kim’s recent broken promises on environmental and social safeguards confirms his Obama-style unreliability.

Financial sanctions helped bring down apartheid by splitting South Africa’s banking elite away from the Afrikaner ruling racists. They are now being used by Palestine solidarity activists to great effect (causing elite panic in Tel Aviv), after leading Dutch and Norwegian pension funds and a major Danish bank disinvested from Israeli banks possessing illegal West Bank Occupation branches in January. Divestment of fossil fuel stocks from major funds – even Stanford University’s endowment a few weeks ago – was stimulated by calls from Archbishop Desmond Tutu to follow our example: hitting the oppressive system in the wallet, hard.

“People of conscience need to break their ties with corporations financing the injustice of climate change,” Tutu argued in a Guardian op-ed in April. “The good news is that we don’t have to start from scratch. Young people across the world have already begun to do something about it. The fossil fuel divestment campaign is the fastest growing corporate campaign of its kind in history.” 350.org’s Africa-Arab Team Leader Ferrial Adam aims to start SA’s herd dash from fossil stocks, shares and securities, with a “campaign for divestment from fossil fuel infrastructure projects.”

Putting on the financing lid is difficult since so much money sloshes around the world thanks to capitalist crisis conditions that Marxists term ‘overaccumulation.’ Nevertheless, in these volatile circumstances, South Africa’s $140 billion foreign debt – a ratio similar to the mid-1980s, having risen from the $25 billion Nelson Mandela inherited in 1994 – works in the climate activists’ favour,
just as it did 29 years ago during the darkest days of apartheid when PW Botha gave his infamous ‘Rubicon Speech’ here in Durban. He made no concessions and all hell broke loose; the country would never again be the same, once the financiers began their run the next day.

A similar David & Goliath match was won by South African activists from the Treatment Action Campaign ten years ago, in their fight against governments in Washington and Pretoria, Big Pharma, the World Trade Organisation and the very notion of Intellectual Property. Winning that battle raised life expectancy from 52 in 2004 to 62 today. With the threat to life posed by climate change, an even greater scale of activist intervention will be needed again, especially on the African continent which is home to most of the 400 000 people now estimated to be dying annually from climate change, already.

**SA’s uncooperative crony capitalists**

Changing national public policy is vital and again, South Africa is one of the world’s great battlegrounds. The mining-smelting-shipping corporates (whether local, Western or BRICS in origin) and their Pretoria servants are frightened when climate is raised.

The critical baby step towards a sane climate policy is relatively simple: *measure how much SA’s major greenhouse gas polluters emit so they can be capped and cut.* Most countries now have quite accurate ways to assess both atmospheric greenhouse gases and extreme point sources. For example, the privatized SA oil company Sasol – now listed on the New York Stock Exchange – has a huge facility not far from Johannesburg, Secunda, squeezing coal and gas to make liquid petroleum, in the process creating the single greatest site of CO2 emissions on earth.

In contrast, SA Environment Minister Edna Molewa’s new $500 million budget is revealing. Her recent $2 million spending cut from the SA Weather Service means, according to Parliament, “South Africa would be unable to meet its international obligations regarding the monitoring of greenhouse gases through the Global Atmospheric Watch station. As a result, there would be a limitation on monitoring the impacts of Climate Change Mitigation and Scenario Strategies for the country. The country would also be unable to formulate baselines and monitor emissions versus set targets.”

Molewa might, logically, aim to keep her subjects ignorant about the economy’s reliance upon fossil fuels, because she is bowing to the durable power of the so-called ‘Minerals Energy Complex’? That power was unveiled when her cabinet colleagues Nathi Mthethwa and Cyril Ramaphosa assisted London-based platinum firm Lonmin by deploying the police against striking workers, for the sake of maintaining corporate mining profits on August 16, 2012. Ramaphosa, later to become deputy president of South Africa, was a 9 percent owner of Lonmin, and it was his emails that brought massacre-minded troops to end the wildcat strike (he called it ‘dastardly criminal’), leaving 34 corpses of surrendering workers. Testimony he gave to the Marikana Massacre commission in mid-August confirmed his loyalties: he admitted that instead of building 5500 houses for Lonmin workers, as promised, the corporation’s Transformation Committee he oversaw built just three.

Ramaphosa’s massive coal mines and similar dirty coal corporations were long pampered by Molewa’s water ministry. At least forty new mines are now being dug or planned to feed the state electricity company Eskom’s Medupi and Kusile power plants (the two largest under construction in the world today), not to mention massive new coal digs to export to China and India. The coal-producing province of Mpumalanga is, quite literally, wheezing, yet Eskom has applied to
Molewa for ‘rolling postponements’ on pollution reductions required by law at 14 power plants there. According to the NGO groundWork, this would ‘amount to exemption.’

Eskom has the gall to try this because Molewa has turned a blind eye to many pollution violations. One poignant example is an illegal coal operation close to the border of Hluhluwe-iMfolozi park – Africa’s oldest game reserve and the centre of rhino survival efforts – where local peasant livelihoods are being wrecked by the opencast Somkhele mine. Nearby, even more damage is likely, if the Ibutho Coal company opens a similar mine on the historic park’s direct border. It is a hare-brained plan but government has already approved it in principal. Ibutho is a shady operation and refuses to disclose its corporate sponsors, but of the six principals named in its application, half are tied to Glencore and BHP Billiton, which are by far the world’s largest commodity trader and mining house, respectively.

Can Molewa resist their charms? After all, BHP Billiton still enjoys an extraordinary revolving-door relationship with very powerful South African officials. The crony capitalism dates to apartheid, when it boosted the salaries of finance minister Derek Keys and Eskom treasurer Mick Davis. The door continued spinning after 1994, and through it went the first democratic energy regulator, Xolani Mkhwanazi, the first director general of trade and industry Zav Rustomjee, and current national planning commissioner Vincent Maphai.

This revolving door helps explain why the Australian/UK firm gets electricity at a fraction of the price of ordinary people, consuming between 6 and 10 percent of our national power load, and exporting the profits while employing fewer than 1500 at the main Richard Bay smelters. Molewa is implicated in the power structure, and that may help explain another absurd budgeting choice revealed in July: explicit climate change programming will be slashed 8.3 percent after adjusting for inflation, leaving just $22 million in this year’s budget to address the greatest threat to our survival. Also cut was environmental monitoring, in spite of growing attention to pollution hazards.

**Climate talks, but emissions roar**

The SA Parliament’s Environment Committee warned on July 8, “As a country, we must be seen making our fair contribution to the global effort to mitigate climate change by ensuring that we reduce our greenhouse gas emissions below the business-as-usual by 34 per cent by 2020 and 42 per cent by 2025, consistent with the pledges that President Jacob Zuma made” at the UN climate summit in Copenhagen. The obvious question is how these emissions cuts can be accomplished with the country’s controversial 2012 National Development Plan (NDP), drawn up by former Finance Minister Trevor Manuel (the country’s most neoliberal politician) and now overseen by Ramaphosa:

- The NDP gives multinational and local fossil fuel corporations all the subsidized infrastructure they need to rip out South Africa’s coal, burn it in Medupi and Kusile, each capable of polluting 35 million tonnes of CO2 per year, with most benefits going to mining houses and smelters.
- The NDP helps ship massive amounts of coal from South Africa to China and India through Richards Bay – the Presidential Infrastructure Coordinating Commission’s main priority project, at “the single largest coal export terminal in the world” – at a cost of several tens of billions of dollars.
- The NDP’s second priority investment is $25 billion to expand Durban’s port from throughput of 2.5 million to 20 million containers a year from now to 2040, with huge
implications for the climate.

- The NDP supports CO2-intensive fracking in the dry western Karoo and deepwater oil exploration offshore Durban in the dangerous Agulhas Current: ExxonMobil is asking for prospecting permission in depths of more than 3.5 km, in spite of sharpening community opposition, while Sasol and a Burmese company are also trying their luck nearby, with Big Oil acquiring Zuma’s endorsement in Durban last month.

The NDP is most strenuously opposed by the National Union of Metalworkers, the continent’s largest union and also the most advanced regarding the need for a Just Transition to a post-carbon, post-capitalist economy. There is also a new left party that derides the NDP in parliament: the Economic Freedom Fighters. In contrast, the ruling African National Congress doesn’t seem to have a single vocal MP who cares about climate change. Indeed any eco-socialists who might be lurking in parliament, in the Congress of SA Trade Unions and in the Communist Party, still aiming to reform the NDP from the inside, should be forewarned: on the one hand, climate change and crony capitalism provide excellent reasons to redirect the NDP’s pro-corporate $80 billion infrastructure spending away from perpetual fossil dependency, towards meeting basic infrastructure needs.

On the other hand, though, Molewa’s defunding of her climate responsibilities provides an indicator of why reform is highly unlikely, at least not without a rapid deepening of eco-social-justice activism. For as Klein insists, *This Changes Everything*. 
Facing the most serious civilizational threat ever, what is the South African government doing? The new Infrastructure Development Act pushed into law by Economic Development Minister Ebrahim Patel will fast-track carbon-intensive mega-projects on behalf of mainly foreign corporate beneficiaries.

Still, each project must provide convincing EIAs to move ahead. Environment minister Edna Molewa is presently cutting her climate regulatory budget, so we can expect her to ignore regular administrative opportunities to at least query – and sometimes delay – Patel’s filthiest, climate-wrecking, community-polluting, profit-boosting projects.

For example, Transnet is driving the first two major projects promoted by the Presidential Infrastructure Coordinating Commission (PICC). So Transnet CEO Brian Molefe’s response to climate change is just as important as Molewa’s. Transnet and other state agencies are apparently unwilling to factor in climate when building PICC Strategic Investment Projects (SIPs).

Fortunately, progressive environmentalists – e.g. Earthlife Africa, groundWork, Greenpeace, Treasure the Karoo Action Group and the South Durban Community Environmental Alliance (SDCEA) – are fighting SIP mega-pollution. In the most important current controversy, Transnet’s attempt to expand the main Durban berths for unloading mega-ships, activists forced Molewa’s staff to rise to the challenge, but only half way. Last October, they surprised the shipping industry by ruling that not only did Transnet fail to factor in damage to the Durban harbour’s life-giving central sandbank, but its environmental consultants hadn’t thought through whether sea level rise and severe storms would swamp and maybe destroy the R5.6 billion investment.

What happens here is vital, for this is the pilot project within the second largest SIP, promoted by former Planning Commission leader Trevor Manuel and his replacement, Cyril Ramaphosa, as well as the local Durban ruling elite. They may not win, because amongst their critics is the 2014 Goldman Environmental Prize winner for Africa, Desmond D’Sa at SDCEA. He regularly draws world attention to the toxic pollution that goes unchecked in the South Durban Basin and in late April, The Economist and The Guardian covered D’Sa’s fight against the port-petrochemical expansion.

SDCEA (of which as a Bluff resident I am a lay supporter) has repeatedly protested Africa’s largest refinery complex, where Engen, BP and Shell create airborne havoc. At last count, more than half the children at the school between South Durban’s two main refineries, Settlers Primary, have asthma, the world’s worst known case.

In July, D’Sa and SDCEA researchers Eunice Asante, Tristan Ballard and Priya Pillay used an EIA challenge to flesh out the sea level rise threat, culminating years of debating climate with Transnet and its consultants Nemai, ZAA (a Cape Town marine consultancy) and even the taxpayer-funded Council for Scientific and Industrial Research. Transnet’s previous filings were based on data five years old, and downplayed rising waters and extreme storm damage, even though the firm’s own Durban infrastructure was badly damaged in 2012 when big waves – caused in part by the harbour entrance’s deepening and widening – pushed a ship into cranes.

After late 2013’s humiliating slap down, Transnet filed a new EIA in June. But instead of getting new consultants, Molefe used exactly the same sloppy companies – Nemai and ZAA – and emerged with
the same data. Their filing came weeks after the revelation in *Nature* that the West Antarctica ice sheet was now irretrievably melting, a process that will dump such a huge slab into the ocean that *Nature* authors estimated a four meter rise when there’s full submersion in coming centuries.

Transnet didn’t mention this, claiming that the time period of this debate is 2014-2060, and at that latter date, Transnet estimates only 0.58 meters sea level rise. But SDCEA’s researchers found a glaring flaw: Nemai and ZAA misread the latest Intergovernmental Panel on Climate Change report and as a result, was 20 percent off in their calculations. As SDCEA complained, Transnet “mistakes the mean sea level rise for 2081–2100 relative to 1986 – 2005 for the likely sea level rise by 2100.”

SDCEA first challenged Transnet on climate change in a 2008 EIA for the Durban-Johannesburg oil pipeline, but its arguments were simply ignored. Molewa’s predecessor, Marthinus van Schalkwyk, rubber-stamped Transnet’s doubling of capacity to pump the oil, hence increasing the refinery activity that D’Sa’s constituencies greatly fear. There have been dozens of horrific accidents and explosions at South Durban’s refineries and oil storage tanks since the 1990s.

Van Schalkwyk did so in spite of the implicit environmental racism of Transnet’s then CEO Mario Ramos (now ABSA bank CEO), when she detoured the new pipeline hundreds of kilometers through South Durban and Umbumbulu instead of the traditional direct route that passes through the white residential areas of Kloof and Hillcrest and white farming areas. The pipeline price, meanwhile, soared from R6 billion to R23 billion.

Speaking frankly in December 2012 when describing that project, former public enterprises minister Malusi Gigaba conceded “systemic failings... Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks.” As Gigaba admitted, “Transnet’s obligations on the project such as securing authorisations – EIAs, land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.”

Next, consider the mega-ships that Durban will attract if Transnet goes ahead. These will continue to deindustrialize our economy, leaving a smattering of jobs in shipping and only minerals exports and electricity-intensive smelting ‘beneficiation’. Worse, Walmart’s next-generation ships, now under construction in Korea, will carry 24,000 containers, reflecting the maniacal pace of consolidation and overcapacity in this industry.

When asked whether maritime commerce’s use of bunker fuels – now 4 percent of world emissions – is a concern for climate (as I did in the EIA process), Transnet’s answer is that the mega-ships have lower costs/unit and emissions/unit, which is true. But the bigger question is whether we could establish a more coherent, balanced economic strategy that will not be vulnerable to whimsical global trends, what with that projected eight-fold increase in container capacity by 2040.

Also, consider that these ships will be traveling into Durban via the most dangerous current in the world, Agulhas. Here, periodic ‘monster waves’ have in recent years sunk even a vast coal-carrying vessel in Richards Bay (September 2013) and an oil tanker just north of Durban (July 2011), along with hundreds of other ships over the centuries. No ship is safe, especially as extreme weather intensifies.

In spite of these structural woes, Transnet has hyperactive ambitions. Last month Patel announced he would raise credit for “connecting the coal-rich Waterberg to the Richards Bay Coal Terminal, or
to Eskom’s power stations, Medupi and Kusile. Mining companies commit themselves to Transnet to export so many thousands or hundreds of thousands of tonnes of coal on the railway lines. Transnet then takes those agreements to the banks to raise the capital to build or expand the railway capacity."

But what if the coal price crashes, as it has the last few months – by 44 percent – and Transnet suffers declining revenues from its main minerals-transport customers? Already Transnet’s financial woes include a vast class action lawsuit by pensioners accusing it of theft, apparently for good reason, and regular ridicule for running the world’s two most expensive ports in terms of container throughput costs: Durban and Cape Town. (How can such costs decline, given the capital and interest payments – as well as operating and maintenance costs – on hundreds of billions of rands of upgrading?)

The biggest problem for Transnet’s vision is that freight rail cannot compete with the deregulated, chaotic trucking industry, with all its corner-cutting and illegality. No one in Durban will forget how a runaway container truck driven by an illegal immigrant without a driver’s license was told by his boss to avoid a R40 toll on the main Joburg-Durban highway, instead taking a back route down the very steep Field’s Hill on September 5 last year. Two dozen working-class kombi passengers died when it crashed, because the brakes were faulty. That container belonged to Taiwan-based Evergreen, the world’s fourth largest shipper – but like all, prone to hiring fly-by-night transporters.

Will a sickly Transnet and its sponsors in the national Treasury locate bankers for destructive projects like the coal-export rail investments and South Durban port-petrochemical expansion? Last November when Transnet went to the City of London to float a bond, it had to pay a whopping 9.5 percent interest rate. Details were never provided about the cost of China’s $5 billion loan in March 2013, but it was obvious that part of that payout was Transnet’s $4.8 billion in Chinese joint-venture locomotive deals signed a year later, which the metalworkers union alleges were graft-filled.

Financial sanctions is a strategy SDCEA is considering for Transnet. But whatever weapon is picked up, the society needs to rethink our overexposure to the volatility of the world economy, and localise the production chains, for our own sake not just the climate’s.
Theory and practice in challenging South Africa’s high-carbon mega-infrastructure

Research in Political Economy, July 2014

ABSTRACT
A long period of capitalist crisis has amplified uneven and combined development in most aspects of political economy and political ecology in most parts of the world, with a resulting increase in the eco-social metabolism of profit-seeking firms and their state supporters. This is especially with the revival of extraction-oriented corporations, especially fossil fuel firms, which remain the world’s most profitable. What opportunities arise for as multi-faceted a critique of ‘extractivism’ as the conditions demand? With ongoing paralysis of United Nations climate negotiators, to illustrate, the most critical question for several decades to come is whether citizen activism can forestall further fossil fuel combustion. In many settings, the extractive industries are critical targets of climate activists, e.g. where divestment of stocks is one strategy, or refusing access to land for mining is another. Invoking climate justice principles requires investigating the broader socio-ecological and economic costs and benefits of capital accumulation associated with fossil fuel use, through forceful questioning both by immediate victims and by all those concerned about GreenHouse Gas emissions. Their solidarity with each other is vital to nurture and to that end, the most powerful anti-corporate tactic developed so far, indeed beginning in South Africa during the anti-apartheid struggle, appears to be financial sanctions. The argumentation for invoking sanctions against the fossil fuel industry (and its enablers such as international shipping) is by itself insufficient. Also required is a solid activist tradition. There are, in 2014, two inter-related cases in which South African environmental justice activists have critiqued multi-billion dollar investments and thus collided with the state, with two vast parastatal corporations and with their international financiers. Whether these collisions move beyond conflicting visions, and actually halt the fossil-intensive projects, is a matter that can only be worked out both through argumentation – e.g. in the pages below – and through gaining the solidarity required to halt the financing of climate change.

1. INTRODUCTION: UNEVEN DEVELOPMENT, EXTRACTIVISM AND THE INTENSIFIED SOCIAL METABOLISM OF SOUTH AFRICA

Uneven and combined development is the process by which capital accumulation proceeds, by centralizing capital in particular spaces, sectors and socio-economic conditions while disinvestment occurs elsewhere – and simultaneously there arises a more exploitative relationship between capitalism and a variety of non-capitalist spheres so that the ‘combined’ character of the modes of production enhance the capitalist system’s reproduction. The amplification of uneven development occurs most spectacularly during capital crisis episodes, including when the displacement of crisis is managed through geopolitical arrangements that exacerbate inter-capitalist competition, as accumulation relies more upon financial and commercial circuits of capital than in prior eras, and as neoliberal economic policy becomes more common. Simultaneously, imperialism becomes more important, to permit more efficient systems of extraction.

It is a process reminiscent of Rosa Luxemburg’s Accumulation of Capital, which in 1913 focused on capitalism’s extra-economic coercive capacities, including the looting of mutual aid systems and commons facilities, families (especially women’s role in social reproduction), the land, all forms of nature, and the shrinking state:

The relations between capitalism and the non-capitalist modes of production start making their appearance on the international stage. Its predominant methods are colonial policy, an international loan system – a policy of spheres of interest – and war. Force, fraud, oppression,
looting are openly displayed without any attempt at concealment, and it requires an effort to
discover within this tangle of political violence and contests of power the stern laws of the
economic process.¹

In theorizing imperialism, Luxemburg’s core insight, as distinct from framings by Lenin, Bukharin,
Hilferding, Hobson and others of her era, was to show that ‘Capital cannot accumulate without the
aid of non-capitalist’ relations and ‘Only the continuous and progressive disintegration of non-
capitalist organization makes accumulation of capital possible.’ This process, in which ‘capital feeds
on the ruins’ of the non-capitalist relation, amounts to ‘eating it up. Historically, the accumulation
of capital is a kind of metabolism between capitalist economy and those pre-capitalist methods of
production without which it cannot go on and which, in this light, it corrodes and assimilates.’ The
process becomes most extreme during periods of desperation intrinsic to capitalist crisis,
Luxemburg observed, drawing on Marx’s classical theory about ‘perpetual overproduction’ what
with ‘the ceaseless flow of capital from one branch of production to another, and finally in the
periodical and cyclical swings of reproduction between overproduction and crisis.’ At that point,
Luxemburg insisted, the core economies would reveal ‘the deep and fundamental antagonism
between the capacity to consume and the capacity to produce in a capitalist society, a conflict
resulting from the very accumulation of capital which periodically bursts out in crises and spurs
capital on to a continual extension of the market.’²

This is the stage that crisis-era capitalism witnessed during the 1880s. with the ‘Scramble for Africa’
– a Berlin agreement in 1885 that codified the continent’s colonial borders for the sake of more
efficient extraction – just one outcome that Luxemburg’s Accumulation explored in detail.³ The
challenge for capital then and now, is to intensify what Joan Martinez-Allier terms the ‘social
metabolism, i.e. the flows of energy and materials coming into the economy’, which in turn
activates social resistance.⁴ In the early 21st century, as the commodity super-cycle raised prices of
extractive industry outputs (albeit with a momentary interruption in late 2008 during the global
financial meltdown), the intensity of the social reactions rose. Moreover, uneven development
meant that capitalism of the early 21st century witnessed a new geopolitical network of economic
powers – the Brazil, Russia, India, China and South Africa (BRICS) group – which began to contest
for inclusion in global managerial functions on the basis of their own rising levels of accumulation.⁵
With the current renewal of this process – crisis, extension of the market, and amplified capitalist-
noncapitalist super-exploitative relations – serving as the basis for renewed imperialism, David
Harvey in 2003 added a new layer to this argument applicable to the BRICS:

The opening up of global markets in both commodities and capital created openings for other
states to insert themselves into the global economy, first as absorbers but then as producers of
surplus capitals. They then became competitors on the world stage. What might be called
‘subimperialisms’ arose... Each developing centre of capital accumulation sought out systematic
spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence.

2. Ibid, pp. 397, 76, 327.
4. Martinez-Allier’s work is profiled, along with a network in which this author is an associate, at the Environmental
5. Patrick Bond, ‘Sub-imperialism as Lubricant of Neoliberalism: South African “deputy sheriff” duty within BRICS,’ Third
World Quarterly, 34, 2.
South Africa is an exemplary case, for the accumulation process, crisis formation, and spatio-temporal fixes (i.e. sites where overaccumulated capital is directed) together rest upon a profound race-gender-ecological-class contradiction. Just as Luxemburg identified, and as was initially explored as “the articulation of modes of production” by Harold Wolpe, the so-called Minerals-Energy Complex that was for many years central to the way apartheid and capitalism interrelated, has subsequently been joined by a corrosive financialization process. That complex consists of the largest multinational mining houses, backed by the parastatal electricity company Eskom, in turn traditionally funded from the Treasury and backed by the state in many other respects. First using the term in their 1996 book The Political Economy of South Africa, Ben Fine and Zav Rustomjee showed throughout the twentieth century that mining, petro-chemicals, metals and related activities, which historically accounted for around a quarter of GDP, typically consumed 40 percent of all electricity, at extremely low prices. The phrase captures the fusion of state, mining houses and heavy industry, especially in beneficiating metallic and mineral products through smelting. David McDonald updated and regionalized the concept a decade onwards in his edited collection, Electric Capitalism, discovering an ‘MEC-plus’:

Mining is South Africa’s largest industry in the primary economic sector and the country has the world’s largest reserves of platinum-group metals (87.7 percent of world totals), manganese (80 percent), chromium (72.4 percent), gold (40.1 percent) and alumino-silicates (34.4 percent)... South Africa’s appetite for electricity has created something of a scramble for the continent’s electricity resources, with the transmission lines of today comparable to the colonial railway lines of the late 1800s and early 1900s, physically and symbolically.

The result is a kind of ‘Resource Curse’ (notwithstanding healthy semantic debate about the merits of the phrase, which was unveiled to the world during a platinum strike against London-based Lonmin in August 2012, where 34 mineworkers were killed by police in what appears to be a premeditated massacre involving a leading politician and Lonmin co-owner Cyril Ramaphosa. The cron-y-capitalist nexus continues its strong commitment to displacing overaccumulated capital into further opportunities for state-subsidized extractivist profits (in contrast to meeting basic needs), as Samantha Hargreaves describes:

The South African government’s National Infrastructure Plan with its 18 Strategic Investment Projects (SIPs) and 645 infrastructure projects will receive $75 billion in support from the national fiscus and state-owned enterprises from 2013 to 2015. All five of the geographic SIPs are principally aimed at ‘unlocking’ and supporting minerals, oil and gas extraction and the energy and water infrastructure required for extraction; extractive metallurgy, processing and beneficiation; and rail, road and port infrastructure for the transportation of raw or partially processed minerals and metals. At least two of the energy SIPs are geared to electricity generation, transmission and distribution to address ‘historical imbalances, provide access to electricity for all, and support economic development’, even though the extreme price increases

for ordinary people to pay for the Medupi and Kusile coal-fired power plants have placed electricity out of reach and resulted in reversion to dirty household energy (with all its adverse local ecological, health and gender impacts). Likewise the 17 regional infrastructure investments are extractives oriented, aimed at water, arable land, energy, and oil, gas and mineral resources. Yet South Africa also stands as both a central villain and victim in relation to climate change. This article considers analyses, discourses, strategies and tactics emerging about the two main South African mega-projects which are worsening the economy’s fossil-fuel dependence and socio-ecological degradation, and the country’s Resource Curse. The two largest mega-project cases now underway in SA are considered: first, a coal-fired power plant known as ‘Medupi,’ constructed for the parastatal electricity corporation Eskom’s grid; and second, the transport parastatal corporation Transnet’s expansion of the country’s minerals-energy-petroleum-rail-pipeline-port complex, with a focus on the largest single site, Durban. The latter project is still in its early stages (2005-40), while Medupi’s first generator is due for completion during 2015 following rather revealing delays of more than three years.

The two cases are closely related in functional terms, because they will exacerbate SA’s so-far self-defeating reliance upon export-led minerals growth and manufactured imports. Although precise costing estimates are impossible at this stage, each entails large infusions of local and foreign financing (Medupi around $10 billion, and Transnet’s South Durban expansion as much as $25 billion). Indeed in both cases, notwithstanding a sharp and potentially dangerous increase in SA sovereign foreign debt – from $25 billion in 1994 to $135 billion in 2013 – the two main parastatal corporations’ recourse to substantial external funding was considered appropriate by their managers and by the national Treasury. In contrast, when contemplating the foreign debt in 2009, Rand Merchant Bank12 predicted SA would soon hit a repayment squeeze similar to 1985’s historic debt crisis.13

The two projects have cemented the borrowers’ relations with, respectively, the World Bank and the Chinese Development Bank. Further funding is anticipated via the BRICS bloc, as a BRICS ‘New Development Bank’ is established in July 2014 at the Fortaleza heads-of-state summit, with a strong infrastructure mandate. In both cases, these financing arrangements are proving highly problematic: with Eskom because the World Bank’s largest-ever loan was granted in spite of numerous eco-social, economic and governance shortcomings; and with Transnet because its main place-based expansion – the existing South Durban harbour and a new port 7 kilometers south – is hotly contested by local civil society. In both sites, the most important contradiction is longer-term and global in nature, namely the impact of the projects on climate change. Only in the latter project is the government beginning to recognize this threat, although not on the causality side, but instead as a reflection of the port’s vulnerability to major storms and sea-level rise. Given the importance of innovative development finance within SA, the BRICS, the G20 and the multilateral institutions, and

12. Rand Merchant Bank Financial Markets Research, ‘Monthly ZAR outlook,’ Johannesburg, March 5, 2009, p.2. What makes this debt worse is the interest rate; amongst SA’s largest trading partners, only Greece’s has been higher, according to the Department of Trade and Industry. One reason interest rates have been so high in relative terms, is to guard against capital flight which periodically crashes the currency. SA’s liberalized exchange control system initially compelled a massive interest rate increase in 1995-96 to mitigate the exchange control deregulation of March 1995. See Patrick Bond, Against Global Apartheid, London, Zed Books, 2003.
the way representatives of these different blocs have differed publicly over the structures, processes and protections associated with development finance, this is a good opportunity to assess the priorities of one of the world’s highest-profile national governments.

Much can be learned at the two sites, for which details are provided in subsequent sections:

- **Medupi power plant.** In April 2010, the World Bank offered a $3.75 billion multi-tranche credit to the SA government for its parastatal firm Eskom. The main purpose is construction of the Medupi power plant, but one of the conditions was increasing Public-Private Partnerships in associated activities, including solar power generation. The project also includes a ‘fig-leaf’ renewable energy project (according to one of the Bank’s external reviewers in 2010), and it carries an absurd claim made by Bank president Jim Yong Kim in 2012 that Medupi is a ‘clean coal’ generator. The impact on climate change is immense, for Medupi is a 4764 MW power generating station (the world’s third largest, once complete), and two more in exactly the same style will follow. The next plant, Kusile (4800 MW), is already under construction. Local communities, environmentalists (local and global) and workers have regularly contested Medupi. The Bank’s Inspection Panel found six major shortcomings in a 2012 report, and further Bank investigations into Eskom in December 2013 also raised serious questions as to whether future tranches should continue.

- **Transnet expansion.** In March 2013, the Chinese government lent $5 billion to the SA parastatal Transnet mainly for the purpose of extending rail infrastructure further into the northern and eastern coal fields for subsequent coal exports mainly to India and China, as well as for general financing support that will include Durban harbour expansion, since such funding is essentially fungible. In addition to increasing the speed and magnitude of coal freight to the world’s largest coal export terminal, at Richards Bay, Transnet has also been raising funds for an anticipated $25 billion of new port and petrochemical investments in Durban, including a fully-privatized port management model at a brand new $10 billion ‘Dig Out Port’. This will complement the $2.3 billion doubling of Transnet’s Durban-Johannesburg oil pipeline capacity, which was commissioned at a third of that cost in 2007 and is due to be complete in 2014. Durban is also now a site of offshore oil prospecting, not far from the point where Africa’s largest refinery complex stands in hyper-toxic South Durban. There near-universal community opposition has emerged to Transnet’s plans, including on grounds of climate damage. Transnet’s Environmental Impact Assessment (EIA) consultants made a contentious statement in 2013 that larger ships in the new port will result in lower emissions per container carried.

In both cases, local activists and a few journalistic and academic allies have disputed the ‘clean’ fiction, although it remains to be seen whether the financiers take these broader problems into consideration, or continue to treat them with mere lip-service. In one encouraging sign, the SA

---

14. This was confessed by William Moomaw of Tufts University, an outside evaluator of the Medupi loan; http://ia600307.us.archive.org/7/items/PatrickBondWilliamMoomawDiscussClimateJusticeSouthAfricaAndThe/PatrickBond.wmv In any case, Eskom’s commitment to renewable energy and integrated demand management was erratic, as in early 2014 it simply halted crucial renewable energy subsidies: http://simbalism.co.za/index.php?page=press_Africa_and_Eskom&ownerid=press_Africa_and_Eskom.php&contentid=492

government’s Department of Environmental Affairs decided in October 2013 that the Transnet EIA for the expansion of the old harbour’s berths so as to take much larger post-panamax ships was unconvincing. The EIA was temporarily rejected in large part because of Transnet’s climate denialism, as well as the port expansion’s impact on bird and fish life. Secondly, the two projects confirm the need for disclosure, transparency, and participation. In both cases, there are substantial problems with the firms’ bona fides, including Eskom’s use of a private intelligence firm against critics, and Transnet’s failure – along with the Durban municipality – to either provide necessary information about the Port expansion (such as notifying stakeholders as to its EIA problems), or engage in meaningful participation.

These features will be evident in the financing of Eskom/Medupi and Transnet/Durban fossil fuel and transport projects, in the next two sections, followed by a section that puts these mega-projects into the context of SA’s Minerals-Energy Complex. The concluding section notes the limitations of advocacy given the adverse power relationship that links the SA state and capital. But as was the case in the 1980s against apartheid, the weak link in this relationship between state and capital may well be the vulnerability of the two major firms promoting the mega-projects, Eskom and Transnet, to international financial sanctions.

2. ESKOM’S MEGA-POWERPLANT AT MEDUPI

The most significant challenge to mega-project development finance in SA began in February 2010, when the South Durban Community Environmental Alliance (SDCEA) and the NGOs groundWork and Earthlife Africa launched a multi-faceted civil society campaign – unsuccessful in the short term – against the World Bank’s largest-ever loan. On 8 April 2010, after nearly two months of strenuous activist lobbying against more fossil fuel credits, the Bank Board approved a $3.75 billion loan to Eskom. Its main purpose (for which $3.1 billion was allocated) was construction of Medupi, a power station that will pump 25 – 30 megatonnes of CO₂ into the atmosphere annually, more than the output of 115 countries. That loan was a last-minute request, as the 2008 – 09 global financial turmoil apparently dried up Eskom’s potential private sector financing. In the period 2005-11, approximately 3.7 billion euro was lent to Eskom by 20 major banks (led by Credit Agricole, MPMorgan Chase and Deutsche Bank), but liquidity shortages compelled Eskom to seek out the World Bank in 2009.

As a result, there was not much time for more than 200 organizations across the world to generate a critique of the loan, in large part based on the obvious threat to world climate. South Durban activists launched the local public campaign with a spirited protest at Eskom’s main local branch. To establish a campaign against an obscure World Bank loan so quickly, with the purpose of generating a crisis of confidence at the Bank and in Pretoria, required clarity of message, an explicit demand (stop Medupi financing) and a variety of issue-linkages to pull various constituencies into a coalition. As always, the most fundamental narrative asked the question, who wins and who loses?

18. South Durban was already known as a prolific site of protest against fossil fuels, given that it hosted amongst the largest and least responsible petro-chemical firms south of the Niger Delta. With electricity prices soaring, many more residents in South Durban were being disconnected. They often reconnected illegally, and Eskom and the municipality clamped down, generating ore local anger.
First, the source areas of the coal for Medupi are highly contaminated by mercury and acid mine drainage, with air, land, vegetables, animals and people’s health at great risk. Forty new coal mines in impoverished areas of Limpopo, Mpumalanga and KwaZulu-Natal provinces will be opened to provide inputs to Medupi and its successor, Kusile, as well as for exports. This will create a few thousand coal sector jobs (hence receiving endorsement from the National Union of Mineworkers), but it appears likely that many more jobs in agriculture and tourism will be lost as a result of the invasive mining activity and downstream degradation. Medupi itself will be built in a water-scarce area where communities are already confronting extreme mining pollution. Even though an air-cooled supercritical model (Africa’s first) was chosen, the cost of supplying an additional water-cooling supply amounted to hundreds of millions of dollars, given the long transport and pumping costs.  

Environmentalists and local farmers complained about the destruction of the nearby Mokolo River, in spite of a legal requirement that: ‘Mining cannot impede or divert the flow of water, or alter the bed, banks, course or its characteristics of any watercourse.’ Because of destruction caused by illegal sand mining, according to local farm leader Francois van den Berg, ‘farmers could no longer grow winter crops such as pumpkins and tomatoes, which were an important source of income and staples for those in the area.’

Once the coal is burned and electricity generated, the winners and losers become even more divergent. Medupi’s main beneficiaries are the world’s largest metals and mining corporations, especially BHP Billiton (Melbourne based) and Anglo American (London based), which already receive the world’s cheapest electricity thanks to multi-decade deals. During the early 1990s, Eskom had a third too much excess capacity due to the long SA economic decline; its solution was to attract huge aluminium smelters to mop up the excess power. The agreements were finally leaked through an opposition member of parliament in March 2010, and they disclosed that BHP Billiton and Anglo were receiving electricity at less than $0.02/kilowatt-hour, whereas the overall corporate price was around $0.05/kilowatt-hour, still the cheapest available anywhere, and the consumer price was around $0.10/kilowatt-hour. In early April 2010, just before the Bank decision, Eskom announced that a small modification was made to BHP Billiton’s contract price but it was reportedly to the firm’s ‘advantage’.

2.1. Affordability, Commercialization and the Privatization Threat

Who lost, in terms of bearing the cost burden for Medupi? In terms of financing, the repayment of principal and interest required a 127 percent real price increase from 2008 – 12 for household electricity consumers (to nearly $0.12/kilowatt-hour). The anticipated 2013-18 annual price rises declined to the 10-15 percent range, but these were still around twice the anticipated annual inflation rate of 6 percent. What is not known is the price elasticity of electricity, and how much less consumers will now consume – and in turn, the adverse implications for public health, gender equity, micro-entrepreneurship, education and so many other positive externalities associated with electricity access. Indeed, Eskom had tried to raise its prices by a factor of six over a decade-long period, but after a great deal of civil society pressure in 2013, the National Energy Regulator of SA

19.http://ia600307.us.archive.org/7/items/PatrickBondWilliamMoomawDiscussClimateJusticeSouthAfricaAndThe/PatrickBond.wmv
21. Ibid.
22. SAPA, ‘Sweet deals use 5 percent of Eskom’s power – Hogan,’ April 19, 2010.
granted only an 8 percent annual increase for the subsequent five years, half what was requested by Eskom, leaving a $19 billion shortfall.

Eskom remains committed to its 1998 White Paper mandate of imposing ‘cost-reflective’ pricing, i.e. carrying the smallest possible subsidies for ordinary retail consumers. Eskom’s continual justification of the Special Pricing Agreements for BHP Billiton and Anglo is the declining cost of providing large short-term supplies of power, i.e. with a declining marginal cost curve, the two huge firms warranted discounts based on economies of scale. For this reason, the claim that expanding electricity supply would be pro-poor fails, since the vast bulk of inexpensive power is guaranteed to the multinational corporations. This reflects Eskom’s ‘commercialization’ – a step along the path to full-fledged privatization. Indeed, another controversial aspect of the loan was the Bank’s insistence on partial privatization: Eskom would offer private renewable energy generating capacity to Independent Power Producers as a condition of the Bank loan. In the process, this advanced Eskom’s previously-expressed desire to privatise 30 percent of generating capacity, a move opposed by trade unions – especially the National Union of Metalworkers of SA (Numsa) – and consumers.24 Privatization and other forms of commercialization of SA state services have been a failure in every respect, not least because adding a profit incentive of typically 30 percent of capital puts the commodity into a far higher price range than earlier.25 Numsa’s oft-stated ideal would be provision of electricity through non-profit, worker-managed, community controlled and municipally subsidized renewable-energy cooperatives.26

2.2. Corruption

Corruption was another feature that generated critiques of the World Bank by civil society and opposition political parties – especially the liberal Democratic Alliance – and even the influential neoliberal Business Day newspaper.27 They opposed the loan because contrary to supposed Bank anti-corruption policies, it directly funds ANC ruling party coffers via the party’s in-house investment arm, Chancellor House. Medupi is being built with Hitachi boilers that in turn kick back millions of dollars (the amount is still unclear) due to a 25 percent ANC investment in the local Hitachi subsidiary, as well as a 10 percent stake in another Medupi construction subcontractor, Bateman Africa. As the Eskom-Hitachi deal was signed under suspicious circumstances, the Eskom chairperson at the time (and former environment minister), Valli Moosa, was also a member of the ANC’s finance committee. A government investigation by the country’s Public Protector released in March 2010 found his conduct in this conflict of interest to be ‘improper’.28 Then in 2013, the country’s main construction companies confessed to widespread collusion on various state-funded projects. Many of the firms involved in Medupi’s construction – including industry giant Murray & Roberts – were found guilty of anti-collusion violations and fined $140 million by the Competition Commission.29

2.3. Labor Unrest

A wide variety of problems subsequently emerged in the actual construction of Medupi, continuing into early 2014. These include widespread labor unrest that reoccurred on dozens of occasions, featuring periodic mass strikes and extremely militant protests. The strikes that were recorded in mid-2010, for example, related to the fact that 140 workers suffered ‘running stomachs and stomach ache after consuming what is reported to be food donated by their employer Murray and Roberts,’ according to Numsa. From there, worker militancy kept rising, and by September 2012, fully 17 000 workers were affected by wildcat strikes and sabotage of equipment at Medupi. In October 2012, 3000 workers marched to Eskom’s main office at Medupi, with numerous grievances expressed by Numsa:

Medupi Contractors continue to sow divisions between workers on basis of regionalism and provincialism reminiscent to the apartheid era style tactics of fueling tribalism and ethnicity amongst workers... Workers continue to earn poverty wages, in particular general laborers are paid a meagre wages of $1.60-1.70 per hour culminating in their relegation to extreme shadows of impoverishment and inevitably brewing labor unrest in the project... only whites and immediate relatives of the cartel bosses occupy senior positions across various contractors on site, equally previously disadvantaged people are reduced to the lower order of the project value chain system which defeats the spirit of transformation in totality... former rebels of the Congolese war are on site disguising as security personnel... [and] instill fear in our members... Contractors utilize services of labor brokers who fail to pay workers on time... we are witnessing the re-introduction of the compound system, akin to conditions during the eighteenth century discoveries of both gold and diamonds, as black workers are accommodated in crowded hostels, whilst their white counterparts live in houses or posh lodges and hotels in town... Numsa further notes workers from the outlying villages also experience similar challenges owing to long hours of work and long travel to and from work, resulting in unbearable fatigue.30

After a temporary settlement in early 2013, pay protests resumed, leaving 25 Hitachi and Murray & Roberts employees injured in one incident, and catalyzing a strike of 1100 workers. Construction was halted for ten weeks because according to Numsa, ‘workers have endured all manner of victimization, including a lock-out, which has led to this ongoing strike and violent unrest at the power station.’31 In January 2014, unrest was sparked when workers suffered another lock-out, just as this report was going to press. According to Numsa’s Stephen Nhlapo, ‘The workers are angry and other workers might join them. There might be a full-blown strike. The way things are going, we are going to have big disturbances this year.’32

2.4. Construction Incompetence

The main internal crisis emerged because of the unsatisfactory work quality by corporate contractors. In December 2012, for example, 9000 welds on the Hitachi boilers were discovered to have been done without heat-treatment, contributing to a six-month delay. The French firm Alstom was another multinational corporate contractor whose Medupi software – the ‘brain’ of the plant that controls the six boilers to ensure safety – failed repeatedly in 2012. Although originally

scheduled for application in December 2012, by November 2013 it was still not in working order, and Alstom was reportedly replaced by Siemens. Soon thereafter the Eskom chief executive, Brian Dames, resigned ‘for personal reasons,’ although earlier in 2013, Minister of Public Enterprises Malusi Gigaba declared that ‘heads will roll’ if Medupi fell further behind.

As a result, by March 2013 there were threats of a return to the ‘load-shedding’ (brownout) status that left Eskom a national laughing-stock. As industry analyst Chris Yelland reported, Eskom avoided black-outs by using diesel to power gas turbines and paid BHP Billiton to forego consumption: ‘Not only does this cost Eskom dearly due to the enormous direct cost of diesel fuel and payments to smelters to shut down, Eskom also loses the electricity sales revenue so desperately needed to meet its burgeoning costs.’ By November 2013, an emergency was declared with enforced cut-backs of 10 percent on the largest electricity consumers, and an emergency appeal was made to the Department of Environmental Affairs that air quality standards near other Eskom powerplants be relaxed, at the risk of a repeat of the 2008 crises.

2.5. Surveillance of Critics

The combination of structural pressures associated with rising mining and smelting demand, the inability of major corporations to carry out the construction of Medupi, a sense of urgency that bordered on panic, and rising class, community and environmental struggles on the mines, together drove Eskom to desperate measures. In early 2013, a whistleblower revealed that Eskom had hired a private firm – Swartberg Intelligence Support Services – for $1 million to spy on workers, community activists and environmentalists (including Earthlife Africa and Greenpeace chapters). Eight months later, after Eskom’s community and environmental forum had fallen apart, Dames apologized: ‘The use of private companies to gather intelligence from stakeholders is unacceptable and not how Eskom does business’. In any case, according to Business Day columnist Simon Reader, ‘It seems Swartberg wasn’t all that good.’

2.6. Criticism by the World Bank’s Inspection Panel

There was also pressure against Eskom emanating from an unexpected source: the World Bank itself. Based on April 2010 complaints from Medupi-area community groups regarding 15 environmental and social grievances, the Bank’s Inspection Panel assessed 11 of these and in May 2012, seven specific failures were identified and presented to the Board of Directors:

- EIAs were not ‘undertaken proportional to, among others, cumulative impacts’ because of lax SA standards regarding the multi-decade effects of Medupi’s pollution;
- ‘an inadequate assessment by management of capacity at provincial and local authority level,’ making municipal regulation of Medupi’s air and water pollution impossible;
- Insufficient expertise for ‘preparation and implementation of projects that are highly risky or involve serious environmental and/or social concerns’;
- ‘the operation of the power plant, including the technology for removal of sulphur dioxide from emissions, namely flue gas desulphurization, will place an additional strain on water

34.Londiwe Buthelezi, ‘Department denies part in Dames’ decision to leave Eskom’, The Mercury, 6 December 2013.
resources in an area that is already suffering from water scarcity’, and Eskom ‘did not fully consider the impacts and risks of water supply alternatives’ for local users;

- ‘considerable risks’ regarding ‘air quality and health issues’ because the Bank itself failed to ‘provide adequate information on alternative sources of water for the plant’;
- ‘the emissions from the Medupi plant pose a health risk to local communities, adding to existing background levels of air pollutants; and
- failure to factor in the ‘additional strain on public services and infrastructure in the municipality’ which ‘is poorly equipped in terms of financial and human resources.’

However, after considering this tough critique, the Bank directors merely slapped its own officials and Eskom on the wrist, recommending ‘a supervision plan’ but a reliance on local ‘systems as the core means to address these challenges in future.’ The biggest loan in the institution’s history had become so politicized, apparently, that instead of stronger persuasion, such as withholding future tranches, the Bank decided that ‘the outcome of the project relies heavily on a good working partnership between the World Bank and Eskom as well as the country’s national and subnational authorities.’

That partnership apparently needed to be nurtured, what with South Africans regularly speaking out against the Bretton Woods institutions, especially given that both the Bank and International Monetary Fund needed recapitalization. As a result, when Jim Yong Kim visited Johannesburg in September 2012, he ignored the obvious site visits for his institution’s two biggest investments. It would not have been too far for Kim to travel (a 20 minute helicopter ride) to either the Medupi site where that very day, 17 000 workers went on a wildcat strike, or to the town of Marikana where exactly two weeks earlier, the Bank’s $150 million investment in the Lonmin platinum mine’s community investment programme became the source of extreme embarrassment, as a result of the police massacre of 34 striking mineworkers.

As disasters at Medupi continued, the Inspection Panel’s insistence on more internal oversight over Medupi compelled staff to issue a December 2013 report to the Board, which conceded that ‘the commissioning date will slip by another 4-5 months and is now anticipated for early 2015.’ Moreover, the attempt to save truck petrol and wear and tear on local roads by building a $500 million rail line to move coal to the Majuba power plant was also delayed, requiring the state to ‘streamline the rest of the tendering processes.’ The Bank failed to acknowledge the kinds of corruption in ‘tenderpreneurship’ that allowed the ANC’s deputy president Cyril Ramaphosa (owner of the Shanduka coal empire) – a major supplier on this route – to avoid ‘possible prosecution’ for massive water license violations at his coal mines, as a result of alleged interference in license regulation by water minister Edna Molewa. According to two senior whistleblowers in her department, ‘The minister made it very clear that she did not want the matter to go to court as it

---


39. Ibid.

40. In 2012, for example, the IMF began raising $75 billion from the BRICS countries, even though SA’s finance minister Pravin Gordhan had recently attacked the IMF for not giving African countries more voting power, and not being sufficiently ‘nasty’ to European borrowers. Gordhan told Moneyweb that SA’s contribution was based on the IMF becoming more ‘nasty’ (sic) to desperate southern European borrowers. The result was that China gained dramatically more IMF voting power, while Africa lost a substantial fraction of its share. (Moneyweb, ‘Special report podcast: Pravin Gordhan, Minister of Finance’, 29 September 2011, http://www.moneyweb.co.za/moneyweb-special-report/special-report-podcast-pravin-gordhan--minister-of?sn=2009+Detail and Pravin Gordhan, ‘IMFC Statement by Pravin J. Gordhan, Minister of Finance, South Africa,’ Washington, IMF, 13 October 2012, www.imf.org/external/am/2012/imfc/statement/eng/zaf.pdf.

41. Kim preferred to instead visit a different World Bank investment: a Johannesburg junk mail company. Patrick Bond, ‘Kim’s trip to South Africa was just a PR exercise for the World Bank,’ The Guardian, 11 September 2012.
would cause an embarrassment for Ramaphosa. She said if the matter went to court it could even cost her her job.\textsuperscript{42} Finally, the December 2013 Bank report revealed yet more ecological threats, including major new water requirements from the highly vulnerable Crocodile River that crosses the priceless Kruger Park game reserve, as well as desulphurization delays. The Bank was itself disgusted that two months earlier, Eskom filed a ‘draft application seeking exemption and postponement of Minimum Emission Standards for the Medupi power plant,’ asking for an additional four years to desulphur its emissions, something even Bank staff refused to countenance.

2.7. Conclusion

These are all critical problems for Medupi and its financiers. In a 2010 debate, the Bank’s chief Africa economist at the time, Shanta Devarajan, offered these rebuttals:

The benefits are the increased access to power for many people in the sub-region; the costs include some of the points you mention, such as carbon emissions and the financing costs. Our analysis indicated that the benefits outweighed the costs. We included estimates of the shadow price of carbon (based on international estimates) and of course the financing costs in that analysis. If you accept the principle that decisions like these should be based on benefit-cost analysis, then I would encourage you to examine our analysis and its assumptions (all of which are in the public domain), rather than simply list a series of concerns.\textsuperscript{43}

The problem, of course, is that the ‘increased access to power for many people’ ignores the increased cost and diminished affordability, and hence decreased access for poor people. At this stage, without any new power from Medupi and with much higher costs passed to Eskom customers as well as regional electricity purchasers, there is not yet data to show just how far the costs outweigh the benefits. But there is little doubt they do, and will for future generations.

3. SOUTH DURBAN’S TRANSNET PORT-PETROCHEMICAL EXPANSION

By 2040, an estimated $25 billion in new port and petrochemical investments will result in what is already Sub-Saharan Africa’s largest port, in South Durban, handling 20 million containers annually. This is an eight-fold increase from 2.5 million containers in 2012. To this end, SA’s National Development Plan named South Durban as its second highest-priority mega-project (after the Waterberg-Richards Bay coal infrastructure expansion).\textsuperscript{44} Financing could be the most critical element, given that SDCEA has announced it will begin a ‘financial sanctions’ campaign against Transnet if it follows through.

This threat became more tangible in April 2014, when the campaign’s leader, SDCEA coordinator Desmond D’Sa, won the Goldman Environmental Prize for Africa, thus earning international attention not only for his work against toxics in the air, water and land of South Durban\textsuperscript{45} but also

\textsuperscript{42} Nelly Shamase and Matuma Letsoalo, ‘Saving Cyril: Molewa accused of meddling’, \textit{Mail\&Guardian}, 9 November 2012.


\textsuperscript{45} Goldman Foundation, ‘Q&A with Desmond D’Sa’, San Francisco, http://www.goldmanprize.org/blog/qa-desmond-dsa; see also http://www.youtube.com/watch?v=_erEf4zI0Bj
for his next project: halting the port expansion. The Guardian headlined, ‘South Africa’s “cancer alley” residents face new threat from port development: Decades of activism have made some gains, but the expansion of Durban port will wreak new devastation for many communities.’ The same day, even The Economist sympathetically reported,

Local communities have an unhappy history. The south Durban basin, which houses 70 percent of the region’s industry, including hundreds of oil and gas refineries, chemical companies and paper mills, was originally populated by indentured servants working in local sugar plantations. The apartheid government forcibly relocated additional residents there to create a pool of cheap labor for the emerging industrial economy. Mr D’Sa and his family were a part of this forced migration. ‘(The expansion) will cause the biggest social upheaval since apartheid. We already suffered enough trauma under apartheid: we lost our lands, our houses, our communities. We don’t want to go through that again,’ says Mr D’Sa, who has vowed to fight the plan at every step.

Although the project’s earliest investments are a $20 million bridge (2006-10) linking the port more directly to Durban’s highway system and a $2.4 billion oil pipeline (2007-14), which both entail Transnet as the main funder using internal financing, the bulk of investment will occur in both petrochemical expansion (so as to take up the new doubling of pipeline-transport capacity) and a new ‘dig out port’ (estimated to cost $10 billion) that will begin in 2016. Hence the 2014-16 period is the crucial window in which financing will be assembled. That funding will also pay for a dramatic increase in existing port capacity, so that the 5000+ container ‘post-Panamax’ ships can be accommodated in the current harbor (stages 1-3). In 2016, the dig-out port at the old airport site will be excavated, with an anticipated first berthing in 2020 (stage 4). The final growth of the existing port will include an extensive dig-out of the area currently under Transnet railroad siding operations (stages 5-6), although with liberalization of transport in the early 1990s and the move of freight to road-based trucking, this land is mostly unused. The latter stages of the project are in close proximity to the predominantly Indian areas of Isipingo and Merebank in the south and Clairwood in the north, as well as the African township of Umlazi and the coloured Wentworth area.

Finding the money will be Transnet’s most critical challenge, given the scale of the project and how many aspects are being contested. Transnet acquired the first tranche of financing for this project and $30 billion worth of other mega-projects from a $5 billion loan, apparently without conditions (and with terms not publicly released), made by the Chinese Development Bank in March 2013, at the time of the Durban BRICS summit. There were, in addition, repeated subsequent bond offerings of several hundred million dollars, including in the London markets in November 2013 where the premium paid by Transnet was enormous on its Rand-denominated bonds: 9.5 percent. But the longer-term threat is that the promised BRICS Bank will seek projects like this one, as exemplars of export-oriented infrastructure.

In July 2013, a high-profile meeting of the Durban Transport Forum heard Transnet’s port expansion director Marc Descoinds update his team’s planning: ‘The fatal flaws analysis yielded many risks but no show-stoppers.’ Descoinds had not, at that time, factored in resident and labor opposition to the mega-project, its vast environmental implications, or rising disgust about construction-driven White Elephants. Tracing several of the problems with the port-petrochem expansion in South Durban sheds light on the interconnections between social and environmental grievances, as well as a growing economic debate about whether SA’s vulnerability to the world economy should be mitigated, or instead grow worse.

3.1. The Doubling of Oil Pipeline Capacity

The first part of the expansion, the Khangela Bridge, was a function of trucking company frustration with the delays encountered moving freight from ships in the existing port to the highway system through South Durban. Originally announced as a $7 million expenditure, the project costs ballooned by a factor of nearly three by the time the bridge was complete in 2010. One reason was rampant corruption involving three major construction companies.

The second stage was Transnet’s Durban-Johannesburg oil pipeline construction project, lasting from 2007-14. The mega-project, known as the ‘new multi-product pipeline’, cost $2.34 billion, a dramatic cost escalation in part because the pipeline was diverted hundreds of kilometers from the traditional route west along the N3 highway. That route ran through mostly-white Durban suburbs (Mariannhill, Hillcrest, Shongweni and Camperdown), and now the pipeline moves double the pre-existing oil volume through (mostly-black) South Durban, Umbumbulu and other former KwaZulu bantustan areas. According to Durban’s leading environmental journalist, Tony Carnie, ‘The $600 million petrol, diesel and jet fuel pipeline will replace the existing Durban-to-Johannesburg pipeline which was built in 1965. The existing pipeline is believed to have rust defects and cannot cope with the future demand in fuel growth in Gauteng.’ By moving the project southwards before turning west, the cost estimate rose by more than 50 percent. But there were many other cost increases, with the total reaching $2.34 billion by 2013, in part because of apparent construction company collusion on tendering by one of the main pipeline construction companies, Group Five Civil Engineering.

In his own review of the cost overruns, without considering construction company collusion, Public Enterprises Minister Malusi Gigaba uncovered ‘systemic failings that compromised the intended outcomes’ and he admitted that his project managers ‘lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity,’ especially related to ‘analysis of risks.’ Nor were EIAs or water and wetland permits ‘pursued with sufficient foresight and vigour.’ Well before this became public knowledge (Group Five only stepped forward to confess its role in industry collusion in 2009), SDCEA offered several critiques of the pipeline, including the racially-biased routing; inadequate public participation; dubious motivations for the

pipeline; government’s failure to prevent, detect or manage pipeline leaks; and climate change. According to SDCEA, the race and class bias were crucial reasons to reject Transnet’s re-routing strategy, because ‘The pipeline threatens people with potentially severe environmental safety and health problems (well known to refinery victims in South Durban), in a manner that is discriminatory along class and racial lines.’ The local ecology itself was already saturated with toxins, SDCEA alleged:

Durban Bay, in which the harbour is situated, is struggling to cope with the pollution loads from harbour and associated activities, contaminated riverine and storm-water inflows. The expansion will require further removal of aspects of the Bay’s ecosystem, which will in turn further reduce the assimilative capacity of this threatened and fragile estuary. There have been major incidents affecting the harbour, including the September 2007 fire at Island View Storage. Reducing the amount of hazardous material being stored, handled and transported in the harbour is a crucial first step to reducing the risk to people living, traveling and working in the area. Yet the pipeline proposal will do the opposite. The routing of the pipeline south, directly through low-income black residential areas instead of through areas including farming lands owned by wealthy white South Africans, is suspiciously reminiscent of the environmental racism we in South Durban have become familiar with... The leaks that have occurred in existing petroleum pipelines have been devastating to South Durban, including the 1.3 million liters that spilled from Sapref lines in 2001, that were not detected until residents complained. According to present practices, only a leak of more than 1% will be detected. Incidents leading to a loss of product which is not detectable by the system may continue to pollute the soil and groundwater for a long time. During this period, many people, fauna and flora may be affected by the consequences of the pollution and not understand the cause until it is too late. In this case, the costs will not be borne by the polluter, as our legal framework requires.

Many of the same complaints arose again four years later, in mid-2012, when the next stage of the port-petrochem complex reached fruition: the proposal for a new dig-out port and expansion of the old port. The most heart-felt of the critiques levelled was against displacement, because for many Indian and African residents of South Durban, their earlier residents during apartheid were in Cato Manor, a well-located residential area, and that meant the white government moved them to South Durban as part of its racial displacement strategy. Now the same appeared imminent, though this time for class reasons.

3.2. Displacement and Trucking Company Attacks

54. South Durban Community Environmental Alliance, ‘Comments on the Transnet Multi Product Pipeline Proposal,’ Durban, 7 July 2008. SDCEA suggested a variety of alternatives: ‘Refurbishing the existing pipeline in an incremental manner (instead of doubling capacity), as maintenance is required, replacing the sections with a larger pipeline, using the existing route and servitudes, and installing additional pump stations, as and when required. Accelerating the upgrade of railways and public transport in Gauteng, so as to get more people and product off the roads to minimise transport-related congestion, fuel burning, emissions and associated health effects, by establishing urban transport networks to enable safe and affordable rail transport, linked to park and ride centres with connections to bus and taxi routes. Working with municipalities to encourage sustainable transport solutions and thereby accelerating growth, by enabling more people to access opportunities (e.g., in many countries, transport in the city centre is free).’

55. Ibid. On the biggest environmental issue, climate, Transnet was silent. According to SDCEA, The Draft Scoping Report summary notes in ‘TABLE 5-1: Summary of legal requirements that apply to the project and the EIA process’ that the Kyoto Protocol is relevant, as it ‘Commits a country to quantified emissions limitations and reductions’... the rise of CO2 emissions that will be facilitated by the pipeline is immense, and is only referred to in the Draft Scoping Report as a potential legal problem, with no details provided.
SDCEA, the Wentworth Development Forum and Merebank Residents Association and the Clairwood Residents and Ratepayers Association are justifiably convinced that the port-petrochem project will generate not just traffic chaos, but residential displacement on a very substantial scale. From the north, the old harbour’s expansion creep will displace residents by the thousands from the culture-rich, 150 year old Indian and African community of Clairwood. That area’s African shackdwellers and long-time Indian residents are already being squashed by trucking companies, who are beneficiaries of the rezoning – or simply failure to enforce existing zoning – that facilitates Back-of-Ports creep. In the process of liberalized zoning and lack of residential area zoning enforcement by the municipality, ten Clairwood and nearby Bluff suburb residents were killed in the decade 2003-13 by truck accidents. Mostly carrying freight, these drivers killed 70 people in the course of 7000 accidents in Durban in 2012 alone. The worst single case occurred in September 2013, when 23 people were killed by a runaway freight truck on the Field’s Hill section of the alternative (non-tolled) highway from Johannesburg. That accident was revealing, for one of the world’s three largest shipping companies, Evergreen, hired a local informal truck company which allegedly instructed its driver to avoid tolls to save $4. Police cracked down after the accident and found several of the company’s trucks operating under unsafe conditions. The one that hit two commuter taxis was driven by an unqualified immigrant driver, underpaid; the truck’s brakes failed on one of the steepest highways in the country. A few weeks later, government proposed restricting that particular hill to only 5 tonne trucks, banning 16 tonne trucks. But the broader problem of rising accidents was not addressed.

3.3. Local Ecological Degradation

Opposition from local communities will grow even more intense once the largest part of the port expansion begins, in 2016. The proposed dig out port is where the old airport stood, on the southern border of the Merebank neighbourhood. To dig a 1.5 kilometre length of soil 20 meters deep is dangerous, given how many toxic chemicals have come to rest there over the years. Even Descoins conceded, ‘We have to look at contamination issues. Hydrocarbons have been pumped around this area for decades and we know there have been some leaks.’ That soil, water and air pollution will exacerbate the five-year dust cover under which the dig-out port’s construction will suffocate Merebank and Wentworth, the mainly Indian and coloured communities of South Durban. These neighbourhoods are already coated with regular oil-related sulfur and soot showers from the oil refining complex, as witnessed in their world-leading asthma rates.

In addition to damage to human health, BirdLife SA observed that since Durban has one of just three estuarine bays in SA, its ‘ecosystem services’ value of goods and services is vast: as a heat sink and carbon sink, for biodiversity, as a fish nursery, for waste disposal, and for storm protection. Moreover, the Bonn Convention’s protections for bird migration should make estuaries and wetlands like South Durban immune from more cementing. In May 2013, Public Enterprises Minister Malusi Gigaba dismissed the worries over ‘frogs and chameleons’. In contrast, the ecological damage implied in this stage of Transnet’s expansion was so extreme that the Department of Environmental Affairs reviewed the EIA for the build-out of two berths so as to accommodate super-post-Panamax ships of 15 000 containers or more, and rejected the first version in October 2013. One of the two reasons was Transnet’s failure to do more than ‘monitor’

the damage it would do the major sandbank in the middle of the estuarine bay, which hosts so many reproductive processes for fish and birdlife.\(^{57}\)

### 3.4. Global Ecological Implications and Local Climate Adaptation

The second reason Transnet suffered an early rejection of its EIA was due to the most important environmental problem of all, climate change. The firm’s consultants had not begun to consider the impact of rising sea levels or extreme storms.\(^{58}\) As oceans warm up, cyclones and hurricanes also intensify, with their impact exacerbated by sea-level rise. ‘The volume of Arctic sea ice has been reduced by 75 percent in just 30 years,’ reported the world’s most respected climate scientist, James Hansen of NASA, to the Cornell University Global Labor Institute in 2012: ‘There is a danger that the ice sheets will begin to collapse and we could get several meters of rising sea levels in one year.’\(^{59}\) Durban recently suffered an early indication, for in March 2007, according to the assessment of local marine expert and municipal official Andrew Mather, ‘wave run-up heights were measured at twelve beaches along the Durban coastline and these peaked at 10.57 meters above Mean Sea Level.’ Nearly a billion dollars’ worth of coast infrastructure was destroyed. In August 2012, the same Durban port berths proposed for expansion in 2014 were severely damaged during heavy winds which bumped a ship up against cranes, resulting in a fortnight-long closure, less than a year after Durban hosted the UN climate summit.

What of the mitigation challenge associated with the port-petrochem complex? According to the Academy of Science of SA’s 2011 book about Durban, *Towards a Low Carbon City*, ‘The transport sector is pivotal to the transition to a low carbon city... The top priority was identified as the need to reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants.’\(^{60}\) The Transnet port-petrochem complex will do the opposite, in part because for decades, Transnet sabotaged its own rail freight capacity, allowing road trucking to surge from 20 to 80 percent of container carriage. Yet in addressing the obviously adverse climate implications of their project, Transnet hired Nemai Consulting which in turn hired as a climate specialist the SA Council for Scientific and Industrial Research, whose 2011 report, ‘Modelling of potential environmental change in the port marine environment’, completely ignored climate. Follow-up with officials of Nemai in 2012 generated this reply: ‘The project will decrease the ship waiting and turnaround times which will have a lower carbon impact’. The consultants did not factor in the dynamic aspects of the shipping system, meaning that if there is an increase in efficiency by reducing the ships’ offshore wait, the result is to speed up the system as a whole, thus *increasing* carbon impact.

### 3.5. Economic Irrationalities

Ironically, *inefficiency* may be the way the port-petrochem project is unveiled as being uneconomic and inappropriate for financing. The argument in favour of the port is mainly that jobs will be

---


58. Ibid.


created and SA will have world-class infrastructure for export-led growth. But rising capital intensity at Transnet along with trade-related deindustrialization will probably result in more net employment loss, which is the norm since 1994 when democracy also ushered in economic liberalization after joining the World Trade Organization. The project only makes sense if one is locked into national boundaries established in Berlin during the colonial ‘Scramble for Africa’ in 1885. As the region’s main port-rail link to the largest market, Gauteng – and from there to the rest of the subcontinent – Durban is facing stiff competition from Maputo in Mozambique for shipments to the huge Johannesburg market, because it is a much less mountainous journey.

In addition, there is general container-handling competition from other ports along the coast attempting to set up regional freight hubs and export processing zones. As it stands, at $1080 per container, Durban’s costs of processing freight are the highest in the world. What port advocates have not been able to do is explain how an additional $25 billion in investments (no doubt much more according to the recent trend of final costs tripling original estimates) will cut operating and maintenance costs to competitive levels. Repaying the interest on the capital, the principal and all the new additional costs will force much higher container handling charges, leaving the real prospect of another white elephant. In Durban, similar projects that were anticipated to earn profits – such as the airport, convention centre and marine entertainment complex – all have needed multi-million dollar annual taxpayer bailouts.

3.6. Conclusion

A very different Strategic Investment Project would recognize the urgent need to detox South Durban and reboot the local economy towards more labor-intensive, low-polluting industry, and add much more public transport, renewable energy, organic agriculture not reliant upon pesticides, a ‘zero-waste’ philosophy and a new ethos of consumption. The South Durban activists and the national Million Climate Jobs campaign who want society to adopt this approach remain on a collision course with Transnet, its financiers, the Treasury and Presidential Infrastructure Coordinating Commission, as well as the municipality. Unlike the Medupi campaign from February to April 2010, there is far more time for mobilization of advocacy pressure to halt Transnet’s access to external financing, and hence the project itself.

4. CONCLUSION: CLIMATE AND CAMPAIGN STRATEGY

What is the future of SA mega-project development strategy, based as it is on fossil fuels, and on extremely dubious approaches such as those we have just examined? In October 2012, at a Presidential Infrastructure Investment Conference in Johannesburg, Deputy Public Works Minister Jeremy Cronin confessed what is patently obvious in the neo-colonial SA economy: ‘Too much of our development has been plantation to port, mine to port.’ Instead, we need ‘social infrastructure, such as water, hospitals, schools, and housing, in order to prevent the kind of protests witnessed recently in the mining sector.’ Cronin’s influence notwithstanding, this rhetoric is probably just a

61. Pretoria’s other multi-billion rand carbon-intensive investments in recent years include SA Airways plane purchases – and subsequent multi-billion rand annual bailouts – along with sports stadia widely acknowledged as ‘White Elephants’ by even Danny Jordaan, local host of the Fifa World Cup in 2010. Meanwhile, renewable energy is being rolled out very slowly – with some high visibility townships getting a few solar geysers but the country’s world-class sunshine, wind and tidal potential going to waste (providing less than 5 percent of the country’s power). In contrast, Shell received permission in 2013 to drill and frack the Karoo’s fragile ecosystems.

The ANC government did not change this arrangement, which helps explain why its posture at recent climate summits has been in defence of the world emissions status quo. The new government was as co-opted as was the old regime by the Minerals Energy Complex, and Eskom continued to foster a debilitating dependence on the (declining) mining industry. It left South Africa, according to the University of Cape Town Energy for Development Research Centre, as ‘the most vulnerable fossil fuel exporting country in the world’ if the Kyoto Protocol is fully extended in 2015 at the Paris UN climate summit; ‘heavily reliant’ on energy-intensive industries; ‘highly dependent’ on coal for primary energy; offering ‘low energy prices to large corporate consumers’; and risking the development of a ‘competitive disadvantage’ by virtue of ‘continued high energy intensity’ which in the event of energy price rises ‘can increase the cost of production’.64 As a result, when corrected for income and population size, South Africa’s emissions were higher than even the energy sector of the US, by a factor of twenty.65

To deal with this legacy, the government adopted a Long-Term Mitigation Scenario (LTMS) in mid-2008, to great fanfare. The LTMS plans for absolute cuts in CO₂ to start only in the period 2030 – 5, after a post-2020 plateau. And tellingly, the 2004 National Climate Change Response Strategy endorsed carbon trading, declaring ‘up-front that the Climate Development Mechanism (CDM) primarily presents a range of commercial opportunities, both big and small’.66 The carbon trading strategy was apparently revived with an offsets proposal in April 2014, even though a carbon tax proposal in 2013 by the national Treasury acknowledged that carbon trading would not work in a market with only a few very large polluters.67 Yet the South African government’s 2010 National

Climate Change Response Green Paper acknowledged local dangers of climate change: ‘Should multilateral international action not effectively limit the average global temperature increase to below at least 2°C (above pre-industrial levels), the potential impacts on South Africa in the medium- to long-term are significant and potentially catastrophic.’ The paper warned that under conservative assumptions, ‘after 2050, warming is projected to reach around 3 – 4°C along the coast, and 6 – 7°C in the interior’.  

How would South Africa address climate change at the global scale? The main negotiation session in the 2009 Copenhagen COP15 was disappointing, with a deal between US president Barack Obama and BRICS (minus Russia, hence ‘BaSIC’) leaders Lula da Silva, Manohohan Singh, Wen Jiabao and Jacob Zuma leaving the earth’s atmosphere with 770 parts per million of CO₂ equivalents (or worse if the promised 15 percent emissions cuts from 1990 levels to 2020 are not achieved, and in reality, these ‘cuts’ could become a 10 percent increase once carbon trading and offset loopholes are factored in). In these and future climate negotiations, Pretoria would be taken more seriously if seen to be honoring its official pledge, made just before the Copenhagen summit: cutting greenhouse gas emissions to a ‘trajectory that peaks at 34 percent below a Business as Usual trajectory in 2020.’ But that highly unlikely promise was contingent on the North paying Pretoria (unspecified) climate funds and transferring low-carbon technology without the usual debilitating royalty requirements, according to Environment Minister Edna Molewa.  

So far the strategy has not paid off in any way, aside from giving South Africans higher-profile roles in the annual UN negotiations, as well as occasional leadership positions in matters such as climate finance. For example, the UN High-Level Advisory Group on Finance which reported to Ban Ki-moon in November 2010 was co-chaired by South African planning minister Trevor Manuel, and in 2011 he co-chaired the Green Climate Fund design committee. His conservative recommendations included financing up to half the North-South climate financing with CDM and other carbon trades.  

What, then, compelled the South African government to such extreme commitments for new projects such as Medupi and the Transnet expansion, which will undeniably exacerbate all these problems? The main reason for the former was a series of electricity generation shortfalls during January – March 2008 which led to consistent surprise ‘load shedding’ in which entire metropolitan areas were taken off the electricity grid. These were due partly to a lack of new capacity built by national power generator Eskom since the early 1990s (when excess capacity had risen to more than 30 percent), the running down of coal supplies and rain damage to incoming coal. But the main reason was the increased electricity consumption of metals smelters due to the 2002 – 08 speculative uptick in commodity prices. Indeed, even earlier, the economy’s five-fold increase in CO₂ emissions since 1950, and 20 percent increase during the 1990s, can largely be blamed upon supply of the subsidized electricity by Eskom to multinational corporate mining houses and metals smelters.

69. For more on Pretoria’s positioning in the run-up to its own Durban COP17 hosting, see Patrick Bond (ed), Durban’s Climate Gamble, Pretoria, University of South Africa Press, 2011.
Hence the economics of electricity supply to the mining sector can be questioned. Not only are vast carbon-based profits fleeing to the mining houses’ offshore financial headquarters but, despite consuming huge amounts of electricity, the smelters create very few jobs. Instead of cutting back on these sorts of projects, and turning the subsidies to renewables, the ANC government attempted to augment coal-fired generation with, first, dangerous new pebble bed nuclear technology (rejected by German nuclear producers in the 1990s and finally in 2010 defunded by finance minister Pravin Gordhan in frustration) and then with dangerous existing-technology nuclear reactors (rumors continue that another $100 billion of investment has been earmarked after 2020 for a new generation of nuclear technology, with assistance from the Russian government, as arranged during the 2013 BRICS summit). Renewable sources like wind, solar, wave, tidal and biomass are the most obvious ways forward for this century’s energy system, but still get only a tiny pittance of government support, and provide less than 5 percent of the grid’s power. Ironically, a March 2014 electricity outage in most of South Africa was due to rain falling on the coal dust used in the Eskom boilers in Mpumalanga, after record precipitation that in turn was caused by higher moisture levels in the air, in turn caused by climate change, in turn caused – more than any other single corporation in Africa – by Eskom.

The parastatal corporations’ substantial new investments also reflected growing pressures to maintain infrastructure spending in the wake of a major downturn after the completion of the 2010 World Cup stadiums and associated infrastructure (the new Durban airport, the Gautrain fast train in Johannesburg-Pretoria, and some highway extensions in Gauteng Province and Durban). But amidst the infrastructure investment boom, contradictions have become glaringly apparent, not only with the white elephants already constructed but in those still to come, including the Medupi coal-fired power plant and Transnet’s South Durban port-petrochemical expansion.

In this context, SA often feels close to exploding, given the extreme dislocations and inequalities, so well exemplified in the mega-projects discussed above. The power relations that create these tensions are being contested with intense vigor, in workplaces and communities. The protests are always local in character, but they also reflect the durable national-level power relations. During the post-apartheid era, most South Africans suffered from neoliberal policies imposed by the governments of Nelson Mandela (1994–99), Thabo Mbeki (1999 – 2008), Kgalema Motlanthe (2008 – 9) and Jacob Zuma (2009 – present). The results included an immediate rise in income inequality, with the Gini coefficient soaring from below 0.6 in 1994 to 0.72 by 2006 (0.8 if welfare spending is excluded). The official unemployment rate doubled from 16 percent in 1994 to around 32 percent by the early 2000s, falling to 23 percent by the late 2000s when in 2009 – 10 another 1.3 million jobs were lost – but by counting those who gave up looking for work, the realistic rate is closer to 40 percent. The long-term explanations for the employment massacre were increased imports in labor-intensive sectors – mostly by ship through the Durban port (source of 60 percent of SA-bound cargo) – and imported machines to exacerbate capital-intensive production techniques.

In addition, ecological problems became far worse, according to the government’s 2006 Environmental Outlook research report, which noted ‘a general decline in the state of the environment’. By 2012, SA’s ‘Environmental Performance Index’ slipped to 5th worst of 133

---

countries surveyed by Columbia and Yale University researchers. For example, in spite of water scarcity and water table pollution in the country’s main megalopolis, Gauteng, the first two Lesotho mega-dams were built during the late 1990s thanks to World Bank financing, with destructive environmental consequences downriver, and the extremely high costs of water transfer deterring consumption by poor people in Gauteng townships.

One result was the world’s highest-profile legal case of Third World development corruption, the Lesotho Highlands Water Project. Another result was the upsurge of social protest in which Africa’s main ‘water war’ – between Soweto residents and their municipal supplier outsourced to a Paris water company, Suez (whose construction subsidiary was one of the firms prosecuted for corruption in Lesotho) in the early 2000s – can be traced to the higher prices and a commercialized system that protesters objected to. The wealthiest urban (mainly white) families continued to enjoy swimming pools and English gardens, which meant that in some of the most hedonistic water consumption in the suburbs was 30 times greater each day than in low-income townships (some of whose residents continue doing gardening and domestic work for whites). Rural (black) women still stand in line for hours at communal taps in the parched former bantustan areas. This case was an important precedent for electricity, for Medupi’s financing costs have a similar impact on affordability for low-income black South Africans.

Similar biases affect health and welfare when it comes to the distribution of electricity. While BHP Billiton gets the world’s cheapest energy for its aluminum smelters, millions of poor people are regularly disconnected from or denied access to the grid due to extreme poverty. Because of dirty household energy, the passage is often rapid from HIV-positive to full-blown AIDS status via respiratory-related opportunistic infections, including the raging TB epidemic. These add to the existing set of occupational health diseases inherited from the MEC. The government’s failure to prevent mining pollution, toxic dumping and incineration led to a nascent but portentous group of mass tort (class action) lawsuits. The victims included asbestos and silicosis sufferers who worked in or lived close to the country’s mines, who in 2013 achieved a landmark victory. Other legal avenues and social activism were pursued by residents who suffered persistent pollution in extremely toxic pockets like South Durban and, just south of Johannesburg, the industrial sites of Sasolburg and Steel Valley. In these efforts, the environmental justice movement almost invariably fought both corporations and Pretoria, which from 1994 downplayed ecological crimes (a Green Scorpions anti-pollution team did finally emerge but with subdued powers that barely pricked).

With this level of degradation, it is no surprise that there is such intense labor, social and environmentalist resistance. The 2012 and 2013 World Economic Forum Global Competitiveness Report placed SA in the world-leading position for adverse employee-employer relations out of the 148 countries surveyed. And typically 10,000 protests are recorded by police each year; in 2012-13, for example, the minister of police reported that of 12,399 protests, ‘10,517 were peaceful and 1,882 were violent public protests, with a total of 693 criminal cases reported’; he expressed pride about having made more than 13,000 arrests at more than 46,000 protests over the prior four years. Because attempts to change public policy have failed, thus far, one obvious new pressure point will be financing. What is at stake is whether common sense prevails over profits. That calculus has to be swung in the favor of the former, by reducing the latter, perhaps through non-

74. Environmental Performance Index, http://epi.yale.edu/
75. See Bond, Unsustainable South Africa, op cit.
77. SAPA, ‘Cops handled 12,399 protests,’ IOL News 19 September 2013.
violent civil disobedience of the sort pioneered in Durban in 1913 by Mahatma Gandhi; i.e., of the sort international anti-apartheid activists used to assist in ending apartheid. The most powerful weapon was financial sanctions. Whether the World Bank and international lenders – including China and the coming BRICS Bank – can be forced to stop new tranches for Medupi and new Transnet financing, is a matter of organizing prowess.

It is the financing weaknesses of the two parastatal corporations that might, if organizing does intensify, make the mega-projects more difficult to bring to fruition, given SA’s vulnerabilities and excessive foreign debt. Weakening capital along these lines is a prerequisite to fighting for and winning climate justice more generally, as part of the historic resistance to uneven and combined capitalist development amplified by capitalist crisis and manifest in the heightened social metabolism of extractivist economics. But that will be a matter for struggle.

**Eskom’s two newest coal-fired power plants Transnet investment strategy**

**Eskom’s price increases to pay for Medupi and Kusile far outpaced inflation and GDP**

Source: World Bank, Eskom, Statistics South Africa

**The 2014-2040 components of Durban’s port-petrochem expansion**

Investment in South African mega-projects, 1946-2012

Source: Transnet

Source: SA Reserve Bank
Gigaba’s pleasing infrastructure promises soon to be broken in Durban

Mail&Guardian, 2 May 2014

The indefatigable eco-justice activist Des D’Sa of the South Durban Community Environmental Alliance (SDCEA) just won the Goldman Environmental Prize in San Francisco. It’s an extraordinary award, often described as the ecological Nobel; indeed, the late Wangari Maathai from Kenya’s Greenbelt movement became famous with the former, and later won the Nobel Peace Prize.

At Transnet’s headquarters on the 49th floor of the old Carlton Centre in central Johannesburg, there will be shudders of fear as the news sinks in. Transnet executives may recall that “groundWork” NGO director Bobby Peek’s 1998 Goldman Prize was based on work in the same neighbourhoods in “Africa’s Armpit”: closing a noxious, racist Umlazi landfill and fighting petrochemical pollution at the Wentworth-Merebank site of the continent’s largest oil refinery complex, as well as other toxic flotsam from Africa’s busiest port.

D’Sa’s and Peek’s next target: a South Durban port-petrochem expansion that ranks second in the Presidential Infrastructure Coordinating Commission bizarre priority list, just after Transnet’s climate-destroying coal exports from the Waterberg via Richards Bay.

Exactly a year ago, not long after the BRICS heads of state met in Durban, Public Enterprise Minister Malusi Gigaba derided the activists’ opposition as misplaced concern for “frogs and chameleons” – but suddenly the stakes just got much higher, as a new mini-docie featuring D’Sa shows. (Transnet’s also online with its side of the story.)

Last week, Gigaba made pleasing claims atop his Mail&Guardian “Soapbox“ (23 April). After the ANC wins the May 7 national election, “radical socioeconomic transformation” will make the economy “a more labour-absorbing one that is characterised by deracialised and widespread ownership.” Amandla!

Gigaba wants “local beneficiation and value addition.” Viva! He believes in “inclusive and equitable growth” – Phambili! – and “millions of sustainable and decent jobs. One of the levers we are using to restructure the South African economy is infrastructure investment.”

Infrastructure? Sounds plausible – but hang on, let’s look more closely. Gigaba brags of an upcoming R4 trillion in spending, yet he and his ANC comrades have a very big problem that will intensify after the election: talking left and spending right.

South Durban hosts what will be the single biggest site-specific infrastructure project, currently estimated at R250 billion (what with the crony corruption that riddles mega-projects, a figure no doubt bound to soar). But social resistances is rising, as is true for inappropriate infrastructure all over South Africa, especially inadequate state services in most townships and shack settlements in contrast to what even local soccer supremo Danny Jordaan apologetically admitted are “white elephant” stadiums and elite transport, not to mention the climate-busting power plants Medupi and Kusile.
I live on the Bluff and, alongside SDCEA members in Merebank, Wentworth, Umlazi and Clairwood, can say frankly, Minister Gigaba, we don’t believe you, especially the overblown promises of 64 000 short-term construction and 28 000 operational jobs at the port.

Hundreds of residents protested your plans on March 29 at City Hall, as they did at the old airport site last November and in late 2012 when another demonstration at the base of the Bluff shut down the back of the port for several hours. (Nor do we believe the Democratic Alliance, whose local councillor Duncan DuBois was blasted at a community meeting earlier this month for promoting Transnet’s agenda.)

Will South Durban become KZN’s “Marikana,” as chief provincial planner Frikkie Brooks predicted at a public meeting in September 2012? Our country’s schizophrenic eco-social metabolism pulses out of control, as more pressure is put on the overstressed political ecology. Pollution-intensive mega-projects in mining, electricity generation and shipping are intensifying already extreme community-labour-environmental-feminist anger.

The eco-social stress is worse here thanks to sustained environmental racism, such as climate gimmicks at the continent’s largest landfill (in the black neighbourhood of Clare Estate) and what are called “neoliberal loos” through which the city’s “toilet apartheid” creates such severe sanitation crises (for low-income black people) that in turn, create explosive e.coli counts in the rivers that plume into our beautiful ocean, in turn forcing the municipality to default on its Blue Flag beach status in 2008.

That was during the dark ages of Mike Sutcliffe’s reign, but Durban is still one of the filthiest cities facing these eco-social pressures, including climate change. No surprise that we needed a fake twitter/FB campaign by a fib-addicted “Tribe” of municipal consultants – Carver Media – in last month’s World Wide Fund for Nature (WWF) “We Love Cities” EarthDay competition just to get our town into the running.

The black residents of South Durban already face a world-leading threat from noxious fumes – creating rampant asthma and a leukaemia rate twenty times the national average – not to mention runaway container-laden trucks which have killed ten residents locally and on one occasion last September, wiped out two dozen working-class commuters at Field’s Hill – another target of D’Sa’s protest movement.

In contrast to promises, the taxpayer money spent by Gigaba and his successor will result in a much more capital-intensive port complex in part because of Transnet’s privatisation fetish and in part because of the shipping industry’s tendency towards mechanisation. Walmart’s new 15 000-container robot ship now crosses from China to the US with only 13 crew.

The resulting ownership patterns are not going to deracialise and broaden our society’s wealth; instead, because the proposed “Dig Out Port” at the old airport aims to be 100 percent privatised, government once again is favouring large multinational corporations with global networks, perhaps augmented with local construction tenderpreneurs like Jay Singh or the Mpisanes, or the collusion-tainted Stefannuti Stocks which last week won a huge port contract. Economic localisation will suffer, not prosper, because an import tsunami from the Durban harbour expansion – from 2.5 million containers the last few years, to the National Development Plan’s desired 20 million per annum by 2040 – will hasten SA’s deindustrialisation.
Any resulting GDP growth will be exclusionary and inequitable. The suburb of Clairwood is first to be demolished, with more than 6000 forced removals on the cards, and no alternative accommodation in the works, municipal officials admit. Even Finance Minister Pravin Gordhan has been criticised here, in his old Clairwood housing-activist stomping grounds. As D’Sa argues, “Displacement is not an option for us,” for he and thousands of other South Durban residents already suffered this fate once, during racial apartheid.

Under post-1994 class apartheid, we already have a good sense of how things will proceed, because a doubling of the oil pipeline (the world’s largest) connecting our neighbourhoods to petrol-addicted Gauteng car owners has already done enormous damage. Under former Transnet CEO Maria Ramos, a combination of institutional racism which moved the pipeline’s path from mainly-white western Durban neighbourhoods through black South Durban communities, Transnet’s incompetence and construction collusion ballooned the cost of that pipeline from original estimates of R6 billion to R23 billion.

Gigaba knows this, because in December 2012 he admitted there were “systemic failings” and that “Transnet Capital Projects lacked sufficient capacity and depth of experience for the client overview of a megaproject of this complexity. There was an inadequate analysis of risks.”

Now Gigaba is relying on the same team for a project at least ten times larger. What did he learn from the pipeline? “Transnet’s obligations on the project such as securing authorisations – Environmental Impact Assessments (EIAs), land acquisition for right of way, water and wetland permits – were not pursued with sufficient foresight and vigour.”

Precisely – yet his team is up to the same hijinks. Transnet’s port expansion starts with the existing berths which need deep digging to cater for “Post-Panamax” ships that carry more than the 5000 containers that currently fit through the Panama Canal. Digging many more meters deeper required widening the harbour entrance at the Point, to the point extreme storms and freak waves are blowing in now that climate change is a reality – around 5 percent of which can be attributed to the dirty bunker fuels used by the world’s ships. In July 2012, gale-forced winds bumped a ship up against the main cranes, doing weeks’ worth of damage.

To carry out its latest EIA work, Transnet hired landlubbers at Nemai Consulting in Johannesburg, supported by three lads who appear to be climate denialists at ZAA Engineering Projects (Christopher Everatt and John Zeitsman) and even the Council for Scientific and Industrial Research (Roy van Ballegooegen). Following a great deal of correspondence with critics in South Durban, the national Department of Environment rejected the Nemai EIA last October, agreeing with us that Transnet had not “applied its mind” regarding climate-related storms and rising sea level, or Transnet’s proposed removal of a section of an ecologically vital sandbank next to the main berths.

According to Peek, the danger remains: “Our legislation allows Transnet to carry on submitting reports until they get approval. This thing should be stopped.” Worse, Economic Development Minister Ebrahim Patel just pushed through a law to fast-track mega-project EIAs, and when D’Sa traveled to Parliament to express concern in January, two ANC MPs, Francois Beukman and Elsie Mmathulare Coleman, rudely shut him down just four minutes into his formal testimony.

Genuine infrastructure investment required by hundreds of thousands of residents in the South Durban Basin – especially affordably-priced housing, renewable energy, water, sanitation, other municipal services and public transport plus labour-intensive, green employment – is the polar
opposite of the massive white-elephant, high-carbon, high-polluting, low-employment corporate-welfare project envisaged by Gigaba.

In various meetings with Gigaba and his colleagues, SDCEA has set out all these concerns, but to no avail, as charges continue to fly over the integrity of Transnet’s consultations. Will the Goldman Prize now change power relations sufficiently that D’Sa’s threat of financial sanctions against Transnet gets Gigaba off the soapbox to finally address the crisis developing in South Durban? Or – more likely – will he instead just shove it over to the next Minister of Public Enterprises in a couple of weeks, along with his heady infrastructure promises that simply cannot be fulfilled.
A discussion with Patrick Bond on the lack of political will to deal with climate change and the forces mobilizing for action

Transcript

PAUL JAY, SENIOR EDITOR, TRNN: Welcome to The Real News Network. I’m Paul Jay in Baltimore. The IPCC report from the United Nations on climate change—Working Group II said the following. Describing the effects of what they say now will be the consequences of climate change are the following:

“i. Risk of death, injury, ill-health, or disrupted livelihoods in low-lying coastal zones and small island developing states and other small islands, due to storm surges, coastal flooding, and sea-level rise.

“ii. Risk of severe ill-health and disrupted livelihoods for large urban populations due to inland flooding in some regions.

“iii. Systemic risks due to extreme weather events leading to breakdown of infrastructure networks and critical services such as electricity, water supply, and health and emergency services.

“iv. Risk of mortality and morbidity during periods of extreme heat, particularly for vulnerable urban populations and those working outdoors in urban or rural areas.

“v. Risk of food insecurity and the breakdown of food systems linked to warming, drought, flooding, and precipitation variability and extremes, particularly for poorer populations in urban and rural settings.

“vi. Risk of loss of rural livelihoods and income due to insufficient access to drinking and irrigation water and reduced agricultural productivity, particularly for farmers and pastoralists with minimal capital in semi-arid regions.

“vii. Risk of loss of marine and coastal ecosystems, biodiversity, and the ecosystem goods, functions, and services they provide for coastal livelihoods, especially for fishing communities in the tropics and the Arctic.

“viii. Risk of loss of terrestrial and inland water ecosystems, biodiversity, and the ecosystem goods, functions, and services they provide for livelihoods.”

Now joining us in the studio to discuss the politics of climate change is Patrick Bond. Patrick Bond teaches political economy and eco-social policy and directs the Centre for Civil Society at the University of KwaZulu-Natal in Durban, South Africa, and is involved in research on economic justice, geopolitics, climate, energy, and water. And his most recent book is—he coauthored with John Saul, is South Africa: The Present as History.

Thanks for joining us.
PATRICK BOND, DIRECTOR, CENTRE FOR CIVIL SOCIETY: Good to be back. Thanks, Paul.

JAY: So it’s nothing new, in a sense, that for quite a few years there’s been rather apocalyptic predictions. The science gets more and more firm and more, I think--like, the percentage of certainty goes higher and higher. That always is going to happen. What is it now? Over 95 or 97 percent or something certainty that these are going to be to consequences.

In 2007, 2008, even into ’09, it seemed like the elites of the world believed all of this. They had the Stern Report that was commissioned by Tony Blair that said similar things as this, and there was discussion everywhere about the need to, you know, reduce carbon emissions, the need to finance adaptation in parts of the world that were going to get hit most severely. President Obama, when he was running, was talking about all of this and a new green economy, but the same thing in Europe.

And, yes, they were looking for ways to make money out of it, yes, they were trying to financialize the whole thing with this carbon trading, but still there seemed to be some underlying belief in the elites that this was in their interest, not just some do-gooder thing. It was in the interest of the elites themselves to try to cope with this. Something happened over the next, you know, five, six, seven years and it’s barely in the discourse anymore.

BOND: Well, you’re right, Paul. And the modalities of how the failure to move an awareness and a degree of political will into an actual agreement, an agreement, let’s say, like 1987, where the chlorofluorocarbons that cause the ozone hole to grow were banned. It took about six years, seven years to actually do it, but they agreed in Montréal at the Montréal protocol we need a ban and we need to save the ozone hole in that very explicit state-regulated way.

Unfortunately, I think many of the reasons for a slowing and a diversion of that energy in 2007, ’08, ’09 came from not banning but a cap and then trading strategy, and it was most explicit with Barack Obama. You’ll remember, your viewers will probably recall that he won the Nobel Prize and he went to Oslo in December 2009, and the next day he went down to Copenhagen, and that’s where the United Nations Framework Convention on Climate Change was holding the negotiations. And it was a deadlock. And Europe was sort of always in the middle. The South was, especially African delegates and some of the Latin Americans and Bolivians were always most powerful demanding major cuts. The Maldives Islands, for example, had just held a cabinet meeting with scuba gear on just to dramatize our island is sinking. And Obama came and he made a deal, and the deal is called the Copenhagen Accord, with four other big countries, the BASICs--Brazil, South Africa, India, and China.

So the BASIC countries, later BRICS, ‘cause you add Russia, have been part now of delaying action. And so there seemed to be a moment where, had UN process really come to fruition with a more democratic process without the distraction of carbon trading, of making this a financialized project, maybe then these IPCC reports, which keep coming through warning us, maybe they would have been taken seriously.

However, now we’ve got a bloc which is really--Canada’s probably the worst, and Australia, with the U.S. And now Russia and Japan have pulled out of the Kyoto Protocol. So those five countries keep going to these UNFCCC COPs conference of the parties, and they sabotage. And the next time they’ll do that is in Lima, Peru, in November. And the next big opportunity, where many of the side
negotiations are converging, would be 2015 in Paris. So Copenhagen, where 100,000 people protested, may have the source of energy to revitalize a global-scale struggle then. But in the meantime, for the next 20 months, it’s going to have to be using the information information of the IPCC report in all of our debates and all of the activist initiatives to try to very microscale stop major fossil fuel, and whether it’s 350.org on divestment of big fuel, fossil fuel companies from the university portfolios or people blocking mountaintop removal or blocking the pipelines from Alberta or stopping coal-fired power plants, this is now where the energy of these activists has to increase. And it is there, and extraordinary things are being done.

JAY: Is part of the problem here--or maybe it’s the problem here that, as it became clearer and clearer to corporate and political elites around the world, that the poor were going to suffer? But the poor already suffer, in the sense if the way the elite thinks is that, you know, most of the world that’s [incompr.] now--or I think it’s still the majority of the world has never used a telephone, still. I mean, and that may be changing with mobile phones. But this idea that it would be in the South, it will be the poor, and we in the North and we who are relatively wealthy, and certainly, in the elites, we who are rich, we’re not going to be hurt that bad. And, you know, over years we’ll probably figure out some technology to make it livable for us and our kids, and that what was required to face up to the changes that the scientists said, you know, to keep under this 2 degree bar by the end of the century were just too serious. You literally had to transform the way capitalism exists, and they weren’t going to go there. And they all think so short-term anyway. You know, it’s the next election cycle, it’s the next quarter of profit reporting, that, you know, kind of the hell with it.

BOND: Those are all absolutely valid factors, in the sense that elites are soiling their own nest (a) for the short-term profit involved. And let’s specify that it’s fossil fuel corporations that have a large chunk of political power, through the Koch brothers in this country, for example. And I’ve always felt that until that power can be challenged, we will see probably any attempts in the U.S. Congress to make any headway futile.

This is similar dynamics when you look at the negotiations. Many of the delegates are really instructed--I can say certainly South Africa--to not push hard, because many of our economies in South Africa, as well, are fossil fuel-addicted. And it does mean, as you say, a huge reboot of everything, of agriculture and energy and transport and production and disposal and consumption norms. All of these things to have to be changed, so we are now in this awareness that this is about an eco-socialist project if we’re going to save the climate. And you can’t really work within the kind of techniques that even the IPCC has suggested--green technologies or various biotech fixes that they believe could be sequester carbon.

JAY: So if this geo-engineering, in one form or another, if they can suck the carbon out of the air, or other stuff is to put particles up there to reflect sunlight back and all that, I mean, if it works, what’s wrong with that?

BOND: Well, the dangers, the risks associated with any of these schemes is just out of control. And there is a convention dealing with biodiversity that is, luckily, so far, preventing some of the most wacky schemes, for example, putting iron filings into the ocean to create algae blooms that will sequester, suck out the carbon. I was disappointed that the IPCC has seemingly endorsed carbon capture and storage. The idea there is that you can take your coal-fired power plants or other big fossil fuel combustion systems and take the carbon out and store it somewhere. It’s very, very dangerous. Many of the sites that we’ve been looking at--for example, in South Africa--are quite
unstable. So when carbon emerges, if there’s an accident in a big way, it would be potentially quite fatal, a big CO2 cloud just emerging.

These are the kinds of things that make the technical fixes highly dubious, too much risk. Nothing’s been proven. The best CCS pilot project was in Norway, and they shut it down. So I doubt we’re going to see anything more than rhetoric there.

So, instead we really have to go back to the agenda of the carbon cuts, and also methane, because that’s also becoming a big factor, what with the melting of the Arctic. But with fracking, there’s a great deal of methane that’s released.

And these are where activists, I think, are the only hope for a future, that climate justice activists who are aware that the main dangers are for people in low-lying areas, people in Africa, where we might see a 7 degree centigrade increase in temperature this century. And when you say—that awareness that it’ll just be poor people that get hit perhaps changed, Paul, when Hurricane Sandy hit in October 29, 2012. Some say even that was a sufficient shock to the consciousness, that Barack Obama had his reelection confirmed, because his opponent, Mitt Romney, was such a climate denialist.

But regardless whether the Michael Bloomberg strategy of putting up $20 billion of climate proofing around Manhattan Island, somewhere along the line what has become clear for the elites is this is going to cost big money--$60 billion of damage in a day and a half of Sandy. And the question is: who’s going to pay that and how? And the answer was given in Copenhagen by Hillary Clinton: $100 billion a year in a green climate fund. And that’s now coming into the Peru meeting later this year to be codified and maybe a fund that could actually take some money. But so far it’s basically empty and it’s very unsatisfactory to waiters fund is developing.

And that’s why I think a climate debt debate--who caused the problem, who owes--is vital.

The one other big factor is the U.S. has had a slightly lower emissions level, because they’ve outsourced the emissions to production systems, especially in China, and trying to balance that in and say, well, if you’re the end user of these goods that are created with massive greenhouse gas emissions, that should be on your account, not on the producer’s account. So those are some of the other debates about how we then assess who owes and who should pay, a climate debt debate that I hope in the next year and a half before Paris can really get going, because we really need systems that transfer funds to people who are really being socked. I mean, this is the big thing in recent months--major, major damage, the Thames Valley flooding. We had so much damage associated with heavy rainfall in South Africa recently that the whole electricity sent system broke down because the coal was too wet. So big costs associated with climate. Who pays? Who--.

JAY: Again, this is all about taking on the fossil fuel industry, cause that seems to, in terms of public opinion in United States, there’s so much money at the political level and at the media level that they kind of closed down the whole conversation. And so this taking on the fossil fuel both--but politically, too, I mean, this issue of--does it not have to be not just about protest? And there has to be something done at the level of politics, whether it’s a fight within the two parties or the Democratic Party, I suppose, more, or something else?

BOND: And we’re at that stage in the debate where it’s the activists who are mobilizing at the grassroots level, who haven’t quite got the critical mass and haven’t, probably, cleared a sufficiently
coherent ideological stance. Many would just accept the Band-Aid strategies or accept the carbon trading. And I think to move us to the point where we all realize that we need (a) a bigger critical mass, maybe it’s going to involve the kind of critical mass that ended apartheid, because that involved so many people in cities like Baltimore saying, our city government must do something, our university must divest the funds. And that’s where I think we’re just on the verge of having some breakthroughs.

JAY: Thanks for joining us.
Durban’s greenwashing deceits
Daily Maverick, 28 March 2014
http://www.dailymaverick.co.za/opinionista/2014-03-28-durbans-greenwashing-deceits/#.U3PopijQ50c

Working frenetically from nouveau-riche Umhlanga, the Carver Media company just made themselves a lead candidate for the fiercest anti-marketing case method example you’d ever encounter at Wits Business School, a Mad Men’s nightmare script of a brand gone bust. The firm’s Praneetha and Avilash Aniruth committed the most crass social media mistakes imaginable in the course of high-priced, last-minute sock-puppetry, all aimed at advancing Durban’s bid for an utterly banal environmental prize.

The World Wide Fund for Nature’s (WWF’s) urban environmental competition, “We Love Cities,” announced its world champ yesterday, Cape Town, but how could the WWF – itself a regular companion of unethical capital (a.k.a. “bears feeding on toxic waste” or other less pleasant references) – not already have disqualified Durban? The rampant ballot-stuffing by Carver Media’s fake Twitter accounts, with pseudonyms like “Brittaney Jones” and “Alanna Sharon,” left a dumbstruck WWF only committed to painstakingly disqualifying particular votes from those accounts they determine to be bogus – as usual, unable to connect the dots of repetitive malevolent behaviour back to the power structure.

The jejune Carver Media operatives left their fingerprints all over the corpse of the name Durban, wrecking its latest silly brand strategy, greenwashing our city’s awful climate record, and in the process smearing the WWF contest – and yes, compelling the question, which other urban entrepreneurs in the 33 competing cities used similar scam operations? Praneetha Aniruth’s first line of defense was, after all, that she was the victim of a “third force smear campaign” by competitors to discredit Durban’s valiant efforts – a plausible fib soon unveiled by Mercury journalists and allied geeks who tracked the offending Tweeter and IP addresses back to Umhlanga.
Carver Media’s staff apparently signed a lucrative last-minute municipal consultancy through an irregular process, Durban’s notorious “Section 36” fast-track contracts-for-the-lads. This was the no-competition bidding technique that brought former city manager Mike Sutcliffe infamy during his 2002-11 reign, and yet which were abused even more after 2012 to benefit the likes of Carver Media. The firm made up twitter fake accounts – even stealing online photos of people across the world – so that Twitter and FB would ring with the sounds of applause for Durban’s environment record.

Social media expert Vee Govender – who works for the brics-from-below project at our Centre – gave this advice: “The city should cancel its contract with Carver Media immediately. Paying Carver R500K for ten days work is unacceptable and R3 million for the #ilovedurban brand goes beyond being ridiculous. The City should ask for a full refund for any payments made. These guys have had to have insiders to set up the deal.” The Democratic Alliance’s local caucus leader, Zwakele Mncwango, claims he knows which family-related insiders Carver relied upon, based within eThekwini’s economic development and governance cluster.

Just this sort of rancid tenderpreneurship has reached epidemic stage. The 2013 Manase Report into widespread Durban mismanagement and corruption was so ineffectual in halting the rot that one of the most brazen scams – an attempted R3 billion hijack of the Bisasar Road incineration tender by former (1996-2011) mayor Obed Mlaba (using his daughter as a front) – resulted in Mlaba’s redeployment from dirty Durban politics. He’s now SA’s High Commissioner in London, where, with Business Day’s brazen encouragement, Mlaba may well learn how to commit fraud on a slightly grander scale just down the road from Trafalgar Square, amongst filthy financiers in the City of London.

Going full-circle, Carver Media and municipal officials are using that very Bisasar Road dump’s six methane-to-energy turbines to claim – at WWF’s www.welovecities.org Durban portal – that because our municipality benefits from (a rather meagre) “7.5MWh of electricity produced from landfill waste, Durban is right to be proud of its renewable energy achievements.”

No, in reality, Bisasar Road is notorious in part because it is Africa’s largest formal landfill and was dumped upon an Indian and Coloured neighbourhood (Clare Estate) by white apartheid officials in 1980. ANC promises in 1994 to close the racist dump were never kept. Instead, in 2002, Sutcliffe went to the World Bank to turn it into a climate financing pilot. It is a multifaceted disaster, not least in terms of climate policy.
The crucial problem concerns the way in which financing for the project was arranged. It required the Bank and United Nations to take seriously a claim originally made by Sutcliffe and Durban Solid Waste: the cost of the project was “additional” to what the city would have done anyway. That qualified it for subsidies as a “Clean Development Mechanism” (CDM).

The problem was, as city official John Parkin conceded in a recorded media interview during the COP17 climate summit here, that claim was a lie. As Parkin put it, “We already started the project and we were going ahead no matter what. So whether CDM became a reality or not, the project was going to go ahead.” This should have disqualified the project, had the Bank and UN officials been even slightly awake – but instead they were desperate for a South African renewable CDM pilot during the Joburg World Summit on Sustainable Development back in 2002.

The Carver Media group had no role in the original lie. But its embellishment through #ilovedurban fakery gave the WWF all the excuse it needed to boot these hucksters out of their competition. The obvious reason for a full disqualification was Carver Media’s pathetic cheating, but a better one is rejecting Carver Media’s Clean Development Mechanism scamming. Instead, we all need to challenge local economic development officials to try out some low-carbon strategies.

That would push them to rethink the current carbon-addicted sports-tourism focus and South Durban petrochemical-port complex expansion that has already made Durban’s per capita emissions higher than even Beijing’s or London’s. (More details can be found in Durban’s Climate Gamble: Playing the Carbon Markets, Betting the Earth.)

Only then would Durban offer the basis for love by an environmentally-aware society that can see through not only the Twitter twits but municipal climate gimmickry as well.
Infrastructure ‘fast-track’ may trip up government and corporations

Daily Maverick, 21 January 2014

What we academics often term South Africa’s ‘Minerals-Energy Complex’ (MEC) keeps getting away with murder, including economic strangulation. As just one example, in spite of a recent trade surplus, the balance of payments is going into extreme deficit largely because MEC multinational mining houses – especially BHP Billiton, Anglo, DeBeers, Lonmin and Glencore – vacuum out profits to their London and Melbourne financial headquarters. This leaves SA basking not in BRICS prosperity but instead leading the slide of the ‘Fragile Five’: big emerging markets suffering vast capital outflows. Witness the Rand’s crash by a third last year.

Yet the overwhelming bulk of taxpayer subsidies to the MEC will amplify this crisis, via the National Development Plan’s two main Strategic Infrastructure Projects: the Waterberg-Richards Bay coal export rail-line and the Durban port-petrochemical expansion, which are likely to consume far more than the roughly R500 billion now budgeted.

Parliament is preparing to make matters worse. Last week’s hearings on an Infrastructure Development Bill could give fast-track approvals for mines, oil pipelines and refineries, coal-fired power plants, ports, and new airports. Was the Bill’s mention of water/sanitation, clinics, and schools snuck in to make the mega-project bias more palatable?

The two types need to be separated, and the latter projects need a new sense of urgency, because unlike Economic Development Minister Ebrahim Patel’s remark last week – “Whether you are speaking to Mr Smith sitting in a Sandton boardroom or Mrs Xulu in Lusikisiki, both will need more infrastructure” – installation of a R2300 township sanitation connector pipe is rather easier than digging a R23 billion Durban-Joburg multiproduct oil pipeline, whose price rose from R6 billion in part because, according to an audit, “securing authorisations (Environmental Impact Assessments, land acquisition for right of way, water and wetland permits) were not pursued with sufficient foresight and vigour.”

Pursuing fast-track projects, MEC corporations have infinitely more influence than the suffering residents of, say, Madibeng municipality just west of Pretoria, within which is Marikana’s Nkaneng township. Today Nkaneng looks exactly the same as it did 18 months ago, when 34 mineworkers were shot dead nearby while striking for a living wage at Lonmin. More recently, Madibeng was the site of four water protesters’ murder by police in Mothutlung township. Within Madibeng boundaries, the platinum mines, agribusiness, Jack Nicklaus Pecanwood golf club members and Hartbeespoort Dam mansion owners guzzle as much water as they want.

Even if in coming weeks (at least through election day), a little more money flowing into Madibeng lets taps turn leftward, the nexus of parastatal and private corporates lean in the other direction. New water lines will soon be interrupted by hated pre-payment meters, and the taps will again be pushed rightward. For the real national infrastructure priority was expressed by Business Day editor Peter Bruce in 2012: “mine more and faster and ship what we mine cheaper and faster.”

This requires that the power bloc led by corporate South Africa’s export-oriented wing open up to include more aggressive political nationalists, even those spanning an apparent gulf between a white former New Nationalist Party MP and a former ANC MK armed wing operative, both now in critical seats on Parliament’s Economic Development Committee.
This was the unlikely alliance I witnessed last Thursday, and while I was able to testify to that committee about the Infrastructure Bill’s deficiencies, a scrappy Durban community group was egregiously censored, proving the point that when it comes to the big bucks, Parliament really has no space for the masses.

South Durban Community Environmental Alliance (SDCEA) leader Des D’Sa was first to testify on Thursday. His insightful speech covered problems related not only to general infrastructure processes, but to the single largest site-specific project ever attempted in SA: Durban’s R250 bn port-petrochemical expansion. SDCEA and its allies (myself too) have tried to lobby for this project to be transformed into a detoxed South Durban offering a Just Transition for workers, plus more housing and environmental amenities such as clean rivers and beaches.

Testifying about the state’s lack of consultation on mega-projects, D’Sa was three minutes into his powerpoint presentation before ANC committee member Francois Beukman asked chairwoman Elsie Mmathulare Coleman to shut him down, on grounds D’Sa’s arguments were irrelevant to the Bill. Beukman recently led the Independent Police Investigative Directorate but resigned on a telling date, 16 August 2012 (Marikana massacre day, two years before his contract ran out), soon after the Public Service Commission began investigating “alleged irregularities in the directorate.”

Last Thursday, Beukman had regained sufficient influence that Coleman – a 1980s Soviet trainee in guerrilla warfare – gave D’Sa just one more minute and then abruptly told him to leave the podium. The Beukman-Coleman tag-team attack on D’Sa was clear confirmation of his complaint that public participation in SA’s moneyed politics is purely tokenistic.

Coleman was also hostile to me, but the exchange of views was robust. Beukman said I was too biased to acknowledge that Patel had indeed taken “account of the lessons of the 2010 World Cup infrastructure and the growing experience in the build programmes for the Gautrain, the Medupi and Kusile power stations, the Freeway improvement programme and the major airport revamps.”

But Patel is unconvincing, I replied. Government keeps making the same mistakes: White Elephantism (overbuilding – such as for 20 million containers/year when the Durban port is the world’s most expensive while processing just 2.5 million now); fossil-fuel dependence; climate denialism both for extreme weather impacts and SA emissions; mindless export orientation into a sick global economy; and public-private partnerships fraught with corruption. And soon the Environmental Impact Assessment stage for mega-projects will be shortened dramatically, and tripping up Transnet for ignoring climate change when proposing major port redesign may not be so easy.

A genuine people’s Parliament would have an easy time rewriting this bill. It would make our economy far less vulnerable to globalization by stressing local connectivities. The mandate would be revised, to first and foremost meet basic human needs – itself a valid economic strategy because locally-oriented spending on small projects has a higher multiplier effect. Climate would be taken seriously, and infrastructure policy would promote renewable energy, public transport, and a decarbonised, de-smokestacked economy.

None of these suggestions will be seriously considered, we can reliably predict.

Though D’Sa’s and my appearances were a waste of time and taxpayer money spent on SAA flights, still, it was an opportunity to confirm my theory about how South Africa’s ruling elite rules: fusing
the worst aspects of apartheid and post-apartheid nationalism with pro-corporate neoliberalism, lubricated by hundreds of billions of rands of subsidies spurring ever-greater MEC profits.
Climate justice in, by and for Africa
In M.Dietz and H.Garreltz (Eds), Routledge Handbook of the Climate Change Movement, London, Routledge 2013

Introduction

The African component of the “Climate Justice” movement is critical, given the continent’s extreme vulnerability to climate change, and the “climate debt” it is owed, having not (South African and Nigerian-based corporations aside) contributed to the world’s greatest man-made crisis. The broader Climate Justice movement emerged in part from Africa during the early 2000s, fusing a variety of progressive political-economic and political-ecological currents. Africa soon became the source of some outstanding examples of social mobilisation against climate change, its sources and its impacts. One network, the Pan African Climate Justice Alliance, built a coalition of 500 groups between 2008 and 2013.1

Africa has, for centuries, been exploited and looted, and hence an extra amount of intellectual, political and solidaristic care is required when considering climate justice here (Bond 2006). Exemplifying carelessness is Larry Summers, who in December 1991 as World Bank chief economist, wrote (or at least signed a memo written by Lant Pritchett) in defence of trading pollution, “the economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that... African countries are vastly underpolluted”.2 The quote assists us in assessing debates about carbon trading, as noted below.

This chapter begins by reviewing damage anticipated in Africa as a result of climate change, and then turns to the way Africans have been let down by elites – in the Northern capitals and financial markets, as well as in African capitals. Even some well-meaning advocates of climate justice are promoting strategies such as carbon trading that are just as environmentally racist as Summers’ ideas, when applied to Africa. As a result, a genuine Climate Justice movement is developing anticapitalist values in several sites, including Durban in 2004 when the “Durban Group for Climate Justice” was founded.

The stakes could not be higher. Aside from drowning small island states and drying out the glacier, snow and water supplies of the Andes, Himalayas and other mountains, it is widely understood that the most harmful climate change process is “cooking the continent” of Africa, to cite the book by Nigerian activist Nnimmo Bassey (2010). According to UN IPCC director R.K. Pachauri: “[C]rop net revenues could fall by as much as 90 percent by 2100” (Pachauri 2008). Climate damage to Africa will include rapid desertification, more floods and droughts, worse water shortages, increased starvation, climate refugees jamming shanty-packed megalopolises and the spread of malarial and other diseases. The danger is imminent, for eight of the twenty countries that the Centre for Global Development expects to be most adversely affected by extreme weather events by 2015 are African: Djibouti, Kenya, Somalia, Mozambique, Ethiopia, Madagascar, Zambia and Zimbabwe. In the Horn of Africa, those affected are anticipated to include 14 per cent of Djiboutis, 8 per cent of Kenyans, 5 per cent of Ethiopians and 4 per cent of Somalis (Wheeler 2011: 15). In 2006, Christian Aid estimated that 182 million Africanns were at risk of premature death due to climate change this century (Christian Aid 2008). According to African Union (AU) official Abebe Hailegabriel, “Trillions

1 See http://www.diakonia.se/sa/node.asp?node=4675 (accessed on 01/06/2013).
of dollars might not be enough in compensation. Thus, there must be an assessment of the impact before the figure” (Redi 2009).

In global climate negotiations, however, the most important African negotiator – and largest CO₂ emitter (responsible for more than 40 per cent of the continent’s CO₂) – is South Africa (Bond et al. 2009). Aside from ostensibly preventing climate change that could have an especially devastating impact at home, Pretoria’s climate negotiators have two conflicting agendas. The first is increasing Northern payments to Africa, a longstanding objective of the New Partnership for Africa’s Development, when during the early 2000s Thabo Mbeki unsuccessfully requested $64 billion per annum in aid and investment concessions. South African negotiators have also led the G77, and are on record from August 2009 demanding that “at least 1 per cent of global GDP should be set aside by rich nations” in order to “help developing countries conduct research, improve flood control, protect their coastlines, create seed banks and take other steps to cope with the severe storms and droughts linked to climate change. The money also could help poor countries obtain technology to reduce their carbon emissions” (Sapa-AP 2009).

The second objective, in contrast, is increasing South Africa’s own rates of CO₂ outputs around 2030 – 5, when the Long-Term Mitigation Scenario – South Africa’s official (albeit non-binding) climate strategy – would come into effect. Only then are absolute emissions declines offered as a scenario. In the meantime, Pretoria earmarked more than $100 billion for emissions-intensive coal-fired and nuclear-fired electricity generation plants, which would exacerbate Africa’s climate crisis, requiring more resources from the North for adaptation.

The way that both mitigation and adaptation narratives are unfolding poses a great threat to the victims, since the valuation of life and planetary ecology through market mechanisms will punish those without market access many times over, especially in Africa where Resource Curse mechanisms leave those with political power closely overlapped with those whose extractive economic interests are opposed to environmental justice. That means that even when court-based justice is sought, in the form of an ecological debt payment, the danger emerges that political elites and other rentiers will capture the funding. The alternative, as argued in the conclusion, is that the funds should go directly to victims of ecological damage, in the form of a Basic Income Grant piloted in Namibia. One reason to reroute climate finance away from corrupt state managers and their allies in the aid industry, is the utterly unreliable way in which Africa’s elites have addressed climate.

**Africans collaborating with injustice**

The AU’s erratic stance on climate was evident in the period June – November 2009, in which a militant position was adopted against the causal drivers of climate change, and large climate debt payments were demanded. But in December 2009, the Copenhagen Accord dashed hopes of a global deal to cut greenhouse gas emissions and ironically, the relatives of two signatories, Barack Obama and Jacob Zuma – the Luo and Zulu in rural Kenya and South Africa’s KwaZulu-Natal, respectively – will be amongst its first victims. Ethiopian dictator Meles Zenawi, the AU’s primary climate representative prior to his death in 2012, proclaimed in September 2009: “If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent” (in the same way Africans left the World Trade Organization to collapse in Seattle in 1999 and Cancun in 2003) (Ashine 2009). But Zenawi did not walk out. He walked off his plane in Paris on the way to Copenhagen, into the arms of Nicolas Sarkozy, who persuaded Zenawi to relent (Vidal 2009). The side deal, according to Mithika Mwenda of the PanAfrican Climate Justice Alliance (Pacja), had
the effect of “undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa” (Reddy 2009).

Not only did Zuma and Zenawi surrender on emissions cuts, but also on demanding full payment of the North’s climate debt to the South. “Meles wants to sell out the lives and hopes of Africans for a pittance”, said Mwenda. “Every other African country has committed to policy based on the science.” On 8 December, Pacja protesters chanted in the main Bella Centre auditorium: “Two degrees is suicide! One Africa! One Degree!” (FOE 2009). Zenawi was soon unveiled by WikiLeaks as a convert to the Copenhagen Accord, as a result of pressure applied by the US State Department on 2 February 2010, when Zenawi asked for more North-South resources in return, while also defending his tyrannical rule to the State Department’s Johnnie Carson.3

In one Copenhagen session, the lead G77 negotiator, Lumumba Di-Aping, “sat silently, tears rolling down his face”, according to a South African report. Di-Aping said simply: “We have been asked to sign a suicide pact”, explaining that in his home region, it was “better to stand and cry than to walk away”.

Speaking in measured tones, Di-Aping first attacked the 2 degrees Celsius warming maximum that most rich countries currently consider acceptable. Referring continuously to science, in particular parts of the latest IPCC report (which he referenced by page and section) he said that 2 degrees Celsius globally meant 3.5 degrees Celsius for much of Africa. He called global warming of 2 degrees Celsius “certain death for Africa”, a type of “climate fascism” imposed on Africa by high carbon emitters. He said Africa was being asked to sign on to an agreement that would allow this warming in exchange for $10 billion, and that Africa was also being asked to “celebrate” this deal.

He then went on to forthrightly address the weakness of many African negotiating delegations, noting that many were unprepared and that some members were either lazy or had been “bought off” by the industrialised nations. He singled out South Africa, saying that some members of that delegation had actively sought to disrupt the unity of the bloc. He said that civil society needed to hold its negotiators to account, but warned of a long and difficult struggle for a fair climate deal (words to the effect of “you have no idea of the powers that are arrayed against you”, spoken in the tone of someone who has spent years interacting with these powers). He said that people all over the world had to be made aware of what a bad climate deal means for Africa (“I am absolutely convinced that what Western governments are doing is NOT acceptable to Western civil society”). He explained that, by wanting to subvert the established post-Kyoto process, the industrialized nations were effectively wanting to ignore historical emissions, and by locking in deals that would allow each citizen of those countries to carry on emitting a far greater amount of carbon per year than each citizen in poor countries, would prevent many African countries from lifting their people out of poverty. This was nothing less than a colonization of the sky, he said. “$10 billion is not enough to buy us coffins” (Welz 2009).

Di-Aping asked, poignantly: “What is Obama going to tell his daughters? That their relatives’ lives are not worth anything?” Agreeing with leading US climate scientist James Hansen that the Copenhagen deal on offer was “worse than no deal”, Di-Aping concluded: “I would rather die with my dignity than sign a deal that will channel my people into a furnace” (Gilbertson and Santos 2009). In the final plenary session, Di-Aping called the Copenhagen Accord “an incineration pact in order to maintain the economic dependence of a few countries. It’s a solution based on values that

funnelled six million people in Europe into furnaces.” He was strongly condemned by Europeans including UK Labour Party politician Ed Miliband for losing his diplomatic cool (Vidal and Watts 2009).

**Climate justice**

The need to lose any semblance of cool when it comes to climate was expressed not only by Di-Aping and Pacja at Copenhagen, but by the Climate Justice movement since the early 2000s. The concept of climate justice addresses the intersections of “green” ecological concerns and “red” socio-economic ethical considerations, ranging from public policy deliberations to political practices. Climate justice follows directly from the much older “Environmental Justice” movement that especially emphasised the racial and class injustices of pollution in the United States (Bullard 1990; Schlosberg 1999).

The first known conference based on the term climate justice was a 2000 event in The Hague sponsored by the New York group CorpWatch (Karliner 2000). Four years later, the Durban Group for Climate Justice was launched, and for many years remained an important strategic listserv for those opposed to carbon trading and other “false solutions” to the climate crisis. The sometimes inchoate advocacy movement known as Climate Justice Now! (CJN!) began in 2007, and played a role in grassroots environmental advocacy as well as global-scale United Nations climate summits. The highest-profile of these, with 100,000 protesters demanding a strong agreement from negotiators, was in Copenhagen. In contesting mainstream environmentalists, Danes and other Europeans formed a Climate Justice Alliance (CJA) whose “Reclaiming Power” protest was severely repressed by Danish police protecting the United Nations Framework Convention on Climate Change Conference of the Parties (COP) 15.

At that time, Anne Petermann (2009) of the Global Justice Ecology Project defined the concept as follows:

“Climate Justice is the recognition that the historical responsibility for the vast majority of greenhouse gas emissions lies with the industrialized countries of the global north. It is the understanding that peasants, indigenous peoples, fisher-folk, women and local communities have been disproportionately affected by climate change, also by the fossil fuel industry and by false solutions to climate change, including tree plantations, genetically modified organisms like crops, large scale hydro projects and agro-fuels. These are also the people least responsible for climate change. Climate Justice recognizes that instead of market based solutions, the sustainable practices of these peoples and communities should be seen as offering the real solutions to climate change. Climate Justice is the fundamental knowledge that climate change cannot be addressed through corporations and the market as these are the entities that caused the problem in the first place.”

Shortly after the Copenhagen summit’s well-recognised failure, the Bolivian government led by Evo Morales and his then UN Ambassador Pablo Solon hosted a 2010 conference in Cochabamba, attended by 35,000 activists, including 10,000 from outside the country. This was important partly because of attempts to more deeply incorporate within mainstream climate politics a commitment

---

4 See http://www.durbanclimatejustice.org/ (accessed on 01/06/2013).
5 See http://www.climate-justice-now.org (accessed on 01/06/2013), see also Kaara (2009).
7 See http://pwccc.wordpress.com (accessed on 01/06/2013).
to carbon markets and offset payments, especially through the Reducing Emissions from Deforestation and forest Degradation (REDD) project. The Cochabamba conference (see chapter Kruse in this book) adopted several demands that were anathema to mainstream climate politics. The Bolivian government struggled to put these (and a few others) into official UN texts:

- 50 per cent reduction of greenhouse gas emissions by 2017;
- stabilising temperature rises to 1°C and 300 parts per million;
- acknowledging the climate debt owed by developed countries;
- full respect for human rights and the inherent rights of indigenous people;
- universal declaration of rights of Mother Earth to ensure harmony with nature;
- establishment of an International Court of Climate Justice;
- rejection of carbon markets and commodification of nature and forests through the REDD programme;
- promotion of measures that change the consumption patterns of developed countries;
- end of intellectual property rights for technologies useful for mitigating climate change; and
- payment of 6 per cent of developed countries’ GDP to addressing climate change.8

As Edgardo Lander (2010) explained in his review of the Cochabamba conference:

“[s]truggles for environmental or climate justice have managed to bring together most of the most important issues/struggles of the last decades (justice/equality, war/militarization, free trade, food sovereignty, agribusiness, peasants’ rights, struggles against patriarchy, defense of indigenous peoples’ rights, migration, the critique of the dominant Eurocentric/colonial patterns of knowledge, as well as struggles for democracy [etc.]. All these issues were debated in Cochabamba and, to some degree, present in the Cochabamba Peoples’ Agreement.”

A regroupment of the Climate Justice Now! (CJN!) network began in 2013, after former negotiator Salon – subsequently director of Focus on the Global South – helped gather activists at the Tunis World Social Forum. The divisions between CJN! insiders and outsiders within the COPs became less important, as the underlying drive to promote local activism was reasserted, and as the differences between CJN! and other climate activists also became clearer.

Climate justice politics typically lines up against the for-profit economy as the underlying cause of the climate crisis, resulting in an uncompromising opposition to market-based strategies. There is also an ambitious emphasis on emissions cuts (far greater than those proposed by UN negotiators), and a marked disdain for the inadequacy of official global-scale and most national climate mitigation efforts. In a rejection of technocratic and tinkering responses to climate change, there is a hostility to technological fixes and geo-engineering, and instead a search for prefigurative post-carbon lifestyles and production systems. Climate Justice activists seek explicit alliances with activists specializing in food sovereignty and land access (Via Campesina is typically central within Climate Justice mobilizations), decommodified water, renewable energy, economic justice and other overlapping struggles – given how many issues have climate implications. This is a feature of a broader orientation to the politics of the “Global South” (not just North-South power adjustments), and an openness to fusing traditional Left and radical environmental politics with new “Rights of

---

Nature’s strategies, ecofeminist and ecosocialist philosophies, and horizontalist political strategies and tactics, especially in concrete sites of struggle.

The climate justice advocacy challenge to orthodox market-oriented environmentalism and failed insider deal-making had surfaced as a formal movement beginning in 2007, at the UN COP 13 climate summit in Bali, Indonesia. By then it was obvious that the era of extreme global state failure and market failure – i.e., because the “externality” of pollution remained unaccounted for within capitalist production, trade, consumption and disposal – would continue unabated. Within months, these failures were amplified by a world capitalist crisis that had broken out in East Asia and soon threatened the world economy. The basic dilemma was the inability of global leaders to solve major environmental, geopolitical, social and economic problems; none of significance was properly addressed in world summits after 1987, the year that the Montreal Protocol on the ozone hole banned chlorofluorocarbons.

The inadequacy of global climate negotiations, and the turn by the United Nations towards “Type Two Partnerships” involving corporations, together generated enormous frustration in civil society. Indeed, by the time of the 2002 World Summit on Sustainable Development in Johannesburg, many activists had come to the conclusion that the UN was part of the problem, not the solution. This frustration was dramatized by a march of 30,000 against that UN summit in Johannesburg, from a poor neighbourhood in Alexandra across to Sandton (the wealthiest suburb in Africa) where the convention was held (Death 2010). This was at a time when South Africa had become the world’s most unequal major country; Johannesburg had become a major site of conflict over water privatization; and carbon trading experimentation had begun in nearby Durban (Bond 2002; McDonald 2002; Bond 2012).

In short, it was in part because of experiences in Africa that climate justice arrived on the international scene as a coherent political approach in the wake of the failure of a more collaborative strategy between major environmental NGOs and the global managerial class. The first effort to generate a global climate advocacy movement in civil society was the Climate Action Network (CAN), which still has a small presence in Africa. But from 1997 in Kyoto, CAN adopted as its core strategy an emphasis on regular UN interstate negotiations aiming at minor, incremental emissions reductions augmented by carbon trading and related offsets. The cul-de-sac of CAN’s commitment to carbon trading was confirmed when Friends of the Earth International broke away in 2010, with strong inputs by its African affiliates. But even before this, at the time of the December 2009 COP 15, CAN’s critics from the climate justice movement made the case for an alternative strategy with such force that they gained half the space reserved for non-governmental delegations in Copenhagen’s Bella Centre.

Core concerns of climate justice activists expressed at Copenhagen and since have included the decommissioning of the carbon markets so favoured by elites, massive investments in renewable energy, a thoroughly reformed agricultural system, public transport and other transformative infrastructure, production and disposal technologies. Strategically, however, it soon became evident that the next stage of the climate justice struggle was necessarily to retreat from a naively over-ambitious reform agenda at the global scale, given the adverse power balance. Instead of politely asking UNFCCC delegates to save the planet, the challenge for climate justice activists from Copenhagen in 2009 into the future would be to whistle-blow and prevent further deterioration in global environmental governance at the annual COPs, but in the meantime to intensify both local and national activism.
The African carbon trading wedge

It is, however, worth acknowledging that the semantics of climate justice are hotly debated, and that this has become evident in interpreting Africa’s experience and strategies. The founder of the Mary Robinson Climate Justice Foundation, for example, favours keeping the carbon trading option on the strategic table. In spite of all the evidence to the contrary, Robinson argued in a 2011 London School of Economics lecture that carbon trading is “finally starting to reap dividends for Africa and least developed countries” and that “the experience gained through the design and implementation of successful regional cap-and-trade programs is hugely valuable if shared with developing country regional groups” (Robinson 2011). She provided no justification for these claims, and while the European Union’s regional cap-and-trade scheme was collapsing in value by 90 percent, several efforts made by this author to discern what evidence lies behind her optimism came to naught.

Others with backgrounds in social justice struggles but compromised political agendas had the same agenda, including Valli Moosa, South Africa’s former environment minister (1999-2004). He promoted carbon trading as minister at the critical 2002 World Summit on Sustainable Development in Johannesburg, and in the latter half of the 2000s, Moosa went on to preside over the International Union for the Conservation of Nature (IUCN), headed the South African branch of the World Wildlife Fund, and chaired the boards of both the continent’s largest energy company and CO2 emitter, Eskom, and from 2013, the world’s largest platinum company, AngloPlats. In the capacity as Eskom chair in 2007-08, he was implicated, as a member of the African National Congress (ANC) financing committee, in unethically channelling tens of millions of Rands in earnings to the ruling party by signing Eskom purchase orders for Medupi’s new boilers in a way that directly benefited the ANC, which in turn was financed by the controversial World Bank loan. The SA government’s Public Protector acknowledged that his role was “improper” (Mabuza 2009).

Moosa’s successor as South Africa’s minister of environment and tourism, Marthinus van Schalkwyk, a youth spy for the white apartheid regime during the 1980s, took control of the National Party in the late 1990s and then dissolved it into the ANC in exchange for the ministerial position. In 2009, he was demoted to tourism minister. An enthusiastic proponent of the Kyoto Protocol’s Clean Development Mechanism (CDM) carbon trading strategy, Van Schalkwyk argued in 2006 that

“The 17 CDM projects in the pipeline in Sub-Sahara Africa account for only 1.7 per cent of the total of 990 projects worldwide. To build faith in the carbon market and to ensure that everyone shares in its benefits, we must address the obstacles that African countries face.”

At the International Emissions Trading Association Forum in Washington a year later, he insisted, “An all-encompassing global carbon market regime which includes all developed countries is the first and ultimate aim.” Van Schalkwyk was nominated by South Africa to replace Yvo de Boer as UN climate negotiations director in early 2010, but his candidacy failed at the last moment, as Costa Rican carbon trader Christiana Figueres got the position.

In the highest-profile African case of NGO support for carbon markets, Wangari Maathai, the former Kenyan deputy environment minister and Nobel Peace Prize laureate, such conflicts were not a factor. Prior to her death in 2011, Maathai also promoted carbon trading through her own Greenbelt Movement in the expectation that CDMs and emerging proposals for REDD would reward tree-planting in both her indigenous strategy as well as mono-cultural timber plantations. She was also the leading proponent of the document “Africa speaks up on Climate Change”, which fed into the “African Climate Appeal”, a statement which insists upon more CDM finance with fewer strings attached, especially for afforestation:

“There are concerns of African countries on adaptation, namely:

“Access, adequacy and equitable geographical distribution. The funds are largely inadequate and inappropriately structured; currently relying on a 2 percent levy on CDM projects. Access to the funds has been made difficult, among others, by bureaucratic bottlenecks of the Global Environmental Fund and the World Bank” (Matthei 2009: 4).

Maathai criticized three existing funds – the Special Climate Change Fund, the Least Developed Countries Fund and the Bali Adaptation Fund – because these funds have not been able to address concerns of African countries on adaptation, namely:

“African governments should ensure that there is equity in geographical distribution of CDM projects and that this is entrenched in the international policy process. They should negotiate for the requirement of upfront funding of CDM projects to be waived for many African countries who cannot afford it. The appeal calls upon African countries to embark on the development of CDM capacities and projects including capacity building and development of centers of incubation for CDM projects. African governments should explore possibilities of accessing grants to provide upfront funding for CDM projects and also project development and financing through bilateral arrangements” (Matthei 2009: 4).

Maathai’s appeals for a more generous and efficient system for Africa were never properly satisfied, for the bank continued to play the most critical role in carbon market stimulation notwithstanding their ongoing crisis. A proliferation of new Bank funds did not change the basic calculus: CDMs “can’t deliver the money” to Africa.

**African resistance to carbon trading**

Frustration with CDMs in Africa reached a critical mass as early as 2004 when the Durban Group for Climate Justice gathered for an historic meeting. A global civil society network, the Durban Group11 was formed to oppose carbon trading’s “privatization of the air”. From the vantage point of an austere Catholic mission on Durban’s highest central hill, the Glenmore Pastoral Centre, a score of the world’s critical thinkers and activists for environmental justice convened by the Swedish Dag Hammarskjöld Foundation, deliberated over the neoliberal climate fix for several days. Participants worried that the main test case, the EU’s Emissions Trading Scheme, not only failed to reduce net greenhouse gases there, but suffered extreme volatility, an inadequate price, the potential for fraud and corruption, and the likelihood of the market crowding out other, more appropriate strategies for addressing the climate crisis (Bond 2012).

The Durban Group critique can be summed up in eight points (Bond 2012):

---

11 See http://www.durbanclimatejustice.org/ (accessed on 01/06/2013).
• the idea of inventing a property right to pollute is effectively the ‘privatization of the air’, a moral problem given vast, growing differentials in wealth inequalities;
• greenhouse gases are complex and their rising production creates a non-linear impact which cannot be reduced to a commodity exchange relationship (a tonne of CO$_2$ produced in one place is accommodated by reducing a tonne in another, as is the premise of the emissions trade);
• the corporations most guilty of pollution and the World Bank – which is most responsible for fossil fuel financing – are the driving forces behind the market, and can be expected to engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;
• many of the offsetting projects – such as mono-cultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies, and have been hotly contested in part because the carbon sequestered is far more temporary (since trees die) than the carbon emitted;
• the price of carbon determined in these markets is haywire, having crashed by half in a short period in April 2006 and by two-thirds in 2008, by another 50 percent during 2011, thus making mockery of the idea that there will be an effective market mechanism to make renewable energy a cost-effective investment;
• there is serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many former Enron employees populate the carbon markets);
• as a “false solution” to climate change, carbon trading encourages merely small, incremental shifts, and thus distracts us from a wide range of radical changes we need to make in materials extraction, production, distribution, consumption and disposal; and
• the idea of market solutions to market failure (“externalities”) is an ideology that rarely makes sense, and especially not following the world’s worst-ever financial market failure, and especially not when the very idea of derivatives – a financial asset whose underlying value is several degrees removed and also subject to extreme variability – was thrown into question.\(^\text{12}\)

Durban remains an important guinea pig, not only for hosting the COP 17, but for initiating SA’s lead CDM pilot, the Bisasar Road landfill. There, methane from rotting rubbish is converted to electricity and fed back into the municipal grid. The CDM was set up illegally because it fails the crucial test of its validity for raising international funding, “additionality”. It was always assumed that the $15 million estimated cost of the project would not be justified by the small amount of electricity fed into Durban’s municipal supply, and hence that the funds would have to come from external sources. But as noted by journalists who visited Bisasar during the COP 17, at least one relevant Durban official now concede that the Bisasar Road methane-electricity project would have gone ahead without the external credits.

After helping set it up, the World Bank refused in August 2005 to take part in marketing or purchasing Bisasar Road emissions credits. The reason was growing awareness of Durban’s notorious environmental racism, via activism and an environmental impact assessment challenge. In March 2005, just as the Kyoto Protocol came into force, a Washington Post front-page story revealed how community organizer Sajida Khan suffered cancer from Bisasar Road’s toxic legacy (Vedantam 2005). Back in 1980, the landfill – Africa’s largest – was plopped in the middle of

\(^{12}\) The analyses of emission market contradictions authored by Larry Lohmann are probably the best (see Lohmann 2006, 2009a, b, c, d, 2010).
Durban’s Clare Estate suburb, across the road from Khan’s house, thanks to apartheid insensitivity. Instead of honoring African National Congress politicians’ promises to close the dump in 1994, the municipality kept it open when $15 million in emissions financing was dangled. After Khan died in mid-2007 after her second bout with cancer – which she believed was landfill-induced – Clare Estate civic pressure to close Bisasar subsided (Bond 2010).

Similar controversy surrounds REDD, which, in theory, sells investors forest protection. But notwithstanding disagreements in civil society, it was increasingly seen by African advocacy networks such as Durban’s TimberWatch as a boon to voracious commercial forestry and a danger to indigenous peoples, given that proper safeguards were not adopted. In 2013 at the World Social Forum in Tunis, such pressure led to a “No REDD in Africa” network accusing proponents of contributing to a potential “genocide”

While some African civil society groups were supportive of REDD, other offsets and carbon trading opportunities, in late 2011, Pacja in Nairobi and the Institute for Security Studies (ISS) in Cape Town issued an extensive report on African CDMs. One of the contributors, Yacob Mulugetta of Surrey University, expressed the problem succinctly:

“The argument that carbon trading offers real benefits to the poor in Africa is simply not credible. What is puzzling is the persistence of the proponents of carbon markets, who continue to cling onto these ideas in the face of mounting evidence that carbon trading does not deliver results commensurate to the effort invested in it... Fundamental inequality is behind the climate problem, and the search for solutions must involve industrialised societies making fundamental structural changes to their lifestyles, energy practices, and their production and consumption systems” (Mulugetta 2011).

The Pacja/ISS report was scathing of using subsidies meant for supporting Africans, to instead prop up the world carbon market, especially via the African Development Bank’s (AfDB) African Carbon Facility:

“It promises to buy post-2012 credits in order to ‘maintain private sector confidence’ in the ailing carbon market, as well as providing debt financing for the development of new projects. The AfDB is also offering an African Carbon Support Programme, which was launched in November 2010. This is supported by the Fund for African Private Sector Assistance, a joint initiative of Japan, Austria and the AfDB to promote private sector development. The aim is to support potential project developers throughout the whole CDM process, from formulating the original project idea through to advice on credit sales. The running of the programme has been outsourced to Carbon Limits, the Norwegian consultancy which developed the Pan Ocean Gas Utilization Project” (Reddy 2011).

In addition, Pacja/ISS expressed concern about the African Carbon Asset Development Facility (a joint venture of the United Nations Environment Programme, Standard Bank of South Africa, and the German Federal Environment Ministry), which provides technical support and small grants for project developers to establish 15 CDM projects. As Pacja/ISS argue, this strategy “diverts scarce public resources away from directly addressing climate change.”

In sum, the emissions markets were the wrong idea (a neoliberal strategy) in the wrong place (financial markets) at the wrong time (the 2000s era of repeated bubbles and bursts).

Africans campaign against climate change

In addition to opposing cap-and-trade schemes, there are numerous other concrete African climate justice campaigns. Some defend against land grabs that promote energy-negative and disruptive land grabs. Others contest mega-dams (such as the Gibe in Ethiopia, the Mpande Nkuwa in Mozambique, the Bujagali in Uganda and the Inga in the Democratic Republic of the Congo) in part because methane emissions from rotting vegetation is so climate destructive. Others address land and agricultural adaptation from the standpoint of rural peasant women producers. Others attack the underlying causes of Africa’s emissions in minerals-extraction sectors which consume the most coal-fired and oil-related electricity.

Some campaigns aim to “leave the oil in the soil, coal in the hole, tarsand in the land and shale gas under the grass”, exemplified in South Africa’s Karoo region where Shell fracking has been fought, and in Nigeria where Niger Delta activists have intimidated oil companies through both non-violent and armed struggle. In the former category, Environmental Rights Action in Port Harcourt insists on an end to extraction and exploration on grounds of the climate threat, and the descendants of Ken Saro-Wiwa and eight of his Ogoni movement comrades won a precedent-setting out-of-court-settlement with Shell in June 2009 that may scare off other oil firms.

In the latter category, even after an amnesty in 2009 had a divide-and-conquer effect, the Movement for the Emancipation of the Niger Delta (MEND) continued to kidnap foreign oil workers, demanding they vacate the Delta for good. After a combined struggle of this type, Shell was evicted from Ogoniland in June 2008, thirteen years after the company arranged for Saro-Wiwa’s execution, and a year later, Saro-Wiwa’s family (and those of eight others executed at the same time) won $15.5 million from Shell in an Alien Tort Claims Act case settled out of court, a large amount of which was recommitted to movement building. An estimated 1.5 million tonnes of oil have spilled since Delta drilling began in the late 1950s, the equivalent of an Exxon Valdez spill each year, costing more than $5 billion in annual environmental damage. In his closing statement at the trial prior to his execution, Saro-Wiwa demanded that Shell vacate the area:

“The military dictatorship holds down oil-producing areas such as Ogoni by military decrees and the threat or actual use of physical violence so that Shell can wage its ecological war without hindrance” (cited in Wiwa v Shell 2009).

At the time, Shell executives met with the Nigerian High Commission in London, stating that if the “Ogoni virus spreads to other areas in the Delta it would be the end of the oil business” (cited in Wiwa v Shell 2009). In court, the plaintiffs had alleged that Shell hired Nigerian police for internal security; that Shell purchased vehicles and arms for the military; that Shell requested military support to build a pipeline through Ogoniland; that Shell assisted and financed the Nigerian military to repress the resistance of the Ogoni people; and that the firm participated in the arrest of Saro-Wiwa and others on fake murder charges and bribed witnesses to produce false testimony (Bond and Sharife 2009). The exposure by WikiLeaks of Shell’s ongoing influence in Lagos politics suggests that the Ogoni virus must spread far faster if Nigeria is to be free, and if both the Niger Delta’s ecology and the climate are to be spared (Bassey 2010).
Indeed, most remarkably, rather than letting such destruction rest at the scale of the local, Environmental Rights Action led the climate justice movement in Nigeria, West Africa, and globally at Copenhagen to a much deeper critique of ecological responsibility. In opposition to the shifting, stalling and stealing that characterises economic and environmental commodification in their own region, and in relation to world financial and oil markets, Environmental Rights Action and its visionary leader Nnimmo Bassey – who was also Friends of the Earth International chairperson for several years – jumped scale to demand that the oil be left in the soil and under the Gulf of Guinea water, given the threat to the planet.

MEND is a variegated force, including some who are apparently opportunistically self-seeking in mere financial terms, with merely criminal backgrounds. But whatever their motives, they are effective, for in 1997, Nigeria Business estimated that 20 per cent of the Niger Delta’s oil’s extraction was disrupted the year before, just as MEND started operations (Umezuruike 2007). According to a US-based magazine, TerroristPlanet.com, by February 2010, even after an amnesty was implemented by the central government, MEND was a formidable insurgency:

- Since it first emerged in early 2006 MEND, which says it is fighting for a larger share of southern Nigeria’s oil revenue to go to local people, has cut Nigeria’s oil production by more than one quarter.
- Swarm-based maneuvers: Guerrillas are using speed boats in the Niger Delta’s swamps to quickly attack targets in succession. Multiple, highly maneuverable units have kept the government and Shell’s defensive systems off-balance defending the sprawling network. Radically improved firepower and combat training: allowing guerrillas to overpower a combination of Shell’s Western-trained private military guards and elite Nigerian units in several engagements.\(^{14}\)
- Effective use of system disruption: Targets have been systematically and accurately selected to completely shut down production and delay and/or halt repairs, and the guerrillas are making effective use of Shell’s hostages to coerce both the government and the company.\(^{15}\)

In another innovative example of resistance to climate change, the Cape Town-based Alternative Information and Development Centre hosts a “Million Climate Jobs” campaign involving leading progressive labor officials from the metalworkers, transport workers and municipal workers unions, fusing with community activists and environmentalists. As their website explained:

“Climate jobs are decent, primarily publicly driven jobs that directly reduce the causes and impacts of climate change. Climate jobs involve:

- the building of renewable energy power stations such as wind, solar, wave and tidal;
- the building of public transport networks that would reduce the need for private cars and fossil fuel intensive trucks;
- energy efficiency in construction and housing, including retrofitting;
- transforming industrial agriculture;
- reforming production and consumption; and
- addressing the energy intensification of the economy.”

\(^{14}\) One of Shell’s private military operators was captured as a hostage.  
Significant jobs would be created in the related areas of research, education and training, to ensure the country has the skills to undertake the transition to a low carbon, labour absorbing and socially developed sustainable future economy. By linking climate change to the transition to a sustainable, low-carbon economy that provides meaningful mitigation opportunities, the Campaign will stimulate the interest of many sectors of South African society who do not realise the immediate relevance of climate change.”

Another case of civil society resistance to climate change involves a growing critique of the “Green Economy”, in which the Gabarone Declaration of May 2012 and Rio+20 of June 2012 featured prominently, as some African governments sought to commodify nature in order to save it. In contrast, Pacja signed a declaration against the Green Economy as “the privatization of nature” at the 2013 World Social Forum. Pacja and indigenous people’s allies committed to

“recognize our responsibilities to protect Mother Earth and work towards a new paradigm that rejects the property right regimes with a new set of laws that recognizes the Rights of Nature – the Rights of Mother Earth.”

To that end, advocacy for the Global North’s repayment of ecological debt is one potential disincentive to multinational corporations which wreck the environment. According to Joan Martinez-Alier,

“the notion of an Ecological Debt is not particularly radical. Think of the environmental liabilities incurred by firms (under the United States Superfund legislation), or of the engineering field called ‘restoration ecology’, or the proposals by the Swedish government in the early 1990s to calculate the country’s environmental debt” (Martinez-Alier 2002: 261).

But the sums involved are potentially vast. As Martinez-Alier puts it,

“[t]ropical rainforests used for wood exports have an extraordinary past we will never know and ongoing biodiversity whose destruction we cannot begin to value [...] However, although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion. If we take the present human-made emissions of carbon, [this represents] a total annual subsidy of $75 billion is forthcoming from South to North” (Martinez-Alier 2002: 261).

Leading eco-feminist Vandana Shiva (Shiva 2005) and former South Centre director Yash Tandon estimate that wild seed varieties alone account for $66 billion in annual biopiracy benefits to the US. There are dozens of examples of biopiracy in Africa, according to a 2005 study commissioned by the Edmonds Institute and African Centre for Biosafety (McGown 2006).
A partial ecological debt accounting was published by environmental scientists in early 2008, and counted $1.8 trillion in concrete damages over several decades (Srinivasan et al. 2008). Co-author Richard Norgaard, ecological economist at the University of California, Berkeley, generated a crucial finding: “At least to some extent, the rich nations have developed at the expense of the poor, and, in effect, there is a debt to the poor.”20 The study included factors such as greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, over-fishing, and the conversion of mangrove swamps into shrimp farms, but did not (so far) succeed in calculating other damages, for example, excessive freshwater withdrawals, destruction of coral reefs, biodiversity loss, invasive species and war.

**Conclusion**

Yet ecological debt advocates must be very careful to not adopt the Green Economy’s approach to valuing nature so as to generate new markets. The idea of ecological debt—especially related to climate damage—entails collective reparations and an accountability system that generates structural change, as opposed to merely a “fine” for wrongdoing. In other words, the “fine” (polluter pays) must be followed by a ban on further pollution, for there to be restorative justice. At all costs, the approach termed “Payment for Ecosystem Services” should be avoided, so as to halt the growth of markets in nature, offsets and carbon trading.

How, then, to pay the climate debt? It became clear to many civil society groups in recent decades that post-colonial African governments were too easily corrupted, just as were UN agencies and aid (and even international NGO) bureaucracies. The solution to the payment distribution problem appeared in 2009: the idea of simply passing along a monthly grant—universal in amount and access, with no means-testing or other qualifications—to each African citizen via an individual Basic Income Program payment. According to Germany’s Der Spiegel, the village of Otjivero, Namibia, was an exceptionally successful pilot for this form of redistribution:

> “It sounds like a communist utopia, but a basic income program pioneered by German aid workers has helped alleviate poverty in a Nambian village. Crime is down and children can finally attend school. Only the local white farmers are unhappy... ‘This country is a time bomb,’ says Dirk Haarmann, reaching for his black laptop. ‘There is no time to lose.’ Haarmann and his wife Claudia, both of them economists and theologians western Germany, were the ones who calculated the basic income for Namibia. ‘The basic income scheme,’ says Haarmann, ‘doesn’t work like charity, but like a constitutional right.’ Under the plan, every citizen, rich or poor, would be entitled to it starting at birth” (Krahe 2009).

There was an enormous impact from BIG on social indicators, including food, education and health security, and domestic violence, begging and sex work (and with it, transfer of HIV and STDs) declined considerably (cited in Sharife and Bond 2013). The first priority would be to supply a Basic Income Program to Africans who live in areas most adversely affected by droughts, floods or other extreme weather events. Logistically, the use of Post Office Savings Banks or rapidly introduced Automated Teller Machines would be sensible, although currency distortions, security and other such challenges would differ from place to place. The Namibian case has much to recommend it, in part because it is amongst the driest sites in Africa.

Such a strategy would be just an emergency salve on a burning problem: how to ensure that the greenhouse gas ‘polluters pay’ in a manner that first, compensates their climate change victims; that second, permits transformation of African energy, transport, extraction, production, distribution, consumption and disposal systems; and that third, in the process assures the “right to development” for Africa in a future world economy constrained by emissions caps. Extremely radical changes will be required in all these activities in order not only to ensure the safety of the species and planet, but also that Africans are at the front of the queue for long-overdue ecological and economic compensation, given the North’s direct role in Africa’s environmental damage.

The contemporary argument for climate debt to be paid is simply the first step in a long process, akin to decolonisation, in which the master – the polluting global North (South Africa included) – must know that the tools with which his house were built, including the profit motive and markets, are not and cannot be effective in remodelling for a new society. And he must also know that not only is it time to halt the reliance on fossil fuels, but having ‘broken’ the climate, it is his responsibility to foot the clean-up bill. And that, finally, must be done without creating new market strategies to privatize nature and contribute to world financial chaos and corruption; it must be done to achieve justice, via direct payments to the victims of the crisis the master has created. These are some of the lessons of climate justice, done in, by and for Africa.

References


Lumumba.


Loss & Damage beyond charity, into solidarity, and suffused with climate justice

Triple Crisis, 4 December 2013

An important article about one facet of the Warsaw Conference of Polluters 19, “Loss & Damage”, was published last week in The Star (Malaysia) by the very highly-regarded political-ecologist/economist [and regular TCB blogger] Martin Khor (New climate deal on loss and damage). As always, the South Centre and Third World Network provide invaluable information, and Martin has taught me incalculable amounts since we first met in Johannesburg in 1990.

Good reading. Yet from the outset I must propose, with full respect, that Martin is absolutely wrong here: “There were two other pieces of good news – the adoption of a programme for reducing emissions from forest-related activities (known as REDD-plus) and pledges from developed countries up to US$100 million for the adaptation fund whose resources had dried up after the drastic fall in carbon prices.”

The March 2013 World Social Forum in Tunis witnessed the establishment of a No-REDD-in-Africa network, which was extended at a conference in Maputo hosted by Justica Ambienta in September: http://www.redd-monitor.org/2013/09/25/no-redd-in-africa-network-maputo-statement-redd-does-not-reduce-emissions-redd-does-not-halt-deforestation/. The activists there, and in many other countries suffering REDD attacks, will be surprised to hear that UN confirmation of REDD+ is ‘good news’.

Furthermore, a paltry $100 million for adaptation is tokenistic; it won’t buy diddly squat compared to the insulation required. Consider the costs for climate-proofing even just a small island, beachfront strip and port in the US, as estimated by then-mayor Michael Bloomberg: $20 billion (http://news.msn.com/world/how-do-you-make-a-city-climate-proof).

Second, Martin reports, “With the new mechanism, a burst of pent-up energy, organisation and eventually funds is expected, inside the framework of the Climate Convention, and to complement the work of other agencies.”

Not to mince words: to me this sounds seriously over-optimistic, especially given what we have learned from the hope, time and energy that so many have invested – and mainly wasted, it seems to me – in the (near-empty) Green Climate Fund’s start-up. Not to mention the awful history of a corrupted Northern aid industry and the ongoing abuse of North-South funding by militarists, corporations, neoliberal ideologues, opportunistic NGOs, repressive Southern state elites and wasteful bureaucrats.

There are three much more appropriate kinds of Loss & Damage news to consider, I’d argue. First of all, last Thursday, delegates from 133 countries staged a COP19 walk-out over Northern recalcitrance on this issue. Call it theatre, but that act did, at least, have a useful impact in delegitimising the rich countries in the eyes of those watching, across the world. Perhaps that move even shifted power balances sufficiently, in subsequent hours, to advance the idea of Loss & Damage beyond its mere mention in Doha at the COP18 in 2012.

To really shift power, of course, we need much stronger tools than walk-outs; ultimately we’ll need to establish sanctions against regimes that refuse to cut emissions appropriately and pay their

Indeed, second, there remains a debilitating problem Martin should have explored (as he often does so well): climate-debt default on the part of the primary historic scofflaw, the ever-obnoxious Washington elite. The US Empire simply refuses to acknowledge its legal liability for climate debt. Just as at every COP, the US State Department’s thugs came to Warsaw hell-bent on sabotage of anything useful, especially Loss & Damage: http://www.ipsnews.net/2013/11/u-s-fights-g77-on-most-counts-at-climate-meet-leaked-doc-shows/

It’s as if Washington has taken Houston-based Chevron’s strategy to heart. When faced with its Texaco-era, court-ordered liability of $19 billion for ruining large chunks of northern Ecuador’s Amazon with oil spills (http://ens-newswire.com/2012/08/06/chevron-faces-midnight-deadline-in-19-billion-ecuador-judgment/), Chevron countersued the victims (http://justiceforecuador.com/news/mientras-ello-hablante-de-oil-money-el-mundo-habla-de-justicia-para-ecuador/?lang=en).

Confronted with its more general ecological debt (not just climate), the Global North may begin to comprehend how many trillions of dollars worth of resources have been spirited out of the eco-South thanks to ‘ecologically unequal exchange’, as a Berkeley research team determined (http://www.theguardian.com/science/2008/jan/21/environmental.debt1).

And for that important goal of consciousness raising, I would have hoped Martin could have pointed out, for the sake of any US allies reading, that a great deal more work is needed to highlight the Global North’s climate debt to the South. (By way of generating a definition, I’d suggest we include South Africa’s climate debt to Africa, and my filthy city of Durban’s to our KwaZulu-Natal provincial hinterland from where we draw cheap labour, food and energy, and my profligate flying compared to my township neighbours’ dangerous kombi-taxi transport.)

Here are a couple of short films that helpfully put the climate debt in Global North-South context: http://www.youtube.com/watch?v=rWfb0VMCQHE (superb!); and http://storyofstuff.org/movies/story-of-cap-and-trade/

And third, we urgently need great pilot projects, such as the Ecuadoran people’s strategy to ‘leave the oil in the Yasuni Amazonian soil.’ Such pilots are vital, in part because on many levels Yasuni would have been an excellent inaugural climate debt project. It still may be, if next year’s no-drilling referendum is won by environmentalists, indigenous people and all in Ecuador who care about sumak kawsay or buen vivir: http://ens-newswire.com/2013/10/09/ecuadorean-voters-may-decide-fate-of-yasuni-national-park/

But given the German government’s recent funding flip-flop, that particular pilot requires a great many more supporters in the Global North. They should consider the Yasuni pilot as an ideal-type way to halt fossil fuel extraction and burning, to protect pristine biodiverse sites and indigenous people, and to make a downpayment on the climate debt to a country – like so many – requiring resources for underfunded social programmes (tap in here: http://www.accionecologica.org/).

We need more eco-investments of this type, driven by conscious citizenries who argue for environmental protection and restoration, and for a Just Transition away from carbon-addicted
capital-intensive economies, to projects like the South African ‘million climate jobs’ campaign (http://www.climatejobs.org.za/).

And what about those ruined by extreme weather, like the Filippino victims of Super Typhoon Yaiyan? Another kind of compensatory climate-debt pilot I think should be considered as a means of avoiding the Loss & Damage funds being frittered away within the aid bureaucracies and corrupt regimes, is the ‘Basic Income Grant’. In one recent case, we witnessed a superb trial run in a Namibian community affected by desertification. In the rural town of Otjivero, mainly women-headed households utilised a $10/month/person grant (donated voluntarily by solidaristic Germans) in salutory ways: http://ccs.ukzn.ac.za/files/Bond%20Sharife%20SPII.pdf

My impression in Warsaw was that only outside the COP19 were the more visionary — yet also eminently practical — discussions underway about how best to raise and spend climate debt. In Peru and Paris for the COP20 and COP21, I suspect power balances will really not have changed enough to warrant UN relegitimation, even if a little trickle moves into a Loss & Damage fund.

So in my view, the appropriate orientation to the UN climate negotiators operating under the thumb of a carbon-trading ‘clean coal’-promoting UNFCCC secretary Christiana Figueras in conjunction with the US State Department, is yet more delegitimation.

That means more work ahead for the incipient Climate Justice movement: acknowledging and moving Loss & Damage beyond emergency charity and UNFCCC distractions, and into systems of sustained solidarity.

We can all agree that climate solidarity is long overdue from North to South. Those lobbying for a carbon tax in many Northern jurisdictions can use climate debt as an opportunity to raise this as one of the worthy spendables. (I think a carbon tax strategy is a mistake, though: too market-related, with too much hope for marginal change rather than the reboot so many of our systems require: http://www.dailymaverick.co.za/opinionista/2013-11-12-at-warsaws-cop19-climate-summit-south-africa-has-no-bragging-rights/#.UpO_d-l64o0 )

And we should take heart, just as so many tens of millions of South Africans did when offered mass-popular anti-apartheid sanctions solidarity, until the point democracy was won in 1994. We learned then that the ability of a global movement to change structures of power can be formidable.

In coming months, getting the CJ house in order will include our making climate debt a stronger and more universal demand, with the opportunity to foreground many more heart-warming pilot projects of our allies in the Global South, such as those in Ecuador, in Namibia – or in the courageously reclaimed urban gardens of an impoverished Detroit once known mainly for building hedonistic autos.

So many people of the Global South are doing so many great things to protect, repair, regenerate and compensate – let’s name these as downpayments on the climate debt, fund them appropriately – and make demands on Northern governments to start chipping in – so we can finally build a low-carbon, post-capitalist, ecologically-sound society of the commons, on the foundations of these initial climate-creditor inspirations.
BRICS lessons in (un)sustainable urbanization
*Daily Maverick, Mercury, ZNet, etc, 28 November 2013*

What is to be done, in the wake of Warsaw climate summit’s conclusive failure to cap emissions last weekend? The answer: walk out of the United Nations process when it needs delegitimation, and work much harder to curtail pollution in your home sites of struggle, everyone in civil society agreed.

For the 40 percent of the world suffering in the increasingly desperate Brazil-Russia-India-China-South Africa (BRICS) economies, this self-mandate is ever more vital, the more that both irresponsible multinational corporates and homegrown firms abuse the environment and societies, with nods of approval from corrupted, subimperialist local rulers.

It is this crew that our Durban elites are again (as in March this year) hosting in the International Convention Centre: the BRICS ministerial conference ironically entitled “Towards Sustainable Urbanisation.”

Tragically, on everyone’s mind is the explosion in one of China’s largest cities last Friday morning. What spin-doctoring should BRICS delegates believe, regarding Sinopec Corporation’s oil pipeline leak and deadly blast in Durban’s sister city of Qingdao?

With an estimated 60 lives lost, 130 injured and 18,000 evacuated, China’s State Administration of Work Safety quickly announced the culprits: “poor designs of the pipeline and local drainage networks, negligence on the part of safety officials, bad maintenance of the oil pipeline, as well as officials’ failure to seal off the affected area and evacuate residents after they detected the leak, seven hours before the explosions.”

As seven of its officials were arrested just as president Xi Jinping visited the site, Sinopec responded by blaming Qingdao municipal officials. Here in Durban that would indeed be a plausible line of argument, given the city’s decades-long failure to come up with an emergency evacuation plan notwithstanding repeated pipeline leaks and refinery explosions in South Durban.

The politician responsible for city government in our province, Nomusa Dube-Ncube, sent condolences, acknowledging that “Qingdao’s delegation is set to make a presentation on building productive and sustainable urban economies at the Urbanisation Forum.”

Will that presentation concede that China’s cities epitomize unsustainability, what with massive real estate speculation, extreme pollution, a migrant labour system akin to Apartheid’s, and prolific social protests?

If you take advice from Qingdao on sustainable urbanisation, well then why not ask Russia for help with nuclear technology post-Chernobyl, or beg the Pentagon to train SA National Defence Force against terrorism after the brutalising US troops were kicked out of Iraq and Afghanistan? Oh damn it, we do!

Durban, a major port with nearly 4 million residents, is certainly in desperate need of sustainable urbanization, given its history of racial apartheid since 1994 and worsening class apartheid ever since. For one, the city is strewn with white-elephant projects, including the money-losing, elite-magnet Convention Centre itself.
And just before the Qingdao delegation landed in Durban, their airplane flew above a newly-crumpled shopping mall, easily visible, as it lies in the suburb of Tongaat near the King Shaka “international” airport. That mainly empty barn is our most recent poster-child for unsustainable economics: a money-wasting “aerotropolis”-wannabe hub, just a 45-minute flight from Africa’s busiest airport, OR Tambo in Johannesburg.

Since the old South Durban airport was perfectly functional for many more years, the $1 billion spent on King Shaka International could have been put to use in bottom-up development – were it not for seven games of the unsustainable 2010 World Cup here that catalysed its too-early construction, as well as the empty albeit world-class Moses Mabhida Stadium next door to our existing mostly-empty world-class rugby stadium.

Popular anger for the dramatic collapse of the mall – which was still under construction when the collapse killed two people last week – now centres on one Jay Singh, a notorious “tenderpreneur”-builder who wrecked so much of the nearby Phoenix community’s low-cost (and upon rebuilding, high-cost) housing, not to mention the city’s public bus service (privatised and soon ruined), and therefore also on former city manager Mike Sutcliffe, who egged on Singh and similar cronies from 2002-11 before growing outcries contributed to his unwilling departure.

Holding a BRICS urban conference here is terribly bad timing, at both ends of the sister-city relationship. “As we extend our condolences to our partners from Qingdao, we also hope to exchange with them our own insights from the rescue operation in Tongaat,” said Dube-Ncube on Monday.

Rescue? What about sharing insights about the causes, in Durban’s systematic malgovernance? Much more information about Singh and Sutcliffe can be drawn from the “Manase Report” that Dube-Ncube had herself commissioned in 2011 and then tried to keep secret. It’s a vast 7051-page report, documenting patronage-based, parasitical class formation (the type of study all our BRICS cities need).

Feeling, therefore, right at home, the Chinese delegates might share Sinopec’s insights into expanding oil transport through these cities’ dense-packed residential areas. Sinopec seems to have no qualms about pollution, in a context, in many Chinese cities, where it is unsafe to breathe if you are outside air-conditioned buildings. Sinopec is so irresponsible that in late August, the Chinese state suspended the huge firm from engaging in any new refining and chemical projects because it didn’t meet 2012 emissions targets.

The same crime, ignoring air quality legislation, is daily committed by our own leading energy corporation, Eskom – which is up for the Davos ‘Public Eye’ awards for world’s worst corporation (vote!, please) – as well as by the huge South Durban oil refineries that give our city the reputation of “Africa’s armpit”.

Yet all continue moving forward with multi-billion dollar expansions, including the doubling of capacity in the Durban-Joburg oil pipeline which – at more than double the advertised initial costing and way behind schedule – was recently rerouted from white through black residential areas due, it would appear, to the parastatal agency Transnet ‘s residual racism.
So if Sinopec is having trouble at home, no doubt filthy South Africa offers a welcoming business environment in which to invest. In March, during the BRICS summit at the same Convention Centre, Sinopec announced its partnership in the $8 billion Mthombo project at Port Elizabeth’s Coega zone, a deal which by 2015 will allegedly result in Africa’s single largest oil refinery.

In this context, all the BRICS local government ministers, urban officials and corporate allies meeting in Durban today must be pleased at the outcome of the Warsaw Conference of the Parties 19 to the UN Framework Convention on Climate Change last weekend: “let the planet burn!” (Even if that means chunks of coastal cities like Durban and Qingdao sink a meter or two by 2100, including both cities’ ports.)

Already, Durban’s annual per person emissions are higher than even London’s and Beijing, at eight tonnes of CO2 equivalent, thanks to capital-intensive high-carbon industry and transport. The failure of Singh’s privatised bus service has a little bit to do with that.

But the main problem is the city’s economic development strategy, as endorsed in the country’s National Development Plan, based on sports tourism (maybe an Olympic bid for 2024), petrochemical expansion, and raising the port’s freight traffic from 2.5 million to 20 million containers per year.

This is outrage enough, given Durban’s thousands of truck crashes each year and especially the recent massacre of two dozen black minibus commuters by an out-of-control container truck on one of the hilly highways linking Durban to Johannesburg (Field’s Hill).

Just prior to Durban’s hosting the UN COP17 climate summit in 2011, a $25 billion plan for this extreme port-petrochemical expansion in South Durban was conjured secretly by Transnet and Sutcliffe, with public information flowing like water-drip torture. In 2012, it suddenly became the country’s second largest Strategic Infrastructure Project (after coal exports through Richards Bay).

Sadly, a former trade unionist who is now the minister of Economic Development, Ebrahim Patel, is trying to fast-track these mega-projects with minimalist Environmental Impact Assessments. The Centre for Environmental Rights remarked on Patel’s “disregard for the very notion of sustainable development and integrated environmental management and planning.”

In the same spirit, Transnet engaged in climate denialism when making application for a huge berth expansion in the existing harbour. But last month, in an unusual move by the national environment ministry, Transnet’s Environmental Impact Assessment was rejected. By way of disclosure, on several occasions I questioned the draft EIA’s climate-change denialism, alongside the South Durban Community Environmental Alliance (SDCEA) which firmly opposes the port-petrochem mega-project for health, social, ecological and economic reasons.

There is more resistance coming. For example, SDCEA’s new six-minute YouTube video threatens Transnet with a financial sanctions campaign against their overly-expensive international bond issues (investors get a 9.5% return in London) if attacks on South Durban residents by the parastatal and its allied oil companies persist:

• In traditionally coloured (mixed-race) Wentworth township, Shell and BP (together using the Sapref refinery) will move the Single Buoy Mooring pipeline that brings in 80 percent of SA’s
oil so as to accommodate the new port, probably disrupting one of the two main beaches traditionally used by South Durban’s black residents.

- The Indian and African farmers on land next to the old airport – the site of the proposed $10 billion privatized “Dig Out Port” – were just given notice they will be evicted by Transnet, an announcement which brought many residents and the South Durban Climate Camp out to a solidarity protest last week.

- The area’s other green lung, the Clairwood Racecourse, is now being redesigned as a trucking logistics site in spite of unanimous opposition in neighbouring Indian suburb of Merebank.

- The historic Indian and African suburb of Clairwood itself remains under heavy pressure from trucking firms taking over and demolishing small houses and yards for parking and repairs, leaving ten residents fatally crushed under their wheels since 2005.

- A bit further southwards, Isipingo residents who will lose their main beach – also enjoyed by predominantly black visitors – are increasingly opposed to the Transnet expansion.

- Indeed, concerned communities of all races, as far north and west as Queensburgh, Pinetown, Sarnia, the Bluff, Umbilo and Glenwood fighting the new trucking routes.

Durban’s other BRICS-twinned cities presenting at the ICC this week also have their hands full with protesters: tens of thousands of democrats who swarmed St Petersburg in late 2011; in Mumbai, a constant cat-and-mouse struggle by slum-dwellers to survive the increasingly mean streets; and millions who gathered in Rio de Janeiro several times in June this year, to fight public transport rate hikes and Sepp Blatter’s Zurich soccer World Cup mafia.

The most degenerate lessons in crowd control, though, are homegrown: cops at Cato Manor’s police station who decided to execute an estimated 50 suspects since 2003 instead of going to court, and top ruling-party politicians (including the mayor) who incited an Abahlali baseMjondolo community leader’s assassination at a Cato Crest meeting five months ago, expanding Durban’s long-standing record of civil society activist hits.

BRICS from above will probably keep such lessons fresh for as long as they can. Perhaps in future years, a “brics-from-below” side event can link up protesters from Qingdao to South Durban (and in between) to really teach the elites about urban eco-social sustainability. In contrast to their unsustainable, crony-capitalist assassination-cities.

Meantime, much more damage will be done, and multifaceted resistance must likewise strengthen.
Poor countries and civil society walk out of COP 19 on inaction over climate change
The Real News, 22 November 2013
http://therealnews.com/t2/index.php?option=com_content&task=view&id=31&Itemid=74&jumiva
l=11065

JAISAL NOOR, TRNN PRODUCER: Welcome to The Real News Network. I’m Jaisal Noor in Baltimore. And welcome to this latest edition of The Bond Report.

Now joining us is Patrick Bond. He’s the director of the Center for Civil Society and a professor at the University of KwaZulu-Natal in South Africa. He’s the author and editor of the recently released Politics of Climate Justice and Durban’s Climate Gamble.

Thank you so much for joining us, Patrick.

PATRICK BOND, DIRECTOR, CENTRE FOR CIVIL SOCIETY: Great to be back with you. Thanks, Jaisal.

NOOR: So, Patrick, the UN Climate Change Conference in Warsaw is drawing to an end. We’ve seen temporary walkouts by the developing nations over the issue of who’s responsible for paying for climate disasters in the future. We’ve seen green groups walk out over the inaction at the conference that no meaningful change has been made. Give us an update about what’s been happening these last few days. And also, do you think these tactics are effective?

BOND: Well, listen, as this COP 19, like the other ones since Copenhagen, draws to a very unsatisfactory end, the question must be: what can change the power relations?

And so we have seen quite a bit of drama, unknown in the COPs, in which not only civil society, which back in the Copenhagen 2009 COP actually were pushed out when they were protesting inside--and they protested in Durban, South Africa, in 2011 and were kicked out, a good many of them, but also now 132 countries, for three hours walking out the day before the final scheduled closure, because of the loss and damage clauses, which are very ineffectual.

Right now there’s no real provision to handle the liability that the North owes for overconsuming its fair share of the climate space. And basically the costs of these enormous disasters, such as the ones hitting the Philippines this year and many other third world countries, as well as northern countries in recent years--Hurricane Sandy last year doing $60 billion damage. Who will pay loss and damage, and who has the ability to pay and the responsibility? An obvious question for the worst catastrophes that humankind has ever produced, these climate catastrophes.

But until last year, loss and damage wasn’t even permitted to be uttered in the COPs because it was just too sensitive a question, this question of liability. And last year at the Doha meeting, the United States was again quite recalcitrant and refusing to accept liability, just acknowledging that there is loss and damage from climate.

Now we’re getting to the stage where the money has to come. The Green Climate Fund, a promised $100 billion per year that would start by 2022 to accommodate both the mitigation and adaptation costs, that’s going to be grossly inadequate. And now we’re seeing, very justifiably, very angry country representatives saying, “we’re being damaged, our countries are sinking, our icecaps in the
mountains are melting, our droughts and floods in Africa are getting worse and worse, and now we need someone to pay the bill, because we didn’t cause this damage.”

NOOR: And, Patrick--and more about--can you talk more about the effectiveness of these walkouts? Because the walkout of the developing nations was just temporary and the 12 green groups who walked out--and it was hundreds of people with those groups. They walked out on Thursday. They’re going to be participating next year, in next year’s--in COP 20. So is this an effective strategy?

BOND: Well, it could be argued that these are groups like little children tossing their toys out of the cot, and they really are going to have to come up with a much tougher set of tactics to change the power relations. I would accept that argument because if a walkout basically denies legitimacy, it doesn’t really necessarily hurt the rich polluting countries, the most recalcitrant this year appearing to be Australia, with its new government shutting down its environment ministry, basically; Japan, because of Fukushima, moving much more to coal and to high-carbon; and then the U.S. is ever sabotaging.

But of course there are big developing countries, the BRICS countries, that haven’t made the changes that are going to be required to move to a stable climate, and also E.U. countries that owe a vast amount.

Now, I think there could be a discussion about much more tough sanctions, such as the 350.org network has begun to use against the corporations.

This COP more than any other has been infiltrated by corporations. The head of the COP, the United Nations Framework Convention on Climate Change secretary Christiana Figueres, for example, on Monday was the major speaker promoting “clean coal”, as if there is such a thing, at the major coal association. And big corporations have been in and out of these negotiations. So I think there’s a really important question, which is how to change the power balance and maybe even start the kinds of sanctions against the key individuals representing, for example, the U.S. State Department. Once the social movements that are active on climate, especially the climate justice camp, decides to take tougher action, they’ll learn a lot about boycott, divestment, sanctions from past campaigns, for example against South African apartheid or currently against the Israeli occupation of Palestine.

These are the kinds of techniques that are needed to hit the recalcitrant governments and corporations in the wallet, and I suppose also to delegitimate some of these negotiators who come to these COPs with no intention of change. In the next COP, which will be Peru a year from now, we won’t see much difference, and the big COP, Paris, the COP 21, that’s meant to be in 2015, the real crunch time to set up a new agreement.

And I think we have to have climate justice activists honing tools and Third World governments that are going to be hardest hit becoming much tougher, not just a temporary walkout in the loss and damage section, not just a walkout by civil society, but really the kind of pressures that people, for example, found in Seattle in 1999, really preventing delegates going there and doing damage.

NOOR: And finally, Patrick, this whole discussion, it begs the question: can a capitalist system address climate change, the same system that’s totally happy with billions of people living in starvation or near starvation? In a capitalist society, will action only be taken when it’s already too late, when it becomes the interest of large corporations to actually address this?
BOND: Well, I was impressed, Jaisal, that in my few days in Warsaw, the debate began to open up about whether the techniques of capitalism would be effective, and indeed whether postcapitalist planning of the environment, and planning of our agricultural, energy, transport, production, consumption, and disposal systems might be required.

Now, this is very difficult in a place like Poland because of its bad experience with a sort of Stalinist version of what they call socialism. But I think an eco-socialist approach may be indeed required, at least at this stage, for discussion. And in many places, the U.S. included, it’s very, very difficult to talk about a noncapitalist approach.

But if you think about the major technique that capitalists have been using, really there are two broad ones. One is a general set of geoengineering and other false solutions to try to find technical fixes, for profit, that might somehow or other lower carbon emissions. That just seems to be a fantasy.

And a second fix is the privatization of the right to pollute, in a sense the commodification of the air. That’s called carbon trading. And this COP 19 pushed very hard to get carbon trading more broadly accepted as a world program, even though the European version has failed quite dramatically.

And it’s a very good question to ask the proponents. If the bankers who are really in charge of these financial markets, in trading of emissions, if they’re unable to fix their own internal problems in the financial markets, how can we give them the responsibility to fix the planet’s major crisis?

NOOR: Patrick Bond, thank you so much for joining us.

BOND: Thank you.

NOOR: You can follow us @therealnews on the Twitter. Tweet me questions, comments, story ideas at Jessel Noor. Thank you so much for joining us.
At Warsaw’s COP19 climate summit, South Africa has no bragging rights

Daily Maverick, 14 November 2013

Can Pretoria’s delegation to the Conference of the Parties COP19 in Warsaw – the annual UN Framework Convention on Climate Change summit which opened on Monday and closes on November 22 – make a convincing statement that one of the world’s highest per-capita greenhouse-gas polluters is reforming?

In the wake of the typhoon which did such incalculable damage to the Philippines, meaningful demands must be made upon richer countries to urgently cut emissions. This will require the Brazil-Russia-India-China-South Africa bloc to show they can reverse course, while meeting the vast social and energy needs of their increasingly angry low-income constituencies.

Intense social protests underway in all the BRICS countries reflect, in part, corporate-state connivance: extracting resources and polluting cities at a record rate, while providing inadequate or unaffordable services – from public transport in Brazil to electricity here in SA – to the masses.

If instead of rejoining the big emerging powers and Washington, as happened so disastrously at the 2009 Copenhagen COP15, couldn’t the SA delegation to Warsaw unite more closely with the hardest-hit African countries to express justified climate grievances?

Regardless, Pretoria would be taken more seriously if seen to be honouring its official pledge: cutting emissions to a “trajectory that peaks at 34 percent below a ‘Business as Usual’ trajectory in 2020.”

But that highly unlikely promise, made just before Copenhagen, was contingent on the North paying Pretoria (unspecified) climate funds and transferring low-carbon technology without the usual debilitating royalty requirements, according to Environment Minister Edna Molewa.

So far the strategy has not paid off in any way.

Will Molewa stand tall in coal-stained Poland the next two weeks, negotiating as hard as needed to save the estimated 182 million Africans expected to die prematurely during this century, thanks to climate change?

• How can she, given that Eskom’s overpriced, way-behind-schedule Medupi and Kusile are the two largest coal-fired power plants in the world now under construction, with unresolved allegations about African National Congress conflicts-of-interest (i.e. the ruling party’s shareholding in Hitachi, which is very very slowly constructing the plants’ boilers). World Bank president Jim Yong Kim recently committed not to make available financing for such monstrosities in future on grounds of climate damage, after even the US objected to the $3.75 billion Eskom borrowed from the Bank in 2010 to build the $21 billion power plants.

• How can she, given the coal-export mania that is behind the government’s largest Strategic Infrastructure Project: expanding the world’s largest coal terminal at Richard’s Bay to benefit a projected 40 new coal mines – in spite of the extreme eco-health dangers these pose to local communities and nature in Limpopo, Mpumalanga and KwaZulu-Natal provinces.
• How can she, given that a year ago the Mail&Guardian revealed her ‘intervention’ against subordinates who wanted to fine ANC leader Cyril Ramaphosa for rampant coal-mining pollution, an intervention that “could raise the ire of other mining companies that were closed down or given hefty fines for operating without water licences.” She also approved a license for Coal of Africa’s massive Vele mining project near the Mapungubwe national heritage site.

• How can she, given that the largest single recent Transnet investment is not pro-people public transport, but the pipeline expansion doubling oil flow from South Durban to Johannesburg a project still under construction which redirects the traditional route from white suburban to black peri-urban residential areas, and whose cost came in at nearly triple the original estimates.

• How can she, given that Pretoria’s other multi-billion rand carbon-intensive investments in recent years include SA airways plane purchases – and subsequent multi-billion rand annual bailouts – along with sports stadia widely acknowledged to be ‘White Elephants’ by even Danny Jordaan, local host of the Fifa World Cup in 2010.

• How can she, given how slowly renewable energy is being rolled out – with some high visibility townships getting a few solar geysers but the country’s incredible sunshine, wind and tidal potential going to waste – and how quickly, in contrast, Shell and other fracking firms got her permission to wreck the Karoo’s ecosystems through shale gas drilling just as climate-hazardous as coal.

• How can she, what with the National Development Plan (NDP) promoting the R250 billion petro-chemical expansion in South Durban, a mega-project hotly contested by local community and environmental movements, whose aim is to raise container throughput from 2.5 million to 20 million units annually by 2040, thanks to a fully-privatised port on the old airport site.

That dubious expansion, like so many other counterproductive NDP infrastructure investments, will kill not only local manufacturing firms through a new wave of suffocating imports. It will also displace thousands of residents in Clairwood and Merebank (where blacks moved after apartheid-era displacements), and hurt many more people who are the victims of Durban’s notorious truck accidents.

There were 7000 truck crashes here in Durban last year. But Transnet’s idle rail infrastructure at the port is rusting and there are no immediate moves to shift containers from truck to train by setting up a dry port in Cato Ridge over the mountain (a move opposed by trucking firms). The two Field’s Hill crashes caused by out-of-control trucks that massacred two dozen black kombi commuters in September passed without official commentary against container road freight.

The latest threat to pollution-saturated KZN is ‘Carbon Capture and Storage’, which aims to compress carbon dioxide from the petro-chemical and energy complex into potentially unstable underground storage sites. The state, Eskom and Sasol are gambling hundreds of millions of rands on the technique, even though its boosters are in rapid retreat from Norway to the US. Critics have successfully argued that it violates the Precautionary Principle, imposes excessive costs, increases energy to produce power by 25 percent, is an unproven technology, is at least a decade away from implementation, and prolongs the extraction of coal.
What can be said in Pretoria’s favour? The Treasury’s *Carbon Tax Policy Paper*, issued for comment six months ago, is probably South Africa’s most substantive climate policy because it makes preliminary commitments to ‘price’ the costs of pollution, even though these will be exceedingly mild taxes given the adverse balance of political forces.

So here again, a major rethink is needed. Climate justice not only requires dramatic reductions in fossil fuel use, but *equity*. A huge historic injustice has taken place, and continues: most of our country’s socio-environmental, energy and economic policies and activities worked against the interests of poor and working-class people, women, blacks and others in vulnerable constituencies.

*South Africa’s carbon taxation has contributed to injustice*, because, in the pricing of transport and energy, neither greenhouse gas emissions nor cost-benefit redistribution work in favour of the historically- (and presently-) oppressed.

To illustrate with one notorious example, Eskom still gives vast annual subsidies to the world’s biggest mining house, BHP Billiton (so its Richards Bay aluminium smelters can zap imported bauxite and then export the profits to Australia), while raising poor people’s electricity prices more than 150 percent the last five years so as to finance Medupi.

In this context, Treasury’s market-centric ideology is inappropriate to tackle climate change. This is, after all, the agency in Pretoria most committed to ‘getting the prices right’, so as to use ‘market mechanisms’ to solve problems caused by market failure, including climate change.

Fortunately, this ideology is not expressed in its most extreme form, for Treasury does not currently endorse ‘carbon trading’, which privatises the ‘right to pollute’ the air and sells it to the highest bidder. The COP19 is a dangerous place because of Poland’s commitment to carbon trading notwithstanding the European Union’s awful pilot experience. To its credit, the SA Treasury correctly observes that there is excessive concentration amongst the main polluting corporations so it won’t work here (but see http://storyofstuff.org/movies/story-of-cap-and-trade/ for an 8 minute video about many other problems).

Still, Treasury should re-evaluate its faith in market signals like carbon taxation, not only because of so many ‘disequilibrating’ processes – especially financial crashes – that dominate the SA and world economy. Just as importantly, such pricing only generates change ‘at the margin’, i.e. on additional units bought, sold or consumed.

Hence Treasury is minimising its public policy impact at a time we urgently need major system-rebooting shifts to achieve low-carbon goals. The Treasury should embrace *planning and regulation*, even where that generates policies and investments that run counter to the state’s ordinary pro-business priorities.

Given the political power balance in favour of neoliberal policy, there is no basis to expect Treasury to change its thinking. A ‘Just Transition’ is needed for our economic, energy, transport, agriculture, production, consumption and disposal systems, such as the Million Climate Jobs Campaign promotes here. This transition would require large-scale public subsidies, on the scale of the R850 billion promised by Treasury to promote the corporate-dominated high-carbon economy.

But imagine if there were climate justice, one day in the future. In addition to retracting its pollution subsidies, the Treasury would make a major commitment to clean, efficient, community-
controlled energy; to zero-waste disposal strategies; to a climate-friendly food system that reduces distance and supports organic producers (especially small-scale black farmers); to a public transport system not characterised by privatised roads and elite fast-trains as at present (the Gautrain received the overwhelming amount of new rail investment and continues to require R830 million/year in subsidies); and to the R&D we desperately need to move forward.

To change course, those leading our economy and society must aspire to a new level of civilisation, not the hedonistic consumption-oriented strategy borrowed from the US and the minerals-export orientation inherited from apartheid.

The critique above is not especially radical given the scale of the challenge. In the New York Review of Books this month, Paul Krugman reviews Yale economist William Nordhaus’ new book The Climate Casino: “the message I took from this book was that direct action to regulate emissions from electricity generation would be a surprisingly good substitute for carbon pricing... the Environmental Protection Agency has asserted its right and duty to regulate power plant emissions, and has already introduced rules that will probably prevent the construction of any new coal-fired plants.”

We should try that here! Instead, commerce minister Rob Davies recently announced a third new coal-fired mega generator for Eskom.

But if SA does try to price carbon, Treasury’s proposed tax needs radical changes, starting with raising its level, and then more aggressively redistributing the revenues to the poorest in society.

How high should the tax be? In 2012, SA Treasury officials anticipated that “a tax of R75/t CO2e, increasing to around R200/t CO2e would be both feasible and appropriate to achieve the desired behavioural changes and emissions reduction targets.”

But the current proposal scales this back dramatically: “When the tax-free threshold and additional relief are taken into account, the effective tax rate will range between R12 and R48 per ton of CO2e (and zero for Agriculture and Waste).” And even more beneficial to corporations, “one of the ways to recycle the expected carbon tax revenue is by reducing other taxes. One such tax that could be reduced is the existing electricity levy on electricity produced from non-renewable sources (e.g. coal) and nuclear energy.”

The impact of the very low rate and the large loopholes envisaged will be to neuter the tax incidence when it comes to large corporate polluters, making it impossible to cut emissions to the target.

The low ambitions are exacerbated by Pretoria’s pricing of state services, which work against poor people and the planet, in favour of multinational corporate profit. The essential question we need to ask about carbon taxation, who shoulders the burden, requires both more analytical sophistication and a much more creative policy orientation, such as a Basic Income Grant mechanism to fairly redistribute revenues.

And the current inadequate Free Basic Electricity policy – sometimes provided poor people at just 50 kWh/household/month – requires both a major increase, and fusion with a much more progressive block tariff drawing on both national-local and local-local cross subsidization. (That
would require ditching the prepayment card system, for prepayment technology does not permit the scale of tariff pricing change required.)

Similar considerations should be applied to other sectors – including transport, agriculture and industrial production – where it is likely that Treasury’s carbon tax will simply be passed on to poor people.

Currently South Africa’s per-person protest rate – often termed ‘service delivery’ but more generally aimed at neoliberal public policies including the pricing of electricity, water and sanitation, housing, etc – is at the world’s highest level, according to available police statistics. And South Africa overtook Brazil over the last decade as the world’s most unequal major society.

These factors suggest that Treasury officials sensitive to social unrest would change many of these policies as a matter of urgency, before a 2011-style North African/Arab uprising occurs in South Africa. No climate justice, no peace.

Furthermore, great care must be taken that corporate pressure is rebuffed, because Treasury has a reputation for bending to big business. The ability of ‘crony capitalist’ relationships to distort Pretoria’s ambitions is now legendary. The Energy Intensive Users Group’s influence over the recent Integrated Resource Plan for electricity was one especially revealing example.

Because Molewa’s environment ministry has so little power and she seems to be malevolently influenced by the mining barons atop her party, it is the Treasury that needs most scrutiny now. For while claiming to downgrade civil servants’ and politicians’ perks last month, finance minister Pravin Gordhan has neglected the state’s more wasteful and destructive ‘corporate welfare’ policies.

He probably won’t address these policies until a serious left electoral challenge arises, and so taken together, Pretoria’s climate-destroying policies mean that Treasury’s carbon taxation efforts won’t convince anyone.

Since climate change is the most important crisis ever, and since South African industry is amongst the world’s worst polluters, it is incumbent upon our citizenry to force politicians, officials and big business to urgently reverse course.

However, judging by both our and the world elite’s business-as-usual attitude, Warsaw will be another failure, like the Durban COP17 was two years ago. And this in turn will generate new civil society protests against rulers out of touch with reality, in so many potentially cataclysmic ways.
The northern hemisphere summer has just peaked and though the torrid heat is now ebbing, it is evident the climate crisis is far more severe than most scientists had anticipated. The latest report of the UN Intergovernmental Panel on Climate Change – a notoriously conservative research agency – will be debated in Stockholm next month, but no one can deny its projections: “widespread melting of land ice, extreme heat waves, difficulty growing food and massive changes in plant and animal life, probably including a wave of extinctions.”

Even worse is coming, for a giant Arctic Ocean ‘belch’ of 50 billion tonnes of methane is inexorably escaping from seabed permafrost, according to scientists writing in the journal *Nature*. North Pole ice is now, at maximum summer heat, only 40 percent as thick as it was just forty years ago, a crisis only partially represented in the vivid image of a temporary ‘lake’ that submerged the pole area last month.

The damage that will unfold after the burp, according to leading researchers from Cambridge and Erasmus Universities, could cost $60 trillion, about a year’s world economic output. Global warming will speed up by 15-35 years as a result.

With these revelations, it is impossible to mask the self-destructive greed of fossil fuel firms and their carbon-addicted customers. The ruling crew in the United States, Russia and Canada will enthusiastically let oil companies exploit the soon-to-be ice-free Arctic summers with intensified drilling, joined by unprecedented bunker-fuel-burning in the newly-opening shipping lanes.

**Heat blowback in the US, China and Durban**

But the extreme weather that necessarily results has just hit China, whose world-record CO2 emissions – mainly a result of producing junk purchased by wealthier countries which have outsourced their industrial emissions to East Asia – generate as a byproduct not only thick layers of smog in the main cities. There were also scores of heat-related deaths earlier this month. Shanghai suffered ten straight days above 38C, with temperatures in some places high enough to use a sidewalk to fry eggs and prawns.

In the second biggest greenhouse gas emitter (and biggest historically), the western United States is suffering a brutal drought, so severe that 86 percent of New Mexico’s water supply evaporated, extreme wildfires broke out – this week, for example, scorching Yosemite Park’s legendary redwoods and threatening San Francisco’s water supply – while California’s Death Valley temperatures soared to 50C.

The effects are highly uneven, with environmental-justice research now proving that as climate change hits US cities, the wealthy turn up the air conditioner while the poor – and especially black and Latino people – suffer in ‘heat islands.’ Likewise, poor people in the Himalayan mountains died in their thousands as a result of last month’s floods.

In Alaska, a source of enormous oil extraction, record temperatures in the 30s left thousands of fish dead. The effect of global warming on the oceans is to push marine life towards the poles by 7 kilometers each year, as numerous species attempt to find cooler waters.
The impact here in South Africa, from East London to Durban, was a disaster for the local fishing industry last month, as billions of sardines which annually swim to shore stayed away due to warmer waters.

**Can shipping survive the climate chaos it causes?**

And here along the Indian Ocean, more local climate damage comes from – and is also visited upon – the shipping industry. In the world’s largest coal export site, South Africa’s Richards Bay harbor, an idiot captain of the China-bound MV Smart (*sic*) tried to exit the port in 10 meter swells on August 20 with a load of nearly 150 000 tonnes of coal and 1700 tonnes of oil. He promptly split the huge ship in half on a sandbank.

This followed by hours the strategic offshore sinking of a Nigeria-bound cargo ship, Kiani Satu, which had run aground a week earlier, further down the coast, close to a nature reserve and marine protected area. As plans were made to extract 300 hundred tonnes of oil from the boat, more than 15 tonnes spilled, requiring the cleaning of more than 200 oil-coated seabirds.

The maniacs whose ships now rest at the bottom of the Indian Ocean can identify with the fly-by-night owners of the MT Phoenix, after that ship’s willful self-destruction off the Durban North Coast holiday resorts exactly two years ago. Taxpayers spent $4 million pumping out 400 tonnes of oil and then towing the Phoenix out deeper to sink. A few weeks ago, that salvage operation’s contested audit resulted in the implosion of the SA Maritime Safety Authority.

These are just some surface-level indications that our shipping industry is utterly ill-prepared for the rise of both overall sea levels and the ‘monster waves’ which accompany climate change. The Columbia University Earth Institute now projects “sea-level rise of as much as six feet globally instead of two to three feet” by 2100, with higher amounts (three meters) possible if further ice sheets crack from their foundations.

As one of Oprah’s producers, Susan Casey, wrote in her book, *The Wave: In Pursuit of the Rogues, Freaks, and Giants of the Ocean*, “Given that 60 per cent of the world’s population lives within 30 miles of a coastline, wave science is suddenly vital science, and the experts are keenly aware that there are levees, oil rigs, shorelines, ships and millions of lives at stake.”

Her experts need to visit South Africa, because ours are apparently asleep at the wheel, as they now plan an extreme makeover of Durban’s harbour. The shipping mania that made China such a successful exporter – and wiped out so much of South Africa’s manufacturing industry – has generated vessels that can carry more than 10 000 containers (which in turn require 5800 trucks to unload), known as ‘super post-Panamax’. They are so named because the Panama Canal’s current limits allow only half that load, hence a $5.25 billion dig will deepen and widen the canal by 2015, with a $40 billion Chinese-funded competitor canal being considered in nearby Nicaragua.

Most ports around the world are following suit, including here where $25 billion is anticipated from national, provincial and municipal subsidies and loans for South Durban’s port/petrochemical complex – the origin of our status as the most polluted African suburb south of Nigeria. The project is mainly managed by Transnet, a huge (but hot-to-privatize) transport parastatal agency, and is the second main priority in the country’s National Development Plan which claims that from handling 2.5 million containers in 2012, Durban’s productivity will soar to 20 million containers annually by
2040 – though these figures certainly don’t jell with the industry’s much more conservative projections of demand.

More examples of state planning hubris: Transnet’s $2.3 billion doubling of the Durban-Johannesburg oil pipeline is still not complete, but already massive corruption is suspected in the collusion-suffused construction industry, given that early costings were half the price. And notwithstanding their ‘aerotropolis’ fantasies, Durban’s King Shaka International Airport and the speedy Johannesburg-Pretoria-airport Gautrain are both operating at a tiny fraction of the capacity that had been anticipated by state planners. The 2010 sports stadiums are such blatant white elephants that even arrogant local soccer boss Danny Jordaan felt compelled to apologise.

**Climate denialists from Durban to Deutschland**

One reason they breed is that climate is not being factored into any of these carbon-intensive white elephants, as I have learned by fruitlessly offering formal Environmental Impact Analysis objections. As a result of a critique I offered last November, Transnet’s consultants finally considered prospects that sea-level rise and intense storms might disrupt the Durban port’s new berth expansion.

But Transnet’s study on sea level rise by Christopher Everatt and John Zietsman of ZAA Engineering Projects in Cape Town is as climate-denialist as the consultancy report last year by the SA Council on Scientific and Industrial Research’s Roy Van Ballegooyen. Look, I do understand that – like the dreaded AIDS-denialism of a decade ago – the allegation of climate-denialism is a strong insult these days. But what else would you call a November 2012 report (mainly by Everatt) that cites five studies to claim we will suffer only a maximum 0.6 meter maximum sea level rise this century, but based on data from 1997, 2004, 2006 and 2008 reports. Five years old information is, in this field, ridiculously outdated.

In South Africa, *de facto* climate denialists are now led by a Communist Party leader: Minister of Trade and Industry, Rob Davies. Last week, Davies pushed through Cabinet approval to build yet another coal-fired power plant plus permission to frack the extremely water-sensitive Karoo, “Land of the Great Thirst” in the original inhabitants’ San language.

Awful precedents Davies tactfully avoided mentioning include the massive environmental damage and the corruption, labour-relations and socio-ecological crises at South Africa’s main coal-fired powerplant construction site, Eskom’s $10 billion Medupi generator which at 4800 MegaWatts will be the world’s third largest. Medupi was meant to be generating power in 2011, but due to ongoing conflict, may finally be finished only in mid-2014.

Eskom’s main beneficiary, also unmentioned by Davies, is BHP Billiton, the world’s largest mining house, a firm at the centre of South Africa’s crony-capitalist nexus dating to apartheid days. Eskom now subsidises this Australian company with $1.1 billion annually by gifting it the world’s cheapest electricity.

Another *de facto* climate denialist is the German development aid minister, Dirk Niebel, an opponent of Ecuadoran civil society’s plan to save the Yasuni National Park from oil exploitation. According to Niebel, “Refraining from oil drilling alone is not going to help in forest preservation.” Of course not, but it could have been a vital step for Germany to make a downpayment on its huge climate debt to the victims of extreme weather.
The Yasuni campaign to "leave the oil under the soil" is excellent, and while there, deep in the Amazon on the Peruvian border two years ago, I witnessed the Oilwatch network mobilizing to expand the idea (even to Durban where oil prospecting recently began offshore). Oilwatch generated a 'Yasunization' strategy for other fossil fuels, also promoted by the Environmental Justice Organisations, Liabilities and Trade scholar-activist network based in Barcelona. Network leaders Joan Martinez-Alier and Nnimmo Bassey are also heartbroken at Yasuni’s apparent demise.

But stupidly, the government of Rafael Correa – trained in the US as an economist, sigh – always had the intention to sell Yasuni into the global carbon markets, a self-defeating strategy given the markets’ tendency to both fraud and regular crashing; carbon prices today only about a quarter of what they were two years ago.

So now, because the erratic Correa doesn’t have his hands on the cash yet, in part because he failed to address world civil society to put pressure on governments, Ecuador’s PetroAmazonas and China’s PetroOriental will go ahead and drill. A fresh campaign has been launched to halt the extraction, starting with one letter after another from Accion Ecologica, the eco-feminist lobby that initiated the project, joined by the eloquent leader of the Confederación de Nacionalidades Indígenas del Ecuador, Carlos Perez Gurtambel.

Climate activist counter-power gathers

Yasuni is a critical place to draw the line, for it is probably the world’s most biodiverse site. But there are other vulnerable points of counter-power, too, as across the world, many more defenders of nature come forward against rapacious fossil-fuel industry attacks.

South Africa has not been particularly climate-conscious, because the thousands of recent social protests are mainly directed against a state and capitalists which deny immediate needs, from municipal services to wages. Still, in Johannesburg, the Anglo American Corporation and Vedanta coal-fired power plant witnessed a protest of 1000 community and environmental activists last month.

Surprisingly, a Pew Research Centre poll found that 48 percent of South Africans worry ‘global climate change’ is a ‘major threat’, followed by ‘China’s power and influence’ (40 percent) and ‘international financial instability’ (34 percent). Across the world, 54 percent of people Pew asked cited climate change as a major threat, the highest of any answer (in second place, 52 percent said ‘international financial stability’). Only 40 percent of the US populace agreed, putting it at seventh place.

Yet even in the belly of the beast, more people seem to be mobilizing, and there are growing connectivities in the spirit that what happens in Yasuni is terribly important to the First Nations activists of western Canada (one of the finest blog sites to make these links is http://climate-connections.org/)

For example, fossil fuel projects have been fought hard in recent weeks by forces as diverse as Idaho’s Nez Perce Native Americans, Idle No More, and Wild Idaho Rising Tide; by Nebraska farmers; by activists from the filthy oil city of Houston who are contesting a new coal terminal; and in Utah where not only have conservationists sued to halt drilling of an 800 000 acre tar sands field stretching into Colorado and Wyoming, but 50 activists physically blocked tar sand mining and construction at two sites last month.
350.org’s Bill McKibben recently mentioned the ‘Summerheat’ rebirth of US climate activism, “from the shores of Lake Huron and Lake Michigan, where a tar-sands pipeline is proposed, to the Columbia River at Vancouver, Washington, where a big oil port is planned, from Utah’s Colorado Plateau, where the first US tar-sands mine has been proposed, to the coal-fired power plant at Brayton Point on the Massachusetts coast and the fracking wells of rural Ohio.”

The growing movement has had results, says McKibben, in part through civil disobedience: “In the last few years, it has blocked the construction of dozens of coal-fired power plants, fought the oil industry to a draw on the Keystone pipeline, convinced a wide swath of American institutions to divest themselves of their fossil fuel stocks, and challenged practices like mountaintop-removal coal mining and fracking for natural gas.”

This is encouraging partly because summertime is a lull when it comes to challenging power in many parts of the world. Meanwhile, our political winter was mostly spent wondering whether the crucial Congress of SA Trade Unions would remain aligned to the government or split in half. The more enlightened wing would logically move towards environmental, community and social struggles, leaving behind the likes of Rob Davies, just as US progressives (should) have shed any last illusions about slick Barack Obama.

But not far from Durban, 100 years ago next month, Mahatma Gandhi began preparing a non-violent mass assault on a white-owned coal mine in support of both Indian women’s right to cross a regional border and workers’ wage demands. The idea known as satyagraha (truth force) went from theory to practice, as militant passive defiance gained concessions that, 80 years later, helped free South Africa from apartheid. This time, there’s no 80-year window; we all have to rise to the challenge as fast as do the thermometer and the greenhouse gas emissions.
Does Durban need a big dig – or a detox and reboot?

*The Mercury*, 9 July 2013

A renewed burst of activity on the South Durban port and petrochemical front was witnessed at last week’s Transport Forum, where Transnet’s dig-out port project director Marc Descoins bragged of his team’s planning, “The fatal flaws analysis yielded many risks but no show-stoppers.”

But Descoins apparently hasn’t factored in resident and labour opposition to the mega-project as it is currently conceived, its vast environmental implications, or rising disgust about construction-driven White Elephantism. There is also a backlash against the fatally flawed participation process.

Descoins reminds of the similar bureaucratic overconfidence that in 2004 led former City Manager Mike Sutcliffe to promote the South Durban Link Road proposal in Clairwood and five years later a Warwick Junction shopping mall to displace local small farmers and traders.

On both occasions, community resistance proved formidable, forcing a municipal retreat – although state punishment in the form of malign neglect followed. Nor will Warwick fruit-sellers ever forget their pitched night-time battle with the brutal Durban police four years ago.

In the case of the South Durban mega-project, add more controversies. An estimated R250 billion will be pumped into port and petrochemical industry expansion in coming years, with huge taxpayer subsidies via what’s termed the Strategic Investment Project 2 (Pretoria’s first priority is another project to move platinum and coal more quickly to Richards Bay).

A bad omen is the nearly-complete Durban-Joburg oil pipeline, costing R25 billion, more than three times its original estimate due to Transnet incompetence and what seems to be widespread construction industry collusion, including against several high-profile Durban projects – which the Competition Commission fined several firms R1.5 billion for last month.

But the oil pipeline is in any case ridiculously expensive because – perhaps thanks simply to environmental racism – it diverged hundreds of kilometers from the traditional route west along the N3 highway (and its mostly-white suburbs) so as to move double the pre-existing oil volume through (mostly-black) South Durban, Umbumbulu and other former KwaZulu bantustan areas. If there’s a spill there, after all, who cares.

Second, there’s the five-year dust cover under which the dig-out port’s construction will suffocate Merebank and southern Wentworth as winds blow from the south between 2015 and 2020. These neighbourhoods are already coated with regular oil-related sulfur and soot showers from Africa’s largest oil refining complex, as witnessed in their world-leading asthma rates.

The South Durban Community Environmental Alliance, Wentworth Development Forum and Merebank Residents Association aren’t taking this lying down, vowing to halt the port expansion – as are Clairwood Residents and Ratepayers Association activists justifiably convinced that from the north, the harbour expansion creep will displace residents by the thousands from the culture-rich, 150 year old Indian and African community.

Third, consider Descoins’ revelation that Transnet intends to privatize the vast port, which will leave the SA Transport and Allied Workers Union up in arms. When debating with SA Communist Party secretary Blade Nzimande at the Chris Hani Institute in Johannesburg two weeks ago, I labeled the...
Pretoria government “neoliberal,” and he correctly rebutted that until the Gauteng highway e-tolling fiasco, his party and the unions had blocked major privatisation projects. They will have to redouble their efforts in South Durban.

Fourth is environmental opposition, not just from the very real concerns expressed by BirdLife SA, that since Durban has one of just three estuarine bays in SA, its “ecosystem services” value of goods and services is vast: as a heat sink and carbon sink, for biodiversity, as a fish nursery, for waste disposal, and for storm protection.

Moreover, the Bonn Convention’s protections for bird migration should make fly-away estuaries and wetlands like South Durban immune from more cementing. Yet in May, Public Enterprises Minister Malusi Gigaba recently dismissed these concerns as worry over “frogs and chameleons”.

The only concession to ecology that Descoins made in last Thursday’s presentation concerned the vast soil pollution that will reappear in the course of digging a 20 meter deep hole in the gap between the Umlazi and Isipingo Rivers: “We have to look at contamination issues. Hydrocarbons have been pumped around this area for decades and we know there have been some leaks.”

Yes, and those leaks, plus constant South Durban flaring and consumption of the refineries’ oil, are also wrecking our climate. In turn that process is raising sea level to the point – probably in just a few decades – that the rehabbed port will simply not cope with storms and submersion. But that’s for another column.

In the meantime, a very different Strategic Investment Project would recognize the urgent need to detox South Durban and reboot the local economy towards more labour-intensive low-polluting industry, and add much more public transport, renewable energy, organic agriculture not reliant upon pesticides, a “zero-waste” philosophy and a new ethos of consumption.

The South Durban activists and the national Million Climate Jobs campaign (http://www.climatejobs.org.za) who want society to adopt this approach remain on a vision-collision course with the municipality, Transnet and its Chinese and western financiers, the Treasury and Presidential Infrastructure Coordinating Commission.
Climate Justice
in C. Death (Ed), Critical Environmental Politics, London, Routledge 2013

Introduction

The ‘Climate Justice’ movement emerged from within the environmental movement during the early 2000s, fusing a variety of progressive political-economic and political-ecological currents in order to combat the most serious threat humanity and most other species face in the twenty-first century. The concept of climate justice addresses the intersections of ‘green’ ecological concerns and ‘red’ socio-economic ethical considerations, ranging from public policy deliberations to political practices. Climate justice follows directly from the much older ‘Environmental Justice’ movement that especially emphasised the racial and class injustices of pollution in the United States (Bullard 1990; Schlosberg 1999). This chapter will focus specifically on climate justice as a particularly important and prominent current manifestation of the broader environmental justice struggle.

The first known conference based on the term climate justice was a 2000 event in The Hague sponsored by the New York group CorpWatch (Karliner 2000). Four years later, the Durban Group for Climate Justice was launched, and for many years remained an important strategic listserv for those opposed to carbon trading and other ‘false solutions’ to the climate crisis (http://www.durbanclimatejustice.org/). The sometimes inchoate advocacy movement known as Climate Justice Now! (CJN!) began in 2007, and played a role in grassroots environmental advocacy as well as global-scale United Nations climate summits (http://www.climate-justice-now.org/; see also Kaara 2009). The highest-profile of these, with 100,000 protesters demanding a strong agreement from negotiators, was in Copenhagen in 2009 (see Death, this volume). In contesting mainstream environmentalists, Danes and other Europeans formed a Climate Justice Alliance (CJA) whose ‘Reclaiming Power’ protest was severely repressed by Danish police protecting the United Nations Framework Convention on Climate Change Conference of the Parties (COP) 15 (http://www.climate-justice-action.org/).

Shortly after the Copenhagen summit’s well-recognised failure, the Bolivian government led by Evo Morales and his then UN Ambassador Pablo Solon hosted a 2010 conference in Cochabamba, attended by 35,000 activists, including 10,000 from outside the country (http://pwccc.wordpress.com/). This was important partly because of attempts to more deeply incorporate within mainstream climate politics a commitment to carbon markets and offset payments, especially through the Reducing Emissions from Deforestation and Forest Degradation (REDD) projects (see Okereke and Charlesworth, and Paterson, this volume). The Cochabamba conference adopted several demands that were anathema to mainstream climate politics. The Bolivian government struggled to put these (and a few others) into official UN texts:

- 50 per cent reduction of greenhouse gas emissions by 2017;
- stabilising temperature rises to 1ºC and 300 parts per million;
- acknowledging the climate debt owed by developed countries;
- full respect for human rights and the inherent rights of indigenous people;
- universal declaration of rights of Mother Earth to ensure harmony with nature;
- establishment of an International Court of Climate Justice;
- rejection of carbon markets and commodification of nature and forests through the REDD programme;
- promotion of measures that change the consumption patterns of developed countries;
- end of intellectual property rights for technologies useful for mitigating climate change; and

As Edgardo Lander (2010) explained in his review of the Cochabamba conference,

struggles for environmental or climate justice have managed to bring together most of the most important issues/struggles of the last decades (justice/equality, war/militarization, free trade, food sovereignty, agribusiness, peasants’ rights, struggles against patriarchy, defense of indigenous peoples’ rights, migration, the critique of the dominant Eurocentric/colonial patterns of knowledge, as well as struggles for democracy, etc., etc.). All these issues were debated in Cochabamba and, to some degree, present in the Cochabamba Peoples’ Agreement.

Cochabamba was a critical moment for generating positions and a Climate Justice manifesto, in part because several other uses of the term soon emerged. Grassroots social justice activists continued to radicalise these traditions when it became apparent, in the aftermath of the Copenhagen Accord between leaders from Washington, Pretoria, Brasilia, Beijing and New Delhi (followed by the Obama Administration’s bribery and bullying to gain more support, unveiled by WikiLeaks), that global-scale advocacy would not succeed (Bond 2012).

However, the Climate Justice movement has not been without internal tensions, divisions and politics. The REDD mechanism proved amongst the most important wedge issues within the Climate Justice community, for late in 2010 sharp controversies emerged at the Cancun COP16 over forest preservation as major US environmental foundations attempted to resurrect market strategies. In 2013 at the World Social Forum, such pressure led to a ‘No REDD in Africa’ network accusing proponents of contributing to a potential ‘genocide’ (http://climatespace2013.wordpress.com/2013/04/08/launch-of-no-redd-in-africa-network-redd-could-cause-genocide/). In the US, tensions between the Climate Justice approach and the group of NGOs comprising the Climate Action Network and 1Sky continued over whether legislative lobbying, social marketing and top-down co-ordination of consciousness-raising activities without further strategic substance (for example, TckTckTck in 2009) are more appropriate advocacy methodologies than bottom-up linkage of organic climate activism. In a letter to 1Sky in October 2010, a coalition self-described as ‘grassroots’ and allied organisations representing racial justice, indigenous rights, economic justice, immigrant rights, youth organising and environmental justice communities criticised the vast expenditures on congressional lobbying (estimated at more than $200 million), at the expense of movement building:

[a] decade of advocacy work, however well intentioned, migrated towards false solutions that hurt communities and compromised on key issues such as carbon markets and giveaways to polluters. These compromises sold out poor communities in exchange for weak targets and more smokestacks that actually prevent us from getting anywhere close to what the science – and common sense – tells us is required.

In short, from the realisation that ‘neoliberalized nature’ was the new global-governance approach for environmental (and social) management (see Büscher, this volume), there emerged, in direct response, a new Climate Justice philosophy and ideology, principles, strategies and tactics. However, contradictions and gaps marked at the least the first period of climate justice advocacy,
and these deserve explicit mention especially in their manifestations at the annual COPs, but more generally in the failure to broaden the climate justice movement to new constituencies.

Core ideas

The concept of environmental justice has generated a core lineage of ideas, bringing together a number of important intellectual traditions and movements. Four key aspects include, first, anti-racist environmentalism in the 1980s-90s, which first conclusively linked social justice to geographically-discrete ecological problems, but which transcended ‘Not in My Backyard’ arguments in favour of a system-transforming narrative (see Pellizzoni, this volume). Secondly, there were global-scale demands in the 1990s to recognise the ‘ecological debt’ owed by the North to the South, made by groups such as Acción Ecológica (based in Quito, Ecuador), as well as for much wider-ranging considerations of climate politics, leading up to the Kyoto Protocol negotiations. Thirdly, the late 1990s Jubilee campaign against Northern financial domination of the South added ecological debt to financial debt, and soon compelled consideration of climate from a radical standpoint within the World Council of Churches and other faith movements. Finally, these strands were reinforced in the 2000s by the global justice movement, which came to the fore with the December 1999 Seattle World Trade Organisation (WTO) protest and challenged corporations and multilateral institutions with much greater force than in prior years (see Agyeman et al 2003; Bullard 2013; Camacho 1998; see also Price et al, this volume).

Since the 2000s, the climate justice manifestation has grown in strength and prominence. At the time of the Reclaim Power CJA/CJN protest at the Copenhagen COP17, which was the high point of the climate justice movement’s global-scale advocacy, Anne Petermann (2009) of the Global Justice Ecology Project defined the concept as follows:

Climate Justice is the recognition that the historical responsibility for the vast majority of greenhouse gas emissions lies with the industrialized countries of the global north. It is the understanding that peasants, indigenous peoples, fisher-folk, women and local communities have been disproportionately affected by climate change, also by the fossil fuel industry and by false solutions to climate change, including tree plantations, genetically modified organisms like crops, large scale hydro projects and agro-fuels. These are also the people least responsible for climate change. Climate Justice recognizes that instead of market based solutions, the sustainable practices of these peoples and communities should be seen as offering the real solutions to climate change. Climate Justice is the fundamental knowledge that climate change cannot be addressed through corporations and the market as these are the entities that caused the problem in the first place.

The development of climate justice politics has been built around an orientation to questioning the for-profit economy as the underlying cause of the climate crisis, and an uncompromising opposition to market-based strategies (see Paterson, this volume). There is also an ambitious emphasis on emissions cuts (far greater than those proposed by UN negotiators), and a marked disdain for the inadequacy of official global-scale and most national climate mitigation efforts. In a rejection of technocratic and tinkering responses to climate change there is a hostility to technological fixes and geo-engineering, and instead a search for prefigurative post-carbon lifestyles and production systems (see Luke, this volume). Climate Justice activists seek explicit alliances with activists specialising in food sovereignty and land access (Via Campesina is typically central within Climate Justice mobilisations), decommodified water, renewable energy, economic justice and other overlapping struggles – given how many issues have climate implications. This is a feature of a
broad orientation to the politics of the ‘Global South’ (not just North-South power adjustments), and an openness to fusing traditional Left and radical environmental politics with new ‘Rights of Nature’ strategies, ecofeminist and ecosocialist philosophies, and horizontalist political strategies and tactics, especially in concrete sites of struggle (see also Cudworth and McShane, this volume).

These ideas emerged from the early 2000s as the limits of prior climate advocacy efforts became clear. For many, the replacement of the phrase ‘Climate Action’ as a late 1990s slogan mobilising civil society with ‘Climate Justice’ occurred because of the ongoing failure of elite power deal-making in the COPs and acquiescence to the dominant mode of neoliberal public policy within the UN negotiating framework – especially the 1997 Kyoto Protocol – by the large environmental NGOs that for many years set the activist agenda. This acquiescence followed the persuasiveness of US Vice President Al Gore’s pledge that in exchange for adding carbon trading to the Kyoto Protocol, it would receive US Senate endorsement – when in fact a few months earlier the vote *against* was 95-0 (in the Byrd-Hagel Global Warming/Climate Change Sense of the US Senate Resolution). Those in Chicago who attempted to mimic Kyoto by establishing a voluntary carbon market were rewarded with bankruptcy in 2010, in part because neoconservative forces funded by petroleum and coal industry interests swayed public opinion towards a climate denialist perspective, fatally denting demand for emissions trading within the national economy that over the prior century was by far the world’s largest greenhouse gas polluter (Lohmann 2006). Attempts by the Obama Administration to generate carbon trading legislation in 2009-10 simply failed in this context, although after Superstorm Sandy in October 2012 assisted Obama’s re-election campaign against climate-denialist Mitt Romney there was talk of reviving the neoliberal strategy in 2013 (Skocpol 2013).

The climate justice advocacy challenge to orthodox market-oriented environmentalism and failed insider deal-making surfaced as a formal movement beginning in 2007, at the UN COP13 climate summit in Bali, Indonesia. By then it was obvious that the era of extreme global state failure and market failure – i.e., because the ‘externality’ of pollution remained unaccounted for within capitalist production, trade, consumption and disposal – would continue unabated. Within months, these failures were amplified by a world capitalist crisis that had broken out in East Asia and soon threatened the world economy. The basic dilemma was the inability of global leaders to solve major environmental, geopolitical, social and economic problems; none of significance were properly addressed in world summits after 1987, the year that the Montreal Protocol on the ozone hole banned chlorofluorocarbons (see Death, this volume). The inadequacy of global climate negotiations, and the turn by the United Nations towards ‘Type Two Partnerships’ involving corporations, together generated enormous frustration in civil society. Indeed, by the time of the 2002 World Summit on Sustainable Development in Johannesburg, many activists had come to the conclusion that the UN was part of the problem, not the solution. This frustration was dramatized by a march of 30,000 against that UN summit in Johannesburg, from a poor neighbourhood in Alexandra across to Sandton (the wealthiest suburb in Africa) where the convention was held (Death 2010). This was at a time when South Africa had become the world’s most unequal major country; Johannesburg had become a major site of conflict over water privatisation; and carbon trading experimentation had begun in nearby Durban (Bond 2002; McDonald 2002; Bond 2012).

In short, climate justice only arrived on the international scene as a coherent political approach in the wake of the failure of a more collaborative strategy between major environmental NGOs and the global managerial class. The first effort to generate a global climate advocacy movement in civil society was the Climate Action Network (CAN). But from 1997 in Kyoto, CAN adopted as its core strategy an emphasis on regular UN interstate negotiations aiming at minor, incremental emissions
reductions augmented by carbon trading and related offsets. The cul-de-sac of CAN’s commitment to carbon trading was confirmed when Friends of the Earth International broke away in 2010. But even before this, at the time of the December 2009 COP15, CAN’s critics from the climate justice movement made the case for an alternative strategy with such force that they gained half the space reserved for non-governmental delegations in Copenhagen’s Bella Centre.

Climate justice activists entered this terrain with a programme that was beyond the capacity of the global establishment to meet, even if ‘science required’ a level of targeting of roughly a 50 per cent greenhouse gas emissions cut by 2020 and 90 per cent commitment for 2050, simply so as to prevent runaway climate change and keep temperature rises within reason (see Okereke and Charlesworth, this volume). But there was a broader agenda, and the CJN! network made the following five core demands at its founding meeting in Bali, in December 2007:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights-based resource conservation that enforces indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming, fishing and peoples’ food sovereignty.

To these ends, core concerns of climate justice activists included the decommissioning of the carbon markets so favoured by elites, massive investments in renewable energy, a thoroughly reformed agricultural system, public transport and other transformative infrastructure, production and disposal technologies. Strategically, however, it soon became evident that the next stage of the climate justice struggle was necessarily to retreat from a naively over-ambitious reform agenda at the global scale, given the adverse power balance. Instead of politely asking UNFCCC delegates to save the planet, the challenge for climate justice activists from Copenhagen in 2009 into the future would be to whistle-blow and prevent further deterioration in global environmental governance at the annual COPs, but in the meantime to intensify both local and national activism.

Key thinkers

One reason for the turn to local processes was the strongly autonomist orientation of some leading strategists for climate justice. They brought to the movement a conviction, first, that the prevailing global and national balance of forces favoured micro-level interventions in most settings, and second, that even where a few national states were run by self-described socialist leaders – especially Venezuela, Ecuador and Bolivia – there were nevertheless major contradictions between ecological ambitions and their economies’ addiction to extractive industries, especially hydrocarbons. Thus whereas ‘Climate Justice’ was occasionally declared as policy in such states, the reality was that sharp challenges to oil extraction were emerging from radical environmentalists and indigenous peoples in Amazon jungle sites like Ecuador’s Yasuni Park and Bolivia’s TIPNIS.

Still, the 2010 Cochabamba people’s summit was a site for a few state elites, formal academics, NGO workers and organic activist intellectuals to mull over the nature of their demands. The conference reflected both activist experience and influences from key thinkers in the field. Since the climate justice perspective is a relatively new one, given that climate itself only gradually
became a concern for environmentalists during the 1990s, the mix of formal analysis and activism only gradually created a cadreship of strategists. Strategic reflection within the Climate Justice movement has been largely based upon site-specific struggles, which began reaching critical mass in some of the hot-spots.

But the bigger challenge awaits a connecting-of-the-dots between such sites. The single biggest movement with the potential to generate such links is probably 350.org, whose visionary founder Bill McKibben – an economics professor from a small US university – long avoided an explicit identification with Climate Justice so as to continue building a big tent of activists from across the spectrum. The tactical graduation of 350.org from publicity-oriented consciousness-raising to civil disobedience at the White House in 2012, to a 2013 divestment campaign – with more than 200 campaigning groups mainly at universities – aiming to defund fossil fuel corporations is a trajectory reflecting the necessity of growing militancy, more concrete local activities, and common campaigning strategies, tactics and targets.


But beyond academia, there is no doubt that civil society organisations have done the most to contest the terrain of ideas about climate, simply by driving forward practical and political challenges to state and corporate power, ranging from the UN COPs to local emitters. As an illustration (with an English-language bias), some of the leading organisations and highest-profile personnel include:

- **Accion Ecologica:** Ivonne Yanez, Esperanza Martinez
- **BiofuelWatch:** Rachel Smolker
- **Carbon Trade Watch:** Joanna Cabello
- **Climate Justice Alliance:** Bente Andersen, Stine Gry
- **Corporate Europe Observatory:** Olivier Hoedeman
- **Democracy Center:** Jim Shultz
- **Earth in Brackets:** Anjali Appadurai
- **Ecologistas en Accion:** Tom Kucharz
- **Fern:** Jutta Kill
- **Focus on the Global South:** Nicola Bullard, Dorothy Guerrero,
Friends of the Earth: Tord Björk, Michelle Chan, Siziwe Khanyile, Stephanie Long, Ricardo Navarro, Karen Orenstein, Lucia Ortiz, Bobby Peek, Asad Rehman, Joseph Zacune
Gender CC: Nina Somera
Global Alliance for Incinerator Alternatives: Ananda Tan, Neil Tangri, Mariel Vilella
Global Exchange: Shannon Biggs
Global Justice Ecology Project: Jeff Conant, Orin Langelle, Anne Petermann
Grassroots Global Justice: Sha Grogan-Brown, Michael Guerrero, Jen Soriano, Cindy Wiesner
Indigenous Environmental Movement: Ben Powless, Clayton Thomas-Muller
Institute for Policy Studies: Daphne Wysham, Janet Redman
Jubilee South: Beverly Keene, Lidy Nacpil
Leave it in the Ground: Kjell Kuhne
National Forum of Forest Peoples, Forest Workers: Soumitra Ghosh
OilChange: Steve Kretzmann
Our World is Not for Sale Trade, Climate Working Group: Deborah James, Karen Lang
PanAfrican Climate Justice Alliance: Robert Chimambo, Michele Maynard, Mithika Mwenda, Noah Zimba
Peoples Movement on Climate Change: Maria Theresa Nera-Lauron
Platform: Kevin Smith
Red Ecologista Autónoma de la Cuenca de México: Miguel Valencia
REDD-Monitor: Chris Lang
Rosa Luxemburg Foundation: Judith Dellheim, Tadzio Mueller
South Asian Dialogue on Ecological Democracy: Soumya Dutta
Third World Network: Lim Li Lin, Chee Yoke Ling, Meena Raman, Dale Wen
TransNational Institute: Praful Bidwai
Via Campesina: Mary Lou Malig
What Next: Niclas Hallstrom
World Development Movement: Tim Jones, Kirsty Wright
World Rainforest Movement: Ana Filippini, Winnie Overbeek

It is, however, worth acknowledging that at least three well-regarded personalities whose climate advocacy has a very high profile – Kumi Naidoo of Greenpeace, Mary Robinson (ex-President of Ireland) and David Suzuki (geneticist and broadcaster) – are not Climate Justice proponents in terms of the definitions and movement priorities described above, given that they (or their organisations) favour keeping the carbon trading option on the strategic table. For example, in relation to the Clean Development Mechanism, in spite of all the evidence to the contrary, Robinson argued in a 2011 London School of Economics lecture that carbon trading is ‘finally starting to reap dividends for Africa and least developed countries’ and that ‘the experience gained through the design and implementation of successful regional cap-and-trade programs is hugely valuable if shared with developing country regional groups’ (Robinson 2011). Other leading climate thinkers whose ambivalence about market mechanisms might also leave them outside the CJ camp include Tom Athanasiou, Mark Lynas, Peter Newell and Matthew Paterson (see Newell and Paterson 2010; Paterson, this volume). Another category of those concerned with much more legalistic notions of justice applied to climate (e.g. per capita pollution rights – hence not empowering base organisations or contemplating wider-scale socio-economic transformation) includes influential lawyers such as Eric Posner and Cass Sunstein (2007), amongst others.

Another line of tension has developed over whether a ‘right to development’ should be invoked to permit higher levels of emissions in emerging market economies. Because climate justice has
always included an emphasis on South-North justice, and because interstate diplomatic negotiations over climate are the main site for this struggle, organisations such as the South Centre (led by Khor) and Third World Network (led by Meena Raman), as well as the Bolivian government, have stressed the ongoing importance of the UN COP terrain (Tandon 2009). In addition, Malaysian political economist Jomo KS (2010) argued on behalf of the United Nations Department of Economic and Social Affairs that the semi-peripheral countries should have carbon-space rights to industrialise as part of climate justice. In contrast, Solon and Bello (2012) have argued strongly against the Brazil-Russia-India-China-South Africa (BRICS) countries’ strategy of delaying binding emissions cuts: ‘The elites of emerging economies are using the just demand of “historical responsibility” or “common but differentiated responsibility” in order to win time and have a weak binding agreement by 2020 that they will be part of.’ These are some of the areas where, from below, critical potentials exist to transcend older, nationalist framings, by ensuring that a full critique of the BRICS’ copy-cat accumulation processes is offered by Climate Justice activists across the Global South.

**Critical potential**

In order to overcome the barriers that exist to climate justice at the global scale and in the South-North confrontations discussed above, and in order to build the climate justice movement from direct local experiences, the most sophisticated activists have redoubled efforts in key sites of struggle across the world, such as Nigerian and Ecuadorian oilfields, Australia’s main coal port, Britain’s coal-fired power stations and main airport, Canada’s tar sands, and US coalfields, oil pipelines and corporate headquarters (see Price et al, and Watts and Peluso, this volume). To illustrate this in the most difficult setting – the United States – in 2010 the Detroit Social Forum began to consolidate progressive US climate justice networking, featuring struggles led by people of colour. In a letter criticising the Washington-centric character of major environmental group lobbying, Movement Generation and its allies provided an impressive list of direct action events and resulting community organising victories in the US, in various categories:

- stopping King Coal with community organising; derailing the build-up of coal power;
- preventing the proliferation of incinerators; defeating Big Oil in our own backyards; stopping false solutions like mega hydro; and building resilient communities through local action (Movement Generation 2010).

Climate justice strategist Janet Redman (2012) noted how, just after Obama’s re-election, North American activists were ‘already building alternatives to our fossil-fueled economy while making their communities more resilient to climate disruption’. Examples of this grassroots activism, Redman (2012) observes, include

- WeACT in West Harlem, who are fighting for bus-rapid transit as a way to reduce greenhouse gas emissions, create public sector jobs and protect residents’ health; the New York City Environmental Justice Alliance’s Waterfront Justice Project – the Big Apple’s first citywide community resiliency campaign – who are working to protect communities from toxic inundation during storm surges; the Right to the City and Grassroots Global Justice Alliance groups like CAAAV, Picture the Homeless, Make the Road and many more, who work to end displacement and economic inequality (which render families particularly vulnerable when climate disasters hit); Ironbound Community Corporation, a member of the Global Alliance for Incinerator Alternatives and the New Jersey Environmental Justice Alliance, who are crafting ‘Zero Waste’ solutions that create recycling and composting jobs
while drastically reducing climate and toxic pollution from landfills and incinerators; and the Indigenous Environmental Network which has been working with Indigenous communities throughout Canada and the United States, fighting to protect their lands from fossil fuel development like tar sands mines and the Keystone XL, Kinder Morgan, and Enbridge Northern Gateway pipelines.

The highest-profile US climate activism – albeit not Climate Justice in tone – was arranged by 350.org in August-September 2011, when 1,252 people were arrested at the White House during protests against the probable import of tar sands oil through the Keystone XL pipeline. This followed scores of localized victories against Big Coal, especially coal-fired power plants. According to the sub-movement’s lead chronicler, Ted Nace (2011), ‘[S]ustained and passionate grassroots activism is challenging the idea that fossil fuels are the only option. Many governments have backtracked or shelved plans in response to political pressure or legal actions.’ These reforms follow the strategy to ‘Leave the Oil in the Soil, the Coal in the Hole, the Tar Sand in the Land, and the Fracking Shale Gas under the Grass’. Campaigns to prevent extraction from Yasuni Park in Ecuador, Norway’s Lofoten region and various anti-fracking sites are indicative of the broad-based coalitions required (Bond 2012). The strategies of climate activists include the most progressive forms of juridical action to name and collect ecological debt (such as that Chevron owes Ecuador for Texaco’s decades-old damage or that BP owes for its 2010 Gulf oil spill – both contested in the Ecuadoran courts). The activists can build transition towns, or generate plans to detox areas of carbon-intensive industry (as in sites such as Oakland, California and South Durban in South Africa). They can encourage extraction-site protests (such as in the Niger Delta and West Virginia), and work towards regional and then national bans on new emissions (even the first Obama administration made some minor progress on coal-fired power plants). They can foster a post-consumerist mentality (e.g., the Story of Stuff series which has around 40 million internet downloads – http://www.storyofstuff.org; see also Brooks and Bryant, and Wapner, this volume). And they can also contemplate ‘ecosocialist’ argumentation and long-term environmental planning (e.g. http://ecosocialisthorizons.com/).

Some activists and theorists (for example, those associated with the journals Capitalism Nature Socialism and Monthly Review) anticipate that the linkage of red and green struggles under the climate justice banner will require society moving from a fossil fuel dependent capitalism to eco-socialism. This will entail, as Joel Kovel and Michael Lowy explain,

a transformation of needs, and a profound shift toward the qualitative dimension and away from the quantitative … a withering away of the dependency upon fossil fuels integral to industrial capitalism. And this in turn can provide the material point of release of the lands subjugated by oil imperialism, while enabling the containment of global warming, along with other afflictions of the ecological crisis … The generalization of ecological production under socialist conditions can provide the ground for the overcoming of the present crises. A society of freely associated producers does not stop at its own democratization. It must, rather, insist on the freeing of all beings as its ground and goal (Kovel and Lowy 2009).

Before such a vision can be properly articulated, several critical missing elements must be accounted for. Some of these issues include the question of how to achieve a stronger labour input, particularly given the potential for ‘green jobs’ to make up for existing shortfalls. British eco-socialists have taken the lead here, with demands for a million green jobs (Neale 2011). It is also necessary to draw an explicit connection between climate justice and anti-war movements, given that military activity is not only disproportionately concerned with supplies of oil and gas (Iraq and
Afghanistan) but also uses vast amounts of CO$_2$ in the prosecution of war (Smolcker 2010). There is also a requirement to foster a stronger presence of both environmentalists and socialists in many high emissions sites not yet suffused with grassroots climate justice movements, from China to the Arab oil world to petro-socialist Venezuela.

However, against eco-socialist orientations of the sort proposed by Kovel and Lowy, there are not only are climate justice movement anarchists suspicious of central planning, but advocates of a bottom-up socialism who would preferably generate manifesto statements from actual practice – such as the efforts described briefly above – and from generalised movement sensibility and demands, as opposed to top-down pronouncements. The forging of unity in movements that address climate and social justice from below is especially important during times of apparently intractable conflict and division, which at the time of writing appear to have disrupted and distracted the immediate future of climate justice politics.

Meanwhile, the feminist and socialist movements are engaged in dialogues with climate justice activists which are worth considering (see Cudworth, this volume). Teresa Brennan (2003) makes the link from the household scale to climate change, which is the biggest crisis women will face in the coming decades. Rearranging spatial and re/production arrangements is crucial to ending the unfair role of women in subsidising capitalism’s destructive irrationality. In her book, *Globalization and its Terrors: Daily Life in the West*, Brennan (2003) wrote: ‘[t]he closer to home one’s energy and raw material sources are, the more one’s reproduction costs stay in line: paid and domestic labour will be less exploited, the environment less depleted.’ The need now to limit the ‘distance over which natural resources can be obtained’ is obvious given how shipping, trucking and air transport contribute to carbon emissions (see Brooks and Bryant, and Litfin, this volume).

This is one of the insights an eco-feminist political economy gives climate justice strategists such as Nicola Bullard of Focus on the Global South. A typical debate with neoliberals is over whether the globalisation of industry has helped break up feudal-patriarchal relations, drawing women out of oppression into Mexican maquiladoras or Bangkok sweatshops. Such export-led growth is now an increasingly untenable ‘development’ strategy, and in any case always generated extremely uneven development, drawing on the women’s care economy for its hidden subsidies. Bullard (2009) likens the climate negotiations to those of the WTO: ‘[b]y and large, countries are defending their narrow economic interests and the rich countries in particular are trying to grab the last slice of the atmospheric pie.’

Bullard (2009) breaks down the climate policy narrative into three discourses: business as usual, catastrophism, and climate justice. The first comes from business and most Northern governments while the second, Bullard (2009) argues, is advanced by some smaller and vulnerable countries as well as many NGOs. Catastrophism also ‘leads to dangerous last-gasp strategies such as geo-engineering, nuclear and carbon markets.’ Third, feminists committed to climate justice are connecting the dots between these various oppressions, to warn how, in times of crisis, their opponents are emboldened. In a report, *Looking Both Ways*, the group Asian Communities for Reproductive Justice (2009) documents Hurricane Katrina’s deeper political damage: ‘[f]ollowing a disaster, women of colour – particularly African American women, low-income women and immigrant women – are routinely targeted as burdens of the state and the cause of over population, environmental degradation, poverty, crime and economic instability’ (see also Methmnn and Oels, this volume). And more than for men, all eco-feminists with a climate justice orientation agree that ending women’s economic instability is a vital component of the struggle for justice.
Conclusion

It has never been more important to draw together eco-feminist and eco-socialist insights to link issues, analyses, challenges and alliance-building efforts, for climate justice movements to fully thrive. Such a movement will have to emerge and rapidly build momentum if we are to survive, and generational justice will have to become more prominent, as the following challenges are addressed.

*Red-green organisations are networking and expressing eco-socialist sentiments.* The components of the eco-socialist movement are thousands of organisations in all parts of the world whose own assumptions about fighting environmental degradation are increasingly anti-capitalist. This is abundantly evident from the manifestos, analyses, press releases, demands, leaflets, slogans and other expressions of voice that they have generated in recent years. However, fragmentation and divisions prevent climate justice activists from having a coherent identity and impact.

*The networks are typically single issue and do not sufficiently link across subsectors of environmental justice.* The biggest intellectual problem these movements face is linking their concerns across other sectors. This is often because the networks come together around specific targets, and because their funding sources or major in-house intellectual resources are extremely deep within the single issue they address, but unable to move beyond it (Harvey 1999).

*Youth remain underrepresented in the movement.* Although there are exceptions (e.g. Anjali Appadurai’s high-profile role – at the Durban and Doha COPs – http://www.democracynow.org/2012/12/5/one_year_after_stirring_address_youth), the ability of young people to both organise and make major interventions in support of climate justice has been limited. Given the rise of universities as sites of fossil-fuel divestment campaigning, there are good prospects for a new cohort of intellectual, creative and strategic leadership to emerge.

*The networks’ analysis is sometimes delimited by the specific problem they are addressing.* As single issue networks, the organisations generally view the attack by capitalism on nature as a problem that they may not be in a position to name, much less propose sweeping large-scale solutions to. That has generated a void, not only insofar as naming the problem (an environmentally voracious capitalism), but also naming a global-scale socialist solution – with, of course, profound respect for difference and the uneven development of both capitalism and the movements against it. A further problem is that most such manifestos by these movements have not been particularly conscious of gender. And finally, the other kinds of interlocking and overlapping oppressions and resistances – along lines of race, indigenous heritage, different ableness, sexual preference, generation and other divisions – are not sufficiently respected to generate a strong critique.

*The networks’ hunger to continue building links.* The obvious next step for groups like CJN! is to make common cause with other movements addressing environmental issues where similar analysis, strategies, tactics, enemies and allies can be found. There is a huge gap, though, in information about each other, since with a few exceptions (for example, the World Social Forum which had a vibrant ‘Climate Space’ in the 2013 Tunis meeting, or protests at major world summits or meetings of well-networked organisations such as Friends of the Earth International; see Solon 2013 and Death, this volume), these organisations have no opportunities to get together in a systematic way. And yet it is imperative that these links become ever stronger. It seems inexorable, too, that to properly address the challenge we face – nothing less than planetary and species
survival – we confront the overarching power of patriarchal, racially divisive, uneven capitalist ‘development’. Climate justice will require nothing less.

Further reading

In addition to books cited above, especially by the key movement thinkers listed, there are other analysts who have studied climate justice activism – e.g. University of California-Santa Barbara sociologist John Foran at the International Institute for Climate Action and Theory (http://www.iicat.org/john-forans-iicat-research-portal/), University of Miami sociologist Ruth Reitan (http://www.as.miami.edu/international-studies/faculty/RuthReitan), and University of Pittsburgh sociologist Jackie Smith (http://mysite.verizon.net/vze182n3i/id1.html).

Useful websites

International Institute for Climate Action and Theory: http://www.iicat.org/climate-justice-movements/
Earth in Brackets: http://www.earthinbrackets.org
Climate Space at the 2013 World Social Forum: http://climatespace2013.wordpress.com/
Durban Group for Climate Justice http://www.durbanclimatejustice.org/
Climate Justice Now! http://www.climate-justice-now.org/
Climate Justice Alliance http://www.climate-justice-action.org/
Ecosocialist horizons: http://ecosocialiststhortorizons.com
Story of Cap and Trade: http://www.storyofstuff.org
World People’s Conference on Climate Change and the Rights of Mother Earth: http://pwccc.wordpress.com/

Bibliography


Nace, Ted (2009), Climate Hope: On the Front Lines of the Fight Against Coal, San Francisco: CoalSwarm.


Neale, Jonathan (ed) (2011) One million climate jobs: Solutions to the economic and environmental crises, A report by the Campaign against Climate Change trade union group in conjunction with the Communication Workers Union (CWU), Public and Commercial Services Union (PCS),
Transport Salaried Staffs Association (TSSA) and the University and College Union (UCU), London.


Sundaram, Jomo Kwame (2010) ‘Climate change and industrial development, Presentation to the University of KwaZulu-Natal, 17 May.


BRICS cook the climate

*Business Day, 27 March 2013*

As they meet in Durban on March 26-27, leaders of the BRICS countries – Brazil, Russia, India, China and South Africa – must own up: they have been emitting prolific levels of greenhouse gases, far higher than the US or the EU in absolute terms and as a ratio of GDP (though less per person). How they address this crisis could make the difference between life and death for *hundreds of millions of people* this century.

South Africa’s example is not encouraging. First, the Pretoria national government and its Eskom parastatal electricity generator have recently increased South Africa’s already extremely high emissions levels, on behalf of the country’s ‘Minerals-Energy Complex’. This problem is well known in part because of the failed civil society campaigns against the world’s third and fourth largest coal-fired power plants (Eskom’s Medupi and Kusile), whose financing in 2010 included the largest-ever World Bank project loan and whose subcontractor includes the ruling party’s investment arm in a blatant multi-billion rand conflict of interest.

Other climate campaigns have made little dent against the guzzling mining and smelting industries which chew up South Africa’s coal-fired electricity and export the profits. The same is true for the high-polluting industries of the other BRICS countries, even in China where environmental protests are rising and where it is unsafe to breathe Beijing air on the majority of days so far this year.

How bad are the BRICS? The 2012 Columbia and Yale University Environmental Performance Index showed that four of the five states (not Brazil) have been decimating their – and the earth’s – ecology at the most rapid rate of any group of countries, with Russia and South Africa near the bottom of world stewardship rankings. ²¹ And China, South Africa and India have declining scores on greenhouse gas emissions, according to the EPI.

While BRICS fossil fuel addiction is well known, less understood is how their heads of states consistently sabotage global climate talks hosted by the United Nations Framework Convention on Climate Change (UNFCCC) by effectively destroying the Kyoto Protocol – in everything but name –

starting with the Copenhagen Accord in 2009, picking up the pace with the Durban Platform in 2011, and sealing the deal in 2012 with Russia’s formal withdrawal from Kyoto.

In 2009, the ‘BASIC’ (Brazil, South Africa, India, China) countries’ leadership joined with Washington to confirm climate catastrophe at the 15th Conference of the Parties (COP) to the UNFCCC in Denmark. The Copenhagen Accord between Jacob Zuma, Barack Obama, Lula da Silva, Wen Jiabao and Manmohan Singh foiled the UN global strategy of mandatory emissions cuts, thus confirming that at least 4 degrees global warming will occur this century. The Accord is officially non-binding, and in exchange, the Green Climate Fund that Obama promised would provide $100 billion annually has simply not been forthcoming in an era of austerity.

‘They broke the UN,’ concluded Bill McKibben from the advocacy movement 350.org. They broke the UN, concluded Bill McKibben from the advocacy movement 350.org.22 Copenhagen was what Naomi Klein called ‘nothing more than a grubby pact between the world’s biggest emitters: I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.’23

A secondary objective of the Copenhagen deal – aside from avoiding emissions cuts the world so desperately requires – was to maintain a modicum of confidence in carbon markets. Especially after the 2008 financial meltdown and rapid decline of European Union Emissions Trading Scheme, BASIC leaders felt renewed desperation to prop up the ‘Clean Development Mechanism’ (CDM), the Third World’s version of carbon trading.24 Questioning the West’s banker-centric climate strategy – which critics term ‘the privatisation of the air’ – was not an option for BRICS elites, given their likeminded neoliberal orientation.

By the end of 2012, the BRICS no longer qualified to receive direct CDM funds,25 so efforts shifted towards subsidies for new internal carbon markets, especially in Brazil and China. In February 2013, South African finance minister Pravin Gordhan also announced that as part of a carbon tax, Pretoria would also allow corporations to offset 40 percent of their emissions cuts via carbon markets.

22. For more, see P Bond, Politics of Climate Justice, Pietermaritzburg, University of KwaZulu-Natal Press, 2012.
The best way to understand this flirtation with emissions trading is within the broader context of economic power, for it is based on the faith that financiers can solve the world’s most dangerous market externality – when in reality they cannot maintain their own markets. As sustainability scholars Steffen Böhm, Maria Ceci Misoczky and Sandra Moog argue, ‘the subimperialist drive has remained the same: while domestic capital continues to invest heavily in extractive and monocultural industries at home, it is increasingly searching for investment opportunities in other peripheral markets as well, precipitating processes of accumulation by dispossession within their broader spheres of influence. This mode of development can be observed in many semi-peripheral nations, particularly in the BRICS.’

For example, according to Böhm, Misoczky and Moog, ‘China’s extensive investment in African arable land and extractive industries in recent years has been well documented. What is perhaps less well recognized in the development literature, however, is the extent to which financing from carbon markets like the CDM is now being leveraged by elites from these BRICS countries, to help underwrite these forms of subimperialist expansion.’

In terms of global-scale climate negotiations, the Washington+BASIC negotiators can thus explicitly act on behalf of their fossil fuel and extractive industries to slow emission-reduction obligations, but with a financial-sector back-up, in the event a global climate regime does appear in 2020, as agreed at the Durban COP17. Similar cozy ties between Pretoria politicians, London-based mining houses, Johannesburg ‘Black Economic Empowerment’ tycoons and sweetheart trade unions were subsequently exposed at Marikana, the site of a massacre of 34 Lonmin platinum workers in August 2012.

Other BRICS countries have similar power configurations, and in Russia’s case it led to a formal withdrawal from the Kyoto Protocol’s second commitment period (2012-2020) in spite of huge ‘hot air’ benefits the country would have earned in carbon markets as a result of the industrial economy’s disastrous exposure to world capitalism during the early 1990s. That economic crash cut Russian emissions far below 1990 Soviet Union levels during the first (2005-2012) commitment period. But given the 2008-13 crash of carbon markets – where the hot air benefits would have earlier been realised as €33/tonne benefits but by early 2013 fell to below €3/tonne – Moscow’s calculation was to promote its own oil and gas industries helter-skelter, and hence binding emissions cuts were not in Russia’s interests, no matter that 2010-11 climate-related droughts and wildfires raised the price of wheat to extreme levels and did tens of billions of dollars of damage.

The same pro-corporate calculations are being made in the four other BRICS, although their leaders occasionally postured about the need for larger northern industrial country emissions cuts. However, the crucial processes in which UN climate regulatory language was hammered out climaxed at the COP17 in Durban in December 2011 in a revealing manner. ‘The Durban Platform was promising because of what it did not say,’ bragged US State Department adviser Trevor Houser to the New York Times. ‘There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action.’

The COP17 deal squashed poor countries’ ability to defend against climate disaster. With South African foreign minister Maite Nkoana-Mashabane chairing, the climate summit confirmed this century’s climate-related deaths of what will be more than 180 million Africans, according to Christian Aid. Already 400 000 people die each year from climate-related chaos due to catastrophes in agriculture, public health and ‘frankenstorms’.

What, then, should be done about the BRICS? They have been given a ‘pass’ from many climate activists because on per capita and in historic terms, their industries and agriculture have not been nearly so guilty of greenhouse gas emissions as the rich Western countries. Most recently, the huge increase in emissions by China for the sake of manufacturing production is now understood to be associated with the deindustrialisation of the West: the ‘outsourcing’ of emissions. So emissions from the east coast of China should logically be attributed to Western consumers, in large part.

But the pass is over. Pablo Solon and Walden Bello of the Bangkok-based institute Focus on the Global South opened a debate in September 2012: ‘We should demand that China, India, Brazil and South Africa also agree to mandatory cuts without offsets, although of course, these should be lower than the Annex 1 countries, in line with the UNFCCC principles.’ For Solon and Bello, the problem is the BRICS’ ‘high-speed, consumption-dependent, and greenhouse gases-intensive growth paths.’

The Durban summit is an opportune moment to ask and answer many questions regarding the BRICS’ economic strategies. With Zuma recently declaring his government ‘anti-imperialist’ on foreign policy, it is appropriate to ask whether this is not merely another case of talk left so as to

walk right, because on the most crucial long-term foreign policy of all, climate, BRICS appear distinctly subimperialist.
Another Conference of Polluters confirms climate catastrophe

Counterpunch, 12 December 2012

We suffered the spectacle in 2011, in Durban. Last week was Doha’s time in the sun, and the feudal Qatari regime proved an entirely appropriate host for the United Nations Framework Convention on Climate Change (UNFCCC) 18th Conference of the Parties.

Putting an oil tycoon (Abdullah bin Hamad Al-Attiyah) in the chair and a carbon trader (Christiana Figueres) as the main UN official personified the summit’s failure to address climate and instead promote the agenda of polluters and profiteers. Even so, the contradictions are so extreme that emissions markets – the 1-percenters’ main operative strategy for climate policy – can only crash further as a result of the negotiators’ failure to undergird market demand with emissions cuts.

This should have surprised no one. Recall from Qatar’s last globo-governance moment in 2001, that its hosting hastened the demolition of the World Trade Organisation thanks to lackadaisical top-down global governance – after all, no serious protesters were permitted in Doha to remind elites of their responsibility. Think of this little country hosting the 2022 soccer World Cup, having bribed the Zurich FIFA mafia, soon building once-off stadia and then deconstructing them for export.

Doha was bound to tumble off the Durban Platform – itself an utterly useless document when it comes to binding emissions cuts or raising the financing required for renewable energy, public transport, fossil-free agriculture and production, zero-waste disposal and all the other economic rebooting that civilisation desperately needs this century. Those NGOs and commentators who continue to justify their existence at the summits by repeatedly raising hopes and then whining
obviously suffer an abused-spouse syndrome, structurally unable to cut free and make the changes necessary for genuine climate advocacy.

Of course there were a few nuances in Doha, as blocs of countries formed with differing agendas. But unlike at the 2010 summit in Cancun, no country had the bravery of little Bolivia, which then attempted to block consensus for the sake of a reality check. As usual, Washington came to sabotage a genuine climate solution, and as usual, succeeded with its primary objective, to prevent making binding emissions cuts notwithstanding Barack Obama’s post-election climate confession.

Recall the bragging after last year’s summit in Durban by Washington insider Trevor Houser – formerly an aide to lead Washington negotiator Todd Stern – speaking to the New York Times: ‘The Durban Platform was promising because of what it did not say. There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action.’

Washington’s grandstanding on behalf of polluting industries was especially evident when poor countries raised the prospect of ‘Loss and Damage’ bills on the scale of Superstorm Sandy, which wrecked roughly $60 billion worth of US property overnight last month. As sea-level rise inundates the Bangladesh coast and small islands, as glaciers in the Andes and Himalayas melt, as African soil dries and crops burn, there will be similar – sized bills in the non-industrialised world, broached by Pakistan’s one-third flooding in 2010, for example, or huge storms that devastated Thailand, Cambodia and El Salvador last year. During the Doha summit, the Philippines was hit by a typhoon, leaving 500 dead and 300,000 displaced.

But dare suggest that the ‘climate debt’ from these disasters be paid in part by the United States – using what should be the uncontroversial ‘polluter pays’ principle – and you get this response from Stern: ‘I will block this. I will shut this down.’ Though Loss and Damage language survived in the final text, Stern’s ruthless defence of US interests included watering down liability language and ensuring that the World Court will not soon have an opportunity to provide an Advisory Opinion. Explained Wesleyan University professor Michael Dorsey, ‘A World Court finding could cause a flurry of exploratory climate lawsuits in various jurisdictions, so the State Department twisted arms, even threatening aid, to prevent island nations like the Republic of Palau from even putting it on the agenda.’

Stern also backtracked on $100 billion/year Green Climate Fund commitments his boss Hillary Clinton had made in Copenhagen three years later. The next goal to be missed is $60 billion for the Fund by 2015, and it remains a nearly empty shell, with only provisional commitments of a few billion by Britain and Germany. Canadian negotiators also sabotaged climate finance, and a year ago formally dropped out of the Kyoto Protocol so as to continue tar sands development.

It would be foolish to trust the Fund with putting resources into genuine climate mitigation and adaptation projects, given the vast bias to corporations and the inadequate civil society oversight so far. What is most urgently needed is a mechanism to pay the climate debt directly to the victims of climate chaos instead of to corrupt bureaucracies and aid agencies, such as a Basic Income Grant mechanism – but that will require more visionary strategies to change power and financial flows than are currently available.
Three other formations – the G77/China group, Association of Small Island States and Least Developed Countries – warned against allowing the next commitment period of Kyoto to become a short-term ‘public relations exercise.’ Their valid concern is that ‘creative accounting’ from carbon markets means offsets allow Europe to claim large GreenHouse Gas cuts, with Eastern Europe also enjoying ‘hot air’ allowances because of the early 1990s crash that flattened industrial output and hence emissions. In addition, China has become a useful idiot for Northern emissions-cutting claims, simply because since the 1997 deal was cut in Kyoto, East Asia won a substantial shift in industrial production that once took place in the rich economies.

In ramping up emissions dramatically the past dozen years, the Chinese are conjoined with the other large emerging countries – Brazil, India and South Africa (together known as BASIC) – which in 2009 signed the Copenhagen Accord offered by Barack Obama. Though that deal wrecked the Kyoto Protocol, they still argue for Kyoto’s extension because its obligations do not include them. In contrast, Washington was joined by Norway and Mexico to oppose the crucial language in Kyoto (and in the original 1992 Rio Earth Summit) specifying ‘common but differentiated responsibilities’.

Such conflicts between North and South were sharp as ever, as Third World Network’s Meena Raman reported, and were ‘only papered over superficially in the final hours to avoid an open failure.’ The main rich-country block taking a bit of responsibility includes the European Union and coal-addicted Australia, joined by oil-soaked Kazakhstan. In Australia’s case, that little bit amounted to unconditionally committing just 5 percent cuts in emissions by 2020, using 2005 as a base, around the same as Washington’s. Worse, several rich countries – Australia, New Zealand, the Ukraine, Kazakhstan, and Norway joined by Kyoto Protocol defaulters Japan and Russia – argue for a great role for carbon markets, even during the week that this ‘false solution’ generated further criminal investigations into fraud, involving even Deutsche Bank. For years, the European Union’s Emissions Trading Scheme and the UN Clean Development Mechanism (CDM) have been unable to shake the reputation of giant casinos based on the ‘privatisation of the air’.

But like many financial casinos, the carbon markets continue to fail the free-marketeers. Because Japan and New Zealand don’t have legally binding targets, they were expelled from purchase of carbon credits, which shrinks demand even further. Indeed, although extending the Kyoto Protocol until 2020 at least provides a renewed fiction that carbon markets can aid emissions cuts, they markets are effectively dead, especially those that support Third World trading in the CDM and the offset strategy for forests known as Reducing Emissions through Deforestation and Forest Degradation (REDD).

‘Nations dodged a chance to agree several measures that could have lifted rock-bottom demand for UN-backed carbon offsets,’ reported Reuters Point Carbon. ‘Investment in new CDM projects has ground to a halt as the value of the credits they generate has plunged 95 percent in four years to well below 1 euro, crushing profits that investors count on to set up the carbon-cutting schemes... The Doha talks failed to pave the way for billions of dollars to be invested in projects to cut carbon emissions through stopping deforestation and degradation of rain forests.’

In other words, if you are of the belief that climate catastrophies are market problems – externalities – that simply need market solutions (emissions trading or carbon taxes) to ‘get the prices right’ and assure clear price incentives, your hope in the global negotiators has evaporated. California’s carbon market formally begins in January, just when the world’s main news source turns gloomy, confirming again that the processes of elite management of world financial and ecological crises amounts to little more than pushing the bubble around.
Shut the ETS

Just after Doha ended, CarbonTradeWatch and other progressive civil society groups associated with ‘climate justice’ politics launched a campaign coincident with an EU review of its Emissions Trading Scheme (ETS). The organizations argue that “the structural failures of the ETS cannot be fixed”:

- The ETS has not reduced greenhouse gas emissions...offset projects have directly resulted in an increase of emissions worldwide as between 1/3 and 2/3 of the projects do not represent real carbon reductions. The large emissions reductions registered after 2008 in the EU can be attributed mainly to the economic crisis... in some European countries, more than 30% of consumption-based emissions were imported...

- The ETS has worked as a subsidy system for polluters... over-allocation of permits covering existing technologies rubbed out any incentive to a transition towards low-carbon production processes... windfall profits accrued from passing through these ‘costs’ reached €14 billion between 2005 and 2008... Electricity producers windfall profits [were] anywhere between €23 to €71 billion [from 2008-12]... 75% of the manufacturing industry receiving permits for free at least until 2020 (meaning an extra revenue per year of around €7 billion)...

- The ETS is based on inherently volatile carbon prices. Carbon prices have been continuously unstable, with a clear descending trend since 2008...

- The ETS increases social and environmental conflicts in Southern countries... The Clean Development Mechanism (CDM) is the biggest offset scheme which has demonstrated to bring severe social and environmental consequences upon the communities where the projects are implemented, including lands and human rights violations, displacements, conflicts and increased local environmental destruction...

- Carbon markets are particularly susceptible to fraud. In the carbon commodity, measurement of whether the pollution has or hasn’t occurred is estimated by proxy measures and other vague calculations. In 2010 a vast ‘carousel fraud’ in the EU ETS was exposed, costing taxpayers more than €5 billion, on a Value-Added Tax (VAT) fraud...

- Public money is being poured into carbon markets. The public purse must cover the cost of legislation and regulation for the markets, the cost of enforcement to pursue fraud, theft and corruption, and bear the cost of tax and revenue evasion scams through carbon markets... In times when citizens are shouldering the severe impacts from the economic crisis and ‘austerity’ packets, yet more money is being used to further pay the companies that caused the problem in the first place.

- The logic of the ETS is to benefit market actors. Since its inception the ETS was adopted because industry was content with it. It was in fact oil giant BP, with the support of the UK government, who lobbied the EU to adopt the ETS as the main instrument to deal with climate change...
• The path shown by the ETS locks-in a fossil-fuel economy. The ETS reinforces the same logic of over-production and consumption based on fossil fuels. It allows more pollution while implementing ‘clean development’ projects which mainly harm local populations and environments...

• The ETS closes the door to effective policies, while reinforcing other false solutions such as nuclear energy, agrofuels and tree plantations. The logic of trading pollution is being expanded to other arenas, such as biodiversity and water offsets, which will replicate the problems of the carbon market, whilst further commodifying and financializing more of nature’s capacities, functions and cycles.

Insisting on trying to ‘fix’ a system that is broken from the start deviates attention and resources away from just and effective policies. By exporting the EU ETS failure to other countries, under the cover of ‘leadership’, masks another wave of interventions from above in Southern countries, increasing the social and environmental debt from North to South...

The struggle against the ETS is the struggle for social, environmental and climate justice. We call to all civil society organizations and movements to endorse this call and join the fight against ETS.
COP18 another Conference of Polluters
Interview with InterPress Service News, 27 November 2012

There is no political will among rich nations to find funding for developing countries experiencing the brunt of changes in global weather patterns, and the current climate change conference will fail to do so, according to Professor Patrick Bond, a leading thinker and analyst on climate change issues.

“The elites continue to discredit themselves at every opportunity. The only solution is to turn away from these destructive conferences and avoid giving the elites any legitimacy, and instead, to analyse and build the world climate justice movement and its alternatives,” Bond, a political economist and also the director of the Centre for Civil Society at the University of KwaZulu Natal in South Africa, told IPS.

As the 18th Conference of the Parties (COP18) to the United Nations Framework Convention on Climate Change (UNFCCC) began in Doha, Qatar on Monday Nov. 26, Bond described past COPs as “conferences of polluters“. He believes COP18 will be no different.

“Qatar is an entirely appropriate host country for the next failed climate conference. On grounds of gender, race, class and social equity, environment, civil society voice and democracy, it’s a feudal zone, and the Arab world’s best mass media, Doha-based Al Jazeera, can’t tell the truth at home,” said the professor and author of the book, “Politics of Climate Justice”.

Excerpts of the interview follow:

Q: What is in it for Africa? What is Africa likely to get or to lose from this conference?

A: The most hopeful opportunity is that with the passing of (Ethiopia’s prime minister) Meles Zenawi a few months ago there is a chance for fresh leadership, unencumbered by revelations about Washington’s influence.

Meles was unveiled as purchasable in the WikiLeaks’ U.S. State Department cables from February 2010 … Meles’ pro-Washington stance meant that though he was the loudest official African voice for climate debt and lower northern emissions, it was hard to take the continent seriously.

Sadly, since the quietening of the eloquent Sudanese voice from Copenhagen, Lumumba Di-Aping (Sudanese diplomat and chief negotiator for developing countries at COP15), no African leader has made a positive impression.

And though there is a possibility that adaptation funding may flow a bit more to Africa, evidence so far confirms that the West pays elite Africans instead of the people most adversely affected. The Qatar meeting won’t change these crippling problems.

Q: What progress do you anticipate on the Kyoto Protocol in Doha?

A: None at all. The only hope they have is to boost the Green Climate Fund – but already the main polluters like the U.S. have signalled that in spite of Hillary Clinton’s 100 billion dollars a year promise at Copenhagen in 2009, they won’t support it financially, so it is empty and cannot begin to meet either mitigation or adaptation requirements.
Q: From your writings, you hold quite strong views about the Green Climate Fund. Why?

A: Although a vast “climate debt” payment mechanism from the global north to the global south is urgently required, probably on the scale of a trillion dollars a year, we must be critical of the proposed Green Climate Fund from the outset, because its huge potential was destroyed even at the level of design.

This is in part because African elites like the late Zenawi and (South Africa’s former minister of finance) Trevor Manuel played critical co-chairing roles from 2009 through last year.

Because of their pro-market ideology, Manuel especially bought into the insane argument that emissions trading can provide up to half the fund’s revenues, when in reality, these markets are sputtering to their deaths, as witnessed in 2010 at the main U.S. market, in Chicago, and the collapse of the European market over the past 18 months.

That means that there’s insufficient pressure on the north to raise funds through penalising polluters by fining – and then rapidly banning – emissions. It is also likely that the fund’s tiny revenues will be squandered on what we term “false solutions” – a variety of corporate-designed gimmicks to allow them to continue polluting.

What is needed is wide-ranging investment in a post-fossil society, as well as a reparations mechanism to get resources to people suffering from climate change – such as a “basic income grant” for those in affected areas, without interference by the likes of local tyrants – and one leading pilot study for this comes from rural Namibia, funded by German churches, whose results are most encouraging.

Q: How are we doing then on global climate governance?

A: As the (COP17) Durban disaster proved, the idea of global management of the climate catastrophe, given the present adverse balance of forces, is farcical in general...

It is beyond doubt now that any progress at the multilateral level will require two things: first, a further crash of the emissions trading experiment, so as to finally end the fiction that a market run by international bankers can solve a problem of planet-threatening pollution caused by unregulated markets; and second, a banning of delegations from Washington – the U.S. government and Bretton Woods Institutions – since that’s the city most influenced by climate denialists. Hence every move from the U.S. State Department amounts to sabotage.

Q: What of the 2012 climate change negotiations prior to Doha?

A: For every tip-toe step forward taken in Durban – in a context in which during this century, 200 million additional Africans are expected to die early because of extreme droughts and floods – there were reversals by leaps and bounds...

Because of WikiLeaks, we know in great detail that the U.S. State Department is slyly bribing even the occasional courageous delegation, such as the one from the Maldives right after the Copenhagen fiasco. So given the degree of bribery, bullying and corruption from Washington, why would we expect the COP system to suddenly become functional?
Q: What is the future of climate change negotiations?

A: To sum up, the 1987 Montreal Protocol should have immediately been expanded to incorporate greenhouse gases, but instead, because Washington insisted on ineffectual carbon trading a decade later in Kyoto – we have simply not seen an appropriate degree of political will and strategic sophistication, and until this changes, we will not be successful at the multilateral scale.

That means the future of any potentially successful negotiations is actually between activists and the popular support they rally to the cause on the one hand, and governments – and the corporations that often control those governments – on the other.

Even public consciousness has shifted quickly, as a result of extreme weather in the most backward regions of the world, like the northeastern U.S. These are the only bright lights in the world’s efforts to halt climate change, and I feel that if more people know these stories, they would lose their despondency and take action against both their local polluters and crony-corporate governments.
What Sandy shows South Africa

Counterpunch, 6 November 2012

What did Hurricane Sandy teach us a week ago, here in South Africa, just as $30 billion of state funds are being committed to the dig out of vast new Durban port capacity over the next three decades, plus billions more nearby for petro-chemical industry expansion in Africa’s largest oil-refining complex?

Not much, judging by the dunces I’ve met during the Environmental Impact Assessment (EIA) process, which last Wednesday included an Open Day for discussion sponsored by the biggest investor, the state-owned Transnet port and railroad operator. Africa’s largest harbour, Durban is facing stiff competition: from Maputo in Mozambique for shipments to the huge Johannesburg market; and from other ports along the coast attempting to set up regional freight hubs and export processing zones. Transnet and Durban municipal officials are reacting like clumsy dinosaurs.

Sandy was profiled in the London Review of Books on Saturday, in an article by Mike Davis entitled “The repo girl is at the door,” referring to the repossession man sent by bankers to collect overdue debts. “The construction since 1960 of several trillion dollars’ worth of prime real estate on barrier islands, bay fill, recycled swamps and coastal lowlands has radically transformed the calculus of loss.” Given such “certifiably insane coastal overdevelopment,” Davis concludes, “Sandy is the beginning of the race for the lifeboats on the Titanic.”

Last week’s storm also raised the bar on climate-chaos damage, with around $40 billion worth of property destroyed in a small section of the northeastern US, in the same cost range as the 2010 flooding of a third of Pakistan and as the droughts that wiped out world grain crops in between. And the toxic water coursing through New York City from leaky oil sources reminds South Durban residents of our port’s closure last month due to repeated petroleum leaks into the harbour.

As oceans warm up, cyclones and hurricanes also intensify, with their impact soon to be exacerbated by sea-level rise. “The volume of Arctic sea ice has been reduced by 75 percent in just 30 years,” reported the world’s most respected climate scientist, James Hansen of NASA, to the Cornell University Global Labor Institute and Rosa Luxemburg Foundation last month. “There is a danger that the ice sheets will begin to collapse and we could get several meters of rising sea levels in one year.”

At that rate, big parts of central Durban would sink, along with other cities where coastal sprawl has left millions in low-lying danger: Mumbai (2.8 million inhabitants exposed as sea waters rise), Shanghai (2.4 million), Miami (2 million), Alexandria (1.3 million) and Tokyo (1.1 million).

We recently had our own semi-Sandy cyclone in Durban. In March 2007, according to the assessment of local marine expert Andrew Mather, “wave run-up heights were measured at twelve beaches along the Durban coastline and these peaked at 10.57 meters above Mean Sea Level.” Nearly a billion dollars worth of coast infrastructure was destroyed.

But for too many in power, memories fade fast; two months ago, I got a blank stare from Finance Minister Pravin Gordhan when I asked about climate during our back-to-back presentations and over lunch at a community hall in South Durban’s most vulnerable suburb, Clairwood. He was visiting his old stomping grounds, for three decades ago, a young and then progressive Gordhan successfully organized Clairwood housing protests against the white apartheid regime.
Today, though, Clairwood’s African shackdwellers and long-time Indian residents are being squashed by trucking companies, who are beneficiaries of the rezoning – or simply failure to enforce existing zoning – that facilitates Back-of-Ports creep. Nine Clairwood and nearby Bluff suburb residents have been killed in recent years in accidents caused by crazed truck drivers. Gordhan must have left that community meeting sobered by this dilemma: the state’s single biggest concentrated investment in coming decades, on which his credibly rests, faces near-universal opposition amongst South Durban’s battle-hardened community activists.

The Transnet planners’ objective is to increase the volume of freight containers trafficked through South Durban annually by ten-fold, from two to 20 million by 2040. Will jobs be created? Actually, rising capital intensity at Transnet along with trade-related deindustrialization will probably result in more net employment loss, which is the norm since 1994 when democracy also ushered in economic liberalization due to South Africa’s “elite transition”.

Shockingly, firms like Nemai Consultancy and Graham Muller Associates hired by Transnet and the municipality don’t even mention climate change within their thousands of pages of high-priced reports – whether regarding the overall plan or its first stage. That stage begins soon unless delayed by community critics: a $500 million berth reconstruction that will dock “super post-Panamax ships” each carrying more than 15 000 containers, each with the extreme bunker fuel consumption that makes shipping a much higher source of climate-frying greenhouse gas emissions than the airline industry.

Yet at last month’s Presidential Infrastructure Investment Conference in Johannesburg, Deputy Public Works Minister Jeremy Cronin – who is also the SA Communist Party’s deputy secretary general – confessed what is patently obvious in the neo-colonial South African economy: “Too much of our development has been plantation to port, mine to port.” Instead, we need “social infrastructure, such as water, hospitals, schools, and housing, in order to prevent the kind of protests witnessed recently in the mining sector.”

Cronin’s growing influence notwithstanding, this rhetoric is probably just a case of “talk-left, invest-right” – in anti-people and anti-planet projects like South Durban’s port sprawl, on behalf of corporate profits. The disgraced former Durban City Manager Mike Sutcliffe, whose policies of neglect especially harmed Clairwood from 2002-11, openly admitted in 2009, “The negative externalities associated with such [port] investments are felt by residents in the South Durban Basin – increased trucking, increased congestion and pollution, unsafe roads and the like.” His reign amplified these crises.

According to the Academy of Science of South Africa’s 2011 book about Durban, Towards a Low Carbon City, “The transport sector is pivotal to the transition to a low carbon city... The top priority was identified as the need to reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants.”

Yet for decades, Transnet has sabotaged its own rail freight capacity, allowing road trucking to surge from 20 to 80 percent of container carriage. Sutcliffe’s South Durban plan, now apparently adopted without amendment by his successor S’bu Sithole, makes matters worse, in spite of vague promises to shift containers off the roads.
But try raising these issues with Transnet, the municipality and their consultants, as I have repeatedly since May. At this moment of “planetary emergency,” to quote Hansen, the SA Council for Scientific and Industrial Research’s Roy Van Ballegooyen entirely ignored climate in his “Modelling of potential environmental change in the port marine environment” report for Transnet. Then to justify, he replied to my concerns last week in pure gobbledygook: “What needs to be assessed is the extent to which the proposed development will modify the response to climate change that would have occurred in the absence of the proposed development.”

Officials of another Transnet environmental consultancy, Nemai, answered me, “The project will decrease the ship waiting and turnaround times which will have a lower carbon impact” – not realizing that if you increase efficiency by reducing the ships’ offshore wait, you speed up the system as a whole, thus *increasing* carbon impact.

Maybe Hurricane Sandy will raise these pseudo-environmentalists’ consciousness, as is happening amongst even mainstream media and some of the populace in the most irresponsible emitting country, the United States. Maybe activists of the South Durban Community Environmental Alliance will continue mobilizing hundreds of concerned residents at their community teach-ins, as they have consistently managed to do since July.

But I am not optimistic about changing the local elite’s mindset. Just weeks after the same Durban port berths were severely damaged during heavy winds which bumped a ship up against the dock cranes (resulting in a fortnight-long closure), and less than a year after Durban hosted the United Nations climate summit, the latest stormy weather coincides with a new eco-denialism in Durban. It’s as bad as the paranoia that paralyzes the vocal chords of Barack Obama and Mitt Romney on climate, and could be comparable in human damage to Thabo Mbeki’s medicines-access denial at the peak of the AIDS pandemic a decade ago.

Instead of recognizing impending climate catastrophe, the South African bourgeoisie’s mandate applied to state investment is to “mine more and faster and ship what we mine cheaper and faster”, as *Business Day* editor Peter Bruce ordained just as Gordhan was finalizing his $100 billion infrastructure budget in February.

With that pro-corporate philosophy will come horrible new household words we had never heard before, starting with ‘Marikana’ and ‘Sandy’.
BHP Billiton’s sweetheart power price disempowers the rest of us
City Press, 28 October 2012

The Marikana massacre unveiled a mining-policing conspiracy against wildcat strikers that, in mid-August, linked Lonmin shareholder Cyril Ramaphosa to police minister Nathi Mthetwa via incriminating emails. There were 34 corpses and 78 bullet-wounded mineworkers counted as the cost of that episode of corporate greed, plus the fallout that threatens South Africa’s economy, politics and society.

But this incident pales in comparison to the multi-decade damage done by malevolent power relations between BHP Billiton and Pretoria officials – relations that now seem to be shifting due to Eskom’s desperation. When the parastatal firm’s CEO, Brian Dames, appealed to the National Energy Regulator of South Africa (Nersa) last week to review 20-year old Special Pricing Agreements, what he unveiled is more deadly than Marikana: his predecessors’ dogmatic support for what might be the world’s greatest-ever power rip-off.

That rip-off this year results in a R5 billion cross-subsidy for BHP Billiton from the rest of us: the firm pays just R0.09 per kiloWatt hour (reputed to be the world’s cheapest) as opposed to more than a rand/kWh for most of us. This divergence began two decades ago when Mick Davis – then Eskom’s Treasurer, now chief executive of the Xstrata mining house – found that SA economists’ incompetent economic forecasting had resulted in electricity overcapacity of about one third. He offered large chunks of it to Gencor for the Alusaf aluminium smelters at Richard’s Bay at a cut-rate price, which would fluctuate based on world commodity prices.

Gencor became Billiton when National Party finance minister Derek Keys controversially allowed the firm to externalize assets in 1993 so as to buy Shell Oil’s minerals division, which was soon merged with Melbourne-based Broken Hill Properties to become the world’s largest mining and metals company. (Anglo American also got in on the act with another Special Pricing Agreement, but with its consumption at more than 10 percent of the national power output, BHP Billiton is Dames’ main concern.)

By the mid-1990s, both Keys and Davis had become top Billiton executives, and after finishing his term as the first Nersa director, Xolani Mkhwanazi also moved to a top position in BHP Billiton, from where he now serves as president of the SA Chamber of Mines.

Such non-racial crony capitalism is just as destructive to the economy, democracy, workers, communities and environment as the more obvious mining shenanigans of the late Brett Kebble, Aurora Mines co-owner Khulubuse Zuma or Ramaphosa.

The secret, 40-year sweetheart deals made by Davis and Keys, and approved by Mkhwanazi, were finally leaked by a Democratic Alliance MP in March 2010, at the same time the World Bank was considering lending $3.75 billion – its biggest-ever project credit – to Eskom to finance the Medupi coal-fired power plant. That deal was done in April 2010 even though Eskom hired Hitachi to build tens of billions of rands worth of boilers, thanks to what the Public Protector termed ‘improper conduct’ by Eskom chair Valli Moosa. The boilers are being delivered way behind schedule, but more controversially, they will enrich the African National Congress’ Chancellor House financing arm, which has a 25 percent share in the local Hitachi subsidiary, at the time Moosa serve on the ANC Finance Committee. Although ANC treasurer Matthews Phosa promised to sell the shares that apparently hasn’t happened.
The glare of negative publicity was such that in October 2010 Deutsche Bank mining analysts predicted BHP Billiton would sell its Richards Bay assets. According to a Business Day analyst, ‘The reason for selling the aluminium smelters would be the scrutiny under which BHP’s electricity contracts have come amid demands for resource companies to use less power.’

Indeed, although BHP Billiton has barely reinvested here over the last decade, still, the loyalty linkages between elites in Pretoria, Eskom headquarters and the London/Melbourne mining houses held, until now. It now appears that with South Africa’s ongoing credit downgrading – and thus rising repayment costs for huge foreign borrowings – Dames is finally bowing to reason by questioning the subsidy, which is long overdue for cancellation. (Fearing the sacrosanct rules of contracts might be in question, pro-corporate Business Day editorialists are taking the firm’s side in this dispute.)

But the damage is enormous because of 128 percent price increases suffered by ordinary South Africans since 2008, while BHP Billiton has welcomed its own lower electricity costs as the aluminium price fell. Its profits have been huge, and instead of circulating locally – as during Gencor times – they flood out to Melbourne, contributing to South Africa’s extreme current account deficit.

In turn, this arrangement will keep generating intense community protest when municipalities disconnect household power to those who cannot afford the increases.

But in fact, it is the Eskom price hikes due to the BHP Billiton cross-subsidy and to Medupi power plant construction – whose benefits mainly go to the mining industry – which catalyse many service delivery protests. And yet too many protesters don’t look beyond their municipal councilor, to blame the national government, Eskom and the crony relationships between ruling party and multinational corporations.

This lack of rudimentary connect-the-dots politics helps explain why there is not yet a serious challenge to power in South Africa in spite of what are amongst the world’s highest community protest rates over the last few years.

This travesty has gone on too long. Asked why cross-subsidisation of electricity prices to benefit the poor was not being considered in the mid-1990s when the Reconstruction and Development Programme was still given lip service, the state’s leading infrastructure-services official – Chippy Olver, who was later Moosa’s director-general – explained to the Mail&Guardian: ‘If we increase the price of electricity to users like Alusaf [BHP Billiton], their products will become uncompetitive and that will affect our balance of payments.’

Pro-globalisation, pro-corporate ideology has done enormous damage ever since, and continues because the same people continue to dominate Pretoria, corporations and even multilateral institutions. Last month, for example, Olver served as Moosa’s lead official as United Nations promoters of carbon trading in the Third World, recommending yet more reliance on corporations to solve the world’s great problems.

Like Ramaphosa calling for what became a massacre of mineworkers at Marikana, the damage done is vast and incalculable, and it is long overdue for a correction, beginning with Dames’ belated request to Nersa.
Kim’s trip to South Africa was just a PR exercise for the World Bank
The Guardian Poverty Blog, 11 September 2012

The World Bank president promoted coal, private sector investments and outsourcing, none of which are in the interests of the people of South Africa

Just nine weeks into a new job that pits his critical intellect and earlier game-changing Aids treatment advocacy against the need to re legitimise a very sick multilateral institution, the most startling contradictions were laid out in front of the World Bank president, Jim Yong Kim, in South Africa. Yet during his trip, those contradictions were barely acknowledged, despite the fact that the country is screaming out for decisive leadership and moral clarity.

Last Thursday, Kim met President Jacob Zuma, finance minister Pravin Gordhan and other cabinet ministers in Pretoria, and then, down the road in Johannesburg, he praised the World Bank’s local International Finance Corporation (IFC) staff, who are dedicated to private-sector investments, and even recorded a brief video while visiting Mailtronic Direct Marketing, a successful, IFC-funded small business specialising in printing and posting.

In his blog the next day, Kim was effusive about the trip, including “possible collaboration on an issue dear to my heart: fighting the spread of tuberculosis”.

Really? If this is not public relations gimmickry, and if Kim genuinely wants to tackle TB, it would mark a U-turn in the bank’s historic trajectory. From 1951, the bank’s lavish financing of the then-apartheid regime’s Eskom energy parastatal to build coal-fired power plants and transmission lines that entirely avoided black townships and villages, required the country’s majority to use dirty indoor energy (paraffin, coal and wood) for cooking and warming their shelters, regardless of the profuse particles produced that could lead to or exacerbate respiratory illnesses.

Bank-financed electricity mainly supplied South Africa’s mining houses and smelters, as is still the case (the main customer of the Medupi coal-fired power station currently being built will be BHP Billiton, which consumes more than 10% of the country’s power, to smelt aluminium – though the alumina is imported). Then and now, this facilitated South Africa’s notorious migrant labour system, with low pay to migrant workers who succumbed to TB in squalid, single-sex, 16-to-a-room hostels and shacks.

Kim failed to address these historic issues, which are mirrored in his institution’s current portfolio, especially the IFC’s controversial commitment (approved by former president Paul Wolfowitz in 2007) of $150m in equity/credit lines to Lonmin at the Marikana mine, as well as the $3.75bn for the Medupi plant north of Pretoria, pushed through by his immediate predecessor, Robert Zoellick.

The 34 victims of the Marikana massacre were mainly migrants from Lesotho and the Eastern Cape. Their migrant labour status replicates apartheid, including health vulnerability in disease-ridden shack settlements.

Many more low-income South Africans have shifted to dirty energy sources that spread TB, thanks to electricity price increases of 128% from 2008-12, justified by Eskom’s “build programme”, which features Medupi.
Worsening price and access problems, in turn, have prompted thousands of “service delivery protests” that often became violent. The very day Kim arrived, hundreds of Medupi workers downed tools over grievances associated with outsourcing, and protests forced an evacuation of the construction site.

“Coal is a difficult issue,” Kim said at his Pretoria press conference, while promising to help with South Africa’s $100bn coal-centred infrastructure expansion. Medupi alone will spew 25m tonnes of CO2 annually, more than the emissions total of 115 countries.

Then Kim’s spin turned surreal. “There was a very strong sense that this clean coal project [Medupi] was the way to go,” he said. The very phrase evokes a shudder, considering an estimated 10,000 people die annually from multilateral-financed, coal-fired power plants, according to the Environmental Defence Fund. Given the ongoing mining chaos here, including widespread acid mine drainage wrecking eastern South Africa’s water, “clean coal” is a contradiction in terms. The renewable energy piece of the Eskom loan was acknowledged as a “fig leaf” by William Moomaw, a bank consultant to the Medupi loan.

What about Kim’s enthusiastic praise for Mailtronic’s “great story”? Organised labour here valiantly opposes “tenderpreneur” dealings that cause state shrinkage via outsourced tenders on behalf of entrepreneurs. The World Bank pushed Pretoria to privatise after Nelson Mandela took office in 1994, and it was insensitive for Kim to promote outsourced printing when the government should be building internal mass-communications capacity.

Equally dubious was the claim that IFC’s stake in Mailtronic’s junk-mail paper/packaging waste – with its promotion of rampant consumerism – contributes to fighting poverty.

As the neoliberal Columbia University economist Jagdish Bhagwati said of the US-led nomination and selection process in April, it was of a piece with the “linguistic obfuscations that dominate American public debate”, and allowed Kim to gain presidency of the World Bank unfairly. Though I would quickly diverge from Bhagwati’s agenda, Kim’s visit here gives further reasons for him to resign, before more futile statements are uttered in defence of the indefensible at the World Bank.
Jim Yong Kim comes to Joburg – but will World Bank president visit Marikana and Medupi?

*Daily Maverick, 6 September 2012*

“One of the things you learn as an anthropologist, you don’t come in and change the culture,” Dartmouth College President Jim Yong Kim told wealthy alumni when contemplating the institution’s notorious hazing practices, prior to Barack Obama’s request last February that he move to the World Bank.

Kim’s Harvard doctorate and medical degree, his founding of the heroic NGO Partners in Health, and his directorship of the World Health Organisation’s AIDS division make him the best-educated, most humane Bank president yet. A decade ago, he co-edited the book Dying for Growth, pointing out that ‘Washington Consensus’ policies and projects had a sharply adverse impact on health.

No better examples here can be found than two ‘minerals-energy complex’ investments approved by his predecessors Paul Wolfowitz in 2006 and Robert Zoellick in 2010. Kim should pay a visit because both are within an hour’s drive of the Joburg-Pretoria megalopolis, whose ten million people live in the relatively barren area simply because of the gold’s discovery in 1886.

Though nearly all gone now, gold built the continent’s largest industrial complex, spewing vast pollution and undergirding apartheid. The old mines wrecked the water system with Acid Mine Drainage, not to mention lives of hundreds of thousands of former workers now filing silicosis lawsuits against the mining houses, or similar numbers of HIV+ migrant workers and their wives back home in the old Bantustans or neighbouring countries.

Mining is again wrecking worker health and creating socio-ecological chaos west of Joburg, at Marikana platinum mine, where the Bank’s International Finance Corporation invested $15 million in Lonmin to enhance ‘community development’. Wolfowitz authorized a further $135 million in equity and debt, but the price of platinum crashed by two thirds in 2008, which made a further stake doubtful.

Far greater banking profits were generated in the Bank’s biggest-ever project credit: the $3.75 billion Zoellick lent in April 2010, mainly for the construction of the third largest coal-fired power plant on earth, at Medupi.

The social and environmental balance sheet immediately went into the red, not only because the loan was granted just 20 months prior to Durban hosting the United Nations COP17 climate summit, when last December Zoellick unsuccessfully requested that the Bank be given control of the potentially vast Green Climate Fund, with promised annual spending by 2020 of $100 billion.

Worse, the borrowing agent for Medupi was Eskom, which controversially bought billions of dollars worth of turbine boilers from Hitachi, in whose local subsidiary the African National Congress (ANC) held a quarter ‘Black Economic Empowerment’ share. In an obvious conflict of interest, Eskom’s chair, Valli Moosa, also sat on the ANC Finance Committee, drawing a rebuke of ‘improper conduct’ from the Public Protector.

A substantial civil society coalition opposed Medupi, and the Bank’s own Inspection Panel slated the loan. Yet when announcing Kim’s visit last week, the Bank claimed that it “helps bring badly needed electricity to homes”.
In reality, the 130 percent Eskom price increase from 2008-12 to pay for Medupi was borne not by the largest electricity consumer, BHP Billiton (which still gets the world’s cheapest power thanks to a 40-year apartheid-era deal), but by ordinary poor people. Power disconnections are now a leading cause of the surge in community protests, already at amongst the highest levels on earth.

The Bank’s accompanying renewable energy credit to Medupi was a ‘fig leaf’, confessed Tufts University Professor William Moomaw, a consultant to the Medupi loan.

And although according to the same Bank announcement, “The World Bank Group’s program in South Africa is still in early stages,” the relationship began in 1951, with huge loans to Eskom to supply white households while blacks got no electricity until the 1980s, thanks to prevailing apartheid restrictions.

Kim is an optimist, pronouncing “Africa is truly taking off,” on the eve of his departure this week. But his own institution’s 2011 book, The Changing Wealth of Nations, measured capital not just in financial terms but also with respect to the minerals beneath the soil, to capture the genuine ‘wealth of nations’ in Africa.

In the process, the continent’s ‘adjusted net savings’ was calculated at negative 7 percent per year mainly due to non-renewable resource extraction: “Africa is consuming more than its current net income. It can only do this by liquidating its [natural] capital, which will leave its citizens poorer and with less capacity to generate income in the years to come.”

Herein Kim’s critical problem: extractive industries promoted by the Bank are creating Resource Curses in Marikana, Medupi and everywhere. The day after the massacre, the Washington-based Center for International Environmental Law called on Kim to revisit his stake in Lonmin and reconsider the extractives sector.

If after this week’s trip, Kim decides to leave the toxic culture of SA’s minerals-energy complex unchanged, it will be yet another case of ‘dying for growth’: profits for multinational capital at the expense of people and planet.
Values versus prices at the Rio+20 Earth Summit


RIO DE JANEIRO – Given the worsening world economic crisis, the turn to ‘Green Economy’ rhetoric looms as a potential savior for footloose financial capital, and is also enormously welcome to those corporations panicking at market chaos in the topsy-turvy fossil-fuel, water, infrastructure construction, technology and agriculture sectors.

On the other hand, for everyone else, the Rio+20 Earth Summit underway this week in Brazil, devoted to advancing Green Economy policies and projects, appears as an overall disaster zone for the people and planet.

Meanwhile in Mexico, the G20 meeting of the real powerbrokers this week included a Green Economy session. But more serious distractions for the elites include ongoing Southern European revulsion at harmful public policies cooked up by bankers, and potential war in the Middle East.

Perhaps a few environmentally-decent projects may get needed subsidies as a result of the G20 and Rio talkshops, and we’ll hear of ‘Sustainable Development Goals’ to replace the fatuous UN Millennium Development Goals in 2015.

But the overarching danger is renewed official faith in market mechanisms. No surprise, following the logic of two South African precedents: the 2002 World Summit on Sustainable Development in Johannesburg (Rio+10) and last December’s Durban COP17 climate summit. There, the chance to begin urgent environmental planning to reverse ecosystem destruction was lost, sabotaged by big- and medium-governments’ negotiators acting on behalf of their countries’ polluting and privatising corporations.

Market fixes to market failures?

It’s useful to interrogate the eco-governance elites’ assumptions. I’m here in Rio at the International Society for Ecological Economics conference (ISEE) within a critical research network – the Barcelona-based Environmental Justice Organisations, Liabilities and Trade (EJOLT) – whose leaders, Joan Martinez-Alier and Joachim Spangenberg, issued a statement appropriately cynical about the Green Economy: “The promises are striking: conserving nature, overcoming poverty, providing equity and creating jobs. But the means and philosophy behind it look all too familiar.”

Unfortunately, after the original 1992 Rio Earth Summit, multinational corporations increasingly dominated the emerging terrain of global environmental governance. The United Nations Environment Programme came to view “the sustainability crisis as the biggest-ever ‘market failure’” – a dangerous distraction, according to the two political-ecologists, because “Describing it this way reveals a specific kind of thinking: a market failure means that the market failed to deliver what in principle it could have delivered, and once the bug is fixed the market will solve the problem.”

Martinez-Alier and Spangenberg reverse this logic: “Unsustainable development is not a market failure to be fixed but a market system failure: expecting results from the market that it cannot deliver, like long-term thinking, environmental consciousness and social responsibility.”
In the same spirit, Sunita Narain of the Centre for Science and Environment in Delhi chastised ISEE’s conventional economists in a plenary: “There are a million struggles in India against pollution that Martinez-Alier calls the ‘environmentalism of the poor’, in contrast to the Green Economy which is the environmentalism of the rich.”

Narain contined, “The issue is not the price of nature, it’s rights and it’s the values of democracy, of governance, of society, of humanity. Let’s be very clear: in today’s Green Economy as it is being shaped in Rio Centro and by many economists, these principles will not help us move ahead. Let’s not get lost in yet another shallow, empty concept.”

It’s critical to pose the Green Economy from this class-analytic and eco-centric standpoint, especially because inside the official Rio Centro, negotiations on a bland pro-market text continue through Saturday. There, progressive civil society strategies to insulate basic human and natural rights – e.g. to water – are being foiled by negotiators and by the host neoliberal Brazilian government which is channelling reactionary positions from Northern negotiators, especially from Washington, Ottawa, Tokyo and Tel Aviv, the main saboteur-regimes when it comes to water justice.

According to Anil Naidoo of the Ottawa-based Blue Planet Project, “the new negotiating text is out and it is terrible! We expected the attacks to continue as we have made strong gains through our pressure, but clearly we must again fight for our human right to water and sanitation.” In spite of excellent anti-privatisation activism by Naidoo’s allies in dozens of cities across the world, water commercialisation remains a major threat, especially thanks to the World Resources Institute’s mapping of scarcity on behalf of thirsty transnational corporations.

Also within the rubric of the Green Economy, corporations are seeking new technological ‘False Solutions’ to the climate and other environmental crises, including dirty forms of ‘clean energy’ (nuclear, so-called ‘clean coal’, fracking ‘natural gas’, hydropower, hydrogen, biofuels, biomass and biochar); dangerous Carbon Capture and Storage experiments; and other whacky geoengineering gimmicks such as Genetically Modified trees to sequester carbon, sulfates in the air to shut out the sun, iron filings in the sea to create algae blooms, and large-scale solar reflection such as industrial-scale plastic-wrap for deserts.

**From African ‘natural capital’ to pricing to markets**

Crazy corporate tactics aside, the philosophical underpinning of the Green Economy needs wider questioning. The precise wording is terribly important, as Africans began to understand after last month’s ‘Gaborone Declaration’ hosted by Botswana president Ian Khama. He brought together leaders from nine other African countries – Gabon, Ghana, Kenya, Liberia, Mozambique, Namibia, Rwanda, South Africa and Tanzania – to “quantify and integrate into development and business practice” what ordinary people consider to be the innate value of nature.

But these leaders and their conference sponsor Conservation International mean something else, devoid of eco-systemic, spiritual, aesthetic, and intrinsic qualities. The Declaration insists, “Watersheds, forests, fisheries, coral reefs, soils, and all natural resources, ecosystems and biodiversity constitute our vital natural capital and are central to long-term human well-being, and therefore must be protected from overuse and degradation and, where necessary, must be restored and enhanced.”
There are good sentiments as far as they go, yet by relegating our environment to mere natural capital, the next step is to convert value into price and then sell chunks of nature on the market. All manner of financialisation strategies have emerged to securitise ‘environmental services’, most obviously in carbon markets which continue failing miserably to deliver investor funds to slow climate change.

For some institutions we can term yuppie-green due to their pro-market ideology, faith continues in spite of emissions trading’s descent to hell. In a joint paper published last week, the World Wide Fund for Nature (WWF) and Greenpeace advocated last-gasp reforms to revitalise the European Union carbon markets. Like the Chicago exchange in 2010, the EU Emissions Trading Scheme is in real danger of dying, what with last month’s drop-out announcement from Munich’s leading financiers, who cited a fatal degree of corruption and market oversupply.

The 2010 crash of the Chicago Climate Exchange – and an ongoing civil fraud lawsuit against founder Richard Sandor – is only the most obvious warning to those promoting emissions trading and voluntary offsets. In Africa, we argue based on new research for EJOLT, the ‘Clean Development Mechanism’ (CDM) carbon-trade and offset mechanism ‘Cannot Deliver the Money’.

The Durban COP17 climate gamble – that carbon markets could be revived as part of a renewed Kyoto Protocol mandate – was lost by virtue of the negotiators’ failure to make post-2012 emissions-cut commitments. And the Bonn follow-up meetings of the UN Framework Convention on Climate Change last month

But the crisis facing the market crew aiming to ‘privatise the air’ is also pushing environmentally-oriented bankers in all sorts of other directions. Explained City of London investor Simon Greenspan, whose firm won World Finance magazine’s ‘Western European Commodities Broker of the Year’ award four months ago, “At Tullett Brown we’ve only ever invested in areas of the market that have truly stood the test of time, such as gold and silver and property. When our analysts were looking for the next great area of growth it was fairly obvious to them. It was the planet, it was the environment.” (Oops, just days later, British financial authorities forced Tullett Brown into provisional liquidation.)

Reacting to the Gaborone Declaration, Nnimmo Bassey from the Niger Delta NGO Environmental Rights Action and Friends of the Earth International warned, “The bait of revenue from natural capital is simply a cover for continued rape of African natural resources.” Thanks to inadequate protection against market abuse, he adds, “The declaration will help corporate interests in Rio while impoverishing already disadvantaged populations, exacerbate land grabs and displace the poor from their territories.”

To illustrate the pernicious way markets undermine nature, Zimbabwe’s president Robert Mugabe would say of the rhino and elephant 15 years ago, “The species must pay to stay” – which in turn allowed him and (white) cronies to offer rich overseas hunters the opportunity to shoot big game for big bucks. The dilemma about hunt marketing is that it doesn’t stop there: black markets in rhino horns and elephant tusks are the incentive for poachers to invade not just poorly defended game parks north of the Limpopo River, but also now in South Africa.

The alternative strategy would have been to tighten the Convention on International Trade in Endangered Species’ restrictions against trade in ivory. But South Africa’s game-farm owners and
free-market proponents got too greedy, and by influencing Pretoria to press for relaxation of CITES’ ban, hundreds of elephant and rhino corpses denuded of horns and tusks now litter the bush.

**From prices to values, and from fees to fines**

At best, the Gaborone Declaration commits the ten countries to “reducing poverty by transitioning agriculture, extractive industries, fisheries and other natural capital uses to practices that promote sustainable employment, food security, sustainable energy and the protection of natural capital through protected areas and other mechanisms.”

How, though, is the crucial question. It is well and good to protect nature through imposing a prohibitive fine and ban on those who pollute, and it is past time for payment of the ‘climate debt’ from the Global North’s companies and government which take too much of the shrinking carbon space left in the environment, for instance.

As Kathy McAfee from San Francisco State University puts it, “Compensating the poor and other land users for practices that maintain healthy, ‘service-producing’ ecosystems may be an important part of strategies for sustainable and equitable development. Serious problems arise, however, when such compensation schemes are framed as markets.”

It is another matter, entirely, to treat nature as ‘capital’ from which a fee-for-use – at Rio+20, termed ‘payment for environmental services’ – is offered by deep-pocket polluters to continue business-as-usual.

What do we need in coming years? Valuing nature and imposing pollution-bans and prohibitive fines for ecological degradation are the conceptual approach and the strategy required. But given the power balance here, we can instead expect the Earth Summit to promote the *pricing* of nature based on a pollution-fee system and environmental markets, which in effect will give discredited bankers the job of regulating world ecology.

Then watch out, people and planet – you will be swamped by hunger for *profits*. 
Inclusive green growth or extractive greenwashed decay?
*Triplecrisis.com, 18 May 2012*

The debate over the Green Economy rages on next month in Rio de Janeiro, at the International Society for Ecological Economics meetings, the Cupulo dos Povos alternative people’s summit, and the UN’s Rio+20 Earth Summit. Proponents and critics of ‘green growth’ capitalism will butt heads using narratives about valuations of nature and the efficacy of markets.

Boiling down a complex argument from her book *Eco-Sufficiency & Global Justice*, University of Sydney-based political ecologist Ariel Salleh observes how a triple externalization of costs ‘takes the form of an extraction of surpluses, both economic and thermodynamic: 1) a social debt to inadequately paid workers; 2) an embodied debt to women family caregivers; and 3) an ecological debt drawn on nature at large.’

At minimum, addressing these problems requires full-fledged re-accounting to toss out the fatally-flawed GDP indicator, and to internalize environment and society in the ways we assess costs and benefits. This exercise would logically both precede and catalyze a full-fledged transformation of financing, extraction, production, transport and distribution, consumption and disposal systems.

But it is only in the struggle for transformation that we learn how institutions of power hold fast to their privileges, and why genuine change won’t happen through mere tampering with national income accounts: ‘torturing the data until they confess’, the old economists’ adage.

The World Bank is one such institution, in part because the man taking charge next month, Jim Yong Kim, is a progressive medic and anthropologist. It’s fair to predict that he’ll add style to the Bank’s ‘talk left, walk right’ break-dance repertoire, spinning out arguments that will make our heads spin, while business continues more or less as usual.

A good example of environmental reformist PR can be found in the new Bank report, *Inclusive Green Growth*. ‘Care must be taken to ensure that cities and roads, factories, and farms are designed, managed, and regulated as efficiently as possible to wisely use natural resources while supporting the robust growth developing countries still need,’ argue Bank staff led by Inger Andersen and Rachel Kyte, in order to move the economy ‘away from suboptimalities and increase efficiency – and hence contribute to short-term growth – while protecting the environment.’

Of course, certain uses of resources are off limits for polite discussion, as Bank staff dare not question financiers’ commodity speculation, export-led growth or the irrationality of so much international trade, including wasted bunker fuel for shipping not to mention truck freight.

Yet the Bank cannot help but momentarily inject a power variable into its technicist analysis: ‘That so much pricing is currently inefficient suggests complex political economy considerations. Whether it takes the form of preferential access to land and credit or access to cheap energy and resources, every subsidy creates its own lobby. Large enterprises (both state owned and private) have political power and lobbying capacity. Energy-intensive export industries, for example, will lobby for subsidies to maintain their competitiveness.’

Would the Bank dare practice what it preaches about ending ‘inefficient’ subsidization, given how it amplifies irrational power relations when maintaining the world’s largest fossil-fuel financing portfolio? When *Inclusive Green Growth* argues that ‘Governments need to focus on the wider
social benefits of reforms and need to be willing to stand up to lobby groups’, we cannot forget the Bank’s own largest-ever project credit, granted just two years ago. The $3.75 billion loan for a 4800 MW coal-fired power plant (‘Medupi’) was, according to outgoing Bank president Robert Zoellick and his colleagues, aimed at helping poor South Africans.

In reality the benefits are overwhelmingly to mining houses which get the world’s cheapest electricity (around US$0.02/kWh). The costs of Medupi and its successor Kusile are borne not just by all who will suffer from climate change (including an estimated 180 million additionally dead Africans this century). All South Africans are losing access to electricity through disconnections, and as a result, engaging in world-leading rates of community protest because to pay for Medupi and Kusile, price increases have exceeded 100 percent over the past four years.

The Bank’s Inclusive Green Growth arguments always return to profit incentives: ‘If the environment is considered as productive capital, it makes sense to invest in it, and environmental policies can be considered as investment.’

The nature-as-capital narrative leans dangerously close to the maniacal positioning of former Bank officials Larry Summers and Lant Pritchett, who in 1991 wrote their infamous memo in preparation for the original Rio conference: ‘The economic logic of dumping a load of toxic waste on the lowest wage country is impeccable and we should face up to that.’

Facing up to pollution externalities is deceptively simple within the Bank’s pre-existing neoliberal narrative, of fixing a market problem with a market solution. For example, ‘Lack of property rights in the sea has led to overfishing – in some cases with devastating results. The use of individual transferable quotas can correct this market failure, increasing both output and employment in the fishing industry.’

The Bank’s banal reversion to transferable quotas – also known as cap-and-trade – is most extreme in the greenhouse gas markets, where its writers fail to acknowledge profound flaws that have crashed the price of a ton of carbon from €35 to €7 these last six years. The Bank, which subsidizes carbon trading, mentions only a few allegedly-fixable European Union Emissions Trading Scheme design problems. It ignores the deeper critique of carbon markets developed, for example, in our new report, “CDMs Cannot Deliver the Money to Africa.”

Here’s an unintended consequence of Bank-think, however: if you do factor what it terms ‘natural capital’ into the national accounts, you find that when non-renewable resources are dug out of the soil, there should logically be a debit against genuine national savings (i.e. a decline in a country’s natural capital) instead of just a momentary credit to GDP.

Thus in many situations it becomes logical to leave resources in the ground (sacrilege!), especially in Sub-Saharan Africa, because since the commodity boom began in the early 2000s, according to another recent Bank report (The Changing Wealth of Nations), my home region has suffered negative genuine savings – ‘looting’ – mainly because of non-renewable resource decay in the context of resource-cursed neo-colonial politics.
I’ve had this argument with the Bank’s dogmatic chief Africa economist, Shanta Devarajan, and needn’t rehash it. Instead, let’s turn from Bank babble to listen to those at the base with more profound insights:

- Via Campesina world farmers movement;
- the Rio-based FASE Environmental Justice and Rights Center;
- the ‘ETC Group’ who critique techno-fixes;
- feminists from the World Rainforest Movement;
- German solidarity activists in BUKO; and
- the Dhaka Declaration of the South Asia Women’s Network, which deserves the last word: ‘Today, those who have created the ecological crisis talk of the Green Economy. For them, the Green Economy means appropriating the remaining resources of the planet for profit — from seed and biodiversity to land and water as well as our skills, such as the environmental services we provide. For us, the privatization and commodification of nature, her species, her ecosystems, and her ecosystem services cannot be part of a Green Economy, for such an approach cannot take into account our traditions. The resources of the Earth are for the welfare of all, not the profits of a few.’
‘Green Economy’ buzz moves to Rio, leaving Pretoria confused

_The Thinker, May 2012_

Durban’s hosting of the 17th Conference of the Parties to the United Nations Framework Convention on Climate Change – the COP17 for short, or as critics called it, the ‘Conference of Polluters’ – ended rather late last December, both in terms of its own work schedule and saving the planet.

The main winners appeared to be those from Washington who had come hell-bent on halting progress. At stake at this allegedly ‘African’ climate summit, was the fate of the roughly 200 million people on this continent who Christian Aid estimates will die early because of climate change. Their coffins can now be constructed safe in the knowledge that even a local host could not – or did not genuinely aim to – change power balances against the fossil fuel industry and its numerous puppet states.

‘The Durban Platform was promising because of what it did not say,’ remarked Trevor Houser, a top aide to chief US State Department negotiator Todd Stern. Speaking to _The New York Times_ a few weeks later at the Davos World Economic Forum in Switzerland, Houser bragged, ‘There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action.’

The bad attitude of Washington powerbrokers really hasn’t changed in twenty years, as we can ascertain by tracing back to the first brazen statement of US self-interest in global ecological governance, by Larry Summers. He was, at the time, World Bank chief economist, but soon would become a top-ranking Clinton Administration official, rising to finance minister status until the 2000 banana-republic election in Florida ended Democratic Party control of the White House. Then he went to Harvard as president, was fired by the faculty in 2005 on charges of intellectual sexism, and joined a Wall Street investment house before Barack Obama made him his top economic advisor in early 2009.

Back in December 1991, as the World Bank prepared to take over financing major functions related to the Rio Earth Summit, chief economist Summers signed a bizarre memo to his closest Bank colleagues suggesting, in effect, that nature be privatized, to better assess costs and benefits of Bank ecological intervention. As he put it, ‘I think the economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable and we should face up to that... Africa is vastly underpolluted.’

Though extremist, such ideology was endorsed by _The Economist_ magazine, which leaked the memo in early 1992. The underlying philosophy informed a great deal of Bank and even United Nations policy ever since.

The bottom line, US president George Bush Sr’s pronouncement at the Rio Earth Summit that ‘The American way of life is not negotiable’, paved the way for Rio+10 in Johannesburg. At that 2002 World Summit on Sustainable Development, ever more aspects of nature would be seen as ‘economic goods’.

For example, water commodification by then was the subject of intense conflict, especially over municipal commercialization. Soweto was one of the world’s most publicized water wars, with the
Anti-Privatisation Forum’s community activists regularly destroying pre-payment meters and demanding a doubling of the Free Basic Water supply.

In Joburg, the huge Paris water company Suez found the going tough and instead of managing outsourced municipal services for an anticipated 30 years, left after just five, in 2006. Simultaneously, Suez was in deep trouble across the Third World, losing all its Argentine revenue when activists pressured its leaders to default on profit repatriation agreements in 2002.

Notwithstanding such concrete difficulties in ‘neoliberalizing nature’, as academics term this process, global climate policy debates have not shifted much since 1997, when US vice president Al Gore went to Japan’s COP3 in Kyoto, promising that Washington would sign the climate Protocol if it included carbon markets as an escape hatch for companies that polluted too much and then wanted the right to buy other companies’ pollution permits. It was a lie: the markets were granted, and the US Senate voted 95-0 against endorsing Kyoto.

The overall point of carbon markets, like Summers’ theory of dumping toxic waste where it was economically least harmful (i.e., on the heads of low-income Africans), is that society can ‘price pollution’ and simultaneously cut costs associated with mitigating greenhouse gases. Moreover, claim proponents, these markets are vital for funding not only innovative carbon-cutting projects in Africa, but also for supplying a future guaranteed revenue stream to the Green Climate Fund. The fund’s design team co-chair, South Africa’s planning minister Trevor Manuel, argues that up to half its revenues would logically flow from carbon markets, whose trading volume peaked in 2008 at $140 billion.

These markets are in just as much chaos as any financial casino. In the US, the national Chicago voluntary carbon market died in late 2010. The European Emissions Trading Scheme is the main site of carbon trading, and has been crashing since its 2006 peak, when the right to emit extra carbon cost more than €35/tonne. For the Third World, a category of Clean Development Mechanism (CDM) projects was created to allow wealthier countries to engage in emissions reductions initiatives in poor and middle-income countries, as a way of eliding direct emissions reductions.

The use of such ‘market solutions to market problems’ will, supporters argue, lower the business costs of transitioning to a post-carbon world. After a cap is placed on total emissions, the idea is that high-polluting corporations and governments can buy ever more costly carbon permits from those polluters who don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in high-pollution production, energy-generation, agriculture, consumption, disposal or transport.

But not only was the Durban COP17 utterly useless for making the vital greenhouse gas emissions cuts of 50 percent by 2020, for ensuring the North’s climate debt to the South covers damages under a ‘polluter pays’ logic, or for establishing a transition path to a post-carbon society and economy. Even within the very limited, flawed strategy of carbon markets, there were mixed outcomes from the Durban COP17.

To be sure, the markets were affirmed. National Business Initiative CEO Joanne Yawitch – who was a member of Pretoria’s negotiations team and formerly second-ranking climate official – remarked that ‘the most important’ of Durban’s outcomes is securing Kyoto’s ‘second commitment period and the carbon market’. However, as Cape Town writer and cartoonist Andy Mason wryly observed,
‘According to Abyd Karmali of the Bank of America in London, the Durban deal was like “a Viagra shot for the flailing carbon markets”. The problem with Viagra, of course, is that it only lasts for a couple of hours.’

Notwithstanding Manuel’s efforts to bring emissions trading into the GCF, where it does not belong, and in spite of the United Nations CDM Executive Board’s decision to allow ‘Carbon Capture and Storage’ experiments to qualify for funding, the most profound flaws in the existing market were not addressed. Without an ever-lowering cap on emissions, the incentive to increase prices and raise trading volumes disappears.

Worse, in this context of economic stagnation, financial volatility and shrinking demand for emissions reduction credits, the world faces increasing sources of carbon credit supply in an already glutted market. And fraud continues, including in Durban’s own celebrated pilot CDM project, the Bisasar Road landfill which converts dangerous methane emissions into electricity.

There, the main landfill manager, John Parkin, told my colleague Khadija Sharife that well before Kyoto became operational in 2005, Durban officials led by Mike Sutcliffe had approved its financing: ‘We already started the project and we were going ahead no matter what, so whether CDM became a reality or not, the project was going to go ahead.’ This violates the ‘additionality’ clause that CDM projects must prove – namely, that if it weren’t for carbon trading the project wouldn’t have happened.

Already the Bisasar Road site is a poster child for fraudulent political behavior, as Durban’s three-term mayor Obed Mlaba faces probable criminal prosecution for the hijacking of a waste-to-energy tender there. The UN should also look at rescinding the landfill’s CDM status, if it aims to retain any credibility.

It is now obvious that the world’s stuttering carbon markets cannot operate without a renewed framework for a global emissions trading scheme. Durban left the Kyoto Protocol applicable to only 14 percent of world greenhouse gas emissions, what with Canada’s retreat within 24 hours of the summit’s close. Former Bolivian ambassador to the UN Pablo Solon accused the negotiators of planning ‘genocide and ecocide,’ and he scolded Durban for turning Kyoto into a ‘Zombie, a soulless undead.’

The 1997 treaty’s soul was a commitment that emissions cuts would be binding, but several of the richest polluting countries – the US, Canada, Japan, Russia, Australia and New Zealand – won’t sign on the second commitment period, and the main gist of the Durban Platform is to delay a potential write-off of Kyoto (likely in Qatar), with the prospect of turning the Copenhagen Accord, or something like it, into a new protocol by 2015.

To sabotage Kyoto, Washington continues its voluntary ‘pledge and review’ policy pantomime. Kyoto’s original brain contained a species survival mechanism: a pledge to keep the earth’s temperature at a livable level. Now, the Durban Platform contains ‘less than half of the necessary cuts to keep the temperature increase below 2°C,’ according to Solon.

As the soul-deprived, brain-dead, heartless climate-policy Zombie stumbled off the Durban Platform last week in the direction of Qatar for the COP18 in December 2012, it immediately tripped on the crumpled carbon markets. A month after Durban’s denouement, it was evident to the French bank Société Generale that ‘European carbon permits may fall close to zero should
regulators fail to set tight enough limits in the market after 2020’ – and without much prospect of that, the bank lowered its 2012 forecasts by 28 percent. The 54 percent crash for carbon futures sent the price to a record low, just over €6.3/tonne.

Worse, an additional oversupply of 879 million tonnes was anticipated for the period 2008-2020, partly as a result of a huge inflow of UN offsets: an estimated 1.75 billion tonnes. This glutting problem is not only due to the demand deficit thanks to the COP17 negotiators’ failure to mandate emissions cuts, but is also in part due to the lax system the UN appears to have adopted. All manner of inappropriate projects appear to be gaining approval, especially in Africa. According to Professor David Victor, a leading carbon market analyst at Stanford University, as many as two-thirds of registered carbon emissions reductions do not constitute real cuts.

The man chosen in February to chair the UNFCCC’s policy review of the CDM is Valli Moosa, South Africa’s former environment minister. After leaving the Mbeki cabinet in 2004, Moosa went on to preside over the International Union for the Conservation of Nature, headed the South African branch of the World Wildlife Fund, and chaired the board of the continent’s largest energy company and CO2 emitter, Eskom.

But in that capacity in 2007-08, he was implicated, as a member of the African National Congress financing committee, in unethically channeling tens of millions of rands in earnings to the ruling party by signing Eskom purchase orders for Medupi’s new boilers in a way that directly benefited the ANC, which in turn was financed by the controversial World Bank loan. In 2009, the Public Protector acknowledged that his role was ‘improper.’

**From Durban to Rio, a race to privatize nature**

The momentum from falling off the Durban Platform is taking the world deeper into neoliberalized nature. A variety of technological ‘False Solutions’ to the climate and other environmental crises have emerged from private-sector Dr Strangeloves, and many will be codified in Green Economy deals to be done at the Rio+20 summit in June. These include:

- dirty forms of ‘clean energy’, such as nuclear, so-called ‘clean coal’, fracking shale gas, hydropower, hydrogen;
- biofuels, biomass, biochar;
- the Carbon Capture and Storage strategy now being experimented endorsed in May by the SA Cabinet; and
- other whacky geoengineering gimmicks such as Genetically Modified trees; sulfates in the air to shut out the sun; iron filings in the sea to create algae blooms; artificial microbes to convert plant biomass into fuels, chemicals and products; large-scale solar reflection such as industrial-scale plastic-wrap for deserts.

Some of these will be contested through the UN’s Convention on Biological Diversity which in Nagoya in 2010 pronounced, ‘no geoengineering activities should take place until risks to the environment and biodiversity and associated social, cultural and economic impacts have been appropriately considered.’

Carbon Capture and Storage is one that needs a rethink, especially at Eskom. As Howard Ehrman of the University of Illinois/Chicago explains, this process of scrubbing carbon from coal-fired power plants:
• violates the Precautionary Principle;
• imposes excessive costs;
• increases energy to produce power by 25 percent;
• is an unproven technology;
• is at least a decade away from implementation; and
• prolongs the extraction of coal.

Likewise the biofuel strategy – especially soya, maize and sugarcane – is considered a False Solution because, as Ehrman argues, it:

• is energy negative;
• is water negative;
• increases air/water pollution;
• drives up Energy, Food, Land Prices;
• increases monoculture and decreases sustainability;
• increases land concentration in fewer hands; and
• increases power and control by multinational corporations.

As a recent report by several leading technology NGOs – the ETC Group, EcoNexus, the African Biodiversity Network, Gaia and Biofuel – confirm, The shift from petroleum to biomass is, in fact, worsening climate change, increasing deforestation and biodiversity loss, degrading soils and depleting water supplies. Further, the new “bio-based” economy threatens livelihoods, especially in the global South where it encourages “land grabs”.

If the balance of forces was improved and Pretoria was not under such extreme pressure from big capital, how might environment minister Edna Molewa pursue a sensible strategy for a Green Economy at Rio+20? After all, there must be some way to take the ‘Payment for Environmental Services’ momentum from Durban and turn it into a

As Kathy McAfee from San Francisco State University puts it, ‘Compensating the poor and other land users for practices that maintain healthy, “service-producing” ecosystems may be an important part of strategies for sustainable and equitable development. Serious problems arise, however, when such compensation schemes are framed as markets.’

And that is the danger that Molewa faces: buying into the marketization of nature at a time markets are falling apart. This agenda was admitted frankly in 2010 by her UK counterpart, the Tory climate minister Greg Barker: ‘We want the City of London, with its unique expertise in innovative financial products, to lead the world and become the global hub for green growth finance. We need to put the sub-prime disaster behind us.’

**Back to ‘sustainable development’?**

The planet is far too vulnerable and valuable to be left to bankers. Perhaps it’s time to consider why the original Rio Earth Summit commitment was dashed against the rocks of neoliberalism over the last two decades. According to John Drexhage and Deborah Murphy of the International Institute for Sustainable Development ‘There is a huge gap between the multilateral processes, with their broad goals and policies; and national action, which reflects domestic political and economic realities.’
But the original Gro Harlem Brundtland Commission definition is still worth returning to. Not only do we have a sense of the intergenerational requirement that is so well known from the first clause of her definition: ‘Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their needs.’

What is critical is to consider her next two subclauses in the definition, which first observe ‘the concept of “needs”’, in particular the essential needs of the world’s poor, to which overriding priority should be given’, hence generating grounds for social justice advocacy; and second, ‘the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs’, which repudiates the endless-growth assumptions of those who spout sustainable development in their government documents or corporate public relations greenwashing.

Nedbank is worst – because it is such a huge financier of coal – but they all assume green capitalism will deliver the goods, and that natural limits can be overcome through techie fixes. The harsh realities of financial industry malfeasance and rising social opposition – visible in May elections tossing out neoliberals in France and Greece, in the Spanish and Italian street protests, in the Occupy movement, and in South Africa’s own ‘service delivery protests’ which in part target high electricity prices caused by Eskom’s construction of coal-fired Medupi – are making it ever harder to privatize nature.

As ever, the question for Pretoria is how to emerge from between this sort of global/local rock and hard place without, as usual, being squeezed into amplifying the insurmountable capitalist contradictions of both political economy and political ecology.
“What happens when we manipulate markets to solve the climate crisis? Who stands to gain and who stands to suffer?” Amy Miller’s questions are profound and it strikes me that only the climate justice perspective begins to provide a satisfying answer.

Though carbon markets were theorized from the late 1980s and made the core of global climate policy in 1997, this critical perspective was evident to me only a decade ago, after being introduced to Sajida Khan (1952–2007). Khan was a lifelong Durban resident whose fight against a Clean Development Mechanism (CDM) project – a methane-electricity generator in Africa’s biggest landfill – was seminal for many climate justice activists’ understanding of carbon markets. Having fought for the landfill’s closure since it opened across from her home in 1980, she realized in 2002 that the World Bank’s CDM financing offer would keep Bisasar Road dump open many more years. Along with many in the progressive movement, we learned of her cause just before the 2002 World Summit on Sustainable Development, when groundWork and Corpwatch invited Khan to share the Durban story of carbon trading at a preparatory conference of activists. That led to the TransNational Institute’s 2002 film Green Gold (and in 2005 two others by South African filmmakers Rehana Dada and Aoibheann O’Sullivan) which gave more people access to the complicated debate about carbon trading in both macro and micro terms. (In 2009, another film, Story of Cap and Trade by Annie Leonard, was seen by more than a million people.)

Khan’s struggle against both the landfill and carbon trading made the front page of the Washington Post in March 2005, just as the Kyoto Protocol came into effect. The Bank, which had catalyzed and still enthusiastically backed Durban’s CDM application, suddenly took fright when she filed a 70-page environmental impact lawsuit in local courts to block the project, in the process generating global support for her struggle. Though the project went ahead through private carbon markets, that retreat was a small victory but an important reminder of how determination, technical sophistication and community support reminiscent of Erin Brokovich can intimidate power. (It was revealed in December 2011 that municipal officials had lied in 2004 to get carbon market financing, because the project was certified by the United Nations in spite of it not technically qualifying on ‘additionality’ grounds: the project would have gone ahead anyway.)

To be sure, Khan didn’t get the support of everyone nearby: the Kennedy Road shackdwellers living on the edge of the landfill, whom the Bank and its municipal allies promised jobs and bursaries to, demonstrated against her: “There are comrades who are saying ‘Bush take your millions away.’ How can Bush take his millions away?,” asked Abahlali baseMjondolo leader Sbu’ Zikode in 2005. Three years later, Zikode – an eloquent leader of one of South Africa’s most important 21st century social movements – acknowledged that Durban municipal officials manipulated the Bisasar Road area’s socio-racial divisions: “We were used. They even offered us free busses to protest in favour of this project … to damage those who oppose this project.” The promised jobs and bursaries never materialized, and a fancy truck acquired by another Abahlali leader led to more internecine

conflict. That too was a lesson in divide-and-conquer politics associated with CDM funding offered to impoverished people (even when extremely well organized, like Abahlali), a lesson taught repeatedly in carbon markets, offsets and especially the forestry (REDD) schemes that later divided indigenous peoples.

These are not minor localized problems, for the stakes could not be higher. In 2006, Christian Aid estimated that 182 million Africans were at risk of premature death due to climate change this century. In 2009, former UN secretary general Kofi Annan’s Global Humanitarian Forum issued a report, “The Anatomy of a Silent Crisis,” which provided startling estimates of damages already being experienced:

An estimated 325 million people are seriously affected by climate change every year. This estimate is derived by attributing a 40 percent proportion of the increase in the number of weather-related disasters from 1980 to current to climate change and a 4 percent proportion of the total seriously affected by environmental degradation based on negative health outcomes… Application of this proportion projects that more than 300,000 die due to climate change every year.

What can be done to prevent this? The answer of the climate justice movement – drawing upon April 2010 Cochabamba, Bolivia conference declarations – includes the decommissioning of carbon markets and the CDM mechanism and their replacement with a suitable climate debt payment system. (Such a system would directly channel resources to climate victims without corrupt aid-agency and middlemen or venal state elites.)

Instead, global climate governance by elites continues to make matters worse. Each year, the United Nations Framework Convention on Climate Change Conference of the Parties (COP) meets to deliberate on a framework for global emissions cuts and crisis-adaptation strategies. In December 2011, Durban hosted the COP17, and delegates once again heard that the solution to climate crisis must centre on markets, in order to ‘price pollution’ and simultaneously cut the costs associated with mitigating greenhouse gases. Moreover, say proponents, these markets are vital for funding not only innovative carbon-cutting projects in Africa, but also for supplying a future guaranteed revenue stream to the Green Climate Fund (GCF). That fund was meant to have $100 billion per year for spending by 2020 (according to a promise by US Secretary of State Hillary Clinton at the 2009 Copenhagen COP15), but Durban’s COP17 set it up merely as an ‘empty shell’, since only a few of the rich countries pledged funds. Sensing that the promise would be broken, GCF design team co-chair Trevor Manuel (South Africa’s Planning Minister) argued as early as November 2010 that up to half GCF revenues would logically flow from carbon markets.

The carbon market strategy was established within the Kyoto Protocol in 1997. It aims to facilitate innovative carbon-mitigation and alternative development projects by drawing in funds from northern greenhouse gas emitters in exchange for permitting their continuing pollution. CDMs like the Bisasar Road landfill generate Certified Emissions Reductions (CERs) that act as another asset class to be bought, sold and hedged in the market. The European Emissions Trading Scheme (ETS) is the main site of trading, following a failed attempt at a carbon tax due to intensive lobbying from resistant companies.

CDMs were created within Kyoto to allow wealthier countries classified as ‘industrialised’ – or Annex 1 – to engage in emissions reductions initiatives in poor and middle-income countries, as a way of eliding direct emissions reductions. Put simply: the owner of a major polluting vehicle, like Shell, can pay an African country to not pollute in some way, in order that Shell is allowed to continue emitting. In the process, developing countries are, in theory, benefitting from sustainable energy projects. The use of such ‘market solutions to market problems’ will, supporters argue, lower the business costs of transitioning to a post-carbon world. After a cap is placed on total emissions, the idea is that high-polluting corporations and governments can buy ever more costly carbon permits from those polluters who don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in high-pollution production, energy-generation, agriculture, consumption, disposal or transport.

The market is meant to incentivize greenhouse gas emissions cuts, which scientists say should be 50 percent of Northern emissions by 2020. Ideally, the GCF would also ensure the North’s climate debt to the South covers the sorts of damages Annan specified under a ‘polluter pays’ logic, or for establishing a transition path to a post-carbon society and economy. What chance is there for these mechanisms to work as desired?

The first decade looked promising. With Europe as the base, world emissions trade grew to around $140 billion in 2008 and was at one point projected to expand to $3 trillion/year by 2020 if the US were to sign on. The $3 trillion estimate didn’t even include the danger of a bubbling derivatives market, which might have boosted the figure by a factor of five or more.36 But the markets have been extremely volatile and trending downwards starting in 2006, when the price rose to $40/tonne. It subsequently crashed to less than $10/tonne due to economic meltdown, increasing corruption investigations within the ETS, and COP-induced despondency.

Recent evidence of market efficacy is damning. Even within the very limited, flawed strategy of carbon markets, there were mixed outcomes from the Durban COP17. In spite of Manuel’s efforts to bring emissions trading into the GCF, where it does not belong, and in spite of the United Nations CDM Executive Board’s decision to allow ‘Carbon Capture and Storage’ experiments to qualify for funding, the most profound flaws in the existing market were not addressed. Without an ever-lowering cap on emissions, the incentive to increase prices and raise trading volumes disappears.

Worse, in this context of economic stagnation, financial volatility and shrinking demand for emissions reduction credits, the world faces increasing sources of carbon credit supply in an already glutted market. And fraud continues, including in Durban’s own celebrated pilot CDM project, the Bisasar Road landfill.

Because the Durban COP17 left the world’s stuttering carbon markets without a renewed framework for a global emissions trading scheme, the emissions trade then crashed even further, suffering a 20 percent decline the first three months of 2012. Durban turned the Kyoto Protocol – which is now applicable to only 14 percent of world greenhouse gas emissions – into a ‘Zombie’ (walking-dead) because its heart, soul and brain (binding emissions cuts) all died, as former Bolivian ambassador Pablo Solon put it.37 All that appears to be moving is the stumbling and indeed crashing commitment to CDMs.

These markets can be expected to die completely if Qatar’s COP18 does not generate more commitments to legally-binding emissions cuts. And judging by Washington’s threat, it won’t be until 2020 – the COP26! – that the United States will review its own targets: the Copenhagen Accord’s meaningless 3 percent cuts offered from 1990-2020. By then it will be too late, because the Kyoto Protocol’s mistaken reliance on financial markets means that the period 1997-2011 will be seen as the lost years of inaction and misguided financial quackery – when we urgently need the period going forward from 2012 to be defined as an era that humanity took charge of its future and ensured planetary survival.

For those hoping Durban would provide a better global-scale negotiating terrain, the opportunity has been lost. The balance of forces will not improve in Qatar in December 2012, given the prevalence of irresponsible major powers – best represented by Ottawa’s withdrawal from the Kyoto Protocol just after the COP17 – and the probability that in Washington, Republican Party rightwing climate deniers will prevent further concessions. There are no prospects that the European Union’s Emissions Trading Scheme will turn around in the near future, and only a few minor national and subnational trading experiments appear on the horizon. Only the $100 million World Bank-European Union ‘Partnership for Market Readiness’ continues the myth that markets are an appropriate strategy, through grants to gullible officials in Chile, China, Colombia, Costa Rica, Indonesia, Mexico, Thailand, Turkey and Ukraine. As even the pro-trading Point Carbon news services remarked just after the Durban COP17 ended,

such initiatives are essential to ensure new markets get off the drawing board because a nervous private sector has little appetite to invest in new programmes without further political guarantees that someone will buy the resulting credits... the so-called Durban Platform has done little to boost demand by getting countries to further cut emissions, meaning profits for investors will be slim... while a lot of the focus of the last fortnight of UN meetings was on supply of carbon credits, not one country deepened its carbon target, leaving international carbon offset prices languishing at near record lows – something unlikely to entice investors.38

Confirmed Reuters news service,

Carbon markets are still on life support after [the COP17] put off some big decisions until next year and failed to deliver any hope for a needed boost in carbon permit demand... Many traders and analysts said the agreement will do little for carbon prices which are at record lows, as the two main EU and UN-backed markets are stricken by flagging investments, an oversupply of emissions permits and worries about an economic slowdown. “It’s a sedative situation, in which a sick market needs a cure and instead of deciding which cure to use, the doctors keep using pain relief to gain more time to make the final prognosis,” said AitherCO2 carbon trader Jacopo Visetti.39

The EU system was meant to generate a cap on emissions and a steady 1.74 percent annual reduction, but the speculative character of carbon markets gave perverse incentives to stockpile credits. Large corporations as well as governments like Russia – which has a large amount of ‘hot air’ credits due to excess emissions capacity subsequent to their 1990s manufacturing collapse = gambled that the price would increase from low levels to doubled or trebled prices (as promoters

continually predicted). Instead, now, with the market collapsing, the next perverse incentive is to flood the market so as to at least get some return rather than none at all when eventually the markets are decommissioned. This is precisely what happened to the Chicago climate exchange—the US carbon market—in late 2010, and many of those who held shares in the exchange subsequently sued the high-profile founder, Richard Sandor, for misrepresenting the value of their assets, a strategy that should repeated across the world given the prolific false claims associated with carbon markets.

As a result, no investor believes there is any money to be made by utilizing carbon markets to direct climate-conscious investments. A month after Durban’s denouement, it was evident to the French bank Societe Generale that “European carbon permits may fall close to zero should regulators fail to set tight enough limits in the market after 2020” – and without much prospect of that, the bank lowered its 2012 forecasts by 28 percent. The 54 percent crash for December 2012 carbon futures sent the price to a record low, just over €6.3/tonne.

Worse, an additional oversupply of 879 million tons was anticipated for the period 2008-2020, partly as a result of a huge inflow of UN offsets: an estimated 1.75 billion tonnes. This glutting problem is not only due to the demand deficit thanks to the COP17 negotiators’ failure to mandate emissions cuts, but is also in part due to the lax system the UN appears to have adopted. All manner of inappropriate projects appear to be being approved. According to Professor David Victor, a leading carbon market analyst at Stanford University, as many as two-thirds of registered carbon emissions reductions do not constitute real cuts.

In 2004, a global civil society network, the Durban Group was formed to oppose carbon trading. From the vantage point of an austere Catholic mission on Durban’s highest central hill, the Glenmore Pastoral Centre, a score of the world’s critical thinkers convened by the Swedish Dag Hammarskjold Foundation, deliberated over the neoliberal climate fix for several days. We worried that the main test case, the EU’s Emissions Trading Scheme, not only failed to reduce net greenhouse gases there, but suffered extreme volatility, an inadequate price, the potential for fraud and corruption, and the likelihood of the market crowding out other, more appropriate strategies for addressing the climate crisis. The critique can be summed up in eight points:

- the idea of inventing a property right to pollute – by selling permits to emit to the highest bidder – is effectively the ‘privatization of the air’, a moral problem given the vast and growing differentials in wealth inequalities;
- greenhouse gases are complex and their rising production creates a non-linear impact – the escalation of climate change after a tipping point – which cannot be reduced to a commodity exchange relationship (a tonne of CO2 produced in one place is accommodated by reducing a tonne in another, as is the premise of the emissions trade);
- the corporations most guilty of pollution and the World Bank – which is most responsible for fossil fuel financing – are the driving forces behind the market, and can be expected to

42. http://www.durbanclimatejustice.org/
engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;

- many of the offsetting projects – such as monocultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies, and have been hotly contested in part because the carbon sequestered is far more temporary (since trees die) than the carbon emitted;

- the price of carbon determined in these markets is haywire, having crashed by half in a short period in April 2006 and by two-thirds in 2008, by another 50 percent during 2011, thus making mockery of the idea that there will be an effective market mechanism to make renewable energy a cost-effective investment;

- there is serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many former Enron employees populate the carbon markets);

- as a ‘false solution’ to climate change, carbon trading encourages merely small, incremental shifts, and thus distracts us from a wide range of radical changes we need to make in materials extraction, production, distribution, consumption and disposal; and

- the neoliberal ideology of finding market solutions to market failures (‘externalities’) rarely makes sense, and that ideology is in spectacular disrepute following the world’s worst-ever financial market failure, largely because the very idea of derivatives – a financial asset whose underlying value (e.g. the right to pollute) is several degrees removed and also subject to extreme variability – was thrown into question.\(^{43}\)

In short, the return of market mania to climate negotiations is a dangerous diversion from a daunting reality: the US, China, South Africa and most other big emitters want to avoid making the binding commitments that are required to limit the planet’s temperature rise, ideally below the 1.5°C that scientists insist upon this century. Naturally the (binding) Kyoto Protocol is a threat to the main emitting countries, which have been working hard since early 2010 to replace it with the voluntary, loophole-ridden Copenhagen Accord. This is the easiest way to understand the procrastination and lack of ambition in the December 2011 Durban deal.

And naturally, the North’s failure to account for its vast ‘climate debt’ continues. To illustrate, Pakistan suffered $50 billion in climate-related flood damage alone in 2010, yet the total on offer from the North to the whole world was just $30 billion for 2010-12, according to promises made in

---

Copenhagen. By the time of the Durban COP17, there was no realistic chance that $30 billion in North-South flows would actually be delivered.

Climate negotiators should have known that carbon trading was a charade that would do nothing to reduce global warming. What was an incentive scheme meant to provide stability and security to clean energy investors had become the opposite. A low and indeed collapsing carbon price – €7/tonne in April 2012, down from a peak five times higher six years earlier – was useless for stimulating the kind of investment in alternatives needed: for example, an estimated €50/tonne (at minimum) is required to activate private sector investments in ‘carbon capture and storage’, the as-yet-non-existent (and extremely dangerous) technology by which coal-fired power stations could, theoretically, bury liquefied carbon emitted during power generation. Substantial solar, tidal and wind investments would cost much more yet. The extreme volatility associated with emissions trading so far makes it abundantly clear that market forces cannot be expected to discipline polluters.

The only real winners in emissions markets have been speculators, financiers, consultants (including some in the NGO scene) and energy sector hucksters who made billions of dollars in profits on the sale of notional emissions reduction credits. As the air itself became privatized and commodified, poor communities across the world suffered and resources and energy were diverted away from real solutions. But one of the most powerful set of critiques came from the inside: internal contradictions which created a tendency to repeatedly crash the market and prevent it from carrying out actual emissions reductions.

These problems were sensed, to some extent, by the very founders of the notion of environmental markets. Canadian economist John Dales (who died in 2007) first justified trading in emissions rights by applying market logic to water pollution in a seminal 1968 essay, “Pollution, Property, and Prices.” Waste quotas were imposed along with a market in “transferable property rights ... for the disposal of wastes”, interchangeable amongst firms. Thirty-three years later, he expressed doubts about carbon markets in an interview: “It isn’t a cure-all for everything. There are lots of situations that don’t apply. It is not clear to me how you would enforce a permit system internationally. There are no institutions right now that have that power.” Also in the late 1960s, in the US, graduate economics student Thomas Crocker had famously advocated emissions trading for discrete problems, but in 2009 told The Wall Street Journal, “I’m skeptical that cap-and-trade is the most effective way to go about regulating carbon.”

If so, then, to return to the opening queries, “What happens when we manipulate markets to solve the climate crisis? Who stands to gain and who stands to suffer?” The winners are polluters who buy carbon so as to keep emitting greenhouse gases, companies that sell carbon often in whimsical and unethical ways, and carbon speculators. The losers are not only those like Khan and Kennedy Road residents but the vulnerable populations of Africa, the Andes, the Himalayas and all those who depend on their spring water, and small islands – but extreme weather events have also been increasing in wealthy countries leaving their poorest citizens (in places like New Orleans) devastated. The winners within the Third World are a few countries’ governments and capitalists. The vast bulk of financing has gone to just four countries: China, India, Brazil and Mexico (together

44. Dales, J. 1968. Pollution, Property and Prices: An essay in policy-making and economics, Toronto: University of Toronto Press, p.85
46. Ibid.
issuing more than two thirds of CDM credits). The short answer is that the 1 percent at the top of the socio-economic pyramid wins, and everyone else loses. And this calculus deserves the attention of all of us trying to change that kind of destructive power wherever we find it.
Durban’s Conference of Polluters, market failure and critic failure
ephemera, March 2012

Abstract
The United Nations climate negotiations have failed to address what scientists agree is the world’s greatest-ever threat to the human species and much other life on Earth. In Durban, South Africa, the December 2011 summit yet again turned to failing market mechanisms to address emissions cuts, without advancing beyond unambitious 2009 Copenhagen Conference of the Parties targets. As a banker remarked, the Durban deal was like ‘a Viagra shot for the flailing carbon markets,’ but a commentator rebuffed, ‘The problem with Viagra, of course, is that it only lasts for a couple of hours.’ Carbon markets continued to fall for weeks after the COP17. Tragically, state delegations from the most adversely affected areas failed to speak up when it became apparent no climate-saving deal was possible (as had happened in Seattle and Cancun against harmful trade deals, thus slowing multilateral neoliberalism). And those in civil society observing the planned ‘genocide’ and ‘ecocide’, as Durban was appropriately described by the former Bolivian ambassador to the UN, were themselves (ourselves) implicated in the overall failure, insofar as inadequate analysis, strategies and tactics characterized both local and international climate activism. Only regroupment at the scales of national and subnational governments (for regulatory advocacy) and direct action against greenhouse gas emitters – as, after all, the climate justice movement has been pursuing for several years – offer better prospects for transforming the present market, state and social failures into system-wide structural change.

Introduction

Inside Durban’s International Convention Centre in December 2011, world elites continued their do-nothing tradition at the seventeenth Conference of the Parties of the United Nations Framework Convention on Climate Change (the ‘COP17’). They perhaps don’t even realize the extraordinary damage being done through multilateral climate malgovernance, for two months later, in his State of the Nation speech to the parliament in Cape Town, South African president Jacob Zuma (2012) declared, ‘Let me take this opportunity to congratulate the inter-ministerial committee on COP17 for making the conference a huge success. The final outcome of COP17 was historic and precedent setting, ranking with the 1997 conference where the Kyoto Protocol was adopted.’

In spite of the backslapping, it was obvious who won at Durban’s climate summit. According to the New York Times, a top aide to chief US State Department negotiator Todd Stern remarked at the 2012 World Economic Forum in Switzerland that ‘the Durban platform was promising because of what it did not say.’ After all, revealed Trevor Houser, ‘There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action’ (Broder 2012).

But neither did civil society respond adequately, in effectively delegitimizing the COP17 as it happened. A few tried. Argued Bolivia’s former UN ambassador Pablo Solon (2011), ‘The COP17 will be remembered as a place of premeditated genocide and ecocide.’ Reiterated Tom Goldtooth of the Indigenous Environmental Network, Durban offered the world ‘climate racism, ecocide, and genocide of an unprecedented scale’ (Petermann 2012). Added Friends of the Earth International’s South Africa chapter groundWork (2012), the COP was a ‘pitstop in the fossil fuel journey to global destruction.’
But as argued in this (auto)critical review of the main power dynamics and divergent strategies adopted by negotiators and their opponents (and also allies) in the environmental, community, labour and feminist movements, the overall impact of COP17 was highly deleterious for global-scale progress, leaving local and national scales even more important as sites of struggle for climate justice. However, in the process, African elites were drawn even further into a neoliberal climate policy framework and a project funding strategy based on financial markets that will mainly enrich speculators and impoverish the continent’s poorest people. With more than 150 million additional deaths anticipated on the continent in the 21st century due to climate change, Africa will be ‘cooked’, as Nnimmo Bassey (2011) of the Niger Delta NGO Environmental Rights Action, puts it in a new book. According to UN Intergovernmental Panel on Climate Change director R.K. Pachauri (2007), ‘crop net revenues could fall by as much as 90 percent by 2100.’ Climate damage to Africa will include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, floods of climate refugees jamming shanty-packed megalopolises, and the spread of malarial and other diseases. The danger is imminent, for eight of the twenty countries which the Center for Global Development expects to be most adversely affected by extreme weather events by 2015 are African: Djibouti, Kenya, Somalia, Mozambique, Ethiopia, Madagascar, Zambia and Zimbabwe. In the Horn of Africa, those affected by 2015 by these storms or droughts are anticipated to include 14 percent of Djiboutis, 8 percent of Kenyans, 5 percent of Ethiopians, and 4 percent of Somalis (Wheeler, 2011:15).

In 2009, former UN secretary general Kofi Annan’s Global Humanitarian Forum (2009:9-11) issued a report worth citing at length, as it reflects at least a degree of elite awareness of the extent of the challenge. The Anatomy of a Silent Crisis provided startling estimates of damages already being experienced:

An estimated 325 million people are seriously affected by climate change every year. This estimate is derived by attributing a 40 percent proportion of the increase in the number of weather-related disasters from 1980 to current to climate change and a 4 percent proportion of the total seriously affected by environmental degradation based on negative health outcomes… Application of this proportion projects that more than 300,000 die due to climate change every year – roughly equivalent to having an Indian Ocean tsunami annually. The number of deaths from weather-related disasters and gradual environmental degradation due to climate change – about 315,000 deaths per year – is based on a similar calculation… Over 90 percent of the death toll relates to gradual onset of climate change which means deterioration in environmental quality, such as reduction in arable land, desertification and sea level rise, associated with climate change.

Market ‘solutions’

What can be done to prevent this? The climate justice movement’s answer – drawing upon April 2010 Cochabamba, Bolivia conference declarations – includes not only the dramatic emissions cuts required to reverse the damage but also the decommissioning of carbon markets. This would also entail their replacement with a suitable climate debt payment system that directly channels resources to climate victims without corrupt aid-agency and middlemen or venal state elites (such as a basic income grant) (Bond 2012).

Instead, those who followed the COP17 heard that the solution to climate crisis must centre on markets, in order to ‘price pollution’ and simultaneously cut the costs associated with mitigating greenhouse gases. Moreover, say proponents, these markets are vital for funding not only
innovative carbon-cutting projects in Africa, but also for supplying a future guaranteed revenue stream to the Green Climate Fund (GCF), whose design team co-chair, Trevor Manuel (South Africa’s Planning Minister), argued as early as November 2010 that up to half GCF revenues would logically flow from carbon markets.

The European Emissions Trading Scheme (ETS) is the main site of carbon trading, following a failed attempt at a carbon tax due to intensive lobbying from resistant companies. Clean Development Mechanism (CDM) projects were created to allow wealthier countries classified as ‘industrialized’ – or Annex 1 – to engage in emissions reductions initiatives in poor and middle-income countries, as a way of eliding direct emissions reductions. The use of such ‘market solutions to market problems’ will, supporters argue, lower the business costs of transitioning to a post-carbon world. After a cap is placed on total emissions, the idea is that high-polluting corporations and governments can buy ever more costly carbon permits from those polluters who don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in high-pollution production, energy-generation, agriculture, consumption, disposal or transport.

But not only was the Durban COP17 utterly useless for making the vital greenhouse gas emissions cuts of 50 percent by 2020, for ensuring the North’s climate debt to the South covers damages under a ‘polluter pays’ logic, or for establishing a transition path to a post-carbon society and economy. Even within the very limited, flawed strategy of carbon markets, there were mixed outcomes from the Durban COP17. To be sure, the markets were affirmed. South African National Business Initiative CEO Joanne Yawitch – who was a member of Pretoria’s negotiations team and formerly the second-ranking climate policy bureaucrat – remarked that ‘the most important’ of Durban’s outcomes is securing Kyoto’s ‘second commitment period and the carbon market’ (Blaine 2011). However, as South African writer Andy Mason (2012) wryly observed, ‘According to Abyd Karmali of the Bank of America in London, the Durban deal was like “a Viagra shot for the flailing carbon markets”. The problem with Viagra, of course, is that it only lasts for a couple of hours.’

Notwithstanding Manuel’s efforts to bring emissions trading into the GCF, where it does not belong, and in spite of the United Nations CDM Executive Board’s decision to allow ‘Carbon Capture and Storage’ experiments to qualify for funding, the most profound flaws in the existing market were not addressed. Without an ever-lowering cap on emissions, the incentive to increase prices and raise trading volumes disappears. Worse, in this context of economic stagnation, financial volatility and shrinking demand for emissions reduction credits, the world faces increasing sources of carbon credit supply in an already glutted market. And fraud continues, including in Durban’s own celebrated pilot CDM project, the Bisasar Road landfill which converts dangerous methane emissions into electricity, as noted below.

As carbon market specialist Payal Parekh (2012) concluded of Durban’s COP17,

Since there is now a second commitment period under the Kyoto Protocol, the CDM is still alive. The problem is that there are still no targets in the second commitment period; Japan, Russia, Canada and USA will not be participating, while Australia and New Zealand are mulling over participation. Given the current low price of the carbon credits coupled with economic downturn in Europe, there is unlikely to be a demand or need for carbon credits. According to the International Emissions Trading Association the Durban outcome did nothing to increase demand for carbon markets, the key issue in their view… The EU would like to have a new market-based mechanism designed under the auspices of the COP to ensure a harmonized global market. Since the EU has also banned the use of CDM credits from projects registered
after 2012 in non-LDC countries (projects in non-LDCs that have their crediting period renewed post-2012 remain eligible), it would prefer a new market mechanism under the UNFCCC rather than having to make bilateral agreements with a number of countries... Rather than strengthen commitments to reduce greenhouse gas emissions, the carbon markets are being used to further weaken action on climate change. Given that pledges are so weak, it is quite incomprehensible why developed countries are even putting so much energy into expanding markets, instead of increasing ambition by committing to deeper emission reduction targets and closing accounting loopholes.

In sum, Durban left the world’s stuttering carbon markets without a renewed framework for a global emissions trading scheme. Durban left the Kyoto Protocol applicable to only 14 percent of world greenhouse gas emissions, given Canada’s retreat within 24 hours of the summit’s close. Solon (2011) scolded Durban for turning Kyoto into a ‘Zombie, a soulless undead.’ The 1997 treaty’s soul was a commitment that emissions cuts would be binding, but several of the richest polluting countries – the US, Canada, Japan, Russia, Australia and New Zealand – won’t sign on the second commitment period, and the main gist of the Durban Platform is to delay a potential write-off of Kyoto (likely in Qatar), with the prospect of turning the Copenhagen Accord, or something like it, into a new protocol by 2015. To sabotage Kyoto, Washington continues its voluntary ‘pledge and review’ policy pantomime. Kyoto’s original brain contained a species survival mechanism: a pledge to keep the earth’s temperature at a livable level. Now, the Durban Platform contains ‘less than half of the necessary cuts to keep the temperature increase below 2°C,’ according to Solon. Then, as the soul-deprived, brain-dead, heartless climate-policy Zombie stumbled off the Durban Platform last week in the direction of Qatar for the COP18 next year, it immediately tripped on the crumpled carbon markets.

**Carbon market failure**

Emissions trading can be expected to die completely if Qatar’s COP18 does not generate more commitments to legally-binding emissions cuts. And judging by Washington’s threat, it won’t be until 2020 – the COP26 – that the United States will review its own targets: the Copenhagen Accord’s meaningless 3 percent cuts offered from 1990-2020. By then it will be too late, because the Kyoto Protocol’s mistaken reliance on financial markets means that the period 1997-2011 will be seen as the lost years of inaction and misguided financial quackery – when the world urgently needs the period going forward from 2012 to be defined as an era that humanity took charge of its future and ensured planetary survival.

There are no prospects that the European Union’s Emissions Trading Scheme will turn around in the near future, and only a few minor national and subnational trading experiments appear on the horizon. Only the $100 million World Bank-European Union ‘Partnership for Market Readiness’ continues the myth that markets are an appropriate strategy, through grants to gullible officials in Chile, China, Colombia, Costa Rica, Indonesia, Mexico, Thailand, Turkey and Ukraine. As even the pro-trading Point Carbon news service (Twidale 2011) remarked just after the Durban COP17 ended, such initiatives are essential to ensure new markets get off the drawing board because a nervous private sector has little appetite to invest in new programmes without further political guarantees that someone will buy the resulting credits... the so-called Durban Platform has done little to boost demand by getting countries to further cut emissions, meaning profits for investors will be slim... while a lot of the focus of the last fortnight of UN meetings was on
supply of carbon credits, not one country deepened its carbon target, leaving international carbon offset prices languishing at near record lows – something unlikely to entice investors.

Confirmed Reuters (2011) news service,

Carbon markets are still on life support after [the COP17] put off some big decisions until next year and failed to deliver any hope for a needed boost in carbon permit demand... Many traders and analysts said the agreement will do little for carbon prices which are at record lows, as the two main EU and UN-backed markets are stricken by flagging investments, an oversupply of emissions permits and worries about an economic slowdown. ‘It’s a sedative situation, in which a sick market needs a cure and instead of deciding which cure to use, the doctors keep using pain relief to gain more time to make the final prognosis,’ said AitherCO2 carbon trader Jacopo Visetti.

The EU system was meant to generate a cap on emissions and a steady 1.74 percent annual reduction, but the speculative character of carbon markets gave perverse incentives to stockpile credits, since large corporations as well as governments like Russia (with ‘hot air’ excess emissions capacity subsequent to their 1990s manufacturing collapse) gambled that the price would increase from low levels to doubled or trebled prices (as promoters continually predicted). Instead, now, with the market collapsing, the next perverse incentive is to flood the market so as to at least get some return rather than none at all when eventually the markets are decommissioned, as happened to the Chicago climate exchange. Those who held shares in the Chicago exchange subsequently sued the high-profile founder, Richard Sandor, for misrepresenting the value of their assets – a strategy that should repeated across the world given the prolific false claims associated with carbon markets.

As a result, no investor believes there is any money to be made by utilizing carbon markets to direct climate-conscious investments. A month after Durban’s denouement, it was evident to the French bank Societe Generale that ‘European carbon permits may fall close to zero should regulators fail to set tight enough limits in the market after 2020’ – and without much prospect of that, the bank lowered its 2012 forecasts by 28 percent (Airlie and Carr 2012). The 54 percent crash for December 2012 carbon futures sent the price to a record low, just over €6.3/tonne. Worse, an additional oversupply of 879 million tons was anticipated for the period 2008-2020, partly as a result of a huge inflow of UN offsets: an estimated 1.75 billion tonnes. This glutting problem is not only due to the demand deficit thanks to the COP17 negotiators’ failure to mandate emissions cuts, but is also in part due to the lax system the UN appears to have adopted. All manner of inappropriate projects appear to be gaining approval, especially in Africa, and even in a site – Durban’s Bisasar Road – where there was such intense eco-social contestation that even the World Bank dropped its support.

Another problem, in the wake of Durban, is that many credits issued by middle-income countries are destined to become ‘junk assets’ with national governments writing them off by 2013. After assessing UN Data, Bloomberg (2011) news noted both the glut in the market as well as the consequences for ‘phased’ out stocks: ‘A UN program that encourages reductions in greenhouse gases awarded almost twice as many credits this year as in 2010 for projects that destroy industrial gases known as HFC-23 and nitrous oxide...With Europe set to stop recognizing some credits in little more than a year, investors are ‘racing to beat’ the ban.’
To be sure, the fact that the Kyoto Protocol was nominally extended a few years means that CDMs will continue to be traded, even though from 2007 to 2010 the volume of activity fell by 80 percent. Jonathan Grant, director of carbon markets and climate policy at PricewaterhouseCoopers stated: ‘Thanks to Durban, the CDM will live to see another day, but demand for credits for these projects is lackluster. Carbon markets are expected to stay in the doldrums, because of oversupply in the (European carbon) market as a result of the recession’ (Reuters 2011). According to Barclays Capital’s lead carbon researcher, Trevor Sikorski, there are vast surpluses of credits – at least a billion carbon credits – and hence ‘Supply is still the fundamental problem’ (Reuters 2011). That problem will be exacerbated by pressure on the voluntary markets from new Reducing Emissions through Deforestation and Forest Degradation (REDD) offsets as well as by the UN Executive Board’s decision to include Carbon Capture and Storage experimentation in CDMs.

Climate negotiators should have known that carbon trading was a charade that would do nothing to reduce global warming. What was an incentive scheme meant to provide stability and security to clean energy investors had become the opposite. A low and indeed collapsing carbon price – futures at around €4/tonne in mid-December 2011, down from a peak seven times higher six years earlier – was useless for stimulating the kind of investment in alternatives needed: for example, an estimated €50/tonne (at minimum) is required to activate private sector investments in ‘carbon capture and storage’, the as-yet-non-existent (and extremely dangerous) technology by which coal-fired power stations could, theoretically, bury liquefied carbon emitted during power generation. Substantial solar, tidal and wind investments would cost much more yet. The extreme volatility associated with emissions trading so far makes it abundantly clear that market forces cannot be expected to discipline polluters.

The only real winners in emissions markets have been speculators, financiers, consultants (including some in the NGO scene) and energy sector hucksters who made billions of dollars in profits on the sale of notional emissions reduction credits. As the air itself became privatized and commodified, poor communities across the world suffered and resources and energy were diverted away from real solutions. But one of the most powerful set of critiques came from the inside: internal contradictions which created a tendency to repeatedly crash the market and prevent it from carrying out actual emissions reductions.

Some of these crashes are a function of blatant corruption, such as the Hungarian government’s resale of carbon credits, which when exposed in 2010, drove the price of a ton down from €12 to €1 and crashed two emissions exchanges (Pointcarbon 2010). In December 2010, even the ordinarily pro-trading World Wide Fund for Nature and Öko-Institut (2010) attacked steel producers ThyssenKrupp and Salzgitter as fraudulent carbon profiteers, demanding that ‘the EU put a halt to the use of fake offsets.’ In late January 2011, the EU ETS was suspended for more than two weeks due to theft of emissions reductions credits from the Austrian and Czech governments, with some of the better-functioning market regulators – e.g. Finland and Sweden – requiring a full two months before resuming operations (EUlib.com 2010).

To underline the market’s fragility and vulnerability to fraud, the country that has been the biggest supplier of emissions reductions credits, Ukraine, was suspended by the United Nations from carbon trading in August 2011. The move blocked delivery of more than 78 million units from carbon-reduction projects through 2011, because according to the ICIS Heron (2011) consultancy, Ukraine’s government ‘under-reported its greenhouse gas emissions. Experts advising the enforcement branch said Ukraine had failed to act on earlier warnings and it was in non-
The Ukraine argues that many of its actions have stalled due to lack of funding since the recession.’

By that time, it was obvious that emissions markets were in crisis, as CarbonTradeWatch’s Oscar Reyes (2011:211) explained:

Trading has become ever more concentrated around the EU ETS, which could well see carbon permit prices drop to zero if the 27-country bloc adopts stricter guidelines on energy efficiency. Overall carbon trading volumes were lower in 2010 than in the previous year. The CDM, the carbon offsetting scheme at the heart of the Kyoto Protocol, has declined for four years running, with fewer credits purchased from new projects than at any time since the Protocol came into force in 2005. The price of CDM credits continues to fall, and they are now ‘the world’s worst performing commodity.’

These flaws did not prevent the new ‘sectoral markets’ from being proposed for Durban. For governments from the EU, Japan, Australia and Canada – those advanced economies meant to reduce emissions most under Kyoto but which largely failed to do so – the ideal outcome of Durban would be retention of the Kyoto Protocol’s carbon trading mechanism without its emissions-reduction targets. But without the US taking a lead on promoting carbon trading in its vast financial markets, the other major emitters would not do so. With the resurgence of Congressional climate deniers in 2010, the US elite debate over the optimal technical fix to climate change ended, apart from in California where it was delayed by community activists who argued the state’s Air Resources Board had not considered other (non-trading) options to comply with state climate legislation.

Rogue pilots and self-destructive sequestration

Durban is an important guinea pig, not only for hosting the COP17, but for initiating SA’s lead CDM pilot, the Bisasar Road landfill. There, methane from rotting rubbish is converted to electricity and fed back into the municipal grid. The CDM was set up illegally because it fails the crucial test of its validity for raising international funding, ‘additionality’. It was always assumed that the R100 ($14) million estimated cost of the project would not be justified by the small amount of electricity fed into Durban’s municipal supply, and hence that financing would have to come from external sources. But Durban officials now concede that the Bisasar Road methane-electricity project would have gone ahead without the external credits.

After helping set it up, the World Bank refused in August 2005 to take part in marketing or purchasing Bisasar Road emissions credits. The reason was growing awareness of Durban’s notorious environmental racism, via activism and an environmental impact assessment challenge. In March 2005, just as the Kyoto Protocol came into force, a Washington Post front-page story revealed how community organizer Sajida Khan suffered cancer from Bisasar Road’s toxic legacy (Vidanter 2005:1). Back in 1980, the landfill – Africa’s largest – was plopped in the middle of Durban’s Clare Estate suburb, across the road from Khan’s house, thanks to apartheid insensitivity. Instead of honoring African National Congress politicians’ promises to close the dump in 1994, the municipality kept it open when $15 million in emissions financing was dangled. After Khan died in mid-2007 after her second bout with cancer – which she believed was landfill-induced – Clare Estate civic pressure to close Bisasar subsided and Durban began raising €14/tonne for the project from private investors (Bond 2010).
In late 2011, an *Africa Report* investigation by Khadija Sharife (Centre for Civil Society, CCS 2012) unveiled Bisasar Road’s CDM proposal as a scam. The crucial factor in raising funds, according to Durban officials, is that ‘Landfill gas offers a viable renewable energy source only when linked to carbon finance or CDM.’ Based on the assumption that without outside funds, the project could not be justified, in 2006 the United Nations listed Bisasar Road as an active supplier of CDM credits through at least 2014. On an official tour of Bisasar, journalists from *Africa Report* and San Francisco-based Pacifica News interviewed Durban Solid Waste manager John Parkin, who admitted, ‘We started the project prior to the CDM. We were already down the road. It just made it come faster because the funding was there.’ Sharife interprets:

> It is questionable as to whether the project should have been approved as a CDM initiative at all, as approval requires the existence of ‘additionality’. According to the UN, ‘Additionality is the cornerstone of any credible CDM project, basically answering the question whether a project is additional, or would it proceed anyway, without the CDM.’ That is, without qualification as an additionality, the CDM shouldn’t be approved. (CCS 2012.)

Parkin confirmed to the journalists,

> We already started the project and we were going ahead no matter what. So whether CDM became a reality or not, the project was going to go ahead. We don’t have a partner to buy them at the moment. But we’ll probably get €8 to €9 if we’re lucky. As the City, if we can make some money out of it, I don’t see why it shouldn’t be done and the whole moral issue is separate from the project. The project is successful. The moral issue, I have no influence on that – as a technocrat, I do my job. (CCS 2012.)

Similar controversy surrounds the Reduced Emissions from Deforestation and forest Degradation programme. In theory, REDD sells investors forest protection. But at Cancún, notwithstanding disagreements in civil society, it was seen as a boon to voracious commercial forestry and a danger to indigenous peoples, given that proper safeguards were not adopted in Cancún. And everyone from EU climate commissioner Connie Hedegaard (a Danish conservative who hosted the 2009 Copenhagen summit) to Greenpeace warned that REDD could wreck fragile carbon markets, not only due to socio-ecological forest controversies but because a fresh glut of credits would again crash the price (Lang 2009). As Hedegaard put it, REDD ‘could undermine the entire carbon market’ (Cheam 2010). Likewise, an emerging idea (mainly promoted by the World Bank) that soil-related carbon sequestration should be rewarded with carbon credits would also flood world markets at a time of both oversupply and receding demand.

In short, the return of market mania to climate negotiations is a dangerous diversion from a daunting reality: the US, China, South Africa and most other big emitters want to avoid making the binding commitments required to limit the planet’s 2000’s temperature rise, ideally below the 1.5°C that scientists insist upon. Naturally the (binding) Kyoto Protocol is a threat to the main emitting countries, which have been working hard since early 2010 to replace it with the voluntary, loophole-ridden Copenhagen Accord. This is the easiest way to understand the procrastination and lack of ambition in the December 2011 Durban Platform.

And naturally, the North’s failure to account for its vast ‘climate debt’ continues. To illustrate, Pakistan suffered $50 billion in climate-related flood damage alone in 2010, yet the total on offer from the North to the whole world was just $30 billion for 2010-12, according to promises made in
Copenhagen. By the time of the Durban COP17, there was no realistic chance that $30 billion in North-South flows would actually be delivered.

The case for decarbonizing South Africa

It is revealing to explore the host country’s carbon-addiction in light of the COP17. Had it been serious about changing course, the South African government had many opportunities to make shifts in policy and projects:

- halt the $40 billion worth of coal-fired electricity generators being built by Eskom at Medupi and Kusile (the third and fourth largest in the world) and instead redirect the electricity wasted by the single biggest consumer, BHP Billiton, which receives the world’s cheapest power thanks to apartheid-era deals;
- shut the world’s single largest CO₂ emissions source, Sasol’s Secunda plant which makes oil from coal and gas;
- reverse the $10 billion heavy oil refinery authorized for construction at Coega, north of Port Elizabeth;
- deny approval to 40 proposed new coal mines in Mpumalanga, Limpopo and KwaZulu-Natal provinces which are allegedly needed to supply the plants and export markets in coming years, on grounds that – just as at the Cradle of Humankind northwest of Johannesburg, which is suffering threats of debilitating acid mine drainage – these will cause permanent contamination of rivers and water tables, increased mercury residues and global warming;
- open state-owned renewable energy facilities where the private sector is failing, as called for by the National Union of Metalworkers of South Africa; and
- offer a Just Transition package to all affected workers, transforming their thousands of lost jobs in fossil fuel industries into employment in renewables, public transport, building refurbishment, appropriate production and disposal, reformed agriculture, healthcare and education, as demanded by labour, environmentalists and communities in the Million Climate Jobs campaign.

Aside from adverse power relations, something stands in the way: the so-called ‘false solutions’ to climate change promoted by financiers and their allies, especially in South Africa where carbon capture and storage and carbon trading have fascinated former environment ministers Valli Moosa and Marthinus van Schalkwyk. Led by Manuel, the Durban COP17 advanced these approaches, to the detriment of a genuine strategy, with carbon capture and storage now approved as a CDM investment.

For South African elites, with the exception of housing minister Tokyo Sexwale – ‘COP17 was a missed opportunity. The agreement we got was only a procedural agreement’ (Groenewald 2012) – it was tempting to ignore the stench of failure and declare Durban ‘an outstanding success,’ as did South African environment minister Edna Molewa (2011). ‘We have significantly strengthened the international adaptation agenda,’ she explained about the Green Climate Fund (GCF). ‘The design of the fund includes innovative mechanisms for bringing private sector and market mechanisms into play to increase the potential flow of funding into climate change responses.’ In reality, there is now a GCF, but only a handful of countries made tokenistic contributions, revealing Hillary Clinton’s 2009 Copenhagen pledge to find $100 billion per year as a feint.

The hosts can be blamed because the COP17 chairperson, foreign minister Maite Nkoana-Mashabane, acted whimsically at best, or with the interests of global and domestic capitalists at
worst. Those who argue her failure was based on whimsy point out that less than four months
before the COP17, she revealed her commitment to the planet by hiring a R240 000 executive jet to
take her from Norway to Bulgaria when she refused to board a commercial flight which required
that her handbag be whisked through the Oslo airport metal-detector, as for all such dignitaries.
Such frivolity appeared again when Nkoana-Mashabane ignored applications for the Dalai Lama’s
visa, as far back as June 2011, so he could have attended the October celebration of Archbishop
Desmond Tutu’s 80th birthday party – reminding us of the same situation 30 months earlier when
Beijing proudly announced Pretoria was under its thumb.

The COP17 host’s self-interest was, simply, to protect the crony-capitalist ‘minerals-energy
complex’, in which Zuma’s family has been dabbling, in the process exhibiting extreme
environmental irresponsibility as witnessed by a nephew’s and legal advisor’s destruction of the
Aurora mines, its workers’ wage claims and the surrounding environs. This was most explicitly
revealed in the blatantly corrupt $5 billion African National Congress (ANC) deal with Hitachi to
supply boilers to the Medupi and Kusile powerplants, a multimillion rand bonsala for the ruling
party approved by former SA Environment Minister and then-Chairman of Eskom, Valli Moosa. In
that deal, SA Public Protector Lawrence Mushwana found in 2009, Moosa ‘acted improperly’
because he awarded the price-busting contract in blatant conflict of interest, for simultaneously he
served on the ANC’s finance committee.

That fact didn’t bother the United Nations Framework Convention on Climate Change’s carbon
trading desk, which at a Bonn meeting in February 2012 offered Moosa chair of the ‘High-Level
Panel on the Clean Development Mechanism Policy Dialogue.’ The panel’s September 2012 report
will almost certainly attempt to justify carbon trading, the privatization of the air, in spite of
repeated European emissions-market episodes of fraud and corruption, not to mention a dramatic
price crash. Moosa also sits on the boards of Sun International hotels, Anglo Platinum, Sanlam
insurance and Imperial Holdings transport and tourism – all major contributors to climate change.

When as SA Environment Minister in 2002, he organized the World Summit on Sustainable
Development in Johannesburg, next to no mention was made of the climate, aside from carbon
trading advocacy. For good measure, Moosa also chairs the World Wide Fund (WWF) for Nature’s
South Africa chapter, which promotes carbon trading.

As both victim and villain, South Africa is a poster-child for elite mismanagement of the climate
threat. A good measure of local economic elites’ addiction to fossil fuels is carbon intensity per
capita unit of output, and South Africa has amongst the world’s highest, about twenty times higher
than even the US. An insignificant contribution to the energy grid – less than 4 per cent in 2010 –
comes from South Africa’s incredible renewable potential in solar, tidal and wind sources. Instead,
electricity produced by burning filthy coal is cross-subsidized so it is the cheapest available
anywhere in the world for two of the world’s largest mining and metals corporations, BHP Billiton
and Anglo American Corporation, as noted in more detail below.

Worse, these are not SA companies reinvesting in the local economy, for the main metals/mining
firms export their profits both through illegal transfer pricing – a general practice costing South
Africa a fifth of GDP in 2007, according to a recent study (Fine, Ashman and Newman 2011) – and
through straight repatriation of dividends to shareholders in London (Anglo) and Melbourne (BHP
Billiton), given the relocation of so many megafirms’ financial headquarters out of SA a decade ago.
Meanwhile, SA internal consumption of their metals is constrained due to notorious local over-
pricing.
At the same time, millions of poor people are regularly disconnected or denied access to the grid due to extreme poverty, affecting nearly half the country’s families. Warfare is underway against municipalities and Eskom in the form of ubiquitous ‘service delivery protests’ whose recent root causes in high-priced electricity can be traced to climate change via the bill for Medupi/Kusile construction, controversially financed by the World Bank’s largest-ever loan. The Bank claims Medupi will help the poor, once again standing reality on its head. Moreover, because of backsliding from clean electricity to dirty household energy like coal, wood or paraffin, the passage from HIV-positive to full-blown AIDS status is rapid via respiratory-related opportunistic infections, including the raging TB epidemic, especially affecting women exposed to particulates when cooking over biomass.

In this context, Zuma’s February 2012 State of the Nation address was remarkable, for it offered no relief to poor people and the planet, and mainly expanded a to-do list of climate-destroying investments:

First, we plan to develop and integrate rail, road and water infrastructure, centered on two main areas in Limpopo: the Waterberg in the western part of the province [where Medupi is located] and Steelpoort in the eastern part. These efforts are intended to unlock the enormous mineral belt of coal, platinum, palladium, chrome and other minerals, in order to facilitate increased mining as well as stepped-up beneficiation of minerals... Among the list of planned projects is the expansion of the iron ore export channel from 60-million tons per annum to 82-million tons per annum..., development of a new 16-million-tons-per-annum manganese export channel through the Port of Ngqura in Nelson Mandela Bay... and expansion of the iron-ore rail line between Sishen in the Northern Cape and Saldanha Bay in the Western Cape. (Zuma 2012.)

Speaking to CityPress newspaper after the speech, Zuma elaborated: ‘By 2014, I’d want to see the cranes, building, digging everything. I’d like to see people employed. We are looking at a new kind of city at Waterberg. That’s how Johannesburg began, as a mining town’ (DuPlessis and Haffajee 2012). Set aside that Johannesburg is the world’s least sustainable city, Zuma neglected to consider an alternative infrastructure strategy: simultaneously solving the country’s vast national housing shortage and vast surplus of unemployed people, for building homes doesn’t require cranes, but does create far more jobs per unit of capital spent. Zuma also neglected to factor in that the largest platinum mining operation, Implats, fired 17,000 workers just a week before his speech, and their only partial rehiring led to massive protests immediately after the speech, with hundreds of arrests and at least one death.

As for non-renewable resources now being drawn from South African soil with only a pittance for communities, workers and the government fiscus, Zuma protected multinational mining capital from ANC youth leader Julius Malema’s populist nationalization demands by setting up a commission whose report is already drawing ridicule. Malema, who became exceptionally wealthy in recent years allegedly by influencing Limpopo Province tenders for large payouts, was predictably hostile. As he explained, the lead researcher on the ANC mining research commission, Paul Jordaan, was ‘compromised’ for opposing 1955 ANC Freedom Charter nationalization promises: ‘Jordaan and the research team visited 13 countries and the only conclusion they could come up with are the opinions held by Comrade Paul Jordaan in 2010’ (Malema 2012).

Other critics were just as harsh. Explained University of Cape Town political scientist Anthony Butler (2012), a leading mainstream commentator, ‘The document’s intellectual quality is uneven. The
research “methodology” involves lots of foreign travel and “stakeholder workshops”. The study team also makes unacknowledged use of “less scholarly” resources, such as Wikipedia and answers.com. The credibility of the report is damaged by long passages that bear a remarkable resemblance to the work of retired North American mine-tax expert Charles McPherson.’ As Butler (2012) complained, in one of many unfathomable coincidences of word selection and arrangement (such borrowings are far too extensive to set out fully here) both [the ANC and McPherson] call for ‘the explicit recognition in budgets and planning documents of the financial and fiscal costs and risks associated with state participation’. Did McPherson help draw up the ANC’s report? If so, was the ANC’s national executive committee aware that a former oil-industry executive, who only recently ended his career in the fiscal affairs department of the International Monetary Fund, was commissioned to contribute to its study?

Butler (2012) worries that the report still supports elements of Malema’s ‘phoney nationalization drive’, such as transferring mineworker pension funds ‘into special purpose vehicles in the service of developmental objectives. In reality, such instruments would be abused to fund corporate welfare for the politically connected.’ Indeed under conditions of neoliberal nationalism, the outcome of most public policy in South Africa is inevitably cronzy capitalism ripe with corruption. In February 2012, a 600-page ANC-initiated forensic audit into corruption in the second-largest city, Durban, revealed massive illegalities especially in $400 million worth of privatized housing construction contracts under the 2002-11 leadership of city manager Mike Sutcliffe. The overall problem is not housing, though, which remains an area of vast underinvestment. It is the incessant construction of white elephants and prestige projects.

These were what the former trade union leader Ebrahim Patel – now Minister of Economic Development – was reduced to celebrating, to justify the vast infrastructure investments. In his parliamentary response to Zuma, Patel (2012) remarked, ‘We took account of the lessons of the 2010 World Cup infrastructure and the growing experience in the build programmes for the Gautrain, the Medupi and Kusile power stations, the Freeway improvement programme and the major airport revamps.’ The lesson not to build such infrastructure would have been the logical reaction, for with one exception, the new and refurbished World Cup stadia are all losing vast sums of money on operations and maintenance. The Gautrain’s speedy lifts from the Johannesburg airport to the financial district and government buildings in Pretoria are too expensive for the masses. The power stations have already raised the price of electricity by more than 150 percent, with another 25 percent increase scheduled in April 2012. The public-private highway tolling partnership with an Austrian firm is so unpopular that on March 7 the trade union movement will embark upon a strike against it, joined by the Johannesburg and Pretoria petit-bourgeoisie. The utterly unnecessary airport revamps are, again, for elites only.

Zuma’s pandering to mining houses is especially revealing. As if to celebrate the state’s renewed orientation to big business interests, the ‘Mining Indaba’ – Africa’s biggest such trade fair – in Cape Town in February 2012 was capped with a keynote speech by an extreme climate-change denialist, David Evans, whose ‘performance’ was ‘well received by an audience of miners, who come from an industry that often feels the pinch of climate control in the regulation of their industries,’ reported the Mail&Guardian (Bauer 2012). Zuma’s crucial challenge, under such influences, is to continue opposing the rhetoric of an institution he co-chairs, the United Nations High-Level Panel on Global Sustainability, with Finnish president Tarja Halonen. In their summary article about eco-social and economic crises (‘Seizing sustainable development’) from the report Resilient People, Resilient...
Planet, they suggested a variety of neoliberal fixes (‘Pollution, including carbon emissions, must no longer be free’) and obvious reforms (‘Price- and trade-distorting subsidies should be made transparent and phased out for fossil fuels by 2020’) along with sanctimony: ‘We need to place long-term thinking above short-term demands, both in the marketplace and at the polling place. Promoting fairness and inclusion is the right thing to do – and the smart thing to do for lasting prosperity and stability’ (Zuma and Halonen, 2012).

These words were published on 6 February 2012, three days before his State of the Nation Address, and as that speech demonstrated, nearly everything he and the big corporates are doing in South Africa place short-term demands above long-term thinking, both in the marketplace and at the polling place, promoting unfairness and exclusion, and thus preventing lasting prosperity and stability. It’s from such accumulation dynamics that South Africa has come to specialize in ‘talk left, walk right’ politics. Whether it is the ‘Black Economic Empowerment’ fronting scams, such as Hitachi and Chancellor House, or the greedy corporations’ influence, the ruling party appears addicted to unsustainable underdevelopment hyped by big-business cheerleading. Illustrating the latter was Business Day editor Peter Bruce (2012), who three days after the State of the Nation speech glibly commanded, ‘mine more and faster and ship what we mine cheaper and faster.’

Critic failure

In these circumstances, overambitious organisers and their supporters (e.g. Bond 2011, 2012) argued that a massive confrontation awaited the COP17. We were mistaken, having relied too heavily on Durban’s radical traditions and extreme eco-social contradictions, having overestimated popular consciousness in South Africa and internationally, and having also underestimated the SA presidency’s specific appeal to a Durban base – which was on display on December 8 at a City Hall meeting where, before Zuma’s eyes, three critical activists (from the Democratic Left Front, Greenpeace and ActionAid) were physically assaulted by dozens of temporary municipal employees, simply for holding up posters saying ‘Don’t sell out Africa’. Aside from that incident, a few Greenpeace arrests and deportations during a foiled banner-hang, and the December 2 protest of around 1000 Rural Women’s Assembly and Democratic Left Front activists on the road in front of the Durban Convention Centre, the performance of civil society during the COP17 was rather civilized and pedestrian (Austin-Evelyn 2012).

Aside from (valid) gripes about conditions for long-distance community activist travelers to Durban (Sacks 2011), the harshest auto-critique of activist impotence came from radical intellectual Ashwin Desai, author of the book that heralded the arrival of South Africa’s new social movements a decade earlier, We are the Poors (Desai 2002). In the wake of the main march of an estimated 8000 people on the Durban Convention Centre on December 3, Desai (interviewed by Saul 2012) criticized ‘big name spectacle NGOs’ which dominated: ‘The local grassroots organizations were reduced to spectators, and were allowed only the occasional cameo appearance with most often a single line; “Amandla!” [Power!]’ That march, complained Desai,

delivered the Minister of International Relations, and COP17 president Maite Nkoana-Mashabane to the masses gathered below. She used the opportunity to say how important civil society was and promised to study a memorandum. She was gracious and generous. I could see the NGOs on the truck preening themselves in the glow of this recognition and probably increased funding.
Desai would be the first to confess how few Durban community activists made the effort to link climate to their most immediate, burning concerns, including rampant electricity prices due to coal-fired power plant construction; severe storms (one causing at least eight fatalities on November 27, on the eve of the COP17); and the local petro-chemical industry’s regular explosions, such as the Engen oil refinery fire six weeks before the COP17 began, which hospitalized 100 kids at Settlers Primary School in South Durban. For Desai, who assisted with mobilizing there immediately afterwards,

There’s a litmus test. In 2001 [at the World Conference Against Racism] there was a huge march here, with some 10,000 people in the streets, a completely different march: militant, scathing of the local ruling class, with swear words on its placards. The Durban Declaration was a visceral indictment of our ruling class as an agent of global capital and its economic policies which were deepening inequality and increasing poverty.

Sadly, no matter how hard South Durban Community Environmental Alliance leaders tried to organize in the weeks preceding the COP17 in the city’s most radical anti-corporate protest site (where I too am a lay-member and resident), Africa’s industrial armpit could not consistently deliver more than a few hundred protesters from the 300,000 victims residing in the vicinity.

The logical question, then, is whether climate change is a hopeless issue with which to motivate the South African masses? The Durban COP17 offered a sobering test about a problem I discussed four years ago (Bond 2008):

It is tragic but understandable that South African society ranks – with the United States and China – at the bottom of a recent worldwide climate-consciousness survey by polling firm Global Scan: only 45 percent of us believe global warming is a ‘serious problem’. Latin Americans polled above 80 percent, and Europeans near 70 percent, while the US’s consciousness is at 48 percent and China’s is at 39 percent.

It is understandable that we have been kept in the dark, because even in the midst of the worst national energy crisis in South Africa’s living memory, the simple act of questioning who abuses our coal-burning power generators is off the agenda. Instead, to get a meagre conservation reduction of 40 megawatts, energy minister Buyelwa Sonjica tells us: ‘Switch off all lights in the home when not in use and go to sleep early so that you can grow.’

Critics rightly call this a trivialising blame-the-victim game, whose broader aim appears to be distracting attention from those who are most to blame: the government and crony corporations like BHP Billiton.

In a presentation he delivered to big business on January 21, Eskom CEO Jacob Maroga bragged that at US$0.03 per kilowatt hour (kWh) for industrial customers after 2007 increases, his prices still remained competitive. That’s the understatement of the year, given that US electricity is three times and Danish electricity eight times more expensive than what the average firm here pays.

South African households pay more than double the industrial rate; with BHP Billiton trying to take over Rio Tinto, which is taking over Alcan, Eskom’s smelter incentive at Coega will offer even cheaper power, less than $0.02 per kWh.
So it is not surprising – though something of a secret from the public – that measured by carbon dioxide emissions per unit of per-person economic output, South Africa emits 20 times more carbon dioxide than that Great Climate Satan, the US.

Although most electricity consumers, the service industries, manufacturers and some gold mines have taken a hit, it appears that the foreign-owned electricity-guzzling aluminium smelters have been untouched by the crisis. According to business journalist Mathabo le Roux: ‘For the duration of the power cuts, BHP Billiton’s Bayside, Hillside and Mozal smelters received their full electricity complement – a formidable 2500MW.’

The smelters’ consumption of electricity is hedonistic; their metals prices are 10 percent higher for local consumers than for international markets; they employ only a few hundred workers; their profit streams go to Melbourne; and their employees have, in the past decade, included former finance minister Derek Keys, former Eskom treasurer Mick Davis, and former national electricity regulator Xolani Mkhwanazi.

In four subsequent years of organizing for energy justice, there appears to be no progress on redistributing electricity from BHP Billiton to poor people; indeed, the reverse since low-income residents will suffer a 500 percent price increase from 2008-14 while BHP Billiton retains its late 1980s deals at what local industry expert Chris Yelland (2012) calls ‘extraordinarily low prices’:

In essence, the price of electricity supplied in terms these special deals would not be determined by Eskom on a transparent, cost-reflective basis, but through a secret formula based on a number of fluctuating variables that are independent of the cost of electricity generation in South Africa, such as the aluminium commodity price on the London Metals Exchange, the US dollar / SA rand exchange rate, and the US PPI inflation rate...

Eskom’s electricity prices have risen sharply in response to the new-build programme and increasing capital, primary energy and staff costs. Average annual Eskom price increases of 27%, 31%, 25% and 25% in the years 2008 to 2011, and further increases of 25% per annum for the next three years from 2012 to 2014, indicate an average Eskom price increase of five times over the seven year period from 2008 to 2014. The recently published, policy-adjusted, 20-year, national Integrated Resource Plan for electricity, IRP 2010 – 2030, indicates that further price increases significantly above the inflation rate can be expected for the years 2015 to 2021...

But these massive prices increases do not apply to a select few with long-term, commodity-linked pricing agreements with Eskom, and in particular, to BHP Billiton. Despite threats by Eskom to sue the DA, it was revealed in parliament in April 2010 that Motraco, the electricity transmission company owned by Eskom that supplies electricity to BHP Billiton’s Mozal aluminium smelter, was paying some R0,12 per kWh for its electricity – significantly below Eskom’s operating cost of R0,28 per kWh for the year ending 31 March 2010, while the average price being charged by Eskom to its customers in that year was about R0,32 per kWh. Yet with Eskom’s current average selling electricity price now at about R0,50 per kWh, the price being paid by BHP Billiton for electricity remains a secret, and the special pricing deal for its Hillside aluminium smelter only expires in 2028!...

Some questions the public would like to know the answers to include:
• Why are the details of the commodity-linked electricity deals with a select few kept secret, while all other domestic, commercial, agricultural, industrial and mining customers pay transparent tariffs that are openly published?
• Why should a foreign company get electricity at below cost, while local customers face massive increases that effectively subsidise the losses Eskom incurs on the secret deals?
• Why should thousands of GWh of locally produced electricity be sold below cost for export by a foreign-owned company in the form of aluminium ingots, while security of supply in South Africa is threatened and local industry is starved of electricity?
• Does it really add value to the South African economy when bauxite is mined and refined to alumina elsewhere, then shipped to South Africa with the specific intent to take advantage of subsidised electricity purchased at below cost to convert alumina into aluminium ingots for export?
• Does aluminium production in this way really contribute to jobs in South Africa, when staffing at the smelters is relatively low, and there are no upstream and few downstream value-adding activities?

Unfortunately, though, these are questions asked by a tiny South African ‘public’ with access to the very few periodicals (e.g. Business Day newspaper) where the matter of pricing is occasionally discussed, and even there it is nearly impossible to identify climate linkages between excessive price increases to build more generation capacity (mainly for BHP Billiton’s benefit) and Eskom’s construction of the world’s third and fourth largest coal-fired power plants at a time renewable energy is severely underfunded.

On the other hand, there has probably been slight progress on climate awareness amongst ordinary people, although this is subjective since the last global comparative poll taken that included South Africa was in 2008. That poll showed only 47 percent believing that climate change is a ‘very serious’ problem and another 19 percent believing it is ‘somewhat serious’ (in combination the second-lowest of the 16 countries surveyed, lagging only Pakistan). This was a slight change from 2006 when, respectively, 44 and 28 percent answered ‘very serious’ and ‘somewhat serious’ question (Council on Foreign Relations 2011).

The raised consciousness required to make dramatic shifts in public policy – such as the 1999-2004 period during which the Treatment Action Campaign defeated President Thabo Mbeki’s denial of AIDS medicines to the 5.5 million HIV-positive South Africans – is not yet at the critical mass required when it comes to climate. However, from Cape Town’s Alternative Information and Development Centre (AIDC), Thembeka Majali (2012) rebuts this pessimism about popular consciousness by deploying a narrative that was popular in activist circuits during COP17:

People know what climate change is as they relate with that on their daily struggles and they know how to adapt to climate change – droughts, floods that are displacing people [who] migrate to other parts of the continent, unproductive agricultural land and fishing, etc – but they understand that recently this became too much and that they need government intervention for their livelihoods and they now understand this is a threat to human life.

Still, such demands – when made rarely by activists in the major cities (and very rarely elsewhere) – consistently fall on deaf ears. Instead, for Desai (in Saul 2012), organizing against the COP17 had this depressing result: ‘civil society as meticulously controlled spectacle, reducing people to
choreographed cheerleaders, acting as an accomplice to power.’ Bobby Peek (2012) of the leading radical NGO groundWork (SA’s Friends of the Earth chapter) agreed that the timing was all wrong:

... are we going to continue chasing the agenda and dates set by the presently powerful? In the Dirty Energy Week before the COP which we organized with various comradely organizations, it was abundantly clear that trying to engage with the COP agendas and forums in a powerful way needs strong global and local organising that is done much in advance. Not one year, but rather years in advance. And not done in the halls of the prep-coms etc (we have to have some of our comrades there gathering intelligence so we can expose the psychopaths) but by engaging in real struggles on the ground and then working with these struggles to build an effective resistance. It was interesting that in groundWork’s first meeting with community people in January 2012, there was very little mention about climate change but lots about oil refineries, toxic waste, mining, Eskom and electricity. It was strange – as if COP never happened. People deal with real struggles, and the COPS/Rio etc do not have real agenda’s. On the issue of a broad coalition, it was up to the CJ movement at the COP to build and hold an effective coalition based upon CJ principles. We tried – we were not very successful – we all need to take some of the heat for this.

Activists who supported the unifying ‘C17’ coalition of civil society – a network formed at a January 2011 meeting in Durban with representation from 80 organizations – offered all manner of excuses for the weak showing, including erratic funders. Even huge NGOs (WWF and Greenpeace) apparently contributed only staff time but no other resources, and therefore the C17 changed its policy in mid-2011 to accept South African state funding.1 The large NGOs and others who served on the C17 committee, such as faith communities and some trade unions, held competing events to the C17’s ‘People’s Space’, at locations across town, defeating the purpose of the civil society convergence.

Remarked David le Page of the main religious-justice network, ‘I’m guessing the National Intelligence Agency doesn’t even bother to hire agents provocateur! I can see the report item: “Thanks to infighting in civil society this year, no agents were required for infiltration and disruption.”’ Yet infighting was, perhaps, logical, for intrinsic NGO conservatism overwhelmed the C17 logistics team, according to radical cultural activist Stephen Murphy (2012), who complained of continual emails offering assistance which went unanswered:

I gave up even trying to get even the smallest tasks delegated, and turned my efforts to OccupyCOP17 and durbanclimatejustice.net – a site which, by the way, with no budget or mandate managed over a thousand more hits than the C17 website, and if you include conferenceofpolluters.com and occupycop17.org which I was also running, more than double. Why? Because we created the space for political positioning and comment, even if we weren’t ourselves making those comments.

1. Due, however, to chaotic procurement processes, such funding was not made available to the C17 until just before – and in one case mid-way through – the COP17, rendering large parts of some grants (e.g. from the environmental and foreign ministries and the City of Durban) useless. The C17 spent less than $500,000 on the three main events: the December 3 march, the ‘Climate Refugee Camp’ that housed more than 1000 visitors from December 1-4, and the poorly attended ‘People’s Space’ alternative summit at the University of KwaZulu-Natal, a site chosen because officials at the preferred Durban University of Technology closer to the Convention Centre and with a working-class tradition charged $180,000 for their facilities, nearly four times what was paid for facilities at UKZN.
Murphy’s critique of C17 apoliticism was widely shared, given the coalition’s failure to take a justice-based stand against climate change. At its main mid-2011 summit in Durban, a list of 26 demands was submitted to forge an overall political manifesto – yet C17 facilitators somehow agreed that any member of the crowd could veto any single demand, leaving just four left over as the bland lowest-common-denominator. As an original C17 member, Rehana Dada (2012) put it, ‘I would dearly have loved to have seen stronger politics and a more organized national climate justice movement but that was not C17’s job.’ Agreed a key environmental-justice movement intellectual, David Hallowes (2012),

It is no good to blame C17 for not leading a political process that they had no mandate to lead. Politics was subordinated to unity, involving not only WWF and Greenpeace but also several of the unions and community groups and movements. This last workshop confirmed that there was and is no coherent climate politics across civil society.

Melita Steele (2012) of Greenpeace replied, during a February 2012 report-back session of 100 activists in Durban, that within C17,

there are differences with some organizations working with business and some being anti-capitalist, which led to difficulties, which meant it was difficult to do messaging. In the July 5 meeting, the political strategy subcommittee was suggested, but that was out of the original mandate and not pursued. So that should have been done. The problem was under-capacity and we were under huge pressure to deliver.

Yet the excessive breadth of the C17 coalition was a problem that disturbed one of the core radical funders, Jos Martens (2012) of the Rosa Luxemburg Foundation (writing personally not institutionally):

We have to deeply analyse what path (if any) can be followed in the trade-off between trying to reach a broad public through a broad coalition and losing the essence/ the necessity of a much more radical message (in this case with the entrance point as climate change). Personally, I opt for NOT going the broad coalition way. I think we make the mistake to equate a broad coalition with a) more publicity, plus b) more acceptance by the general public and moreover, c) more ‘impact’ on the mainstream actors/negotiators. If a message gets too watered down it loses its essence, its political content: ‘Unite against climate change’ is as apolitical as the ‘Do more, do more’ the COP17 president Nkoana-Mashabane tried to coax the crowd to chant at the hand-over of the memoranda (the latter another strategic compromise mistake). To make a big jump: what if Gandhi had compromised on the non-violence principle for the sake of a broader coalition strategy?

What we need in my humble opinion is: a) more radicalism preferably coupled with very militant non-violence, necessitated in the first place by the other urgency of radical change NOW, b) a clearly worked out step by step strategy on how, what and whom to tackle (a war, also a non-violent one has to be planned and prepared) and NOT let our agenda be determined by the COP, WEF, WTO etc. agenda’s, c) an extremely clever, creative, deliberate and high-priority PR strategy and execution (sometimes I think we love to remain marginal, so little we do to break out of our own small circles). (original emphasis)

From AIDC, one of the forces behind the Democratic Left Front’s large presence was Brian Ashley (2012), who also complained of the
... failure to represent and build a political process appropriate and relevant to the global
crisis that we face of which climate is a critical dimension. We need a report that deals with
why C17 failed to develop a climate justice platform setting the frame for participation of
popular movements. The excuse of having to accommodate movements that did not share
this perspective lest they split and form a counter process (Greenpeace, WWF) does not
wash. The vast majority of organizations participating in C17 held a strong climate justice
view. We self-censored ourselves in a useless attempt at ensuring a false unity on no
platform. The period leading to COP should have focused on strategy and tactics in relation
to the South African government’s position on climate change and on the COP. We should of
focused on how we collaborate to mobilise an array of social forces and movements. In
terms of what was at stake in Durban C17 should have been a facilitator of radical and
militant mobilization. Compare C17 to the Brazilian process for Rio + 20 which is ambitious,
anti-capitalist and political where the focus is on the challenges of the global crisis of
capitalism and the multiple ways that humanity and the planet is at great risk.

In terms of the major component force that were brought to Durban: Rural Women’s
Assembly, Climate Jobs and the DLF there was very little support from C17 creating huge
logistical challenges. C17 failed even at a logistical level. Having to manage logistical crises
prevented many of us from doing the politics effectively. Yes, there were challenges in
terms of funding, staffing and finalising the venue for the People’s Space but they do not
explain the hopeless failure to mount a political challenge to the Conference of Polluters.
That is what we should have focused on.

To be sure, many activists justifiably praised six core members of the C17 committee for hard work
(though 11 others went AWOL). But C17’s meager impact – reflected not only in the negotiators’
failure to cut emissions but in the broader movement’s abject failure to generate momentum for
climate justice – doesn’t auger well for civil society unity in future campaigns to save the climate
and SA economy from the Minerals-Energy Complex and finance ministers. In short, a sober
accounting of the disastrous climate summit must also offer an autopsy of civil society
counterpower, and hopefully, too, either a diagnosis for reviving that corpse or instead for rejecting
contradiction-ridden unity of such breadth as to fuse carbon traders and eco-socialists, when after
all, they’re much better off engaged in constructive conflict.

Finally, much of critique of critic-failure above relates to the way local South Africans and especially
Durban organisers prepared for protest and the alternative climate summit. But what of the Occupy
COP17 inside the Durban Convention Centre as well as on a small plot of ground (‘Speaker’s
Corner’) just outside? Two autocritiques can be offered, first that these represented stunts with
little local grounding, and second that even the climax of such protest – entailing 500 people
engaged in disruptive changing on December 9 just outside the door of the main hall with end-of-
summit deliberations underway – was tamed. First, Desai (2012) condemns Greenpeace’s modus
operandi:

You can see how the substitutionism works in tandem with the politics of spectacle so
beloved of Greenpeace. If people parachute in, do their little stunt, and leave, or get
deported [as did several Greenpeace activists attempting a banner hang on a nearby hotel
roof] for example, then what do they understand about Durban? What do they understand
about the real difficulties of organizing around climate justice? There are real tensions and
challenges that people face here, as a stitch between a kind of crony capitalism and African
nationalism, but also a kind of rank modernization theory; a ‘why the fuck shouldn’t we have these things’; ‘who tells us we shouldn’t have cars and TV sets?’

A hundred people were taken to the hospital after the explosion of the Engen refinery, but large swathes of that community are employed by the refineries, so they can’t make the move to ask for their closure. And then the climate justice movement asks for them to be closed. What does it mean that people have arrived here, marched and never been to the South Basin? There are 150 smoke stacks. Cancer is everywhere. Nearly every kid carries an asthma pump.

By parachuting in and substituting yourself for local struggles, you won’t have a sense of any of that. The way the international NGOs conduct themselves is to adopt the same tactics and strategies everywhere. They have flattened the world and in the process our histories and traditions and our subjectivities.

Local struggles need to speak to the global struggle, but does there have to be a slavish copying? In Durban we had a call to ‘Occupy City Hall’ as a response to ‘Occupy Wall Street’. It was very badly supported but there was a photo shoot sent across the world on the networks. No work was done on the ground to make this a popular struggle. But Durban was included as another city in the global day of action! We have become branders, lying about struggles in the most despicable of ways. While we were organizing to ‘Occupy City Hall,’ the most decrepit of NGOs occupied the social movements.

Second, in complaining of how the insider-disruptive Occupy COP17 protest played out, Global Justice Ecology Project activist Anne Petermann (2012) offered this critique of Greenpeace leadership from the frontline:

After two hours or so, Will Bates from 350.org explained to the group that he and others had arranged with UN security for the protest to be allowed to leave the building and continue just outside where people could carry on as long as they wished. There was vocal opposition to this suggestion. People could feel the power of being in that hallway and were unhappy with the idea of leaving. But the mostly male leadership refused to cede control. ‘If you choose to stay,’ Kumi Naidoo, executive director of Greenpeace, warned, ‘you will lose your access badge and your ability to come back into this climate COP and any future climate COPs.’ The question was posed about how many people planned to stay and dozens of hands shot up. The leadership then warned that anyone who refused to leave would be debadged, handed over to South African police, and charged with trespass.

In response a young South African man stood up and spoke out. ‘I am South African. This is my country. If you want to arrest anyone for trespass, you will start with me.’ He then led the group in singing Shosholoza, a traditional South African folk song sung by migrant workers in the South African mines. The hallway resounded with the workers’ anthem.

When the occupation still refused to budge, Naidoo, who seemed determined to control the message of the protest, said, ‘Okay. I have spoken with security and this what we are going to do. We will remove our badge [he demonstrated this with a grand sweeping gesture] and hand it over to security as we walk out of the building. No one will be able to accuse us of trying to disrupt the negotiations’...
A young woman named Karuna Rana from the small island of Mauritius off the southeast coast of Africa also sat down, saying, ‘I am the only young person here from Mauritius. These climate COPs have been going for seventeen years. And what have they accomplished? Nothing. My island is literally drowning and so I am sitting down to take action – for my people and for my island. Something must be done.’

At that point, Naidoo told the occupiers, ‘When security taps you on the shoulder, you have to leave. We are going to be peaceful, we don’t want any confrontation.’ He then led a group of protesters down the hall, handing his badge to UN security. Those who remained sitting on the floor were then taken by security, one by one, down the hallway and out of the building.

As another participant (Bobby Peek) recalled to me, ‘Sadly, the very many who were chanting “Save Africa” were not prepared to actually participate in the final sit-in,’ nor were African activists from outside South Africa in solidarity. And outside, there was very little awareness of this last-gasp disruption of what critics considered to be COP17’s genocide planning. Durban’s depleted community and environmentalist activist ranks were exhausted, and the final gavel on the summit occurred on Sunday the 11th accompanied by no further protest.

Nor can we reasonably expect more in 2012, given the lull in macro climate politics following Copenhagen. The Rio+20 Earth Summit is anticipated to take forward carbon trading (and related gimmicks such as CDMs and REDD) as part of the overall strategy of Payment for Environmental Services, and there will be resistance at a counter-summit but no major change in the balance of forces anticipated. The Occupy movement and related anti-austerity activism will probably continue to see climate justice as an allied struggle, in which different kinds of economy, transport, energy, extraction, production, consumption, disposal and financing systems will be required – and in which the threat of climate change is just one of many compelling reasons to shift the status quo. No matter how inspiring in 2011 we found Occupy, the Spanish ‘Indignados’, the Greek uprising, the Arab Spring’s democratic anti-neoliberal wing, and so many other economic dissents, the most urgent task they face is defeating financial power over politics.

Even by December 2012, no real heightening of conflict between the 1 percent and 99 percent over global-scale climate politics will likely occur at the COP18, to be held in the repressive pro-Western regime of Qatar. The last major such event there, the 2001 World Trade Organization (WTO) ministerial – whose ‘Doha Agenda’ did at least offer African states an exemption from the Trade-Related Intellectual Property Rights for AIDS medicines – was the recovery round after the disrupted Seattle protest of 1999. But soon enough came the 2003 Cancun denouement, a defeat for the forces of liberalization, from which the WTO never recovered. Finding parallels between global trade politics and global climate governance is indeed appropriate, insofar as the ‘deglobalization of capital’ required to limit trade (and finance) and to balance economies is also a prerequisite to decarbonizing and transforming economic systems. And this entails the ‘globalization of people’, as shown in so many international solidaristic settings, such as the struggle for AIDS medicines which could not have been victorious against the US and South African governments, Big Pharma, the WTO and the very notion of intellectual property, were it not for allies across the world.

The downturn in mass climate consciousness (e.g. resistance to corporate ‘climate denialist’ propaganda) and, as Durban reflected, in global-scale activism about climate change contrasts with
hopes immediately following Copenhagen by many optimists (myself included) that the spectacular failure of mainstream strategies – especially elite COP negotiations and the carbon markets – would necessarily generate space for CJ politics. It is revealing to return to a statement two years ago, by European Climate Caravan activist Olivier De Marcellus (2010):

For many of us coming back from Copenhagen full of hope and energy, it was strange to see that many people who followed the summit from afar see what happened there as catastrophic. But it has been clear for some time that ‘at best’ they were only going to impose their false (but highly profitable) solutions. Clear headed political analysts, like leading scientists such as James Hansen, were already saying that No Deal would be better than a Bad Deal. Finally the deal was so bad that it was impossible to impose (the so-called Copenhagen Accord was not agreed by all parties). Appalled by our rulers’ greed and total irresponsibility, many don’t realise that this tragic farce – and the unified action of different grassroots networks – has opened a new political space where real solutions have a chance...

The French Revolution is generally said to have begun when part of the clergy and minor nobility deserted their respective assemblies, which had been convened by the king, to join the assembly of the commoners, the Third Estate... While the world’s powers lost all credibility, fighting among themselves to grab as much CO2 (that is to say as much production and profits) as possible, hundreds of accredited NGO delegates (our modern equivalent to the clergy of the Old Regime), and the governmental delegations of Bolivia, Venezuela and Tuvalu decided to leave the Conference in order to join the People’s Assembly and discuss the real solutions. That was our best case scenario.

We never dreamed that our enemies would be so stupid as to dramatise their fear of our action: excluding hundreds of NGOs that they suspected would join us, kidnapping the demo spokespersons and ‘leaders’, seizing the sound truck and above all using clubs to drive back the demo of official delegates who tried to force their way out to join the Assembly. After the massive police infiltration, the dozens of arrests and the trumped up charges against Ya Basta people during the police attack on the assembly in Christiania two days before, the searches and seizures of all sorts of material (even bikes and banners !), this apparently irrational level of repression probably reflects how much power felt menaced by our project...

The critical point is that this Assembly was not a chance and fleeting moment. It marked a longer term convergence of different networks and political cultures: global networks of movements and progressive NGOs like Climate Justice Now and Our World Is Not For Sale, networks composed more of young northern activists like Climate Justice Action, the Climate Camps, old Peoples’ Global Action hands, etc. Political victories aren’t just about getting the better of the cops (and even less about the results of the official summit). Victories are about coming out the battle more credible and more united than before. Credible: today, hopefully the people who imagined that it would be enough to pressure our rulers into a ‘good’ deal, will better understand the necessity of building ourselves the solutions and imposing them through grass-roots popular power. United: since the Zapatistas called forth the anti-globalisation movement 13 years ago, there has never been such a broad alliance of organisations calling for ‘system change.’

Conclusion
The global-scale strategy didn’t work at Durban, either for the elites or the critics. And indeed notwithstanding what appears to be excessive hopefulness by De Marcellus (2010) in his assessment of Copenhagen, the foundational lesson is quite similar to that many of us in Durban have learned:

Spontaneously, the same proposition came out of the evaluations of CJA and CJN: organise People’s Assemblies everywhere, to tackle climate change issues at the local and regional level. These could organise against local sources of CO2 (in transport, for example) or false solutions (nuclear power, etc.), but also impose or construct directly real solutions (organising local food distribution systems). At the same time, by their links to the other assemblies, they would build a global movement... Now we all have to go home, get the word out and make it happen. Now it’s clear that we can only count on ourselves. The challenge is colossal, but everywhere there are people who know that we don’t have any other choice.

In short, in spite of the mishaps – many organic and many imported – associated with the excessively ‘civilized society’ reaction to the opportunity presented by the COP17, we should remind ourselves of the most important features of a future climate justice politics: in thinking locally, nationally and globally, and also acting in each sphere with the appropriate analysis, strategies, tactics and alliances. The Cochabamba summit in April 2010 laid out a coherent critique and alternative to global climate malgovernance. Since climate justice movement work took on a globally-networked form at the Bali COP13 in 2007, however, the subsequent COPs in Poznan, Copenhagen, Cancun and Durban did not offer propitious conditions for a full-fledged expression of both critique and alternatives. Nor will Doha’s COP18 or the COPs that follow.

And that may be the most crucial lesson of Durban’s climate summit, one that South African justice activists can (possibly) agree upon: delegitimization of global capitalism’s climate policy reformism, especially when reliant upon the self-destructing carbon markets, should have been the starting point for a coherent political-intellectual demolition of the COP17, and a matching activist programme. Without that in place, it makes more sense to dedicate time and energy to the national, subnational and local sources of the crisis, and return to the global scale – perhaps in 2013 or later (although time is running out) – with a formidable array of recent climate justice victories, momentum and cadres.

References
South Africa’s carbon-tax debate disappoints
Triplecrisis.com, 12 March 2012

Durban, South Africa – To be sure, it’s a difficult period for imposing new environmental taxes, given ongoing financial sector power over public policy. With the entry of European Union airlines into the region’s fast-collapsing Emissions Trading Scheme (http://www.businessday.co.za/articles/Content.aspx?id=163164), a group of non-European countries led by the Chinese (http://www.skynews.com.au/eco/article.aspx?id=725292&vId=) is revolting against paying higher air fares to and from Europe.

There are bad and good arguments about carbon taxation here. According to a China Daily report, “Europe’s compulsory charges are set to have great impact on China’s aviation industry, and more profound influences may be found in the export sector. China therefore strongly opposes the EU’s unilateral action, viewing the EU’s move as violating the United Nations Climate Change Framework Convention and related regulations of the International Air Transport Association.”

The North’s opportunities for creeping carbon taxes will rise or fall in this battle, since finding agreement on the UN’s ‘common but differentiated responsibility’ (a good argument against imposing the tax on poorer countries) will be near impossible.

Would a carbon tax help slow climate change? It depends on how high it must be in order to generate conservation incentives. As HSBC bank economists argued in a report released on March 8, the recent Brent crude oil price rise to 96 euros/barrel had the equivalent disincentive to emit CO2 as would a carbon price of 153 euros/tonne (ten times higher than most current proposals). The European Union’s Emissions Trading Scheme now sells carbon at just 8 euros/tonne. As HSBC put it, “Even pricing carbon at its total estimated damage costs of 64 euros/tonne has equivalent economic impacts to an oil price rise of only $24/bbl.”

South Africa, an inbetween country that hosted the UN’s climate summit (COP17) last December, should reasonably be expected to also hold a rigorous, far-ranging debate on transitioning to a low-carbon economy through strategic state investments and by imposing taxes on egregious polluters. East of Johannesburg, for instance, Sasol’s coal/gas-to-liquid petroleum refinery at Secunda is still the world’s worst CO2 emissions site, while the Eskom parastatal electricity supplier is building the world’s third and fourth largest coal-fired power plants at Medupi and Kusile, north and west of Joburg, also despoiling the region’s fragile water supplies.

Sadly though, we have not raised climate consciousness to the point even a rudimentary conversation has begun on either command-and-control regulatory reductions or neoliberal ‘get the prices right’ strategies to internalize pollution externalities. We still have no clue as to how quickly carbon taxes would be passed to consumers, and whether price elasticities generate genuine behavioural change – or simply more class apartheid.

Worst of all, the state regulatory option appears off the table. Last month, President Jacob Zuma’s State of the Nation address (http://www.pambazuka.org/en/category/features/80007) and Finance Minister Pravin Gordhan’s Budget Speech (http://www.counterpunch.org/2012/02/29/market-climate-failure/) set the tone for renewed pro-corporate, high-carbon underdevelopment, announcing more than $100 billion worth of new infrastructure for minerals export, smelting and port expansion. Fracking shale-gas extraction also appears imminent, with Shell proposing to drill SA’s most water-sensitive area, the Karoo.
Evidently, SA civil society’s watchdogging of the triple-crisis nexus of finance, development and environment is not working. Moreover, last week, Parliament (http://www.pmg.org.za/report/20120229-national-planning-commission-all-issues-relating-pursuance-low-carbon?utm_source=Drupal&utm_medium=email&utm_campaign=Free%20Alerts) gave constituents a lesson on how not to discuss low-carbon development. Environment Committee chairperson Johnny de Lange is best known for two interventions in parliament, namely physically fighting an opposition party member and then admitting his ministry was losing SA’s infamous fight against crime (http://www.iol.co.za/news/politics/wind-knocked-out-of-the-fight-against-crime-1.412602?ot=inmsa.ArticlePrintPageLayout.ot) He proved unresilient when facing up to the world’s greatest challenge, throwing another blind punch at the environment and, according to Parliamentary Monitoring Group minutes, ignoring carbon taxation entirely: “De Lange commented that a large part of the population were poor and struggled to survive every day, and the last thing they would want to think about would be the future.”

In reality, grassroots movements – such as the South Durban Community Environmental Alliance (disclosure: I’m a member) – make regular appeals to bring down Eskom’s extreme electricity prices as an urgent matter of daily life, for they have soared 150 percent since 2008 to pay for Medupi and Kusile (not to mention another $45 billion we expect to be billed for nuclear power plant construction in the coming 15 years). The way to do so is to halt new coal-fired powerplant construction and simultaneously, so as to avoid demand pressure, cut off the supply of the world’s cheapest electricity to BHP Billiton and Anglo American Corporation (http://eepublishers.co.za/article/eskom-bhp-billiton-and-the-secret-electricity-pricing-deals.html). The former guzzles more than 10 percent of SA electricity, providing just 1500 jobs in its main aluminum smelters.

Any such attack on these mega-corporations requires much more social and labour pressure, as well as a Just Transition alternative such as that recently developed by the ‘Million Climate Jobs’ campaign (http://www.climatejobs.org.za/documents/campaign-booklet/180-climatejobsbooklet2011.html). It’s still very early in the process, and we can expect interminable delays from a Treasury reluctant to harm mining houses which are already lobbying vigorously against a tax (http://www.miningweekly.com/article/mining-heavy-sa-industry-group-issues-carbon-tax-warning-2012-01-23).

In its most detailed document (http://www.treasury.gov.za/public%20comments/Discussion%20Paper%20Carbon%20Taxes%2081210.pdf), Pretoria’s neoliberal Treasury officials claim, “a tax of $10/t CO2e, increasing to around $25/t CO2e would be both feasible and appropriate to achieve the desired behavioural changes and emissions reduction targets.” Those emissions cut ambitions (34 percent by 2020 from a very high 2009 ‘Growth Without Constraints’ scenario) are rather low, given our vast historical responsibility for greenhouse gas emissions: third highest per capita rate amongst the 20 major emitters.

If we want a genuine transformation of coal-addicted SA capitalism and for Climate Justice to prevail, it looks like we should put much more pressure on the state to rethink its absurd investment plans, to cut power to smelters while ensuring metal workers have jobs in renewables, and to roll out more Free Basic Electricity (beyond current token supplies of 50 kWh/household/month to ‘indigent’ families).
The only good news from South Africa is that with the world’s carbon markets in crisis, virtually no one is talking about emissions trading (http://www.storyofcapandtrade.org), unlike misguided politicians and policy wonks in Sacramento and Beijing.
The meaning of Durban’s climate summit for labour

South African Labour Bulletin, March 2012

The most critical problem facing humankind was amplified at the Durban International Convention Centre in December, as world elites continued their do-nothing tradition on climate change. For the African continent and future generations everywhere, the stakes could not be higher. According to a study promoted by former United Nations leader Kofi Annan, there are already more than 300,000 deaths per year due to climate change, and temperature increases of more than 4 degrees on average will translate to 7 degrees in the interior of our continent, including the Northern Cape, making it unlivable.

Africa will be ‘cooked’, concluded the continent’s leading climate justice activist, Nnimmo Bassey of the Niger Delta NGO Environmental Rights Action. According to UN Intergovernmental Panel on Climate Change director R.K. Pachauri, “crop net revenues could fall by as much as 90 percent by 2100.” Climate damage to Africa will include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, floods of climate refugees jamming shanty-packed megalopolises, and the spread of malaria and other diseases. The danger is imminent, for eight of the twenty countries which the Center for Global Development expects to be most adversely affected by extreme weather events by 2015 are African: Djibouti, Kenya, Somalia, Mozambique, Ethiopia, Madagascar, Zambia and Zimbabwe.

The many extreme weather events of 2011 included a Durban storm that killed eight people on the eve of the United Nations Framework Convention on Climate Change Conference of the Parties 17 – dubbed COP17 for short and then redubbed the ‘Conference of Polluters’ to give that acronym meaning.

Labour showed interest in this crisis – but frankly, not yet genuine commitment. Worker participation in union-organised ‘People’s Space’ seminars at the University of KwaZulu-Natal was impressive. Yet somehow in spite of early endorsements, Cosatu failed to take adequate leadership in the C17 coalition of oppositional civil society, to bring out its numbers to the big march on December 3 (aside from providing marshals) and to deliver the promised concert at the end of the march. Nor was there substantive Cosatu support for the December 4 conference on a Million Climate Jobs at the People’s Space. This was a huge missed opportunity, in view of the disastrous neoliberal process inside the COP17.

COP17’s genocide and ecocide

For future generations, the inability of these COPs to cut back on the primary cause of global warming – greenhouse gas emissions from capitalist energy, transport, agriculture, consumption and disposal – will be seen as genocide-by-omission. Carbon and methane are the main greenhouse gases which in the last thirty years have caused more than a 0.5 degree increase. The COP17 paralysis ensured that if nothing is done in future years, in this century our descendants will witness at least a 4 degree average increase. There may, as a result, be more than 150 million additional deaths in Africa.
The solution is simple – but capitalism prevents it

How to halt the genocide and ecocide? We need nothing short of a new ‘mode of production’ to replace the current for-profit system run by unaccountable corporations which draw surplus value from workers (and women who reproduce them) and trash the planet, the commons, communities and the very soul of humanity by reducing all factors to commodities. We need, instead, an eco-socialist system which gives people decent lives, conditions that Latin American leftists call ‘good living’ (buen vivir), and much greater harmony with nature.

In the short-term that will require state regulation of emissions – just as in 1987 the world elites agreed (in the UN’s Montreal Protocol) to phase out ChloroFluoroCarbons that were destroying the ozone protective layer – along with state-owned renewable energy initiatives and shifts in state subsidies away from fossil fuels to renewable energy, public transport (and rail replacing freight), organic agriculture without pesticides and fertilizer and many other changes. In the medium term we need full control of the extraction, production, distribution, consumption, disposal and financing circuits to shift from capital to democratic states. And over the long-term as communism is achieved, a ‘withering away’ of centralized states into socially controlled, humane, eco-conscious systems that frankly, we can’t even imagine – much less blueprint – at this stage.

The South African government has many opportunities to make shifts in policy, immediately:

- halt the R250+ billion worth of coal-fired electricity generators being built by Eskom at Medupi and Kusile and instead redirect the electricity wasted by the single biggest consumer, BHP Billiton, which receives the world’s cheapest power thanks to apartheid-era deals;
- shut the world’s single largest CO₂ emissions source, Sasol’s Secunda plant which makes oil from coal;
- reverse the R80 billion heavy oil refinery authorized for construction at Coega, north of Port Elizabeth;
- deny approval to 40 proposed new coal mines in Mpumalanga, Limpopo and KwaZulu-Natal allegedly needed to supply the plants and export markets in coming years on grounds that – just as at the Cradle of Humankind northwest of Johannesburg, which is suffering threats of debilitating acid mine drainage – these will cause permanent contamination of rivers and water tables, increased mercury residues and global warming;
- open state-owned renewable energy facilities where the private sector is failing, as called for by the National Union of Metalworkers of South Africa;
• offer a Just Transition package to all affected workers, transforming their thousands of lost jobs in fossil fuel industries into employment in renewables, public transport, building refurbishment, appropriate production and disposal, reformed agriculture, healthcare and education, as demanded by labour, environmentalists and communities in the Million Climate Jobs campaign.

Aside from adverse power relations, something stands in the way: the so-called ‘false solutions’ to climate change promoted by financiers and their allies must be defeated. Led by South African planning minister Trevor Manuel, the Durban COP17 advanced these approaches, to the detriment of a genuine strategy.

**Capitalist ‘solutions’: privatizing the air**

The main capitalist technique to address climate change is called ‘carbon trading’ or ‘cap and trade.’ After a cap is placed on total emissions, the idea is that high-polluting corporations and governments can buy ever more costly carbon permits from those which don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in production or energy-generating or transport activities. Advocates say that this will more efficiently direct funds into rewarding advanced companies that cut their emissions fastest. As a result of Al Gore’s lobbying when he was US Vice President in 1997, the Kyoto Protocol put carbon trade at the heart of the emissions reduction strategy. (In exchange for this, Gore said the US would support Kyoto – yet back in the US in 1998, the Senate vote on signing the protocol was 95-0 against.)

Carbon trading has not worked as promised. With Europe as the base, world emissions trade grew to around $140 billion in 2008 but markets then went flat due to economic meltdown, increasing corruption, fraud, oversupply and despondency following the failed Copenhagen COP15. Although the trade in air pollution was at one point projected to expand to $3 trillion/year by 2020 if the US were to sign on (and a derivatives market could have boosted the figure by a factor of five or more), the market subsequently crashed.

From a high of more than €30/tonne of carbon in 2006, the market’s price in Europe has fallen to around €7 today, and a leading Swiss UBS bank analyst predicted a €3/tonne price in coming months, because the EU Emissions Trading Scheme “isn’t working” and carbon prices are “already too low to have any significant environmental impact.” Reuters news service’s PointCarbon concluded, “Carbon markets are still on life support after the COP17 put off some big decisions until next year and failed to deliver any hope for a needed boost in carbon permit demand.” The French bank Societe Generale projects, “European carbon permits may fall close to zero should regulators fail to set tight enough limits in the market after 2020” – and without much prospect of that, the market subsequently crashed.

These prices are far too low to catalyse the transformative innovations – most costing in excess of €50/tonne – necessary to achieve a solid post-carbon foothold. By all scientific accounts, by 2020 it is vital to wean the industrialised world economy from dependence upon more than half the currently-consumed fossil fuels, so as to avert catastrophic climate change. But there are still backers of carbon trading, notwithstanding its failures to date.

South African National Business Initiative CEO Joanne Yawitch – who was a member of Pretoria’s negotiations team and formerly the second-ranking climate bureaucrat – remarked that “the most important” of Durban’s outcomes is securing Kyoto’s “second commitment period and the carbon
market.” Yet all the evidence suggests that the capitalist strategy is not working. The only real winners in emissions markets are speculators, financiers, consultants (including some in the NGO scene) and energy sector hucksters who make billions of dollars in profits on the sale of notional emissions reduction credits. As the air itself became privatized and commodified, poor communities across the world suffer, and resources and energy are diverted away from real solutions.

**South African government fingerprints on Africa’s climate corpses**

Of course it is tempting to ignore the stench of failure and declare Durban “an outstanding success,” as did South African environment minister Edna Molewa. “We have significantly strengthened the international adaptation agenda,” she explained about the near-empty Green Climate Fund. “The design of the fund includes innovative mechanisms for bringing private sector and market mechanisms into play to increase the potential flow of funding into climate change responses.”

Bolivia’s former UN ambassador Pablo Solon scolded the hosts for turning Kyoto into a “Zombie, a soulless undead.” The 1997 treaty’s soul was a commitment that emissions cuts would be binding, but several of the richest polluting countries – the US, Canada, Japan, Russia, Australia and New Zealand – won’t sign on the second commitment period. To sabotage Kyoto, Washington continues its voluntary ‘pledge and review’ policy pantomime. Kyoto’s original brain contained a species survival mechanism: a pledge to keep the earth’s temperature at a livable level. Now, the Durban Platform contains “less than half of the necessary cuts to keep the temperature increase below 2°C,” says Solon.

The hosts can be blamed for the genocide because the COP17 chairperson, foreign minister Maite Nkoana-Mashabane, acted whimsically at best, or with the interests of capitalists at worst. Those who argue her failure was based on whimsy point out that less than four months before the COP17, she revealed her commitment to the planet by hiring a R240 000 executive jet to take her from Norway to Bulgaria when she refused to board a commercial flight which required that her handbag be whisked through the Oslo airport metal-detector, as for all such dignitaries. Such frivolity appeared again when Nkoana-Mashabane ignored applications for the Dalai Lama’s visa, as far back as June 2011, so he could have attended the October celebration of Archbishop Desmond Tutu’s 80th birthday party – reminding us of the same situation 30 months earlier when Beijing proudly announced Pretoria was under its thumb.

The COP17 host’s self-interest is to protect the crony-capitalist ‘minerals-energy complex’, in which Zuma’s family has been dabbling, in the process exhibiting extreme environmental irresponsibility as witnessed by a nephew’s and legal advisor’s destruction of the Aurora mines, its workers’ wage claims and the surrounding environs. This was most explicitly revealed in the blatantly corrupt African National Congress deal with Hitachi to supply boilers to the Medupi and Kusile powerplants, a multimillion rand bonsala approved by former environment minister, Eskom chair and ANC finance committee member Valli Moosa. As both victim and villain, South Africa is a poster-child for elite mismanagement of the climate threat. A good measure of our economic elites’ addiction to fossil fuels is carbon intensity per capita unit of output, and we have amongst the world’s highest, about twenty times higher than even that great climate Satan, the US.

An insignificant contribution to the energy grid – less than 4 per cent in 2010 – comes from South Africa’s incredible renewable potential in solar, tidal and wind sources. Instead, electricity produced
by burning filthy coal is cross-subsidised so it is the cheapest available anywhere in the world for the world’s largest mining and metals corporations, BHP Billiton and Anglo American Corporation. Their smelters pay less than R0.15/kilowatt-hour thanks to ‘Special Pricing Agreements.’ The NGO Earthlife Africa squeezed that data from Eskom via the Access to Information Act, now surely impossible thanks to Parliament’s Secrecy Bill. Other large corporations received electricity in 2009 at R0.40/kWh, still the world’s lowest price – and although rates have soared dramatically, to more than R1/kWh for many small pre-paid meter household consumers, the lowest increases were imposed on the biggest firms. Still, to the extent that some metals manufacturers are suffering electricity price hikes to build Kusile and Medupi, it will be workers’ wages that come under first and fiercest pressure.

Worse, these are not SA companies reinvesting in our economy, for the main metals/mining firms export their profits both through illegal transfer pricing – a general practice costing us a fifth of GDP in 2007, according to a recent Wits study – and through straight repatriation of dividends to shareholders in London (Anglo) and Melbourne (BHP Billiton), given the relocation of so many megafirms’ financial headquarters out of SA a decade ago. And SA internal consumption of their metals is constrained due to notorious local over-pricing.

Meanwhile, millions of poor people are regularly disconnected or denied access to the grid due to extreme poverty, affecting nearly half the country’s families. Warfare is underway against municipalities and Eskom in the form of ubiquitous ‘service delivery protests’ whose recent root causes in high-priced electricity can be traced to climate change via the bill for Medupi/Kusile construction, controversially financed by the World Bank’s largest-ever loan. The Bank claims Medupi will help the poor, once again standing reality on its head. Moreover, because of backsliding from clean electricity to dirty household energy like coal, wood or paraffin, the passage from HIV-positive to full-blown AIDS status is rapid via respiratory-related opportunistic infections, including the raging TB epidemic, especially affecting women exposed to particulates when cooking over biomass.

Labour’s challenges

Civil society must tell no lies and claim no easy victories, and the community activists and environmentalists here in Durban did not do a very good job in mobilizing local citizens to stand up in fury at the tragedy unfolding in the convention centre. A small ‘Occupy COP17’ presence – mainly arranged by international visitors – could not convey the class- and race-biased oppression that climate change imposes. As for labour, Durban offered two crucial challenges:

- would Cosatu unions ally with environmentalists and communities, taking the leadership gap through mass action and ensuring class analysis is added to environmentalism so as to promote climate justice?; and

- would the unions most exposed to carbon and changing climate policy – especially in the mining, metals and transport sectors – lead the search for a transformative vision of a post-carbon economy?

In partial ways, optimists could answer affirmatively. In spite of Cosatu leadership’s discomfort with independent-left forces fighting climate change, such as the Democratic Left Front which brought out several hundred activists, there was at least a notional attempt at unity with others in progressive civil society. And unions in the metals, transport and paper unions made strides to go
post-carbon, even if they have not yet sold all their members and the broader society on this burning agenda, and even if some unions like the mineworkers still promote more coal-digging out of short-sighted desperation.

Still, there is no way for organized labour to ignore the climate challenge, since jobs and the broader arrangement of society are going to be renegotiated by necessity in coming years. The big question remains: will labour activists be at the forefront and use the climate crisis to also question the capitalist mode of production and its imperative to accumulate profits, or, as now appears likely, will a divided union movement be used against its logical allies who are critical of elite climate policy?
When state- and market- climate failures are amplified by society-failure

*Counterpunch, ZNet, Links, 29 February 2012*

**Durban --** In 2007, former World Bank chief economist Nick Stern termed climate change the worst ‘market failure’ in history – since those who pollute greenhouse gases are not charged, and since they threaten future generations and vast swathes of natural life – and at that moment, even the 1991 ravings of another former Bank chief economist, Larry Summers, made sense.

‘I think the economic logic behind dumping a load of toxic waste in the lowest-wage country is impeccable and we should face up that’, according to a memo with Summers’ signature ([http://www.whirledbank.org/ourwords/summers.html](http://www.whirledbank.org/ourwords/summers.html)), although actually Summers was a mere plagiarist of Harvard economist Lant Pritchett’s genius, insiders allege.

It makes sense if you envisage every aspect of life to be a commodity, and if in turn you believe carbon trading is the right way to address climate change, through privatization of the air coordinated by financial markets (as do Stern and Summers). Indeed ‘Payment for Environmental Services’ is the mantra for neoliberal ‘Green Economy’ advocates at the extravaganza Rio+20 Earth Summit in June.

Advocating a risky market fix to a massive market failure under circumstances of widespread market melt, is the latest version of state failure. If as expected, Barack Obama nominates Summers to take over from the neo-conservative now holding the World Bank presidency, Robert Zoellick ([http://www.counterpunch.org/2010/03/19/what-will-robert-zoellick-break-next/](http://www.counterpunch.org/2010/03/19/what-will-robert-zoellick-break-next/)), then he may be committing one of the world’s worst-ever state failures.

As in the case of French premier Nicolas Sarkozy nominating as International Monetary Fund director Christine Lagarde last May – when she was under investigation in Paris, where as finance minister she gifted taxpayer fortunes to an ally of her Conservative Party – this seems to be just another scrape at the bottom of the global governance barrel.

With Zoellick leaving, the search is also now on for Bank leadership of the caliber of Dominique Strauss-Kahn – the former IMF Managing Director sunk in a New York civil lawsuit for rape and a Lille prostitution-ring investigation – and Paul Wolfowitz, the former Bank president fired in 2007 for nepotism, though not for being architect of Washington’s oil-fueled 2003 invasion of Iraq.


However, all this is trivia, mere personality politics. Dig deeper and you feel the enormous weight preserving *status quo* accumulation and class formation.

The same gravitational forces weigh down South African politics, so when President Jacob Zuma and current Finance Minister Pravin Gordhan addressed parliament earlier this month, they epitomized global-elite failure to shift resources from destructive corporations to the people most adversely affected.
Instead, Zuma and Gordhan committed $40 billion to nuclear reactors from 2012-29 (with Gordhan neglecting to mention this very high-risk gamble in his speech), and at least double that amount in the next few years for coal-fired power plants, for transport infrastructure carrying fast-rising coal exports, and for roads commercialization in the Johannesburg area (thanks to a popular revolt against e-tolling, this cannot be achieved on a user-pays basis).

The state will also pay a soaring bill for extensive water degradation of ultra-polluted Limpopo and Mpumalanga provinces east of Joburg, thanks to an upstream ‘Acid Mine Drainage’ crisis caused by Eskom and the multinational mining corporates.

How does this square with hosting the Durban COP17 climate summit last December, here in Gordhan’s home town, which is also Zuma’s power base?

Not well, yet quite consistent with extremely degenerative processes in socio-ecological-economic neo-apartheid. Earlier this month, Yale and Colombia university researchers rated South Africa the fifth worst ‘environmental performer’ amongst the 132 countries studied. The three categories where we lag furthest are forest loss, sulfur dioxide emissions and carbon emissions.

Blame Pretoria’s finance, energy and mining officials; Johannesburg’s Eskom bosses; and the Melbourne- and London-headquartered mining and metals houses. These men (mostly) concur on vast electricity wastage for base-metals smelting, even though it results in the world’s lowest job/kWh rate and near-highest greenhouse gas emissions per unit of per capita economic output.

Such ecological and financial insanity continues because the crony-capitalist Minerals-Energy Complex remains intact. Tragically, the most powerful force in forging apartheid’s migrant labour system was strengthened not weakened after 1994, even though the mining sector added zero contribution to the country’s GDP during the 2002-08 minerals boom.

One reason was mining’s contribution to corporate capital flight, which in 2007 – at the boom’s peak – reached an awe-inspiring 20 percent of South Africa’s GDP, according to reliable Wits University economists.

To that waste and resource outflow must be added banal corruption, epitomised by Chancellor House (an African National Congress fundraising arm) and Hitachi’s $5 billion deal for Eskom boilers which will apparently not be delivered on time, hence risking another round of brown-outs.

Behind that deal, SA Public Protector Lawrence Mushwana found in 2009, was Eskom chairperson Valli Moosa, who ‘acted improperly’ because he awarded the price-busting contract in blatant conflict of interest, for simultaneously he served on the ANC’s finance committee.

That fact doesn’t bother the United Nations Framework Convention on Climate Change’s carbon trading desk, which at a Bonn meeting just offered Moosa chair of the ‘High-Level Panel on the Clean Development Mechanism Policy Dialogue.’ The panel will almost certainly attempt to justify carbon trading, the privatization of the air, in spite of repeated European emissions-market episodes of fraud and corruption, not to mention a dramatic price crash.

Moosa also sits on the boards of Sun International hotels, Anglo Platinum, Sanlam insurance and Imperial Holdings transport and tourism – all major contributors to climate change. When as SA environment minister in 2002, he organized the World Summit on Sustainable Development in
Johannesburg, next to no mention was made of the climate, aside from carbon trading advocacy. For good measure, Moosa also chairs the World Wide Fund (WWF) for Nature’s South Africa chapter, which promotes carbon trading.

In part thanks to WWF influence, South Africa recently suffered a sobering case of civil society failure. It was again on display last week when 100 chastened climate activists gathered in a desultory Durban hotel to provide each other with autopsy reports from the COP17 climate summit last December. Those most humbled (myself included, as a result of excessive pre-summit hype about our traditions of protest) worried that the country’s climate justice movement failed to demand accountability from the 1% negotiating elites inside the convention centre who were, to put it scientifically, plotting genocide and ecocide.

The harshest auto-critique of eco-activist impotence came from radical intellectual Ashwin Desai, author of We are the Poors (Monthly Review Press, 2002). Desai attacked ‘big name spectacle NGOs’ which dominated the main protest against the COP17 last December 3: ‘The local grassroots organizations were reduced to spectators, and were allowed only the occasional cameo appearance with most often a single line; “Amandla!” [Power!]’

That march to the Durban Convention Centre, complained Desai, ‘delivered the Minister of International Relations, and COP17 president Maita Nkoana-Mashabane to the masses gathered below. She used the opportunity to say how important civil society was and promised to study a memorandum. She was gracious and generous. I could see the NGOs on the truck preening themselves in the glow of this recognition and probably increased funding.’

But Desai would be the first to confess how few Durban community activists made the effort to link climate to their most immediate, burning concerns, including rampant electricity prices due to coal-fired powerplant construction; severe storms (one causing at least eight fatalities on November 27); and the local petro-chemical industry’s regular explosions, such as the Engen oil refinery fire last October 10 that hospitalized 100 kids at Settlers Primary School in South Durban.

For Desai, who assisted with mobilizing immediately afterwards, ‘There’s a litmus test. In 2001 [at the World Conference Against Racism] there was a huge march here, with some 10,000 people in the streets, a completely different march: militant, scathing of the local ruling class, with swear words on its placards. The Durban Declaration was a visceral indictment of our ruling class as an agent of global capital and its economic policies which were deepening inequality and increasing poverty.’

Sadly, in the city’s most radical anti-corporate protest site, no matter how hard South Durban Community Environmental Alliance leaders tried to mobilise in the weeks preceding the COP17 (and I too am a lay-member and resident), Africa’s industrial armpit could not consistently deliver more than a few hundred protesters from the 300,000 victims in the vicinity.

Is climate a hopeless issue to motivate the masses? From Cape Town’s Alternative Information and Development Centre, Thembeka Majali rebuts, ‘People know what climate change is as they relate with that on their daily struggles and they know how to adapt to climate change – droughts, floods that are displacing people [who] migrate to other parts of the continent, unproductive agricultural land and fishing, etc – but they understand that recently this became too much and that they need government intervention for their livelihoods and they now understand this is a threat to human life.’
But such demands consistently fall on deaf ears. Instead, for Desai, organizing against the COP17 had this depressing result: ‘civil society as meticulously controlled spectacle, reducing people to choreographed cheerleaders, acting as an accomplice to power.’

Activists who supported the unifying ‘C17’ coalition of civil society had all manner of excuses for the weak showing, including erratic funders (always true, e.g. in the US: http://www.alternet.org/story/154290/why_the_environmental_movement_is_not_winning). Even huge NGOs (WWF and Greenpeace) apparently contributed only staff time but no other resources. These and other groups which served the C17 committee, such as faith communities and some trade unions, held competing events to the C17’s ‘People’s Space’, at locations across town, defeating the purpose of the civil society convergence.

Joked David le Page of the main religious-justice network, ‘I’m guessing the National Intelligence Agency doesn’t even bother to hire agents provocateur! I can see the report item: “Thanks to infighting in civil society this year, no agents were required for infiltration and disruption.”’

Yet infighting was, perhaps, logical, for it often felt like control-freakery and intrinsic NGO conservatism overwhelmed C17 logistics (something I witnessed firsthand when attempting to secure space for the Rural Women’s Assembly). One radical cultural activist, Stephen Murphy, complained of continual emails offering assistance which went unanswered, so, ‘I gave up even trying to get even the smallest tasks delegated, and turned my efforts to OccupyCOP17 and durbanclimatejustice.net – a site which, by the way, with no budget or mandate managed over a thousand more hits than the C17 website, and if you include conferenceofpolluters.com and occupycop17.org which I was also running, more than double. Why? Because we created the space for political positioning and comment, even if we weren’t ourselves making those comments.’

Murphy’s critique of C17 apoliticism was widely shared, given the coalition’s failure to take a justice-based stand against climate change. At its main mid-2011 summit in Durban, a list of 26 demands was submitted to forge an overall political manifesto – yet C17 facilitators somehow agreed that any member of the crowd could veto any single demand, leaving just four left over as the bland lowest-common-denominator.

To be sure, many justifiably praised six core members of the C17 committee for hard work (though the 11 others were AWOL). Still C17’s meager impact – reflected not only in the negotiators’ failure to cut emissions but in our own failure to generate momentum for climate justice – doesn’t auger well for unity in future campaigns to save the climate and the SA economy from the Minerals-Energy Complex and finance ministers.

In short, a sober accounting of the disastrous climate summit must also offer an autopsy of civ-soc counterpower, and hopefully, too, either a diagnosis for reviving that corpse or instead for rejecting contradiction-ridden ‘unity’ of such breadth as to fuse carbon traders and eco-socialists... when really, they’re much better off engaged in constructive conflict.
‘Global sustainability’ wilts in South Africa’s political hot air

_Pambazuka, Links, ZNet, etc, 16 February 2012_

Durban – The latest acts in this country’s intensifying political drama include a sizzling summer-long battle between young and old within the African National Congress (ANC), last week’s State of the Nation speech by president Jacob Zuma, and the release of the ANC’s ‘research’ on alternatives to mining nationalization, a demand by the ANC youth which is now one of the main wedge issues dividing the ruling party.

Amidst the chaos, stepping over the political corpse of ANC Youth League leader Julius Malema (about to be expelled for ‘throwing the ANC into disrepute’), Zuma apparently also wants to be considered a world eco-visionary. As co-chairs of the United Nations’ High-Level Panel on Global Sustainability, he and Finnish president Tarja Halonen published an article last week entitled ‘Seizing sustainable development.’ Zuma and Halonen ask, ‘How do we begin to tackle the massive challenge of retooling our global economy, preserving the environment, and providing greater opportunity and equity, including gender equality, to all?’

From the Panel’s report, _Resilient People, Resilient Planet_, comes answers that include neoliberal fixes – ‘Pollution, including carbon emissions, must no longer be free’ – and obvious reforms: ‘Price- and trade-distorting subsidies should be made transparent and phased out for fossil fuels by 2020.’

Plus sanctimony: ‘We need to place long-term thinking above short-term demands, both in the marketplace and at the polling place. Promoting fairness and inclusion is the right thing to do – and the smart thing to do for lasting prosperity and stability.’

Two days later, in a speech to parliament considered the finest in his blooper-filled career, Zuma declared, ‘Let me take this opportunity to congratulate the inter-ministerial committee on COP17 for making the conference a huge success. The final outcome of COP17 was historic and precedent setting, ranking with the 1997 conference where the Kyoto Protocol was adopted.’

But who won at Durban’s climate summit? The biggest polluters, it turns out, who got off scot-free on emissions cuts as well as on North-South fairness. According to the _New York Times_, at the recent World Economic Forum in Switzerland, a top aide to chief US State Department negotiator Todd Stern remarked that ‘the Durban platform was promising because of what it did not say.’ After all, revealed Trevor Houser, ‘There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action.’

Zuma’s ‘huge success’ was in reality a sell-out of the UN’s tradition of differentiated responsibility between rich and poor countries. As climate chaos hits, Africa will be the worst-affected continent. (And so who can blame the African Union for its majority-vote hostility to Pretoria’s leadership candidate in a hung election last week?) The only Africans who smiled when leaving Durban were those from South Africa’s mining and electricity-guzzling industry – along with oil extractors – blessed by COP17’s failure to make binding emissions cuts.

Zuma’s State of the Nation address expanded his to-do list of climate-destroying investments. Already Pretoria is constructing the world’s fourth-largest coal-fired power plant with the World Bank’s largest-ever project loan, at Medupi in the beautiful Waterberg mountains where there is insufficient water for cooling it. Not far away, contracts are being signed for the world’s third-largest coal-fired plant, Eskom’s Kusile.
The main Eskom beneficiary is BHP Billiton, which consumes more than 10 percent of SA’s electricity and still gets the world’s cheapest power deal at Richard’s Bay, where the workforce has been shaved back by increasingly capital-intensive aluminum smelters to now fewer than 1500. The other beneficiary is the Japanese firm Hitachi, which in 2010 pretended not to know that its owners included the ANC’s Chancellor House, and whose supply of boilers – for which they are paid a mind-boggling R40+ billion – is so far behind schedule that more Eskom electricity black-outs loom.

Zuma’s speech unveiled yet more eco-destructive capital-intensive projects: ‘First, we plan to develop and integrate rail, road and water infrastructure, centered on two main areas in Limpopo: the Waterberg in the western part of the province and Steelpoort in the eastern part. These efforts are intended to unlock the enormous mineral belt of coal, platinum, palladium, chrome and other minerals, in order to facilitate increased mining as well as stepped-up beneficiation of minerals.’

There is much more: ‘Among the list of planned projects is the expansion of the iron ore export channel from 60-million tons per annum to 82-million tons per annum..., development of a new 16-million-tons-per-annum manganese export channel through the Port of Ngqura in Nelson Mandela Bay... and expansion of the iron-ore rail line between Sishen in the Northern Cape and Saldanha Bay in the Western Cape.’

Speaking to CityPress newspaper after Thursday’s speech, Zuma elaborated: ‘By 2014, I’d want to see the cranes, building, digging everything. I’d like to see people employed. We are looking at a new kind of city at Waterberg. That’s how Johannesburg began, as a mining town.’ Set aside that Johannesburg is the world’s least sustainable city, does Zuma know that there’s a vast national housing shortage and a vast surplus of unemployed people, and that building homes doesn’t require cranes, but does create far more jobs per unit of capital spent?

Did he notice that the largest platinum operation, Implats, fired 17,000 workers just a week before his speech, whom when rehired will suffer a substantial cut in their pensions? Did he read the National Planning Commission’s finding that ‘South Africa needs to move away from the unsustainable use of natural resources’?

As for non-renewable resources now being drawn from South African soil with only a pittance for communities, workers and the government fiscus, Zuma protected multinational mining capital from Malema’s populist nationalization demands by setting up a commission whose report is already drawing ridicule.

Malema, who became exceptionally wealthy in recent years allegedly by influencing Limpopo Province tenders for large payouts, was predictably hostile. As he explained last Friday, the lead researcher, Paul Jordaan, was ‘compromised’ for opposing 1955 ANC Freedom Charter nationalization promises: ‘Jordaan and the research team visited 13 countries and the only conclusion they could come up with are the opinions held by Comrade Paul Jordaan in 2010. It is possible that the research was a smokescreen to legitimise the personal opinions of Comrade Paul Jordaan and that is not how the ANC works.’

Other critics were just as harsh. Explained University of Cape Town political scientist Anthony Butler, a leading commentator, ‘The document’s intellectual quality is uneven. The research “methodology” involves lots of foreign travel and “stakeholder workshops”. The study team also makes unacknowledged use of “less scholarly” resources, such as Wikipedia and answers.com. The
credibility of the report is damaged by long passages that bear a remarkable resemblance to the work of retired North American mine-tax expert Charles McPherson.’

As Butler complained, in one of many ‘unfathomable coincidences of word selection and arrangement (such borrowings are far too extensive to set out fully here) both [the ANC and McPherson] call for “the explicit recognition in budgets and planning documents of the financial and fiscal costs and risks associated with state participation”. Did McPherson help draw up the ANC’s report? If so, was the ANC’s national executive committee aware that a former oil-industry executive, who only recently ended his career in the fiscal affairs department of the International Monetary Fund, was commissioned to contribute to its study?’

Butler worries that the report still supports elements of Malema’s ‘phoney nationalisation drive’, such as transferring mineworker pension funds ‘into special purpose vehicles in the service of developmental objectives. In reality, such instruments would be abused to fund corporate welfare for the politically connected.’

Indeed under conditions of neoliberal nationalism, the outcome of most public policy in South Africa is inevitably crony capitalism rife with corruption. A major ANC-initiated forensic audit into corruption in the second-largest city, Durban, last week revealed massive illegalities especially in $400 million worth of privatized housing construction contracts under the 2002-11 leadership of city manager Mike Sutcliffe, who claims he will soon rebut the charges.

The overall problem is not housing, though, which remains an area of vast underinvestment. It is the incessant construction of white elephants and prestige projects. These were what the former trade union leader Ebrahim Patel – now Minister of Economic Development – was reduced to celebrating, in justifying the vast infrastructure investments. In his parliamentary response to Zuma, Patel remarked, ‘We took account of the lessons of the 2010 World Cup infrastructure and the growing experience in the build programmes for the Gautrain, the Medupi and Kusile power stations, the Freeway improvement programme and the major airport revamps.’

But to continue along this track is suicide. The World Cup stadia are nearly all losing money on operations and maintenance. The Gautrain’s speedy lifts from the Johannesburg airport to the financial district and government buildings in Pretoria are too expensive for the masses. The power stations have already raised the price of electricity by more than 150 percent, with another 25 percent increase scheduled in April. The public-private highway tolling partnership with an Austrian firm is so unpopular that in March 9 the trade union movement is threatening a national strike. The utterly unnecessary airport revamps are, again, for elites only.

Zuma’s pandering to mining houses is especially galling. As if to celebrate the state’s renewed orientation to big business interests, the ‘Mining Indaba’ – Africa’s biggest trade fair – in Cape Town last week was capped with a keynote speech by an extremist climate-change denialist, David Evans. The ‘performance’ was ‘well received by an audience of miners, who come from an industry that often feels the pinch of climate control in the regulation of their industries,’ reported the Mail&Guardian.

Zuma’s crucial challenge, under such influences, is to continue opposing the rhetoric of his Global Sustainability Panel, insofar as nearly everything he and the big corporates are doing here place short-term demands above long-term thinking, both in the marketplace and at the polling place, promoting unfairness and exclusion, and thus preventing lasting prosperity and stability. It’s from
such accumulation dynamics that South Africa has come to specialize in ‘talk left, walk right’ politics. Whether it is the ‘Black Economic Empowerment’ fronting scams, such as Hitachi and Chancellor House, or the greedy corporations’ influence, the ruling party appears addicted to unsustainable underdevelopment hyped by big-business cheerleading.

From Zuma’s main political base, for instance, Toyota South Africa CEO Johan van Zyl last week argued, ‘Durban as a brand is not strong enough to simply say “come and invest in Durban”. What it needs to attract investors are big projects.’ At a seminar of the University of Pretoria’s Gordon Institute of Business Science and Business Day newspaper, van Zyl insisted, ‘Durban needs to keep ahead of the competition. China is building ports they don’t even know when they will use. If return on investment is the line of thinking we may never see the infrastructure.’

In other words, please supply more public subsidies to the high-carbon fat cats. In that very spirit, Durban’s new city manager S’bu Sithole inherited a secretive $32 billion ‘Back-of-Port’ plan to expand what is already Africa’s largest harbour, in the process demolishing the 150-year old neighbourhood of Clairwood and expanding the deadly petro-chemical industry.

Also at that seminar was former Durban mayor Obed Mlaba, criticized in the forensic audit for illegally hijacking a $400 million waste-energy infrastructure tender at the Bisasar Road landfill, site of a high-profile carbon-trading pilot project. Complained Mlaba, ‘Big projects or even creating clusters around them are hampered by small-town mentality.’

Typical of a big-town mentality was this banal command to Zuma by Business Day editor Peter Bruce on Monday: ‘mine more and faster and ship what we mine cheaper and faster.’

If we do so, then bye-bye resilient people and resilient planet.
Stear clear of this climate ‘Ponzi scheme’

Last winter, when carbon prices fell 15 percent in one week, industry analysts termed it “carnage”. Then in the fortnight before last month’s Durban climate summit, carbon prices fell more than 30 percent, with front-year European Union Allowance permits dropping below $11/tonne. And they have crashed even further since.

As Deutsche Bank confessed during the Durban talks, “We do not expect the pricing outlook to improve materially in the foreseeable future.” A leading UBS analyst predicted a €3/tonne price in coming months, because the EU Emissions Trading Scheme “isn’t working” and carbon prices are “already too low to have any significant environmental impact.”

As Reuters news service’s PointCarbon concluded, “Carbon markets are still on life support after the COP17 put off some big decisions until next year and failed to deliver any hope for a needed boost in carbon permit demand.”

The French bank Societe Generale projects, “European carbon permits may fall close to zero should regulators fail to set tight enough limits in the market after 2020” – and without much prospect of that, the bank lowered its 2012 forecasts by 28 percent. A 54 percent crash for December 2012 carbon futures sent the price to a record low, just over €6.3/tonne. And worse, an additional oversupply of 879 million tons was anticipated through 2020, partly as a result of a huge inflow of United Nations offsets: an estimated 1.75 billion tonnes.

Those UN carbon credits include Clean Development Mechanism projects which are notoriously bogus, including South Africa’s leading pilot in Durban, the Bisasar Road waste-to-energy site bound up in a corruption controversy surrounding former mayor Obed Mlaba and an official’s false claims to the UN that without foreign funding the project would not have gone ahead.

Every analyst concedes that carbon prices will be far too low to catalyse the transformative innovations – most costing in excess of €50/tonne (the EU peak was just over €30/tonne five years ago) – necessary in energy, transport, production, agriculture and disposal to achieve a solid post-carbon foothold. By all scientific accounts, by 2020 it is vital to wean the industrialised world economy from dependence upon more than half the currently-consumed fossil fuels, so as to avert catastrophic climate change.

Yet Africa hasn’t received this bad news, mainly because even the continent’s finest daily paper, *Business Day*, doesn’t report the carbon markets with a fraction of the critical vigour given to interrogating ANC Youth League grandstanding over the word ‘nationalisation’. Indeed after Durban, *BD* uncritically cited National Business Initiative CEO Joanne Yawitch’s remark that “the most important” of Durban’s outcomes is securing Kyoto’s “second commitment period and the carbon market.”

The lack of awareness of the carbon market’s crash is a travesty because far too often these past two centuries, the continent has been looted by faraway financiers selling snake-oil.

This week at the Sandton Sun, a conference aims to “make Africa a major focus for climate finance into the post-Kyoto era” with keynote speakers from Morgan Stanley, Standard Bank, Nedbank,
Carbon Check, CDM Africa Climate Solutions, SouthSouthNorth, similar emissions traders, the Johannesburg and Cape Town municipalities and the national Department of Energy.

Beware, you carbon buyers, sellers and speculators, because climate gamblers have been led astray since 1997 when the Kyoto Protocol was amended – at US vice president Al Gore’s request – to let corporations buy the right to pollute in exchange for endorsing the treaty. Predictably, Washington has refused to honour this ever since, even though it represents a world-historic broken promise, followed logically by US secretary of state Hillary Clinton’s 2009 pledge to raise $100 billion per year for the Green Climate Fund.

Pulling at straws, that Fund’s design cochair Trevor Manuel has suggested getting half the revenues from carbon markets. It might have been feasible if the emissions trade reached the anticipated $3 trillion mark by 2020, but within a decade, the market has peaked at $140 billion in annual carbon trades.

These are mostly in the EU where the Emissions Trading Scheme was meant to generate a cap on emissions and a steady 1.74 percent annual reduction. Unfortunately, the speculative character of carbon markets not only encouraged rampant fraud, Value Added Tax scams, and computer hacking which shut the Scheme for two weeks last year.

The EU’s carbon trading also included perverse incentives to stockpile credits when large corporations as well as Eastern European states – with ‘hot air’ excess emissions capacity subsequent to their 1990s manufacturing collapse – gambled the price would increase.

With the market now collapsing, the current perverse incentive is to flood supply so as to at least achieve some return rather than none at all when eventually the markets are decommissioned, as happened in 2010 to the Chicago climate exchange. Powerful equity backers of the Chicago market – once the lead US carbon exchange – recently sued the high-profile founder, Richard Sandor, for misrepresenting the value of their assets. If they win perhaps other investors can follow suit and squeeze back the vast losses from the investment banks now selling declining credits.

Africa can do better than invest faith and state resources in yet another Ponzi scheme, the ‘privatisation of the air’. And the North’s ‘climate debt’ to Africa should be paid not through such gambling, but in genuine income transfers that reach ordinary people who are taking the brunt of worsening climate chaos.

Planning the status quo? A sustainable development model needs new thinking in *Transformation Audit 2011: From Inequality to Inclusive Growth*, January 2012

The move by the world’s bottom 99 percent to challenge the top 1 percent’s economic and ecological destruction is why, in the next decade, the hope for the continent will jump from Tunisia and Egypt to the main cities and even dorpies of South Africa. More than ever since the country’s transition from racial apartheid, the neoliberal developmental model – understood as ‘class apartheid’ – will come under fire.

After all, no other major country is more unequal. Only China seems to have as many protests per person, according to available police statistics, over the past decade. In no other country is the word nationalisation bandied about so regularly, and this will continue even without the hyperbole of the African National Congress Youth League’s now banished leader, Julius Malema. No major society has such a strong trade union movement, winning not only above-inflation wage increases
thanks to regular strikes but also expressing visions that transcend the proletariat’s needs, to support what is being termed the precariat (precarious informal-sector workers and the unemployed). And although currently losing their battles against labour brokers and a pro-corporate state-subsidised lowering of the minimum wage for younger workers, the Congress of SA Trade Unions remains the society’s single largest coherent citizens’ power bloc.

Moreover, unions and the independent left are coming together more than in any period since 1994, as the world climate summit in Durban featured a December 3 joint march for ‘system change not climate change’. Also encouraging is a Million Climate Jobs Campaign launched in early 2011, which is suggesting ways for these activists to work closely together for a ‘Just Transition’ out of the fossil fuel addictions that give South Africa amongst the world’s highest rates of per person emissions per unit of economic output.

**Tracing the money**

After predicting a ‘Tunisia Day’ for South Africa in 2020, former president Thabo Mbekis younger brother, Moeletsi, remarked recently, ‘Big companies taking their capital out of South Africa are a bigger threat to economic freedom than Malema.’ We could argue that Mbeki didn’t do the argument full justice, asserting that ‘Capital flight means there is no capital for entrepreneurs in South Africa.’ That’s probably not true, for local financial markets are as speculative and liquid as ever, especially now that the real estate bubble is gradually deflating. More pervasive problems that prevent both entrepreneurship and job creation include constrained consumer buying power, the market dominance of monopoly capital in most industries, and excessive trade liberalisation.

Consumption is stagnant largely due to over-indebtedness: the banks’ ‘impaired credit’ list now has 8.5 million victims, representing nearly half of all SA borrowers. That would include many of the 1.3 million who lost and did not regain their jobs. And even if they did, there is very little scope for local entrepreneurs to open up the manufacturing facilities, which President Jacob Zuma unhappily observed in August, were virtually all in white hands. Waves of East Asian goods are still descending on South Africa thanks to the still-overvalued rand, as many more local industries will understand once Walmart begins cheap imports in earnest. Asked about the entrance of that US retailing behemoth, Mbeki was correct to ridicule the neoliberal agenda that his brother’s government so decisively implemented from 1994: ‘In South Africa we think we will just open the doors and everything will be hunky dory. Of course it won’t.’

The doors swung open not only to East Asian imports but also the other way: to rich South Africans and our biggest companies who left with apartheid’s ill-gotten gains. In 1995 they lobbied hard for the abolition of the Financial Rand (Finrand) dual exchange rate and for permission to relocate financial headquarters from Johannesburg and Cape Town. Mbeki complained that there was never ‘an explanation for why companies like Anglo American and Old Mutual had been allowed to list in London. On what basis did they allow them to go, to move their primary listing from South Africa to London? Why did they approve it? What did they get out of it?’

There are tough questions, especially because the outflow of profits, dividends and interest payments to Anglo, DeBeers, Old Mutual, SABMiller, Mondi, Investec, Liberty Life and BHP Billiton is the main cause of South Africa’s dangerous current account deficit (far worse than the trade

---

deficit), and in turn, our soaring foreign debt. Answers may not necessarily be found in the implied backhanders of corruption. We need to look much deeper, for at stake now is ideology.

Ideology in flux

This was abundantly evident in the report released in August 2011 by the International Monetary Fund. Every year the IMF provides SA with an ‘Article IV Consultation’ and even in mid-2011, it was evident that last-century orthodox ideology prevails. In its meetings with Treasury officials, the IMF recorded how ‘Discussions centered on the timing and strength of the required exit from supportive policies’ which translates into cutting the budget deficit. ‘Staff recommended stronger fiscal consolidation beyond the current fiscal year than currently being considered.’ Orthodox ideology typically blames workers and the IMF – as could be expected – advocated for policies to moderate real wage growth.

As for capital flight, the IMF Article IV report noted that: ‘Relatively low public and external debts, mainly denominated in domestic currency, and adequate international reserve coverage offset risks from currency overvaluation and current account deficits funded by portfolio flows.’

‘Relatively low’? South Africa’s $100+ billion foreign debt is, in reality, a very high proportion of GDP, which financial sector economists have observed now approaches mid-1980s crisis levels. The increase in foreign reserves from $40 billion to $50 billion over the last 18 months offsets only half the rise in foreign debt over the same period.

Recent experience raises questions about the IMF’s judgment on debt crises. Orthodox thinking left the institution utterly unprepared in 2008 for the world’s worst financial crisis since 1929, but nor have ideologies shifted much in Pretoria after Zuma’s takeover. Despite replacing Mbeki with Zuma, Trevor Manuel with Pravin Gordhan, and Tito Mboweni with Gill Marcus, the country’s labour movement failed to replace neoliberalism with a genuinely social democratic (‘Keynesian’) ideology.

Deregulatory tendencies continue, as witnessed by our extremely volatile currency, with more crashes since apartheid ended than any other country, except Zimbabwe. The relaxation of exchange controls on nearly 30 separate relaxations since 1994 is the main reason, and Gordhan is hastening the trend. True to form, the IMF is oblivious to this and its Article IV report praised the Reserve Bank’s ‘prudent’ policies, ‘together with a flexible exchange rate’ which allegedly ‘helped dampen the adverse effects of those global cycles.’ The opposite is true: South Africa’s vulnerability has been amplified by capital control relaxation.

Equally puzzling, the IMF observed, ‘Although the government’s borrowing requirements remained large, they were easily met through the issuance of rand denominated bonds and bills at low interest rates against the backdrop of large capital inflows.’ This ignored a recent Reserve Bank admission that of fifty major countries, only Greece has higher nominal rates.

The implications of IMF logic are now clear, when it comes to the exchange controls we need to heed Moeletsi Mbeki’s concerns. For if you suggest merely a ‘small tax on inflows to try to curtail inflows or at least change their composition,’ IMF staff point out ‘significant drawbacks’ to dissuade Pretoria bureaucrats. According to the IMF Article IV consultation, even mild-mannered exchange

---

controls ‘likely would raise the government’s financing costs.’ The IMF also called for ‘wage restraint’ so as to ‘enhance competitiveness.’

The rebuttal is easy: put exchange controls on outflows of capital, to address capital flight, and then systematically lower interest rates and manage the appropriate decline in the rand’s value, to the point workers can return to at least the wage/profit share they had won by the end of apartheid: 54/46, compared to just 43/57 today.

The status quo is untenable, and more crises loom. As South Africa again barely broke into the World Economic Forum’s top fifty countries in business competitiveness in July, the prevailing neoliberal ideology is clearly both ineffectual and inhumane. Control of capital flight is the first step away from this perpetual crisis, and across the world, is gaining pace as more than a dozen countries have put ‘speed bump’ controls of various sorts on hot money inflows. The search is intensifying for ways to properly regulate financial capital, with even the November 2011 G20 meeting in Cannes witnessing ‘Financial Transactions Tax’ advocacy led by France’s Nicholas Sarkozy and joined by Zuma. But with Italy joining Greece as the latest systems-threatening debt crisis, we have to continue subjecting rhetorics of economic policy to much more careful critique.

World trends in SA

Recall the context. The 2008-09 financial meltdown was supposedly solved by throwing money at bankers in Wall Street, the City of London, Frankfurt, Paris and Tokyo. But it didn’t work, and on BBC’s Newsnight in October 2011, Robert Shapiro of the Georgetown University Business School blew the whistle on the European debt crisis. ‘If they cannot address it in a credible way I believe within perhaps two to three weeks we will have a meltdown in sovereign debt which will produce a meltdown across the European banking system,’ warned Shapiro. He cautioned that not even the largest banks in Germany and France are immune to this, and that the United Kingdom and the rest of the world should prepare itself for contagion.3 As if to respond to Shapiro, the European Union’s leaders cut a deal with banks to whittle down Greek debt in hopes this would pacify the society.

The banks didn’t crash on Shapiro’s schedule, though many expect them to when more countries can’t make their debt repayments. But reflecting the inexorable tensions between bankers’ and people’s interests, George Papandreou’s government fell in early November 2011, after promising – and then withdrawing – a democratic option for voters to approve the austerity plan. A few days later, Italy’s Silvio Burlusconi was also compelled to resign as financial pressures and rule by IMF and EU technocrats replaced his profligate corruption.

Replacing venal politicians with Washington/Brussels bankers is no solution, of course. South Africans should pay attention because in early October 2011, Finance Minister Pravin Gordhan offered our tax monies as an emergency R2 billion bailout loan from Pretoria via the IMF. This came on the heels of his R2.4 billion bailout offer to Swazi dictator King Mswati, in spite of widespread opposition by civil society in Swaziland and South Africa.

What Gordhan explained to SAfm about the European emergency credits was chilling. The station’s Alec Hogg asked Gordhan: ‘Even if it is only a small amount, relatively speaking, that we are putting in, many African countries went through hell in the seventies and eighties because of conditionality

---

according to these loans. Are you going to try and insist that there is similar conditionality now that the boot is on the other foot, as it were?’

‘Absolutely,’ replied Gordhan, ‘The IMF must be as proactive in developed countries as it is in developing countries. The days of this unequal treatment and the nasty treatment, if you like, for developing countries and politeness for developed countries must pass.’

Gordhan’s call for more proactive nastiness by the IMF and its Brussels allies against the Italian, Greek, Spanish, Portuguese and Irish poor and working people, throws African National Congress traditions of international solidarity into disrepute, of course.

These sentiments were also the subject of political wit amidst World Cup hoopla a year and a half ago, when one of the greatest losers, team Argentina, was consoled by a Buenos Aires magazine which congratulated the victors: ‘Crisis, unemployment, poverty, the end of welfare, submission to the International Monetary Fund and sporting success: the poor countries of the world salute the Spanish – Welcome to the Third World!’ Says Rodrigo Nunes of the magazine Turbulence, ‘Apart from being a brilliant joke, the headline made an excellent point: why is it that what is crystal clear for people in the global North when talking about the global South seems so difficult to process when it happens “at home”? 

Continued Nunes, ‘Ask any relatively well-informed British citizen about violence in Brazil, and they are likely to tell you something about unequal wealth distribution, lack of opportunities... how the police make matters worse by being widely perceived as corrupt and prejudiced, and how the political system mostly reproduces this situation.’ In England, too, the productive economy wallowed in recession following the country’s biggest-ever bank bail-outs and accompanying state fiscal crisis, with bankers receiving massive bonuses and inequality soaring. Top police officials in league with Rupert Murdoch’s phone-tapping ‘journalists’ resigned in disgrace and the Tory-Liberal government took the axe to social programmes, raising tuition fees at nearly 40 percent of universities to £9000 per year. Why was anyone surprised at the logical consequences: an anarchic insurrection of multiracial, working-class, supremely-alienated youth from Tottenham to Birmingham?

Establishment reality check: a national plan?

That scream from the margins, at the time Standard&Poors was downgrading the US credit rating, with a subsequent loss of $5 trillion of paper wealth in the world’s stock markets in the first week of August alone, shocked establishment observers. Except one: a man nicknamed ‘Dr Doom’ because of his prescient warnings about the financial meltdown of 2008, Nouriel Roubini. The Wall Street Journal asked the New York University business professor, ‘What can government and what can businesses do to get the economy going again or is it just sit and wait and gut it out?’

‘Businesses are not doing anything,’ replied Roubini, referring to the US, Europe and Japan but also South Africa: ‘They claim they’re doing cutbacks because there’s excess capacity and not adding workers because there’s not enough final demand, but there’s a paradox, a Catch-22. If you’re not hiring workers, there’s not enough labour income, enough consumer confidence, enough consumption, not enough final demand.’

---


5 Rodrigo Nunes, ‘The Other Side of “We’re All in it Together,”’ European Institute for Progressive Kulturepolitik, 10 August 2011, http://eipcp.net/n/1313133309/print
According to Roubini, ‘In the last two or three years, we’ve actually had a worsening because we’ve had a massive redistribution of income from labor to capital, from wages to profits, and the inequality of income has increased. And the marginal propensity to spend of a household is greater than the marginal propensity of a firm because they have a greater propensity to save, that is firms compared to households. So the redistribution of income and wealth makes the problem of inadequate aggregate demand even worse.’ Add to this that the supposed prosperity of the middle class was ultimately a fiction based on consumer debt.

Are South African elites paying attention to these underlying economic dynamics? Not judging by this year’s long-range response from the National Planning Commission’s talented technical, political, civil society and business thinkers. Its fascinating diagnostic analysis of why South Africa is beginning to slide off the rails is negated by the screaming silences on economic management. To be sure, the NPC’s main revelation was striking: ‘State agencies tasked with fighting corruption are of the view that corruption is at a very high level. Weak accountability and damaged societal ethics make corruption at lower levels in government almost pervasive. Corruption in infrastructure procurement has led to rising prices and poorer quality.’

But this is an easy critique. The NPC diplomatically deferred from analyzing the deeper corruption of the economy, the wasting of productive capacity in favour of what is now regularly termed ‘financialisation.’ Perhaps such a diagnostic would have implicated the minister in charge of the NPC, Trevor Manuel, who was finance minister from 1996-2009. Thus in the NPC diagnostic, capital is incorrectly said to be ‘scarce’ when in reality we have the opposite problem of excess liquidity in ultra-speculative markets. SA real estate was the world’s biggest bubble by far before the price crash began in 2008. The NPC diagnostic actually applauds some of the most misguided features of economic management. To claim that ‘South Africa today has much to celebrate on the economy and infrastructure’ would mean pretending that debilitating bubbles – such as the JSE and middle-class consumption excessively based on consumer debt – are actually strengths.

But the JSE is attracting speculative financial funding that simply is not being turned into brick-and-mortar investments and machinery. SA’s corporate fixed investment rates remain very low by historical standards, especially in manufacturing. And levels of consumer debt are at an untenable level. With SA house prices still falling (after a brief uptick in 2010), the inability to liquidate those assets has turned consumer credit opportunities into debt slavery for millions more South Africans. And amazingly, the NPC didn’t notice the ongoing job massacre, with its claim, ‘Unemployment levels are decreasing since 2002.’

Upon launching the NPC in June, Manuel remarked, ‘When you can’t locate where you are, your ability to reach your destination will be constrained. Last week the centenary of the Titanic was marked. If there are going to be icebergs on the route then you’d better know. Had they, there was an old navigator they could have turned to. At the end of the Wall Street Journal interview, Roubini reminded us, ‘Karl Marx had it right. At some point, capitalism can destroy itself. You cannot keep on shifting income from labor to capital without having an excess capacity and a lack of aggregate demand. That’s what has happened. We thought that markets worked. They’re not working.’

Instead, democratic planning will be needed, and the seeds of this are found outside the NPC’s November report, in the struggles of ordinary people for a better life.

Planning the status quo?

The NPC’s inability to diagnose economic problems is matched by its disjointed approach to broader socio-environmental decay. On the one hand, the NPC lists atop its infrastructure priority plan two objectives: ‘The upgrading of informal settlements’ and ‘Public transport infrastructure and systems’, but on the other hand inveighs, ‘users must pay the bulk of the costs, with due protection for poor households.’ But how can that contradiction be reconciled, when the vast bulk of state investments in commuter rail are being made in luxury Johannesburg-Pretoria train lines which a tiny fraction of the public can afford, and when the e-tolling system is so onerous for ordinary people that the Congress of SA Trade Unions and its allies have forced a rethink?

Likewise in supplying electricity, the source of so many service delivery protests, Eskom’s huge price increases – 127 percent from 2008-11 already with many more years of 25 percent annual rises still to come – apply to poor households but not to BHP Billiton and Anglo American Corporation. These two were recipients of special pricing agreements made with apartheid’s officials two decades ago (two such officials, Finance Minister Derek Keys and Eskom Treasurer Mick Davis, promptly joined BHP Billiton after apartheid). They run another two decades, supplying power to smelters – transforming imported bauxite into aluminium that is priced too high for local consumption – at R0.12 per kilowatt hour, around a tenth of what poor households pay via self-disconnecting pre-payment meters. The NPC report is silent on such contradictions.

Its third and fourth infrastructure priorities are also contradiction-ridden: ‘The development of the Durban-Gauteng freight corridor, including the development of a new dug-out port on the site of the old Durban airport’ (part of a R250 billion ‘back of ports’ strategy to expand the notorious petrochemical industry) and ‘The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin...’ in spite of the vast damage – not acknowledged – done by coal to local and global ecologies.

Ironically, though, the very next paragraph begins, ‘South Africa needs to move away from the unsustainable use of natural resources,’ but optimistically asserts, ‘South Africa can manage the transition to a low-carbon economy at a pace consistent with government’s public pledges, without harming jobs and competitiveness.’ What the NPC report demonstrates, in reality, is that we are locked so deeply into Minerals-Energy Complex tyranny that no change to status quo climate destroying politics is on the cards. The new Climate White Paper also fails to grapple with the fact that South Africa is twenty times worse than even the United States when our energy-related CO2 is corrected for per capita GDP growth: our economy is diabolically coal-addicted with no real prospect of changing. For as the NPC also argues, as its top priority for economic growth, we must ‘Raise exports, focusing on those areas where South Africa has the endowments and comparative advantage, such as mining...’ even though this status quo strategy has been utterly destructive to economy, society, polity and ecology.⁸

Pressure from below and above?

---

Given that Durban hosted the Conference of the Parties 17 to the United Nations Framework Convention on Climate Change in December, these are the contradictions that Pretoria could have set out to resolve in the interests of the planet and the people. This could have been a moment to reject the Kyoto Protocol strategy of emissions markets – a ‘privatisation of the air’ scheme to allow Northerners to continue polluting – to address humanity’s most crucial survival challenge, at a time financiers are indisputably wrecking the world economy. The carbon markets were, after all, still crashing from a high of more than 30 euros per tonne of carbon-equivalent to around 8/tonne as the COP17 began, with UBS in Switzerland predicting a further fall to 3 euros/tonne in coming months. Yet even the vast Green Climate Fund co-chaired by Manuel ultimately gave credence to the idea that markets would save the day.

Instead of saving the planet, profit prevailed above all else, especially that of carbon traders and huge mining conglomerates, the latter linked to the African National Congress (ANC) not only through murky campaign contributions and BEE deals but also via Eskom. The ANC, in turn, will look forward to the pay-off of its 25 percent share in the local arm of the Hitachi corporation, which will be supplying multi-billion rand boilers to the new Medupi and Kusile coal-fired plants, whose electricity will overwhelmingly be used by big business in view of the inability of poor people to afford the perpetual 25% annual price increases.

Such highly questionable relationships, associated with the economy’s reliance upon coal-based energy and mining is nothing new. The role of actors such as the former Environmental Affairs Minister, Valli Moosa, a carbon trader whose conduct as Eskom Chairperson prior to 2010 was deemed ‘improper’ by the Public Protector, when he failed to recuse himself during the process that saw Hitachi won the tender, continues to entrench neo-apartheid’s deep power relations. Moosa’s actions will leave the masses powerless due to excessive price increases while the world’s two biggest mining and metals houses will continue to benefit from the world’s cheapest electricity. The rising rage of protesters, who cannot get access to electricity will never be understood, much less resolved given the prevailing power relations.

But this state of affairs is untenable. Regardless of formula or calculation, South Africa’s developmental data remain dismal. Current policy continues to sustain this in the face of crisis. Just as in Tunisia and Egypt, the Ben Ali and Mubarak regimes could not forever operate with the Bretton Woods Institutions, the US government and local capital that exploit their societies. Justice can, and will, be done – and hopefully well before Moeletsi Mbeki’s 2020 predicted date. What remains to be seen is whether from below, the activists of leading trade unions, community groups, women’s organisations, and environmental lobbies are going to guide this revolution, or whether instead right-wing populist currents prevail. This is the struggle of the period ahead, making Mangaung manoeuvres pale in political comparison.
Durban’s climate Zombie tripped by dying carbon markets

*The Mercury*, 20 December 2011

Looking back now that the dust has settled, South Africa’s COP17 presidency appears disastrous. This was confirmed not only by Durban’s delayed, diplomatically-decrepit denouement, but by plummeting carbon markets in the days immediately following the conference’s ignoble end last Sunday.

Of course it is tempting to ignore the stench of failure and declare Durban “an outstanding success,” as did South African environment minister Edna Molewa. “We have significantly strengthened the international adaptation agenda,” she explained about the near-empty Green Climate Fund. “The design of the fund includes innovative mechanisms for bringing private sector and market mechanisms into play to increase the potential flow of funding into climate change responses.”

Because the $100 billion promised by Hillary Clinton in Copenhagen two years ago is apparently fictional (aside from minor commitments by South Korea, Germany and Denmark), Molewa’s two crucial albeit unintended words are ‘play’ and ‘potential.’ In our new book, *Durban’s Climate Gamble: Trading Carbon, Betting the Earth*, critical researchers show why emissions markets are as comatose as the Kyoto Protocol. Only a casino drunkard would put money – much less the planet – on the odds of a death-bed resurrection.

Bolivia’s former UN ambassador Pablo Solon scolded the hosts for turning Kyoto into a “Zombie, a soulless undead.” The 1997 treaty’s soul was a commitment that emissions cuts would be binding, but several of the richest polluting countries – the US, Canada, Japan, Russia, Australia and New Zealand – won’t sign on the second commitment period. To sabotage Kyoto, Washington continues its voluntary ‘pledge and review’ policy pantomime. Kyoto’s original brain contained a species survival mechanism: a pledge to keep the earth’s temperature at a livable level. Now, the Durban Platform contains “less than half of the necessary cuts to keep the temperature increase below 2°C,” says Solon.

As the soul-deprived, brain-dead, heartless climate-policy Zombie stumbled off the Durban Platform last week in the direction of Qatar for the COP18 next year, it immediately tripped on the crumpled carbon markets. The emissions trade is failing not only in Europe but also in our own Durban backyard. An *Africa Report* investigation unveiled South Africa’s highest-profile pilot Clean Development Mechanism (CDM) project as a scam.

At Bisasar Road landfill in the Clare Estate neighbourhood, the R100+ million methane-to-electricity CDM project was despised because it kept the continent’s largest official dump open far beyond the point it should have been closed. Instead of being burned and flared on-site, methane gas from Bisasar’s rotting rubbish should have been piped out for industrial use, far away from residential areas, according to the late community activist Sajida Khan. Before dying of cancer caused by the dump in 2007, she tirelessly campaigned to close Bisasar dump and thus end one of Africa’s most notorious cases of environmental racism.

Khan failed, because in 2001 the World Bank promised funding for methane extraction that would keep the dump operational. The crucial factor, according to Durban officials, is that “Landfill gas offers a viable renewable energy source only when linked to carbon finance or CDM.”
Based on the assumption that without outside funds, the project could not be justified, in 2006 the United Nations listed Bisasar Road as an active supplier of CDM credits through at least 2014. It turns out this was a fib. On an official tour of Bisasar on November 30, journalists from *Africa Report* and San Francisco-based Pacifica News interviewed Durban Solid Waste manager John Parkin, who admitted, “We started the project prior to the CDM. We were already down the road. It just made it come faster because the funding was there.”

Why is this scandalous? *Africa Report* interprets: “It is questionable as to whether the project should have been approved as a CDM initiative at all, as approval requires the existence of ‘additionality’. According to the UN, ‘Additionality is the cornerstone of any credible CDM project, basically answering the question whether a project is additional, or would it proceed anyway, without the CDM.’ That is, without qualification as an additionality, the CDM shouldn’t be approved.”

Parkin confirmed to the journalists, “We already started the project and we were going ahead no matter what. So whether CDM became a reality or not, the project was going to go ahead.”

Such a whimsical approach to climate finance is why hopes by Molewa and Manuel for filling the Green Climate Fund with carbon trade revenues will be dashed. CDM trading volumes are down 80 percent from their 2007 peak, and the European Union’s carbon futures market – once above €35/tonne – hovered between €11-14/tonne through 2010-11 but crashed to €4.4/tonne on December 13.

Remarked Susanna Twidale of the Point Carbon news service, “While a lot of the focus of the last fortnight of UN meetings was on supply of carbon credits, not one country deepened its carbon target, leaving international carbon offset prices languishing at near record lows.” Reuters news service confirmed, “Carbon markets are still on life support”, quoting a leading trader: “A sick market needs a cure and instead of deciding which cure to use, the doctors keep using pain relief to gain more time to make the final prognosis.”

Back in Durban, 20,000 carbon credits are being issued from the Bisasar Road CDM each month. According to Parkin, “We don’t have a partner to buy them at the moment. But we’ll probably get €8 to €9 if we’re lucky.” Durban is unlucky to have Parkin gambling with city finances, the air in Clare Estate, and the planet’s health.

Those involved with both Bisasar Road and the UN’s Conference of Polluters should have departed Durban hanging their heads in shame. All they have to show for their work, during this planetary emergency, is the creation of a dangerous Zombie.

In this milieu, Parkin was brutally frank, at least: “As the City, if we can make some money out of it, I don’t see why it shouldn’t be done and the whole moral issue is separate from the project. The project is successful. The moral issue, I have no influence on that – as a technocrat, I do my job.”
A dirty deal coming down in Durban
*The Mercury*, 6 December 2011

What, now, are the prospects for a climate deal by Friday?

The biggest problem is obvious: COP17 saboteurs from the US State Department joined by Canada, Russia and Japan, want to bury the legally-binding Kyoto Protocol treaty. Instead of relaxing intellectual property rules on climate technology and providing a fair flow of finance, Washington offers only a non-binding ‘pledge and review’ system.

This is unenforceable and at current pledge rates – with Washington lagging everyone – is certain to raise world temperatures to four degrees centigrade, and in Africa much higher. Estimates of the resulting deaths of Africans this century are now in excess of 150 million. As former Bolivian Ambassador to the UN, Pablo Solon said at last week’s Wolpe Memorial Lecture, “The COP17 will be remembered as a place of premeditated genocide and ecocide.”

Within the International Convention Centre, everyone in their right mind should resist this. First, it is patently obvious, after the 1997 Kyoto negotiations where Al Gore promised US support in exchange for carbon trading, and after Hillary Clinton’s 2009 promise of a $100 billion Green Climate Fund – both reneged upon – that Washington cannot be trusted. Lead negotiators Todd Stern and Jonathan Pershing should be isolated, an international climate court should be established, and preparations made for comprehensive sanctions against US goods and services.

Second, it appears that the European Union, South Africa and the Climate Action Network – the latter representing big international NGOs mostly without any commitment to climate justice – are pushing what is called a ‘new mandate’. And not surprisingly, Pretoria’s team and the biased pro-Northern chair, SA foreign minister Maite Nkoana-Mashabane, appear ready to sell out the African continent.

Some countries, led by Mali and Egypt, are holding firm on demands by the African Group, the Group of Least Developed Countries and the Latin American ‘Alba’ countries for binding northern emissions cuts of 50% by 2020 and 95% by 2050. These are critical targets to get the overall climate change to below 1.5 degrees. At 2 degrees, the UN estimates, ninety percent of current African agricultural output will cease.

If African countries fold in coming hours, even the traditional leaders of science-based demands – Bolivia, Tuvalu and a few others – probably cannot block a sleazy Durban deal.

Unfortunately, the SA and EU delegations are behind-the-scenes managers devoted to bringing emissions trading markets into this new mandate, largely because of the vast investment that Europeans have made in now-failing carbon markets. Jacob Zuma’s endorsement of the World Bank’s ‘Climate Smart Agriculture’ scheme last week is a return to nakedly neoliberal management of society and nature – an approach that over the last decade proved so disastrous in water privatization and carbon trading.

Explains Anne Maina of the African Biodiversity Network, “Climate Smart Agriculture comes packaged with carbon offsets. Soil carbon markets could open the door to offsets for genetically-modified crops and large-scale biochar land grabs, which would be a disaster for Africa. Africa is
already suffering from a land grab epidemic – the race to control soils for carbon trading could only make this worse.”

Zuma is not well advised by is climate team, for the carbon markets upon which the strategy rests are dying. The Union Bank of Switzerland, Europe’s largest, last month estimated the price per tonne collapsing to just 3 euros in 2013, down from a peak of over 30 euros five years ago and around eight euros at present. If forest credits are also sold into the markets, as proponents hope, it will swamp supply and crash the European Union Emissions Trading Scheme to the level of Chicago’s: around zero.

By all accounts we need prices of at least 50 euros/tonne for market incentives to begin substantively switching us out of carbon and into renewable energy and public transport. Can we trust maniac bankers to deliver the planet’s salvation?

Face it, the neoliberal strategy is failing on its own terms. As a result, Trevor Manuel’s idea that half the Green Climate Fund should be drawn from carbon markets instead of stingy Northern governments and corporations is fatally flawed.

There is a tiny remaining hope for COP17, but only if we soon see a 1999 Seattle-style move by African delegates who know their constituents will be fried if the rich countries and SA have their way. Exactly twelve years ago, the African delegates refused to let the World Trade Organisation do a deal against Africa’s interests. SA’s trade minister at the time, Alec Erwin, tried but was unable to prevent this sensible obstructionist approach.

This time it will be harder, not only because Nkoana-Mashabane presides over COP17, but also because of Ethiopia’s tyrant ruler Meles Zenawi, a top African Union negotiator who ‘sold out’ the continent in 2009-10 by halving finance demands and endorsing the Copenhagen Accord, according to Mthika Mwenda of the Pan African Climate Justice Alliance.

Since the African Group represents 53 countries, the Group of Least Developed Countries represents 48, and there are a half-dozen more in the Alba block, it is not impossible that this shifting alliance can overcome the rich countries’ power and the tendency of the four leading middle-income countries – Brazil, China, India and SA – to represent their own national interests.

As German NGO activist Rebecca Sommer of Ecoterra sums up, “Developed nations are trying to shift their responsibilities for drastic emissions cuts onto developing countries that have done the least to cause the problem. Rich industrialized countries are busy trying to carve out new business opportunities for multinational corporations and their financial elites. It would be disastrous if the internationally binding emission reduction commitments would lapse or end altogether in Durban.”

Most likely, our city will go down in infamy as the site that the temperature was dialed up on Africa. Against that, a spirited march on Saturday passed the ICC but its impact was tempered by what climate justice activists called the ‘Green Bombers’ (named after Robert Mugabe’s paramilitaries).

Complained march organizer Des D’Sa of the South Durban Community Environmental Alliance, “About 300 protesters, dressed in official COP17 volunteer uniforms, tore up placards, physically threatened and attacked activists participating in the march. In spite of heavy police presence throughout the march, including mounted police, riot police, air-patrol and snipers, and requests to address this disruption, police did not take any action.”
The group had “green eThekwini tracksuits with city branding and emblems, but acknowledged themselves to be ANC Youth League supporters, displaying pro-Zuma and anti-Malema placards,” says D’Sa, with the message “100% COP17”. And that tells you all you need to know about the stakes and dirty politics in play here in central Durban.
COP17’s dirty secret: another failure will please certain South Africans

Sunday Independent, 27 November 2011

One of the world’s most extreme cases of climate injustice happens to be the site for the UN Framework Convention on Climate Change Conference of the Parties 17 (COP17) climate summit. According to our government’s National Climate Change Response White Paper: ‘potential impacts on South Africa in the medium- to long-term are significant and potentially catastrophic’ for under conservative assumptions, ‘after 2050, warming is projected to reach around 3 – 4°C along the coast, and 6 – 7°C in the interior’.

Still, put aside banal ‘Working together, saving tomorrow today’ spin-doctoring. Instead, ask whether the COP17’s certain failure to cut greenhouse gas emissions 50 percent by 2020 and 90 percent by 2050 – as scientists tell us is required and as was shunned in 16 prior meetings largely thanks to big-power sabotage – will also be catastrophic for South Africa’s ruling party and ruling class.

Superficially, an easy gut response is no – for otherwise, why give the COP17 presidency to foreign minister Maite Nkoana-Mashabane, who less than four months ago revealed her commitment to the planet by hiring a R240 000 executive jet to take her from Norway to Bulgaria when she refused to board a commercial flight which required that her handbag be whisked through the Oslo airport metal-detector, as for all such dignitaries?

Such frivolity appeared again when Nkoana-Mashabane ignored applications for the Dalai Lama’s visa, as far back as June, so he could attend last month’s celebration of Archbishop Desmond Tutu’s 80th birthday party – reminding us of the same situation 30 months earlier when Beijing proudly announced Pretoria was under its thumb. Accusing Nkoana-Mashabane of being ‘very economical with the truth’, Tutu announced: ‘Our government is worse than the apartheid government, because at least you were expecting it from the apartheid government. Hey Mr Zuma, you and your government don’t represent me. You represent your own interests.’

The COP17 host’s ‘own interests’ appear to be grounded in the crony-capitalist ‘minerals-energy complex’, in which Zuma’s family has been dabbling, in the process exhibiting extreme environmental irresponsibility as witnessed by a nephew’s and legal advisor’s destruction of the Aurora mines and surrounding environs. Although Pretoria claims a desire for the Kyoto Protocol’s extension after 2012, this appears a rhetorical gambit to bait-and-switch on the other African delegates, now holed up at the Hilton, because satisfying both Washington and Beijing also ensures our own elites’ prosperity.

If President Jacob Zuma’s government really cared about his closest historical constituencies in rural KwaZulu-Natal villages, who are amongst those most adversely affected by worsening droughts and floods, then it would not only halt the R250+ billion worth of coal-fired electricity generators being built by Eskom at Medupi and Kusile. The state would shut the world’s single largest CO₂ emissions source, Sasol’s Secunda plant which makes oil from coal, and also reverse the R80 billion heavy oil refinery authorized for construction at Coega, north of Port Elizabeth. It would reverse its trillion-rand nuclear energy fantasy and also deny approval to 40 proposed new coal mines in Mpumalanga, Limpopo and KwaZulu-Natal allegedly needed to supply the plants and export markets in coming years on grounds that – just as at the Cradle of Humankind northwest of Johannesburg, which is suffering threats of debilitating acid mine drainage – these will cause permanent contamination of rivers and water tables, increased mercury residues and global
warming. Pretoria would offer a Just Transition package to all affected workers, transforming their thousands of lost jobs in fossil fuel industries into employment in renewables, public transport, building refurbishment, appropriate production and disposal, reformed agriculture, healthcare and education, as demanded by labour, environmentalists and communities in the Million Climate Jobs campaign.

No, aside from minor PR embarrassment when Greenpeace nails Kusile or Earthlife points out Eskom and Sasol reps on its COP17 delegation, Zuma’s government doesn’t care, as witnessed in the blatantly corrupt African National Congress deal with Hitachi to supply boilers to Medupi and Kusile, a multimillion rand bonsala approved by former environment minister, Eskom chair and ANC finance committee member Valli Moosa. As both victim and villain, South Africa is a poster-child for elite mismanagement of the climate threat. A good measure of our economic elites’ addiction to fossil fuels is carbon intensity per capita unit of output, and we have amongst the world’s highest, far worse than even that great climate Satan, the US. An insignificant contribution to the energy grid – less than 4 per cent in 2010 – comes from South Africa’s incredible renewable potential in solar, tidal and wind sources.

Instead, electricity produced by burning filthy coal is cross-subsidised so it is the cheapest available anywhere in the world for the world’s largest mining and metals corporations, BHP Billiton and Anglo American Corporation. Their smelters were revealed in 2010 to be paying less than R0.15/kilowatt-hour thanks to ‘Special Pricing Agreements.’ The NGO Earthlife squeezed that data from Eskom via the Access to Information Act, now surely impossible thanks to Parliament’s Secrecy Bill passage last week. Other large corporations received electricity in 2009 at R0.40/kWh, still the world’s lowest price – and although rates have soared dramatically, to more than R1/kWh for many small pre-paid meter household consumers, the lowest increases were imposed on the biggest firms, locked in ultra-cheap for BHP Billiton and Anglo by 40-year apartheid-era deals cut just before 1994.

Worse, these are not SA companies reinvesting in our economy, for the main metals/mining firms export their profits both through illegal transfer pricing – a general practice costing us a fifth of GDP in 2007, according to a recent Wits study – and through straight repatriation of dividends to shareholders in London (Anglo) and Melbourne (BHP Billiton), given the relocation of so many megafirms’ financial headquarters out of SA a decade ago. And SA internal consumption of their metals is constrained due to notorious local over-pricing.

Meanwhile, millions of poor people are regularly disconnected or denied access to the grid due to extreme poverty, affecting nearly half the country’s families. Warfare is underway against municipalities and Eskom in the form of ubiquitous ‘service delivery protests’ whose recent root causes in high-priced electricity can be traced to climate change via the bill for Medupi/Kusile construction, controversially financed by the World Bank’s largest-ever loan. The Bank claims Medupi will help the poor, once again standing reality on its head. Moreover, because of backsliding from clean electricity to dirty household energy like coal, wood or paraffin, the passage from HIV-positive to full-blown AIDS status is rapid via respiratory-related opportunistic infections, including the raging TB epidemic, especially affecting women exposed to particulates when cooking over biomass.

In addition to these factors, the ANC government contributes to climate injustice via convoluted global geopolitics. Tellingly, Zuma joined the US, Brazil, India and China as co-sponsors of the Copenhagen Accord in December 2009. The Copenhagen gambit meant that the World Trade
Organisation’s notorious divide-and-rule politics – endorsed to Africa’s dismay by SA trade minister Alec Erwin at the 1999 Seattle, 2001 Doha and 2003 Cancún summits but vetoed by the African delegation at the first and third – would become the norm for UN climate negotiations.

Another UN process, the High-Level Advisory Group on Finance, included SA planning minister Trevor Manuel. Last November, Manuel suggested making up to half the anticipated North-South climate financing – supposedly, $100 billion/year by 2020 – available via the stuttering carbon markets. Manuel was named co-chair of the Transitional Committee to design the Green Climate Fund in March, and against other countries’ wishes he ruled the World Bank could continue as Fund trustee even though that violates UN conflict-of-interest rules.

Meantime the price of pollution in the European carbon markets favoured by Manuel fell from a high of more than 30 euros/tonne in 2006 to less than 8 this week, with Zurich’s UBS bank last week predicting a coming low of 3 euros/tonne. Not only do carbon markets avoid the North’s needed emissions cuts and energy transformation, they are subject to the kind of fraud, gaming and extreme volatility we have come to expect from financiers. Would you want control of the world economy by the likes of Goldman Sachs – repeated violator of even deregulated financial laws in the wild-west US – to extend, now, to our planet’s survival?

If so, you will more honestly change the COP acronym to ‘Conference of Polluters’, and revise your slogan to clearly reflect Pretoria’s interests: ‘Warming together, stealing tomorrow today.’
African climate CDMs ‘Can’t Deliver the Money’
with Michael Dorsey, Sunday Independent, 20 November 2011

Africa is being cooked by climate change, and those causing the crisis should compensate the victims. This is probably the only hope for any top-down action at the Durban COP17 next month, with the Green Climate Fund design committee co-chaired by Trevor Manuel now searching for the $100 billion promised by US Secretary of State Hillary Clinton in Copenhagen two years ago.

One dangerous vehicle for delivering money to Africa is the Clean Development Mechanism, the CDM, which was included in the Kyoto Protocol as a way for Third World projects to get resources. But it isn’t delivering the goods, for a variety of reasons that mean Durban should host a rethink.

The aim is to facilitate innovative carbon-mitigation and alternative development projects by drawing in funds from northern greenhouse gas emitters in exchange for their continued pollution. It is the use of ‘market solutions to market problems’ so as to lower the business costs of transitioning to a post-carbon world. After a cap is placed on total emissions, the idea is that high-polluting corporations and governments can buy ever more costly carbon permits from those which don’t need so many, or from those willing to part with the permits for a higher price than the profits they make in production or energy-generating or transport activities.

With Europe as the base, world emissions trade grew to around $140 billion in 2008 and although markets then went flat due to economic meltdown, increasing corruption investigations and Copenhagen-induced despondency, the trade in air pollution was at one point projected to expand to $3 trillion/year by 2020 if the US were to sign on. The $3 trillion estimate didn’t even include the danger of a bubbling derivatives market, which might have boosted the figure by a factor of five or more.

In November 2010, a new estimate of up to $50 billion/year by 2020 in North-South market-related transfers and offsets emerged from a United Nations High-Level Advisory Group on Financing for climate mitigation and adaption, including Manuel. World climate managers evidently hope to skimp on grants and instead beg business to push vast monies into CDMs instead.

Durban is an important guinea pig, for at SA’s lead CDM pilot, the Bisasar Road landfill, methane from rotting rubbish is converted to electricity. After helping set it up, the World Bank refused in August 2005 to take part in marketing or purchasing Bisasar Road emissions credits. Local activists say the reason was growing awareness of Durban’s notorious environmental racism.

In March 2005, just as the Kyoto Protocol came into force, a Washington Post front-page story revealed how community organizer Sajida Khan suffered cancer from Bisasar Road’s toxic legacy. Back in 1980, the landfill – Africa’s largest – was plopped in the middle of Durban’s Clare Estate suburb, across the road from Khan’s house, thanks to apartheid insensitivity. Instead of honoring African National Congress politicians’ promises to close the dump in 1994, the municipality kept it open when $15 million in emissions financing was dangled.

After Khan died in mid-2007 after her second bout with cancer – which she believed was landfill-induced – Clare Estate civic pressure to close Bisasar subsided and Durban began raising €14/tonne for the project from private investors.

In 2009 the Financial Times reported, “The CDM inherits the UN’s suffocating bureaucracy, so...
smaller projects struggle to gain approval. But more important than what it keeps out is what it lets in. The criterion of ‘additionality’ is supposed to rule out projects that would not be undertaken without CDM payments. Not only is this counterfactual approach utterly unverifiable; it is also an ideal target for gaming."

Since then little has changed, as this week’s United Nations Executive Board meeting at Moses Mabhida Stadium will again witness bureaucratic impotence, cronyism, and a handful of powerful countries controlling nearly three-quarters of the credits produced. The CDM is neither reducing emissions nor securing its promised sustainable development.

The Executive Board suffers from inadequate governance. UN rules specify that “members, including alternate members, of the [Clean Development Mechanism’s] Executive Board shall have no pecuniary or financial interest in any aspect of a CDM project activity or any designated operational entity.”

Despite this rule, CDM Board members often maintain multiple roles at the same time, many of which are lucrative. Board members serve as negotiators during UN climate talks. They represent their countries’ national authorities, or act as managers of large government CDM purchasing programs. Yet the NGO CDM Watch reports that “a conflict of interest is only noted in 4 out of 46 meeting reports of the Board.”

This shyness reflects an overall lack of transparency in decision making. According UN rules meetings of the Board “shall be open to attendance, as observers, by all Parties and by all UNFCCC accredited observers and stakeholders, except where otherwise decided by the Executive Board.” However, due to a rising number of discussions on individual cases, large parts of the meetings of the Board take place behind closed doors.

The CDM gives primacy to its ties to large corporations while often overlooking and even ignoring its foundational institutional mandate to sustainable development on behalf of Africa. The Global Justice Ecology Project describes CDMs as the “Corporate Development Mechanism” and the “Corrupt Development Machine.”

The top four beneficiary countries – China, India, Brazil and Mexico – received three quarters of CDM project support, with China alone generating more than half.

The only real winners in emissions markets are speculators, financiers, consultants (including some in the NGO scene) and energy sector hucksters who make billions of dollars in profits on the sale of notional emissions reduction credits. As the air itself became privatized and commodified, poor communities across the world suffer, and resources and energy are diverted away from real solutions.

This week at Durban’s UN CDM meeting, a barrage of reports critical of the UN’s CDM strategy will be released by academics (including ourselves) and NGOs, and the credibility that carbon trading needs to gain traction going into the COP itself will erode. This is good, because only by leapfrogging market ‘solutions’ that depend upon chaotic, unfair financial markets will we get to the genuine solutions so desperately needed to solve the climate crisis.
For deconscientised Durban, a month until climate wake-up call

*The Mercury*, 25 October 2011

You can sympathise with our city’s community, environmental, labour and faith leaders who in preparing for the world climate summit here in one month’s time, must wake their sleepy flocks to the greatest threat humanity has ever faced.

Their challenge is to fill the “We Have Faith!” prayer meeting next to Mabhida Stadium on November 27, to attend public teach-ins and exhibits at the Durban University of Technology’s “People’s Space” alternative summit from November 25 to December 9, and to get thousands of us to join the December 3 non-violent protest. That march will weave past the US Consulate, City Hall, and the International Convention Centre all the way to the beach for the “Going Away Party” – a farewell to one of South Africa’s most democratic spaces, because the seawater is rising by a meter or more this century.

The last poll I have seen comparing climate awareness amongst major countries puts South Africans next to last, slightly ahead of the Chinese, when posed the question “Is climate change a serious problem?” Only 45 percent answered yes, whereas at least 70 percent say yes in Brazil, Germany and Japan, according to GlobalScan pollsters a few years ago.

Creative consciousness-raising antidotes are coming: a mock Noah’s Ark near North Beach, the ‘Blue Line’ that in parts of central Durban will ink out the rising high-water mark – far higher than the elite Vetch’s Beach development near uShaka, incidentally – or the Climate Train from Cape Town via Joburg. And a series of caravans from East and Southern Africa will make stops along the way so PanAfrican Climate Justice Alliance members can recruit our neighbours to the cause.

But people are also realizing systematic duplicity by governments from Pretoria to eThekwini City Hall. For example, last week’s national Climate White Paper consultation process was far too short. Although some in civil society observed an improvement over the Green Paper because there’s no mention of nuclear energy, a draft R1 trillion nuke tender is circulating, starting in Jeffrey’s Bay where even apolitical surfers awoke to the threat and protested vibrantly in July. Who do the White Paper authors think they are fooling, leaving out nukes?

Pretoria is also sly when it comes to emissions targets, as Cape Town researcher Eugene Cairncross pointed out: “The White Paper unfortunately does not include a reasonably up-to-date emissions inventory for South Africa,” a crucial omission because “Eskom remains absolutely committed to building new coal fired power stations, at a cost of about R500 billion for Medupi and Kusile.” And Sasol has the world’s single worst CO2 emissions site, at Secunda.

Cairncross also complains the White Paper’s benchmark CO2-equivalent emissions range is so wide that it allows “an increase of emissions from the current 500 to 540 million tons per year to 614 million tons per year in 2035. That is, the Benchmark accepts a further 20 percent increase in GHG emissions over the next 25 years, during a period when the global climate change crisis demands a decrease in emissions!”

Brainwashing us won’t work, when Pretoria offers this monotone ministerial pronouncement: “Working Together: Saving Tomorrow Today” – better translated into the reality, “Warming Together: Stealing Tomorrow Today.”
The minister in question, Maite Nkoana-Mashabane, will chair the climate summit. She is best known for refusing a first-class Norway-Bulgaria plane journey last month because airport authorities insisted that, like all others (aside from royalty and heads of state), she put her handbag through the x-ray machine. Refusing, she instead landed SA taxpayers with a R235 000 bill to hire an executive jet.

A month later, the Dalai Lama visa-delay fiasco called into question Nkoana-Mashabane’s capacity to act independently when she presides over the climate summit. Will she be an agent of Beijing – or instead, like Jacob Zuma in Copenhagen two years ago, of Washington? She certainly isn’t going to protect the interests of the planet or people, judging by national and municipal climate malgovernance.

For example, City Hall’s decades-old bias towards a ‘climate-dumb Durban’ – i.e. the officials’ nudge-nudge wink-wink posture when in the presence of massive polluters – was evident again on October 10 at Merebank’s Settlers Primary School. It is a reflection of city health management and the provincial education department that a decade ago, Settlers was found to have a 52% asthma rate, the world’s highest, and that the neighbourhood’s main carbon polluters carry on with noxious emissions, periodic explosions and lethal fires.

As The Mercury reported, “More than 100 primary school children were taken to hospital – some struggling for breath, others with itchy skin and eyes – after being splattered by air-borne droplets of crude oil and a cloud of smoke and soot from another fire at the Engen fuel refinery in South Durban.” Engen’s Herb Payne replied to The Witness, “It wasn’t serious and we managed to contain the fire with internal firefighters.” Engen handed out a few hundred new school uniforms and R30 car-wash vouchers.

Reading from Payne’s script, climate-dumb Durban’s municipal officials also show a consistent lack of seriousness. Climate change will intensify extreme weather events and floods that could devastate our cracking stormwater drainage system. When in 2008 Durban’s Blue Flag beach status was decertified due to high E.coli counts, it should have immediately generated a sanitation construction boom. But go to any of Durban’s more than 100 major shack settlements and try finding a ratio of decent, working toilets that is higher than one per 1000 people.

Without decent sanitation, worsening rainstorms coursing through low-income areas will gather E.coli in amounts far higher than the recommended 130/100ml for recreational river use. As a recent State of the South African Rivers Report found, on the “uMngeni River at Kennedy Road, E.coli up to 1,080,000. (Cause: Informal Community on the banks of the Palmiet River.)”

Another climate-dumb Durban strategy is to cut poor people’s electricity – often illegally connected due to the municipal policy of not supplying most settlements, and often due to the price hikes Eskom imposes to pay for Medupi and Kusile – resulting in an upsurge of violent service delivery protests. Those which got recent media attention in Kennedy Road, Sea Cow Lake and Chatsworth are joined by thousands of others across South Africa each year.

We desperately need to connect the dots between genuine local grievances and insensitive government climate politics, so as to solve these problems from both below, in the wretched townships, and above, by regulating those infernal smokestacks.
On Friday at 5pm, the Community Climate Summit at the University of KwaZulu-Natal’s Memorial Tower Building is one place to begin, for so many of us vaguely aware of the UN climate negotiations – for which we in Durban are told by the government and allied NGOs to just go plant a tree or replace a lightbulb, instead of addressing this crisis from the standpoint of justice.
**Electricity prices and runaway trucks will embarrass Durban’s COP17**  
*The Mercury, 27 September 2011*

Environment minister Edna Molewa announced yesterday at the International Convention Centre provincial climate meeting, that the Durban climate summit starting in just two months will be “a conference of hope,” generating an “outcome all of us will be happy about.”

Neither is true. By all objective accounts, the COP17 won’t provide a meaningful deal to cut emissions, and climate finance is mired in promotion of for-profit schemes by the World Bank via the upcoming G20 meeting. The promise of “$100 billion grants annually by 2020” made by US Secretary of State Hillary Clinton in late 2009 looks sure to be broken.

The likelihood is not only that the Kyoto Protocol’s binding (not voluntary “pledge and review”) commitments for rich countries to cut emissions will be dropped. Just as dangerous, Kyoto’s promotion of fraud-ridden carbon trading instead of genuine emissions reductions will be extended.

Nor did Durban Mayor James Nxumalo’s listing of the city’s heartwarming microprojects – Buffelsdraai community treeplanting, the Green Hub building at the Blue Lagoon, and the solar geyser scheme – disguise high-carbon, climate-dumb Durban’s own rapidly-growing emissions plans, especially the R250 billion “Back of Port” expansion of shipping, trucking and petro-chemicals.

Nor did Durban Mayor James Nxumalo’s listing of the city’s heartwarming microprojects – Buffelsdraai community treeplanting, the Green Hub building at the Blue Lagoon, and the solar geyser scheme – disguise high-carbon, climate-dumb Durban’s own rapidly-growing emissions plans, especially the R250 billion “Back of Port” expansion of shipping, trucking and petro-chemicals.

Neither leader gives confidence that they are doing anything much beyond greenwashing, in the wake of two meetings I attended last week at Austerville community hall in Wentworth. On Wednesday, 400 residents came out in the rain with their electricity bills, furious about Eskom’s price increases, passed along by a brutal municipality, resulting in a wave of household fiscal misery.

Eskom needs to squeeze poor Durban residents to build the world’s third and fourth largest power plants. It’s not hard to make the links between dirty energy (paraffin, coal and even wood) at home due to electricity price hikes or outright disconnections, and climate change, not to mention health degeneration.

Do national, provincial and municipal officials want angry community demonstrators in central Durban during the big December 3 march past the US Consulate, City Hall and ICC to the beach, highlighting these complaints?

Intensified service delivery protests are inevitable given Eskom’s apparent desire to continue providing the largest mining and metals houses (BHP Billiton and Anglo American) with the world’s cheapest electricity, around a tenth of what the Wentworth residents pay.

A meeting in the same hall on Thursday featured a classic battle: big business imposing toxics on a vulnerable neighbourhood, Clairwood. But this long-oppressed site has amazing civil society fighters, amongst Africa’s most passionate environmental justice activists.

The huge transport firm Bidvest hired an environmental impact assessment (EIA) specialist, Peter Buckland of Coex, to avoid doing a full EIA and instead submit merely a “Basic Assessment.” Bidvest proposes to increase daily truck traffic in pollution-saturated South Durban by 40 trucks, carrying...
flammable liquids (like pentene), combustible solids (cellulose), oxidisers (ammonium nitrate), poisons (dimethyl sulphate) and corrosives (acids).

Bidvest’s hazmat storage site, Rennie’s Distribution, is across from the Jacobs Hostel, just north of the city’s famous racecourse, and situated between the working-class neighbourhoods of Woodlands and Austerville. They are all at risk if the proposal succeeds.

The South Durban Community Environmental Alliance’s Des D’Sa started the debate observing the several thousand deaths in KZN caused by truck-related accidents since 2006, and public health threats caused by South Durban Basin trucking. Bidvest was also responsible for a massive September 2007 fire in the Island View refinery area of the port, fatal to a worker and terrifying for residents of the Bluff. The South Durban emergency evacuation plan that D’Sa demanded from municipal officials was never provided.

A variety of criticisms of Bidvest and Coex followed, including Clairwood resident association leader Mervyn Reddy’s analysis of congestion on the South Coast road. Under constant truck owner pressure to speed up, the drivers move south from the port using various residential roads during the area’s constant traffic jams, in search of short-cuts away from back-of-port chaos.

The pressured drivers are often the most wicked on the road, and Reddy showed numerous slides of appalling truck crashes that have killed nine South Durban residents in recent years. And he showed a portrait of an assassinated local community leader, Ahmed Osman, who fought the truckers. Alan Murphy, the Ecopeace party’s former city councilor, pointed out the vast contradictions in Coex’s Risk Analysis, especially its failure to consider explosions during transport.

As for climate implications, it was revealing that Buckland had not read the book, “Towards a Low Carbon City”, commissioned by the city and launched last month by authors from the Academy of Science of SA. According to the report, “The transport sector is pivotal to the transition to a low carbon city.”

The report suggests that proposals like Bidvest’s should be viewed with extreme skepticism: “The top priority was identified as the need to reduce the vehicle kilometers travelled in the road freight sector as this provided the greatest opportunity to simultaneously reduce emissions of GreenHouse Gases and traditional air pollutants.”

Butland’s Basic Assessment ignored climate change and when I asked, he had nothing to say. The overwhelming critique of the proposal by the entire community audience – all raised their hands when asked if they are opposed – is a clear refutation of the KZN provincial government’s decision to allow a Basic Assessment instead of a full EIA. If the municipal and provincial officials who have authority over this matter decide in favour of increased hazmat trucking for South Durban, all hell will break loose.

It’s just one battle in a long-term war: the corporate/municipal agenda to expand high-carbon activities, versus resident health and safety. There will be many more, given how fired up this community is against the devastation caused by the hazmat trucks and against the coming back-of-port project.

The smug tone of politicians at the ICC yesterday and today will surely change when this sort of inadequate environmental regulation, excessive electricity price increases, and fury at climate
change policy procrastination combine to ensure Durban and national officials suffer a very hot summer.
Dirty Durban’s manual for climate greenwashing

The Mercury, ZNet, Links, Counterpunch, 29 August 2011

Will the host city for the November-December world climate summit, the COP17, clean up its act? Last Tuesday’s launch of a major Academy of Science of South Africa (Assaf) report, *Towards a Low Carbon City: Focus on Durban* – http://www.assaf.org.za/2011/08/durban-on-a-pathway-towards-a-low-carbon-city/ – offers an early chance to test whether new municipal leaders are climate greenwashers, attempting to disguise high-carbon economic policies with pleasing rhetoric, as did their predecessors.

Will Durban Mayor James Nxumalo and a new city manager, still to be named, instead get serious about the threat we face – and that major industries pose – as a result of runaway greenhouse gas emissions? We needn’t rehearse concerns about future rising sea levels, extreme storms, flooding that will overwhelm dirty Durban’s decrepit stormwater drainage system, landslides on our hilly terrain, droughts that draw new “climate refugees” from the region into a xenophobic populace, the disruption of food chains and other coming disasters.

However, what might be termed SA’s “mitigation-denialism” remains a notable problem. Not only did Planning Minister Trevor Manuel announce last week that he expects the North to pay SA up to $2 billion/year through the Green Climate Fund he co-chairs – when in reality it is we who owe a vast climate debt to Africa given our world-leading rate of CO2/GDP/person – but Assaf seeks to persuade politicians that Durban can “entrench its reputation as SA’s leading city in terms of climate change actions” (sic).

**Missing in analysis: Durban’s worsening carbon habit**

This is pure hot air, because Assaf’s 262-page study shies away from critical mention of high-carbon Durban’s unprecedented public subsidies on long-distance air transport, shipping, fossil-fuel infrastructure, highway extension and international tourism.

For example, the study tells us nothing about the $35 billion that “Back of Port” planners have in mind for South Durban: displacing residents of the 140 year-old Clairwood neighbourhood to allow more expansion of the vast harbour (and its ships’ dirty bunker fuel), a new highway leading to more container terminals and supertoxic petrochemical facilities (including doubling oil flows through a new pipeline to Joburg via black neighbourhoods), expanding the automotive industry, and digging a huge new harbor on the old airport site. Not a mention.

Assaf says nothing about the damage done by building the $1.2 billion King Shaka International Airport way too early and way too far north of the city, nor – aside from a throwaway reference in the governance chapter – about the mostly-empty $430 million Moses Mabhida Stadium built for last year’s World Cup, next door to an existing world-class rugby stadium which should have been used. Durban was nearly rewarded with a climate-destabilizing 2020 Olympics Bid before the SA Cabinet had a rare common-sense moment in June and withdrew from the competition.

All these mega-investments certainly make Durban “SA’s leading city in terms of climate change actions” – but opposite the way Assaf claims.

In a failure of analytical nerve, the Assaf scientists appear too intimidated to discuss these expensive mistakes in polite company, much less argue for a detox-rehab of Durban’s carbon-
addicted corporates. Yet it makes no sense to avoid the harsh reality of fast-rising emissions in sectors that make our city exceptionally vulnerable when carbon taxes do finally kick in, given how far Durban is located from the world’s main markets and given adverse implications for tourism.

At one point, buried in a dry table, are the names of Durban’s biggest emitters measured by consumption of municipal electricity: the Mondi paper mill, Sapref and Engen oil refineries, Toyota, Frame Textiles and the Gateway and Pavilion shopping malls. But the city’s biggest contributor to climate change via the national grid’s coal-fired power plants is a deadly manganese smelter, completely forgotten in Assaf’s study even though Assore’s most recent annual report concedes, “Electricity consumption is the major contributor to Assmang’s corporate carbon footprint and reflects energy sourced from Eskom grid supply, particularly by the Cato Ridge Works.”

Nor in Assaf’s chapter on “The national context” do we learn that SA is building the world’s third and fourth largest coal-fired power plants, Eskom’s Kusile and Medupi, with a $3.75 billion loan from the World Bank in spite of fierce opposition from civil society.

Not mentioned, either, are apartheid-era Special Pricing Agreements that give BHP Billiton and Anglo American Corporation the world’s cheapest electricity ($0.02/kiloWatt hour), about 1/8th what ordinary households pay. Nor is there a word about the millions of poor South Africans disconnected from electricity, unable to absorb the 130 percent price hike Eskom has imposed since 2008 so as to pay for the coal-fired generators.

These gaping holes are too wide for even Durban’s most skilled greenwashers – like municipal climate adaptation manager Debra Roberts – to hide, and to her credit, joking that “You want to get me fired for publicly agreeing with you,” she did just that when at the International Convention Centre launch I drew attention to these white-elephants-in-the-room.

Assaf chief executive Roseanne Diab replied that the city’s main mitigation focus should be Durban’s anarchic truck-freight transport mess, which she claimed can be tackled by air-quality regulation. That might be the case if SA had the USA’s Clean Air Act which considers greenhouse gases to be pollutants – something our SA Air Quality Act doesn’t. And it might also help if the municipality had an effective air pollution monitoring unit, but in March it was stripped of most of its staff by the city manager and is now considered a joke.

And here in SA’s petrochemical armpit, from where I write, we South Durban residents continue to be the main victims, including Settlers Primary School with its 52 percent asthma rate, the world’s highest. I spent an hour last Friday night out on Clairwood’s Houghton Road, where local residents association secretary Mervyn Reddy led 100 people blockading Consolidated Transport for letting truck drivers race like Michael Schumacher through the neighbourhood. After ten deaths caused by maniac truckers, who can blame this community for rising up.

**Durban chases the carbon trade**

What Reddy knows but Assaf doesn’t say, is that the sources of climate-threatening CO2 emissions are also responsible for much more immediate socio-ecological destruction. For example, Assaf enthusiastically promotes landfill methane gas-to-electricity conversion at Durban’s infamous Bisasar Road dump without observing (as do most academic articles) that Africa’s largest “Clean Development Mechanism” is actually one of the world’s primary cases of carbon-trading.
environmental racism, worthy of a front-page article in the Washington Post in 2005 on the day the Kyoto Protocol took effect.

Placed in a black neighbourhood during apartheid, Bisasar Road – Africa’s largest landfill – should have been closed when Nelson Mandela came to power, as African National Congress pamphlets in the 1994 election promised the community it would be. But thanks in part to World Bank encouragement, Bisasar became the leading pilot for carbon trading and still pollutes the area to this day, with no prospect for closure before it fills up around 2020. A sister landfill in northern Durban, La Mercy, also had a methane-electricity project funded by the World Bank, but Assaf concedes that it failed to properly extract the gas.

In its enthusiasm for such financing, the Assaf study also forgets that the COP17 will witness the demise of Kyoto, the treaty that mandates these kinds of carbon-trade investments in places like Durban. The end of the only binding multilateral climate treaty is mainly due to Washington’s intransigence, and it is heartening to those of us in Durban that hundreds of people have been arrested at the White House over the last two weeks, demanding US rejection of filthy Canadian tarsands oil. In solidarity, Durban climate justice activists will demonstrate at the US Consulate just west of City Hall on Wednesday during afternoon rush hour.

Blithely, Assaf scientists recommend “innovative market-based financing mechanisms” such as “the voluntary carbon market” – while downplaying the emissions-trading fraud, corruption, speculation and collapse now rife across the world. As even a February 2011 report by the US Government Accounting Office revealed, for such voluntary market offsets to be considered genuine requires proof of “additionality,” but this “is difficult because it involves determining what emissions would have been without the incentives provided by the offset program. Studies suggest that existing programs have awarded offsets that were not additional.”

As for measuring CO2 in the voluntary emissions markets, “it is challenging to estimate the amount of carbon stored and to manage the risk that carbon may later be released by, for example, fires or changes in land management.” And verification of offsets is a challenge because “project developers and offset buyers may have few incentives to report information accurately or to investigate offset quality.”

Climate-smart Durban?

Regrettably, Assaf believes in a few other “False Solutions” to the climate crisis, such as biofuels (Durban is a sugar cane centre) and co-incineration of tyres in cement kilns. Interestingly, the GAO has just released a report confirming analysis by progressive scientists in the ETC Group, that the “climate engineering” technologies of choice – geoengineering, nanotechnology, biofuels and synthetic biology – are “currently immature, many with potentially negative consequences... Climate engineering technologies do not now offer a viable response to global climate change.”

In another disturbing development, Assaf’s emphasis on residents’ behavioural change risks a blame-the-victim mentality: e.g., discouraging flush toilets for poor people so as to avoid increased electricity use at the sewage works. Adds Diab, “We must encourage people to stop using their cars and start using public transport” – yet she is silent about how city officials let a crony-capitalist firm, Remant Alton, privatize and wreck our municipal bus system.
Not a total write-off, Assaf’s report at least encourages Durban to “produce local, buy local” at a time of inane currency-induced trading patterns that have little to do with rational comparative advantages between competing economies. The report condemns suburban sprawl and much post-apartheid planning, while endorsing the “polluter pays” principle, which, if ever implemented, would radically improve the city’s environment. All obvious enough, but what hope for implementation given our rulers’ pro-pollution bias?

“Climate smart”, according to Roberts, means a city’s “low-carbon, green economy provides opportunities for both climate change mitigation and adaptation and fosters a new form of urban development that ensures ecological integrity and human well being.”

Precisely. But if Diab is correct that “poor public awareness” is a major barrier to addressing the most serious crisis humanity has ever faced, Assaf scientists now contribute to that very problem with their bland, blind greenwashing of climate-dumb Durban.
Leaving oil in the soil, from Durban’s coast to Ecuador’s Amazon  
*ZNet, Counterpunch, Links, Pambazuka, The Mercury*, 3 August 2011

There’s no way around it: to solve the worsening climate crisis requires we must accept both that the vast majority of fossil fuels must now be left underground, and that through democratic planning, we must collectively reboot our energy, transport, agricultural, production, consumption and disposal systems so that by 2050 we experience good living with less than a quarter of our current levels of greenhouse gas emissions.

That’s what science tells our species, and here in South Africa a punctuation mark was just provided by a near-disaster in Durban – host of the world climate summit, four months from now – during intense storms with six-meter waves last week. A decrepit 40-year old oil tanker, MT Phoenix, lost its anchor mooring on July 26 and was pushed to the rocky shoreline in Christmas Bay, 25km north of the city.

The shipwreck is in the heart of a beautiful albeit class-segregated tourist and retirement site, Durban’s North Coast, that just two weeks earlier held an Association of Surfing Professionals (ASP) world competition, Mr Price Pro. That event boasted some of the best waves ever seen in ASP history, said contestants.
But cold winter swells from marine hell reemerged just when MT Phoenix was being towed into Durban harbour for confiscation, having lost its engines a few hundred miles down the coast. According to Cathleen Jacka of the maritimematters.net website, the incident confounded the South African Maritime Safety Authority (SAMSA), what “with hints at a deliberate beaching; the possibility of a mystery stowaway still hiding onboard; uncertainty as to the true identity of the owners and even that the vessel was scrapped in India last year.” A SAMSA official observed that the 15-member crew “seemed inexperienced in the basic actions required to stabilise the vessel’s position” and remarked, “It would not be the first time that an unscrupulous ship owner was prepared to sacrifice a vessel in attempt to realise the insured value.”

Except that there was apparently no insurance for the MT Phoenix, since Lloyds took it off the books late last year, and allegedly it was on its final trip, from West Africa to India’s ghastly ship breaking graveyard. The owner, Suhair Khan of Dubai, stopped taking calls, leaving South Africans to bear the risk of 400 tons of oil spilling if the ship broke on the rocks. Estimates of the heroic rescue operation’s cost to the taxpayer easily run into the millions of dollars, but thankfully the crew was saved and oil was laboriously pumped ashore.

Offshore drilling in the ‘remarkably stable’ (sic) Agulhas Current
However another potential oil disaster looms in this very location, thanks to South African government energy bureaucrats. On May 5, the Petroleum Agency of SA began authorizing seismic oil surveying by a dubious Singapore-registered company, Silver Wave Energy, in water depths ranging from 30 meters to two kilometers. By comparison, BP’s Deepwater Horizon platform in the much calmer Gulf of Mexico drilled 1.5 km down to the seafloor surface.

Source: PetroSA, July 2011

Silver Wave Energy’s primary owner is Burmese businessman Min Min Aung, who is tight with the junta that still rules there, according to reliable reports. Exploitation of oil and gas in Burma’s Andaman Sea has long been controversial (my grandfather was deputy warden there during brutal colonial times), and when Unocal – now Chevron – built a pipeline to Thailand, it did such enormous damage to people and the environment that local villagers, supported by Earthrights International, successfully sued the firm for $30 million.

Since 2007 the Arakan islands on Burma’s Bay of Bengal coast have been the main site of intense conflict, as Jockai Khaing from Arakan Oil Watch told me last week, and again Aung is a key player. Silver Wave has also been exploring dubious extraction projects in Russia, Sudan, Guinea-Conakry, Indonesia and Iraq, but in spite of sanctions against Burma (supposedly supported by South Africa), Aung received PetroSA’s endorsement to explore 8000 square km stretching from Durban to SA’s main aluminum-smelting city, Richards Bay.

Silver Wave simultaneously announced a $100 million oil search in the fragile Hukaung Valley in northeastern Burma, and if the company carries out its initial plans, this will threaten local villagers as well as endangered tigers, Himalayan bears, elephants and leopards. Although the area contains the world’s largest tiger reserve, according to reporter Thomas Maung Shwe of Mizzima news service, “the Burmese regime has encouraged logging, gold mining, large scale farms and the
building of factories inside.” As the scandal grew, Silver Wave denied what its own press release had announced, but conceded it would drill near the reserve.

A company this dastardly is a high risk, and to prove the point, Silver Wave’s environmental impact document includes a description of the notorious Agulhas Current, which begins at the Mozambique border: “Compared to other western boundary currents the Agulhas Current adjacent to southern Africa’s East Coast exhibits a remarkable stability.” Huh? In reality, the Natal Pulse races down the Agulhas a half-dozen times each year, pushing 20km per day. It is one reason Durban’s coastline hosts more than 50 major ship carcasses. Creating havoc further south on the Wild Coast, the Pulse contributes to the rouge waves that have sunk 1000 more vessels in what is considered one of the world’s most dangerous shipping corridors.

Susan Casey’s book The Wave pays Agulhas this respect: “Crude, diesel, jet fuel, liquefied natural gas: oil in all its forms was heartbreaking, infuriating and all-too-common sight in the ocean. Supertankers, behemoths that couldn’t make it through the Suez Canal, swung down from the Middle East, took their chances hopping a ride in the Agulhas, and met their share of disasters. Salvagers used every tool at their disposal to prevent the damaged tankers from gushing out their contents, especially in fragile near-shore environments, but sometimes the battle was lost.”
South Africa’s petrochem armpit

If, thankfully, the beaches at Christmas Bay were saved from a spill this week, others have not been so fortunate. Just offshore South Durban’s Cuttings Beach, a few kilometers from where I’m writing, we witnessed a significant 2004 oil spill of five tons at the Single Buoy Mooring, the 50-meter deep intake pump that feeds the refineries with 80 percent of SA’s crude oil imports. Onshore, corporate pollution standards are so lax that the rust-bucket structures regularly spring disastrous leaks and explode.

Source: South Durban Community Environmental Alliance photos of 2007 incidents

Daily, poisons are flared onto thousands of neighbouring residents. The Indian, coloured and African communities suffer the world’s highest-ever recorded asthma rate in a school (52 percent of kids), as Settlers Primary sits next to the country’s largest paper mill (Mondi) and between two refineries: one run by Engen, Chevron and Total; and the other, called Sapref, by BP, Shell and Thebe Investments. Sapref’s worst leak so far was 1.5 million liters into the Bluff Nature Reserve and adjoining residences in 2001.

Source: SDCEA

Together these refineries can process 300,000 barrels of oil a day, more than any other single site in Africa aside from an Algerian mega-refinery. A new 705km pipeline from the Durban refineries to Johannesburg will double the existing pumping capacity, an invitation for much more damage here.
Delayed two years, the government pipeline project’s cost overrun went from $1.4 billion announced in 2005 to $3.4 bn today. Our petrochemical armpit gets smellier, as soaring financial costs add to the social and environmental calamities.

Amazonian oil soils our forest lungs

Because of flying so much, I am feeling an acute need to identify and contest the full petroleum commodity chain up to the point it not only poisons my South Durban neighbours but generates catastrophic climate change. And regrettably, this search must include Venezuela, Bolivia and Ecuador (and from last week Peru as well), for even South America’s most progressive governments are currently extracting and exporting as much oil and gas as they possibly can. We may even be recipients in South Africa, if government’s plans to build a massive $15 billion heavy oil refinery near Port Elizabeth come to fruition. A $300 million downpayment was announced in the last budget, and full capacity will be 400,000 barrels per day.

From where would this dirty crude come? Two weeks before he was booted from office in September 2008, disgraced SA president Thabo Mbeki signed a heavy oil deal with Hugo Chavez. It appeared a last-gasp effort by Mbeki to restore a shred of credibility with the core group to his left – the Congress of SA Trade Unions and SA Communist Party – who successfully conspired to replace him with their own candidate, Jacob Zuma, as ruling party leader nine months earlier. In those last moments of power, Mbeki fancifully claimed he wanted to pursue Bolivarian-type trade deals, and Chavez told Mbeki, “It is justice ... it will be a wonderful day when the first Venezuelan tanker stops by to leave oil for South Africa.” The harsh reality is that the preferred refinery site, Port Elizabeth’s Coega, will probably retain its nickname, the “Ghost on the Coast”, and Durban will continue to suffer the bulk of oil imports, as BP now actively campaigns against a new state refinery.

Oil spots from Texaco’s operations already encroach into Yasuni – where Bassey feels at home

Venezuelan dirty crude is akin to Canadian tar sands, and hopefully sense will prevail in Caracas. There is a fierce battle, however, for hearts and minds in both Bolivia – where movements fighting ‘extractivism’ have held demonstrations against the first indigenous president, Evo Morales, even at the same time his former UN ambassador Pablo Solon bravely led the world climate justice fight within the hopeless arena of UN Framework Convention on Climate Change negotiations – and Ecuador where Rafael Correa regularly speaks of replacing capitalism with socialism. Both have ‘rights of Mother Earth’ in their constitutions – so far untested.

In Quito and Neuva Rocafuerte deep in the Amazon last week, I witnessed the most advanced eco-social battle for a nation’s hearts-and-minds underway anywhere, with the extraordinary NGO Accion Ecologica insisting that Correa’s grudging government leaves the oil in Yasuni National Park’s
soil. Because he was trained in neoclassical economics and hasn’t quite recovered, Correa favours selling Yasuni forests on the carbon markets, which progressive ecologists reject in principle.

Accion Ecologica assembled forty members of the civil society network Oilwatch – including four others from Africa led by Friends of the Earth International chairperson Nnimmo Bassey from the Niger Delta – first to witness the mess left by Chevron after a quarter century’s operations. Six months ago, local courts found the firm responsible for $8.6 billion in damages: cultural destruction including extinction of two indigenous nations, and water and soil pollution and deforestation in the earth’s greatest lung – but Chevron’s California headquarters refuses to cough up.

The really hopeful part of the visit, however, was Accion Ecologica’s proposal at Yasuni, on the Peruvian border, that $7-10 billion worth of oil in the block known as ITT not be drilled. Part of the North’s debt for overuse of the planet’s CO2 carrying capacity must be to compensate Ecuador’s people the $3.5 billion that they would otherwise earn from extracting the oil. Leaving it unexploited in the Amazon is the most reasonable way that industrial and post-industrial countries can make a downpayment on their climate debt.

If the UN’s Green Climate Fund design team, co-chaired by South African planning minister Trevor Manuel, were serious about spending its promised $100 billion a year by 2020, this project is where they would start, with an announcement on November 28 to put the Durban COP17 climate summit on the right footing.

Don’t count on it. Instead, as usual, civil society must push this argument, in the process insisting on leaving oil in the soil everywhere so that other tankers share what we pray will be the final fate of the wretched ship MT Phoenix: a graceful not rocky retirement.
At the heart of our wealth and our woes, the ‘Minerals-Energy Complex’
with Khadija Sharife, The Mercury, 19 July 2011

When Julius Malema proposes mining industry partial nationalization – and last week asks, quitelegitimately, ‘what is the alternative?’ to those in the SA Communist Party and Business LeadershipSouth Africa who throw cold water at him – a debate of enormous ideological magnitude opens,which ordinary folk in civil society should join. Especially those with a green streak.

For those of us in KwaZulu-Natal, engagement is vital because of new scientific findings aboutoverestimated coal industry reserves, SACP leader Jeremy Cronin’s recent suggestion of ‘phasingout aluminium smelters’ at Richards Bay (and we might add, Durban’s killer-manganese Assmang atCato Ridge which alone chews a third of our city’s electricity), and the global climate summit inNovember-December.

It bears repeating that the COP17 will be extremely embarrassing for South Africa, not only becauseDurban will notoriously host the demise of the Kyoto Protocol’s binding commitments, due to thedestructive influence of US and European Union. WikiLeaks revealed Washington’s bad habits– bullying, bribery and blackmail – when promoting the non-binding 2009 Copenhagen Accord, a sham of a climate agreement.

Pathetically, Jacob Zuma played into the hands of the major polluters as an original signatory. A decent society would have impeached him immediately for, as Bill McKibbon of 350.org explainedthe actions of his own president at the time, ‘Obama broke the UN!’ at Copenhagen.

Expect more UN wreckage at the ICC on December 9, closing day. But that aside, the main reasonthat Pretoria faces embarrassment is increasing awareness of dirty secrets of coal-fired electricityabuse. This is a result of the way that mining houses – especially Anglo American Corporation andBHP Billiton – have managed to monopolize the world’s cheapest energy while poor people are soovercharged that they face widespread disconnection.

High-profile resistance this month alone included the burning of municipal councilors’ houses overhigh prices and prepayment meters in Soweto, ‘Tzaneen residents’ attacks on Eskom officialsengaged in power cuts, and in Durban’s Kennedy Road, successful protests against a municipal subcontractor chopping illegal electricity connections.

South Africa’s ‘Minerals-Energy Complex’ – a phrase coined by former Trade and Industry director-general Zam Rustomjee and British economist Ben Fine – has become a barrier to society’sbalanced development and also a threat of great magnitude to the local and global environment. Aslast month’s diagnostic document from the new planning ministry admitted, “SA’s economy ishighly resource intensive and we use resources inefficiently. As a result we are starting to face some critical resource constraints, e.g. water.”

Eskom is the biggest water consumer, so as to cool Mpumalanga power plants. The coal burned inthe process has ruined many rivers, and so badly polluted the Kruger Park that hundreds ofcrocodiles have died. The main beneficiary, whose smelters guzzle more than a tenth of SAelectricity, is BHP Billiton, the Melbourne firm that started life as Gencor. Eskom’s annual reportadmits it was given a R1.4 billion subsidy last year thanks to apartheid-era deals, and wasresponsible for Eskom’s R9.7 billion loss the year before.
This is why our wealth is a ‘resource curse’. Dating back to the discovery of Kimberley diamonds in the 1860s and Witwatersrand gold in the 1880s, a handful of corporations gained power over national development policy. At one point, Anglo American and De Beers – run mainly by the Oppenheimer family dynasty – controlled almost half the country’s gold and platinum, a quarter of the coal, and virtually all the diamonds, with held critical stakes in banking, steel, auto, electronics, agriculture and many other industries.

According to the Truth and Reconciliation Commission, the mining industry’s ‘direct involvement with the state in the formulation of oppressive policies or practices that resulted in low labour costs (or otherwise boosted profits) can be described as first-order involvement [in apartheid] ... The shameful history of subhuman compound [hostel] conditions, brutal suppression of striking workers, racist practices and meager wages is central to understanding the origins and nature of apartheid.’

The terrible legacy of the Minerals-Energy Complex continues, as witnessed by the financing of Eskom’s new coal-fired mega power plants Kusile and Medupi (the world’s third and fourth largest), the energy ministry’s multi-decade integrated resource planning exercise – run by a committee dominated by electricity-guzzling corporations – and Pretoria’s contributions to global climate debates: the COP17; Zuma’s co-chairing of a UN sustainable development commission; and Planning Minister Trevor Manuel’s role as co-chair of the Green Climate Fund (GCF) design team, which seeks $100 billion a year in North-South flows.

Last week at a Tokyo GCF meeting, Manuel suppressed debate requested by Nicaragua about the World Bank’s conflict of interest, for it both provides input to the huge fund as well as serving as interim trustee, against UN procedure. Instead of paying reparations for ‘climate debt’, the GCF appears to cement existing power structures, and instead of raising funds from from polluters in the North to deter emissions, potentially half of the fund might come from carbon trading (a suggestion by Manuel), which will prolong Northern corporate climate destruction.

Further Minerals-Energy Complex ecocide is the Witwatersrand’s acid mine drainage. Mine tailings dams composed of waste material measure 400 square kilometers, alongside six billion tons of iron sulphide, which, exposed to air and water, creates acid mine water which drains into the water table. The combination is devastating, especially when added to the coal mine pollution further east, on the country’s best agricultural land, not to mention hundreds of thousands of workers’ silicosis and tuberculosis, traced by Durban’s Health Systems Trust to the mines.

These legacies mean that even if Malema has won the spotlight, mining and energy firms are consistently criticized by labour, communities and environmentalists. The problem so far has been divisions of interest that prevent them from coming together effectively, a problem that needs to be urgently solved, certainly before the COP17 Conference of Polluters begins.
Think ahead five months, but first, back last month. For we’ve just witnessed a preview of critical differences between civilized society, trying its best to get into the COP17 summit in Durban to make some minor climate policy modifications at the edges, and uncivilized society trying to generate eco-social change on the outside in order to save the planet.

Amongst the world’s highest profile activists is Greenpeace International director Kumi Naidoo, who in his Durban youth learned and practiced the highest arts of democratic advocacy within the Natal Indian Congress and anti-apartheid youth structures.

Last month, Naidoo scaled a Greenland deep-sea oil platform to present 50,000 signatures against dangerous Arctic drilling. Last week, his Johannesburg comrades dumped five tonnes of coal at MegaWatt Park in Joburg’s northern suburbs to protest Eskom’s climate-catastrophic Kusile powerplant construction.

With extreme weather events worsening in recent months, who can doubt the imperative to get a global fair, ambitious and binding deal to halt greenhouse gas emissions within the next four decades, and to cut them in half within a decade? Such a superhuman, genuinely multilateral effort has been tried once before, in the 1987 “Montreal Protocol on Substances that Deplete the Ozone Layer”, which, thank goodness!, banned chlorofluorocarbon (CFC) emissions by 1996, in the nick of time.

Since then I know of nothing else attempted by elite global negotiators aside from AIDS-medicines access – granting an exemption to intellectual property rights at the 2001 Doha World Trade Organisation summit, driven from below by the Treatment Action Campaign – to solve world-scale economic, environmental and geopolitical crises. Nothing. The elites have been pathetic.

Blame the neoliberalism of the 1990s or the neoconservatism of the 2000s or Barack Obama’s fusion of the two vicious ideologies since then, but it’s usually vested corporate interests in the US and Europe that block progress, impose austere economic imperatives (as is even hitting home for western workers from Greece to Wisconsin) which in turn generate even more desperation for ‘growth’ at any cost, and then ignore their historic responsibility for climate-change culpability.

Top US State Department negotiator Todd Stern, who has already publicly written off the COP17 on two occasions, put it plainly at the Copenhagen COP in 2009: ‘The sense of guilt or culpability or reparations – I just categorically reject that.’

That attitude is why Greenpeace and others in society passionate about the environment are so desperately needed, putting their bodies on the line to dramatise the threats and solutions. And why much more civil society unity on strategy and messaging is vital.

But as an Australian civil society unity initiative (‘Say Yes’) exactly a month ago showed, this is not easy. Two activists at the website ‘Climate Code Red’, David Spratt and John Rice, asked tough questions about the Australian climate lobby: “Do the branding imperatives of large NGOs, financially reliant on e-list supporters, drive them to market themselves as separate and distinct from, and of higher standing, than other NGOs and the community groups with which they profess
common purpose? Is this one reason why climate advocacy is so often chronically divided and ineffective?"

More specifically, local environmentalist Glenn Ashton suggests Greenpeace should devote its energies and brand to deeper organizing: “Sure they may dump some coal in front of Eskom and climb an oil rig near Greenland but that is not edgy at all – the system is not being confronted in any really meaningful way, just at a soundbite level, capturing awareness for 15 seconds and then getting lost again in the corporate media noise.”

Adds Desmond D’Sa of the South Durban Community Environmental Alliance (SDCEA), “Greenpeace did a good action against Eskom, but where were they when we ran our community campaign against World Bank financing for Medupi last year? Why don’t they support local activism?”

These complaints join others about Greenpeace’s naïve climate policy messaging: supporting Pretoria’s negotiating stand in Copenhagen and encouraging Jacob Zuma to turn up on the last day even though, predictably, he sabotaged the Kyoto Protocol there; supporting SA tourism minister Marthinus van Schalkwyk to head the UN climate body though he was a laggard at home; and supporting carbon trading (what critics term ‘the privatization of the air’) even though at Bisasar Road landfill that strategy locked in environmental racism.

But in this time of urgency, I think we have to find common cause amongst all the visitors to Durban, something underway through the laudable ‘C17’ group that is today, at a public meeting at the Botanical Gardens, trying to fuse even the pro-corporate pro-trading politics of the World Wildlife Fund with the radical grassroots sentiment of SDCEA. Can it be done, and how?

My gut feel is that in contrast to the hopelessness of a UN conference where procrastination, paralysis, pollution and profit will probably beat the interests of the people and the planet, it’s the indomitable spirit of Greenpeace staff and those like them, willing to take huge personal risks for the sake of the planet and people, that will shine through.

One reason is the host locale, Durban, whose 20th century legacy of heroic figures willing to make great sacrifices includes Dube, Luthuli, Naicker, Meer, Biko, dockworkers, community activists, women’s groups, the Diakonia legacy, the Mxenges, Turner, Brutus and so many others. But the most compelling for climate politics may well be Mahatma Gandhi, who a century ago in his Phoenix settlement built up a tradition that Naidoo continues today, satyagraha, putting bodies on the line to shake the system and avert its destructive course. Off the coast of Greenland, he upped the anti for all of us concerned about this planet.

For given what is at stake in the case of climate chaos, it’s only the tree-shakers on the outside who will change power relations to permit the jam-makers on the inside to eventually cut the deal that the world needs to survive.
From Bonn to Durban, climate meetings are Conferences of Polluters

ZNet, 21 June 2011

Judging by what transpired at last week’s global climate negotiations in the former West German capital, Bonn, it appears certain that in just over five months time, the South African port city of Durban will host a conference of procrastinators, the ‘COP 17’ (Conference of Parties), dooming the earth to the frying pan. Further inaction on climate change will leave our city’s name as infamous for elite incompetence and political betrayal as is Oslo’s in the Middle East.

It appears certain that Pretoria’s alliance with Washington, Beijing, New Delhi and Brasilia, witnessed in the shameful 2009 Copenhagen Accord, will be extended to other saboteurs of the Kyoto Protocol, especially from Ottawa, Tokyo and Moscow, along with Brussels and London carbon traders.

What everyone now predicts is a conference of paralysis. Not only will the Kyoto Protocol be allowed to expire at the end of its first commitment period (2012). Far worse, Durban will primarily be a conference of profiteers, as carbon trading – the privatization of the air, giving rich states and companies the property-right to pollute – is cemented as the foundation of the next decade’s global climate malgovernance.

Indeed, a telling diplomatic move in Bonn was when Pretoria negotiators, weighed down by team members from maxi-polluters Eskom, Sasol and the National Business Initiative, tried to break African solidarity against European Union plans for opening up new carbon markets (in exchange for Europe emitting much more GreenHouse Gas pollution) – instead of doing the honorable thing by paying the EU’s vast climate debt to Africa straight up.

A local alignment is now approaching in which on the one hand Pretoria’s Bantustan-type politicians and officials will legitimize ‘climate apartheid’ once the COP17 begins at the Durban International Convention Centre, at the same time they support every homegrown, climate-destroying action in sight:

- building two of the world’s four largest coal-fired powerplants for $20 billion each at Kusile and Medupi (not to mention new nuclear powerplants too);
- digging a vast new $14 billion port in South Durban, announced last week;
- constructing a new $12 billion heavy-oil refinery in Port Elizabeth; and
- offering shale-gas fracking exploration rights to South African, Norwegian and US firms in the fragile Drakensburg mountain range (just revealed last Friday by Durban’s two excellent green journalists, Tony Carnie and Colleen Dardagan).

To top it off, the promised $100 billion/year Green Climate Fund, far larger than any other financing source ever assembled, is co-chaired by another Northern-pliant Pretoria politician, national planning minister Trevor Manuel, a man who takes his responsibilities so lackadaisically that he offered no visible objection to these eco-catastrophic investments.

Indeed as finance minister, Manuel repeatedly gave SA’s state power corporation Eskom the green light to continue supplying the world’s cheapest electricity to BHP Billiton and the Anglo American Corporation while raising poor people’s power prices to unaffordable heights so as to pay for the expensive plants.
Manuel apparently thought so highly of the Green Climate Fund (GCF) that in late April he preferred to stay home in Cape Town, unsuccessfully seeking votes for the ruling party (it lost to the conservative opposition in mid-May municipal elections), instead of going to the Mexico City conference where in absentia Manuel was given GCF design co-leadership. In all the talk of his joining the EU-rigged race for International Monetary Fund managing director, which Manuel quit on the last day, June 10, not a word was uttered about climate or his GCF co-chair responsibilities.

The GCF may do far more harm than good, especially if Manuel’s team authorizes the financing of ‘false solutions’ such as biotech, Genetically Modified trees and plants, timber plantations, nuclear energy, carbon capture and storage, or seeding the air with the coolant SO2 and the sea with iron filings to create algae blooms. He has already pronounced that the GCF should raise up to half its funds through carbon trading.

But Manuel will fail not only because of periodic carbon market collapses but because, as Third World Network director Meena Raman complained last week, “Only a few [6] days of negotiations have been set aside for the GCF Technical Committee between now and Durban, while there are many complex issues to resolve... [How can they] execute the difficult and important task in such a short period of time?” At the May 30 GCF workshop in Bonn, only co-chair Kjetil Lund of Norway attended parts of the session, but Manuel and the third co-chair, Mexico’s Ernesto Cordero Arroyo, were no-shows.

This typifies the disrespect that state and business elites show for climate negotiations. Because Pretoria can’t be trusted to lead the world in December, says Michele Maynard of the Pan African Climate Justice Alliance, “African civil society is calling on the South African Government to have an open, democratic and accountable process. That means saying when, where and who they are meeting and how they will let the people actually impacted by climate change have their say.”

Maynard continued, “This is all the more urgent as we hear that New Zealand and the US are driving the introduction of ‘soil carbon’ markets into the negotiations. These markets are false solutions that will only fuel the land-grab in Africa and seriously undermine the ability of poor Africans to feed themselves.”

The Kyoto Protocol will be the first casualty of Durban, everyone predicts. The North wants a voluntary ‘political commitment’ sometimes called ‘pledge and review’ to replace the binding emissions reductions requirements made in 1997 in Kyoto.

To be sure, the civil society movement Climate Justice Now! is disgusted by Kyoto’s

- low targets (just 5 percent decrease in emissions since 1990);
- ease of exit (especially by the world’s worst tar-sands polluter, Canada);
- lack of sanctions against big polluters for not participating (the US and Australia) or for missing even weak targets (nearly everyone);
- failure to penalize corporate beneficiaries of vast coal operations in sites like South Africa; and
- reliance on carbon markets to make emissions cuts more palatable to big capital, thanks to the sleazy deal done by Al Gore in 1997 in exchange for official US support (but the Senate vote against Kyoto was 95-0!).
Still, a binding global deal is ultimately needed, and replacing Kyoto with a voluntary ‘Durban Package’ would be disastrous given the US, EU and Japanese track-record on underfunding, cheating and bribery. Thanks to last December’s release of US State Department cables by Julian Assange and Bradley Manning (presumably, as he remains uncharged in Leavenworth prison in Kansas), it is undeniable that Clinton underlings Todd Stern and Jonathan Pershing are bullies who should be banned from all future negotiations. The EU’s Connie Hedegaard happily joined them to plot defunding the GCF in February 2010, according to WikiLeaks.

To meet scientific requirements for planet-saving emissions cuts requires a binding UN effort like that made in 1987 in Montreal to ban CFCs, the chemical that was widening the deadly ozone hole. But given the rise of neoliberalism (1990s), neoconservatism (2000s) and their subsequent fusion as the dominant ideologies within the United Nations, a repeat of the Montreal Protocol is not possible anytime soon.

So at the last two climate COPs, in Copenhagen (2009) and Cancún (2010), Pretoria lined up squarely with the worst environmental wreckers. The result, according to Bolivia’s Ambassador to the United Nations, Pablo Sólon, at a Bonn press conference, are “commitments of emissions reductions that leads us to a scenario of [a temperature increase of] 4 degrees Celsius. And that is absolutely unacceptable. We need to come out of South Africa with commitments of emissions reductions that will put us in a scenario of between 1 to 1.5 degrees Celsius in order to preserve our planet and life as we know it.”

Concluded Sólon, one of the few negotiators brave enough to speak truth to power inside UN’s dead space, “South Africa is the place to fight against the new apartheid against Mother Earth and its vital systems.”

Local activists will join this fight knowing their politicians and officials are terribly destructive. One reason Durban will be regarded in future as the city that amplified climate apartheid, is the elites’ hunger to codify and even celebrate market-based environmental governance, including the Reducing Emissions from Deforestation and forest Degradation (REDD) programme.

According to Sólon, “There is a proposal in the Cancún agreement that focuses everything on ... guidelines in the capacity of forests to capture CO2. We must not focus on how to prepare forests for a market mechanism, we must fight deforestation now.”

REDD’s most dogmatic advocate has been the World Bank, which is also the trustee for the Green Climate Fund, leading to civil society demands for its repulsion. “The World Bank is part of the climate problem, not the climate solution,” Sebastian Valdomir of Friends of the Earth International said at Bonn. “Its appalling social and environmental track record should immediately disqualify it from playing any role whatsoever in designing the Green Climate Fund, and in climate finance more generally.”

Case in point: the Bank’s $3.75 billion loan to Eskom last year, mainly to fund the Medupi plant in spite of well-known conflicts of interest (African National Congress investments in Hitachi boiler construction) and worsening inability to pay for electricity by poor South Africans, who continue ‘service delivery protests’ at amongst the highest rate in the world.

Rather than expect the dubious bankers to tackle our greatest challenge, Sólon proposed an international financial transactions tax to fund climate aid. The North’s existing commitments, such
as the supposed $30 billion in fast track funding pledged by Hillary Clinton at Copenhagen through 2012, is proving to be just as reliable as the G8’s Gleneagles Summit 2005 financing pledges to Africa.

Conferences of promisers are a dime a dozen, as they say in the US, and conferences of empty pledges, such as Clinton’s, as unveiled at Bonn by her own colleagues on June 7 (“there will not be $100 billion a year in the GCF”), have one main purpose: to deflect the world’s justified anger at how Northern pollution threatens us all.

There is another deflection trick we can expect in Durban, just as at the Johannesburg World Summit on Sustainable Development in 2002, when Third World Network’s Martin Khor condemned the host chair (Thabo Mbeki) for importing the exclusionary methodology of the World Trade Organisation’s ‘Green Rooms’. Venezuela’s negotiators in Bonn last week criticized Pretoria’s “proliferation of innovative ideas” that were hashed out beyond closed doors.

Against top-down disasters like these, can activists change the balance of forces? Last Friday as Bonn was drawing to a desultory close, the Durban-born leader of Greenpeace International, Kumi Naidoo, showed exactly the spirit required, while attempting delivery of a 50,000-strong petition to an offshore drilling rig run by Cairn Energy near Greenland.

As Naidoo approached the rig, the Leif Eriksson (named after a Scandinavian Viking, a tribe renowned for looting, pillaging and raping), he was hit by near-freezing water cannon blasts and then arrested ‘indefinitely’ for violating a court injunction.

Said Naidoo, “Arctic oil drilling is one of the defining environmental battles of our age. I’m an African but I care deeply about what’s happening up here. The rapidly melting cap of Arctic sea ice is a grave warning to all of us, so it’s nothing short of madness that companies like Cairn see it as a chance to drill for fossil fuels that got us into this climate change mess in the first place. We have to draw a line and say no more.”

The same line will have to be drawn against the Durban Conference of Polluters, and it appears Saturday, December 3 will be a global day of action when in Durban and your hometown, the strongest possible stance will be needed to finally address the mess.
South Africa’s most vocal neoliberal politician, Trevor Manuel, is apparently being seriously considered as co-chair of the Green Climate Fund. On April 28-29 in Mexico City, Manuel and other elites meet to design the world’s biggest-ever replenishing pool of aid money: a promised $100 billion of annual grants by 2020, more than the International Monetary Fund (IMF), World Bank and allied regional banks put together.

The Climate Justice lobby is furious, because as a network of 90 progressive organizations wrote to the United Nations, “The integrity and potential of a truly just and effective climate fund has already been compromised by the 2010 Cancún decisions to involve the World Bank as interim trustee.” A Friends of the Earth International study earlier this month attacked the Bank for increased coal financing, especially $3.75 billion loaned to South Africa’s Eskom a year ago.

Manuel chaired the Bank/IMF Board of Governors in 2000, as well as the Bank’s Development Committee from 2001-05. He was one of two United Nations Special Envoys to the 2002 Monterrey Financing for Development summit, a member of Tony Blair’s 2004-05 Commission for Africa, and chair of the 2007 G-20 summit.

Manuel was appointed UN Special Envoy for Development Finance in 2008, headed a 2009 IMF committee that successfully advocated a $750 billion capital increase, and served on the UN’s High Level Advisory Group on Climate Change Finance in 2010. (Within the latter, he suggested that up to half the $100 billion climate fund be sourced from controversial private-sector emissions trading, not aid budgets.)

No one from the Third World has such experience, nor has anyone in these circuits such a formidable anti-colonial political pedigree, including several 1980s police detentions as one of Cape Town’s most important anti-apartheid activists. Yet despite occasional rhetorical attacks on “Washington Consensus” economic policies (part of SA’s “talk left walk right” tradition), since the mid-1990s Manuel has been loyal to the pro-corporate cause.

Even before taking power in 1994, he was considered a World Economic Forum “Global Leader for Tomorrow”, and in 1997 and 2007 Euromoney magazine named him African Finance Minister of the Year. No wonder, as in late 1993 he had agreed to repay apartheid-era commercial bank debt against all logic, and negotiated an $850 million IMF loan that straightjacketed Nelson Mandela.

With Manuel as trade minister from 1994-96, liberalisation demolished the clothing, textile, footwear, appliance, electronics and other vulnerable manufacturing sectors, as he drove tariffs below what even the World Trade Organisation demanded. After moving to the finance ministry in 1996, Manuel imposed the “non-negotiable” Growth, Employment and Redistribution policy (co-authored by World Bank staff), which by the time of its 2001 demise had not achieved a single target aside from inflation.

Manuel also cut the primary corporate tax rate from 48 percent in 1994 to 30 percent five years later, and then allowed the country’s biggest corporations to move their financial headquarters to London, which ballooned the current account deficit. That in turn required Manuel to arrange such vast financing inflows that the foreign debt soared from the $25 billion inherited at apartheid’s close to $80 billion by early 2009.
At that stage, with the world economy teetering, *The Economist* magazine named South Africa the most risky of the 17 main emerging markets, and the SA government released data conceding that the country was much more economically divided than in 1994, overtaking Brazil as the world’s most unequal major country.

“We are not in recession,” Manuel quickly declared in February 2009. “Although it sometimes feels in people’s minds that the economy is in recession, as of now we are looking at positive growth.” At that very moment, it turned out, the SA economy was shrinking by a stunning 6.4 percent (annualized), and indeed had been in recession for several months prior.

More than 1.2 million jobs were lost in the subsequent year, as unemployment soared to around 40 percent (including those who gave up looking). But in October 2008, just as IMF managing director Dominique Strauss-Kahn told the rest of the world to try quick-fix state deficit spending, Manuel sent the opposite message to his impoverished constituents: “We need to disabuse people of the notion that we will have a mighty powerful developmental state capable of planning and creating all manner of employment.”

This echoed his 2001 statement to a local Sunday newspaper: “I want someone to tell me how the government is going to create jobs. It’s a terrible admission, but governments around the world are impotent when it comes to creating jobs.”

Governments under the neoliberal thumb are also impotent when it comes to service delivery, and thanks partly to his fiscal conservatism, municipal state failure characterizes all of South Africa, resulting in more protests per capita against local government in Manuel’s latter years as finance minister than nearly anywhere in the world (the police count at peak was more than 10,000/year).

Ironically, said Manuel in his miserly 2004 budget speech, “The privilege we have in a democratic South Africa is that the poor are unbelievably tolerant.” In 2008, when an opposition politician begged that food vouchers be made available, Manuel replied that there was no way to ensure “vouchers will be distributed and used for food only, and not to buy alcohol or other things.”

Disgust for poor people extended to AIDS medicines, which in December 2001 aligned Manuel with his AIDS-denialist president Thabo Mbeki in refusing access: “The little I know about anti-retrovirals is that unless you maintain a very strict regime ... they can pump you full of anti-retrovirals, sadly, all that you’re going to do, because you are erratic, is to develop a series of drug-resistant diseases inside your body.”

Instead of delivering sufficient medicines, money and post-neoliberal policy to the health system, schools and municipalities, Manuel promoted privatization, even at the Monterrey global finance summit: “Public-private partnerships are important win-win tools for governments and the private sector, as they provide an innovative way of delivering public services in a cost-effective manner.”

He not only supported privatisation in principle, as finance minister Manuel put enormous pressure (equivalent to IMF conditionality) on municipalities – especially Johannesburg in 1999 – to impose commodification on the citizenry. In one of the world’s most important early 21st century water wars, residents of Soweto rebelled and the French firm Suez was eventually evicted from managing Johannesburg’s water in 2006.
Water privatisation was Washington Consensus advice, and as Manuel once put it, “Our relationship with the World Bank is generally structured around the reservoir of knowledge in the Bank” – with South Africa a guinea pig for the late-1990s “Knowledge Bank” strategy. Virtually without exception, Bank missions and neoliberal policy support in fields such as water, land reform, housing, public works, healthcare, and macroeconomics failed to deliver.

In spite of neoliberal ideology’s disgrace, president Jacob Zuma retained Manuel and his policies in 2009. In September that year, Congress of SA Trade Unions president Sdumo Dlamini called Manuel the “shop steward of business” because of his “outrageous” plea to the World Economic Forum’s Cape Town summit that business fight harder against workers. The mineworkers union termed Manuel’s challenge “bile, totally irresponsible… To say that business crumbles too easily is to reinforce business arrogance.”

Manuel also disappointed feminists for his persistent failure to keep budgeting promises, even transparency. “How do you measure government’s commitment to gender equality if you don’t know where the money’s going?”, asked the Institute for Democracy in South Africa’s Penny Parennze. Former ruling-party politician Pregs Govender helped develop gender-budgeting in 1994 but within a decade complained that Manuel reduced it to a “public relations exercise”.

As for a commitment to internationalism, in early 2009 when Pretoria revoked a visitor’s visa for the Dalai Lama on Beijing’s orders, Manuel defended the ban on the exiled Tibetan leader: “To say anything against the Dalai Lama is, in some quarters, equivalent to trying to shoot Bambi.” At the same moment Manuel was sabotaging Zimbabwe’s recovery strategy, chosen by the new government of national unity, by insisting that Harare first repay $1 billion in arrears to the World Bank and IMF, otherwise “there was no way the plan could work.” Zimbabwean economist Eddie Cross complained, “In fact the IMF specifically told us to put the issue of debt management on the back burner... The South Africans on the other hand have reversed that proposal – I do not know on whose authority, but they are not being helpful at all.”

Given his biases and his miserable record, many within SA’s community, labour, environment, women’s, solidarity and AIDS-treatment movements would be happy to see the back of Manuel. His own career predilections may be decisive. Often suggested as a candidate for the top job at the Bank or IMF, Manuel recently confirmed anger at the way local politics evolved after Zuma booted Mbeki from the SA presidency.

In an open public letter last month, for example, Manuel told Zuma’s main spokesperson, Jimmy Manyi, “your behaviour is of the worst-order racist” after a (year-old) incident in which Manyi, then lead labour department official, claimed there were too many coloured workers in the Western Cape in relation to other parts of SA. Manyi had earlier offered a half-baked apology, but suffered no punishment. Once a political titan, Manuel now appears as has-been gadfly.

His disillusionment apparently began in December 2007, just prior to Mbeki’s defeat in the African National Congress (ANC) leadership election. After his finance ministry job was threatened by Zuma assistant Mo Shaik’s offhanded comments, Manuel penned another enraged open letter: “Your conduct is certainly not something in the tradition of the ANC... You have no right to turn this organisation into something that serves your ego.” In May 2009 Shaik, whose brother Schabir was convicted of corrupting Zuma during the infamous $6 billion arms deal, was made director of the SA intelligence service. Manuel was downgraded to a resource-scarce, do-little planning ministry.
It is easy to sympathize with Manuel’s frustrating struggle against ethnicism and cronyism, especially after his opponents’ apparent victories. However, former ANC member of parliament Andrew Feinstein records that the finance minister knew of arms-deal bribes solicited by the late defense minister Joe Modise. In court, Feinstein testified (without challenge) that in late 2000, Manuel surreptitiously advised him over lunch, “It’s possible there was some shit in the deal. But if there was, no one will ever uncover it. They’re not that stupid. Just let it lie.” Remarked Terry Crawford-Browne of Economists Allied for Arms Reduction, “By actively blocking thorough investigation of bribery payments, Manuel facilitated such crimes.”

Nevertheless, the myth of Manuel’s financial wizardry and integrity continues, in part thanks to a 600-page puff-piece biography, Choice not Fate (Penguin, 2008) by his former spokesperson Pippa Green (subsidized by BHP Billiton, Anglo American, Total oil and Rand Merchant Bank). And after all, recent politico-moral and economic scandals by World Bank presidents Robert Zoellick and Paul Wolfowitz (whom in 2005 Manuel welcomed to the job as “a wonderful individual . . . perfectly capable”) confirm that global elites are already scraping the bottom of the financial leadership barrel.

Yet it is still tragic that as host to 2011’s world climate summit, South Africa leads (non-petroleum countries) in carbon emissions/GDP/capita, twenty times higher than even the US. Even more tragic: Manuel’s final budget countenanced more than $100 billion for additional coal-fired and nuclear power plants in coming years.

In sum, Manuel’s leadership of the Green Climate Fund adds a new quantum of global-scale risk. His long history of collaboration with Washington-London raises prospects for “default” by the industrialized North on payment of climate debt to the impoverished South. Indeed, if Pretoria’s main man link to the Bretton Woods Institutions, Manuel, co-chairs the fund and gives the Bank more influence, then expect new forms of subprime financing and blunt neoliberal economic weapons potentially fatal to climate change mitigation and adaptation.
As climate summit approaches, SA industrial policy hits green wall

Southern Africa Report, 18 April 2011

Hosting the Durban COP17 – let’s rename it the ‘Conference of Polluters’ – starting in late November puts quite a burden on the African National Congress government in Pretoria: to pretend to be pro-green.

Embarrassingly, last week’s US Export-Import Bank loan of $805 million to South Africa will feed huge profits to the notorious US corporations Black & Veatch so that a vast coal-fired power plant, ‘Kusile’, can be constructed, mainly on behalf of huge smelters run by BHP Billiton and Anglo American Corporation – whose profits soar away to Melbourne and London.

But poor people are facing an electricity price increase of more than 125% in coming years, according to the power company Eskom. Of its four million customers, already a million are disconnected. Multiply the cut-off figure many times more when municipalities are considered.

According to Physicians for Social Responsibility’s environmental health director Kristen Welker-Hood, Kusile’s costs to both the power plant’s neighbors and climate change victims elsewhere include “harming human health and compounding many of the major public health problems.” Moreover, mass disconnections of South Africans mean that electricity’s many potential health benefits will be denied low-income people, and will cause a biased version of economic development, a lower standard of living, and lower life expectancy.

This is abundantly evident at a time South Africa is starving for industrialization not distorted by the ‘Minerals-Energy Complex’ (MEC), as it is termed by London School of Oriental and African Studies economist Ben Fine. The MEC’s nexus of huge mining and metals corporations plus the chaotic behemoth Eskom causes a ‘Resource Curse’ in South Africa, partly related to macroeconomic imbalances and partly to the country’s extreme fossil fuel dependency.

The global economic crisis is still hitting hard, forcing the local currency (the Rand, ‘R’) higher – as investors flee the North’s low-interest regimes – but with more volatility. After sinking to nearly R14/1$ in 2001, the Rand rose to above R6/1$, then fell again to nearly R12/1$ in 2008, but the April 2011 rate is R6.7/1$.

The high currency is double-trouble for local manufacturers not only under pressure from cheap importers, but whose longer-term capital goods orders also become vulnerable when the rand crashes by 15-30% in a matter of days, as has happened five times since liberation: 1996, 1998, 2001, 2006 and 2008.

Can SA industry insulate itself from globalization’s financial cancer? More than any of his peers, past or present, Trade and Industry Minister Rob Davies understands the macro-beggars-micro dilemma. But the question is whether SA’s ‘New Growth Path’ will give Davies the policy space for a coherent industrial strategy.

Up until now, Davies’ post-apartheid predecessors (Trevor Manuel, Alec Erwin and Mandisi Mphalwa) merely offered stop-gap favours to special interests and failed sectoral subsidies, along with grandiose ‘Spatial Development Initiative’ projects – such as the notorious Coega complex near Port Elizabeth – which now resemble white elephants as big and hollow as those ten newly-built or refurbished World Cup 2010 soccer stadia.
The latest iteration of Davies ‘Industrial Policy Action Plan 2’ (IPAP2) offers a great deal of tree-level detail which, through no fault of Davies, ignores the raging forest fire. When I debated him on national radio last week, Davies still lacked answers to either green or macroeconomic critiques.

To his credit, in early 2010 when introducing IPAP2 to parliament, Davies conceded that the crisis is exceptionally deep, for reasons related to macroeconomic mismanagement: “SA’s recent growth was driven to too great an extent by unsustainable growth in consumption, fuelled by credit extension. Between 1994 and 2008 consumption driven sectors grew by 7.7% annually, compared with the productive sectors of the economy which grew by only 2.9% annually.”

The green wall

Even the bulk of growth in productive activity – in automobiles (which registered job losses) and heavy metals (with flat employment) – is untenable, once a post-carbon world tax regime descends. The Durban COP17 will expose how SA is 20 times higher in energy-related CO2 emissions per person per unit of output than even the great climate Satan, the USA.

In his IPAP2 statement, Davies introduces the climate challenge with a terrifying prediction: “A specific emerging threat is the rise of ‘eco-protectionism’ under the guise of addressing climate change concerns, particularly from advanced countries. For instance, some countries are considering the imposition of ‘border adjustment taxes’ on imports produced with greater carbon emissions than similar products produced domestically, and subject to carbon emission limits.”

But if true (and it is), why would IPAP2 endorse more subsidized energy-intensive, capital-intensive smelting? “Mineral Beneficiation is an area of work that presents much untapped opportunity but which has lagged in policy development and implementation.” Davies is especially high on titanium beneficiation, even if one of the world’s highest profile attacks on Resource Curse politics comes now from the Transkei Wild Coast’s Xolobeni community, intensely opposed to an Australian firm’s extraction of the metal from their beaches.

Davies might have expressed the problem rather differently: “Mineral Beneficiation is an area that the world’s largest mining and metals houses have worked up so effectively in their own interests – witness unfair Mittal steel pricing, Billiton’s electricity-guzzling aluminium, and ultra-destructive Anglo and Xtrata coal burning and mining – that Eskom’s apartheid-era policy provides them the world’s cheapest electricity (one seventh the price consumers pay per kiloWatt hour), generated by the world’s largest coal-fired power plants, including the third and fourth largest plants now under construction at Medupi and Kusile, to be paid for via expensive foreign debt with sky-high electricity price hikes that will lead to millions more Eskom disconnections.”

Such home truths cannot be confessed in policy statements, but what is striking is how in this year’s statement, Davies commits to “key sectors that the 2011/12 – 2013/14 IPAP will focus on”, including “Qualitatively New Areas of Focus”:

- Realising the potential of the metal fabrication, capital and transport equipment sectors, particularly arising from large public investments;
- Oil and gas;
- ‘Green’ and energy-saving industries;
- Agro-processing, linked to food security and food pricing imperatives; and
These all fail the green-smell test because the electricity/petrol-guzzling metals and transport sectors are huge contributors to climate change; oil and gas will be disastrous if multibillion-rand Coega heavy-petroleum refining and Karoo gas-fracking are approved; and shipping will also carry a carbon tax on pollution-intensive bunker fuels.

As for the celebrated new ‘green’ industries, the only IPAP2 strategy that earns climate mitigation brownie points is the urgent replacement of electric hot water heaters with solar-powered versions. Yet because Pretoria gave Eskom this responsibility, a tiny fraction of the promised output has been delivered. And Eskom celebrated its new loan last week by cutting its subsidy for consumers installing the solar heaters.

Other components of Davies’ Green Economy and agro-processing strategy are so bound up in biofuel, genetic engineering and land grab controversies, that they stand with IPAP’s hopes for forestry (also subject to growing eco-social criticisms) and nuclear energy (!) as still-born or dinosaur industries, typically described as ‘false solutions’ to climate crisis.

The macroeconomic ceiling

If these dilemmas represent a green wall beyond which IPAP cannot proceed, they pale in comparison to the macro dilemma: Davies wants to hit the manufacturing accelerator, but the Treasury and Reserve Bank have their foot on the fiscal and monetary brakes.

In his 2010 parliamentary testimony, Davies gave several reasons why “the profitability of manufacturing has been low”, including the currency, “the high cost of capital” (indeed SA’s interest rate remains very high even after the 2009-10 reductions), “monopolistic provision and pricing of key inputs”, “unreliable and expensive infrastructure”, “a weak skills system”, and “failure to leverage public expenditure” into industrial growth.

Davies named the three most serious “negative, unintended consequences of this growth path: unsustainable imbalances in the economy, continued high levels of unemployment and a large current account deficit.” Moreover, although SA witnessed impressive GDP growth during the 2000s, this does not take into account the depletion of non-renewable resources – if this factor plus pollution were considered, SA would have a net negative per person rate of national wealth accumulation (of at least US$ 2 per year), according to even the World Bank’s 2006 book Where is the Wealth of Nations?

SA’s economy became much more oriented to profit-taking from financial markets than production of real products, in part because of extremely high real interest rates, especially from 1995-2002 and 2006-09. The two most successful major sectors from during this era were communications (12.2 per cent growth per year) and finance (7.6 per cent) while labour-intensive sectors such as textiles, footwear and gold mining shrank by beween 1 and 5 per cent per year, and overall, manufacturing as a percentage of GDP also declined.

Other imbalances include the Gini coefficient measuring inequality rose during the post-apartheid period, with the Institute for Democracy in South Africa measuring the increase from 0.56 in 1995 to 0.73 in 2006. According to Haroon Bhorat’s 2009 study, black households lost 1.8% of their income from 1995-2005, while white households gained 40.5%. Unemployment doubled to a rate
of around 40% at peak, if those who have given up looking for work are counted, and around 25% otherwise.

Moreover, most of the largest Johannesburg Stock Exchange firms – Anglo American, DeBeers, Old Mutual, Investec, SA Breweries, Liberty Life, Gencor (now the core of BHP Billiton), Didata, Mondi and others – shifted their funding flows and even their primary share listings to overseas stock markets mainly in 2000-01. The outflow of profits and dividends due these firms is one of two crucial reasons SA’s current account deficit has soared to amongst the highest in the world and is hence a major danger in the event of currency instability.

To pay for the outflow, Manuel’s and Pravin Gordhan’s Treasury increased SA’s foreign indebtedness from the $25 billion inherited at the end of apartheid to a dangerous $100 billion today. FNB recently warned that we’re nearing the level PW Botha encountered when he gave the Rubicon Speech in 1985, followed by a foreign debt default.

The other cause of the current account deficit is the negative trade balance during most of the recent period, which can be blamed upon a vast inflow of imports after trade liberalisation, which export growth could not keep up with.

A genuine industrial policy would forthrightly address all these macroeconomic constraints, and lift them via exchange controls and surgical protection of those industries that can reliably commit to affordably meeting basic needs, providing decent (and labor-intensive) employment opportunities, and linking backwards and forwards to local suppliers and buyers without reliance upon whimsical international economic relations.

To this end, consider a critical insight that Davies and other IPAP authors missed: the era we have now entered is much closer to the stagnationist 1930s, in which austerity will prevail, than the go-go early 2000s. The winding down of vast debt overhangs and the long-term recessionary environment in the West, not to mention worsening East and South Asian competition, make SA’s international standing nearly as vulnerable today as two years ago, when The Economist rated us the most risky emerging market.

There is, however, a precedent worth discussing: the 1930s era of selective ‘deglobalisation’, during which SA’s growth per capita was the highest in its modern history. At that time, ‘import-substitution industrialisation’ occurred here (as well as Latin America) along its most balanced trajectory, with much of our manufacturing industry established during the 1930s, as well as national assets such as Eskom and Iscor. The years of high growth were not reserved for whites, and indeed the rate of increase of black wages to white wages occurred at their fastest ever during this period.

Insights into global markets provided by the recent crash and the challenge of a post-carbon economy should give rise to a rethink, but this will only happen when the macroeconomic-austerity advocates, financiers and MEC lose power to those interested in a more balanced society.
South Africa prepares for ‘Conference of Polluters’
*Sunday Independent, 8 February 2011*

At the past two United Nations Kyoto Protocol’s ‘Conference of the Parties’ (COPs) climate summits, Copenhagen in 2009 and Cancún in 2010, as well as at prior meetings such as Nairobi, how did South African leaders and negotiators perform?

Sadly, they regularly let down their constituents, their African colleagues as well as the global environment.

Most embarrassingly, going forward to the Durban COP 17 in November, the new Green Paper on climate under public debate this month promotes two dangerous strategies – nuclear energy and carbon trading – and concedes dramatic increases in CO2 emissions.

South Africa is building two massive coal-fired plants at Kusile and Medupi (the world’s third and fourth largest), opening an anticipated forty new coal mines in spite of scandalous local air and water pollution, and claiming that more ‘carbon space’ to pollute the air and thus threaten future generations is required for ‘development’.

SA was not required to cut emissions in the first (1997-2012) stage of the Kyoto Protocol. But when it comes to a potential second stage, which ideally would be negotiated in Durban, South Africa’s negotiators are joining a contradictory movement of emerging economic powers which both want to retain Kyoto’s North-South differentiation of responsibility to cut emissions, and to either gut Kyoto’s binding targets or establish complicated, fraud-ridden offsets and carbon trades which would have the same effect.

The 2006 Nairobi COP helped set the tone, because Pretoria’s minister of environment and tourism at the time was Marthinus van Schalkwyk, formerly head of the New National Party. (He is today merely tourism minister.)

A new Adaptation Fund was established in Nairobi, but its resources were reliant upon revenues from the controversial Clean Development Mechanism (CDM) carbon trading mechanism. Last week the European Union announced a ban on the main source of CDM credits, Chinese refrigeration gas emissions that are responsible for nearly two thirds of recent payments, because they incentivized production of more greenhouse gases.

The CDM market is worth less than $8 billion/year at present, and Africa has received only around 2 percent, mostly for South African projects like the controversial Bisasar Road dump in Durban’s Clare Estate neighbourhood. Community activists led by the late Sajida Khan had demanded that Bisasar be shut but in 2002 the World Bank promised R100 million in funding to convert methane from rotting rubbish into electricity, hence downplaying local health threats and environmental racism (Clare Estate is a black suburb and for that reason was sited to host Africa’s largest landfill). Durban politicians put profit ahead of people once again.

Because of the CDM officials’ increasing embrace of biofuels and genetically engineered timber, civil society experts from the Global Forest Coalition, Global Justice Ecology Project, Large Scale Biofuels Action Group, the STOP GE Trees Campaign and World Rainforest Movement condemned the Nairobi summit.
But van Schalkwyk reported back in a leading local newspaper that Pretoria achieved its key Nairobi objectives, including kick-starting the CDM in Africa, and welcomed UN support for more ‘equitable distribution of CDM projects’, concluding that this work ‘sends a clear signal to carbon markets of our common resolve to secure the future of the Kyoto regime.’

But immediately disproving any intent to support Kyoto emissions cuts, van Schalkwyk’s Cabinet colleagues confirmed the largest proposed industrial subsidies in African history just days later, for Port Elizabeth’s Coega smelter, entailing a vast increase in subsidised coal-fired electricity. Within a year, national electricity supplies suffered extreme load-shedding, so the project ultimately failed in 2008. But the plan was to build a R20 billion smelter, which would then apply for CDM financing to subsidise the vast coal-fired power input even further.

One of the country’s leading climate scientists, Richard Fuggle, condemned Coega in his University of Cape Town retirement lecture: ‘It is rather pathetic that van Schalkwyk has expounded the virtues of South Africa’s 13 small projects to garner carbon credits under the Kyoto Protocol’s CDM, but has not expressed dismay at Eskom selling 1360 megawatts a year of coal-derived electricity to a foreign aluminium company. We already have one of the world’s highest rates of carbon emissions per dollar of GDP.’

Given this background, it is revealing that van Schalkwyk became, in March 2010, a leading candidate to run the United Nations Framework Convention on Climate (UNFCCC) after the resignation of its head, Yvo de Boer (who took a revolving UN door to industry and is now a high-paid carbon trader) following the 2009 Copenhagen COP where the UNFCCC lost all credibility. The COPs were now called the ‘Conference of Polluters’.

If UN leader Ban ki-Moon needed an environmentalist of integrity to head the UNFCCC, van Schalkwyk should not have applied, given his chequered career as an apartheid student spy and a man who sold out his political party for a junior cabinet seat. Moreover, if van Schalkwyk was a world-class climate diplomat, why did President Jacob Zuma demote him by removing his environment duties in 2009?

On the last occasion he stood on the world climate stage, in 2007 in Washington, van Schalkwyk enthusiastically promoted a global carbon market, which in a just world would have disqualified him from further international climate work. But another carbon trader, Christiana Figueres, was leapfrogged in last May to get the UNFCCC leadership job.

In addition to environment ministers who consistently failed in their duties to address the climate crisis, a handful of Pretoria technocrats must also shoulder blame. In December 2009 in Copenhagen, South Africa’s negotiators were already criticized by G77 climate leader Lumumba Di-Aping for having ‘actively sought to disrupt the unity of the Africa bloc.’

One SA official, Joanne Yawitch, then forced a humiliating apology from Di-Aping for his frank talk (to an African civil society caucus), as reported by Noseweek blogger Adam Welz.

Yet by joining the presidents of the US, China, Brazil and India to sign the 2009 Copenhagen Accord, Zuma did exactly what Yawitch had denied was underway: destroyed the unity of Africa and the G77 in a secret, widely-condemned side-room deal.
US President Barack Obama’s Kenyan family and Zuma’s Zulu compatriots would be amongst those most adversely affected by climate chaos, as suggested by recent KwaZulu flooding. Di-Aping asked, poignantly, ‘What is Obama going to tell his daughters? That their relatives’ lives are not worth anything?’ Di-Aping quite accurately described the Copenhagen Accord as ‘an incineration pact in order to maintain the economic dependence of a few countries.’

In Copenhagen and Cancun, the main diversionary tactic used by Pretoria negotiators was a claim to willingly cut 34 percent of 2020 emissions below ‘business as usual’. However, Tristen Taylor of Earthlife Africa begged Pretoria for details about the 34 percent pledge, and after two weeks of delays in December 2009, learned Yawitch’s estimates were from a ‘Growth Without Constraint’ (GWC) scenario used by government negotiators as a bargaining chip, and was quite divorced from the reality of the industrially stagnant SA economy.

According to Taylor, ‘GWC is fantasy, essentially an academic exercise to see how much carbon South Africa would produce given unlimited resources and cheap energy prices.’ Officials had already conceded GWC was ‘neither robust nor plausible’ eighteen months ago, leading Taylor to conclude, ‘The SA government has pulled a public relations stunt.’

And again at the 2010 COP 16 in Cancún, the new Minister for Water and Environmental Affairs, Edna Molewa, played the ‘development’ card against urgent binding emissions cuts: ‘We believe that it is quite important that as developing countries we also get an opportunity to allow development to happen because of poverty.’

Molewa implies that SA’s extremely high emissions contribute to poverty-reduction, when in fact the opposite is more truthful. Eskom’s supply of the cheapest electricity in the world to two of the biggest mining/metals companies in the world (BHP Billiton and Anglo American Corporation) requires a 127 percent price increase for ordinary households from 2009-12 to pay for new capacity. This is leading to mass electricity disconnections.

Did Zuma know what he was doing, authorizing a climate policy that serves major corporations instead of his mass base? Do these firms keep SA’s ruling party lubricated with cash, Black Economic Empowerment deals and jobs for cronies? Do they need higher SA carbon emissions so as to continue receiving ultra-cheap coal-fired electricity, and then export their profits to London and Melbourne?

Perhaps the answers are affirmative, but on the other hand, two other explanations – ignorance and cowardice – were, eight years earlier, Zuma’s plausible defenses for promoting AIDS denialism. He helped President Thabo Mbeki during the period in which 330,000 South Africans died due to Pretoria’s refusal to supply anti-retroviral medicines, as a Harvard Public Health School study showed.

To his credit, Zuma reversed course by 2003 (rather late in the day) and endorsed public supply of AIDS medicines, as public pressure arose from the Treatment Action Campaign (TAC) and its international allies. TAC continued to condemn Zuma, in part because of misogyny during his 2006 rape trial.

It is that sort of intensive pressure that local activists in Climate Justice Now! SA are aiming to repeat, at the risk of otherwise allowing Zuma to remain a signatory to a far greater genocide.
The COP 17 in Durban’s International Convention Centre, from November 28-December 9, is a chance for civil society to hold Pretoria to account. The last such opportunity was in 2001 when the World Conference Against Racism attracted more than 10,000 protesters angry that Mbeki had agreed with Washington, to remove from the UN’s agenda their demands for apartheid reparations and for a halt to Israeli apartheid against Palestine.

This year, as in previous COPs, civil society will demand that political elites cut emissions 50 percent by 2020 (as science requires), decommission the dysfunctional carbon markets, pay the North-South (and SA-African) ‘climate debt’ and transform to a post-carbon economy.

The negotiators from Pretoria, along with those from Washington, Brussels and Beijing, will not stand up to the challenge, as they’ve proven again and again. As in earlier conflicts, then, the spirit of anti-apartheid resistance and lessons of AIDS medicines access are amongst the weaponry civil society will need, in order to save the species’ and the planet itself. The strategies and tactics they will deploy are already being hotly debated.
The South African government’s ‘talk left walk right’ climate policy

*Climate and Capitalism*, 1 February 2011

The South Africa’s new *National Climate Change Response Green Paper* (http://www.climateresponse.co.za) gives a sense of the contradictions. Released in late 2010, it contains the kinds of contradictions that required extreme greenwashing to distract its citizens from concern about:

- more imminent multi-billion dollar financing decisions on Eskom coal-fired mega power plants (with more price increases for the masses);
- the conclusion of the energy ministry’s multi-decade resource planning exercise, which is run by a committee dominated by electricity-guzzling corporations; and
- Pretoria’s contributions to four global climate debates: President Jacob Zuma’s cochairing of a UN sustainable development commission, Planning Minister Trevor Manuel’s role within the UN Advisory Group on Climate Finance seeking $100 bn/year in North-South flows, the G8-G20 meetings in France, and the COP 17 preparatory committee meetings.

Many recall from World Summit on Sustainable Development prep-coms how pressure rose on negotiators to be as unambitious and nonbinding as possible. At that 2002 Johannesburg summit, climate change was completely ignored and the main host politicians – President Thabo Mbeki, Foreign Minister Nkosozana Dlamini-Zuma and Environment Minister Valli Moosa – were criticized for, as Martin Khor (now head of the South Centre) put it, “the utter lack of transparency and procedure of the political declaration process. Some delegates, familiar with the World Trade Organisation (WTO), remarked in frustration that the infamous WTO Green Room process had now crossed over to the usually open and participatory UN system.”

Later this year, their successors Zuma, Maite Nkoana-Mashabane and Edna Molewa will also surrender democratic principles and let secretive Green Room deal-making sites proliferate.

Two authors of the *Green Paper* are environment officials Joanne Yawitch and Peter Lukey, both from struggle-era backgrounds in land and environmental NGOs, and once dedicated to far-reaching social change. But people like this (yes, me too) are notoriously unreliable, and I was not at all surprised to hear last week that Yawitch is moving to the National Business Initiative, following the path through the state-capital revolving door so many before her also trod.

At the Copenhagen COP in December 2009, lead G77 negotiator Lumumba Di-Aping accused Yawitch of having “actively sought to disrupt the unity of the Africa bloc,” a charge she forced him to publicly apologise for, even though within days Zuma proved it true by signing the Africa-frying Copenhagen Accord.

Since the public comment period expires in ten days, let’s rapidly glance through the *Green Paper*. Right from the initial premise – “South Africa is both a contributor to, and potential victim of, global climate change given that it has an energy-intensive, fossil-fuel powered economy and is also highly vulnerable to the impacts of climate variability and change” – this document seems to fit within an all too predictable Pretoria formula: talking left, so as to more rapidly walk right. (And having drafted more than a dozen such policy papers from 1994-2002, I should know.)
This formula means the Green Paper can claim, with a straight face: “South Africa, as a responsible global citizen, is committed to reducing its own greenhouse gas emissions in order to successfully facilitate the agreement and implementation of an effective and binding global agreement.”

My suggestion for a reality-based rephrasing: “South Africa, as an irresponsible global citizen, is committed to rapidly increasing its own greenhouse gas emissions by building the third and fourth-largest coal-fired power plants in the world (Kusile and Medupi) mainly for the benefit of BHP Billiton and Anglo American which get the world’s cheapest electricity thanks to apartheid-era, forty-year discount deals, and to successfully facilitate the agreement and implementation of an ineffective and non-binding global agreement – the Copenhagen Accord – which is receiving support from other countries only because of coercion, bullying and bribery by the US State Department, as WikiLeaks has revealed.”

Consistent with Washington’s irresponsible climate agenda, Pretoria’s Green Paper suggests we “limit the average global temperature increase to at least below 2°C above pre-industrial levels” yet this target is so weak that scientists predict nine out of ten African farmers will lose their ability to grow crops by the end of the century.

In contrast, the 2010 Cochabamba People’s Agreement hosted by Bolivian president Evo Morales last April demanded no more than a 1-1.5°C rise, a vast difference when it comes to emissions cuts needed to reach back to 350 parts per million of CO2 equivalents in our atmosphere, as ‘science requires.’

Failing that, the Green Paper acknowledges (using even conservative assumptions), “After 2050, warming is projected to reach around 3-4°C along the coast, and 6-7°C in the interior. With these kinds of temperature increases, life as we know it will change completely.” As one example, “the frequency of storm-flow events and dry spells is projected to increase over much of the country, especially in the east, over much of the Eastern Cape and KwaZulu-Natal, including some of the most crucial source regions of stream-flows in southern Africa such as the Lesotho highlands.”

In the COP17 host city itself, Durban’s sea-level rise is anticipated to be nearly double as fast – close to 3 mm/year – as the SA south coast’s in the immediate future, but new research models suggest several more meters of seawater height are possible by the end of the century, swamping central Durban.

Another sure hit to Durban is via our port, Africa’s biggest, because of a growing “reluctance to trade in goods with a high carbon footprint,” the Green Paper admits. “The term ‘food miles’ is used to refer to the distance food is transported from the point of production to the point of consumption, and is increasingly being used as a carbon emission label for food products.”

Further ‘economic risks’ include “the impacts of climate change regulation, the application of trade barriers, a shift in consumer preferences, and a shift in investor priorities.” Already, Europe’s “directive on aviation and moves to bring maritime emissions into an international emissions reduction regime could significantly impact” South African air freight and shipping.

“Tourism is not just a potential victim of climate change, it also contributes to the causes of climate change,” the Green Paper observes ominously. “South Africa is a carbon intensive destination, and relies extensively on long haul flights from key international tourism markets.”
New air taxes to slow climate change thus create ‘significant risk’ to SA tourism. Yet even though they were warned of this a decade ago, Transport Ministers Jeff Radebe and Sbu Ndebele pushed through an unnecessary new $1 billion airport 40kms north of Durban, entirely lacking public transport access, even while all relevant authorities confirmed that South Durban’s airport could easily have managed the incremental expansion.

Durban’s maniacal pro-growth planners still exuberantly promote massively-subsidised ‘economic development’ strategies based on revived beach tourism (notwithstanding loss of coveted ‘Blue Flag’ status); mega-sports events to fill the 2010 Moses Mabhida White Elephant stadium; a dramatic port widening/deepening and a potential new dug-out harbour at the old airport site (or maybe instead more auto manufacturing); a competing new Dube trade port next to the King Shaka Airport; new long-distance air routes; expansion of South Durban’s hated petrochemical complex; and a massive new Durban-Joburg oil pipeline and hence doubled refinery capacity. The shortsighted climate denialism of Durban City Manager Mike Sutcliffe is breathtaking.

This is yet more serious because the Green Paper passes the buck: “Most of our climate adaptation and much of the mitigation efforts will take place at provincial and municipal levels.” Yet even Durban’s oft-admired climate specialist Debra Roberts cannot prevent dubious carbon market deals – such as at the controversial Bisasar Road landfill in Clare Estate – from dominating municipal policy.

The Green Paper repeatedly endorses “market-based policy measures” including carbon trading and offsets, at a time that Europe’s Emissions Trading Scheme has completely collapsed due to internal fraud, external hacking and an extremely volatile carbon price, and the main US carbon market in Chicago has all but died. At the Cancun summit, indigenous people and environmentalists protested at the idea of including forests and timber in carbon markets. Only the state of California is moving the carbon trade forward at present, and the new governor Jerry Brown will run into sharp opposition if tries following through his predecessor’s forest-privatisation offset deals in Chiapas, Mexico.

South Africa’s Green Paper authors obviously weren’t paying attention to the markets, in arguing, “Limited availability of international finance for large scale fossil fuel infrastructure in developing countries is emerging as a potential risk for South Africa’s future plans for development of new coal fired power stations.” If so then why did Pretoria just borrow $3.75 bn from the World Bank, with around $1 bn more expected from the US Ex-Im Bank and $1.75 bn just raised from the international bond markets? The North’s financiers are as short-sighted about coal investments as they were about credit derivatives, real estate, dot.coms, emerging markets and the carbon markets.

The Green Paper is also laced with false solutions. For example, attempting to “kick start and stimulate the renewable energy industry” requires “Clean Development Mechanism (CDM) projects.” Yet the miniscule €14/tonne currently being paid to the Durban methane-electricity conversion at three local landfills shows the futility of the CDM, not to mention the historic injustice of keeping Bisasar Road’s dump (Africa’s largest) open in spite of resident objections to environmental racism.

Similarly dubious policy ideas include “a nuclear power station fleet with a potential of up to 10 GWh by 2035 with the first reactors being commissioned from 2022” and, just as dangerously, a
convoluted waste incineration strategy that aims to “facilitate energy recovery” through “negotiation of appropriate carbon-offset funding.”

Talking left (with high-minded intent) to walk right (for the sake of unsustainable crony-capitalist profiteering) is a long-standing characteristic of African nationalism, as Frantz Fanon first warned of in *The Wretched of the Earth* in 1961. But the *Green Paper* fibs way too far, claiming that SA will achieve an “emissions peak in 2020 to 2025 at 34% and 42% respectively below a business as usual baseline.”

Earthlife Africa’s Tristen Taylor already reminded Yawitch in 2009 that the ‘baseline’ was actually called “Growth Without Constraints” (GWC) in an earlier climate policy paper: “GWC is fantasy, essentially an academic exercise to see how much carbon South Africa would produce given unlimited resources and cheap energy prices.” Officials had already conceded GWC was “neither robust nor plausible” in 2007, leading Taylor to conclude, “The SA government has pulled a public relations stunt.”

And if, realistically, we consider South Africa’s entire climate policy as a stunt, required so as to not lose face at the Conference of Polluters’ global meeting, then the antidote (short of Tunisia/Egypt-style bottom-up democracy) is louder civil society demands for genuine solutions not found in the *Green Paper*:

- turning off the aluminium smelters so as to forego more coal-fired plants, while ensuring Green Jobs for all affected workers (such as solar hot-water heater manufacture);
- direct regulation of the biggest point emitters starting with Sasol and Eskom, compelling annual declines until we cut 50 percent by 2020;
- strengthening the Air Quality Act to name greenhouse gases as dangerous pollutants (as does even the US Environmental Protection Agency now); and
- dramatic, urgent increases in investments for public transport, renewable energy technology and retrofitting of buildings to lower emissions.

Those are the genuine solutions whose name cannot be spoken in South Africa’s climate policy, given the adverse balance of forces here, and everywhere. Changing that power balance is the task ahead for climate justice activism.
South Africa’s crust was drill-pocked with abandon since Kimberley diamonds were found in 1867 and then Witwatersrand (Johannesburg) gold was unearthed in 1886. But the world’s interest in how we trash our environment perked up again last week for two reasons:

- the shocking revelation that acid mine drainage is now seeping into the Johannesburg region’s ‘Cradle of Humankind’, home of hominid fossils dating more than three million years, where our Australopithecus ancestors’ earliest bones are now threatened by the area’s pollution-intensive mining industry; and
- hot contestation of new United States financing for South Africa’s proposed Kusile power plant, which will be the world’s third largest coal-fired facility.

In parallel battles, though, the beheading of King Coal is underway in West Virginia, where nine days after the January 3 cancer death of heroic eco-warrior Judy Bonds, the Environmental Protection Agency (EPA) overturned the Army Corps of Engineers’ prior approval of Spruce No. 1 mine, the world’s largest-ever ‘mountaintop removal’ operation. Coal companies have been blowing up the once-rolling now-stumbling Appalachians. In order to rip out a ton of fossil fuel, they dump 16 tons of rubble into the adjoining valleys.

After an avalanche of pressure by mountain communities and environmentalists, the EPA ruled against the “unacceptable adverse effect on municipal water supplies, shellfish beds and fishery areas (including spawning and breeding areas), wildlife, or recreational areas.” According to leading US climatologist James Hansen, quoted in Bonds’ New York Times obituary last week, “There are many things we ought to do to deal with climate change, but stopping mountaintop removal is the place to start. Coal contributes the most carbon dioxide of any energy source.” The EPA also took a stance in late December to belatedly begin regulating greenhouse gas emissions.

Through activism and legal strategies, US communities and the Sierra Club have prevented construction of 150 proposed coal-fired power plants over the last couple of years, a remarkable accomplishment (only a couple got through their net).

But in South Africa, the fight is just beginning. The national government in Pretoria and municipal officials in seaside Durban will continue invoking several myths in defense of coal, Kusile and the ‘COP17’, the November 28-December 9 climate summit officially called the ‘Conference of the Parties 17’ (but which should be renamed the Conference of Polluters). Here are some strategies of the SA state and big business meant to blind us:

- in Durban, aggressive ‘greenwashing’ will attempt to distract attention from vast CO2 emissions attributable to South Durban’s oft-exploding oil refineries and petrochemical complex, Africa’s largest port, the hyperactive tourism promotion strategy (in lieu of any bottom-up economic development), unending sports stadia construction and unnecessary new King Shaka international airport, electricity going to the very dangerous Assmang ferromanganese smelter (the city’s largest power guzzler by far at more than a half-million megawatt hours per year), sprawly new suburban developments, and inefficient electricity consumption and transport because of state failure to provide adequate renewable energy and mass transit incentives;
• ‘offsets’ for a tiny fraction of Durban’s emissions will again be fatuously marketed to an unsuspecting public, as during the 2010 World Cup, including mass planting of trees (though when they die the carbon is re-released) and municipal landfill methane capture – even though the increasingly-corrupt offset industry and European carbon markets which market our emissions credits are now ridiculed across the world, and in economic terms are failing beyond even the most pessimistic predictions;

• whacky, unworkable ‘geo-engineering’ strategies are going to multiply, such as biomass planting to convert valuable food land into fodder for ethanol fuel, or mass dumping of iron filings in the ocean to create carbon-sucking algae blooms, or ‘Carbon Capture and Sequestration/Storage’ schemes to pump power-plant CO2 underground but which tend to leak catastrophically and which require a third more coal to run, or the nuclear energy revival notwithstanding more shutdowns at the main plant, Koeberg (five years ago the industry minister, Alec Erwin, notoriously described as ‘sabotage’ a minor Koeberg accident that cost the ruling party its control of Cape Town in the subsequent municipal election); and

• South African ‘global climate leadership’ will be touted, even though Pretoria’s reactionary United Nations negotiating stance includes fronting for Washington’s much-condemned 2009 Copenhagen Accord, which even if implemented faithfully, by all accounts, will roast Africa with a projected temperature rise of 3.5°C.

As even the government’s new National Climate Change Response Green Paper admits, “Should multi-lateral international action not effectively limit the average global temperature increase to below at least 2°C above pre-industrial levels, the potential impacts on South Africa in the medium-to long-term are significant and potentially catastrophic.” The paper warns that under conservative assumptions, “after 2050, warming is projected to reach around 3-4°C along the coast, and 6-7°C in the interior” – which is, simply, non-survivable.

If President Jacob Zuma’s government really cared about climate and about his relatives in rural KwaZulu-Natal villages who are amongst those most adversely affected by worsening droughts and floods, then it would not only halt the $21 billion worth of electricity generators being built by state power company Eskom: Medupi is under construction and Kusile will begin soon. Pretoria would also deny approval to the forty new mines allegedly needed to supply the plants with coal, for just as at the Cradle of Humankind and in West Virginia, these mines will cause permanent contamination of rivers and water tables, increased mercury residues and global warming.

More evidence of the Witwatersrand’s degradation comes from tireless water campaigner Mariette Liefferink, who counts 270 tailings dams in a 400 square kilometer mining zone. With gold nearly depleted, as Liefferink told a Joburg paper last week, uranium is an eco-social activist target: “Nowhere in the world do you see these mountains of uranium and people living in and among them. You have people living on hazardous toxic waste and of course some areas are also high in radioactivity.”

The toxic tailings dams are typically unlined, unvegetated and unable to contain the mines’ prolific air, water and soil pollution. Other long-term anti-mining struggles continue in South African locales: against platinum in the Northwest and Limpopo provinces, against titanium on the Eastern Cape’s Wild Coast, and against coal in the area bordering Zimbabwe known as Mapungubwe where relics from a priceless ancient civilization will be destroyed unless mining is halted (as even the government agrees).
There’s another reason that the power of what is termed the Minerals-Energy Complex continues unchecked, even as treasures like the Cradle – and also the priceless Kruger Park’s surface water plus millions of people’s health – are threatened: political bribery. In addition to supplying the world’s cheapest power to BHP Billiton and Anglo American Corporation smelters by honoring dubious apartheid-era deals, Eskom’s coal-fired mega-plants will provide millions of dollars to African National Congress (ANC) party coffers through crony-capitalist relations with the Japanese firm Hitachi.

Last year, Pretoria’s own ombudsman termed the role of then Eskom chairman and ANC Finance Committee member Valli Moosa ‘improper’ in cutting the Hitachi deal. As a result, even pro-corporate Business Day newspaper joined more than 60 local civil society groups and 80 others around the world in formally denouncing $3.75 billion World Bank loan to Eskom which were granted by neoconservative-neoliberal Bank president Robert Zoellick last April.

Other beneficiaries of Washington’s upcoming trade finance package for Eskom include two desperate multinational corporations: Black & Veatch from Kansas and Bucyrus from Wisconsin. The latter showed its clout last October when in order to fund machinery exports to the huge Sasan coal-fired plant in India with US Export-Import Bank subsidies, the Milwaukee firm yanked members of Congress so hard that they in turn compelled the Bank to reverse an earlier decision not to fund Sasan on climate grounds.

But now, after the EPA’s slapdown of Spruce No. 1, Bucyrus must be really nervous. Forty years ago, John Prine wrote the haunting song ‘Paradise’ about the strip-mining of his Kentucky homeland, with this verse describing a creature known as ‘Big Hog’:

Then the coal company came with the world’s largest shovel  
And they tortured the timber and stripped all the land  
Well, they dug for their coal till the land was forsaken  
Then they wrote it all down as the progress of man.

Big Hog was a Bucyrus-Erie 3850-B dragline shovel. With West Virginia coal companies no longer buying these monsters, the company is fanatical about overseas sales. As a result, last Thursday, two dozen of us gathered by Friends of the Earth and Sierra found ourselves shouting slogans against Eskom and Bucyrus outside the Ex-Im Bank’s Washington headquarters.

The Milwaukee corporation rebutted that Ex-Im financing was justifiable because of a Johannesburg Black Economic Empowerment (BEE) partner plus Wisconsin steelworkers jobs, even though this means that South African counterparts – especially a Joburg company, Rham, that will apparently fire scores of local employees – lose out. Bucyrus’s 2010 contract to supply Eskom with coal mining equipment became a scandal subject to a parliamentary investigation last September. Given the Witwatersrand area’s historical world leadership in mining equipment, businesses there claim there’s no obvious reason why local firms cannot supply Eskom at much lower cost (one third of Bucyrus’ in that particular case).

Most importantly, the poor will repay this finance at a time South Africa has become the world’s most unequal society and unemployment is raging. For Eskom to cover interest bills on Medupi and Kusile loans requires a 127 percent electricity price increase for ordinary consumers over four years. This has already raised power disconnection rates for poor households, and on Monday, Durban police made 25 arrests of shackdwellers for electricity theft.
This multiple set of interlinked climate-energy-economic travesties can only be reversed by grassroots and labor activism. At the Durban COP 17, don’t expect a global deal that can save the planet, given prevailing adverse power relations. Instead of relying on paralyzed politicians and lazy bureaucrats, South Africa’s environmental, community, women’s, youth and labor voices will be demanding serious action to address the greatest crisis of our times:

- major investments in Green Jobs would let metalworkers weld millions of solar-powered geysers, for example, thus allowing Eskom to switch off power to BHP Billiton’s aluminum smelters and to halt new powerplant construction without net job loss;
- new public transport subsidies should reconfigure apartheid-era urban design and pull us willingly from single-occupant cars;
- an employment-rich zero-waste strategy would recycle nearly everything and compost our organic waste so as to eliminate methane emissions at the remaining landfills;
- more direct-action protests against major emissions point sources – Eskom, Sasol (apartheid’s wicked coal-to-oil company), the Engen refinery in South Durban and the new Durban-Joburg oil mega-pipeline, for instance – should better link micro-environmental struggles over local air, water and land quality to climate change;
- more ambitious Air Quality Act regulations would label – and then phase out – carbon dioxide, methane and other greenhouse gas ‘pollutants’, as with the US Clean Air Act;
- government planning and utility board decisions would halt willy-nilly suburbanisation and ungreen ‘development’; and
- instead of North-South financing via destructive carbon markets, the demand for ‘climate debt’ would permit the flow of strings-free, non-corrupt and effective adaptation funds.

Through urgent adoption of genuine post-carbon strategies like these, by the time the COP17 rolls around, the world could see in Durban a state and society committed to reversing climate change.

But get real. Since none of these will be considered much less implemented by the current ruling crew, instead we’ll see a mass democratic movement rise, aiming to do to the climate threat what we did to apartheid and the deniers of AIDS medicines: defeat them at source, when respectively, old white politicians and their international business buddies, and Thabo Mbeki and Big Pharma, had to stand back and respect a new morality, a new bottom-up power.
From renewed climate hope to unrealizable market expectations

Business Day, 31 December 2010

The Cancun Agreements’ fatal flaw is simple: faith in fickle markets. A year from now in Durban, the apparently unifying strategy of combining ever-broader emissions trading with a modicum of North-South aid to resolve contradictions between national blocs will again become a destructive wedge.

As world negotiators stared into the abyss of failure, markets became a lifeline. The World Bank was everywhere in Cancun, applying neoliberal economic theory where it’s rarely gone before: into new Chinese emissions markets, lurking within tropical forests, burrowing into the topsoils of agricultural land, and even tackling large ‘charismatic’ endangered species. All are sites for extended corporate investments and offsets against planet-threatening emissions.

The idea is lowering business costs of transitioning to a post-carbon world. After a cap is placed on total emissions, high-polluting corporations can buy ever more costly carbon permits from those who don’t need so many, or which are willing to part with them for a higher price than the profits they make in production or energy-generating or transport activities.

However, a global civil society network – the Durban Group for Climate Justice – formed in 2004 as a critical mass opposed to ‘the privatization of the air’. We worried that the main test case, the EU’s Emissions Trading Scheme, not only failed to reduce net greenhouse gases there, but suffered extreme volatility (five major crashes from 2006-10), an inadequate price of €15/tonne (down from a high of €30/tonne 30 months ago and far less than is required for post-carbon transition investments), and worsening fraud scandals.

The market fix is also being tried in the Third World through Clean Development Mechanism (CDM) projects, whereby investment strategies to prevent ‘additional’ pollution also qualified for carbon credits, reaching around 6 percent of total trading at peak in 2008. But illustrating the pitfalls, Sasol argued that its Mozambique gas pipelines, far less damaging than burning Mpumalanga coal, were ‘additional’ because they wouldn’t have been built without CDM incentives. The specious claim was rejected by UN authorities after a 2009 complaint by Earthlife Africa.

With Europe as the base, world emissions trade grew to more than $130 billion in 2008 and while flat since then due to economic meltdown, corruption investigations and then Copenhagen-induced despondency, the market is projected to expand to $3 trillion/year by 2020 if the US signs on. Last month, a new estimate of up to $50 billion in North-South market-related transfers and offsets each year emerged from a United Nations financing commission which included SA planning minister Trevor Manuel. World climate managers evidently hope to skimp on grants and instead beg business to push vast monies into CDMs instead.

Durban is an important guinea pig, for at SA’s lead CDM pilot, the Bisasar Road landfill, methane from rotting rubbish is converted to electricity. After helping set it up, the World Bank refused to take part in marketing or purchasing Bisasar Road emissions credits. Local activists say the reason was growing awareness of Durban’s notorious environmental racism.

In early 2005, just as the Kyoto Protocol came into force, a Washington Post front-page story revealed how community organizer Sajida Khan suffered cancer from Bisasar Road’s toxic legacy.
Back in 1980, the landfill – Africa’s largest – was plopped in the middle of Durban’s Clare Estate suburb, across the road from Khan’s house, thanks to apartheid insensitivity.

Instead of honoring African National Congress politicians’ promises to close the dump in 1994, the municipality kept it open when R100 million in emissions financing was dangled. After Khan died of cancer in mid-2007, civic pressure subsided and Durban began raising €14/tonne for the project from private investors.

Similar controversy surrounds the Reduced Emissions from Deforestation and forest Degradation (REDD) programme. In theory, REDD sells investors forest protection. But it’s seen as a boon to voracious commercial forestry and a danger to indigenous peoples, given that proper safeguards were not adopted in Cancun.

And everyone from EU climate commissioner Connie Hedegaard (a Danish conservative who hosted the summit last year) to Greenpeace warns that REDD could wreck fragile carbon markets, not only due to socio-ecological forest controversies but because a fresh glut of credits would again crash the price.

Financial gaming also remains rife in the EU, and on Wednesday, even the ordinarily pro-trading World Wild Fund for Nature and Öko-Institut attacked steel producers ThyssenKrupp and Salzgitter as fraudulent carbon profiteers, demanding that “the EU put a halt to the use of fake offsets.”

In short, last week’s market mania was a dangerous diversion from a daunting reality: the US, China, South Africa and most other big emitters came to Cancun to avoid making the binding commitments required to limit the planet’s 2000’s temperature rise, ideally below the 1.5°C that scientists insist upon. Naturally the (binding) Kyoto Protocol is a threat to the main emitting countries, which want to replace it with the voluntary, loophole-ridden Copenhagen Accord.

And naturally, the North’s failure to account for its vast ‘climate debt’ continued. Pakistan suffered $50 billion in climate-related flood damage alone this year, yet the total on offer from the North to the whole world is just $30 billion for 2010-12.

And even that’s funny money, according to Hedegaard. When last February she complained (according to WikiLeaks) that Tokyo and London were trying to pay their share partly in the form of loan guarantees, not grants, US State Department deputy climate negotiator Jonathan Pershing registered his approval: “Donors have to balance the political need to provide real financing with the practical constraints of tight budgets.”

The Copenhagen Accord, signed by Jacob Zuma, Barack Obama, Wen Jiabao, Lula Ignacio de Silva and Manmohan Singh, is already compromised by bribery. The Maldives and Ethiopia – once leaders in the G77 and Africa – soon dropped their resistance to that shoddy deal in exchange for payola, WikiLeaks revealed.

After Hedegaard told Pershing that the Alliance of Small Island States “could be our best allies’, given their need for financing,” he quickly provided a $50 million aid package to the Maldives. The sinking island’s US ambassador, Abdul Ghafoor Mohamed, told Pershing on February 23 that if ‘tangible assistance’ were given his country, then other affected countries would realise “the advantages to be gained by compliance” with Washington’s climate agenda.
Whether or not a comprehensive Durban deal replaces Kyoto, the ongoing climate market failures and worsening corruption are distracting the world from the more serious work required to go post-carbon: state ‘command and control’. To save the ozone hole from growing, an outright ban was required against CFC emissions, and after the Montreal Protocol did so starting in 1996, there’s our model for serious mitigation action.

Given South Africa’s own extreme carbon addiction and the lamentable role Pretoria climate negotiators play, self-interestedly slowing progress, Cancun’s desperate turn to the market will backfire loudly next year. In Durban, an uncivil society starved for a decent mix of climate change mitigation and the rerouting of cheap electricity from guzzling metals smelters to the powerless masses will be especially noisy.
‘Climate capitalism’ won at Cancun – everyone else loses

*Links, ZNet, Counterpunch* and numerous other ezines, 12 December 2010

CANCUN, MEXICO. The December 11 closure of the 16th Conference of the Parties – the global climate summit – in balmy Cancun was portrayed by most participants and mainstream journalists as a victory, a ‘step forward’. Bragged US State Department lead negotiator Todd Stern, “Ideas that were first of all, skeletal last year, and not approved, are now approved and elaborated.”

After elite despondency when the Copenhagen Accord was signed last December 18 by five countries behind the scenes, resulting in universal criticism, there is now a modicum of optimism for the next meeting of heads of state and ministers, in steamy Durban in the dogdays of a South African summer a year from now. But this hope relies upon a revival of market-based climate strategies which, in reality, are failing everywhere they have been tried.

The elites’ positive spin is based on reaching an international consensus (though Bolivia formally dissented) and establishing instruments to manage the climate crisis using capitalist techniques. Cancun’s defenders argue that the last hours’ agreements include acknowledgements that emissions cuts must keep world temperature increases below 2°C, with consideration to be given to lowering the target to 1.5°C.

Negotiators also endorsed greater transparency about emissions, a Green Climate Fund led by the World Bank, introduction of forest-related investments, transfers of technology for renewable energy, capacity-building and a strategy for reaching legally-binding protocols in future. According to UN climate official Christiana Figueres, formerly a leading carbon trader, “Cancun has done its job. Nations have shown they can work together under a common roof, to reach consensus on a common cause.”

**Status quo or step back?**

But look soberly at what was needed to reverse current warming and what was actually delivered. Negotiators in Cancun’s luxury Moon Palace hotel complex failed by any reasonable measure. As Bolivian President Evo Morales complained, “It’s easy for people in an air-conditioned room to continue with the policies of destruction of Mother Earth. We need instead to put ourselves in the shoes of families in Bolivia and worldwide that lack water and food and suffer misery and hunger. People here in Cancun have no idea what it is like to be a victim of climate change.”

For Bolivia’s UN ambassador Pablo Solon, Cancun “does not represent a step forward, it is a step backwards”, because the non-binding commitments made to reduce emissions by around 15 percent by 2020 simply cannot stabilize temperature at the “level which is sustainable for human life and the life of the planet.”

Even greater anger was expressed in civil society, including by Meena Raman of Malaysia-based Third World Network: “The mitigation paradigm has changed from one which is legally binding – the Kyoto Protocol with an aggregate target which is system-based, science based – to one which is voluntary, a pledge-and-review system.” As El Salvadoran Friends of the Earth leader Ricardo Navarro lamented, “What is being discussed at the Moon does not reflect what happens on Earth. The outcome is a Cancunhagen that we reject.”
Most specialists agree that even if the unambitious Copenhagen and Cancun promises are kept (a big if), the result will be a cataclysmic 4-5°C rise in temperature over this century, and if they are not, 7°C is likely. Even with a rise of 2°C, scientists generally agree, small islands will sink, Andean and Himalayan glaciers will melt, coastal areas such as much of Bangladesh and many port cities will drown, and Africa will dry out – or in some places flood – so much that nine of ten peasants will not survive.

The politicians and officials have been warned of this often enough by climate scientists, but are beholden to powerful business interests which are lined up to either promote climate denialism, or to generate national-versus-national negotiating blocs destined to fail in their race to gain most emission rights. As a result, in spite of a bandaid set of agreements, the distance between negotiators and the masses of people and the planet grew larger not smaller over the last two weeks.

**WikiLeaking climate bribery**

To illustrate, smaller governments were “bullied, hustled around, lured with petty bribes, called names and coerced into accepting the games of the rich and emerging-rich nations,” says Soumya Dutta of the South Asian Dialogues on Ecological Democracy. “Many debt-ridden small African nations are seeing the money that they might get through the scheming designs of Reduced Emissions from Deforestation and forest Degradation (REDD), and have capitulated under the attack of this REDD brigade. It’s a win-win situation, both for the rich nations, as well as for the rich of the poor nations. The real poor are a burden in any case, to be kept at arms length – if not further.”

Bribing those Third World governments which in 2009 were the most vocal critics of Northern climate posturing became common knowledge thanks to WikiLeaks disclosures of US State Department cables from February 2010. Last February 11, for example, EU climate action commissioner Connie Hedegaard told the US that the Alliance of Small Island States “could be our best allies”, given their need for financing.

A few months earlier, the Maldives helped lead the campaign against low emissions targets such as those set in the Copenhagen Accord. But its leaders reversed course, apparently because of a $50 million aid package arranged by US deputy climate change envoy Jonathan Pershing. According to a February 23 cable, Pershing met the Maldives’ US ambassador, Abdul Ghafoor Mohamed, who told him that if ‘tangible assistance’ were given his country, then other affected countries would realise “the advantages to be gained by compliance” with Washington’s climate agenda.

The promised money is, however, in doubt. Hedegaard also noted with concern that some of the $30 billion in pledged North-South climate-related aid from 2010-2012 – e.g. from Tokyo and London, she said – would come in the form of loan guarantees, not grants. Pershing was not opposed to this practice, because “donors have to balance the political need to provide real financing with the practical constraints of tight budgets.”

Even while observing Washington’s tendency to break financial promises, Ethiopian prime minister Meles Zenawi, the leading African head of state on climate, was also unveiled by WikiLeaks as a convert to the Copenhagen Accord. This appeared to be the outcome of pressure applied by the US State Department, according to a February 2 cable, with Zenawi asking for more North-South resources in return.
**REDD as wedge**

Besides Bolivian leadership, the world’s best hope for contestation of these power relationships rests with civil society. Along with La Via Campesina network of peasant organizations, which attracted a Mexico-wide caravan and staged a militant march that nearly reached the airport access road on the morning of December 7 as heads of state flew into Cancun, the most visible poor peoples’ representatives were from the Indigenous Environmental Network (IEN). On December 8, IEN spokesperson Tom Goldtooth was denied entry to the UN forum due to his high-profile role in non-violent protests.

According to Goldtooth, Cancun’s ‘betrayal’ is “the consequence of an ongoing US diplomatic offensive of backroom deals, arm-twisting and bribery that targeted nations in opposition to the Copenhagen Accord.” For Goldtooth, an ardent opponent of REDD, “Such strategies have already proved fruitless and have been shown to violate human and Indigenous rights. The agreements implicitly promote carbon markets, offsets, unproven technologies, and land grabs – anything but a commitment to real emissions reductions. Language ‘noting’ rights is exclusively in the context of market mechanisms, while failing to guarantee safeguards for the rights of peoples and communities, women and youth.”

The founder of watchdog NGO REDD-Monitor, Chris Lang, argues that attempts to reform the system failed because, first, “Protecting intact natural forest and restoring degraded natural forest is not a ‘core objective’ of the REDD deal agreed in Cancun. We still don’t have a sensible definition of forests that would exclude industrial tree plantations, to give the most obvious example of how protecting intact natural forest isn’t in there – also ‘sustainable management of forests’ is in there, which translates as logging.”

Second, says Lang, “The rights and interests of indigenous peoples and forest communities are not protected in the Cancun REDD deal – they are demoted to an annex, with a note that ‘safeguards’ should be ‘promoted and supported’. That could mean anything governments want it to mean.”

During the Cancun negotiations, positioning on REDD came to signal whether climate activists were pro- or anti-capitalist, although a difficult in-between area was staked out by Greenpeace and the International Forum on Globalisation which both, confusingly, advocated a non-market REDD arrangement (as if the balance of forces would allow such). But they and their allies lost, and as Friends of the Earth chapters in Latin America and the Caribbean explained, “The new texts continue seeing forests as mere carbon reservoirs (sinks) and are geared towards emissions trading.”

In the same way, the Green Fund was promoted by World Bank president Robert Zoellick, whose highest-profile speech to a side conference promised to extend the REDD commodification principle to broader sectors of agriculture and even charismatic animals like tigers, in alliance with Russian leader Vladimir Putin. On December 8, protests demanded that the World Bank be evicted from climate financing, in part because under Zoellick the institution’s annual fossil fuel investments rose from $1.6 billion to $6.3 billion, and in part because the Bank promotes export-led growth, resource extraction, energy privatisation and carbon markets with unshaken neoliberal dogma.
According to Grace Garcia from Friends of the Earth Costa Rica, “Only a gang of lunatics would think it is a good idea to invite the World Bank to receive climate funds, with their long-standing track-record of financing the world’s dirtiest projects and imposition of death-sentencing conditionalities on our peoples.”

Unfortunately, however, some indigenous people’s groups and Third World NGOs do buy into REDD, and well-funded Northern allies such as the market-oriented Environmental Defense Fund have been using divide-and-conquer tactics to widen the gaps. The danger this presents is extreme, because the Clean Development Mechanism (CDM) strategy set in place by Al Gore in 1997 – when he mistakenly (and self-interestedly) promised that the US would endorse the Kyoto Protocol if carbon trading was central to the deal – may well continue to fracture climate advocacy.

REDD is one of several blackmail tactics from the North, by which small sums are paid for projects such as tree-planting or forest conservation management. In some cases, as well as through CDMs such as methane-extraction from landfills, these projects result in displacement of local residents or, in the case of Durban’s main CDM, the ongoing operation of a vast, environmentally-racist dump in the black neighbourhood of Bisasar Road, instead of its closure. Then the Northern corporations which buy the emissions credits can continue business-as-usual without making the major changes needed to solve the crisis.

**Climate debt and command-and-control**

Many critics of REDD and other CDMs, including Morales, put the idea of Climate Debt at the core of a replacement financing framework. They therefore demand that the carbon markets be decommissioned, because their fatal flaws include rising levels of corruption, periodic chaotic volatility, and extremely low prices inadequate to attract investment capital into renewable energy and more efficient transport. Such investments minimally would cost the equivalent of €50/tonne of carbon, but the European Union’s Emissions Trading Scheme fell from €30/tonne in 2008 to less than €10/tonne last year, and now hovers around €15/tonne. This makes it much cheaper for business to keep polluting than to restructure.

Having spent an afternoon at Cancun debating these points with the world’s leading carbon traders, I’m more convinced that the markets need closure so we can advance much more effective, efficient command-and-control systems. Rebutting, Henry Derwent, head of the International Emissions Trading Association (IETA), claimed that markets ended acid rain damage done by sulfur dioxide emissions. Yet in Europe during the early 1990s, state regulation was much more effective. Likewise, command-and-control worked well in the ozone hole emergency, when CFCs were banned by the Montreal Protocol starting in 1996.

The US Environmental Protection Agency now has command-and-control power over GreenHouseGas emissions, and its top administrator, Lisa Jackson, can alert around 10,000 major CO2 point sources that they must start cutting back immediately. But without more protest against the Agency, as pioneered by West Virginians demanding a halt to mountaintop coal removal, Jackson has said that she will only begin this process in 2013 (after Obama’s reelection campaign). On the bright side, IETA’s lead Washington official, David Hunter, confirmed to me that the US carbon markets were in the doldrums because of the Senate’s failure to pass cap-and-trade legislation this year. Thank goodness for Washington gridlock.
However, Washington’s Big Green groups have admitted that they pumped $300 million of foundation money into advocacy for congressional carbon trading, in spite of Climate Justice Now! members’ campaigning against this approach. Critique has included the film “The story of cap and trade” (www.storyofstuff.org), which over the past year had three quarters of a million views. The vast waste of money corresponded to a resource drought at the base.

In October, three well-resourced environmental groups – 350.org, Rainforest Action Network and Greenpeace – concluded that more direct action would be needed. It’s happening already, of course. Two dozen US groups, including IEN, Grassroots Global Justice and Movement Generation, argued in an October 23 open letter that “Frontline communities, using grassroots, network-based, and actions-led strategies around the country have had considerable success fighting climate-polluting industries in recent years, with far less resources than the large environmental groups in Washington, D.C. These initiatives have prevented a massive amount of new industrial carbon from coming on board.”

Climate justice instead of climate capitalism

But by all accounts, one reason the climate capitalist fantasy moved ahead at Cancun so decisively was the fragmented nature of this kind of resistance. Crucial ideological and geographical divides were evident within Mexico’s progressive forces, a problem which must be avoided in the coming period as the healing of divisions over market-related strategies proceeds. Grassroots activists are unimpressed by Cancun’s last-gasp attempt at climate-capitalist revivalism.

Indeed, the limited prospects for elite environmental management of this crisis confirm how badly a coherent alternative is needed. Fortunately, the Peoples’ Agreement of Cochabamba emerged in April from a consultative meeting that drew 35 000 mainly civil society activists. The Cochabamba conference call includes:

- 50 percent reduction of greenhouse gas emissions by 2017
- stabilising temperature rises to 1°C and 300 Parts Per Million
- acknowledging the climate debt owed by developed countries
- full respect for Human Rights and the inherent rights of indigenous people
- universal declaration of rights of Mother Earth to ensure harmony with nature
- establishment of an International Court of Climate Justice
- rejection of carbon markets and commodification of nature and forests through REDD
- promotion of measures that change the consumption patterns of developed countries
- end of intellectual property rights for technologies useful for mitigating climate change
- payment of 6 percent of developed countries’ GDP to addressing climate change

The analysis behind these demands has been worked out over the past few years. But now the challenge for climate justice movements across the world is to not only continue – and dramatically ratchet up – vibrant grassroots activism against major fossil fuel emissions and extraction sites, ranging from Alberta’s tar sands to the Ecuadoran Amazon to San Francisco refineries to the Niger Delta to West Virginia mountains to the Australian and South African coalfields. In addition, if Cancun revives financial markets for the purposes of Northern manipulation of the climate debate, then Goldtooth’s warning is more urgent: “Industrialized nations, big business and unethical companies like Goldman Sachs will profit handsomely from the Cancun Agreements while our people die.”
Durban will offer the next big showdown between unworkable capitalist strategies on the one hand, and the interests of the masses of people and the planet’s environment. The latter have witnessed long histories of eco-social mobilization, such as the 2001 World Conference Against Racism which attracted a protest of 15,000 against Zionism and the UN’s failure to put reparations for slavery, colonialism and apartheid on the agenda.

It will be a challenge to maintain pressure against REDD and the carbon markets, but by next November it should be clear that neither will deliver the goods. Hence, as versed by Friends of the Earth International chair and Niger Delta activist Nnimmo Bassey, a winner of the Right Livelihood Award this year:

*The outside will be the right side in Durban*

*What has been left undone*

*Will properly be done*

*Peoples’ sovereignty*

*Mass movement convergence*

*Something to look forward to!*
Anatomies of environmental knowledge and resistance:
Diverse climate justice movements and waning eco-neoliberalism

‘Climate Justice’ (CJ) is the name of the new movement that best fuses a variety of progressive political-economic and political-ecological currents in relation to the most serious threat humanity and most other species face in the 21st century. The time is opportune to dissect the process of knowledge production and resistance formation in relation to hegemonic climate policy making, in part because of the fracturing of elite power in an era of global state-failure and market-failure. The inability of global elite actors to solve major environmental, social and economic problems puts added emphasis on the need for a foundational CJ philosophy and ideology, principles, strategies and tactics. One challenge along that route is to establish the most appropriate CJ narratives (since a few are contraindicative to CJ broadly envisioned), what gaps exist in potential CJ constituencies, and which kinds of alliances are moving CJ forward, in what ways.

Birthing a Climate Justice movement

The first efforts to generate a climate advocacy movement in global civil society became the Climate Action Now (CAN) coalition of large environmental NGOs. From 1997, CAN arrived at what proved to be a false solution, namely that carbon trading was an inevitable part of greenhouse gas regulation, a myth broken in practice by the European Union’s Emission Trading Scheme failures (and also by the CAN breakaway by Friends of the Earth International in 2010). By the time of the Copenhagen Conference of Parties (COP), when the short film ‘Story of Cap and Trade’ (Leonard 2009) was launched (and in nine months subsequently recorded a million downloads), it was obvious that the main barrier to CJ within civil society had become CAN’s more civilized society.

CJN! was able to make this case with sufficient force to gain half the space reserved for non-governmental delegations in Copenhagen’s Bella Centre in December 2009, an arrangement that will continue at the 2010 COP in Cancun, and presumably beyond.

The Copenhagen Summit crashed on 18-19 December when, at the last moment, a backroom deal was stitched together by Barack Obama (USA), Jacob Zuma (SA), Lula da Silva (Brazil), Manmohan Singh (India) and Wen Jiabao (China), designed to avoid needed emissions cuts (Müller 2010). Instead, the Copenhagen Accord delivered business-as-usual climate politics, biased towards fossil-fuel capital, heavy industry, the transport sector and overconsumers. As the leading US State Department climate negotiator, Todd Stern, explained when asked about the growing demand for recognition of Northern ‘climate debt’ liabilities, ‘The sense of guilt or culpability or reparations – I just categorically reject that’ (AP, 9 December 2009). In doing so, Stern rejected the foundational principle behind environmental economics: ‘polluter pays’.

CJ activists had entered this terrain with some demands that the global establishment simply would not meet: a 50 percent GHG emissions cut by 2020 and 90 percent commitment for 2050; payment of a rapidly rising ‘climate debt’ (in 2010, damages to Pakistan alone amounted to $50 billion) (Klein 2009, Bond 2010); and the decommissioning of the carbon markets so favoured by elites. As a result, the next stage of the CJ struggle was necessarily to retreat from the naively overambitious global reform agenda (politely asking Copenhagen and then Cancun delegates to save the planet) and instead to pick up direct action inspirations from several sites across the world – Nigerian and Ecuadorian oilfields, Australia’s main coal port, Britain’s coal-fired power stations and main airport, Canada’s tar sands, and US coalfields and corporate headquarters – where CJ was being seeded
deep within the society. Some have called this the rise of the ‘poly-valent counter-hegemonic climate justice resistance movements’ (Dorsey 2010).

How did this transition from mere insider-lobbying to CJ politics occur? The CJ lineage includes
1990s environmental anti-racism (Dorsey, 2007); the late 1990s Jubilee movement against
Northern financial domination of the South; the 2000s global justice movement (which came to the
fore with the December 1999 Seattle World Trade Organisation protest); environmentalists and
corporate critics who in 2004 started the Durban Group for Climate Justice (Lohmann 2006); the
2007 founding of the Climate Justice Now! (CJN) network; the 2009 rise of the European left’s
Climate Justice Alliance in advance of the Copenhagen COP; the ongoing role of Third World
Network in amplifying the critique by both South states and radical civil society in COP and related
negotiations; the renewed direct-action initiatives that from 30 November 2009 generated the
Mobilization for Climate Justice in the US and in 2010 drew in more mainstream groups like
Greenpeace, Rainforest Action Network and 350.org; and, maybe most portentously, the Bolivian
government-sponsored (but civil society-dominated) April 2010 ‘World Conference of Peoples on
Climate Change and the Rights of Mother Earth’ in Cochabamba. Shortly afterwards, the Detroit
Social Forum began to consolidate a US movement led by people of colour. On October 12, 2010 (to
counteract what in the US is known as ‘Columbus Day’ but represents European invasion of the
hemisphere), the European-based Climate Justice Action network coordinated direct-action
protests against climate-related targets in two dozen locales. In Cancun from 28 November-11
December 2010, an International Forum on Climate Justice was established to unite international
forces.

Fused as CJ, these inter-related and often overlapping (although sometimes conflicting) traditions
are mainly aimed at building (or serving) a mass-based popular movement bringing together ‘green’
and ‘red’ (or in the US, ‘blue’) politics. This entails articulating not only the urgency of reversing
greenhouse gas emissions but also the need to transform our systems of materials extraction,
transport and distribution, energy-generation, production of goods and services, consumption,
disposal and financing. Some would go further with the CJ banner (e.g. those associated with the
journals *Capitalism Nature Socialism* and *Monthly Review*), from a fossil-fuel-dependent capitalism
to eco-socialism:

the realization of the ‘first-epoch’ socialisms of the twentieth century, in the context of the
ecological crisis... a transformation of needs, and a profound shift toward the qualitative
dimension and away from the quantitative... a withering away of the dependency upon
fossil fuels integral to industrial capitalism. And this in turn can provide the material point of
release of the lands subjugated by oil imperialism, while enabling the containment of global
warming, along with other afflictions of the ecological crisis... The generalization of
ecological production under socialist conditions can provide the ground for the overcoming
of the present crises. A society of freely associated producers does not stop at its own
democratization. It must, rather, insist on the freeing of all beings as its ground and goal
(Kovel and Lowy, 2001: 3-5).

Before such a vision can be properly articulated, two critical missing elements must be accounted
for: a stronger labour input, particularly given the potential for ‘Green Jobs’ to make up for existing
shortfalls; and a connection between climate justice and anti-war movements, given that military
activity is not only disproportionately concerned with supplies of oil and gas (Iraq and Afghanistan)
but also uses vast amounts of CO2 in the prosecution of war (Smolker, 2010). But against eco-
socialist orientations, not only are anarchists in the CJ movement suspicious of central planning.
Climate controversies and wedge issues

There are, as well, five ideological positions that have variously sought to claim CJ but that are not oriented (first and foremost) to movement-building:

- a Rawlsian ‘Greenhouse Development Rights’ technical calculation of per capita GHG emissions (by the NGO Ecoequity, with echoes in ‘Contraction & Convergence’ expansions/reductions and GHG ‘budget-sharing’) which aims to distribute the ‘right to pollute’ (and then let underpolluters sell their surplus rights via some form of carbon trading) (Athanasiou and Baer 2010);

- an emphasis on South-North justice primarily within interstate diplomatic negotiations over climate, as advanced especially by the South Centre and Third World Network, as well as the Bolivian government albeit with an awareness that the April 2010 Cochabamba meeting made demands on world elites far beyond their willingness to concede (Tandon 2009);

- an orientation to the semi-periphery’s right/need to industrialise, via the United Nations Department of Economic and Social Affairs (DESA) (Jomo K.S. 2010);

- the use of CJ rhetoric by former UN Human Rights Commission director and Irish president Mary Robinson (2010), whose agenda for a new Dublin foundation appears solely situated within the ‘elite’ circuitry of global governance and international NGOs, in which ‘climate justice links human rights and development to achieve a human-centered approach, safeguarding the rights of the most vulnerable and sharing the burdens and benefits of climate change and its resolution equitably and fairly’; and

- attempts to incorporate within CJ politics a commitment to carbon markets, especially through the Reducing Emissions from Deforestation and Degradation (REDD) projects (Spash 2010).

It may be premature to judge, but even setting aside repeated conflicts with the CJ movement’s own grassroots forces, it seems that these latter strands, drawing upon varying degrees of technicist-redistributionist, Third Worldist, Keynesian, or global-elitist experiences and aspirations, do not hold out much opportunity for success given the extremely adverse balance of forces at the world scale. Most of these latter five CJ projects’ ambitions play out at elite levels, primarily within UN negotiations. The problem for elite-level strategies is that the last time a sense of global-state coherence was achieved in addressing a world-scale problem was when the 1996 Montreal Protocol on chlorofluorocarbons (CFCs) banned emissions outright, in order to prevent growth of the hole in the ozone layer. Since then, there was no progress on any other substantive top-down front, in part because of the decline of global social democrats (of the Willy Brandt type) and rise of neoliberals (1980s-90s) and then neoconservatives (2000s), and sometimes – as in the case of World Bank president Robert Zoellick, considered in detail below – a fusion. Hence we can label the current era as one of global-state failure, simultaneous with an historic failure of the financial markets that at one point eco-neoliberal technicists had relied upon, through carbon trading, to solve the climate crisis.

Nevertheless, for some eco-neoliberal specialists who carry out climate or development advocacy mainly within multilateral institutions or from international NGOs, especially in New York,
Washington, London and Geneva, commitments to top-down approaches are held with an almost religious fervor. To recall an analogy once evoked by George and Sabelli (1994), supranational, non-democratic, elite institutions have ‘doctrine, a rigidly structured hierarchy preaching and imposing this doctrine and a quasi-religious mode of self-justification.’ Unsurprisingly, the aforementioned five approaches to CJ are at times advanced directly at odds with grassroots forces which tired of the futility of global-scale reform. In February 2010, for example, a controversy broke out in civil society regarding one civil society group whose initial desire for a negotiating stance in Geneva included a petition with several controversial positions: promotion of the Kyoto Protocol (due to its common but differentiated responsibilities position) notwithstanding the treaty’s very weak emissions cuts; a 2 degree (not 1 degree) centigrade temperature rise (considered unacceptable within the CJ movement); and an implicit endorsement of offsets and other private sector financing arrangements in spite of the failures of private offset arrangements and the broader carbon market. The petition was changed after an uproar within the Climate Justice Now! network.

Later in 2010, further controversies emerged over the extent to which REDD would become a wedge issue within the CJ camp, given the vast resources being mobilized by major US environmentally-oriented foundations to resurrect market strategies. The seeds of the controversy were sown in late 2009 and in the aftermath of Copenhagen. Several American based, pro-REDD funders came together under the auspices of the US based Meridian Institute, a mediator-oriented think-tank that ‘regularly’ assembles ‘government officials, business leaders, scientists, foundation executives, and representatives of nongovernmental organizations’ to ‘facilitate internal consensus’. The private foundations Meridian brought together included ClimateWorks, David and Lucile Packard, Ford and Gordon and Betty Moore. These foundations committed to begin making grants in support of REDD projects under an umbrella group called the Climate and Land Use Alliance (CLUA) in early 2010. Meridian’s market-inspired, corporatist approach is not unprecedented. In late 2006 and early 2007 Meridian was the sole facilitating and mediating institution behind the creation of the US Climate Action Partnership. The Partnership assembled well over $200 million to support efforts by pro-market environmental organizations and major corporations to advocate for market-based solutions in recent US climate change legislation, which subsequently failed to pass the US Congress in 2010.

The CLUA sphere of influence is not confined to the US. By June 2010 CLUA members, heads of state, influential ministers and representatives from 55 countries convened in Norway for the Oslo Climate and Forest Conference. The conference aimed to endorse and launch the post-Kyoto REDD effort, dubbed the ‘Interim REDD+ Partnerships’. By the meeting’s end, with the largest contribution from the Norwegian government, some $4 billion was committed to support developing country involvement in REDD. Yet some argue that CLUA foundations and key actors that control the Interim REDD+ Partnerships process utilize a kind of divide-and-rule strategy. According to some sources, organizations that support and do not question any aspects of proto-REDD projects are lavished with funds; while those that have question REDD projects have been marginalized from even participating in many key of meetings on the matter. In a September 2010 letter, 34 non-governmental organizations from 20 countries issued a complaint to the co-chairs of the Interim REDD+ Partnership:

The modalities proposed so far by the Partnership do not satisfy the minimum requirements for effective participation and consultation, and therefore we urge that the workplan include a process to develop concrete and effective procedures to ensure proper participation and input to the Partnership initiatives. Simply using a mailing list that has been put together randomly, including organisations that are not working on REDD and
excluding key actors, notably indigenous peoples organisations, is not an acceptable way to pretend that stakeholders are engaged in an effective and fair manner.

Tensions between the CJ approach and the group of NGOs comprising the Climate Action Network and 1 Sky continue, over whether legislative lobbying, social marketing and top-down coordination of consciousness-raising activities without further strategic substance (e.g. TckTckTck in 2009) are more appropriate advocacy methodologies than bottom-up linkage of organic climate activism. In a letter to 1 Sky in October 2010, a group self-described as ‘grassroots and allied organizations representing racial justice, indigenous rights, economic justice, immigrant rights, youth organizing and environmental justice communities’ listed some of the direct action and community organizing victories over prior months:

- Stopping King Coal with Community Organizing: The Navajo Nation, led by a Dine’ (Navajo) and Hopi grassroots youth movement, forced the cancellation of a Life of Mine permit on Black Mesa, AZ, for the world’s largest coal company – Peabody Energy. Elsewhere in the U.S. community-based groups in Appalachia galvanized the youth climate movement in their campaigns to stop mountain-top removal coal mining, and similar groups in the Powder River Basin have united farmers and ranchers against the expansion of some of the world’s largest coal deposits.

- Derailing the Build-out of Coal Power: Nearly two thirds of the 151 new coal power plant proposals from the Bush Energy Plan have been cancelled, abandoned or stalled since 2007 – largely due to community-led opposition. A recent example of this success is the grassroots campaign of Dine’ grassroots and local citizen groups in the Burnham area of eastern Navajo Nation, NM that have prevented the creation of the Desert Rock coal plant, which would have been the third such polluting monolith in this small, rural community. Community-based networks such as the Indigenous Environmental Network, the Energy Justice Network and the Western Mining Action Network have played a major role in supporting these efforts to keep the world’s most climate polluting industry at bay.

- Preventing the Proliferation of Incinerators: In the last 12 years, no new waste incinerators (which are more carbon-intensive than coal and one of the leading sources of cancer-causing dioxins) have been built in the US, and hundreds of proposals have been defeated by community organizing. In 2009 alone, members of the Global Alliance for Incinerator Alternatives prevented dozens of municipal waste incinerators, toxic waste incinerators, tire incinerators and biomass incinerators from being built, and forced Massachusetts to adopt a moratorium on incineration.

- Defeating Big Oil In Our Own Backyards: A community-led coalition in Richmond, CA, has stopped the permitting of Chevron’s refinery expansion in local courts. This expansion of the largest oil refinery on the west coast is part of a massive oil and gas sector expansion focused on importing heavy, high-carbon intensive crude oil from places like the Canada’s Tar Sands. This victory demonstrates that with limited resources, community-led campaigns can prevail over multi-million dollar PR and lobby campaigns deployed by oil companies like Chevron, when these strategies are rooted in organizing resistance in our own backyards. REDOIL, (Resisting Environmental Destruction on Indigenous Lands) an Alaska Native grassroots network, has been effective at ensuring the Native community-based voice is in the forefront of protecting the Chukchi and Beaufort Seas. Together with allies, REDOIL has also prevented Shell from leasing the Alaska outer continental shelf for offshore oil
exploration and drilling. Advancing recognition of culture, subsistence and food sovereignty rights of Alaska Natives within a diverse and threatened aquatic ecosystem has been at the heart of their strategy.

- Stopping False Solutions like Mega Hydro: Indigenous communities along the Klamath River forced Pacificorp Power company to agree to ‘Undam the Klamath’ by the year 2020, in order to restore the river’s natural ecosystems, salmon runs and traditional land-use capacity. For decades, Indigenous communities have been calling out false solutions – pointing to the fact that energy technologies that compromise traditional land-use, public health and local economies cannot be considered climate solutions.

- Building Resilient Communities through Local Action: In communities all over the US, frontline communities are successfully winning campaigns linking climate justice to basic survival:
  - In San Antonio, Texas, the Southwest Workers Union led the fight to divert $20billion dollars from nuclear energy into renewable energy and energy efficiency. In addition, they launched a free weatherization program for low-income families and a community run organic farm.
  - In Oakland, California, the Oakland Climate Action Coalition is leading the fight for an aggressive Climate Energy and Action Plan that both addresses climate disruption and local equity issues (Movement Generation et al, 2010:2).

The activists’ letter accused the mainstream of systemic, destructive failure:

A decade of advocacy work, however well intentioned, migrated towards false solutions that hurt communities and compromised on key issues such as carbon markets and giveaways to polluters. These compromises sold out poor communities in exchange for weak targets and more smokestacks that actually prevent us from getting anywhere close to what the science – and common sense – tells us is required (Movement Generation et al, 2010:2).

These struggles are not limited to seemingly rival grassroots social movements and mainstream organizations. Funders too, are also divided on which constituencies to support and at what levels; and variously divide and gather those same constituencies. In contrast with the foundations that support the pro-market, corporatist CLUA effort described above, in a letter dated 10 September 2010 the ‘Climate equity working group chairs’ for the Funders Network on Trade and Globalization (FNTG), along with the FNTG Coordinator entered into the grassroots versus 1Sky debate. In a letter to the 1Sky leadership they point out:

Given our agreement on the need for increasing investments in fossil-fuel infrastructure resistance struggles and more broadly building the power of grassroots movements, we would like to work with you in developing a strategic dialogue between 1Sky and our key movement partners to meet these goals. They, and we, undoubtedly have much to learn from each other.

Contrast this with the revelation at the 2009 US Environmental Grantmakers Association meeting in Alaska, that less than 2% of all recorded funds from US private foundations went to address unfolding climate change in Africa — where many researchers concur that the adverse effects of
climate change will be most severe. Accordingly the battle for justice based climate policy is as much a derivative of movement and organizational dynamics and struggles, as it is subject to passing whims, fads and frenzies of private foundation capital — which, at present, is, overwhelmingly American.

These kinds of controversies are logical to expect insofar as huge pressures are mounting, North-South and environment-development tensions are often extreme, neoliberal financial forces continue to dominate the mainstream elite framework, and CJ movements across the world have not solidified a coherent set of tactics, much less strategy, principles, ideology and foundational philosophy. This is not the space to explore that shortcoming, but suffice to say that the wedge between most of the movement-oriented CJ activities and those from the five other CJ approaches noted above will continue to grow, in part because use of carbon markets is one of the defining differences between CJ and mainstream climate mitigation strategies.

**Failure of the elite model**

One reason for ongoing tension, as made clear by global climate negotiations experiences since Bali in 2007, is that investment of enormous NGO lobbying efforts into elite processes is one sign of variance from CJ grassroots energies, for a scan of global governance reform efforts reminds us of consistent failure. The World Bank and International Monetary Fund (IMF) Annual Meetings were exemplars of merely trivial reforms (for example, subimperial countries’ voting power rising a bit, with most of Africa’s and other poor countries’ voting shares actually falling, as witnessed at the G20 in October 2010). The reformers’ inability to budge the Bretton Woods ideological status quo was demonstrated when even a mild-mannered ‘Post-Washington Consensus’ gambit was introduced in early 1998, but within twenty months, its champion, Bank chief economist Joseph Stiglitz, was fired. Similarly the UN Millennium Development Goals launched in 2000 proved illusory especially for Africa, in no small part because the World Trade Organisation (WTO) and Bretton Woods Institutions were crucial intermediaries for MDG delivery. The WTO itself went into apparently terminal decline after the 1999 Seattle summit meltdown, the overhyped 2001 ‘Doha Agenda’ and the failed Cancun summit of 2003 – with no subsequent progress to report.

On the global currency and credit fronts, in addition to failed World Bank and IMF reform (Goldman 2005, 2007), none of the five main processes designed to shore up a cracking international financial architecture mustered the clout required to control footloose financiers: the Monterrey Financing for Development summit in 2002; various Basel Bank for International Settlements risk and capital re-ratings during the late 2000s; the G20 global financial reregulation talkshops of 2008-09; Stiglitz’s 2008-09 United Nations commission on reform; and French-German advocacy of an international financial transactions tax (George 2009, 2010, 2011). Such reregulation can only be built in a sturdy way based upon state power over finance in national settings, but the two leading national capitals for world banking – Washington and London – were run by the Democratic Party and Labour Party deregulators during the periods of greatest financial industry vulnerability, and hence there was only insubstantial regulation, as witnessed by the rapid return to superprofits and bonuses at Goldman Sachs and the other vast banks from 2009.

---

1. A staffer from the Consultative Group on Biological Diversity, the ‘premier professional association of foundation executives and trustees who make environmental grants’ revealed this in a discussion with funders during the course of the 2009 Environmental Grantmakers meeting.
2. Richard Branson’s War Room and nascent philanthropic efforts in India, are two of a growing number of exceptions.
With climate change bound to generate more warring of the Darfur type, i.e., the kind where climate strained and stressed natural resource problems cyclically exacerbate conflict, it is especially disturbing that global governance is also failing on the security front, with renewed wars in Central Asia and the Middle East starting in October 2001 meant to last, as former US vice president Dick Cheney confessed, apparently forever. German, Japanese, Indian, Brazilian and African attempts to widen the UN Security Council failed decisively in 2005. Meanwhile North-South ‘global apartheid’ wealth gaps grew even more extreme, especially when G8 aid promises were broken; African countries hopes had been raised by the Gleneagles Summit of 2005, but then dashed when neither aid transfers nor debt relief were carried out with a genuine sense of shifting economic power.

Finally, the most decisive blow to the idea of global governance was the failure of the 1997 Kyoto Protocol, as demonstrated by the 2009 Copenhagen Accord. The international carbon market was founded when, then US vice-president Al Gore in 1997 at Kyoto effectively misled other global climate managers into thinking Washington would sign the Protocol if US firms were given permission to keep polluting at planet-threatening rates, through offsetting their emissions with trades and Clean Development Mechanism investments (Lohmann 2006, Spash 2010). Zoellick’s World Bank still strongly promotes carbon markets, even though they contain so much corruption, speculation and incompetence that the carbon price crashed from a high of €33/tonne in mid-2008 to €13 after the Copenhagen Summit, and on two European markets all the way down to €1.50 after yet more fraud scandals in March 2010 (Dorsey and Whittington 2010).

Chart 1: Fraud and enforcement in carbon markets

Source: Dorsey and Whittington 2010.

Continued volatility on various international financial fronts is especially worrisome for those championing carbon market approaches. Indeed, as shown by the recent financial meltdown’s ongoing contagion into the European Union, there is not only a global-state regulatory failure in financial markets but an extraordinary hubris still evident, insofar as Goldman Sachs and many other institutions harbour ambitions that a global carbon market can address climate change. In the early part of the 21st century, eco-neoliberalists explained that the Emissions Trading Scheme’s repeated crashes, fraud and irrational features were because it was an ‘immature’ market. However, as carbon markets mature they are increasingly characterised by crime, corruption, institutional malfeasance and incompetence. These problems increasingly appear to be systemic.
Since the conclusion of the first phase of the world’s largest formal carbon market (the EU-ETS) in 2007, carbon market crime has cost the market no less than €5 billion. Since the last quarter of 2009, analysis from the Climate Justice Research Project at Dartmouth College reveals that nearly 90% of publicly-known incidences of fraud took place during the ‘mature market’ stage after the end of phase one. Contrary to theoretical predictions and official proclamations, as the formal carbon market matures, without proper oversight, criminal activity, corruption and ethical malfeasance are on the rise (Chart 1) (Dorsey and Whittington, 2010).

These examples add up to a devastating conclusion: that the contemporary global elite cannot properly diagnose the extreme economic (trade/finance/migration), geopolitical, environmental and legitimacy crises that afflict the world, much less mobilize the political will and capital needed to fix the problems (Bond 2009). Efforts by the five teams of insider elite strategists, no matter their claim of CJ sensibilities or how talented they package the advocacy, will in this context inevitably bump up against a low ceiling, at least for the foreseeable future. At its most dangerous, elite jockeying in the realm of climate policy making runs the risk of marginalizing social movements, curtailing proverbial direct democracy and undermining social and political moves toward energy sovereignty. Increasingly the harms of broken carbon markets, off-set scheme frauds, *inter alia*, are socialized across and over tax-payers, while the benefits are privatized to a shrinking set of would-be climate-catastrophe profiteers.

So it is to the more direct ways in which CJ activism confronts its targets that we turn for inspiration. While the international CJ movement rose rapidly and has a lifespan only as long as its activists stay focused, nevertheless it combines a variety of political-economic and political-ecological theories, scale politics, and single-issue constituencies (Ziser and Sze 2007, Dawson 2009). The extreme challenge of mobilizing on an issue that in temporal and spatial terms is of great distance from the most implicated constituencies – the corporations, governments and citizens of Northern industrial countries – suggests the need for common targets, narratives, strategies, tactics and alliances. To this end, an example of a campaign that gained more from losing is the effort in early 2010 to prevent the World Bank’s largest-ever project loan to the world’s fourth-largest coal-fired power plant, at Medupi. (Had the campaign against the World Bank won, the project would still have gone ahead with private financing.) The death of a campaign in South Africa in 2010 suggests potential areas for building CJ politics in years to come, especially against the single major financier of fossil fuel across the globe, the World Bank.

**Death of a South African CJ campaign**

We learn a great deal about the CJ terrain by examining a crucial campaign – unsuccessful in the short term – which entailed fighting the World Bank’s fast-growing coal portfolio. On April 8 2010, after nearly two months of strenuous lobbying against more fossil fuel credits, the Bank Board approved a $3.75 billion loan to the South African electricity utility Eskom. Its main purpose (for which $3.1 billion was allocated) is to build a power station that will pump 25-30 megatonnes of CO2 into the atmosphere annually, more than the output of 115 countries. Paying for Medupi will require a 127% real price increase from 2007-12 for South African household electricity consumers (to nearly $0.15/kiloWatt hour).

The loan was a last-minute request, as the 2008-09 global financial turmoil dried up Eskom’s potential private sector financing. As a result, it was only in December 2009 that South African civil society activated local and global networks against the loan, starting with a *groundWork/Earthlife*
briefing document in December 2009. Within three months, more than 200 organisations across the world had endorsed a critique of the loan (http://www.earthlife.org.za/?p=858). South Durban activists launched the local public campaign on February 16 2010 with a spirited protest at Eskom’s main local branch. South Durban was an epicentre of protest against fossil fuels, given that it hosted the largest and least responsible petro-chemical firms south of the Niger Delta. With electricity prices soaring, many more residents in South Durban were being disconnected. They often reconnect illegally and as Eskom and the municipality clamped down, the result was more social strife, in a country with what is probably the world’s highest rate of community protest (http://www.ukzn.ac.za/ccs/default.asp?2,27,3,1858). To establish a campaign against an obscure World Bank loan so quickly, with the purpose of generating a profound crisis of confidence at the World Bank and in Pretoria, required clarity of message, an explicit demand (‘stop Medupi financing’) and a variety of issue-linkages to pull various constituencies into a coalition.

As always, the question is who wins and who loses? First, the source areas of the coal for Medupi are highly contaminated by mercury and acid-mine drainage, with air, land, vegetables, animals and people’s health at much greater risk. Forty new coal mines in impoverished areas of Limpopo and Mpumalanga provinces will be opened to provide inputs to Medupi and its successor, Kusile. This will create a few coal sector jobs (hence receiving endorsement from the National Union of Mineworkers), but a great many jobs in agriculture and tourism will be lost as a result of the invasive mining activity and downstream degradation. Medupi itself will be built in a water-scarce area where communities are already confronting extreme mining pollution and, even though an air-cooled model (Africa’s first) was chosen, the cost of supplying an additional water-cooling supply amounted to hundreds of millions of dollars, given the long transport and pumping costs.

Once the coal is burned and electricity generated, the winners and losers become even more divergent. Medupi’s main beneficiaries will be the world’s largest metals and mining corporations, especially BHP Billiton (Melbourne based) and various Anglo American subsidiaries (most reporting to London), which already receive the world’s cheapest electricity thanks to multi-decade deals. Anger soon grew about the huge discounts made when secret, forty-year ‘Special Pricing Agreements’ were offered by Eskom during late apartheid, when the firm had a third too much excess capacity due to the long South African economic decline. These agreements were finally leaked in March 2010 and disclosed that BHP Billiton and Anglo were receiving the world’s cheapest electricity, at less than $0.02/kWh (whereas the overall corporate price was around $0.05/kWh, still the world’s cheapest, and the consumer price was around $0.10/kWh). In early April, just before the Bank decision, Eskom announced that a small modification was made to BHP Billiton’s contract price but it was reportedly to the firm’s ‘advantage’. Finally, however, the Australian based mining house was sufficiently intimidated by the glare of publicity that in October 2010 Deutsche Bank mining analysts predicted BHP would dispose of Richards Bay assets. According to Business Day (2010) ‘The reason for selling the aluminium smelters would be the scrutiny under which BHP’s electricity contracts have come amid demands for resource companies to use less power.’

An additional problem with BHP and Anglo as beneficiaries is the outflow of profits to Melbourne and London, at a time South Africa’s current account deficit made it the world’s most risky middle-income country, according to The Economist (25 February 2009). Moreover, South Africa had an existing $75 billion foreign debt, which would escalated by five percent with the Bank loan. The 1994 foreign debt was just $25 billion, and First National Bank projected that the ratio of foreign debt to GDP would by 2011 rise to the same level as was reached in 1985, when a debt crisis
compelled a default (on $13 billion), a signal that business and banking were finally breaking ranks with the apartheid regime.

Another controversial aspect of the loan was the Bank’s articulation of the privatization agenda. The confirmation that Eskom would offer private generating capacity to Independent Power Producers was established in loan documentation, in relation to the renewable component, advancing Eskom’s desire to privatize 30 percent of generating capacity (including a 49 percent private share in Kusile, although no private interest had been expressed for Medupi). This component attracted explicit opposition from trade unions – especially the National Union of Metalworkers of South Africa – and consumers.

Corruption was another feature that generated critiques of the World Bank by South African opposition political parties (especially the centre-left Independent Democrats and liberal Democratic Alliance, which subsequently merged) and the influential liberal Business Day newspaper. These organizations opposed the loan because contrary to supposed Bank anti-corruption policies, it will directly fund African National Congress (ANC) ruling party coffers. Medupi will be built with Hitachi boilers that in turn kick back between $10 and $100 million (the amount is still unclear) thanks to an ANC investment in Hitachi. As the Eskom-Hitachi deal was signed, Eskom chairperson Valli Moosa was also a member of the ANC’s finance committee. A government investigation released in March 2010 found his conduct in this conflict of interest to be ‘improper’. The ANC promised to sell the investment stake, but this dragged on and in late 2010 was still not complete. Ironically, in February 2010, the Bank had issued a major statement alongside its annual African Development Indicators, entitled ‘Quiet Corruption’, in which it blamed African teachers and healthcare workers for moonlighting (a result of Bank structural adjustment policies).

Finally, the matter of historic racial injustice could not be ignored. The World Bank’s financing of apartheid began just three years after the 1948 election of the Afrikaners’ Nationalist Party, lasting through 1967, and included $100 million for Eskom. During that period, the Bank financed the supply of electricity to no black households (who only began receiving electricity in 1980), and instead empowered only white businesses and residences (Bond 2003).

Curiously, South African Finance Minister Pravin Gordhan argued, on April 1 2010, that ‘South Africa, in 16 years of democracy, never has had to take any loans from the World Bank… This is an opportunity for the World Bank to build a relationship with South Africa.’ Yet the Bank’s 1999 and 2008 ‘Country Assistance Strategy’ documents show conclusively that Medupi is the 15th credit since 1994. As for ‘building a relationship’, Gordhan also neglected that the Bank coauthored the 1996 Growth, Employment and Redistribution (homegrown structural adjustment) programme, whose orthodox strategies failed and which led South Africa to overtake Brazil as the world’s most unequal major country, as black incomes fell below 1994 levels and white incomes grew by 24% within fifteen years, according to official statistics.

Indeed the Bank itself regularly bragged about its ‘Knowledge Bank’ role in South Africa, and in 1999, for example, after Bank economist John Roome suggested to then water minister Kader Asmal that the government impose ‘a credible threat of cutting service’ to people who cannot afford water, the Bank’s Country Assistance Strategy reported that its ‘market-related pricing’ advice was ‘instrumental in facilitating a radical revision in SA’s approach’. As a result, the cholera epidemic the following year – catalysed by water disconnections near Richards Bay – killed hundreds. Predictions are easy to make, given the huge price increases faced by electricity customers, that parallel misery will follow the Bank’s Medupi loan. And it is here, in questioning the
World Bank’s ability to reform away from its fossil fuel portfolio and extreme market-based orientation, that the CJ movement came to the conclusion in 2010 that the Bank should have no role in climate-related financing. One reason was the institution’s leadership, a model of climate injustice.

**Robert Zoellick as exemplar of elite failure and climate injustice**

Robert Zoellick, the 58-year old World Bank president, replaced Paul Wolfowitz, who in 2007 was forced to resign due to nepotism. US foreign policy analyst Tom Barry (2005) recalled how, ideologically, Zoellick stood hand in hand with Dick Cheney, Donald Rumsfeld, Richard Perle, Wolfowitz, John Bolton, John Negroponte and the other neoconservatives:

> Zoellick was perhaps the first Bush associate to introduce the concept of *evil* into the construct of Bush’s radical overhaul of US grand strategy. A year before Bush was inaugurated, Zoellick wrote: ‘A modern Republican foreign policy recognizes that there is still evil in the world – people who hate America and the ideas for which it stands.’

Zoellick is of interest to the CJ movement not only as a neocon (given the relationship of militarism to climate change), but because he represents a global trend of Empire in crisis since the Millennium, featuring at least three traits which he brings to climate negotiations. First is the ideological fusion of neoconservatism and neoliberalism that Zoellick shares with his predecessor Wolfowitz. Both strains are bankrupt, by any reasonable accounting, given the failure of the Bush petro-militarist agenda of imposing ‘democracy’, and the 2008-present financial meltdown catalysed by neoliberal deregulation. Representing the former, Zoellick was at the outset a member of the Project for a New American Century, as early as January 1998 going on record in a letter coauthored with a score of other leading neocons to then president Bill Clinton that Iraq should be illegally overthrown. The petro-military complex is a major contributor to climate change via direct emissions, has a strong interest in the invasion (or imperial policing) of territories with fossil fuel resources, and has been the key source for financing climate denialism (Smolker 2010). It is therefore crucial for the CJ movement to reach out to a global anti-imperialist network that, notwithstanding failures to halt the US and allied invasions of Iraq and Afghanistan, did manage the world’s largest-ever anti-war protest, on 15 February 2003, when more than fifteen million participated.

As for the latter ideology, the ‘Washington Consensus’, Zoellick had long advocated and practiced the core strategy of financial deregulation, no matter its devastating consequences. The extension of financial securitization into the climate, via carbon markets, was as prone to failure as the packaging of real estate loans and associated instruments. As a result, after the 2007-08 meltdown of securitized home mortgages in the US undermined neoliberalism’s ideological hegemony, Zoellick and IMF managing director Dominique Strauss-Kahn spent 2009 beating a hasty retreat from the austerity-oriented economics their institutions intrinsically favor, so as to maintain global effective demand with crony-Keynesianism during capitalist crisis. Yet by 2010 it was evident in sites as formerly wealthy as California, Greece, Ireland and Britain, that the Washington Consensus was only temporarily in retreat. Moreover, it was Zoellick’s embrace of eco-neoliberalism that would maintain Bank promotion of carbon markets, notwithstanding his attempts to disguise the financial agenda with triumphantist 2010 speeches about ‘Democratizing Development Economics’ and ‘The End of the Third World?’ (Zoellick 2010a, 2010b). A final feature of neoliberal economic policy is the desire to lock in financialization and the resulting strategy of austerity, and it was therefore not out of character for Zoellick (2010c) to promote ‘gold as an international reference
point of market expectations about inflation, deflation and future currency values.... Although textbooks may view gold as the old money, markets are using gold as an alternative monetary asset today.’ This view, according to University of California economist Brad de Long (2010), a Clinton-era Treasury official, was Zoellick’s ‘play for the stupidest man alive crown’, because ‘The last thing that the world economy needs right now is another source of deflation in a financial crisis. And attaching the world economy’s price level to an anchor that central banks cannot augment at need is another source of deflation—we learned that in the fifteen years after World War I.’

The second trait of interest to CJ politics is Zoellick’s inability to arrange the global-scale deals required to either solve climate crises or gracefully manage the US Empire’s smooth dismantling. This was witnessed in the World Trade Organisation’s (WTO’s) demise, on his 2001-05 watch as the US Trade Representative. Zoellick’s inability to forge consensus for capital’s larger agenda was on display at the Cancun ministerial summit in 2003, in disputes with the European Union over the US genetic engineering fetish, and in his insistence upon bilateral and regional alternatives to multilateralism, which generated durable anti-Washington economic sentiment across Latin America. Then, as one of the most senior Bush Administration officials in 2005-06, second-in-command at the State Department, Zoellick achieved practically no improvement to Washington’s wrecked image abroad. And as Bank president, appointed after Wolfowitz’s fall by Bush, Zoellick’s efforts during the 2008-09 G20 deliberations on the world economy and at the December 2009 UN Copenhagen climate summit were equally unsuccessful. If Zoellick continues clinging to the core financialization agenda of the US empire, the discarding of carbon markets in favour of genuine solutions to the climate crisis will take much longer.

The third trait, at a more profound level, was Zoellick’s tendency to deal with economic and ecological crises by ‘shifting’ and ‘stalling’ them, while ‘stealing’ from those least able to defend. As a theoretical aside, the shifting-stalling-stealing strategy (Bond 2010) is at the heart of the problem, and can be summed up in David Harvey’s (2003) phrase: ‘accumulation by dispossession’. This stage arrives when capital exhausts the options it usually has to address economic crises through traditional means: work speed-up (absolute surplus value), replacing workers with machines (relative surplus value), shifting the problems around geographically (the ‘spatial fix’), and building up vast debt and blowing speculative bubbles so as to stall crises until later (the ‘temporal fix’). At this stage, capital needs to also loot the non-capitalist spheres of society and nature through extra-economic, imperialist techniques, as described by Rosa Luxemburg (1913) a century ago in The Accumulation of Capital and more recently by Naomi Klein (2007) in Shock Doctrine. Carbon markets are a classic case of shifting-stalling-stealing, since they move the challenge of emissions cuts to the South (hence preventing industrialization), they permit a financialised futures-market approach – no matter how fanciful – to preventing planet-threatening climate change, and by ‘privatising the air’ (through carving up the atmosphere to sell as carbon credits) the maintenance of an exploitative relationship between capital and non-capitalist spheres is crucial to Zoellick’s agenda. To shift-stall-steal in his various positions since achieving international prominence in 2001, Zoellick’s neocon-neolib worldview provided cover, yet only up to a point, which we now appear to be reaching. That point comes sooner than later in part because the institutions needed to keep the game in play are cracking up.

To illustrate this problem of institutional incapacity, consider the fate of several major US financiers: Fannie Mae, Enron, Alliance Capital and Goldman Sachs. These were all crucial US imperial financial institutions, instrumental in generating the fictitious capital in real estate, energy and other sectors which proved so important to the Clinton-Bush era’s internal displacement and eventual amplification of crises.. First, Fannie Mae was led by Zoellick — its mid-1990s executive vice
president – into dangerous real estate circuitry after his stint as a senior aide in James Baker’s Treasury, at one point Deputy Assistant Secretary for Financial Institutions Policy just prior to the 1988-90 Savings&Loan (S&L) crisis, itself a function of the financial-deregulatory era that gave us mortgage-backed securities. Fannie Mae was soon so far in the red due to subprime lending through those securities, that a massive state bailout was needed in 2008. (And Baker also found Zoellick invaluable when he served as the Texan’s main assistant during the notorious December 2000 presidential vote recount in Florida, destructive of those last vestiges of US democracy, thanks to the open racism and right-wing bullying of Zoellick’s assistants.) Enron, the second of these financial firms, which cracked in 2002, boasted Zoellick as a senior political and economic advisor in 1999. Records are not available as to how implicated Zoellick was in Enron’s gambles, so painful to Californians (subject to extreme electricity price manipulations) and investors (who suffered Kenneth Lay’s illegal share price manipulation). However, as Board member of the third firm, Alliance Capital, Zoellick was party to late 1990s oversight of its investments in Enron which led to multiple fraud lawsuits and vast losses for Alliance’s clients, including the state of Florida, led by Jeb Bush.

The fourth bank, Goldman Sachs, which Zoellick served as a leading international official in 2006-07, did well only through morally-questionable and allegedly-illegal deals, followed by crony-suffused bailouts linking Bush/Obama administration officials Hank Paulson, Ben Bernanke, Tim Geithner and Larry Summers. For the CJ movement this is important, not only because ‘The world’s most powerful investment bank is a great vampire squid wrapped around the face of humanity, relentlessly jamming its blood funnel into anything that smells like money’, as Matt Taibbi (2009) put it:

The new carbon-credit market is a virtual repeat of the commodities-market casino that’s been kind to Goldman, except it has one delicious new wrinkle: If the plan goes forward as expected, the rise in prices will be government-mandated. Goldman won’t even have to rig the game. It will be rigged in advance... The bank owns a 10 percent stake in the Chicago Climate Exchange, where the carbon credits will be traded. Moreover, Goldman owns a minority stake in Blue Source LLC, a Utah-based firm that sells carbon credits of the type that will be in great demand if the bill passes... Goldman is ahead of the headlines again, just waiting for someone to make it rain in the right spot. Will this market be bigger than the energy-futures market? ‘Oh, it’ll dwarf it,’ says a former staffer on the House energy committee. Well, you might say, who cares? If cap-and-trade succeeds, won’t we all be saved from the catastrophe of global warming? Maybe -- but cap-and-trade, as envisioned by Goldman, is really just a carbon tax structured so that private interests collect the revenues. Instead of simply imposing a fixed government levy on carbon pollution and forcing unclean energy producers to pay for the mess they make, cap-and-trade will allow a small tribe of greedy-as-hell Wall Street swine to turn yet another commodities market into a private tax-collection scheme. This is worse than the bailout: It allows the bank to seize taxpayer money before it’s even collected... The moral is the same as for all the other bubbles that Goldman helped create, from 1929 to 2009. In almost every case, the very same bank that behaved recklessly for years, weighing down the system with toxic loans and predatory debt, and accomplishing nothing but massive bonuses for a few bosses, has been rewarded with mountains of virtually free money and government guarantees -- while the actual victims in this mess, ordinary taxpayers, are the ones paying for it.

Under Zoellick, the World Bank remains the most important multilateral fixer of broken carbon markets, continuing to invest billions and spin-doctor the obvious flaws in the system.
Simultaneously, internal Bank sources actively criticize and challenge the legitimacy of the Bank’s role in the carbon marketplace. A late 2010 report from the Bank’s Independent Evaluation Group (IEG) poignantly reveals,

‘The World Bank’s Carbon Finance Unit (CFU) has led, through its extensive activities in Clean Development Mechanism markets, to expanding the role of, and the infrastructure for, carbon trading between developed and developing nations. However, there has been criticism of the environmental quality of many projects that the WBG [World Bank Group] has supported, including industrial gases, hydro-power, and fossil (gas and coal) power plants, which may well have been either profitable in themselves or were pursued primarily for the purpose of national energy diversification and security policies. In addition, although the CFU was promoted as a market maker that could act as a carbon offset buyer until the private market flourished, the WBG continued to build up its trading after that private market was fully established. Finally, as a vehicle for catalytic finance and technology transfer, the IEG finds the CFU’s record is at best mixed. The Panel suggests that the WBG has a public responsibility to ensure that its behavior advances the quality of international institutions that regulate carbon finance markets, rather than acting principally as a pure market player profiting from expanding market scale.’

Partly as a result, in November 2010, four global civil society organizations – Jubilee South, Friends of the Earth International, ActionAid and LDC Watch – along with dozens of regional and national organizations reacted to Zoellick’s management of the environment, including the loan to Medupi, with a full-fledged international campaign to ban the Bank from climate financing:

Many northern country governments and the World Bank itself have been actively pushing for the World Bank to be given the mandate to be ‘THE’ global climate institution, or for it to play a central role in setting up and eventually managing the governance and operations of a new global climate fund. At the June United Nations Framework Convention on Climate Change (UNFCCC) inter-sessional negotiations in Bonn, Germany, the United States submitted a proposal naming the World Bank as the ‘Trustee’ for the formation of the Global Climate Fund. On June 25th, on the eve of the G20 meeting in Toronto, the WB appointed a World Bank Special Envoy for Climate Change. The World Bank also recently hired Daniel Kamman as their clean energy czar. These are some of the latest of a series of moves since 2008 to secure this important mandate for the World Bank. Also included is the establishment of the WB-managed Climate Investment Funds, at the behest of the UK, US, and Japan. Regional development banks are also part of the governance and management system of these Climate Investment Funds (Jubilee South et al 2010).

In short, argue Jubilee South et al (2010), there should be no World Bank role in climate finance, for reasons that bring together several aspects of CJ politics:

Financing must be public in nature, obligatory, predictable, additional, and adequate, must not come with or be used to impose conditionalities, should not be in the form of loans or other debt-creating instruments. Instruments for raising finance should not cause harm to people and the environment. These should not promote or reinforce false solutions. These mechanisms and instruments should also have a transformational effect on the economy and environment. A new Global Climate Fund is an essential institutional channel for north to south climate finance flows and ensuring equitable, fair, and appropriate distribution among countries of the South. Such an institution should have democratic governance and
management structures with majority representation from South countries, gender balance, and seats for civil society organizations.

Conclusion

Had the Kyoto Protocol and its arcane climate financing strategies succeeded over the past 13 years, and had centrist non-governmental organizations and environmentalists not themselves failed to offer visionary advocacy on what is the world’s most serious threat, there would not have been a need for the CJ movement to emerge and gel (Vlachou and Konstantinidis 2010). Had global governance firmly established itself in the 1990s-2000s, based on the Montreal Protocol’s example of decisive action in which global public goods were taken seriously, the kinds of subsequent elite gatherings that produced, at best, the likes of a Copenhagen Accord would instead have had more legitimacy and efficacy. Had South African elites paid attention to the variety of extreme contradictions unveiled by the Medupi power plant and World Bank financing, the campaign that generated a South African CJ movement – so crucial ahead of the COP 17 in South Africa in November-December 2011 – would not have been necessary.

Finally, Robert Zoellick’s background – his relationship to S&Ls, FannieMae, the Project for a New American Century (now formally defunct), Florida vote-counting, Enron, Alliance Capital, the WTO, Bush-era foreign/military policy (not to mention a million Iraqis and thousands of US soldiers), Goldman Sachs’ reputation, the World Bank, South African finances, and the climate – reveals his Zelig-like role in the interrelated failures of global states and markets. Instead of generating despair, what CJ observers need to understand is that Zoellick is little more than a key figure in a demonstrably corrupt actor-network defined by the consistent geopolitical, economic, environmental and diplomatic self-destructiveness associated with recent elite managerialism. Zoellick is merely a personification of the way global governance, neoliberal-neoconservative ideological fusion, frenetic financialisation, the failing green-market project and the responsibility for financing a transition from climate chaos are not capable of working under present circumstances.

CJ marks a double effort to imagine other possible worlds and deliver them through struggle. Bolivian president Evo Morales (2009) offered his perspective on the movement’s momentum well before he convened the historic Cochabamba summit: ‘We can’t look back; we have to look forward. Looking forward means that we have to review everything that capitalism has done. These are things that cannot just be solved with money. We have to resolve problems of life and humanity. And that’s the problem that planet earth faces today. And this means ending capitalism.’ Accordingly, only the continuing rise of CJ activism from below – notwithstanding an occasional defeat, and indeed spurred on by the knowledge and anger thereby generated – will suffice to reverse the course of fossil fuel consumption and, more broadly, of a mode of production based on the utterly unsustainable accumulation of capital.

References

deLong, Bradford (2010), ‘In which Bob Zoellick makes his play for the stupidest man alive crown’, Grasping Reality with Both Hands blog, 7 November,
Luxemburg, Rosa (1913) The accumulation of capital,
Morales, Evo (2009) Interview on Democracy Now, (17 December)
http://www.democracynow.org/2009/12/17/bolivian_president_evo_morales_on_climate
Müller, Benito (2010) ‘Copenhagen 2009: failure or final wake-up call for our leaders?’ Oxford
Institute of Energy Studies Working Paper, EV 49 (February).


A climate conference, old and new oil curses, and ‘Good Samaritans’
*CounterPunch, Links, ZNet, 22 November 2010*

The stench of rotted blubber would hang for days over The Bluff in South Durban, thanks to Norwegian immigrants whose harpooning skills helped stock the town with cooking fat, margarine and soap, starting about a century ago. The fumes became unbearable, and a local uproar soon compelled the Norwegians to move the whale processing factory from within Africa’s largest port to a less-populated site a few kilometers southeast.

There, on The Bluff’s glorious Indian Ocean beachfront, the white working-class residents of Marine Drive (perhaps including those in the apartment where I now live) also complained bitterly about the odor from flensing, whereby blubber, meat and bone were separated at the world’s largest onshore whaling station.

Ever since, our neighborhood has been the armpit of South Africa. A bit further south and west, the country’s largest oil refinery was built in the 1950s, followed by the production and on-site disposal of nearly every toxic substance known to science.

The whalers gracefully retreated into comfortable retirement in the mid-1970s, their prey threatened by extinction. Conservationists had mobilized internationally, and thanks to the OPEC cartel, the cost of oil for ship transport soared in 1974, so the industry ceased operating in Durban. Even apartheid South Africa signed the global whaling ban in 1976.

What’s left is a small Bluff Whaling Museum – located within a chicken restaurant – where you sense the early Norwegians’ Vikingesque stance: brave, defiant, unforgiving to those they raped and pillaged, and utterly unconcerned about the sustainability of the environment they had conquered. The Bluff’s world-class surfing waves regularly toss ashore decayed fragments of sperm, blue, fin and humpback whales’ skeletons, numbering in the tens of thousands.

Déjà vu, earlier this month, when an invisible but persistent cloud suffused with a cat’s-piss ammonia stench floated from the South Durban petro-chemical complex – the continent’s largest – across the still racially-segregated belt of 300,000 residents. Once again the community’s salt-of-the-earth rabble-rouser, Des D’Sa of the South Durban Community Environmental Alliance (SDCEA), called a picket against an uncaring municipal bureaucracy.

The unbearable smell, apparently emanating from the powerful corporation FFS, lasted for days, reappearing Friday night. Further south, the rotten-egg sulfur odor from the petroleum refineries’ SO2 emissions is a permanent feature.

South Durban’s persistent pollution crises are a visceral reminder to follow the example of ye olde Norwegian whalers on The Bluff, gracefully retreating from capitalism’s reckless dependence upon oil, coal and gas. It is a task that society cannot avoid much longer, as a devastating climate change tipping point looms sometime in the next decade, scientists confirm.

So nearly everyone was pleased, a fortnight ago, with the choice of Durban to host the 2011 Conference of the Parties (COP) 17, the world climate summit. Competition was tough. The conference centre in beautiful Cape Town was rejected, according to a guest post on former CT City Manager Andrew Boraine’s blog, because of “the high levels of security required... The CT
International Conference Centre (ICC) falls way behind the ICC complex in Durban. You can lock it down completely and keep the over-the-top protesters well away from the high level attendees."

Boraine, a Johannesburg NGO colleague of mine two decades ago when he helped Alexandra Township civic associations defend their over-the-top protests against apartheid, is now a public-private partnership facilitator. “Cape Town’s proposal,” he rebutted, “took into account the need to be able to lock down certain areas for government delegations and VIPs.”

Sorry, but I don’t accept the need for to safely insulate these rascals, for last December in Copenhagen I witnessed how badly the VIPs performed when tasked with making binding emissions cuts. Not only were none made but the 1997 Kyoto Protocol’s minor five percent cuts (measured from 1990-2012) were completely undermined.

SA and US presidents Jacob Zuma and Barack Obama joined Chinese, Indian and Brazilian leaders in wrecking the last vestiges of UN democracy and threatening their own societies (especially Zulu and Luo kinfolk who are on the climate frontline), on behalf of (mainly white-owned) fossil fuel industry and (mainly white) frequent fliers (like myself). Chief negotiator for the G77, Lumumba Di-Aping, poignantly asked, “What is Obama going to tell his daughters? That their relatives’ lives are not worth anything?”

At the upcoming COP 16 climate summit, lasting through December 11 in Cancun, Mexico, these VIPs definitely need a strong wake-up slap – as activists there gave World Trade Organisation negotiators in 2003 – not a quiet meeting place where they’ll just back-slap.

Actually, the strategy many in civil society considered around this time last year, was what Boraine unintentionally advocated: ‘locking down’ (and in) the world leaders inside Copenhagen’s Bella Centre, so they would finally feel the pressure to sign a real deal, instead of the sleazy Obama-Zuma-Jiaboa-Singh-Lula Copenhagen Accord – and not allowing them out until they did so.

This would have involved blockades preventing delegates from departing, last December 19, the way activists did in September 2000 at Prague’s ancient palace, where SA finance minister Trevor Manuel chaired the World Bank’s annual meeting. The VIPs barely scampered to safety from global-justice protesters, after again doing nothing to reform globalisation.

The plan to lock down the climate-negotiating VIPs in Copenhagen was considered and then abandoned when the Danish police turned semi-fascistic. It’s not even an option worth discussing in Durban with our proto-fascistic City Manager Mike Sutcliffe, who regularly denies permission to peacefully protest.

But come to think of it, on 31 August 2001, a march of 15 000 to the ICC led by the late great Fatima Meer and Dennis Brutus against a pathetic UN racism conference came close to barging in on the lethargic delegates. Recall the activists’ valid complaints then: no UN discussion of reparations for slavery, colonialism and apartheid, and no action against Israeli racial oppression and occupation of Palestine.

The reason why next year, the leading climate activists may decline the opportunity to appeal to the elites in the ICC – either asking politely, or amplified with a chorus of vuvuzelas – is simple: rapidly rising disgust with filthy leaders who cannot even clean up the world’s fouled financial nests, judging by the South Korean G20 meeting, much less planet-threatening emissions.
Cancun will again demonstrate that US and EU rulers can spend trillions of dollars to pacify the world’s richest speculators in financial markets, from Wall Street in 2008 to those holding state bonds in Athens, Dublin and Lisbon this month. But they’ll balk at a few hundred billion required annually to save the planet.

“If planet Earth was a bank, they’d have bailed it out long ago,” British climate campaigner Jonathan Neale remarked to laughter at the Norway Social Forum meeting’s opening session last Thursday. The money is certainly available in Oslo, thanks to a petroleum rainy-day fund worth $500 billion, the world’s second largest sovereign fund.

Norwegians in the campaigning group Attac with whom I spent the last few days are also intent on fighting what a workshop leader, Heidi Lundeberg, last Thursday termed Norway’s “Good Samaritan masking the face of our new oil imperialism”. Lundeberg’s edited 2008 collection for Attac, Klima for ny Oljepolitikk, demolishes Norway’s image as responsible global citizen.

University of Bergen eco-social scientist Terje Tvedt has also complained that Oslo’s spin-doctoring generates “an aura of moral-ideological irrefutability”. It’s especially irritating when accompanying a revitalized eco-Viking rape-and-pillage mentality, such as Oslo’s growing collaboration with the likes of the World Bank, led by one of the world’s most destructive men, Robert Zoellick.

The fake Samaritan tendency became noticeable when former prime minister Gro Harlem Brundtland’s ran a 1983-87 world ‘sustainable development’ commission, but is being taken to extremes by current prime minister Jens Stoltenberg and environment/development minister Erik Stolheim.

Workshop debate immediately ensued with the outraged director of the Oslo government’s Oil for Development fund, Petter Nore, who in 1979 coedited a great book, Oil and Class Struggle. “We are NOT the Samaritan face of imperialism!”, he clamoured, yet his own reports reveal the fund’s role in occupied Iraq and Afghanistan, donating millions to lubricate the US looting of petrol and gas, not to mention a slew of venal oil-rich African dictators.

Nore’s office also promotes carbon trading deals to mitigate the flaring of gas at oil wells. He thus rewards both Northern financiers and Big Oil polluters with ‘Clean Development Mechanism’ payola, buying ‘emissions reduction credits’ for the Norwegian state in order to reform an extraction system in which, at possibly the world’s worst site, the Niger Delta, flaring has been declared illegal in any case.

As do so many ex-leftist Scandinavian technocrats, Nore has capitulated to the worst global trends. He’s using Norway’s oil-infused cash-flush aid to reward corporations for what they should be doing free. Activists from Port Harcourt’s Environmental Rights Action movement, led by Nnimmo Bassey (co-winner of the Right Livelihood Award last month) know better, demanding that carbon trading must not legitimize illegal flaring.

The same problem can be found in another Norwegian Clean Development Mechanism strategy: planting alien invasive trees in plantations across several East African countries. This wrecks local ecology and pushes out indigenous people, as my colleague Blessing Karumbidza from the Durban NGO Timberwatch recently reported: “the Norwegian firm Green Resources has entrenched itself in the Southern Highlands of Tanzania where it looks to acquire at least 142 000 hectares of land...
plant exotic trees (varieties of eucalyptus and pine) for the purpose of selling an expected 400 000 tons of carbon credits to the Norwegian government.”

Along with Norway’s more serious environmentalists and development advocates, I find it heartbreaking that the government’s wonderful Soria Moria declaration is being trashed by Stoltenberg and Stolheim. The 2005 manifesto promised a U-turn, for example, through shifting funding from the World Bank to United Nations.

Even in the North’s most left-leaning government, it was all fibbery, as shown when Bank executive directors had a chance to turn down the notorious $3.75 billion Medupi coal loan last April, and the Norwegian representative only managed a limp abstention, not the no vote demanded by a South African-led global coalition of 200 concerned groups.

When Nore told the workshop that fifty governments had come to his agency for assistance in managing oil resources, including South Africa, I flashed back to South Durban’s grievances against the oil industry: our massive greenhouse gas and SO2 emissions, regular fires and explosions, devastating oil pipe leakage, the world’s highest recorded school asthma rates (Settlers Primary), a leukemia pandemic, extreme capital-intensity in petro-chem production and extreme unemployment in surrounding communities, a huge new pipeline to double the oil flow to Johannesburg, and an old airport earmarked for expansion of either the petrochem, auto or shipping industries. These contribute to SA’s emissions record: CO2 per unit of per person GDP around twenty times worse than even the US.

This makes South Durban one of the world’s most extreme sites of climate cause and effect: well-paid managers run leaky-bucket toxic factories by day and escape to western and northern suburbs by night, and gasping residents either slowly die from the exhaust or wake in fear when Engen erupts with noxious fumes late at night.

Yet thanks to one of the continent’s finest eco-social campaigning groups, SDCEA, the area can become an inspiring site for fighting petro-power and visioning alternatives.

Consistent with a global consensus that whales should be left in the ocean, the only solution to the climate crisis is one that some genuinely decent Norwegian community residents, fisherfolk, environmentalists and social activists are promoting in their own petrol-rich Lofoten region, for both conservation and climate change reasons.

The demand there is identical to that made by South Durban residents fed up with smells far more damaging than the decomposing blubber of yesteryear: “leave the oil in the soil!”
Community resistance to energy privatization in South Africa
with Trevor Ngwane, in Kolya Abramsky (Ed), Sparking a Worldwide Energy Revolution: Social
Struggles in the Transition to a Post-Petrol World, Oakland, AK Press, September 2010

Introduction

In spite of South Africa’s alleged ‘economic boom’, the harsh socio-economic realities of daily life actually worsened for most when racial apartheid was replaced by class apartheid in 1994. That process occurred in the context of a general shift to global neoliberal power, instead of prior Keynesian eras in which middle-income countries like South Africa were permitted to build an industrial base and balance their economies through inward oriented strategies.

Hence South Africa suffered enormously from neoliberal policies imposed by the governments of Nelson Mandela and Thabo Mbeki, such as

- an immediate post-apartheid rise in income inequality, which saw the Gini coefficient soaring from below 0.6 in 1994 to 0.72 by 2006 (0.8 if welfare income is excluded); 2
- the official unemployment rate doubled (from 16% in 1994 to around 32% by the early 2000s, falling to 26% by the late 2000s – but by counting those who gave up looking for work, the realistic rate is closer to 40%) as a result of increased imports in labor-intensive sectors and capital-intensive production techniques elsewhere; and
- ecological problems became far worse, according to the government’s 2006 ‘Environmental Outlook’ research report, which noted ‘a general decline in the state of the environment’. 3

Social unrest and the rise of social movements reflect the discontent: there were 5813 protests in 2004-05, and subsequently, an average of 8,000 per annum. 4 Until China overtook in early 2009, this was probably the highest per capita rate of social protest in the world during the late 2000s.

Matters will not improve, in part because of macroeconomic trends. The most severe problem is the vulnerability that South Africa faces in hostile global financial markets, given the 2008 current account deficit of 9% of GDP, one of the world’s worst. It is also highly likely that investment and economic activity will be deterred by ongoing electricity shortages, given that it will take a generation for sufficient capacity to be added, and that the government confirmed its desire in early 2008 to continue offering a few large smelters and mines the cheapest electricity in the world, instead of redistributing to low-income people.

The electricity generation shortfalls of January-March 2008 which led to consistent surprise ‘load shedding’ – entire metropolitan areas taken off the electricity grid – were due partly to a lack of new capacity built by national power generator Eskom since the early 1990s (when excess capacity had risen to more than 30%), the running down of coal supplies, and rain damage to incoming coal. But the main reason was the increased electricity consumption of metals smelters due to the 2002-

08 speculative uptick in commodity prices. Indeed, even earlier, the economy’s five-fold increase in CO₂ emissions since 1950, and 20 per cent increase during the 1990s, can largely be blamed upon supply of the world’s cheapest electricity by Eskom to mining houses and metals smelters.

Emitting twenty times the carbon tonnage per unit of economic output per person than even the United States, South African capital’s reliance upon fossil fuels for energy is scandalous. Not only are vast carbon-based profits fleeing to the mining houses’ offshore financial headquarters but, despite consuming huge amounts of electricity, the smelters create very few jobs. Instead of cutting back on these sorts of projects, and turning the subsidies to renewables, the government decided to augment coal-fired generation with dangerous, outmoded Pebble Bed technology (rejected by German nuclear producers some years ago). Renewable sources like wind, solar, wave, tidal and biomass are the suggested way forward for this century’s energy system, but still get only a tiny pittance of government support.

Behind this gluttonous and reckless consumption of electricity in South Africa is a long history of cheap energy for big capital that was made possible by the availability of large amounts of poor quality coal and an incentuous relationship between the coal mines and ESKOM the government-owned electricity company. A history of state intervention in securing the energy needs of the mines, agriculture and industry established the principle of keeping electricity as cheap as possible for the benefit of big capital. The ANC government has not changed this arrangement.

Grassroots organizations and civil society have challenged these policies through policy advocacy, public conscientisation, international alliance-building and the court system. These developments correspond to what Karl Polanyi termed a ‘double movement’ in which, initially during the 19th century in Europe, ‘the extension of the market organization in respect to genuine commodities was accompanied by its restriction’ as people defended their land, labor and other resources from excessive commodification. Most notably, the Treatment Action Campaign’s early 2000s street pressure and legal strategy forced the South African government to provide locally-produced anti-retroviral drugs to HIV+ people free at public clinics, with 750,000 beneficiaries by 2009. Another example was the Campaign Against Water Privatisation, a coalition of urban community groups, whose protests resulted in a court victory against the installation of pre-payment water meters in Phiri, a poor community in Soweto, Johannesburg. The judge ordered the city council to provide 50 liters of free water per person per day. Suez, the French multi-national corporation that managed Johannesburg’s water system and stood to benefit from the pre-payment meters, left the city in 2006 when their contract was not renewed. Protests and legal strategies that won these victories were based on the decommodification of crucial public services, and the deglobalization of capital.

**Power to the people**

How would these principles work in terms of struggles over electricity and energy more generally? The ordinary Sowetan working-class electricity consumer is a good case study, because of extraordinary political mobilisations that have occurred in the Johannesburg ‘South Western Townships’ (Soweto), including the student rising of 1976. In the same spirit, using the same rhetoric and songs, a new movement against extreme electricity price increases arose in 2000, the Soweto Electricity Crisis Committee.

---


Sowetans experienced high price increases due to a huge reduction in central-local state subsidies. As a result, an estimated ten million people were victims of electricity disconnections. According to the government 60% of the disconnections were not resolved within six weeks. This confirmed that the blame lay with genuine poverty, not the oft-alleged ‘culture of non-payment’ as a hangover of anti-apartheid activism. Likewise, of 13 million given access to a fixed telephone line for the first time, ten million were disconnected due to unaffordability. The bulk of suffering caused by the rescinding of vital state services was felt most by women, the elderly and children.

Ultimately these problems are the outcome of neoliberal capitalism. The state’s post-apartheid urban policies tended to amplify rather than counteract the underlying dynamics of accumulation and class division despite electricity having been central in the anti-apartheid struggle. The first acts of sabotage by a then recently-banned ANC in the early 1960s were to bomb electricity pylons. The choice of target was symbolic given the economic importance of electricity and the fact that black working class areas were deliberately not electrified by the apartheid regime at the time. In the 1980s when townships like Soweto were granted electricity the residents launched a municipal services payment boycott that included electricity as part of their struggle against apartheid. This campaign was later adopted by the ANC and its aim was to underline the illegitimacy of apartheid (local) government authorities and to make South Africa “ungovernable”.

The slogan “electricity for all!” resonated with and moved the masses during apartheid days, in part because black households were denied electricity until the early 1980s as a matter of public policy (World Bank loans to Eskom during the 1950s-60s accepted this as a matter of course, though surplus value raised from black SA workers repaid those very loans). Hence one of the most popular African National Congress military tactics was the limpet mining of electricity pylons. But the late apartheid regime and the capitalist class established their own agenda, and kickstarted the process of electricity commodification in a 1986 White Paper on Energy Policy which called for the ‘highest measure of freedom for the operation of market forces’, the involvement of the private sector, a shift to a market-oriented system with a minimum of state control and involvement, and deregulation of pricing, marketing and production. After apartheid was replaced in 1994, similar language was found in the Urban Development Strategy (1995), the Municipal Infrastructure Investment Framework (1997 and 2001), and the Energy White Paper (1998). The latter called for ‘cost-reflective’ electricity tariffs so as to limit any potential subsidy from industry to consumers.

Asked why cross-subsidization of electricity prices to benefit the poor was not being considered, the state’s leading infrastructure-services official explained, ‘If we increase the price of electricity to users like Alusaf [a major aluminum exporter owned by BHP Billiton], their products will become uncompetitive and that will affect our balance of payments’. (Alusaf pays approximately one tenth the price that retail consumers do, without factoring in the ecological price of cheap power at the site of production and in the coal-gathering and burning process).

Rising electricity prices across South African townships had a negative impact during the late 1990s, evident in declining use of electricity despite an increase in the number of connections. According to Statistics South Africa, households using electricity for lighting increased from 63.5% in 1995 to 69.8% in 1999. However, households using electricity for cooking declined from 55.4% to 53.0%, and households using electricity for heating dropped from 53.8% in 1995 to just 48.0% in 1999. The state agency conceded a significant link between decreasing usage and the increasing price of electricity.  

Most poor South Africans still rely for a large part of their lighting, cooking and heating energy needs upon paraffin (with its burn-related health risks), coal (with high levels of domestic household and township-wide air pollution) and wood (with dire consequences for deforestation). The use of dirty sources of energy has negative consequences especially for women’s health leading to respiratory diseases and eye problems. This is because women, are traditionally responsible for managing the home; they are more affected by the high cost of electricity, and spend greater time and resources searching for alternative energy. Ecologically-sensitive energy sources, such as solar, wind and tidal, have barely begun to be explored, notwithstanding the enormous damage done by South Africa’s addiction to fossil-fuel consumption.

The 1994 Reconstruction and Development Programme (RDP) mandated higher subsidies, but far stronger continuities from apartheid to post-apartheid emerged thanks to neoliberal pricing principles and the consequent policy of mass disconnections, preventing the widespread redistribution required to make Eskom’s mass electrification feasible. As protests began in earnest from 1997 and the African National Congress witnessed rising apathy before the 2000 municipal elections, the ruling party introduced a ‘Free Basic Services’ monthly package of 50 kWh of electricity per household, but it proved far too little, and if anything, disconnections actually increased.

Eskom continued to be a target of criticism, especially from environmentalists who complain that coal-burning plants lack sufficient sulfur scrubbing equipment and that alternative renewable energy investments have been negligible. Moreover, labor opposition mounted. Having fired more than 40,000 of its 85,000 employees during the early 1990s, thanks to mechanization and overcapacity, the utility tried to outsource and corporatize several key operations, resulting in periodic national anti-privatization strikes by the trade union federation.

But it was in Soweto that the resistance became world famous and internationally networked. In 2001, domestic consumers paid an average price to Eskom of US$0.03 cents per kWh, while the manufacturing and mining sectors paid only half that amount. Two years earlier, in 1999, Soweto residents had experienced three increases – amounting to 47% – in a short period as Eskom brought tariffs in line with other areas. This reflected the move towards ‘cost reflectivity’ and away from regulated price increases, in order to reduce and eventually eliminate subsidies, so as to achieve ‘market-related returns sufficient to attract new investors into the industry’, said Eskom.

When prices became unaffordable and payment arrears began to mount, Eskom’s first strategy was disconnection and repression. Eskom decided in 2001 to disconnect households whose arrears were more than $800, with payment more than 120 days overdue. An anticipated 131,000 households in Soweto were to be cut off due to non-payment, according to Eskom – even though the company had only 126,000 recorded consumers in the township. Johannesburg Metro authorities decided, in an act of solidarity, to cut off water and began evictions selling off residents’ houses in order to recoup the debts owed, in an attempt to pressure people to pay Eskom arrears. A survey of Soweto residents found that 61% of households had experienced electricity disconnections, of whom 45% had been cut off for more than one month. A random, stratified national survey conducted by the

Municipal Services Project and Human Sciences Research Council found that ten million people across South Africa had experienced electricity cutoffs.\textsuperscript{13}

The impact of disconnections can be fatal. One indication of the health implications of electricity denial and of supply cuts was the upsurge in TB rates, as respiratory illnesses are carried by particulates associated with smoke from wood, coal and paraffin. Because of climate and congestion, respiratory diseases are particularly common in Soweto. In a 1998 survey, two in five Sowetans reportedly suffered from respiratory problems.\textsuperscript{14}

Survey respondents reported many fires in the neighborhood, often caused by paraffin stoves, many of which were harmful to children. Eskom’s disconnection procedures often resulted in electricity cables lying loose in the streets.\textsuperscript{15} Residents were unhappy not only about the high reconnection fees charged but the fact that Eskom used outsourced companies that earn $10 per household disconnection. No notification was given that supply would be cut off, and residents were not given time to rectify payments problems. Eskom can disconnect entire blocks at a time by removing circuit breakers, penalizing those who do pay their bills along with those who don’t. All these grievances provided the raw material from which the Soweto Electricity Crisis Committee (SECC) and its Operation Khanyisa emerged.

**Social resistance to commodified electricity**

The SECC was formed in June 2000, through a series of workshops on the energy crisis, followed by mass meetings in the township. Operation Khanyisa (‘light up’) allowed for mass reconnections by trained informal electricians. Within six months, over 3,000 households had been put back on the grid. The SECC turned what was a criminal deed from the point of view of Eskom into an act of defiance, and also went to city councilors’ houses to cut off their electricity, to give them a taste of their own medicine, and to the mayor’s office in Soweto. SECC were soon targeted for arrest, but five hundred Sowetans marched to Moroka Police Station to present themselves for mass arrest; the police were overwhelmed. By October 2001 Eskom retreated, announcing a moratorium on cut-offs. The SECC announced ‘a temporary victory over Eskom, but our other demands remain outstanding’:

- commitment to halting and reversing privatization and commercialization;
- the scrapping of arrears;
- the implementation of free electricity promised to us in municipal elections a year ago;
- ending the skewed rates which do not sufficiently subsidize low-income black people;
- 

\textsuperscript{15} In a shack settlement outside Cato Manor in Durban, this problem caused the death of 11 children in 2001 (Mail & Guardian, 16-22 March 2001).
additional special provisions for vulnerable groups – disabled people, pensioners, people who are HIV-positive; and

- expansion of electrification to all, especially impoverished people in urban slums and rural villages, the vast majority of whom do not have the power that we in Soweto celebrate (SECC 2001).

The Washington Post took up the story in a front-page article in November 2001:

SOWETO, South Africa -- When she could no longer bear the darkness or the cold that settles into her arthritic knees or the thought of sacrificing another piece of furniture for firewood, Agnes Mohapi cursed the powers that had cut off her electricity. Then she summoned a neighborhood service to illegally reconnect it.

Soon, bootleg technicians from the Soweto Electricity Crisis Committee (SECC) arrived in pairs at the intersection of Maseka and Moema streets. Asking for nothing in return, they used pliers, a penknife and a snip here and a splice there to return light to the dusty, treeless corner.

‘We shouldn’t have to resort to this,’ Mohapi, 58, said as she stood cross-armed and remorseless in front of her home as the repairmen hot-wired her electricity. Nothing, she said, could compare to life under apartheid, the system of racial separation that herded blacks into poor townships such as Soweto. But for all its wretchedness, apartheid never did this: It did not lay her off from her job, jack up her utility bill, then disconnect her service when she inevitably could not pay.

‘Privatization did that,’ she said, her cadence quickening in disgust. ‘And all of this globalization garbage our new black government has forced upon us has done nothing but make things worse. . . . But we will unite and we will fight this government with the same fury that we fought the whites in their day.’

This is South Africa’s new revolution.16

A few weeks later, ANC Public Enterprises Minister Jeff Radebe visited Soweto to offer a partial amnesty on arrears, which the SECC declined as inadequate. The focus then moved to fighting prepayment meters. From the SECC and similar campaigns emerged an umbrella group, the Anti-Privatization Forum

How serious a threat was the SECC at this stage? The ruling party’s main intellectual journal, Umrabulo, carried a 2003 article by Tankiso Fafuli (later to become ANC councilor for Pimville), that gives a flavor of the challenge:

On the 24th September 2001 the Soweto Electricity Crisis Committee [SECC] convened a rally at Tswelopele hall in Pimville zone 7. A wave of agitation permeated through the gathering, which influenced the attendants to march to councillor George Ndlovu’s house in ward 22. Councillor Ndlovu with his family was held at ransom and the electricity box of his house was ransacked... The incident prompted the branches of the ANC in both wards to convene a special joint forum in the evening wherein a vigorous debate ensued on the political challenges

posed by SECC… [which] has successfully earned the respect from the community and thus the ANC could no longer tread willy-nilly in every territory. Particularly when such territory became his own not by residence alone but by virtue of influence...

In the initial stages of community mobilization, the key message from these forces was that the ANC in power has not only abandoned its historical constituency (i.e. the working class and poor), but has begun to unleash terror against it. This terror – they argue – is in the form of electricity and water cuts conducted against the weak and poor. Electricity cuts that intensified during the winter of 2002 were presented as naked savagery unleashed by a liberation movement against its people who are largely destitute… Essentially what is being precipitated is a rise of the working class against the ANC government to confront and alter its unpleasant material conditions. As a result, these struggles have resulted into an open confrontation like the shooting between employees of Eskom and residents of Dlamini in Soweto in the year 2001. Such readiness and agitation for extreme action is encapsulated in Duduzile Mphenyek's (SECC secretary) statement when proclaiming that ‘In every struggle there are casualties’. In explaining Operation Khanyisa the SECC has stated in some of its public forums that people must chase away Eskom ‘agents’ tasked to cut electricity cables with whatever means necessary and that ‘councillors must be made to taste their own medicines’...

The Pimville rally mandated the SECC to expand its scope of demands beyond electricity cuts and to begin to include a demand for houses, a stop to eviction/relocation, and access to free basic water among other issues. This is essentially a call to develop a broad united front that goes beyond SECC and the electricity issue… [The Anti-Privatization] Forum also creates the imperative link between the shop floor struggles against right-sizing (retrenchments), casualization of labour, and the struggles waged against water and electricity cuts in the townships. As a result, the APF synchronizes the struggles waged by SECC, Dobsonville Civic Association (DCA) against electricity and water cuts in Soweto with those fought by among others SAMWU [South African Municipal Workers’ Union] on the shop-floor against retrenchments, as a result of privatization. The APF has been able to show to its participants that they are all fighting a common enemy namely privatization, the brainchild of GEAR17. This explains the relationship between the SECC as a community organization and some fragments of trade unionists belonging to affiliates of COSATU [Congress of South African Trade Unions]. These trade unionists have played key roles in some of the APF campaigns and marches. It is this ability to link these cuts of services and electricity to privatization that creates a strong and broader appeal – not only to ordinary residents but trade unionists, intellectuals, and development activists – and the capacity to make inroads within the frontiers of the Tripartite Alliance.18

This is an extraordinary admission by a representative of the SECC’s most powerful opponent, of the group’s community popularity as well as the sophisticated way the new movement expanded its organizing reach and agenda. Subsequent years were spent in issue linkage. The APF and SECC adopted socialism as their ‘official’ vision.

17 The Growth, Employment and Redistribution Programme is the neoliberal macro-economic policy that was adopted by the ANC in 1996. It represents a shift to the right. SAMWU is an affiliate of COSATU. The latter is part of the ANC-SACP-COSATU Alliance. This alliance includes the South African Communist Party (SACP) AND is the hegemonic bloc in South Africa.
The World Summit on Sustainable Development (WSSD) in August 2002 also helped raise the SECC’s profile. A memorable Mail & Guardian front page on 16 August framed elderly SECC stalwart Florence Nkwashu in front of riot police with the headline ‘We’ll take Sandton!’ Two weeks later, the SECC was central to the memorable 30,0000-strong march from Alexandra to Sandton, the largest post-1994 protest in South Africa aside from trade union mobilizations. The ‘Big March’ was roughly ten times larger than one aimed at supporting the WSSD (by the ANC, trade unions and churches) held along the same route later that day.

To the outside observer, that 2002 demonstration was the peak for many of the ‘New Social Movements’ which had emerged since the late 1990s. For the SECC, there were several years ahead in which attention shifted to water rights, culminating in the victories against prepayment meters and inadequate free supplies in 2008. In its journey it has faced many challenges including organizational crises due to internal political differences. It has set itself new challenges including running candidates in the 2006 local government elections where it won one seat in the Johannesburg City Council which it uses to amplify its campaigns to a broader audience. Recently it has set itself new challenges including running candidates in the 2006 local government elections where it won one seat in the Johannesburg City Council which it uses to amplify its campaigns to a broader audience. Recently it helped form an electoral front of community and left organizations to run candidates in the national elections on a red-green platform. This is related to a new chapter in its life where it is taking up environmental issues under the slogan: “We want electricity but not at the expense of the earth”.

Climate privatization

Meanwhile, the SA government’s own stumbling attempts to address electricity shortages and the worsening climate crisis provided further opportunities for communities to link energy access and CO2 emissions campaigning. The government appeared so coopted by the Minerals Energy Complex, the phrase that captures the fusion of state, mining houses and heavy industry, especially in beneficiating metallic and mineral products through smelting. As Ben Fine and Zav Rustomjee showed, throughout the twentieth century, mining, petro-chemicals, metals and related activities which historically accounted for around a quarter of GDP typically consumed 40 per cent of all electricity, at the world’s cheapest rates. David McDonald updated and regionalizes the concept a decade onwards in his edited book Electric Capitalism, finding an ‘MEC-plus’:

Mining is South Africa’s largest industry in the primary economic sector and the country has the world’s largest reserves of platinum-group metals (87.7% of world totals), manganese (80%), chromium (72.4%), gold (40.1%) and alumino-silicates (34.4%)... South Africa’s appetite for electricity has created something of a ‘scramble’ for the continent’s electricity resources, with the transmission lines of today comparable to the colonial railway lines of the late 1800s and early 1900s, physically and symbolically.

Eskom fostered a debilitating dependence on the (declining) mining industry, causing a ‘Dutch disease’, in memory of the damage done to Holland’s economic balance by its cheap North Sea oil, which in South Africa’s case is cheap but very dirty coal. As one study found, South Africa

---

19 The Socialist Green Coalition’s platform is available at http://www.sgc.org.za/
20. Ibid.
is ‘the most vulnerable fossil fuel exporting country in the world’\textsuperscript{22} if the Kyoto Protocol is fully extended, according to an International Energy Agency report (because of the need to make deep cuts);

scores extremely poorly ‘on the indicators for carbon emissions per capita and energy intensity’;

has a ‘heavy reliance’ on energy-intensive industries;

suffers a ‘high dependence on coal for primary energy’;

offers ‘low energy prices’ to large corporate consumers and high-income households, which in part is responsible for ‘poor energy efficiency of individual sectors’; and

risks developing a ‘competitive disadvantage’ by virtue of ‘continued high energy intensity’ which in the event of energy price rises ‘can increase the cost of production’.\textsuperscript{23}

As a result, Eskom is amongst the worst emitters of CO\textsubscript{2} in the world when corrected for income and population size, putting South Africa’s emissions far higher than even the energy sector of the United States, \textit{by a factor of 20}.\textsuperscript{24} To deal with this legacy, the government adopted a \textit{Long-Term Mitigation Scenario} in mid-2008, to great fanfare, calling for cuts in CO\textsubscript{2}, but only from 2050. Meantime, the rollout of at least a hundred billion dollars worth of new coal-fired plants ensued. Moreover, the 2004 National Climate Change Response Strategy endorsed carbon trading, specifically the Kyoto Protocol’s Clean Development Mechanism (CDM), declaring ‘up-front that CDM primarily presents a range of commercial opportunities, both big and small.’ The carbon trading gimmick allows Northern firms to buy World Bank Prototype Carbon Fund investment allowances in CDM projects so they can continue emitting at species-threatening rates, instead of cutting emissions.

The October 2004 ‘Durban Declaration on Carbon Trading’\textsuperscript{25} rejected the claim that this strategy will halt the climate crisis, insisting that the crisis is caused by the mining of fossil fuels and the release of their carbon to the oceans, air, soil and living things, and must be stopped at source. By August 2005, inspiring citizen activism in Durban’s Clare Estate community forced the municipality to withdraw an application to the World Bank for carbon trading finance to include methane extraction from the vast Bisasar Road landfill, which community activists insisted should instead be closed. The leading advocate, long-time resident Sajida Khan, died two years later, but her struggle to halt the ‘privatisation of the air’, as carbon trading is known, lives on. The only way forward on genuine climate change mitigation is to leave fossil fuels in the earth.

Hence ‘keep the oil in the soil’ and ‘leave the coal in the hole’ are regular slogans of African energy activists ranging from the South Durban critics of deadly petrol refining in residential communities to the Niger Delta critics of deadly petrol extraction from residential communities. The hard work of winning more civil society organizations to this position, especially organized labour, continues. A Nigerian journalist explains:

\begin{quote}
\textit{Human rights activists from across the African continent that converged in Durban, South Africa recently for a conference which was convened by Oilwatch Africa and groundWork South Africa have warned that Africa is facing another round of colonisation that threatens}
\end{quote}

\textsuperscript{22} “vulnerable” to losing earnings from selling coal, an environmentally harmful carbon-emitting fossil fuel

\textsuperscript{23} Spalding-Fecher, A. (2000), ‘\textit{The Sustainable Energy Watch Indicators 2001}’, Energy for Development Research Centre, University of Cape Town, Cape Town.


\textsuperscript{25} The Durban Declaration on Carbon Trading was adopted by civil society organizations that met in Durban in October 2004, with the specific aim of halting the carbon trade as a ‘false solution’ to the climate crisis.
livelihoods and ecology. The thrust of the conference was the renewed focus on Africa as one of the fastest growing sources of oil and gas for the global markets amidst tightening oil supplies, spike in oil prices, low sulphur content of the oil found in Africa and an equally growing appetite for fuel by emerging global economic powers like China, India and Korea... Nnimmo Bassey, executive director Environmental Rights Action and Friends of the Earth Nigeria included in his presentation entitled ‘The Future of Crude Oil is Already History’ profiled the environmental degradation in the Niger Delta in the last 50 years, stressing that fallouts of oil exploration include socio-economic displacement of the locals, pollution-induced sicknesses and violent conflicts in the region... Ivonne Yanez, co-ordinator of Oilwatch South America, explained that an initiative on keeping the oil underground was taking place in Yasuni Forest Reserve... in Ecuador...calling on Oilwatch Africa member countries to emulate the Yasuni struggle since the human and environmental costs of fossil fuel extraction far outweighs any gain that accrues from it. Activists from countries such as Ghana, Eritrea, Ethiopia, Mauritius, among others also took time to share their ugly experiences. All were unanimous that oil extraction activities as shown in the cases of the Niger Delta or Angola, South America and several other places have been a curse rather than blessing to the indigenous people under whose soil oil is being tapped.26

In addition to campaigning against fossil fuel extraction, South African environmental activists insist on higher renewable energy subsidies, to kickstart the solar, tidal and other modes of harnessing the country’s vast potential resources. However, less than 10% of state R&D spending on energy went to renewables since 1994 (compared to 90% for nuclear). In late 2008, the National Electricity Regulator of South Africa offered new ‘feed-in tariffs’ to encourage private provision of electricity from smaller renewable generation units that could in turn feed their surpluses back to the grid. However, the World Wildlife Fund SA remarked, the incentive was ‘both pathetic and apathetic’ because the US$0.05kWh the state was prepared to pay would not attract the 10 000 GWh in renewable energy by 2013, established as a policy objective.

Conclusion

Reviewing this complex terrain of energy and social activism leaves us with several conclusions about the prospects for decommodifying electricity for poor people and shifting the generation to renewable production in a red-green synthesis:

• South Africa became more unequal during the late 1990s, as a million jobs were lost due largely to the stagnant economy, the flood of imports and capital/energy-intensive investment that displaced workers (especially in the strike-rich manufacturing sector)—and these trends had enormously negative implications for the ability of low-income citizens to afford electricity;

• billions of Rands in state subsidies are spent on capital-intensive energy-guzzling smelters, where profit and dividend outflows continue to adversely affect the currency;

• the price of electricity charged to mining and smelter operations is the lowest in the world;

• little is being spent on renewable energy research and development, especially compared to a dubious nuclear program;

• greenhouse gas emissions per person, corrected for income, are amongst the most damaging anywhere, and have grown worse since liberation;

• electricity coverage is uneven, and despite expansion of coverage, millions of people have had their electricity supplies cut due to commercialization and privatization.

All of these problems are being countered by critiques from civil society. However, most challenging is the paucity of constructive collective work carried out between the three major activist networks that have challenged government policy and corporate practices: environmentalists, community groups and trade unions. This is partly due to serious political setbacks suffered by progressive forces in South Africa when the ANC capitulated to capitalist ideology. Overcoming this will require a highly enhanced politics which must be able to reconcile differences of interest between the various sectors of civil society. What unites is the certainty that if the capitalist destruction of the environment is allowed to continue all are sunk. There is a need to challenge the power of capital because while the rule of profit dominates the world all solutions tend to fall flat. Humanity needs to stop digging out the coal and re-employ coal miners in socially useful activities. The truth is that this will be next to impossible to implement unless power shifts to the hands of ordinary people away from the moneyed elite. .

In South Africa the ANC’s pro-capitalist policy means that wasteful white elephant projects continue: the Coega industrial complex; the expansion of the Lesotho Highlands Water Project mega-dams; huge new soccer stadiums for the 2010 World Soccer Cup; the corruption-ridden R43 billion arms deal; and the R20 billion+ Gautrain elite fast rail network. To these we can add the multi-billion rand nuclear and coal power stations that Eskom plans to build. .

In contrast, activists will have to intensify their work, to get any of the spending the society requires redirected into providing a sufficient minimum free basic supply of electricity, into rolling out the power grid to unserved rural areas as well as to Southern African societies who have long contributed cheap labor to South African mines, and to cutting back CO2 emissions via major state investments in renewables. But if the apparent impossibility of acquiring AIDS medicines from 2000-03 or reversing water privatization in 2006-08 are useful examples, these are the kinds of challenges that compel South African activists to rise up and shout, “Amandla!” (Power!) – “Awethu!” (To the People!)
Emissions trading, new enclosures and eco-social contestation
August 2010, forthcoming in *Antipode*, 2011

**ABSTRACT**
The central operating strategy within the 1997 Kyoto Protocol and most of the advanced capitalist world’s environmental policy is to address climate change through the market mechanism known as emissions trading. Based upon government issuance and private trading of emissions reductions credits and offsets, this approach quickly rose to $135 billion in annual trading by 2008 and 2009, led by the most advanced pilot – the European Union’s Emission Trading Scheme – and was proposed in the United States Congress in 2009, and applied in the Third World through the Kyoto Protocol’s “Clean Development Mechanism”. But in the wake of the collapse of climate negotiations in Copenhagen and a world financial crisis which undermined market faith in derivative investments, carbon trading has an uncertain future. The market has suffered extreme price volatility, including the European carbon price crash of 70% during 2008 and zigzags following the Copenhagen summit. The US Senate’s failure to adopt emissions trading in 2010 was another major setback. No matter the short-term trends, linkages between deep-rooted financial market and emissions market problems are revealing in spatio-temporal terms, especially in the context of deeper overaccumulation crisis and investors’ desperate need for new speculative outlets. However, even before the recent market crashes, there emerged the second half of the Polanyian “double movement”: if commodification of society and nature over-reaches, the reaction in civil society is to resist, deflecting the burdens of devaluing capital, and in the process offering decommodifying alternatives. In that spirit, the Durban Group for Climate Justice was founded to oppose carbon trading in 2004, followed by the broader-based Climate Justice Now! movement in 2007 at the Bali climate negotiations, which together united with Climate Justice Action in Europe in December 2009, in addition to many other sites of direct action against fossil fuels extraction and power generation. It is in the nexus of the spatial and temporal aspects of carbon financing amidst resistance to “new enclosures” by adversely affected peoples, or what can be termed eco-social contestation, that broader-based lessons for global/local environmental politics and climate policy can be learned.

**KEY WORDS:** Carbon trading, financial crisis, externality, resource depletion, civil society

The political-economic branch of the geography discipline offers insights into the last decade’s policy reactions to climate change, particularly because of its unique critique of mainstream economic approaches to greenhouse gas emissions mitigation. Systematically cutting emissions is vital to avoiding climate chaos, thereby maintaining the world’s average temperature rise at the 1 degrees centigrade this century, a level deemed necessary to avoid submersion of small islands and heavily inhabited coastland, and destruction of most African agriculture (that figure was formerly estimated to be 2 degrees but has since been lowered in demands made by the climate justice movement and tabled in the United Nations by the government of Bolivia in mid-2010). The radical tradition, as articulated most forcefully by David Harvey (1985, 1989, 1996, 2003, 2005, 2006, 2010), has tackled socio-economic phenomena including urbanisation, political ecology, postmodernism, liberatory epistemology, imperialism and neoliberal public policy. What does this tradition warn us when contemplating the use of a market “solution” – carbon trading – to address a market problem: greenhouse gas emissions as an externality?

Matters are complex because the market does not map readily onto natural phenomena that are only now being understood by the world’s leading climate scientists, e.g. sequestration of carbon in forests, oceans and grasslands. Thus Harvey (2006) warns that “the spatio-temporality required to
represent energy flows through ecological systems accurately, for example, may not be compatible with that of financial flows through global markets. Understanding the spatio-temporal rhythms of capital accumulation requires a quite different framework to that required to understand global climate change." The challenge presented by the increased commodification of nature is that the spatio-temporal rhythms of financial markets now drive global-scale public policy for addressing global climate change, even in the wake of neoliberalism’s crises, revisions, delegitimation and attempted relegitimation (Fine 2008, Foster and Magdoff 2009, Peck 2008).

As a result, the pages below attempt to elaborate, first, the context for the rise of emissions trading using historical-geographical materialism; second, the core theoretical propositions drawn from neoliberal ideology about carbon trading and the commodification of nature; third, the actual experiences with emissions trading including the carbon markets in the EU and Clean Development Mechanisms; fourth, political problems associated with US capital’s (and US senators’) failure to implement emissions trading; and fifth, eco-social resistance processes. The argument that follows is that spatio-temporal displacement capacities that emissions markets bring to the economic and ecological crises are attractive (to capital) in principle but difficult to implement in practice, largely because of ongoing disputes about how overaccumulation is displaced and ultimately devalued in uneven spatial and sectoral ways. That leaves a more hospitable terrain than previously considered for radical solutions that combine command and control with bottom-up climate activism, a much more effective mix than strategies on offer from elites.

**Carbon trading and overaccumulation crisis**

The rise of carbon trading over the last decade is most compellingly understood through Marxian political economy. The two primary ways Harvey (1982) adds to Marx’s crisis theory are through understanding space and time in part as displacement strategies during capitalist “overaccumulation crisis.” This perspective allows us to track several processes which overlapped, very dangerously, during the early 21st century (Bond 2009). Retracing to the late 1960s, a global economic slowdown began, as world GDP/per capita growth shrank from 3.6% during the 1960s to 2.1% during the 1970s to 1.3% during the 1980s to 1.1% during the 1990s. But while accumulation increased more rapidly during the late 2000s, it was only on the basis of untenable credit expansion, asset speculation and trade in (vastly overpriced) commodities, ultimately causing a major shock in 2007-09, followed by a potentially long-term world stagnation similar to Japan’s post-1990 crash. All of this occurred unevenly, as the spatial shift in industrial capital’s location, to East/South Asian and Latin American emerging markets, also shifted the source of greenhouse gas emissions dramatically (Harvey 2010).

Financial markets evolved over the past three decades, once the temporal fix began in earnest with liberalization and a shift to a higher-interest rate regime in the late 1970s. As productive sector profit rates declined and financial returns boomed, the financial explosion in various kinds of derivative investments permitted virtually any notional value to be marketed as a credit for packaging and onward sale, including emissions of SO2 in the US in the early 1990s and carbon in Europe by the late 1990s. The commodification of the environmental commons proceeded apace, with water privatization, biopiracy, genetic modification and other processes controlled by multinational corporations generating expectations for what became the world’s largest artificial market, i.e. carbon emissions. But the financial markets overextended geographically during the 1990s-2000s as investment portfolios diversified into distant, risky areas and sectors. Global and national financial governance proved inadequate, leading to bloated and then busted asset values ranging from sub-prime housing mortgages to illegitimate emissions credits.
Likewise, geopolitical tensions emerged over which sites would be most vulnerable to suffer devalorization of overaccumulated capital after 2008, i.e. which regions or countries would bear the brunt of the deep financial sector and real economic downturns. The global context in the 2000s was a sole military superpower oriented to neoconservative imperialism (especially in relation to US energy needs and corporate interests), but mitigated somewhat by a global class politics of neoliberalism. The neoliberal agenda was so dominant that notwithstanding the 2007-09 financial market crashes, the pseudo-Keynesian financial bail-out and public works strategies adopted in late 2008 were reversed in the US just over a year later, as the Obama Administration announced a budget freeze and state and municipal governments engaged in drastic spending cuts. In the South, where the IMF quickly reverted to austerity mode, numerous economic pressures – debt repayments, current account deficits, rapidly-slowing Foreign Direct Investment, more erratic portfolio capital flows and stagnant Overseas Development Aid – generated ever greater desperation for fresh financial capital inflows, including emissions mitigation investments.

Also by way of context, the resulting rise of civil society forces – the second half of the Polanyian “double movement” against excessive commodification – included organisations and networks dedicated to addressing climate change not through market mechanisms but instead through a “Climate Justice” approach. As discussed in more detail below, this entailed direct action against fossil fuel extraction and advocacy for national command-and-control emissions reduction strategies plus public works investments and regional/local utility and planning controls. Like global capitalism itself, this process developed extremely unevenly across space, with Northern movements of radical environmentalists only fusing with Southern economic justice advocates outside the 2007 Bali Conference of the Parties. The fusion of red and green influences was called the ‘Climate Justice Now!’ network, and after the elites’ Copenhagen summit fiasco in December 2009, gained momentum in an April 2010 “World Peoples Conference on Climate Change and the Rights of Mother Earth” in Cochabamba, Bolivia.

Given this background, how should historical-materialist-geographical analysis be applied? If the above contextual understanding is accepted, it helps provide critical perspectives about how space and time are mediated through financial mechanisms applied to greenhouse gases. The early evidence suggests that the externalities of market-created climate damages are not readily internalized through market mechanisms, but are instead displaced. The spatial displacement of overaccumulation entails new investment arenas at long geographical distance and in new configurations of the built environment; while temporal displacement entails recourse to credit markets which permit payment later, for the sake of present consumption (Harvey 1982). The application of these concepts to carbon markets requires consideration of several features.

For example, consider the market’s triple troubles at the European, US and global scales. From mid-2008, the European Union Emissions Trading Scheme collapsed from levels around €30/tonne to below €9 before stabilizing in the €12-14 range in 2010, in the wake of December 2009 revelations that trading over the prior year and a half resulted in “losses of approximately €5 billion for several national tax revenues [with] ... in some countries, up to 90% of the whole market volume caused by fraudulent activities”, according to Europol (2009). Uncertainty over the potential development of emissions trading in the single largest market, the United States, is a major factor. From mid-2009, the US Senate came under pressure to pass legislation consistent with the House of Representatives, whose Waxman-Markey “cap and trade” bill (supported by President Barack Obama) entailed vast concessions to the financial markets and fossil fuel industries, yet which could not muster the sixty votes that Senator John Kerry required to pass a law given even more fierce
rightwing opposition. At the end of 2009, the Copenhagen climate summit’s collapse spooked the markets (resulting in large volume trades and another 10% loss in trades from December 17-21), following an embarrassment for Third World emissions offsets in September when the United Nations disqualified its main verification agency (SGS UK) due to systemic irregularities in the firm’s vetting of Clean Development Mechanism projects and incompetent staff.

These were endogenous problems generated from above. From below, emissions markets came under attack from climate scientist James Hansen, environmental educationist Annie Leonard (whose 9-minute film “The Story of Cap and Trade” received 400,000 hits in its first two weeks on the web in December 2009) and Friends of the Earth. More radical activists in Rising Tide, Platform, Climate SOS and Climate Pledge of Resistance increased protests at carbon markets and trading hubs including London, New York and Chicago in 2009-2010. The opposition was grounded in both practical experience and a sense that the world’s most important ideological debates had suddenly moved into climate politics and environmental economics.

The impeccable logic of pollution trading

This sentence, by Lawrence Summers (1991: 1) is amongst the most famous ever uttered: “I believe the economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that.” When as World Bank chief economist, Summers signed a memo prior to the Rio de Janeiro Earth Summit endorsing the spatial displacement accomplished by markets to pollute, he helped us identify features of “enclosure” associated with commodification and primitive accumulation. Carbon trading fits the rubric of “accumulation by dispossession” that Harvey (2003) utilizes as an explanation for the desperate penetration of non-market spheres by capital under circumstances of both overaccumulation crisis and imperialist power. Several processes reflect this dispossession: a kind of ‘privatization of the air’ through the allocation of pollution rights as property rights; other enclosures of forests and land (and even landfills) that displace indigenous people and activities; the prevention of the South’s potential development by buying up future emissions budgets; and the foregoing of any alternative strategy for capping, commanding and controlling emissions.

The origins of this process of dispossession are found, as Rosa Luxemburg (1913) puts it, in the uneven and combined way capital approaches the non-market terrain, by drawing it into the commodification process yet still permitting retention of ‘non-capitalist’ features, albeit in a now distorted, degenerative form: “Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market. Capital cannot accumulate without the aid of non-capitalist organisations, nor ... can it tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist organisations makes accumulation of capital possible.” If the atmosphere – specifically, a climate viable for human life and capital accumulation – is considered to be a ‘non-capitalist organisation’, then the commodification of the air itself (via the carbon markets) is a way for capital to accumulate on the one hand, yet on the hand, at the same time, to contribute to a liveable climate’s continuous and progressive disintegration – since carbon markets are a ‘false solution’ to the climate crisis.

Not only to capitalism in general but to financial markets in particular, carbon trading seemed to offer an attractive, fast-growing “green” investment, in a context of the crashes of overpriced property (2007-09), equity markets (dot.coms in particular, 2000-01), emerging markets (1997-98) and other exotic, speculative investment outlets. The carbon traders’ hope was that the market could generate high returns once global and national public policies aimed at pricing carbon were
implemented. The base expectation had been $3 trillion in trades anticipated by 2020 plus trillions more in the derivatives business.

However, environmental and social consequences invariably arise, alongside the devastating breakdowns that bedevil financial markets as stores of wealth in such turbulent periods. Indeed, financial markets which most acutely combine space and time actually amplify uneven development when they operate more flexibly in geographical and temporal terms, under conditions of overaccumulation crisis (Harvey 1982, Bond 1999). As George Soros once wrote (Financial Times, 31 December 1997), “The private sector is ill-suited to allocate international credit. It provides either too little or too much. It does not have the information with which to form a balanced judgment. Moreover, it is not concerned with maintaining macroeconomic balance in the borrowing countries. Its goals are to maximise profit and minimise risk. This makes it move in a herd-like fashion in both directions. The excess always begins with overexpansion, and the correction is always associated with pain.” Christian Suter (1992: 41) explained the amplification of North-South unevenness in part through international financial flows: “first, intense core capital exports and corresponding booms in credit raising activity of peripheries; second, the occurrence of debt service incapacity among peripheral countries; and third, the negotiation of debt settlement agreements between debtors and creditors.”

To some extent this is a consequence of excessive financial deregulation, especially applied to the “commodification of risk”, as Larry Lohmann (2009a, 2009b) puts it. The invention of derivatives for energy-related investments that bear little relation to underlying “real” values was witnessed in the Enron disaster, yet carbon trading incentives have permitted new waves of overinvestment in risky emissions reduction outlets, followed by crashes. Michelle Chan (2009, 3) shows how

The financial crisis was sparked by bad mortgages, and US carbon markets could pose similar problems through the creation of “bad carbon” or “subprime carbon.” Subprime carbon contracts — called “junk carbon” by traders — are contracts to deliver carbon that carry a relatively high risk of not being fulfilled and may collapse in value.

The point, ultimately, is that deep-seated contradictions in industrial capitalism invariably bubble up into both financial and carbon markets. Hence, it is argued below, carbon trading represents at best a shifting of the deck chairs on both the climate and economic Titanics, and at worst — and most probably — will suffer from major new holes in the ships. Instead of displacing the crises by moving them around, the carbon markets have risen to attract hundreds of billions of dollars in trades, been corrupted as vehicles to genuinely solve economic and climate crises, and have sprung leaks that are so intimidating, even the US capitalist class has not found a way to patch up the idea of a market solution to a market problem.

The carbon market’s rise, corruption and fall

Although the point of this article is that dynamics of capital accumulation are creating a carbon space-economy based upon the enclosure (in 19th century terms) of non-polluted air, oceanic carbon-absorption capacity, land, forests, social commons and indigenous knowledge, there is also a serious intellectual argument undergirding the carbon trade. John Dales (1968, 85) wrote “Pollution, Property, and Prices” to as a way of reducing water pollution through waste quotas plus a market in “transferable property rights . . . for the disposal of wastes” interchangeable amongst firms.
However, it was only in 1990 that the US Environmental Protection Agency’s (EPA’s) Clean Air Act (CAA) was amended by Congress so as to establish a market for sulphur dioxide. Critics of emissions trading insist that SO2 continues to do harm because of the lack of strong regulation, itself a function of power relations in the US government-industry nexus. Instead, had command and control strategies – such as the 1999 EPA’s New Source Review imposition of scrubbers on older plants (with a 95% SO2 removal record) – been applied, the results would have been far more impressive. To illustrate, command-and-control strategies in Europe had faster and more decisive results (87% reductions during the 1990s compared to 31% by the SO2 cap and trade), as they had as well in the US from 1977 (when the CAA was passed) to 1990. Moreover, by addressing only a part of the SO2 from high-emissions sources (about 43% emissions reduction from 1990-2007), there were ongoing adverse local impacts of co-pollutants (e.g. mercury, lead, dioxin, nitrous oxide), especially in geographical areas with high concentrations of people of color. The coal industry initially succeeded in grandfathering in plants built before 1977 so as to avoid CAA regulation, and these old plants were later brought into the cap and trade arrangement. Hence they were allowed to stay open longer by virtue of buying pollution allowances, from more efficient plants. Activists at the US Public Interest Research Group and Clear the Air showed how ongoing environmental health hazards from these beneficiaries of SO2 cap and trade have a class/race bias (Ehrman 2010).

Seven years later, the Kyoto Protocol allowed “Annex 1” countries – wealthier states accepting binding constraints – to buy emissions credits if their emissions were higher than their share of the modest target of a 5.2% reduction on 1990 emissions levels by 2012. This allowed the sale of the “hot air” – excess permits – that Eastern Europe enjoyed because their industrial economies were reduced by 40% after 1990, during the transition to capitalism, and in turn allowed the Protocol to come into effect in 2005 after it was ratified by Russia (Prototype Carbon Fund 2005: 45).

In addition to a general carbon trading framework which got its start in the European Union’s Emissions Trading Scheme (ETS), two techniques were added to improve financing capacity for particular emissions-reducing projects: Joint Implementation between Annex 1 countries (with exceptions in the EU), and the Clean Development Mechanism (CDM) for Annex 1 country investors to fund emissions reduction or sequestration projects in non-Annex 1 countries (assuming that those projects demonstrably require “additional” finance beyond what can be done on a profitable basis without the CDM subsidy, and that they can claim to result in lower emissions than business-as-usual). A Designated National Authority – sometimes a state agency and sometimes a trusted consultancy – in each participating non-Annex 1 country reviews and approves such projects (most CDM applications have come from companies in India, China and Brazil, with the African continent severely underrepresented). If successful there, a CDM project moves to approval by a private-sector Designated Operational Entity which again verifies and certifies reduction claims, at which point a CDM Executive Board decision is made on a rubber-stamp basis aside from problem cases. Amongst the major catalysts of the CDM market is the World Bank’s Prototype Carbon Fund. Most of the CDM certified emissions reduction permits have come from projects that reduce nitrogen and hydrofluorocarbons, which are much more potent greenhouse gases than CO2 (Prototype Carbon Fund 2005). Landfill methane-to-electricity projects are most prevalent within the CDM trade, but are also controversial since the dumps sourced for methane often have dangerous incineration systems as well as informal-sector wastepickers whose livelihoods are threatened in the process, as discussed below.

It is ironic, given the role of Al Gore in catalyzing the market, that the most important missing force in the market, to date, is a US government commitment to carbon trading. In 2009 this
commitment finally advanced in the House of Representatives through the Waxman-Markey bill aiming to cap and trade emissions. The law includes a pollution rights give-away, as well as a change to the CAA (which critics argue will gut the important law by exempting carbon as a pollutant from EPA oversight and regulation) plus a generous allowance of offsets which would potentially delay actual US CO2 reductions by two more decades. Such legislation stems from a firm belief in the efficacy of markets. As a presidential candidate, Barack Obama promised,

We would put a cap and trade system in place that is as aggressive, if not more aggressive, than anybody else’s out there... So if somebody wants to build a coal-powered plant, they can; it’s just that it will bankrupt them because they’re going to be charged a huge sum for all that greenhouse gas that’s being emitted. That will also generate billions of dollars that we can invest in solar, wind, biodiesel and other alternative energy approaches (San Francisco Chronicle 2008).

In July 2008, the ETS price of carbon was €29.33/tonne, which probably gave Obama confidence in lucrative funding opportunities for renewables. But by election day in November that year, the price had crashed to less than €9/tonne (when, for example, €40-60/tonne was required to activate investments in carbon capture and storage – by which coal-fired stations could, theoretically, bury liquefied carbon emitted during power generation). Moreover, Obama dropped his promised “full auction” of emissions permits, meaning that polluters would have bid against each other for a bigger share of the emissions allowed under an agreed cap, which in turn they could trade to each other so as to improve economic efficiency. Whether market forces could discipline polluters in the manner envisaged soon became academic, as Waxman-Markey reduced the auction amount to just 15% of permits.

The intrinsic problem in setting a market price for such an elusive commodity – Green House Gas emissions – had already been revealed when the ETS crashed in 2006 thanks to the EU’s overallocation of pollution rights. The market regulators had miscalculated on how to set up the ETS from scratch, with electricity generation firms granted far too many permits (roughly €50 billion worth of pollution rights, if measured at €30 per tonne, were transferred to large European CO2 emitters annually through the ETS). In April 2006, the carbon spot market price lost over half its value in a single day, destroying many carbon offset projects earlier considered viable investments.

Even after a price recovery, by 2007 it was apparent that Europe’s carbon trading pilot was not working. As Peter Atherton (2007) of Citigroup conceded, “ETS has done nothing to curb emissions. . . [and] is a highly regressive tax falling mostly on poor people.” Asking whether policy goals were achieved, he answered: “Prices up, emissions up, profits up . . . so, not really. Who wins and loses? ‘All generation-based utilities – winners. Coal and nuclear-based generators – biggest winners. Hedge funds and energy traders – even bigger winners. Losers . . . ahem . . . Consumers!’” A Wall Street Journal (2007) investigation in March 2007 confirmed that emissions trading “would make money for some very large corporations, but don’t believe for a minute that this charade would do much about global warming.” The paper termed the carbon trade “old-fashioned rent-seeking... making money by gaming the regulatory process.” Carl Mortished (2008) wrote in The Times of London, “The ETS is making a mockery of Europe’s stumbling attempts to lead the world in a market-based carbon strategy. It is causing irritation and frustration to the armies of advisers and investors who seek to cajole utilities into big investments in carbon reduction.” As The Guardian (2008) revealed, the ETS provided “hundreds of millions of pounds to some of Britain’s most polluting companies, with little or no benefit to the environment”. Added Jonathan Leake (2008) in the London Times,
The incongruity of proposing that a brand new financial market might be able to save the world – when faith in every other kind of financial market is tumbling – needs no underlining. But there are plenty of other reasons for scepticism, too. Jim Hansen, director of the Nasa Goddard space centre and a renowned critic of global measures to combat climate change, believes carbon trading is a “terrible” approach. “Carbon trading does not solve the emission problem at all,” he says. “In fact it gives industries a way to avoid reducing their emissions. The rules are too complex and it creates an entirely new class of lobbyists and fat cats.”

Specific carbon offsets and CDMs fared no better in these investigations. *The Economist* (2008) hosted a debate on carbon offsets in December 2008, in which Michael Wara of Stanford and Kevin Smith of Carbon Trade Watch argued the proposition that they “undermine the effort to tackle climate change” – and by a readers’ vote of 55-45, defeated Henry Derwent of the International Emissions Trading Association and carbon trader Mark Trexler. Not only were voluntary offsets increasingly dubious, but verified CDM projects in the Third World were also considered counterproductive. According to a *Newsweek* (Vencat 2007) magazine investigation in March 2007, the CDM concept “isn’t working... [and represents] a grossly inefficient way of cutting emissions in the developing world.” Notorious projects like the Bisasar Road toxic landfill in Durban and Plantar monocultural timber in Brazil were promised vast funds, with deleterious consequences for local communities and ecosystems. *Newsweek* (Vencat 2007) called CDMs “a shell game” which has already transferred “$3 billion to some of the worst carbon polluters in the developing world.” In early 2009, the *London Times* (2009) uncovered problems in Mozambican tree planting investments supported by high-profile celebrities (e.g. Ronnie Wood of the Rolling Stones and actor Brad Pitt), including that “it is almost impossible to guarantee that the trees will survive the length of time needed to offset any significant carbon emissions.” As a TransNational Institute Carbon Trade Watch (2009) report remarked,

> These failings are not caused by teething problems, but are symptomatic of the extreme difficulties of assessing the value of ‘carbon,’ which is a commodity that bears little relation to any single real world object. More generally, the scheme over-estimates the capacity of price to achieving structural change in energy production and industrial practice.

Markets work at the margins, and to solve the climate crisis, much more radical, transformative regulations and public investments are required to break through to new energy, extraction, production, distribution, consumption and disposal systems.

**Post-Copenhagen carbon market doldrums and US capitalist ambivalence**

At the Copenhagen summit in mid-December 2009, the global climate governance elites simply could not generate the consensus required for a renewed carbon market initiative, particularly in the wake of the US Senate’s failure to find sixty (out of 100) votes in favour of a scheme similar to Waxman-Markey. One reason the US became the major brake on the system’s global emergence was the difficulty in selling cap and trade legislation to the US public, as the main 2009 poll of popular support for carbon trading (by Hart Research Associates in August 2009) found only 27% of the 1000 people surveyed in support, half as much as a direct tax. As Energy and Environment Daily (2009) reported,
When both concepts are explained, voters of all political affiliations and backgrounds favor the tax proposal by a significant margin. Sixty-six% of Democrats prefer the carbon tax, as do 58% of independents and 46% of Republicans. Overall, 57% of those surveyed say they would favor a carbon tax, while 37% are opposed... The poll’s designers say support for the carbon tax proposal stems from a belief that it is far simpler than cap and trade, provides a revenue steam for tax refunds to offset consumer costs of the tax, offers a more direct incentive for businesses and consumers, and is less likely to be corrupted by loopholes for certain interests.

_financial times_ climate finance reporter Kate Mackenzie (2010) explained,

Most people just don’t like the idea of carbon cap-and-trade schemes. Whether they object because it’s like a tax, or because it’s not like a tax, or because it only benefits those crooked financial types, or because it’s too bureaucratic and expensive, or because they hate offsets, or free allowance giveaways to polluters... there’s an objection for almost everyone. A pretty powerful constituency however does like cap-and-trade: (some) economists, financial industry types, policy wonks, and some big businesses.

And yet that constituency – those Harvey (1996) has described as ‘ecological modernizationists’ and especially the financial markets which depended upon their policy advocacy – was not strong enough to buck climate denialists, other critics and a skeptical public. A much bigger problem was thus revealed, for indeed on every occasion since the mid-1990s – in 1996 the Montreal Protocol capped and began eliminating ChloroFluoroCarbons in order to close the ozone hole – elite political will was insufficient to address world crises and to give multilateral institutions the power to solve problems, whether through state action or markets. The failure to take forward the Kyoto Protocol’s ambitions in subsequent Conferences of the Parties added to the overall malaise in global forums as well as more discrete gatherings such as the G8 and G20. The World Trade Organisation could not follow through with its Doha Agenda, the Bretton Woods Institutions and Monterrey Financing for Development process did not succeed in lubricating flows to the South or shoring up a volatile world banking system. The United Nations itself became irrelevant when it came to geopolitical tensions. All these problems of achieving global-scale coordination reflected the internecine struggle of capitals, especially the power of recalcitrant fractions within US capital, at the centre of world power.

By the end of 2009, cap and trade was losing the support of a great many US Senators and even the leading Senator in favor of carbon trading, John Kerry, admitted in Copenhagen that he might have to switch to a carbon tax (Politico, 2009). As the e-zine Politico summed up in early 2010,

Prospects for Senate passage of the legislation — already approved by the House last summer — have dimmed in recent months, with the bruising health care debate and looming midterm elections. Last month was particularly brutal, as environmental advocates fended off criticism of climate negotiations in Copenhagen that failed to produce a strong international agreement. Even some supporters now publicly doubt that the bill will get done this year. Senate Energy and Natural Resources Committee Chairman Sen. Jeff Bingaman (D-N.M.) told The Associated Press last week that passage of the legislation was unlikely.

Gridlock meant there was a good chance that legislated carbon trading would simply die, as two _foreign policy_ writers, Ted Nordhaus and Michael Shellenberger (2010), anticipated:
Midterm elections [in November 2010] are likely to bring large Democratic losses in the House, and, fairly or not, a hard vote for failed cap-and-trade legislation will take a fair share of the blame. For House Democrats it will be déjà vu all over again. In 1994 they went out on a limb and voted for an energy tax (known as the Btu tax) pushed by then-Vice President Al Gore and President Bill Clinton’s White House only to see the Senate reject such a measure. Having been ‘BTUed’ by two Democratic administrations, twice-fooled Democrats are unlikely to sign up for more of the same in the next Congress. And cap and trade’s death in the Senate would likely signal its death everywhere – Australia, Japan, Canada, and eventually even Europe.

By January 2010, “moderate [Senate] lawmakers said the chances for enactment of any bill, regardless of its structure, were either nil or completely unpredictable in light of the election... of Sen. Scott Brown (R-Mass.) to replace the late Sen. Ted Kennedy” (Leber and Marshall, 2010). Ironically, Brown had originally been a supporter of the Regional Greenhouse Gas Initiative in ten northeastern US states, which in 2009 was valued at $2.5 billion, about 2% of the world market, but with prices of just €2.35/tonne (compared with Europe’s €13/tonne). The mid-2010 death of the climate bill occurred within weeks of BP’s Gulf Oil spill, which left Kerry, Lieberman and others unable to stitch together both energy and climate concessions sufficiently generous for the coalition of capitals required to move legislation through the Senate. Again, at a larger level, this reflected internecine battles over spatio-temporal fixes, and whether parts of the US – both economically and geographically – would suffer devalorisation as the cost of climate crisis management began to be felt. The overall view of US capitalists seemed to be clear: continue to pass the costs to the environment and to those parts of the world that would be most adversely affected by climate change.

Meanwhile, in the South, the CDM market shrank by 28% from 2008-2009, to €17.5 billion, about 15% of the total, with most of the activity in China and India. The JI market fell 38% in volume over the same period, and 45% in value, to €399 million. Utility stockpiles and Eastern European hot air sales were anticipated to cause further falls in 2010 (Sweet 2010). The other big factor is the extent to which economic decline continued in Europe, for the continent’s 2008-09 year-on-year GDP fall was 4.1%; industrial output was down 12%, and carbon-intensive construction was also adversely affected by the real estate bubble’s burst. Given these economic trends, the medium term is grim, with even Lord Adair Turner – chair of the UK Climate Change Committee – admitting, “the existing particular form of liberalised market structure has reached the end of its road... Prices [will] struggle to reach €20-30/tonne of CO2e by 2020.” Just a year earlier Turner’s committee had optimistically assumed a price of €50 by 2020, high enough to support many alternative energy projects (Ends, 2009).

**Eco-social justice alternatives**

Beyond the newspaper scandal investigations, it is interesting to consider just how far the critique of markets goes within the environmental and social justice communities. Perhaps the highest-profile environmentalist critic of carbon trading is Hansen (2009):

> Cap-and-trade is the temple of doom. It would lock in disasters for our children and grandchildren. Why do people continue to worship a disastrous approach? Its fecklessness was proven by the Kyoto Protocol. It took a decade to implement the treaty, as countries extracted concessions that weakened even mild goals. Most countries that claim to have
met their obligations actually increased their emissions. Others found that even modest reductions of emissions were inconvenient, and thus they simply ignored their goals.

Already a half-decade earlier, a first generation of carbon trade critics – affected communities (from Indonesia, Thailand, India, South Africa, Brazil and Ecuador), academics and researchers, and radical environmentalists – took the name Durban Group for Climate Justice and issued the “Durban Declaration” in October 2004 to sound the alarm about ethical and economic shortcomings. The analysis was foregrounded in the TransNational Institute’s Carbon Trade Watch (2003) report *The Sky is Not the Limit*, and was then produced as a seminal book, *Carbon Trading*, by Larry Lohmann (2006) for the Dag Hammarskjold Foundation. Campaigning in Durban itself was set back by the July 2007 death of meeting host Sajida Khan, who battled a CDM methane extraction proposal that kept open the Bisasar Road toxic dump next to her home and that caused the cancer that ultimately killed her. But by December 2007, the movement joined forces with broader global justice activism in the Climate Justice Now! (CJN!) network formed at Bali. As the CJN! (2007) manifesto put it, “Climate Justice Now! will work to expose the false solutions to the climate crisis promoted by these governments, alongside financial institutions and multinational corporations – such as trade liberalisation, privatisation, forest carbon markets, agrofuels and carbon offsetting.”

At a micro level, the roles of wastepickers, indigenous people, forest dwellers, dam-affected communities, critical environmentalists and others threatened by enclosure processes associated with the carbon trade are diverse and even contradictory at times (e.g. in South Africa’s main pilot project, the Bisasar Road methane-electricity landfill, which was supported by some wastepickers against other community critics who aimed to close the dump)(Bond, Dada and Erion, 2009). Most are critics, especially of the Reducing Emissions from Deforestation and Forest Degradation (REDD) programme and the World Bank’s Forestry Carbon Partnership Facility (earlier CDMs also financed forest and timber projects). These emissions permits were criticized in Copenhagen by the Durban Group for Climate Justice (2009):

> Like CDM credits, they exacerbate climate change by giving industrialized countries and companies incentives to delay undertaking the sweeping structural change away from fossil fuel-dependent systems of production, consumption, transportation that the climate problem demands. They waste years of time that the world doesn’t have. Worse, conserving forests can never be climatically equivalent to keeping fossil fuels in the ground, since carbon dioxide emitted from burning fossil fuels adds to the overall burden of carbon perpetually circulating among the atmosphere, vegetation, soils and oceans, whereas carbon dioxide from deforestation does not. This inequivalence, among many other complexities, makes REDD carbon accounting impossible, allowing carbon traders to inflate the value of REDD carbon credits with impunity and further increasing the use of fossil fuels.

The anti-enclosure narrative offered by Tom Goldtooth, director of the Indigenous Environmental Network, is telling: “Most of the forests of the world are found in Indigenous Peoples’ land. REDD-type projects have already caused land grabs, killings, violent evictions and forced displacement, violations of human rights, threats to cultural survival, militarization and servitude.” Goldtooth noted that Papua New Guinea native leader Abilie Wape “was forced at gun point to surrender the carbon rights of his tribe’s forest.” Confirms the London-based NGO Survival International, REDD could leave Indigenous Peoples “with nothing” (Durban Group for Climate Justice, 2009).
In contrast, there are market-oriented environmental organisations which have endorsed carbon trading as a step forward. According to Sierra Club Canada director Elizabeth May, for example, “I would have preferred a carbon tax, but that is not the agreement we have. The reality is that Kyoto is the only legally binding agreement to reduce greenhouse gasses. When you’re drowning and someone throws you a lifeboat, you can’t wait for another one to come along” (Athanasiou 2005). There are also African countries whose own future industrial development prospects are limited by eventual capping of CO2 emissions, amongst which South Africa looms large given that as a measurement of carbon intensity, the energy sector’s CO2 emissions per unit of per capita GDP was twenty times that of the United States by the time of Kyoto (Bond 2002). One advocacy position that seeks to unite market environmentalists and Third World states is the demand for a notional per capita pollution rights grant, which in turn can be traded (e.g. Greenhouse Development Rights, and Contraction and Convergence).

Would the kind of carbon tax Hansen advocates satisfy the activist critics? Many have expressed ambivalence about the potential for a tax on greenhouse gas emissions, because this market-related approach would take the production system as given and alter the demand structure, again falling victim to the problem of change merely at the margins. According to an assessment by the US Congressional Budget Office (2008),

A tax on emissions would be the most efficient incentive-based option for reducing emissions and could be relatively easy to implement. If it was coordinated among major emitting countries, it would help minimize the cost of achieving a global target for emissions by providing consistent incentives for reducing emissions around the world.

But aside from its failure to transform systems that generate emissions, major problems with taxation are tax avoidance capacities of influential industries, and incidence: who will pay the bill. There are certainly means of designing a tax system with a strongly redistributive outcome, and in the process incentivizing transformative economic strategies. However, a dramatic shift in political power is required for such an outcome. And if such a shift in power is achieved, there would quickly also arise more rapid alternatives to such market-based strategies. These typically include both state-oriented command and control, and fenceline/grassroots “direct action”. Command-and-control strategies for emissions reductions include some important victories such as the banning of Chlorofluorocarbons in the 1996 Montreal Protocol in order to prevent ozone hole destruction, and many European emissions regulations. Moreover, a national state strategy known as “leave the oil in the soil” (and “leave the coal in the hole”) entails both state prohibition of fossil fuel extraction and direct grassroots action against greenhouse gas emission points. Direct actions are increasing: environmentalists in dinghies harassing vast coal ships in Newcastle, Australia; blockaded British power plants; campaigns against the Alberta Tar Sands in Canada; and sit-ins against coal extraction in West Virginia and coal-based power generation in Washington, DC in 2009. This crucial step in Northern environmentalism followed Al Gore’s remark in August 2007: “I can’t understand why there aren’t rings of young people blocking bulldozers and preventing them from constructing coal-fired power plants” (cited by Kristoff 2007). In March 2010, days after a direct action protest at the Environmental Protection Agency, the West Virginians won a commitment from its director, Lisa Jackson, that mountain top removal would end, via enforcement of the Clean Water Act in view of the destruction of myriad water courses in the mountains.

The South also offers very serious leadership in Polanyian ‘double-movement’ politics, such as from indigenous people and environmental and community activists in the Niger Delta and Ecuadoran
Amazon. Accion Ecologica persuaded Ecuadorian president Rafael Correa to consider an oil-in-the-soil plan to prevent drilling in the Yasuni National Park in 2007, which by June 2009 was rewarded with a $50 million/year commitment by the German government and in July 2010 by the establishment of a United Nations trust fund that activists believe can be kept free of the carbon markets. Most spectacularly, Niger Delta activists kept vast amounts of oil in the soil through both non-violent and armed struggle. In the former category, Environmental Rights Action in Port Harcourt insisted on an end to extraction and exploration. In the latter, the Movement for the Emancipation of the Niger Delta continued to kidnap foreign oil workers, demanding they vacate the Delta for good. Thanks in part to organising by the Ogoni Solidarity Forum, Shell Oil was kicked out of Ogoniland in June 2008, 13 years after the company arranged for Ken Saro-Wiwa’s execution, an act for which they settled an Alien Tort Claims Act lawsuit out of court in June 2009 for $15.5 million. In South Africa, the Pietermaritzburg NGO groundwork linked OilWatch to several dozen anti-oil activists’ groups from across the continent at a September 2008 conference, and a month later, citing climate concerns, the South Durban Community and Environmental Alliance began a legal appeal to the national government, aiming to reverse a $2 billion Durban-Johannesburg pipeline investment which would double oil refining in the polluted community. These are examples of serious strategies in place to halt climate change at the supply side, and proponents believe that though they are still microscopic in nature, these strategies and tactics could be much more effective than carbon markets. Many have been inspired by Alaskan and Californian environmentalists’ ability to withstand US oil company pressure to drill in the tundra and off the coast.

To be successful beyond ‘Not In My Back Yard’ politics, such individual sites of environmental injustice, where markets penetrate and societies resist, require broader, deeper linkages of eco-social contestation. Climate Justice Now! (2007) emerged with these kinds of strategies in mind, in December 2007, issuing five demands: reduced consumption; huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation; leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy; rights based resource conservation that enforces Indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and sustainable family farming, fishing and peoples’ food sovereignty.

These principles were further fleshed out in Cochabamba, where the April 2010 conference declared the emissions market had become “a lucrative business of commercializing our Mother Earth. Instead of tackling climate change, it is an act of looting and ravaging the land, water and even life itself.” As Naomi Klein (2010) summarised, that event generated four big ideas: that nature should be granted rights that protect ecosystems from annihilation (a Universal Declaration of Mother Earth Rights); that those who violate those rights and other international environmental agreements should face legal consequences (a Climate Justice Tribunal); that poor countries should receive various forms of compensation for a crisis they are facing but had little role in creating (Climate Debt); and that there should be a mechanism for people around the world to express their views on these topics (World People’s Referendum on Climate Change).

No matter that the Climate Justice component movements are disparate, these are the kinds of narratives that link spatio-temporal resistances amongst diverse eco-social forces during a period of austerity, civil society weakness and repression. The agents of social and environmental change can
take advantage of neoliberalism’s discredited ideological status, and demand from the next global and national negotiations a strategy not based upon commodifying carbon. But to do so they still need to generalize an innovative critique that has emerged over time, as the emissions trading strategy rose, peaked and then apparently fell during the frenzy of Kyoto-Copenhagen climate politics. From the common critique will come more confidence in the types of strategies, tactics and alliances that appear to be taking a distinct, multi-layered form of ‘scale politics’ for much of the CJ network. It is too soon to say whether these too become generalized but at least in mid-2010, they can be grouped into five coherent levels of action.

First, at global scale (the next COPs in Mexico and South Africa), the CJ movement and its components will continue to make demands – albeit unwinnable in the foreseeable future given the adverse balance of forces in the UN and G8/G20 – for huge emissions cuts (45% of industrial economy greenhouse gases by 2020), 2) Climate Debt payments (scaling up to $400 billion/year by 2020), and 3) carbon market decommissioning, along with the visionary global-governance arrangements proposed in Bolivia. Second, at national scale, movements will continue to make demands – also unwinnable in most settings, where due to adverse power balances, unacceptable legislation and/or gridlock are most likely – for industrial economies to make cuts of the same magnitude, Climate Debt payments and carbon market decommissioning, plus provide massive state investments in transformed, decentralized energy systems, transport and infrastructure. At national scale in semi-industrialised economies (e.g. especially BASICs), demands will be made for emissions cuts based upon reversing their growing fossil fuel addictions, and in some cases (e.g. South Africa) for payment of a climate debt to poorer neighbours, and for the rejection of CDMs and offsets.

Third, beyond making unwinnable demands, the CJ movements will pressure national states to create or strengthen national environmental regulatory agencies, and challenge these institutions to restrict greenhouse gas emissions as dangerous pollutants (for example, as in the US after lawsuits and direct action protests against the EPA). Fourth, at regional/provincial/state/municipal scales, the movements will engage public utility commissions and planning boards to block climate-destructive practices and projects. And fifth, at even more local scales, CJ movements will identify point sources of major greenhouse gas emissions, power consumption or excessive transport, and raise consciousness and the cost of business-as-usual through direct action and other pressure techniques.

The point about these kinds of reform demands and concrete actions is that they replace what is now obviously a myopic reliance upon emissions markets – and the fractions of capital (in finance, energy and agriculture) and political forces promoting markets – with state command-and-control functions plus direct action. The successes noted so far with this set of bottom-up strategies, tactics and alliances are small, fragmented and potentially unsustainable (the outcome of the Yasuni Park financing struggle will be most revealing). But nevertheless these appear to be the bases upon which a serious climate justice political project will stand. The urgency of gaining traction for the sake of making substantial cuts in emissions is obvious enough, but the danger of moving too urgently with a climate politics that takes on board emissions markets simply because the Kyoto Protocol set them up is far more damaging. As shown in the pages above, the danger comes from the unworkability of emissions markets even though they appear attractive to elites (North and South) in part as a spatio-temporal displacement technique for overaccumulated capital. The evidence suggests, however, that the markets have had their chance, and for all manner of reasons have failed. The next step beyond realizing this is to gather a much broader coalition of forces working at the various scales above, and build a climate justice movement that can assure the
survival of all life on the planet, not just those very few who, through success in the markets and other sites of accumulation, will retain some degree of insulation.

Correspondence: School of Development Studies and Centre for Civil Society, University of KwaZulu-Natal, Durban 4001, South Africa, email: bondp@ukzn.ac.za

References


Dales, J. 1968. Pollution, Property and Prices: An essay in policy-making and economics, Toronto: University of Toronto Press.


Paper for ESRC Neoliberalism Seminar, 1 April.


Climate justice politics across space and scale

*Human Geography, July 2010*

**Abstract**

After roughly two decades of growing activist interest in the climate problem, the deadlocked politics of formal climate change negotiations generated such divisions that a formal global network of radical proponents of ‘climate justice’ emerged. In December 2007, Climate Justice Now! was formed to transcend earlier technicist, market-oriented, insider strategies by environmental NGOs. South Africa is one place where climate justice politics reflected the top-down lack of political will and growing bottom-up anger. The spatial and scalar visions of climate justice activists at both global and local levels are worth considering in detail, given the importance of this work for planetary sustainability and the living conditions of future generations, as well as for transnational activism more generally. Using David Harvey’s insights on crisis and displacement, the article suggests routes of analysis, strategies, tactics and alliances that can be compared between global and local levels, with South Africa as a case study.

1. Introduction

This article draws together lessons from recent global and South African episodes in climate politics which reveal core insights into radical analyses and activism against climate change. Combating greenhouse gas emissions is a formidable challenge, and the first two decades of environmentalist awareness about the coming climate catastrophe obviously did not establish sound principles for social and state interventions. For critics, the scalar and spatial nature of the challenge is rarely strategized explicitly. However, the recent fusion of the ‘global justice movement’ with radical environmentalism may result in a decisive mix of ‘red’ and ‘green’ politics, stretching from local to global scales.

One reason for failure, to date, is the inadequate understanding among most environmentalists regarding capitalist climate imperatives. In turn, this stems in part from their overly generous assessments of global elite *bona fides*, a mistaken sense of the balance of forces in global-scale negotiations, a naïve belief that market mechanisms can work to solve (rather than exacerbate) the crisis, and a lack of sensitivity to North-South relations. In some cases too, the Big Green groups – especially National Resources Defense Council, Environmental Defense, Conservation International, the Nature Conservancy, World Wide Fund for Nature and the Sierra Club – turned to corporate partners for financial support and, as a result, turned their backs on climate science. ‘I find the behavior of most environmental NGOs to be shocking,’ eminent climate scientist James Hansen recently stated. ‘I [do] not want to listen to their lame excuses for their abominable behavior’ (cited in Hari, 2010). Most prominently, the Climate Action Network, representing Big Green and similarly-minded smaller groups, has long supported emissions markets, to the point that extreme conflicts of interests emerged when Network leaders began earning side profits from the carbon trade (Bond 2009a).

As a result, a movement that became known as Climate Justice (‘CJ’) emerged during the 2000s. It drew inspiration from traditions such as US anti-racist politics associated with environmental justice organizing dating to the 1980s, the incipient radical environmentalism that regularly attempted to break out of stifling United Nations negotiations, and the Global Justice movement that symbolically began in Chiapas with the Zapatista uprising in 1994 and became global in orientation with the Seattle protests against the 1999 World Trade Organization (WTO) millennial summit. One marker of this new approach was the 2004 founding of the Durban Group for Climate Justice, a
loose network largely aimed at building a critique of carbon trading. At the Bali Conference of the Parties in December 2007, the Climate Justice Now! network was launched, and two years later, joined Climate Justice Action (mainly European radicals) as the leading critics of the Copenhagen climate summit. In the wake of Copenhagen, a return of the same forces to Cancun will very likely see a repeat of the elite failure of December 2010, amidst militant protest outside. The same can be expected in South Africa when the Conference of the Parties reconvenes in late 2011.

Interesting new developments should inform CJ politics. The most important are the probable demise of overarching global (and US national) emissions markets as a serious vehicles for mainstream environmentalism, and the emergence of campaigns that relate to both the spatial and scalar challenges of global and local climate politics. The case studies in this article are drawn from South Africa, but similar processes elsewhere bear consideration.

As discussed in more detail below, this shifting-stalling-stealing strategy of powerful Northern actors (and supplicant Southern elite allies) recurs in capitalist crisis displacement (Section 2) in a manner that helps us understand climate negotiations (Section 3). A case study of South African national climate policy is reflective of how intermediate terrain has been won by the global elite, including the specific cases of a World Bank carbon trading project in Durban and a $3.75 billion loan to South Africa’s electricity parastatal Eskom (Section 4). This rounds off the argument that a serious ideology and strategy crossing space and scale will invariably embrace anti-imperialist, eco-socialist politics, and that the roots of this strategy have been planted in the movement now known as Climate Justice (Section 5).

2. Shifting, stalling and stealing through space, time and accumulation by dispossession

The context is crucial. Drawing on David Harvey’s insights into the laws of motion of capital, the climate debate fits well within what might be called a shifting-stalling-stealing strategy at the heart of contemporary capitalism. The three routes correspond to the ways capitalism dealt with its deep-rooted problem of overaccumulation, dating to the 1970s, using what Harvey terms the ‘spatial fix,’ the ‘temporal fix,’ and ‘accumulation by dispossession.’ In the field of political economy, these concepts refer, respectively, to:

- *globalization’s* ability to shift problems around spatially, without actually solving these problems;
- *financialization’s* capacity to stall problems temporally, by generating credit-based techniques – including securitization of toxic loans – that permit the purchase of products today at the expense of future arrears and defaults when the upside-down pyramid topples; and
- *imperialism’s* compulsion to steal from weaker territories via extra-economic extractive systems, variously termed ‘articulations of modes of production,’ ‘primitive accumulation,’ ‘uneven and combined development,’ the ‘Shock Doctrine,’ and ‘accumulation by dispossession’.

The mismanagement of capitalist crises, most spectacularly in 2008-09, included vast taxpayer bank bailouts when the financial bubbles burst. These, in turn, set the stage for another coming round of subprime disasters (next time, sovereign debt defaults combined with commercial real estate) as well as more rapid devaluation of the dollar. No matter how much the shifting, stalling, and stealing, more is required than US Treasury and the Fed have accomplished – but there are limits, now emerging into plain view.
It is a general problem, as we see by retracing several decades. Shifting-stalling-stealing moves are required when capital exhausts options to address periodic over-accumulation crises – such as 1973-75, 1980-82, 1989-92, 1997-2001 and 2007-09, with more to come – through traditional means. These would include classical strategies Marx identified as countervailing tendencies, such as raising the profit rate through work speed-up and intensity (absolute surplus value) or more efficient, capital-intensive production (relative surplus value). But the crises cannot be solved in these ways, because overaccumulation stems from excessive productive capacity and gluts of markets, commodity stocks, labor pools and financial assets unable to achieve deployment in a manner that generates acceptable levels of profit (Harvey 1982). As a result, the traditional strategies have to be augmented by shifting problems around geographically (Harvey’s term is the ‘spatial fix’ – or ‘shifting’); and building up vast debt and blowing speculative bubbles so as to stall crises until later (Harvey’s ‘temporal fix’ – or ‘stalling’). At this stage, capital often needs more routes to offset the tendency of the rate of profit to fall, including the appropriation of non-capitalist spheres of society and nature through extra-economic, imperialist techniques, in the manner Harvey (2003) termed ‘accumulation by dispossession’ (or, ‘stealing’). Rosa Luxemburg (1951) described this process in The Accumulation of Capital and Naomi Klein (2007) updated the argument in Shock Doctrine. The leading statement from Africa about capital’s tendency to ‘financialization’ as part of this process was restated recently by Ugandan political economist Dani Nabudere (2009) in his Crash of International Finance Capital.

Can the capitalist strategies of shifting, stalling and stealing also inform our understanding of the environmental dynamics associated with accumulation? Core insights drawn from Harvey’s amendments to Marxist theory include the shifting of the geographical framework for climate (with the South and East bearing increased responsibility) as the crisis hits home in the North; the stalling of its resolution through recourse to financial markets – e.g. the European Union Emissions Trading Scheme – no matter how dysfunctional; and ‘stealing’ the right to emit pollutants from the more vulnerable countries of the South. After all, a crucial limit to capitalist political economy is political ecology. Larry Summers arranged Wall Street bailouts in 1995 (Mexico), 1997-98 (East Asia) and 2008-10 (across the world but mainly helping Wall Street) through extreme devaluations visited upon vulnerable countries and people. These hark back to December 1991. At that point, as World Bank chief economist, Summers (1991) wrote (or at least signed a memo written by Lant Pritchett) that ‘The economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that,’ and ‘African countries are vastly underpolluted’. The gist of Summers’ analysis and strategy is that the US and other First World ultra-polluters should:

- shift problems associated with environmental market externalities to the South;
- stall a genuine solution to the problems by instead opening up the field of pollution-trading for a future market solution, using financialization techniques and imaginary ‘offsets’ ostensibly aimed at building tomorrow’s sinks so as to mop up today’s dangerous forms of Northern pollution; and
- steal more of the world’s environmental carrying capacity – especially for greenhouse gas emissions – and perhaps pay a bit back through commodification of the air (resorting to mythical carbon markets and offsets) while denying climate debt responsibilities (as the US negotiating team did in Copenhagen, especially chief envoy Todd Stern: ‘The sense of guilt or culpability or reparations – I just categorically reject that’) (Bond 2009b).

This is the basic theoretical and interpretive standpoint that allows us to study power politics in climate negotiations beginning in 1997 and carrying through to 2010.
3. Kyoto-Copenhagen-Cancun

Three simple steps need to be taken to escape the greenhouse-gas governance gridlock among global elites, although United Nations officials, and nearly all the world’s climate negotiators, refuse to take them:

- make dramatic emissions cuts – 45% below 1990 levels in the advanced capitalist economies, within a decade, so as to reduce the temperature rise to less than 1 degree centigrade in line with scientific demands and the calls of climate change victims (World People’s Conference on Climate Change and the Rights of Mother Earth, 2010);
- acknowledge the vast climate debt the wealthy North owes to the under-emitting South – estimated at $400 bn/year by 2020 (Klein 2009a, Lee 2009); and
- decommission the destructive carbon markets – which have proven incapable of fair, rational and non-corrupt trading (Lohmann 2009).

As noted, elites prefer other routes: shifting, stalling, and stealing, three moves we can use to characterize both contemporary economic crisis management and climate malgovernance. The carbon markets assist capitalism in generating all three moves, and it is remarkable that it took more than a decade before a critical mass of opponents emerged after the Kyoto Protocol was formulated. Instead, while Washington’s Big Green organizations initially opposed carbon trading, they were won over in Kyoto. They were joined by European elites, who set up the EU Emissions Trading Scheme along the lines Al Gore had requested in 1997. At that point, Gore falsely promised the US would sign on to Kyoto if it included carbon markets (and which has made him, personally, even more wealthy, as a pioneer carbon market participant). But the route from Kyoto to Copenhagen was one Washington declined to travel, as the Senate voted 95-0 against the Kyoto accords. The Bush regime showed up near the endgame, in Bali in 2007, with a vague commitment to join future post-Kyoto talks, if China and India were compelled to make deep cuts.

Then, in Copenhagen, Washington ‘broke the UN,’ as 350.org leader Bill McKibben put it, by invoking a WTO-style Green Room strategy of divide-and-conquer (Bond 2009b). In a microcosm of last-minute shifting-stalling-stealing, the Copenhagen Accord brought the US together with the Brazil, South Africa, India and China (BASIC) bloc so that five leaders-of-color – Barack Obama, Lula da Silva, Jacob Zuma, Manmohan Singh and Wen Jiabao – could cement, for future decades, the untenable profits and lifestyles enjoyed overwhelmingly by white-owned capital and white over-consumers.¹ Process aside, the Accord’s content was nearly universally condemned, for four reasons:

- inadequate emissions cuts imply a catastrophic 3.5 degree centigrade increase in average temperatures by the end of the century, with options for vague ‘pledge and review’ commitments and offsets so that Northern polluters can outsource the cuts;
- no clear sources of financing and explicit commitments to pay the North’s ‘climate debt’ to the South, owed for taking too much environmental space and doing massive climate damage (such as the current 300,000 premature deaths annually, escalating much more

¹ Tellingly, amongst the first groups of rural Africans to be fatally affected by the extreme climate change that the Copenhagen Accord locks in, are the Luo people of Kenya and the Zulu of KwaZulu-Natal: Obama’s and Zuma’s closest kin. Nine of ten African peasants will not be able to produce if the 2 degrees centigrade mark is breached this century, according to UN experts (Pachauri, 2007).
quickly as climate chaos worsens beyond 1 degree centigrade)(United Nations Framework Convention on Climate Change, 2008);

• the deal’s departure from Kyoto Protocol and Bali Action Plan principles which set out far more ambitious targets for richer versus poorer countries; and

• no legally binding components or compliance mechanisms.

At Cancun, in November-December 2010, we can expect a re-occurrence of the crashed WTO ministerial summit held seven years earlier, in the form of protests outside and a walk-out and consensus-denial by insider elites. For also in Cancun in 2003, a brave African delegation opposed South Africa’s trade minister (Alec Erwin), and withdrew from the WTO summit (Bond 2006). In late 2010, Cancun critics will no doubt include delegates from small islands, a few African countries, and the Bolivarians of Bolivia, Cuba, Venezuela and Nicaragua. They will be supported by tens of thousands of red-green activists outside the Cancun talks, a group far more militant than the 100,000 who marched December 12, 2009 in Denmark. We take up these movements’ strategic options, following a discussion of South African climate politics. This is more than a local case study, for the positions of state and capital on the one hand, and the Climate Justice Now! South Africa network on the other, will also shape global processes given South Africa’s 2011 hosting of the next Conference of Parties.

4. South African elite interests and climate injustice

In part because of South Africa’s vast CO2 emissions – the country’s carbon intensity per capita GDP output is amongst the world’s highest – the Pretoria government occupies an important position in global climate politics. As noted above, Brazil, South Africa, India and China – the BASIC countries – and the United States sponsored a climate deal at Copenhagen in December 2009, condemned by Klein (2009b) as ‘nothing more than a grubby pact between the world’s biggest emitters: I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.’ Returning from the meeting, South Africa’s environment minister Buyelwa Sonjica expressed ‘disappointment’ in the Copenhagen Accord that Obama persuaded SA President Jacob Zuma to sign at the last minute on December 18, 2009 (Bond 2010b). It failed on its own terms, as key deadlines slipped by. Moreover, Obama’s gambit meant that the WTO’s notorious divide-and-rule politics – controversially endorsed by South Africa (through Erwin) at the 1999 Seattle, 2001 Doha and 2003 Cancun summits but vetoed by the African delegation at the first and third – would become the norm for UN climate negotiations, to the obvious detriment of climate victims, especially in Africa (Bond, 2006). The cuts in South African emissions promised by Sonjica just before Copenhagen were labeled by Earthlife Africa as a ‘public relations stunt’ because of the ‘fantasy’ baseline projection (Bond 2009b). In reality, emissions cuts promised in Pretoria’s Long-Term Mitigation Scenario will not begin until after 2030.

The failure to prevent government from agreeing to the Copenhagen Accord can be blamed in part upon the weak state of civil society organizing and social consciousness. Amongst major countries surveyed in 2006, only China had a lower awareness of climate change than South Africa. The same problem had been evident when South Africa last hosted a major environmental conference, in Johannesburg in 2002, when the UN World Summit on Sustainable Development did not even consider climate change worthy of discussion.

Moreover, one of the most obvious strategic orientations of the South African government is carbon trading (Bond, Dada and Erion 2009). To illustrate the controversies, in April 2010 the Medupi power plant was proposed by Eskom officials as a potential Clean Development Mechanism
(CDM) project, in spite of the enormous eco-social resistance that arose to its financing by a World Bank loan (Newmarch 2010). In the same spirit, in 2009, an attempt by Sasol to claim that a gas pipeline investment was ‘additional’ to existing plans (hence deserving emissions reductions credits) was ridiculed by the Johannesburg activist group Earthlife (2009), and did not pass muster in the UN vetting process.

But the most controversial was South Africa’s single largest CDM project, a methane-electricity conversion at Bisasar Road landfill in Durban’s Clare Estate residential neighborhood, which processes 5000 tonnes of solid waste a day. As SA Energy Minister Dipuo Peters explained during a January 2010 visit and formal unveiling of the CDM, ‘As I understand it, the development of this project began as far back as 2002 when the Department of Cleansing and Solid Waste here in eThekwini municipality was approached by the World Bank encouraging the municipality to consider participating in CDM initiatives’ (Bond 2010c).

Durban bureaucrats believed the Bank and marketed Durban methane far and wide. But opposition arose from a local community activist, Sajida Khan, who lived next to the site until she died in 2007 of cancer, a disease she blamed white municipal officials for. The dump had been imposed on the Clare Estate community in 1980, in one of the world’s extreme cases of environmental racism. Many neighbors also succumbed to cancer. Because of Khan’s activism, profiled on the front page of the Washington Post the day the Kyoto Protocol became operational in February 2005, the Bank retreated from Bisasar (it did offer CDM status to two other small Durban landfills in August that year). During the 1990s, Khan organized thousands of her neighbors to call for the closure of the Bisasar Road site but apartheid bureaucrats refused, as did the post-apartheid city manager, Mike Sutcliffe, during the 2000s. ² He ordered the dump to stay open, contradicting ANC campaign promises in 1994, because Bisasar is extremely well-located and the valley – once a nature reserve – could take many years’ more worth of rubbish before filling up, hence more methane-electricity CDM monies.

For Khan, that meant the Clare Estate community would be forever stuck with waste, stink and toxins. Perfume rods along the fence sickened the air’s smell, instead of cleaning it. Gaps in the thin cement wall separating the dump from Kennedy Road (and thousands of shackdwellers) illustrated how little maintenance support the city provides. The methane-electricity conversion requires burning and flaring, which meant putrid fumes from rotting waste have a much higher level of lethal chemicals and metals. Ideally, Khan argued, the dump should be shut, a municipal ‘zero-waste’ strategy adopted, and methane piped out of Bisasar to a site (for industrial usage) not so densely packed with housing and schools in the immediate vicinity. But that would have cost the city a bit more.³ Instead, the project went ahead, although due to the international uproar over

---

² In 2008, Sutcliffe was granted two major honors by the American Geographical Association, reflecting the extraordinary conceptual distance between Ohio State University – from where they were proposed (and from where Sutcliffe received his PhD) – and Durban. Critics of Sutcliffe point to his refusal to grant permissions for nonviolent protest marches, championing of a new World Cup stadium costing hundreds of millions of dollars (in spite of a perfectly functional stadium operating next door), dogmatic (and failed) bus privatization, attempted closure of a century-old Indian market to put up a shopping mall at Warwick Junction, unending subsidies given to pet projects at the harbor and the International Convention Centre, controversies over the rejection of the ‘Blue Flag’ beach program to assure safe sea water, promotion of the economically dubious Dube Trade Port, and adoption of an economic development strategy reliant upon sports tourism – including Olympic Games bids – in an age of climate change, stadium and airport white elephants, and fast-rising air travel taxes.

³ The adverse consequences of Durban waste strategies are not limited to Bisasar Road. In the Indian-African suburb of Chatsworth, the Bul Bul Landfill emits toxic fumes, and in October 2009, a particularly bad eruption left more than 100 nearby schoolchildren hospitalized. According to Lushendrie Naidu of the Dumpsite Action Committee, “We are
Bisasar’s explicit environmental racism (the subject of a front-page Washington Post report in 2005), the World Bank was compelled to drop out. Khan died in July 2007, of cancer which she believed was brought on by the extension of dumping.

Another South African climate justice campaign – also unsuccessful in the short term – entailed fighting the World Bank’s coal portfolio. On April 8 2010, the Bank Board approved a $3.75 billion loan to the South African electricity utility Eskom, to build the world’s fourth largest coal-fired power plant. The Medupi power station will pump 25-30 megatonnes of CO2 into the atmosphere annually, more than the output of 115 countries. Paying for Medupi will require a 127% real price increase from 2007-12 for ordinary South Africans (to nearly $0.15/kiloWatt hour). Meanwhile the world’s biggest metals and mining houses – especially Anglo American Corporation and BHP Billiton (itself a beneficiary of twice as much as power as thirty million low-income black South Africans) – had signed ‘Special Pricing Agreements’ during apartheid. They still get the world’s cheapest electricity from Eskom, for less than $0.02/kWh, whereas the overall corporate price is around $0.05/kWh. In exchange for the cheap power, there are very few jobs and economic linkages because locally-sold steel and aluminum cost far more than the same products which are send abroad. Also sent abroad are their vast profits, contributing to the country’s severe payments deficit, which The Economist (2009) magazine found justified the ranking of South Africa as the world’s riskiest emerging market. South Durban activists launched the campaign against the Bank loan on February 16 2010, with a spirited protest at Eskom’s main local branch. South Durban has been an epicenter of protest against fossil fuels, given that the neighborhood hosts the largest and most irresponsible petro-chemical firms south of the Niger Delta. With electricity prices soaring, many more residents in South Durban suffered electricity disconnections. They often reconnect illegally, and as Eskom and the municipality clamp down, the result is more social strife, in a country with what is probably the world’s highest rate of community protest (Bond 2010c).

There were a great many other objections to the loan. In Limpopo and Mpumalanga provinces, community and environmentalist anger at Eskom and the World Bank was due to the coal-fired generator’s eco-social threats, both in the vicinity of Medupi and near the dozens of new coal mines that will feed it. Local ecologies are adversely affected, especially the notoriously degraded water table, as well as the air, land, vegetables and animals due to mercury emissions from coal. Moreover, Eskom’s desire to privatize 30% of generating capacity was explicitly advanced in the loan, leading to opposition from trade unions – especially the National Union of Metalworkers of South Africa – and consumers.

In spite of the Bank’s (2010) recent attack on ‘quiet corruption’, backhanders appear to characterize this project. The Bank loan will indirectly fund African National Congress (ANC) ruling protesting, demanding the dump be closed. For the past five years, chemical waste has been stored at Bul-Bul, yet there is no disaster management plan.’ Instead of a sensible disposal strategy, Durban’s bureaucrats are turning to waste incineration, using the energy/climate crisis as an excuse, and borrowing outmoded technology from Oslo. Yet as one official Norwegian document concedes, ‘Incineration and landfill are seen as the least desirable forms of waste management and represent the last resort within Oslo’s strategy.’ Because the super-carcinogenic chemical dioxin is produced in the process, the Norwegian group Aksjon Steng Giftefabrikken demanded that the two Oslo incinerators be closed. Yet Durban Mayor Obed Mlaba announced in the September 2009 city’s newsletter, ‘Residents of Oslo in particular, are generating electricity directly from solid waste. The way it’s done is that waste is simply fed into some transformer machine, where it is literally burned with the end product being electricity. Well, the good news for you and I is that we could soon have the same method right here on our doorstep. Once available, it would perfectly complement the methane-based power process,’ putting Durban ‘well on track to playing its part in curtailing global warming through the reduction of greenhouse gas emission into the atmosphere.’ The reality is much more dirty, dangerous and destructive (Bond, 2010c).
party coffers, because the power plant will be built with Hitachi boilers that in turn kick back, at minimum, millions of dollars thanks to a convenient – and utterly dubious (everyone admits) – ANC investment in Hitachi. When the deal was done, Eskom chair (and former environment minister) Valli Moosa was also a member of the ANC’s finance committee. A government investigation released in March found his conduct in this blatant conflict of interest to be ‘improper’. Finally, the matter of historic racial injustice deserves mention. The World Bank’s financing of apartheid began just three years after the 1948 election of the Afrikaners’ Nationalist Party, and included $100 million for Eskom. During that period, the Bank’s money financed electricity to no black households, and instead empowered white businesses and residences (Centre for Civil Society, 2010).

As a result of these critiques, more than 200 organizations across the world, representing communities, environmentalists, labor, churches, NGOs, academics, endorsed a tough statement against the loan. The strong showing for climate justice contrasted with prior South African experiences in which ‘green’ and ‘red’ social forces were split, such as the Johannesburg WSSD in 2002 (Bond 2002). They point to a future of climate justice campaigning that takes advantage of critical international linkages, and that tackles the country’s, and world’s, largest institutions. The ability of South African state and capital to shift, stall and steal using climate-related finance – CDMs or World Bank loans – was not fundamentally altered by the social struggles described above. But the stage is set for future battles that will be even more strongly contested from below.

5. Conclusion: The logic of Charleston-Cochabamba-Caracas

In addition to protesting climate injustice in the case of the World Bank loan to Eskom and South Africa’s main CDM project, as well as at global-scale sites like Copenhagen and Cancun (and no doubt at its 2011 follow-up in South Africa, probably Cape Town), what, then, is the optimal route mapped by the CJ movement? Is anything to be learned from the South African experience in linking a variety of red and green issues within a single campaign?

We can answer in the affirmative if we recall the political-economic logic of CJ, in relation to the way capitalist crisis has unfolded so as to amplify climate injustice (Bond 2010d). To sum up, coming to grips with climate politics requires CJ organizers to:

- halt elite shifting of the problem, by expanding our own spatial and scalar political lenses from the local to the national and global (as was often accomplished in 2000s global justice organizing and activism);
- halt elite stalling by telescoping long-term climatic processes into the present, but without getting so carried away by urgency that we endorse dubious deals (this is one of our most serious challenges because the most adverse impacts are years away for many, and some of the most opportunistic of false solutions are being imposed through rush-job environmental assessments); and
- halt elite stealing – not only of an unfair share of the planet’s environmental space, but also of multilateral political processes – by asking tough questions about mitigation and adaptation, and about climate justice, stressing North-South and class/race/gender power relationships.

We have already explored the terribly adverse balance of forces associated with global governance processes from Kyoto to Copenhagen to Cancun. The last solution to a world-scale problem, after all, was the 1996 Montreal Protocol banning ozone-hole-endangering CFCs. As a result, the CJ movement must not only contest but also circumvent the elites in order to escape their climate cul-
Such a process starts elsewhere, in unlikely places like Charleston, West Virginia, where the scale-challenge has taken groups like Coal River Mountain Watch and Climate Ground Zero from their localized mountaintop removal protests – including tree-sit microsites – to the state capital, where they locked down at the WV Department of Environmental Protection in June 2009. Their demand was a handover of responsibility from local bureaucrats captured by Big Coal, to the national Environmental Protection Agency (EPA).

But simultaneously, the same agency became the subject of intense climate protest, especially in March 2010, because of the EPA’s slovenly attitude towards West Virginia mountaintop removal. Activists blockaded the Washington headquarters entrance, and within days, the EPA issued such a tough ruling – based on water law – that it appears West Virginia mountaintop coal removal may become a practice of the past. But the agency needs more direct action to reverse EPA Administrator Lisa Jackson’s February 2010 announcement that her agency would delay substantive implementation of its 2009 ‘endangerment finding’ on coal until 2013 (curiously timed to avoid the Obama reelection campaign).

Indeed it is in national state regulation (in the US and every other country) that climate accountability has been most obviously missing. Direct command-and-control regulation of emissions sources – far beyond current EPA plans for imposition of better coal-burning technology – must be higher on the agenda in 2010, since the Senate is unwilling to pass a genuine climate bill. Gridlock in the Senate is rather useful, in this context of adverse power relations. As climate scientist Hansen and activists at Climate SOS and Rising Tide pointed out, the cap-and-trade strategy adopted by Senators John Kerry and Joe Lieberman will do far more harm than good (Leonard 2009). As in Copenhagen, it is better to have no deal than to have a bad deal which locks in a ‘false-solution’ climate strategy, such as the May 2010 Kerry-Lieberman bill.

However, of greatest importance is that the tide turned against carbon trading in early 2010. The entire carbon trading apparatus – once projected to grow to $3 trillion worth of annual trades by 2020 – is now in question, having failed to cut emissions in the main pilot project, the European Union’s Emissions Trading Scheme (ETS). Due to overallocation of permits, the ETS will face further declines in price, and the failure of the Copenhagen Accord to confirm financing was a major blow to the market, which crashed by 10% from December 17-21 2009 as it appeared there would be a serious legitimacy deficit. The ETS was itself delegitimized in September 2009 when the UN’s main verification contractor was disqualified for repeated procedural violations, and in December 2009 when Europol discovered that up to 90% of trades in some EU countries were flagrant tax scams (The Telegraph 2009).

The problem lies not only with the particular project, an explicit example of environmental racism. More generally, to make such landfill methane-electricity conversions highly profitable, the 1997 Kyoto Protocol needed to accomplish four things:

- impose a cap and reduce emissions so as to generate scarcity (the Protocol didn’t);
- thus continually raise the price of carbon (but it fell 60% from peak in mid-2008 to today’s 13 euros/tonne);
- thus rapidly escalate emission market trading volume (stagnant at $130 billion/year since 2008); via
- the establishment of markets across the rich world (but though Europe has an Emissions Trading Scheme, the US refused entry, Canada also dropped out, and Australia tried last
November but gave up) along the way to a post-Kyoto Accord that would build a global market (but the Copenhagen breakdown terminated this vision).

Likewise in Europe, *The Guardian* reported in January 2010, ‘Banks are pulling out of the carbon-offsetting market after Copenhagen failed to reach agreement on emissions targets.’ As Anthony Hobley of the law firm Norton Rose put it, ‘We are seeing a freeze in banks’ recruitment plans for the carbon market. It’s not clear at what point this will turn into a cull or a rout’ (Webb 2010).

By March 2010, as the *New York Times* observed, ‘The concept is in wide disrepute. Obama dropped all mention of cap and trade from his current budget. And the sponsors of a Senate climate bill likely to be introduced in April, now that Congress is moving past health care, dare not speak its name... It was done in by the weak economy, the Wall Street meltdown, determined industry opposition and its own complexity.’ According to Senator Maria Cantwell (a Democrat from Washington State), cap and trade was ‘discredited by the Wall Street crisis, the Enron scandal and the rocky start to a carbon credits trading system in Europe that has been subject to dizzying price fluctuations and widespread fraud’ (Broder, 2010). An example of new fraud was the Hungarian government’s resale of carbon credits, which when exposed, drove the price of a ton from €12 down to €1 and crashed two emissions exchanges (Pointcarbon 2010). And reflecting the price volatility, futures on the European Climate Exchange crashed five times in the period 2006-2009 (Figure 1).

**Figure 1: European Climate Exchange Carbon Futures Index, 2006-09**

![European Climate Exchange Carbon Futures Index, 2006-09](image)

Source: Gallagher (2009)

Somewhat less objectionable than Kerry et al’s efforts on behalf of the fossil fuel and financial industries, was a bill introduced by Senators Maria Cantwell and Sue Collins in late 2009, which some progressive US climate activists are now actively supporting. Yet this effort, the Carbon Limits and Energy for America’s Renewal Act (CLEAR), is also fatally flawed, because of inadequate emissions cuts (around 8% from 1990-2020), the lingering presence of carbon trading and offsets, the lack of revenues earmarked to pay the US’ fair share of the Climate Debt, its inadequate strengthening of the command/control regulatory mechanisms/mandates for EPA, utility boards and planning commissions, and its nonexistent mandate to assure economic transformation so as to generate new production, consumption, transport, energy and related systems. Also, if CLEAR...
passes the Senate, the likelihood is that the House will insist on many of the objectionable features of Waxman-Markey (offsets, carbon trading, oil/nuke/agro subsidies, EPA neutering, etc). While a last-gasp effort prior to Cancun may be made, by limiting a carbon market to electric utilities, most observers suggest climate legislation will not pass both houses of the US Congress in 2010. This realization should prevent distraction of activists into the national legislative quagmire, and instead allow more work on more immediate and fruitful strategies.

In contrast to the Capitol Hill quicksand, California provides more radical grassroots insights into jumping space and scale, with Chevron headquarters a special target of the vibrant Movement for Climate Justice-West (the most active group of CJ activists in the US), AmazonWatch, and Global Exchange. Californians and Alaskans who have previously fought to ‘leave the oil in the soil’ – halting offshore drilling and tundra destruction, respectively – will obviously need to remobilize against Obama. Amidst eco-catastrophe from Florida through Texas and beyond, British Petroleum’s April 2010 Gulf of Mexico oil spill is one potential consciousness-raising opportunity for the CJ movement to address the utterly captive character of regulation.

Everywhere, organizers can find excellent local climate change targets to raise consciousness and effect emissions cuts, with direct action against major greenhouse gas sources or large-scale corporate fossil-fuel consumers. Two particularly good sites for climate activists are, first, the public utility commissions which control pricing and electricity generation techniques (and hence coal-fired and nuclear power plants); and second, the municipal or regional planning commissions which give the go-ahead to suburban sprawl and all manner of other climate-threatening projects.

This brings us to the global scale, where at a landmark conference in Cochabamba, Bolivia from April 19-22 2010 (Earth Day), more than 30,000 Bolivarians led by host Evo Morales and grassroots indigenous, community, feminist, and environmental movements were joined by genuinely solidaristic environmental, social, labor and NGO forces. This meeting set in motion a much more serious transnational CJ approach, based not upon the illusion that the UN will address the climate crisis anytime soon, but instead upon more serious, pragmatic strategies. These can come only from a much richer merging of social and ecological rights discourses (for what such narratives are worth), and choices of unifying targets (such as fossil fuel companies, carbon traders, and the World Bank).

Meanwhile, from Caracas, the ‘Fifth International’ began slowly gathering steam, and could become the crucial meeting ground between red-green activists on the one hand, and on the other, the region’s petro-socialists (e.g. Hugo Chavez) and petro-Keynesians (e.g. Rafael Correa). At issue is whether the latter can face up to contradictions in their own political ecologies, because in one of the world’s most important sites of struggle, Ecuador’s Yasuni National Park in the Amazon, an official presidential threat has been made that oil drilling will commence in June 2010, unless countervailing pressure by the Confederation of Indigenous Nationalities of Ecuador and Accion Ecologica is successful.

The situation elsewhere in Africa is similar, since so many of the extractive industries are the sole beneficiaries of electricity grid expansion. Red-green campaigns aim to ‘leave the oil in the soil’ and ‘the coal in the hole,’ exemplified in Nigeria where Delta activists have intimidated oil companies through both non-violent and armed struggle. In the former category, Environmental Rights Action in Port Harcourt insists on an end to extraction and exploration on grounds of the climate threat, and the descendants of Ken Saro-Wiwa and eight of his Ogoni movement comrades won a precedent-setting out-of-court-settlement with Shell in June 2009 that may scare off other oil firms.
In the latter category, even after an amnesty in 2009 had a divide-and-conquer effect, the Movement for the Emancipation of the Niger Delta (Mend) continued to kidnap foreign oil workers, demanding they vacate the Delta for good.

After a combined struggle of this type, Shell was evicted from Ogoniland in June 2008, 13 years after the company arranged for Saro-Wiwa’s execution, and a year later, Saro-Wiwa’s family (and those of eight others executed at the same time) won $15.5 million from Shell in an Alien Tort Claims Act case settled out of court, a large amount of which was recommitted to movement building. An estimated 1.5 million tonnes of oil have spilled since Delta drilling began in the late 1950s, the equivalent of an Exxon Valdez spill each year, costing more than $5 billion in annual environmental damage. In his closing statement at the trial prior to his execution, Saro-Wiwa demanded that Shell vacate the area: ‘The military dictatorship holds down oil-producing areas such as Ogoni by military decrees and the threat or actual use of physical violence so that Shell can wage its ecological war without hindrance.’ At the time, Shell executives met with the Nigerian High Commission in London, stating that if the ‘Ogoni virus’ spreads to other areas in the Delta it would be the end of the oil business. In court, the plaintiffs had alleged that Shell hired Nigerian police for internal security; that Shell purchased vehicles and arms for the military; that Shell requested military support to build a pipeline through Ogoni land; that Shell assisted and financed the Nigerian military to repress the resistance of the Ogoni people; and that the firm participated in the arrest of Saro-Wiwa and others on fake murder charges and bribed witnesses to produce false testimony (Bond and Sharife, 2009).

Most remarkably, rather than letting such destruction rest at the scale of the local, the Port Harcourt NGO Environmental Rights Action (ERA) led the climate justice movement in Nigeria, West Africa and globally at Copenhagen to a much deeper critique of ecological responsibility. In opposition to the shifting, stalling and stealing that characterizes economic and environmental commodification in their own region, and in relation to world financial and oil markets, ERA and its visionary leader Nimmo Bassey jumped scale to demand that the oil be left in the soil and under the Gulf of Guinea water, given the threat to the planet. It has been estimated that only 20 per cent of the Niger Delta’s oil is being extracted, thanks largely to the Mend insurgency.

Jumping to the global scale, the Climate Justice Now! network has shown a conceptual ability to confront world capitalism’s shifting, stalling and stealing with demands for Northern accountability for emissions, for decommissioned carbon markets so as to avoid the stalling of emission cuts, and for climate debt payments to reimburse the stealing associated with the North’s externalization of its emissions. Recall the five demands made in Bali, in December 2007:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights-based resource conservation that enforces Indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming, fishing and peoples’ food sovereignty.

No matter that the CJN!’s component movements are disparate; so too are the forces that moved from sophisticated critique of carbon trading in South Africa to a broad-based campaign against the
World Bank’s largest project loan, that shook the energy establishment. These are the kinds of organizations and arguments that link spatio-temporal resistances amongst diverse eco-social forces during a period of austerity, civil society weakness, and repression. The agents of social and environmental change can take advantage of neoliberalism’s still-discredited ideological status and demand from the next global and national negotiations a strategy for justice, not one based upon commodifying carbon.

But to do so the CJ activists still need to generalize an innovative critique, one that emerged over time as the global emissions trading strategy rose from birth in 1997, peaked in 2008, and attempts a last-gasp resurrection after the economic crisis and climate negotiations breakdown. The frenzied failure of elite climate politics stretching narrowly, in 2009-10, from the UN to the US Senate and G20 in June 2010 should make bottom-up alternatives much easier to advocate, including globally-coordinated actions against destructive projects (such as the World Bank’s loan in South Africa). In addition to the Cancun version of an alternative climate summit, the Dakar World Social Forum in early 2011 is an additional sites in which to share the lessons and build wider alliances, aiming towards a much more decisive showdown in South Africa in December 2011.

From the wider, deeper, and increasingly common critique of the Kyoto-Copenhagen-Cancun cul-de-sac, will come more confidence in the types of analyses, strategies, tactics and alliances associated with CJ politics. The challenge is to aggregate experiences from the Charlestons of the world, so as to move into alignment with the Cochabamba conference, and in turn, to generate a formidable red-green force uniting radical governments and the popular movements that will keep them accountable within global-left initiatives such as represented by Caracas’s Fifth International. The case of South African national interactions in the global climate negotiations reinforces a sense of how the politics of scale and space can be distorted, so that policies patently against the interests of a country’s mass-popular constituencies are adopted. But likewise, South African CJ politics from below suggest ways forward that, while not yet sufficiently strong to declare victory, really do offer the only hope for the way forward.

References

_______ (2006), Talk Left Walk Right, Pietermaritzburg, University of KwaZulu-Natal Press.
_______ (2010a), ‘The carbon market ship is sinking fast,’ ZNet, 19 January.
_______ (2010d), ‘Maintaining momentum after Copenhagen’s collapse: “Seal the deal” or “Seattle” the deal?’, Capitalism Nature Socialism, March.


**Climate debt owed to Africa:**

**What to demand and how to collect?**

*American Journal for Science, Technology, Innovation and Development, June 2010*

**Abstract**

The ‘climate debt’ that the industries and over-consumers of the Global North owe Africans and other victims of climate change not responsible for causing the problem has accrued by virtue of the North’s excessive dumping of greenhouse gas emissions into the collective environmental space. Damage is being accounted for, including the more constrained space the South has for emissions. This historical injustice – and ‘debt’ – is now nearly universally acknowledged (aside from Washington holdouts), and reparations plus adaptation finance are being widely demanded. In Copenhagen, the 2009 United Nations summit on climate change witnessed a great deal of theatre over conceptual problems, including, who should make emissions cuts and to what degree; should markets be the main mechanism; who owes a climate debt; how much is owed; and how the debt should be collected. The willingness of African heads of state to raise the matter publicly beginning in mid-2009 was notable, but their inability to ensure political solidarity led to the imposition of the Copenhagen Accord on December 18, in a manner that sets back the cause. Civil society will have to continue working with Latin American governments, especially Bolivia’s, to advance this struggle in coming months and years – even though it is in the self-interest of African rulers to join the campaign more forcefully and durably than they did in 2009. Without African government support for the concept, systems of climate debt payment won by civil society designed to bypass the African national state (such as Basic Income Programs) will be ever more attractive.

**Introduction**

“The largest share of historical and current global emissions of greenhouse gases has originated in developed countries... [and should be redressed] on the basis of equity and in accordance with their common but differentiated responsibilities.” -- United Nations Framework Convention on Climate Change, 1992.

“The sense of guilt or culpability or reparations – I just categorically reject that.” -- Chief US climate negotiator Todd Stern on being asked about climate debt, December 2009 (Spector, 2009).

“We are not assigning guilt, merely responsibility. As they say in the US, if you break it, you buy it”. - Bolivian ambassador to the United Nations, Pablo Solon, December 2009 (Solon, 2009).

Climate damage to Africa will include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, floods of climate refugees jamming shanty-packed megalopolises, and the spread of malarial and other diseases. The most probable outcome of climate change is, according to the UN Intergovernmental Panel on Climate Change director R.K. Pachauri, “that there could be a possible reduction in yields in agriculture of: 50% by 2020 in some African countries... In Africa, crop net revenues could fall by as much as 90% by 2100, with small-scale farmers being the most affected” (Pachauri, 2008: 17).

The Climate Change Vulnerability Index, calculated in 2009 “from dozens of variables measuring the capacity of a country to cope with the consequences of global warming”, listed 22 African countries out of 28 across the world at ‘extreme risk’, whereas the United States is near the bottom of the
world rankings of countries at risk even though it is the leading per capita contributor to climate change (Agence France Press, 2009).

There is no question that those most responsible should pay reparations, now that there is near-universal awareness of the damage being done by rising greenhouse gas emissions, and by the ongoing stubborn refusal by the rich to cut back. In 1997 at the Kyoto Protocol negotiations, the Global North offered to assist Africa financially through ‘Clean Development Mechanism’ (CDM) projects, in a context of declining overseas development aid associated with the end of the Cold War. Many African elites agreed, along with once reluctant environmental groups. Popular movements were unaware and uninvolved, and expert opinion was mixed about the efficacy and moral implications. The proponents of carbon trading argued that this would be the least painful – and least resisted – means of capping greenhouse gas emissions and allowing economies to adapt to new carbon constraints.¹

However, by 2010, prospects were not good for the broader carbon markets into which CDMs fit as a small sideline (worth roughly 6.5% of the $125 billion in 2008 trades, a ratio that probably grew slightly on flat trading volume in 2009). And the share of CDM financing to Africa continued to be disproportionately low, around 3% of all CDM projects (and mostly emanating from South Africa, with its huge emissions and large cadre of environmental technical specialists). Given the dubious prospects for carbon trading already evident in myriad European Union Emissions Trading Scheme credibility crises and price volatility problems – with the 2008-09 ‘value’ of a ton of CO₂ falling from €30 at peak to less than €9 – the question emerged in Africa in 2009: how to get the North to pay its fair share of the costs of Africa’s adaptation bill?

The choice of carbon trading versus climate debt

Two answers emerged: stick with CDMs, or shift to climate debt demands (These are not necessarily mutually exclusive, but do reflect a distinct divergence in analyses, strategies, tactics and alliances). The first answer has been most vociferously articulated by two high-profile Africans, former Kenyan deputy environment minister and Nobel Peace Prize laureate Wangari Maathai, and former South African environment minister Marthinus van Schalkwyk. They assumed that the CDM and similar ‘market-based mechanisms’ for financing climate adaptation would continue to underpin global climate policy in the post-Kyoto period. Maathai promoted this position through her own Greenbelt Movement in the expectation that CDMs and emerging proposals for ‘Reducing Emissions from Deforestation and Forest Degradation in Developing Countries’ would reward tree-planting (both her indigenous strategy as well as monocultural timber plantations). She was also the leading proponent of the document ‘Africa speaks up on Climate Change’, which fed into the ‘African Climate Appeal’, which insists upon more CDM finance with fewer strings attached, especially for afforestation, as discussed in more detail below.²

Van Schalkwyk has just as passionately promoted carbon trading, noting in 2006 that “The 17 CDM projects in the pipeline in Sub-Saharan Africa account for only 1.7 per cent of the total of 990 projects worldwide. To build faith in the carbon market and to ensure that everyone shares in its benefits, we must address the obstacles that African countries face.” A year later, at the International Emissions Trading Association Forum in Washington, he argued, “An all-encompassing global carbon market regime which includes all developed countries is the first and ultimate aim.” Van Schalkwyk was nominated by South Africa to be the replacement to Yvo de Boer as UNFCCC director in early 2010.³
Instead, a different answer was to depart from the CDM approach, to criticize market-based strategies as inadequate, and to demand direct compensation. In mid-2009, the Ethiopian leader of the African Union’s climate team, Meles Zenawi, began to pursue the latter strategy, insisting on at least $67 billion/year from the North to Africa to compensate for anticipated damages to Africa alone.

Critics of emissions trading argue that Zenawi was correct to seek a different route, for the carbon market is not working:

- the idea of inventing a property right to pollute is effectively the ‘privatization of the air’, a moral problem given the vast and growing differentials in wealth inequalities;

- greenhouse gases are complex and their rising production creates a non-linear impact which cannot be reduced to a commodity exchange relationship (a tonne of CO2 produced in one place accommodated by reducing a tonne in another, as is the premise of the emissions trade);

- the corporations most guilty of pollution and the World Bank – which is most responsible for fossil fuel financing – are the driving forces behind the market, and can be expected to engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;

- many of the offsetting projects – such as monocultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies, and have been hotly contested in part because the carbon sequestered is far more temporary (since trees die) than the carbon emitted;

- the price of carbon determined in these markets is haywire, having crashed by half in a short period in April 2006 and by two-thirds in 2008, thus making mockery of the idea that there will be an effective market mechanism to make renewable energy a cost-effective investment;

- there is a serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many Enron employees populate the carbon markets);

- as a ‘false solution’ to climate change, carbon trading encourages merely small, incremental shifts, and thus distracts us from a wide range of radical changes we need to make in materials extraction, production, distribution, consumption and disposal; and

- the idea of market solutions to market failure (‘externalities’) is an ideology that rarely makes sense, and especially not following the world’s worst-ever financial market failure, and especially not when the very idea of derivatives – a financial asset whose underlying value is several degrees removed and also subject to extreme variability – was thrown into question.4

The apparent demise of carbon trading in the 2009-10 legislative session of the US Senate made this strategy a losing proposition not only for Africa but also at the global scale. Even without the expected Washington gridlock (mainly as a result of sabotage by powerful fossil fuel interests),
carbon trading had crashed on its own terms by March 2010. “The concept is in wide disrepute”, reported the New York Times (25 March 2010), with US Senator Maria Cantwell explaining that “cap and trade” (the US description) was “discredited by the Wall Street crisis, the Enron scandal and the rocky start to a carbon credits trading system in Europe that has been subject to dizzying price fluctuations and widespread fraud.”

To be sure, one wing of civil society still endorses carbon trading, in part perhaps because some major institutions and individuals suffer from substantial conflicts of interest as carbon-traders. But increasingly, carbon trading appears as a ‘false solution’, in contrast to the alternative financing source for climate damage: the North’s payment of its climate debt to the South for excess use of environmental space and for the problems caused in many ecosystems already, and in future when vast eco-social crises are anticipated especially in Africa. What, then, is the character of the ‘ecological debt’ more broadly, and the climate debt in particular?

**Demanding ecological and climate debt repayment**

According to the Quito group Accion Ecologica: “ecological debt is the debt accumulated by Northern, industrial countries toward Third World countries on account of resource plundering, environmental damages, and the free occupation of environmental space to deposit wastes, such as greenhouse gases, from the industrial countries” (Accion Ecologica, 2000: 1). The term came into professional use in 1992 at the Earth Summit of the United Nations in Rio de Janeiro of 1992, with NGOs promoting the concept through an ‘Alternative Treaty’.

An initial voice was the Institute of Political Ecology in Santiago, Chile, and contributed to world consciousness about ChloroFluoroCarbon damage to the ozone layer. A Colombian lawyer, José María Borroto, wrote a 1994 book on the topic, and further research and advocacy was provided by the Foundation for Research on the Protection of the Environment, and then Jubilee South. By 1999 Friends of the Earth International and Christian Aid agreed to campaign against Ecological Debt, especially in relation to climate damage. In Africa, amongst the main advocates of Ecological Debt repayment were churches, especially the Economic Justice Network of Southern Africa led by Malcolm Damon and Francis Ng’ambi. Other regional initiatives continued, moving to the global stage by 2009. The World Development Movement and Jubilee Debt Campaign (UK) produced a major campaign document in late 2009 (World Development Movement and Jubilee Debt Campaign, 2009), at the same time as an influential article by Canadian journalist/campaigner Naomi Klein in Rolling Stone magazine (Klein, 2009).

The leading scientist in the field, Autonomous University of Barcelona’s Joan Martinez-Alier (2003: 26), calculates ecological debt in many forms: “nutrients in exports including virtual water, the oil and minerals no longer available, the biodiversity destroyed, sulfur dioxide emitted by copper smelters, the mine tailings, the harms to health from flower exports, the pollution of water by mining, the commercial use of information and knowledge on genetic resources, when they have been appropriated gratis (‘biopiracy’), and agricultural genetic resources.” As for the North’s “lack of payment for environmental services or for the disproportionate use of Environmental Space,” Martinez-Alier criticizes “imports of solid or liquid toxic waste, and free disposal of gas residues (carbon dioxide, CFCs, etc)”. According to Martinez-Alier (2003: 25):

The notion of an Ecological Debt is not particularly radical. Think of the environmental liabilities incurred by firms (under the United States Superfund legislation), or of the
engineering field called ‘restoration ecology’, or the proposals by the Swedish government in the early 1990s to calculate the country’s environmental debt.

The sums involved are potentially vast. As Martinez-Alier puts it, “tropical rainforests used for wood exports have an extraordinary past we will never know and ongoing biodiversity whose destruction we cannot begin to value”. However, “although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion... If we take the present human-made emissions of carbon, [this represents] a total annual subsidy of $75 billion is forthcoming from South to North” (Martinez-Alier, 2003: 28).

Leading ecofeminist Vandana Shiva (Shiva, 2005), and former South Centre director Yash Tandon estimate that wild seed varieties alone account for $66 billion in annual biopiracy benefits to the US. There are dozens of examples of biopiracy in Africa, according to a 2005 study commissioned by the Edmonds Institute and African Centre for Biosafety.

A partial ecological debt accounting was published by environmental scientists in early 2008, and counted $1.8 trillion in concrete damages over several decades (Srinivasan et al., 2008). According to co-author Richard Norgaard, ecological economist at the University of California, Berkeley, generated a crucial finding: “At least to some extent, the rich nations have developed at the expense of the poor, and, in effect, there is a debt to the poor” (Guardian, 21 January 2008). The study included factors such as greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, overfishing, and the conversion of mangrove swamps into shrimp farms, but did not (so far) succeed in calculating other damages, e.g. excessive freshwater withdrawals, destruction of coral reefs, bio-diversity loss, invasive species, and war.

Another route into the intellectual challenge of calculating ecological debt was taken by the World Bank in its estimates of tangible wealth (in the 2006 book Where is the Wealth of Nations?). In addition to resource depletion and rent outflows, there are also other subsoil assets, timber resources, non-timber forest resources, protected areas, cropland and pastureland to account for. The ‘produced capital’ normally captured in GDP accounting is added to the tangible wealth, but the result of a ‘genuine wealth’ accounting leaves vast negative adjustments to every African country. With the sole exceptions of Botswana, Mauritius, Namibia, Seychelles and Swaziland, all others have explicitly negative net year-on-year changes once environmental corrections to GDP are made (using 2000 as a sample year) (World Bank, 2006). In sum, notwithstanding the World Bank’s conservative counting bias, Africa shows evidence of net per capita ‘wealth’ reduction, largely traceable to the extraction of nonrenewable resources that is not counterbalanced by capital investment from firms doing the extraction.

In this context of systemized looting of resources (as even acknowledged by the World Bank), Bolivia at least began the process of making climate debt a concept more broadly understood within the international discourse. That country’s submission to the UNFCCC in 2009 made the demand explicitly (Republic of Bolivia, 2009):

The climate debt of developed countries must be repaid, and this payment must begin with the outcomes to be agreed in Copenhagen. Developing countries are not seeking economic handouts to solve a problem we did not cause. What we call for is full payment of the debt owed to us by developed countries for threatening the integrity of the Earth’s climate system, for over-consuming a shared resource that belongs fairly and equally to all people, and for maintaining lifestyles that continue to threaten the lives and livelihoods of the poor majority of the planet’s population... Any solution that does not ensure an equitable
distribution of the Earth’s limited capacity to absorb greenhouse gases, as well as the costs of mitigating and adapting to climate change, is destined to fail.

In addition to Bolivia, the Cumana Declaration was signed by Cuba, Dominica, Honduras (prior to the coup), Nicaragua and Venezuela, and included the argument that developed countries are in an environmental debt to the world because they are responsible for 70% of historical carbon emissions into the atmosphere since 1750. Developed countries should pay off their debt to humankind and the planet; they should provide significant resources to a fund so that developing countries can embark upon a growth model which does not repeat the serious impacts of the capitalist industrialization.¹⁰

Africa united then divided on climate debt

How did African governments react to the new narrative around ecological debt? In general, with a few exceptions, the post-colonial leadership of African states has cooperated with those institutions doing the resource extraction and over-utilizing Africa’s ecological space, in spite of persistent complaints by exploited communities, by workers subject to safety/health violations and exploitation, by environmentalists and by patriotic nationalists. However, finally in mid-2009, the African Union’s leadership on climate issues became a force to be reckoned with.

Lesotho had raised the issue of climate debt in UN negotiations, but the highest profile discussion was initiated by Zenawi, who also chaired the New Partnership for Africa’s Development and thus was invited to G20 gatherings along with the South African government. Zenawi’s record of service to US security interests, ideological zigzagging, contradictory signaling and repression of local civil society activists suggested that it might ultimately be counterproductive for Zenawi to lead the climate debt campaign (McLure, 2009). Still, someone from Africa was compelled to express the extreme costs to the continent of the debt, so prior to December 2009, Zenawi played that role.

The African elites could marshal an implied threat: repeating their performance in Seattle in 1999 and Cancun in 2003, when denial of consent in World Trade Organisation negotiations were the proximate cause of the summits’ collapse on both occasions. On September 3, 2009, Zenawi issued a strong threat from Addis Ababa about the upcoming Copenhagen conference: “If need be we are prepared to walk out of any negotiations that threaten to be another rape of our continent” (Ashine, 2009). To gather sufficient power, Zenawi established the Conference of African Heads of State and Government on Climate Change: chairpersons of the AU and the AU Commission, representatives of Ethiopia, Algeria, the Democratic Republic of Congo, Kenya, Mauritius, Mozambique, Nigeria, Uganda, Chairpersons of the African Ministerial Conference on Environment and Technical Negotiators on climate change from all member states. They met at the AU Summit in Sirte, Libya in July 2009, agreeing that Africa would have a sole delegation to Copenhagen with a united front and demands for compensation. According to AU official Abebe Hailegabriel, “Trillions of dollars might not be enough in compensation. Thus there must be an assessment of the impact before the figure.” Added AU head Jean Ping, “Africa’s development aspirations are at stake unless urgent steps are taken to address the problems of climate change. Climate change will fundamentally affect productivity, increase the prevalence of disease and poverty... and trigger conflict and war” (Bond, 2009b: 13).

The most important African negotiator – and largest CO2 emitter (responsible for more than 40% of the continent’s CO2) – is South Africa (Bond et al., 2009). Aside from ostensibly preventing climate change that could have an especially devastating impact in South Africa, Pretoria’s climate
negotiators have two conflicting agendas: increasing Northern payments to Africa (a longstanding objective of the New Partnership for Africa’s Development, which unsuccessfully requested $64 billion per annum in aid and investment concessions during the early 2000s); and increasing South Africa’s own rates of CO2 outputs through around 2030-35, when the Long-Term Mitigation Scenario – South Africa’s official (albeit non-binding) climate strategy – would come into effect. Only then are absolute emissions declines offered as a scenario. In the meantime, Pretoria has earmarked more than $100 billion for emissions-intensive coal and nuclear fired electricity generation plants due to be constructed during 2010-15, which would amplify Africa’s climate crisis, requiring more resources from the North for adaptation.

Thus far, South Africa does not, officially, see itself as a climate creditor, in spite of strong climate debt advocacy by the new Climate Justice Now! South Africa movement, especially in February-April 2010 when the World Bank considered and then granted a $3.75 billion loan to Eskom primarily for the construction of the world’s fourth-largest coal-fired power plant. As explained by environment minister Buyelwa Sonjica in September 2009: “We expect money. We need money to be made available... we need money as of yesterday for adaptation and mitigation” (South African Press Association, 2009a). South African negotiators also led the G77, and are on record from August 2009 demanding that “at least 1% of global GDP should be set aside by rich nations” so as, according to one report, to help developing countries conduct research, improve flood control, protect their coastlines, create seed banks and take other steps to cope with the severe storms and droughts linked to climate change. The money also could help poor countries obtain technology to reduce their carbon emissions. Alf Wills, a top South African environmental official, summed up the position going into Copenhagen: “No money, no deal” (South African Press Association, 2009b).

The effect of this rhetoric appeared to entail some immediate concessions. In September 2009, the European Union announced it would begin paying its climate debt, but only up to $22 billion annually to fund adaptation, roughly 1/7th of what EU environment commissioner Stavros Dimas observed would be required by 2020 ($145b). Some of that would be subtracted from existing aid. The EU damage estimates were considered far too conservative, as China’s mitigation and adaptation costs alone would be $438 billion annually by 2030, according to Beijing. According to one report, the EU view is that emissions trading should be the basis of ‘much of the shortfall’: “The international carbon market, if designed properly, will create an increasing financial flow to developing countries and could potentially deliver as much as €38bn per year in 2020” (Chaffin and Crooks, 2009: 24).

Because this offer was widely judged as inadequate, Zenawi carried out a trial run of his walk-out threat just prior to Copenhagen, in November 2009 at a Barcelona UNFCCC meeting. Sufficient concessions were not on the table, so his technical negotiators registered a protest. But at the crucial moment in Copenhagen, during the final week when heads of state would arrive to negotiate a new protocol, Zenawi diverted his own flight from Addis Ababa via Paris, where he met French premier Nicolas Sarkozy. Shortly thereafter, he announced the halving of Africa’s climate debt demands (Vidal, 2009). According to Mithika Mwenda of the Pan African Climate Justice Alliance, this act had the effect of “undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa... Meles wants to sell out the lives and hopes of Africans for a pittance. Every other African country has committed to policy based on the science” (Reddy, 2009: 1).

Then on 17 December, US Secretary of State Hillary Rodham Clinton offered what appeared to be a major concession (Clinton, 2009: 1):
... in the context of a strong accord in which all major economies stand behind meaningful mitigation actions and provide full transparency as to their implementation, the United States is prepared to work with other countries toward a goal of jointly mobilizing $100 billion a year by 2020 to address the climate change needs of developing countries. We expect this funding will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance.

Yet there was no firm line-item in the US budget to this end, just a promise (the US had regularly broken similar aid promises in the past, and at the same time the US President Barack Obama was cutting back AIDS medicines funding to Africa). The private sources of finances alone could easily exceed $100 billion, with CDMs at the time in excess of 6% of the $125 billion emissions markets. If, as predicted, the size of the 2020 carbon market reached $3 trillion, it would take just 3.3% dedicated to CDMs to reach the $100 billion target. So given the private sourcing and likelihoods of loans not grants, Clinton’s offer could readily be rejected as meaningless.

The following day, President Barack Obama arrived and at the end of a long negotiating period, persuaded leaders of the BASIC countries—Brazil, South Africa, India and China—to sign the Copenhagen Accord at literally the climate summit’s last minute. The December 18 deal followed extremely harsh police repression against nonviolent protesters outside the Bella Center. Inside, Denmark’s conservative ruling party leaders set up a ‘Green Room’ process where 26 countries were cherry-picked to represent the world. When even that small group deadlocked—allegedly due to Chinese intransigence and the overall weak parameters set by the US, the five leaders—Obama, Lula da Silva, Zuma, Manmohan Singh, and Wen Jiabao, attempted a face-saving last gasp. Instead of 350 parts per million (ppm) of carbon in the atmosphere as ‘required by science’ (as the popular advocacy phrase goes), the Copenhagen Accord signatories promised 15 per cent emissions cuts from 1990 levels by 2020, which could translate into a 10 per cent increase once carbon trading and offset loopholes are factored in. The result would be 770 ppm by century’s end, at least a 3.5 C increase, which scientists say will certainly destroy the planet. Moreover, there were no clear sources of financing nor explicit commitments to pay the North’s climate debt, which by then was being estimated at $400 billion per year by 2020 (World Development Movement, 2009). Moreover, the Accord departed from Kyoto Protocol and Bali Action Plan principles, which set out much more ambitious targets for richer countries than poorer countries. And the Accord contains no legally binding components or compliance mechanisms.

Most significant was Obama’s refusal to lead the North to make 45 per cent emissions cuts and offer payment of the climate debt, and instead engage in a process of leadership so flawed that 350.org leader Bill McKibben charged that “he blew up the United Nations” (Mckibben, 2009). Economist Jeffrey Sachs also accused Obama of abandoning “the UN framework, because it was proving nettlesome to U.S. power and domestic politics. Obama’s decision to declare a phony negotiating victory undermines the UN process by signaling that rich countries will do what they want and must no longer listen to the ‘pesky’ concerns of many smaller and poorer countries.” The idea that the UN is too unwieldy for climate talks surfaced repeatedly in subsequent weeks. The Accord is “insincere, inconsistent, and unconvincing,” Sachs continued, “unlikely to accomplish anything real. It is non-binding and will probably strengthen the forces of opposition to emissions reductions.” Moreover, Clinton’s “announcements about money a decade from now are mostly empty words. They do not bind the rich countries at all” (Sachs, 2009: 1). As Naomi Klein summed up, the Accord is “nothing more than a grubby pact between the world’s biggest emitters: I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal?
Deal” (Klein, 2009: 1). George Monbiot compared Copenhagen in 2009 to the 1884-85 Berlin negotiations known as the “Scramble for Africa,” which divided and conquered the continent (Monbiot, 2009). The African Union was twisted and u-turned to support Zuma’s capitulation by Zenawi. Even on its own terms, the Copenhagen Accord failed, missing its first deadline, on January 31st 2010, for signing on and declaring cuts for carbon emissions, leaving UN climate chief de Boer to concede that deadlines were ‘soft’.1

Several countries had insisted on climate debt as a negotiating framework even before Copenhagen, including Venezuela, Paraguay, Malaysia and Sri Lanka. But in Africa, only Sudan stood out, partly because its UN Ambassador, Lumumba Di-Aping, had such a visible role as G77 chief negotiator. At one point, when briefing civil society a week before the fatal Copenhagen Accord deal, he “sat silently, tears rolling down his face,” according to a report, and then said, simply, “We have been asked to sign a suicide pact.” For much of the continent, said Di-Aping, 2 degrees C globally meant 3.5 degrees C: “certain death for Africa”, a type of “climate fascism” imposed on Africa by polluters, in exchange for which the Third World would get a measly $10 billion per year in ‘fast track’ funding, although “$10 billion is not enough to buy us coffins”. Agreeing with leading US climate scientist James Hansen, the Copenhagen deal on offer was “worse than no deal”, said Di-Aping, concluding, “I would rather die with my dignity than sign a deal that will channel my people into a furnace.” As for the main negotiator, he had this prophesy: “What is Obama going to tell his daughters? That their [Kenyan] relatives’ lives are not worth anything? It is unfortunate that after 500 years-plus of interaction with the West we [Africans] are still considered ‘disposables’” (Welz, 2009).

Civil society ups the ante

Against malevolent states and industries addicted to fossil fuels, there usually arises opposition from civil society. But between a relatively small number of environmental NGOs and other organizations, there are important strategic divisions on how to tackle climate change, whether to address climate debt and what to do about carbon trading. For example, the network headed by Wangari Maathai (based in Nairobi and Addis Ababa) offered a supportive statement on reform of CDMs and did not mention climate debt in a mid-2009 document:

African governments should ensure that there is equity in geographical distribution of CDM projects and that this is entrenched in the international policy process. They should negotiate for the requirement of up front funding of CDM projects to be waived for many African countries who cannot afford it. The appeal calls upon African countries to embark on the development of CDM capacities and projects including capacity building and development of centers of incubation for CDM projects. African governments should explore possibilities of accessing grants to provide upfront funding for CDM projects and also project development and financing through bilateral arrangements (Matthai, 2009: 4).

Maathai criticized three existing funds – the Special Climate Change Fund, the Least Developed Countries Fund and the Bali Adaptation Fund – because these funds have not been able to address concerns of African countries on adaptation, namely: access, adequacy and equitable geographical distribution. The funds are largely inadequate and inappropriately structured; currently relying on a 2% levy on CDM projects. Access to the funds has been made difficult, among others, by bureaucratic bottlenecks of the Global Environmental Fund and the World Bank. This problem has been diagnosed but the position of African governments on their preferred way forward remains vague. Lastly, the funds are structured in a way that replicates many structural problems manifest
in the CDM resulting in eschewed access in favour of stronger economies from developing countries (Matthai, 2009).

Instead of requesting more CDM carbon trading funds, many more civil society groups instead insisted on raising climate debt as the optimal financing route. In August 2008, Africa chapters of Jubilee South converged in Nairobi to debunk limited ‘debt relief’ by Northern powers and to plan the next stage of financial campaigning. Nairobi-based Africa Jubilee South co-coordinator Njoki Njehu concluded, “Africa and the rest of the Global South are owed a huge historical and ecological debt for slavery, colonialism, and centuries of exploitation” (Bond and Brutus, 2008: 1).

In subsequent months, across the world, increasing numbers of social movements led by indigenous peoples explicitly demanded climate debt repayment. The Anchorage Declaration by indigenous people from the Arctic, North America, Asia, Pacific, Latin America, Africa, the Caribbean and Russia issued a statement calling “on the UNFCCC to recognize the historical and ecological debt of the Annex 1 countries in contributing to greenhouse gas emissions. We call on these countries to pay this historical debt” (Indigenous Peoples’ Global Summit on Climate Change, 2009).

A major Trade Union Conference of the Americas (albeit without participation from the US and Canada) insisted that ‘Climate justice will only be reached when the Rich States of the North recognize this environmental debt, which also entails a drastic and urgent reduction of their contaminating emissions, the provision of funds for poor countries for climate change mitigation and adaptation processes, and the transfer of ‘clean’ technologies to the global south for the development of environmentally sustainable productive processes’. 

And in Kenya, the Pan African Climate Justice Alliance of 63 NGOs argued:

for their disproportionate contribution to the causes of climate change – denying developing countries their fair share of atmospheric space – the developed countries have run up an ‘emissions debt’. These excessive emissions, in turn, are the principal cause of the current adverse effects experienced by developing countries, particularly in Africa. For their disproportionate contribution to the effects of climate change – causing rising costs and damage in our countries that must now adapt to climate change – the developed countries have run up an ‘adaptation debt’. Together the sum of these debts – emissions debt and adaptation debt – constitutes the climate debt. Proposals by developed countries in the climate negotiations, on both mitigation and adaptation, are inadequate. They seek to pass on the costs of adaptation and mitigation, avoiding their responsibility to finance climate change response efforts in Africa. They also seek to write-off rather than reduce their emissions and continue their high per-capita emissions. This would deepen their debt and deny atmospheric space to the developing countries like ours, which would be asked to crowd into a small and shrinking remainder. We therefore call on developed countries to fully, effectively and immediately repay the climate debt they owe to African countries.

Also in Nairobi at the same time, the Africa Peoples Movement on Climate Change pronounced (2009: 1):

... The people of Africa, as well as other developing nations are creditors of a massive ecological debt; This ecological debt continues to accrue today through the continued plunder and exploitation of Africa’s resources, its people, labor, and economies;... We reject the principle and application of Carbon Trading, which is a false solution based on inventing a perverse property right to pollute. A property right to air; ... We support the call by African leaders for
reparations on Climate Change and support the initiative of the upcoming AU ministers of
environment meeting and call for African governments to embrace more people centered
alternatives for the African people..

Another node of ecological debt organizing was the World Council of Churches (WCC), whose
Central Committee was lobbied for years by a senior staffer (and former Tanzanian Council of
Churches secretary) Rogate Mshana, and finally adopted a formal statement in September 2009 on
the North’s “deep moral obligation to promote ecological justice by addressing our debts to
peoples most affected by ecological destruction and to the earth itself.” It is useful to consider the
WCC’s analysis because it does not stop at the debt, but attacks the mode of production itself
(World Council of Churches, 2009: 1):

We call for the recognition, repayment and restitution of ecological debt in various ways,
including non-market ways of compensation and reparation that go beyond the market’s
limited ability to measure and distribute... This warrants a re-ordering of economic paradigms
from consumerist, exploitive models to models that are respectful of localized economies,
indigenous cultures and spiritualities, the earth’s reproductive limits, as well as the right of
other life forms to blossom. And this begins with the recognition of ecological debt.

The most extensive statement from civil society had more than 230 supporters, and was circulated
by Action Aid, Africa Action and the Third World Network during 2009. Excerpts included these
demands:

(i) For their disproportionate contribution to the causes and consequences of climate change,
developed countries owe a two-fold climate debt to the poor majority;

(ii) For their excessive historical and current per person emissions – denying developing
countries their fair share of atmospheric space – they have run up an ‘emissions debt’ to
developing countries;

(iii) For their disproportionate contribution to the effects of climate change – requiring
developing countries to adapt to rising climate impacts and damage – they have run up an
‘adaptation debt’ to developing countries; and

(iv) Together the sum of these debts – emissions debt and adaptation debt – constitutes their
climate debt, which is part of a larger ecological, social and economic debt owed by the rich
industrialized world to the poor majority.

Honoring these obligations is not only right; it is the basis of a fair and effective solution to
climate change. Those who benefited most in the course of causing climate change must
compensate those who contributed least but bear its adverse effects. They must compensate
developing countries for the two-fold barrier to their development – mitigating and adapting to
climate change – which were not present for developed countries during the course of their
development but which they have caused... As the basis of a fair and effective climate outcome,
we demand they:

- Repay their adaptation debt to developing countries by committing to full financing and
  compensation for the adverse effects of climate change on all affected countries, groups and
  people;
Repay their emissions debt to developing countries through the deepest possible domestic reductions, and by committing to assigned amounts of emissions that reflect the full measure of their historical and continued excessive contributions to climate change; and

- Make available to developing countries the financing and technology required to cover the additional costs of mitigating and adapting to climate change, in accordance with the Climate Convention.14

These demands were largely ignored (or explicitly rejected) by state officials, of course, as epitomized by Todd Stern’s reaction (see above). Hence the Copenhagen Summit’s delegitimised Accord was, from many of the civil society groups’ perspective, not actually a disastrous outcome, since they arrived with no viable expectations of progress on either emissions cuts, decommissioning the carbon markets or achieving climate debt repayments. Instead, it represented a chance to firm up demands for future negotiations, including bilateral ones. The process of civil society consolidation also entailed making a distinct break from the emerging market economies whose own fossil-fuel expansion strategies would challenge the physical limits of carbon sinks.

As a result, the BASIC climate signatories soon faced opposition from within. For example in India, Centre for Science and Environment director Sunita Narain argues that her government’s negotiators are the same people who would stymie any real action on environmental improvement in the country:

They will oppose fuel efficiency standards, tax on big cars, or tough penalties for polluters. But they will still talk glibly about low-carbon economies. They will of course, dismiss out of hand, any discussion on the need for ‘radical’ and out-of-the-box solutions for equity and sustainability. These, they will tell you, are mere evangelical thoughts of some fringe activists. The men think and act differently. These are the promoters of the Accord in India. And I believe they do so, because for them, firstly, the Accord provides the perfect solution—talk big about change, but do little at home. The U.S. has provided a perfect formula—it promises us the right to pollute, because it wants to legitimize its own pollution. Secondly, it promises that we can get a place on the high table of polluters. And as powerful conspirators this will mean that we need to do little ourselves, but instead push the price of change on the less favored—the poor of India or the poor anywhere else in the world. It’s an open offer to protect, not our right to development as we have been demanding—the rich countries pay for our transition to low-carbon economies. But a simpler proposition: we give you the right to pollute (at least for now). The other proposition is equally seductive. To the countries, which are not yet polluters (from Ethiopia to Maldives), the Copenhagen Accord says we will give money to keep you pliant and agreeable. This is why the Accord promises some fictional money to poor vulnerable countries. It’s a perfect formula, designed to please all. There is only one hitch: we will all have to forget the climate change crisis and the hazards and impacts that will grow (Narain, 2010: 1)

South African critics such as groundWork and Earthlife Africa made similar statements about Pretoria’s delegation. The crucial conflict was over South Africa’s vaguely-promised 34% emissions cut below anticipated 2020 levels, even though the Long-Term Mitigation Scenario (LTMS) acknowledged that absolute decline would only begin after 2030. Tristen Taylor of Earthlife Africa requested details and after two weeks of delays, learned that the 34% cut promise was from a ‘Growth Without Constraint’ (GWC) scenario within the LTMS. According to Taylor, “GWC is fantasy, essentially an academic exercise to see how much carbon South Africa would produce given
unlimited resources and cheap energy prices.” Officials who authored the LTMS had already conceded that GWC was “neither robust nor plausible” eighteen months earlier. This led Taylor to conclude, “The SA government has pulled a public relations stunt.”

In contrast to the BASIC countries and the erratic African Union, civil society groups committed to climate debt found they had an extremely enthusiastic ally in the Bolivian government. Evo Morales insisted that two additional factors be added to the existing three components of climate debt calculations (the costs of emissions, of foregone development and of adaptation to climate damage): the notions of a ‘migration debt’ and a debt to nature. This, as Nicola Bullard recounts, would be compensated by dropping restrictive migration practices and treating all humans with dignity, and finally, the debt to Mother Earth. Ultimately, the only way that the debt can be repaid is by ensuring that the historic relations of inequality are broken once and for all and that no ‘new’ debt will accumulate. This requires system change, both in the North and in the South. That’s why climate debt is such a subversive idea (Bullard, 2010).

The Bolivians’ main proposals were a ‘Universal Declaration of Mother Earth Rights’ (with a binding ‘Climate Justice Tribunal’ to punish violators), a formal compensation mechanism for climate debt, and a ‘World People’s Referendum on Climate Change’ to short-circuit the multilateral fora which were clearly dysfunctional. Some of the details subsequently worked out in conjunction with civil society in late April 2010 drove the debate forward in significant ways. The Working Group on Climate Debt argued as follows: Climate debt is an obligation of compensation that is generated because of the damage done to Mother Earth by the irrational emissions of greenhouse gases. The primary responsible for these irrational emissions are the so-called ‘developed countries’, inhabited by only 20% of the world population, and which emitted 75% of historical emissions of greenhouse gases.

These states, which stimulated the capitalist development model, are responsible for climate debt, but we should not forget that within these states, there live poor and indigenous peoples which are also affected by this debt. The responsibility for the climate debt of each developed country is established in relation to the level of emissions, taking into account the historically emitted amount of tons of carbon per capita (Working Group on Climate Debt, 2009).

The Working Group made suggestions for payment as follows: (i) The re-absorption [of emissions] and cleaning the atmosphere by developed countries; (ii) Payment in technology (eliminating patents) and in knowledge according to our worldview for both clean development and for adaptation to developing countries; (iii) Financing; (iv) Changes in immigration laws that allow us to offer a new home for all climate migrants; and (v) The adoption of the Declaration on the Mother Earth’s Rights.

An additional Working Group on Climate Finance provided a document with further details and even more audacious demands:

The scale of existing financial resources currently allocated to developing countries parties for addressing climate change plus the Copenhagen Accord proposal to mobilize (US$10 billion per year between 2010 and 2012, and up to US$100 billion by 2020 annually – which represents only 0.8% to 8% of developed countries’ national defense budgets, respectively) is grossly inadequate.
Developed country parties must commit at least 6% of their annual GDP for climate finance in developing countries. The viability of mobilizing this amount of finance is evident – developed countries spend an equivalent amount each year on national defense. In addition, developed countries have mobilized trillions of dollars (equivalent to 5 times the 6% GDP proposed) to bail out failed banks and speculators. This is a question of political will, and the priority given to effectively combating climate change and protecting Mother Earth.

The finance required must be provided from public sources, and must be new and additional to ODA, to bilateral assistance, and to funds flowing outside the UNFCCC. Any funding provided outside the UNFCCC will not be regarded as meeting the commitments of developed country parties under the Convention.

The carbon market shall be eliminated as source of financing, because its capitalist logic promotes the paradox that those actors who will benefit most, are the same actors who have most harmed the environment. In addition, market mechanisms allow developed countries to evade their commitments to reduce emissions, while at the same time benefitting economically from the climate crisis. Moreover, this model impedes the equitable distribution of resources, can not guarantee a predictability flow of resources at scale, nor the timely availability or direct access to financing for those most affected.

Financing for climate change must be delivered as grants, understood as a part of the reparations for climate debt between parties. Loans cannot be considered as fulfillment of financial commitments. In the same way climate financing does not signify a donor/recipient relationship between developed and developing countries. All Annex 1 funding allocated to military purposes and subsidies for fossil fuel producers shall be redirected to climate change (Working Group on Climate Finance, 2009).

The Working Group also called for funding to be routed through the UNFCCC, “replacing the Global Environment Facility and its intermediaries such as the World Bank and the Regional Development Banks.” A further suggestion was that “The financial mechanism must respect the sovereign control of each country to determine the definition, design, implementation of policy and programmatic approaches to climate change.” As for timing, “The financial mechanism shall be defined and approved at COP16, and be made operational at COP17” (Working Group on Climate Finance, 2009: 2).

These documents were based upon visionary, radical civil society demands that had emerged over the prior months and years. Some earlier, very ambitious demands – such as the end of apartheid or access to AIDS medicines – were only won after years of struggle, after initially appearing equally audacious and unrealistic. The short term, however, did not offer any genuine potential for the North paying its climate debt. Moreover, because of the influence of big capital and pro-market ideology on Northern governments in the Kyoto process to date, not only will emissions continue rising, carbon trading will not be dropped as a central EU and US strategy. As a result, critique of establishment strategies will become more common, and in turn will force serious advocates of environmental justice to raise important strategic issues about how to get the North to repay the climate debt.

How should the debt be repaid?
Assuming it was possible to wring a commitment from wealthier states, existing North-South redistributive processes have proven to be ineffectual. Northern foreign aid to the South goes only a small way towards ecological debt repayment. It is a far lower sum (and falling) than military spending (which is rising), and in any case 60% is ‘phantom aid’, according to the Johannesburg-based agency Action Aid (Action Aid, 2005). Aid is also a tool of imperialism. Other North-South payments to Africa are yet more dubious, including the debt relief promised in 2005. In spite of enormous hype at the Gleneagles G8 meeting, the International Monetary Fund calculates that while lowest-income African countries’ debt stock fell in recent years, their actual debt repayments remained stable from 2006-08 and then increased 50% in 2009 as a percentage of export earnings (International Monetary Fund, 2009). So although there was a bit of debt cancellation, it was on debt that could be considered unrepayable. Meanwhile, debilitating debt servicing charges for low-income African countries still prevented both local capital accumulation and provision of social services, much less financing for climate change adaptation.

There are important debates about who should pay what share. But in general, it is important to note that ecological debt results from the unsustainable production and consumption systems adopted by elites in the Northern countries, which are to some extent generalized across the Northern populations. Hence even poor and working-class people in the North, often through no fault of their own, are tied into systems of auto-centric transport or conspicuous consumption, which mean that they consume far more of the Earth’s resources than do working-class people of the South.

As a result, some climate campaigners, including the Heinrich Boell Stiftung of Germany’s Green Party, have called for ‘Greenhouse Development Rights’ (GDRs) as a solution, including a per capita ‘right to pollute’ (and to trade pollution rights). The bigger questions which GDRs pose are whether environmental justice can be measured merely in terms of formal ‘equality’; whether environmental justice is instead historical, political-economic, and grounded in social struggles of those adversely affected; and in turn, whether environmental justice should not aim higher, for a broader, deeper eco-social transformation? The GDR approach may foreclose these questions by reducing the challenge to incremental reformism. When it comes specifically to GDRs as a methodology for calculating debt liabilities and beneficiaries, Larry Lohmann of The Cornerhouse (a British development institute) critiques the model’s tacit endorsement of a long-discredited concept of “development” that condescendingly sees “resilience” as “far beyond the grasp of the billions of people that are still mired in poverty”, and that singles out for special climate blame “subsistence farming, fuel wood harvesting, grazing, and timber extraction” by “poor communities” awaiting Northern tutelage in capital flows, social networking, carbon trading and methods for holding policymakers accountable.16

Is a rights-based approach to environmental services preferable, as a strategy for demanding and properly redistributing ecological debt payments from North to South? South Africa’s promises of ‘Free Basic Services’ (including water and electricity) were not delivered, contributing to the country’s standing as having amongst the highest per capita social unrest in the world. Attempts to gain justice for Soweto residents deprived of water, via taking water pricing through the court system (as high as the Constitutional Court in September 2009) proved extremely frustrating (Bond, 2010).

Juridical approaches to ecological debt may not be optimal, although interesting precedents have emerged. In November 2008 a San Francisco court began considering an ecological debt and reparations lawsuit – under the Alien Tort Claims Act – filed by Larry Bowoto and the Ilaje people of...
the Niger Delta against Chevron for involvement in 1998 murders reminiscent of those that took the life of Ken Saro-Wiwa and eight other Ogoni leaders on November 10, 1995. The first judgments went against Bowoto et al. but appeals are in process. In June 2009, Shell Oil agreed in a similar lawsuit to an out-of-court settlement with reparations payments of $15.5 million. Although representing just four hours’ worth of Shell profits, it was considered a crucial step in establishing liability and dis incentivising corporate exploitation of people and nature. In late 2009, further reparations lawsuits were expected in the New York Second District Court by victims of apartheid who initially requested $400 billion in damages from US corporations which profited from South African operations during the same period. Supreme Court justices had so many investments in these companies that in 2008 they bounced the case back to a lower New York court to decide, effectively throwing out an earlier judgment against the plaintiffs: the Jubilee anti-debt movement, the Khulumani Support Group for apartheid victims, and 17,000 other black South Africans. When Judge Clara Scheindlin replaced the late John Sprizzo, the case suddenly was taken seriously and in March 2009 moved a step closer to trial when she rejected the corporations’ attempt to have it dismissed (Bond and Sharife, 2009).

Beyond these kinds of tort actions, will courts start declaring climate-related ecological debt a valid concept? Environmental rights to protection from climate change were explored in a court case filed by Friends of the Earth, Greenpeace and the cities of Boulder, Colorado, Arcata, Santa Monica and Oakland in California, against the US Export-Import Bank and Overseas Private Investment Corporation, which had invested, loaned or insured $32 billion in fossil fuel projects from 1990–2003 without regard to the US National Environmental Policy Act (NEPA). At present, only US cities have formal standing to sue for damages from climate change under NEPA, in the wake of a 2005 federal ruling. The out-of-court-settlement in February 2009 meant that the defendants will in future incorporate CO2 emissions into planning, but there are prospects for further suits that extend into identification and payment of damages (Friends of the Earth, 2009).

There are quite obvious limits to prospects for court relief under the Alien Tort Claims Act or NEPA, the two most advanced areas. Hence it would be consistent for climate justice activists to also proceed with more immediate strategies and tactics. As Al Gore expressed it in 2007, “I can’t understand why there aren’t rings of young people blocking bulldozers and preventing them from constructing coal-fired power plants” (Kristoff, 2007: 23). Arguing that “Protest and direct action could be the only way to tackle soaring carbon emissions,” the US National Aeronautic and Space Administration’s leading climate scientist, James Hansen, “The democratic process is supposed to be one person one vote, but it turns out that money is talking louder than the votes. So, I’m not surprised that people are getting frustrated. I think that peaceful demonstration is not out of order, because we’re running out of time” (Adam, 2009). Hansen himself participated in direct action in 2009, demonstrating at coal-fired power plants in Coventry, England and West Virginia (where at the latter site he was arrested), as well as at a pro-coal and pro-carbon trading environmental NGO in late 2009.

But the most effective examples of direct action come from the Global South, especially the Niger Delta. In January 2007, at the World Social Forum in Nairobi, many other groups became aware of this movement thanks to eloquent activists from the Delta, including the Port Harcourt NGO Environmental Rights Action (ERA). In separate disruptions of production (including armed interventions), the Movement for the Emancipation of the Niger Delta prevented roughly 80% of the country’s oil from being extracted, although a cease-fire was called in mid-2009 (Mistilis, 2009).

The strategy is consistent with the grassroots, coalface and fenceline demands of civil society activists in the Oilwatch network (headquartered at ERA) to leave the oil in the soil, the coal in the
hole, the tar sand in the land. Activists from Accion Ecologica popularized this approach in their struggle to halt exploitation of the oil beneath the Yasuni park in the Ecuadoran Amazon. The German state development agency GTZ conceded to a $50m/year grant (although Yasuni may become a pilot carbon trading case unless Ecuadoran environmental and indigenous rights activists can resist) (Gallagher, 2009).

Finally, there arises a question of how, if such direct action pressure permits climate debt to become part of Northern elite climate concessions, the debt repayments might be best distributed. It became clear to many civil society groups in recent decades that post-colonial African governments were too easily corrupted, just as were United Nations and aid (and even International NGO) bureaucracies.

One solution to the payment distribution problem appeared in 2009: the idea of simply passing along a monthly grant – universal in amount and access, with no means-testing or other qualifications – to each African citizen via an individual ‘Basic Income Program’ payment. According to Der Spiegel correspondent Dialika Krahe, the village of Otjivero, Namibia is an exceptionally successful pilot for this form of income redistribution (Krahe, 2009: 3-5):

It sounds like a communist utopia, but a basic income program pioneered by German aid workers has helped alleviate poverty in a Namibian village. Crime is down and children can finally attend school. Only the local white farmers are unhappy…’This country is a time bomb,’ says Dirk Haarmann, reaching for his black laptop. ‘There is no time to lose,’ he says, opening documents that contain numbers he hopes will support his case. Haarmann and his wife Claudia, both of them economists and theologians from Mettmann in western Germany, were the ones who calculated the basic income for Namibia. And both are convinced that ‘this is the only way out of poverty.’ … ‘The basic income scheme,’ says Haarmann, ‘doesn’t work like charity, but like a constitutional right.’ Under the plan, every citizen, rich or poor, would be entitled to it starting at birth. There would be no poverty test, no conditions and, therefore, no social bureaucracy. And no one would be told what he or she is permitted to do with the money.

In a country like Namibia, says Haarmann, “a basic income would achieve what conventional development aid could never do: provide a broad basis for human development, both personal and economic” (Krahe, 2009: 5).

First priority would be to supply a Basic Income Program to Africans who live in areas most adversely affected by droughts, floods or other extreme weather events. Logistically, the use of Post Office Savings Banks or rapidly-introduced Automated Teller Machines would be sensible, although currency distortions, security and other such challenges would differ from place to place. The Namibian case has much to recommend it, in part because it amongst the driest sites in Africa.

Conclusion

The climate debt strategy ultimately chosen by African elites and civil society campaigners alike, would ideally address the burning problem of how to ensure that the greenhouse gas ‘polluters pay’ in a manner that first, compensates their climate change victims; that second, permits transformation of African energy, transport, extraction, production, distribution, consumption and disposal systems; and that third, in the process assures the ‘right to development’ for Africa in a future world economy constrained by emissions caps. Extremely radical changes will be required in
all these activities in order not only to ensure the safety of the species and planet, but also that Africans are at the front of the queue for long-overdue ecological and economic compensation, given the North’s direct role in Africa’s environmental damage. The contemporary argument for climate debt to be paid is simply the first step in a long process, akin to decolonization, in which the master – the polluting Global North (South Africa included) – must know that not only is it time to halt the reliance on fossil fuels, but having ‘broken’ the climate (as Pablo Salón puts it), it is their responsibility to foot the clean-up bill.

Notes

1 Market mechanisms – especially carbon trading and offsets – allow corporations and governments generating greenhouse gases to seemingly reduce their net emissions. They can do this, thanks to the Kyoto Protocol, by trading for others’ ‘certified emissions reductions’ (e.g. CDM projects in the Third World) or emissions rights (e.g. Eastern Europe’s ‘hot air’ that followed the 1990s economic collapse). The pro-trading rationale is that once property rights are granted to polluters for these emissions, even if given not auctioned (hence granting a generous giveaway), a ‘cap’ can be put on a country’s or the world’s total emissions. It will then be progressively lowered, if there is political will. So as to minimize adverse economic impact, corporations can stay within the cap even by emitting way above it, by buying others’ rights to pollute. But this would lead to a more efficient adaptation of economies to pressures associated with a carbon tax.

2 Maathai’s main institutional ally and funder were the Forum for Environment, Ethiopia and the Heinrich Boell Foundation (Ethiopia).


4 The analysis generated by Larry Lohmann is probably the most sophisticated, e.g., see Lohmann (2006, 2009a, 2009b, 2009c, 2009d, and 2010). In addition, I have written about the choice between carbon markets and climate debt in Bond (2009).

5 But neither was Cantwell’s own alternative ‘cap and dividend’ legislation sufficiently strong on making cuts or committing to pay carbon debt for it to gain genuine traction amongst environmental advocates. Most scientists insist that at least an 80% drop in emissions will be necessary within four decades, with the major cuts before 2020. To achieve this, carbon markets won’t work, as the leading US climate scientist, James Hansen, concluded in leading the intellectual opposition to US president Barack Obama’s cap and trade scheme. Obama’s legislation – the Waxman-Markey bill that passed the US House of Representatives in June 2009 (with similar Senate legislation on hold in 2010) – was so profoundly flawed that the more ambitious wing of environmental civil society argued it should be scrapped, not only because of its orientation to carbon markets, but simultaneously its destruction of Environmental Protection Agency’s powers to regulate carbon pollution, plus the legislation’s subsidization of fossil fuels and offsets. See the film ‘Story of Cap and Trade’ at http://www.storyofstuff.org and analyses by, e.g, the groups Center for Biological Diversity, Climate SOS and the Sustainable Energy and Economy Network, at http://www.biologicaldiversity.org/action/toolbox/ACESA/sign-on_letter.html, http://www.climatesos.org and http://www.seen.org.

6 See Bond, P. (2009a). According to Michael Dorsey, Professor of Political Ecology at the US’s Dartmouth College, “After more than a decade of failed politicking [on behalf of carbon trading], many NGO types... are only partially jumping off the sinking ship – so as to work for industries.
driving the problem. Unfortunately, many continue to influence NGO policy from their current positions, while failing to admit to or even understand obvious conflicts of interest”.


8 They include: (i) three dozen cases of African resources – worth billions of dollars – captured by firms for resale without adequate ‘Access and Benefit Sharing’ agreements between producers and the people who first used the natural products; (ii) diabetes drug produced by a Kenyan microbe and Libyan/Ethiopian treatment; (iii) antibiotics from Gambian termite hill and giant West African land snails; (iv) antifungal from Namibian giraffe and nematocidal fungi from Burkina Faso; (v) infection-fighting amoeba from Mauritius; (vi) Congo (Brazzaville) treatment for impotence; (vii) vaccines from Egyptian microbes; (viii) South African and Namibian indigenous appetite suppressant Hoodia; (ix) drug addiction treatments, multipurpose kombo butter from Central, W. Africa; (x) beauty, healing treatment from Okoumé resin in Central Africa; (xi) skin and hair care from the argan tree in Morocco, Egyptian ‘Pharaoh’s Wheat’, bambara groundnut and ‘resurrection plant’; (xii) endophytes and improved fescues from Algeria and Morocco; (xiii) groundnuts from Malawi, Senegal, Mozambique, Sudan and Nigeria; (xiv) Tanzanian impatiens; and (xv) molluscicides from the Horn of Africa.

9 The Bank’s estimates are conservative for at least three reasons: a minimalist definition based upon international pricing in 2000 (not potential future values when scarcity becomes a more crucial factor, especially in the oil industry); the partial calculation of damages to the local environment, to workers’ health/safety, and especially to women in communities around mines; and the Bank’s use of average – not marginal – cost resource rents also probably leads to underestimations of the depletion costs.


11 As New York Times reporters remarked, “Just a month after world leaders fashioned a tentative and nonbinding agreement at the climate change summit meeting in Copenhagen, the deal already appears at risk of coming undone” (see Broder and Rosenthal, 2010).

12 Trade Union Conference of the Americas (2009), ‘Statement’.


14 See: http://www.climate-justice-now.org/category/reports_and_publications/climate-debt/

15 Earthlife Africa (2009), ‘Press Release: South Africa’s Emissions Offer’, Johannesburg, 10 December. Other agencies were more circumspect, maintaining good relations. For example, in early December a leading official of the World Wildlife Fund called Sonjica’s Copenhagen strategy ‘very progressive’ and Greenpeace – so effective with direct action protests involving pranks and aesthetically gripping imagery (instead of grassroots organizing) – actually termed SA the ‘star’ of Copenhagen, prior to the Copenhagen Accord. Even a month after the Accord was signed, according to Themba Linden of Greenpeace Africa, “The BASIC countries have to lead the world in light of no leadership from developed world.”

16 Lohmann, L. (2009), personal correspondence.
References


Action Aid (2005), Real Aid: An Agenda for Making Aid Work, Johannesburg: Action Aid.


Africa Peoples Movement on Climate Change (2009), ‘Confronting the Climate Crisis: Preparing for Copenhagen and Beyond’, Nairobi, 30 August, Available at: http://www.iboninternational.org


International Monetary Fund (2009), *The implications of global financial crisis for low-income countries*, Washington, DC.: IMF.


McLure, J. (2009), ‘Ethiopian leader chosen to represent Africa at climate summit,’ in Addis Ababa, 1 September.


Sachs, J. (2009), ‘Obama as Climate Change Villain,’ 21 December, Available at: http://www.project-syndicate.org/commentary/sachs161


Shiva, V. (2005), ‘Beyond the WTO Ministerial in Hong Kong’, in ZNet Commentary, 26 December.


Working Group on Climate Debt (2009), ‘We demand the enforcement of the payment of climate debt’, World Conference of Peoples on Climate Change and the Rights of Mother Earth, April, Cochabamba.

Working Group on Climate Finance (2009), ‘Document debated and approved in the working group on Climate Finance’, World Conference of Peoples on Climate Change and the Rights of Mother Earth, April, Cochabamba.


Climate justice, climate debt, and anti-capitalism:
An interview with Patrick Bond
Upping the Anti #10, May 2010


CK: Why have you been critical of what’s been called the ‘cap and trade’ approach to dealing with carbon emissions and climate change – a strategy that has even been endorsed by people on the left such as Robin Hahnel?

PB: For the tiny group of left environmentalists who genuinely support carbon trading – and Canada has its share – there are two problems: first, believing your own progressive politics will fail against the neoliberal enemy and hence adopting mainstream logic, which is the main reason for most of the controversies with pro-market greens (such as Robin); and believing the claims of neoliberal hucksters that a carbon market can work.

Those claims have been systematically debunked since October 2004, when the Durban Group for Climate Justice gathered activists and intellectual critics from around the world and began networking and expanding our critique. Serious climate activists have made opposition to carbon trading a fairly central plank, such as in the global critique of Kyoto’s market provisions and various national legislative debates, as well as at the Third World coalface in Clean Development Mechanism projects and forest campaigning, led there by indigenous peoples. Carbon market conferences are now regular scenes of protest.

This stance contrasts with most of the Big Green groups – though not Friends of the Earth – whose leadership think carbon trading is the last best hope for legislation in North America, for stronger implementation in Europe, and for the buy-in of big Asian and Latin American polluters on the basis of complex market incentives.

But it turns out that due mainly to right-wing opposition, the cap and trade legislation supposedly ready for passage in the US and Australia in 2009 was defeated. So there’s really no hope for a coherent global market, with carbon priced sufficiently high to fund renewable energy (at $50+/tonne), which is what these light-green advocates had expected would be in place by now. It turns out that the pragmatists hoping to cut a deal with more enlightened fractions of capital – such as allegedly far-sighted financiers – overestimated the level of support for pricing carbon. They also assumed that widespread fraud would be eliminated instead of spreading, as we saw with the Hungarian government’s resale of carbon credits that wrecked European prices in March.

As a result, with the gridlock at Copenhagen and on Washington’s Capitol Hill, as well as in Ottawa and Canberra, the carbon market is dead. Of course, we’ve argued that it was already dead as an ecological project, for the purpose of financing renewable energy. After all, from mid-2008 to early 2009, the price fell from more than €30/tonne to less than €9/tonne. And this was the third such carbon market crash.

Market chaos is helpful, though, because genuine climate activists – even some who still work, however uncomfortably, within Canada’s Climate Action Network – are now able to more readily jettison vain hopes of climate policy alliances with liberals, bankers and corporations. That leaves us better able to seek direct caps on polluters through regulation, as well as direct-action strategies
and tactics to keep the oil in the soil, coal in the hole and tar sand in the land. Plenty of excellent Canadian and US activists are leading these battles, such as indigenous people in Alberta, networks of anarchists, radical greens and eco-socialists.

**CK:** Climate talks broke down at Copenhagen. The G77, representing 130 countries, suspended talks because they felt the countries of the North – with the US and Canada being the most glaring culprits – were unwilling to accept responsibility for their emissions. We heard the phrases ‘climate debt’ and ‘climate justice’ coming from representatives of the South. What do these concepts refer to and how do you think activists in countries such as Canada should take them up?

**PB:** ‘Climate Justice’ is the phrase that was popularized as a movement slogan at the December 2007 launch of the network Climate Justice Now! in Bali. The idea of climate justice brings together radical environmentalism with global justice currents such as those forged by Zapatismo, and by the protests in Seattle, Quebec City, Soweto, Bhopal, the Narmada Valley and several other cases of recent indigenous activism and anti-capitalism. The indigenous, small island, African and Andean leadership we’ve seen is vital, given this movement’s need to take direction from those most adversely affected, and it has been aided by political-strategic inputs from inspiring organisations like Focus on the Global South, whose best-known intellectuals, Walden Bello and Nicola Bullard, are influential critics of neo-liberal, Northern-dominated ‘multilateralism’.

Another great boost came from the research and eloquent reportage of Naomi Klein, who in late 2009 assisted many in the North to realise how much they owe the South in damages for taking up too much environmental space: ‘climate debt’. The phrase is most closely associated with Quito-based Accion Ecologica and its advisor Joan Martinez-Alier of Barcelona, but Jubilee South chapters from Manila to Buenos Aires have also made this a campaigning issue.

Last April, in an inspiring statement to the UN General Assembly, the Bolivian government played a leading role in putting climate debt on the UN’s agenda. In September the World Council of Churches endorsed the idea, in spite of some Northern member opposition. And then we figured the big breakthrough in the last half of 2009 was the willingness of the Ethiopian tyrant, Meles Zenawi, to demand a Copenhagen commitment of up to $100 billion/year by 2020 for Africa, without which the Africans would walk out. They even did a November dress rehearsal at a preparatory meeting in Barcelona.

Hearing this, our Durban guru Dennis Brutus replied, ‘Then we should “Seattle Copenhagen”, with the left outside protesting and African elites inside denying consensus, so as to delegitimize the process and outcome, just as we did in 1999.’ That was a logical trajectory for climate politics, especially when even the establishment scientist James Hansen cogently argued in the *New York Times* in December that because of carbon trading, no deal at Copenhagen would be better than a bad deal. No one I met in the CJ movement in Copenhagen had any illusions that an agreement worth endorsing would emerge.

Exactly a week before Brutus died, on December 19, the Copenhagen circus imploded because, as Bill Mckibben of 350.org put it, ‘Obama blew up the UN.’ This news pleased Dennis immensely, given the contours of a bad US-driven deal: insufficient CO₂ cuts, unwillingness to pay the climate debt, and inability to break from the centrality of a carbon market.
After signing on, the South African president Jacob Zuma looked like a hapless mugging victim staggering drunkenly home from a pub. He really didn’t know what hit him in the negotiating room on December 18, and along with everyone else, his environment minister shook her head the following week and said, ‘I’m disappointed’ – because the SA ruling class, like Canada’s, needs legitimacy for ongoing mineral-based plunder, and they didn’t get it. Three of the last words Dennis said to me were, ‘Serves them right!’

As for the climate debt demand, some of us (myself included) were naive to believe Zenawi, who detoured to Paris on his way to Copenhagen, and with the enthusiastic support of Nikolas Sarkozy, promptly cut his demands in half by accepting lower financial transfers and removing the walk-out threat. But now that the climate debt genie is out of the bottle, US officials – in denial of course, refusing to acknowledge the concept – and Europe will continue to be badgered to pay by Climate Justice activists. So will South Africa, which owes the continent a vast amount, given that we emit 42% of Africa’s greenhouse gases but have less than 8% of the population.

One of the nuanced debates is whether the debt should take the form of individualized and potentially commodifiable ‘Greenhouse Development Rights’ or whether instead we can move towards more transformative and collective strategies for claiming debt. Another is what form the climate debt would be paid in, since no sensible climate debt activist trusts the kinds of strategies that the likes of Hillary Clinton offer: ‘Clean Development Mechanism’ expansion via carbon trading, or traditional corrupt, corporate-dominated and geopolitically-influenced aid, of the sort CIDA is infamous for. We’re unsure of the reliability of even the G77 climate financing demands, which include public payments but also market mechanisms.

**CK: You were a student of David Harvey. In The New Imperialism (2003), he provides an updated Marxian analysis of US imperialism in the context of a neoliberal order bent on ‘accumulation by dispossession.’ What do you make of the fact that despite his critical analysis, he ends the book by calling not for building socialist movements to actually overthrow the prevailing economic order, but for a return to something like Keynesian social democracy?**

PB: Yeah, I love that book, except those last pages. In 2003, having recently moved to New York and possibly envisaging a President Howard Dean – who was then making a good run in the early going and sounding globo-Keynesian in the wake of the world’s 1997-2001 financial chaos – David had every reason to hope that a rational US elite would replace the madman Bush. In retrospect, proclaiming such an early death for neoliberalism, was overly optimistic. After all, even the 2008-09 chaos left the IMF’s most enlightened minds advocating Keynesianism for the North but increasing austerity nearly everywhere else – even in South Africa in late 2008, where we were running budget surpluses yet had vast unmet social needs.

Still, the times have been ripe for that sort of idealism, and there’s probably no harm in making a Keynesian argument now and again, even if just to help provoke Stiglitz, Sachs, Krugman and Soros leftwards. However, my problem with a call for global Keynesianism or global governance is that it distracts us from the harsh reality of power imbalances at the global scale. Since the 1996 Montreal Protocol ending CFCs, and perhaps some subsequent minor advances in the Convention on Biodiversity, it’s abundantly clear that the world rulers cannot get their act together. Hoping for meaningful change from these global summits has become an exercise in frustration: from Kyoto (1997) to Copenhagen on climate, from Monterrey (2002) to Gleneagles (2005) to Washington (2008) to London and New York (2009) on global financial reform and development finance, from Seattle (1999) to Cancun (2003) to Geneva (2009) on trade and WTO reform, from one failed
Bretton Woods Institution or UN General Assembly and Security Council reform to the next, from the UN Millennium Development Goals (2000) to whatever gimmicks will come next, from the G8 to the G20 (Canada 2010), from Davos to Davos to Davos, from the Washington Consensus and neoliberalism to neoconservatism to an alleged Post-Washington consensus after 2008. What a merry-go-round of grand rhetoric and stultifying inaction.

These guys are desperate for a global solution for even one single global problem, and they are not getting anywhere close. All they really have to offer is stale analyses and then inaction. And that’s mainly because their own national capitalist classes are up against the wall. They go into negotiations with a mindset that exacerbates the problems, as was evident in Copenhagen.

Given this adverse balance of forces, which will continue into the foreseeable future, any talk of global governance is a dangerous distraction, whether of the Keynesian or Giddensian Third Way or neoliberal sort. Instead, I believe our offensives should be planned mainly where the left can generate a genuine change in power relations, such as at the national level and perhaps in regional combinations, as the Bolivarian bloc has sometimes been capable of doing.

Of course, we’re nowhere close to the left taking power elsewhere, and so we’ve come to realize, these past couple of decades, that it’s really at the local spheres where movement building can shake the global elites, something Harvey acknowledges by putting ‘accumulation by dispossession’ at the centre of his recent analysis. Like Rosa Luxemburg’s theory of imperialism in The Accumulation of Capital in 1913, or Naomi Klein’s privileging of extra-economic coercion in The Shock Doctrine, or our own race-class debates in South Africa regarding the ‘articulation of modes of production,’ or Trotskyist (and post-Trotskyist) references to combined and uneven development, the crucial insight concerns the extreme stretch of market power into the non-market sphere during periods of long-term capitalist downturn and amplified financial crisis.

As Polanyi’s idea of the ‘double-movement’ suggests, very serious political resistance can be found in the consequent pushback. Our best case is probably the Treatment Action Campaign’s successful demand for access to AIDS medicines, in which local activism joined by ferocious international solidarity beat the Clinton-Gore administration in 1999, the Big Pharmacorps in 2001, and Thabo Mbeki’s regime here from 2003-08 – resulting in 800,000 South Africans with AIDS getting free AntiRetroViral (ARV) drugs today. The cost of this war was high, for in the process, 330,000 lives were unnecessarily lost because Mbeki took so long to surrender.

Still, thanks to this precedent, millions are getting access elsewhere in Africa, consuming pills made as generics in African factories, and not paying for patents in New Jersey or Zurich. A decade ago these treatments would have cost $15,000/year each, and so decommodification and deglobalisation of capital through the globalisation of people’s struggles represents the formula needed to defeat accumulation by dispossession in one of the most critical areas: intellectual property rights.

Local resistances to water and electricity privatization offer another set of excellent struggles. Harvey writes encouragingly of the precedents set in Soweto’s water wars, which helped kick Suez, the French water company, back to Paris in 2006. These struggles take us through decommodifying ‘socio-economic rights’ discourses, right up to their limits (in South Africa it turns out to be 25 litres of water/day per person for free but no more), and now – after a Constitutional Court defeat for activists last October – beyond rights-talk into ‘commons’ narratives, such as mutual aid in the liberation of water from the despised prepayment meters thanks to crafty neighbourhood re-
plumbing teams. In Canada, Maude Barlow’s Council of Canadians, David McDonald at Queens University, and Tony Clarke’s Polaris Institute have come along on this journey with us.

Our challenge remains stitching together these sorts of victories across the expanse of the New Imperialism, and linking them up into a coherent political strategy. We’d hoped the World Social Forum would do so, and when David and I strolled through Porto Alegre in late January discussing this, it was with sadness that we realized there is still too much WSF ‘open space’ and not enough connecting-the-dots. Maybe the Fifth International project launched by the Bolivarians will help, but let’s see.

**CK:** In terms of climate politics and climate justice, how should we orient ourselves to the emergence of more social democratic language since the financial meltdown of 2009 in the US and the election of Barack Obama?

PB: Simply listen and look at the evidence soberly. It wasn’t surprising to me that after a kind of bailout-based financial crony capitalism for Obama’s Wall Street friends, Larry Summers would arrange a budget freeze. This merely amplifies the damage being done by what’s called ‘the fifty Herbert Hoovers’ (i.e., all the austerity programs at the state level).

With this sort of evidence, I think you’ll end up reacting to Obama’s occasional populist bank bashing by replying, ‘Talk Left, Walk Right’, as we do here in South Africa, and also maybe ‘Obummer!’ Or even ‘You Lie!’ as do his rightwing critics.

Then the illusions in US Democratic Party politics will lift, and it will be back to the hard but rewarding task of grassroots and labour organizing.

I spent 2003-04 at York University in Toronto with the single most talented group of English-speaking political economists, and they are really tackling this matter of Washington’s excessive power and residual neoliberalism. While I have occasional differences with Leo Panitch and his comrades about interpreting capitalist crises, they know the US state as well as any analysts out there.

As for climate politics, having spent a month in San Francisco after Copenhagen, I was very inspired by the willingness of Climate Justice Movement-West cadre there to tackle Chevron, with dozens of arrests. They also protested at the Danish Embassy, at Senator Barbara Boxer’s office and at City Hall, and on Tax Day (April 15) will disrupt an emissions market conference. Carbon traders have also become targets in Chicago and New York. I’m also impressed that activists and lawyers have beaten back applications for nearly all the proposed new coal plants in North America. Most impressively in the US, West Virginia critics of mountaintop removal are doing brilliant activism, including a March sit-in at the Environmental Protection Agency which forced their director, Lisa Jackson, to move towards a ban on coal blasting that destroys those Appalachian streams and reivers.

And most important of all, halting Tar Sands exploitation in Alberta is crucial. Shannon Walsh, our Montreal-based comrade made a film – H2Oil – that teaches us so much, and helps make linkages from Alberta to the community I live in, South Durban, which is Africa’s major oil refining site south of Nigeria.
CK: You have written about what you and others call ‘global apartheid’, signifying a racist global economic order that shares certain characteristics of the apartheid system. How do you relate issues of race to questions of climate change and ecology generally?

PB: The most obvious is waste disposal, including greenhouse gases, with the most adverse impacts occurring in residential areas predominantly populated by people of colour.

Remember the famous December 1991 World Bank memo by its then chief economist Summers – actually plagiarised from his friend Lant Pritchett – saying that ‘Africa is vastly underpolluted’, since ‘the economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable, and we should face up to that.’ Once you look at where Obama plans to build his new nuclear plants, you’ll see ongoing evidence of environmental racism.

The same goes for Africa. Here in Durban, the largest landfill in Africa is Bisasar Road, situated just south of the famous Kennedy Road and its 4000 black ‘African’ shackdwellers who until last September included leadership of the group Abahlali baseMjondolo, amidst working-class and lower-middle-class ‘Indian’ and ‘coloured’ communities. This case of extreme environmental racism began under apartheid in 1980 when the dump was forced onto unwilling residents, who fought it hard and who believed African National Congress promises of closure in 1994. In part because Summers’ toxic logic spawned carbon trading, the World Bank and neoliberal municipal bureaucrats came with their own crazy promises, of jobs and university scholarships for the communities, if only the dump could be kept open longer and methane gas from rotting rubbish be turned into electricity, albeit with a massive increase in flaring, with all manner of hot super-toxins released in the process. And from 2009, carbon credits began flowing into Durban municipal coffers at $14/tonne, so that Northern polluters can keep warming the climate. No, none of the Abahlali members got jobs or bursaries; that was a World Bank and municipality hoax.

Bisasar is South Africa’s most famous and largest ‘Clean Development Mechanism’ (CDM), and the leader in the continent. Thanks to Sajida Khan, who hosted the inaugural Durban Group for Climate Justice meeting in 2004 and in 2007 died of cancer – which she got twice breathing in Bisasar fumes every day – we know more about how CDMs are closely correlated to this kind of global-apartheid climate-racism, and how they cement in local racism borne of state power and capital accumulation.

Still, what we learned from the five stooges who co-signed the Copenhagen Accord last December is a shocking confirmation of global climate apartheid. Quite simply, these five men of colour – Obama, Zuma, Manmohan Singh of India, Wen Jiabao of China and Lula da Silva of Brazil – represented the interests of mainly white-owned industrial capital and mainly white over-consumers, against the masses of climate victims who are predominantly people of colour.

Some of the very worst-off rural victims of the coming climate disaster will be the Luo of Kenya and the Zulu of South Africa. The sacrifice by Obama and Zuma of their relatives on behalf of big capital and consumer hedonists is especially poignant, reminiscent of the way Fanon described the pitfalls of African leaders’ ‘national consciousness’ in The Wretched of the Earth.

CK: In the face of a global capitalism dominated by the most ecologically destructive states, mainly in the global North, how would you suggest that activists in places like Canada and the US form productive alliances with movements in the South that not only challenge ecological destruction but also the rule of capital more generally?
PB: South Africa has an exceptionally vibrant climate justice movement, and we need one because of the extreme contributions that global capital makes to South Africa’s climate footprint. Measured by the CO2 emissions in the energy sector per person per unit of output, we’re 20 times worse than the US here. And that’s so BHP Billiton, Arcelor Mittal, Anglo American Corporation and others can enjoy the world’s cheapest electricity – between US$0.01 and $0.02/kiloWatt hour, cross-subsidised by low-income consumers who are paying as much as $0.10/kWh through prepayment meters. The first figure will stay the same thanks to apartheid-era deals locking in cheap power for decades, while poor and working people are facing price hikes of 300% over the last couple and next three years.

So there’s a proliferation of community protests, many over ‘service delivery’ – e.g. excessively expensive electricity or simple lack of access in places like Kennedy Road, hence repeated shack fires and internal respiratory health problems. We’ve not been successful in connecting the red and green dots, though, and linking these protests, especially to trade union struggles against electricity privatization. I feel that such linkages will occur in coming years. Eskom and the World Bank will be useful targets in the next weeks, given the latter’s US$3.75 billion loan to the former. We have a couple of hundred groups lined up to protest, stretching across the world.

The South offers very serious climate justice leadership, such as indigenous people and environmental and community activists in the Niger Delta and Ecuadoran Amazon. Accion Ecologica persuaded Ecuadoran president Rafael Correa to consider an oil-in-the-soil plan to prevent drilling in the Yasuni National Park in 2007, which by June 2009 was rewarded with a $50 million/year commitment by the German government, though it appears to be in trouble now.

Most spectacularly, Niger Delta activists keep vast amounts of oil in the soil through both non-violent and armed struggle. In the former category, Environmental Rights Action in Port Harcourt insisted on an end to extraction and exploration. In the latter, the Movement for the Emancipation of the Niger Delta continues to kidnap foreign oil workers, demanding they vacate the Delta for good. Thanks in part to organizing by the Ogoni Solidarity Forum, Shell Oil was kicked out of Ogoniland in June 2008, 13 years after the company arranged for Ken Saro-Wiwa’s execution, an act for which they settled an Alien Tort Claims Act lawsuit out of court in June 2009 for $15.5 million.

Here in Durban, the radical NGO groundWork linked Oilwatch to several dozen anti-oil activist groups from across the continent at a September 2008 conference, and a month later, citing climate concerns, the South Durban Community and Environmental Alliance began a legal appeal to the national government, aiming to reverse a $2 billion Durban-Johannesburg pipeline investment which would double oil refining in the polluted community.

These are examples of serious strategies in place to halt climate change at the supply side. Proponents believe that though they are still microscopic in nature, these strategies and tactics could be much more effective than carbon markets in stopping emissions. Many have been inspired by Alaskan and Californian environmentalists’ ability to withstand US oil company pressure to drill in the tundra and off the coast. The struggles against Chevron in the Bay Area are really good models, including actions at the company’s racist Richmond refinery.

CK: How can labour be radicalized on the question of climate change? What about all those workers whose livelihood depends on carbon-emitting industries? With regards to the union
movement is the problem with the leadership or is it just something to do with the relatively higher standards of living enjoyed by unionized workers in the global North?

PB: It’s a tough question. The leading union on these issues here is the National Union of Metalworkers, and their leaders know it makes sense to make a ‘Just Transition’ from these untenable jobs in aluminium smelting to equally skilled and remunerated work doing the construction, installation and maintenance of passive-solar hot water heaters. These are needed atop every home across this country and continent. Lacking is the $1200 per unit subsidy required, so that’s a point of contestation with a government these unions helped to put into power, to replace the neoliberal Mbeki regime in 2008.

It turns out, though, that the Zuma regime is just as bad in most areas, but a communist minister of trade and industry, Rob Davies, is now making the right noises about green jobs. The metalworkers have to keep their eyes on a fast-changing industrial policy, on macroeconomics – where they lead the country in criticising monetarism – and on maintaining leftward momentum in union and Communist Party politics. It’s a hell of a hard job.

One of the great inspirations for them is the writing and speeches of Sam Gindin at York University. And they have learned lots about the failings of corporatist strategy from the US United Auto Workers and the more recent foibles of Canadian auto workers.

These problems are partly leadership failure and partly, as you say, a function of the old ‘labour aristocracy’ defence of living standards. We all need a bigger dose of critical education – such as The Story of Stuff and other attempts to address rampant consumerism – so as to organize for more free time and a better quality of life, instead of two McJobs, overpriced real estate, nonstop television advertisements and underpriced consumer goods which do environmental and social harm.

**CK: Do you think that the anti-globalization movement has evolved into the global climate justice movement? Do some of the same problems within the global justice movement haunt the climate justice movement?**

PB: Climate justice politics are picking up the best lessons from the last fifteen years or so of global justice activism. We saw that with the Climate Justice Action mobilizations in Copenhagen. Climate is an issue that encompasses so many others, like trade did for those Seattle activists in 1999. It will only get stronger, and hence a great deal of time is being spent negotiating good process, such as how to make the Cochabamba meeting called by Evo Morales in late April as effective as possible notwithstanding financing and language challenges. Every so often, a huckster will pop up trying to claim the traditions of climate justice, such as we saw with the tcktcktck campaign, so vigilance about what qualifies as justice is critical, now that the Climate Action Network membership is in disarray with their carbon trading strategies and tactics so discredited.

In addition, we still need every component of the global justice movement to toughen up. There are roughly three dozen fields of action where transnational movements of radical civil society forces have generated formal networks and sites of solidarity, often under severe difficulties, but the difficulty of working out of the silos remains.

**CK: What is the significance of the experiments with “Bolivarian Socialism” in Venezuela and Bolivia for the global climate justice movement?**
PB: Of course, the Bolivian indigenous and radical social movements’ transition from opposition to state power is inspiring, and we’ve followed the complexities through the principled stance of the Cochabamba water movement, partly because their April 2000 coming out party and the South African independent left’s emergence were so similar (Cochabamba’s autonomist Oscar Olivera discussed this so eloquently with Soweto’s socialist Trevor Ngwane over coffee in a DuPont Circle bookshop during the World Bank protest mobilization, to mutual benefit).

We’re very inspired to hear that Ecuador is moving back to a saner macroeconomic policy with its 2009 default on the foreign debt, ejection of World Bank staff, and its work with the Bank of the South. We’re even more inspired to know that indigenous people in the Ecuadorean Amazon and Accion Ecologica are fighting so hard against the petro-Keynesianism of Rafael Correa, who looks increasingly repressive.

Can Hugo Chavez move to a post-petrosocialist vision more motivated by decentralised power and resources? Following dispatches from Marta Harnecker, Edgardo Lander, Michael Liebowitz, Fred Fuentes and Kiraz Janicke in Caracas, and Michael Albert’s persistent efforts to inject participatory ideas into the Fifth International, sure, Venezuela has its ups and downs on this path beyond capitalism.

We’re desperately hoping Chavez becomes as serious a climate justice leader as we heard him hint at becoming in Copenhagen. As evidence to the contrary, in September 2008, he sold the idea of a new oil refinery in South Africa to import his junk dirty-shale, and outgoing president Mbeki bought it just before being tossed out of power. So we may be stuck with a white-elephant $8 billion refinery for the state company PetroSA.

When, a month later in Caracas, Dennis Brutus and I asked Chavez and his environmentalists, could they please keep their oil in the soil, ‘si’ was not the answer we were given. For now, though, the critique we share of global capitalism is the basis for much more collaboration and debate. And from there to unifying action is inevitable, as we try to keep the coal in the hole in South Africa, requiring a great deal more pressure from the Bolivarians against our ruling party, a process that has already begun when in Copenhagen, Chavez and Morales chastised Zuma for his subimperialist climate posture. But as Marx said, each proletariat has to deal with its own bourgeoisie first, and that’s still the most critical thing for us to bear in mind before we are sucked into unrealistic alliances aimed at global deal-making.
World Bank threat to South African politics and the world’s climate
The Mercury, 13 April 2010

How dangerous is the World Bank and its neoconservative president, Robert Zoellick?

Notwithstanding SA’s existing $75 billion foreign debt, last Thursday the Bank added a $3.75 billion loan to Eskom for the primary purpose of building the world’s fourth-largest coal-fired powerplant, at Medupi, which will spew 25 million tonnes of the climate pollutant CO2 each year.

As taxpayers, Eskom customers, municipal ratepayers and world citizens, how worried should we be?

Finance Minister Pravin Gordhan repeatedly said that this is the Bank’s ‘first’ post-apartheid loan, yet its 1999 and 2008 ‘Country Assistance Strategy’ documents show conclusively that Medupi is the 15th credit since 1994.

Gordhan also claimed the loan will now help South Africa ‘build a relationship’ with the Bank. He forgets, the Bank coauthored the 1996 Growth, Employment and Redistribution programme, which led us to overtake Brazil as the world’s most unequal major country, as black incomes fell below 1994 levels and white incomes grew by 24%, according to official statistics.

Gordhan neglects that the Bank itself regularly brags about its ‘Knowledge Bank’ role here. In 1999, for example, after Bank economist John Roome suggested to then water minister Kader Asmal that the government impose ‘a credible threat of cutting service’ to people who cannot afford water, the Bank’s Country Assistance Strategy reported that its ‘market-related pricing’ advice was ‘instrumental in facilitating a radical revision in SA’s approach’.

As a result, the cholera epidemic the following year – catalysed by water disconnections near Richards Bay – killed hundreds.

Similar misery will follow the Eskom loan. Medupi will be built in a water-scarce area where communities are already confronting extreme mining pollution. Forty new Limpopo and Mpumalanga coal mines will be opened to provide inputs to Medupi and its successor, Kusile.

More worrying, power-plant construction plans include a payoff of R1 billion profit for the African National Congress, whose investment arm owns a quarter of Hitachi, which received a R38 billion Eskom contract. So blatant is the conflict of interest that the government’s Public Protector last month judged Valli Moosa – then chair of Eskom and an ANC finance committee member – to have acted ‘improperly.’

Official embarrassment is acute, especially since the Bank issued a major report, ‘Quiet Corruption,’ just weeks ago. This is a prime case.

The announced sale of the ANC’s share in Hitachi within the next six weeks doesn’t really mitigate matters, given Medupi’s huge cost escalations (from R40 billion to R120 billion) and the increased value of Hitachi’s shares thanks to the improper, corrupt contract.

Five dozen civic, environmental, church, academic and labour organisations began a campaign against the World Bank loan in February. They are concerned not only that catastrophic climate change will be hastened, along with privatization of electricity generation, but worse, Medupi’s
main beneficiary will be the world’s largest metals and mining corporations, which already receive the world’s cheapest electricity thanks to multi-decade deals.

In early April, a small modification was made to one apartheid-era sweetheart ‘Special Pricing Agreement’ – but it was to BHP Billiton’s ‘advantage’, the Melbourne-based company reported.

Medupi’s vast costs will mainly be passed on to people who cannot afford to pay the loan, through a 127% electricity price increase over four years. Dissent against service delivery deficits make South Africa amongst the world’s most protest-rich countries and the Congress of SA Trade Unions is threatening a national strike against Eskom that may well last into the World Cup.

South African civic groups and their 140 international allies now say they will start financial punishment of the institution, harking back to the World Bank Bonds Boycott launched by the late poet-activist Dennis Brutus exactly a decade ago.

In response to Brutus’s call, the city of San Francisco and other municipalities pledged not to buy Bank bonds. Scores of major financial institutions and endowment funds followed suit, including the world’s largest pension fund, TIAA-CREF, whose annual meetings Brutus visited on three occasions.

With the focus now broadening to include climate, San Francisco Supervisor Ross Mirkarimi reacted angrily to the Eskom financing: ‘The loan provides sobering proof that the World Bank’s recent talk about its commitment to climate finance was nothing but a bunch of hot air. We will renew our commitment to keep our clean money from being tarnished by investment in the Bank’s coal-dirtied bonds.’

To understand why the Bank took this huge risk – with major shareholders like the US and European countries abstaining from voting – requires insights into its leader, Zoellick.

A major player in the ‘war on terror,’ Zoellick served as number two at George W. Bush’s State Department and then in 2007 replaced Bank president Paul Wolfowitz, who was fired by the Bank board for arranging a plush State Department job for his girlfriend.

Like Wolfowitz, Zoellick was at the outset a proud member of the neoconservative thinktank, the ‘Project for a New American Century’, and as early as January 1998 went on record arguing that Iraq should be illegally overthrown. In the same period, Zoellick also worked for Fannie Mae, Enron and Alliance Capital, all of which effectively went bankrupt. From 2001-05, Zoellick was the US trade minister, and his bumbling at the 2003 Cancun ministerial summit confirmed the World Trade Organisation’s subsequent demise.

And just prior to becoming World Bank president, Zoellick was a top executive at Goldman Sachs, widely blamed for amplifying the 2008-09 global financial crisis. Zoellick’s efforts promoting the Bank as lead climate financier at the December 2009 UN Copenhagen climate summit were equally unsuccessful, and the Bank’s backing of carbon markets is now widely decried as a lost cause.

Zoellick has broken many things in his career, and having now granted Eskom the R29 billion loan, he can add to his belt some new notches: the budgets of poor and working South Africans who will suffer unaffordable price increases, Limpopo ecologies, South African democracy and the climate.
Circumventing the climate cul-de-sac: Charleston-Cochabamba-Caracas versus Kyoto-Copenhagen-Cancun

The simple three steps required to escape the greenhouse-gas governance gridlock between global and especially US elites are easy to see, though United Nations officials and nearly all the world’s climate negotiators refuse to take them:

- Make dramatic emissions cuts — 45% below 1990 levels in the advanced capitalist economies within a decade, so as to reduce the temperature rise to less than 1 degree centigrade in line with scientific demands and the calls of climate change victims.
- Acknowledge the vast climate debt the wealthy North owes the under-emitting South — estimated at $400 bn/year by 2020.
- Decommission the destructive carbon markets – which have proven incapable of fair, rational and non-corrupt trading.

The elites prefer other routes: shifting, stalling, and stealing. These represent three moves we can use to characterize both contemporary economic crisis management and climate malgovernance. The routes correspond to the ways capitalism dealt with its deep-rooted problem of overaccumulation, dating to the 1970s, using what David Harvey terms the “spatial fix,” the “temporal fix,” and “accumulation by dispossession.” In the field of political economy, these concepts refer, respectively, to

- Globalisation’s ability to shift problems around spatially, without actually solving them.
- Financialization’s capacity to stall problems temporally, by generating credit-based techniques — including securitization of toxic loans — that permit the purchase of products today at the expense of future arrears and defaults when the upside-down pyramid topples.
- Imperialism’s compulsion to steal from weaker territories via extra-economic extractive systems, variously termed “articulations of modes of production,” “primitive accumulation,” “uneven and combined development,” the “Shock Doctrine,” and accumulation by dispossession.

The mismanagement of capitalist crisis, most spectacularly in 2008-09, included vast taxpayer bank bailouts during bursting financial bubbles, which in turn set the stage for another coming round of subprime disasters (next time, sovereign debt defaults combined with commercial real estate) as well as more rapid devaluation of the dollar. No matter how much shifting, stalling, and stealing has been accomplished, more is required than US Treasury and the Fed have accomplished — but there are limits now emerging into plain view.

One crucial limit to capitalist political economy is political ecology. Shifting, stalling, and stealing on behalf of world capitalism, by the likes of Larry Summers — when he arranged Wall Street bailouts in 1995 (Mexico), 1997-98 (East Asia) and 2008-10 through extreme devaluations visited upon vulnerable countries and people – hark back to a similar insight in December 1991. At that point, as World Bank chief economist, Summers wrote (or at minimum signed a memo Lant Pritchett wrote) that “The economic logic behind dumping a load of toxic waste on the lowest-wage country is impeccable and we should face up to that,” and “African countries are vastly underpolluted”.

By this, I think Summers meant that the US and other ultra-polluters should:
- Shift problems associated with environmental market externalities to the Third World.
- Stall a genuine solution to the problems by instead opening up the field of pollution-trading for some future market solution, using financialization techniques and imaginary “offsets” that are ostensibly aimed at building tomorrow’s sinks so as to mop up today’s dangerous forms of Northern pollution.
- Steal more of the world’s environmental carrying capacity – especially for greenhouse gas emissions – and perhaps pay a bit back through commodification of the air (resorting to mythical carbon markets and offsets) while denying climate debt responsibilities (as the US negotiating team did in Copenhagen, especially chief envoy Todd Stern: “The sense of guilt or culpability or reparations – I just categorically reject that”).

 Joined by Washington’s Big Green lobby, European elites were initially encouraging, setting up the EU Emissions Trading Scheme along the lines Al Gore requested in 1997 when he falsely promised the US would sign on to Kyoto if it included carbon markets (and which has made him, personally, even more wealthy, as a pioneer salesman). But the route from Kyoto to Copenhagen was one Washington declined to travel, as the Senate voted 95-0 against Kyoto and the Bush regime only showed up near the endgame, in Bali in 2007, with a vague commitment to join future post-Kyoto talks, but only if China and India were compelled to make deep cuts.

 Then in Copenhagen, Washington “broke the UN,” as 350.org leader Bill McKibben put it on December 18, by invoking a WTO-style Green Room strategy of divide-and-conquer. In a microcosm of last-minute shifting-stalling-stealing, the Copenhagen Accord brought together the US with the Brazil, South Africa, India and China (BASIC) bloc so that five leaders-of-color – Barack Obama, Lula da Silva, Jacob Zuma, Manmohan Singh and Wen Jiabao – could cement, for future decades, the untenable profits and lifestyles enjoyed overwhelmingly by white-owned capital and white overconsumers. (Tellingly, amongst the first groups of rural Africans to be fatally affected by the extreme climate change that the Copenhagen Accord locks in, are the Luo of Kenya and the Zulu of KwaZulu-Natal: Obama’s and Zuma’s closest kin. Nine of ten African peasants will not be able to produce if the 2 degrees centigrade mark is breached this century, according to UN experts, and the Copenhagen Accord is expected to achieve no better than a warming limitation to 3.5 degrees.)

 In Cancun in November-December 2010, we can expect what happened in the same place exactly seven years earlier, at the crashed WTO ministerial summit. The configuration could well entail protests outside and a walk-out and consensus-denial by insider elites representing desperate victims. In 2003 it was a brave African delegation, but in 2010 will probably mix small islands, a few Africans, and the feisty Bolivarians. They will be cheered on by a mass protest of tens of thousands of red-green activists outside the Cancun talks, far more militant than were the 100,000 in Danish civilized society who marched last December 12.

 Aside from protesting climate injustice at these sites (as well as the 2011 follow-up here in South Africa), what, then, is the optimal route mapped by the red-green Climate Justice (CJ) movement? The CJ movement has been growing especially from roots in the US environmental justice and Latin American climate movements (led by Accion Ecologica), and a Durban Group for Climate Justice formed in 2004 to specifically contest the “privatization of the air” associated with carbon trading. By 2007 at the Bali climate negotiations, leading radical environmentalists united with the global justice movement to form Climate Justice Now! and in 2009, Climate Justice Action fused similar currents in Europe to generate protest at Copenhagen.
To come to grips with climate politics requires CJ organizers to:

- Halt elite shifting of the problem, by expanding our own spatial and scalar political lenses from the local to the national and global (as was often accomplished in 2000s global justice organizing and activism).
- Halt elite stalling by telescoping long-term climatic processes into the present, but without getting so carried away by urgency that we endorse dubious deals (this is one of our most serious challenges because the most adverse impacts are years away for many, and some of the most opportunistic of false solutions are being imposed through rush-job environmental assessments).
- Halt elite stealing – not only of an unfair share of the planet’s environmental space, but also of multilateral political processes – by asking tough questions not only about mitigation and adaptation, but also about climate justice.

Given the terribly adverse balance of forces associated with global governance processes from Kyoto to Copenhagen to Cancun (the last solution to a world-scale problem, after all, was the 1996 Montreal Protocol banning ozone-hole endangering CFCs), the CJ movement must not only contest but also circumvent the elites in order to escape their climate cul-de-sac. Such a process starts elsewhere, in unlikely places like Charleston, West Virginia, where the scale-challenge has taken groups like Coal River Mountain Watch and Climate Ground Zero from their localized mountaintop removal protests – including tree-sit microsites – to the state capital, where they locked down at the WV Department of Environmental Protection last June. Their demand was a handover of responsibility from local bureaucrats captured by Big Coal, to the national Environmental Protection Agency (EPA).

But at the same time, the EPA is becoming the subject of intense climate protest, due not only to its slovenly attitude towards WV mountaintop removal, as occurred in late March when activists blockaded a Washington headquarters entrance. In addition, the EPA needs more direct action to punish EPA Administrator Lisa Jackson’s February announcement that her agency would delay substantive implementation of its 2009 “endangerment finding” on coal until 2013 (curiously timed to avoid the Obama reelection campaign).

It is in national state regulation (in every country) that climate accountability has been most obviously missing. Direct command-and-control regulation of emissions sources – far beyond current EPA plans for imposition of better coal-burning technology – must be higher on the agenda in 2010, since the Senate is unwilling to pass a genuine climate bill.

Gridlock in the Senate is thus rather useful. As climate scientist James Hansen and activists at Climate SOS and Rising Tide point out, the cap-and-trade strategy adopted by Senators Kerry, Boxer, Lieberman and Graham will do far more harm than good (see http://www.storyofcapandtrade.org). As in Copenhagen, better to have no deal than to have a bad deal which locks in a false-solution climate strategy.

Somewhat less objectionable than Kerry et al’s efforts on behalf of the fossil fuel and financial industries, is a bill introduced by Senators Maria Cantwell and Sue Collins last last year, which some progressive US climate activists are now actively supporting. Yet this effort, the Carbon Limits and Energy for America’s Renewal (CLEAR) Act, is also fatally flawed, because of inadequate emissions cuts (around 5% from 1990-2020), the lingering presence of carbon trading and offsets, the lack of
revenues earmarked to pay the US’ fair share of the Climate Debt, its inadequate strengthening of the command/control regulatory mechanisms/mandates for EPA, utility boards and planning commissions, and its inadequate mandate to assure economic transformation so as to generate new production, consumption, transport, energy and related systems. Also, if it passes the Senate, the likelihood is that the House will insist on many of the objectionable features of Waxman-Markey (offsets, carbon trading, oil/nuke/agro subsidies, EPA neutering, etc). (Upon invitation, I put these critiques to one of the bill’s technical managers, Amit Ronan of Cantwell’s office, and got no rebuttal.)

In contrast to the Capitol Hill quicksand, California provides more radical grassroots insights into jumping space and scale, with Chevron headquarters a special target of the vibrant Movement for Climate Justice-West (the most active group of CJ activists in the US), AmazonWatch, and Global Exchange. Californians and Alaskans who have previously fought to “leave the oil in the soil” – halting offshore drilling and tundra destruction, respectively – will obviously need to remobilize against Obama. But everywhere, organizers can find excellent local climate change targets to raise consciousness and effect emissions cuts, with direct action against major greenhouse gas sources or large-scale corporate fossil-fuel consumers. Two particularly good sites for climate activists are, first, the public utility commissions which control pricing and electricity generation techniques (and hence coal-fired and nuclear power plants); and second, the municipal or regional planning commissions which give the go-ahead to suburban sprawl and all manner of other climate-threatening projects.

Which brings us to the global scale, where in Cochabamba, Bolivia from April 19-22 (Earth Day), Bolivarians led by host Evo Morales and grassroots indigenous, community, feminist, and environmental movements will be joined by genuinely solidarist labor and NGO forces. This could set in motion a much more serious transnational CJ strategy, based not upon the illusion that the UN will address the climate crisis anytime soon, but instead upon more serious, pragmatic strategies. These can come only from a much richer merging of social and ecological rights discourses (for what such narratives are worth), and choices of unifying targets (such as fossil fuel companies, carbon traders, and the World Bank). Also in April, in Caracas, the new “Fifth International” will meet, and if red-green activists are there in force, the region’s petro-socialists (e.g. Hugo Chavez) and petro-Keynesians (e.g. Rafael Correa) may face up to contradictions in their own political ecologies. This is crucial, because in one of the world’s most important sites of struggle, Ecuador’s Yasuni National Park in the Amazon, an official presidential threat has been made that oil drilling commences on June 1, unless countervailing pressure by the Confederation of Indigenous Nationalities of Ecuador and Accion Ecologica is successful.

There are indeed, sometimes, deep-seated contradictions between red and green. In Africa, one of our objectives is universal supply of free basic electricity. South African activists in the Energy Caucus demand the equivalent of 100 kWh/person/month (so as to eliminate dirty energy inside the house for health/safety and gender equity purposes) to be supplied partially by universal passive-solar hot water heaters and partially through a connection to a progressively decarbonized national grid. But the only way to do so is to reverse a surreal apartheid inheritance: what is currently the world’s cheapest electricity (less than $0.02/kWh) goes to the world’s largest metals and mining firms (which export profits to London, Luxembourg, Zurich, and Melbourne), while a typical black township household will suffer a 127% price rise from 2008-12. The rationale for the higher higher rates is the construction of two huge new coal-fired powerplants – required so as to maintain cheap power to the smelters. A World Bank loan is critical to the process, and against it, a red-green alliance is forming – initiated by Climate Justice Now!SA (CJN!SA) members (especially
groundWork, the South Durban Community Environmental Alliance, and Earthlife Africa) and joined by major international environmental groups which aim to halt the Bank’s coal-oriented energy strategy. Given that a few thousand jobs in smelters, mines and the auto industry are at risk, environmentalists, communities and unions are seeking ways to work together, so that fossil fuel-dependent jobs can be compensated for through equally well-paid Green Jobs, especially the construction and installation of solar water heaters (in a Just Transition approach that the left of the British labor movement is also strategizing with red-green forces).

The situation elsewhere in Africa is similar, since so many of the extractive industries are the sole beneficiaries of electricity grid expansion. Red-green campaigns aim to “leave the oil in the soil” and “the coal in the hole,” exemplified in Nigeria where Delta activists have intimidated oil companies through both non-violent and armed struggle. In the former category, Environmental Rights Action in Port Harcourt insists on an end to extraction and exploration on grounds of the climate threat, and the descendants of Ken Saro-Wiwa and eight of his Ogoni movement comrades won a precedent-setting out-of-court-settlement with Shell last June that may scare off other oil firms. In the latter category, the Movement for the Emancipation of the Niger Delta continued to kidnap foreign oil workers, demanding they vacate the Delta for good. Thanks in part to organizing by the Ogoni Solidarity Forum, Shell was evicted from Ogoniland in June 2008, 13 years after the company arranged for Saro-Wiwa’s execution.

In contrast to the compromise-oriented lobby group, Climate Action Network, led by large NGOs which support carbon trading, the radical red-green activists formed Climate Justice Now! in December 2007. They issued five demands:

- Reduced consumption.
- Huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation.
- Leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy.
- Rights-based resource conservation that enforces Indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water.
- Sustainable family farming, fishing and peoples’ food sovereignty.

No matter that the CJN! component-movements are disparate. These are the kinds of organizations and arguments that link spatio-temporal resistances amongst diverse eco-social forces during a period of austerity, civil society weakness, and repression. The agents of social and environmental change can take advantage of neoliberalism’s still-discredited ideological status and demand from the next global and national negotiations a strategy for justice, not one based upon commodifying carbon.

But to do so the CJ activists still need to generalize an innovative critique, one that emerged over time as the global emissions trading strategy rose from birth in 1997, peaked in 2008, and attempts a last-gasp resurrection after the economic crisis and climate negotiations breakdown. The frenzied failure of elite climate politics stretching narrowly, in 2009-10, from the UN to the US Senate and G20 in June should make bottom-up alternatives much easier to advocate, including globally-coordinated actions against destructive projects (such as the World Bank’s loan in South Africa).
From the wider, deeper, and increasingly common critique of the Kyoto-Copenhagen-Cancun cul-de-sac, will come more confidence in the types of analyses, strategies, tactics and alliances associated with CJ politics. The challenge is to aggregate experiences from the Charlestons of the world, so as to move into alignment with the Cochabamba conference, and in turn, to generate a formidable red-green force uniting radical governments and the popular movements that will keep them accountable in Caracas and beyond.
The Copenhagen Accord that U.S. President Barack Obama persuaded leaders of the BASIC countries—Brazil, South Africa, India and China—to sign at literally the climate summit’s last minute on December 18 is a telling reflection of the limits to top-down “global governance” and instead suggests the potential for bottom-up transformation. The deal followed extremely harsh police repression against nonviolent protesters outside the Bella Center. Inside, Denmark’s conservative ruling party leaders set up a “Green Room” process where 26 countries were cherry-picked to represent the world. When even that small group deadlocked—allegedly due to Chinese intransigence and the overall weak parameters set by the U.S., the five leaders—Obama, Lula da Silva, Jacob Zuma, Manmohan Singh, and Wen Jiabao, attempted a face-saving last gasp at planetary hygiene.

Even this weak Accord failed on its own terms, missing its first deadline, on January 31st, for signing on and declaring cuts for carbon emissions, leaving UN climate chief Yvo de Boer to concede that deadlines were “soft.” Moreover, Obama’s strategy meant the World Trade Organization’s divide-and-conquer political style would become the norm for UN climate negotiations—if indeed the UN remains a site of negotiation. More likely, the G20 will take over this process, starting with the expected G8 decommissioning near Toronto in June 2010, a development that would be to the obvious detriment of climate victims, especially in Africa and on small islands.

Instead of 350 parts per million (ppm) of carbon in the atmosphere as “required by science” (as the popular advocacy phrase goes), the Copenhagen Accord signatories’ promised 15 percent emissions cuts from 1990 levels by 2020 could in reality translate into a 10 percent increase once carbon trading and offset loopholes are factored in. The result would be 770 ppm by century’s end, which scientists say will cook the planet. Nine of ten African peasants will not be able to produce food if the 2ºC mark is breached, according to UN experts. Hence the repeated accusation that Obama and Zuma “sold out” their rural Luo and Zulu relatives on behalf of their economies’ fossil fuel industries.

Process aside, the Accord’s content was nearly universally condemned, for four reasons:

- Emissions cuts, which imply a catastrophic 3.5ºC increase by the end of the century, are completely inadequate. They also include options for vague “pledge and review” commitments and, even worse, offsets so that Northern polluters can outsource the cuts.

---

* This paper draws from participant insights taken from presentations to seminars and workshops in December 2009-January 2010 at Leeds University’s “Democratization in Africa” conference, the Roskilde University Centre for International Studies in Citizenship, Democratic Participation, and Civil Society, the University of KwaZulu-Natal Centre for Civil Society in Durban (supported by the SA National Energy Research Institute), the San Francisco-based Movement for Climate Justice-West, the World Social Forum in Porto Alegre, and the Gyeongsang University Institute for Social Studies (supported by Korea Research Foundation Grant KRF-2007-411-J04601). Special thanks to the late poet-activist Dennis Brutus, whose idea it was in mid-2009 that Copenhagen be “seattled.”

• There are no clear sources of financing nor explicit commitments to pay the North’s “climate debt” to the South, estimated at $400 billion per year by 2020.\(^2\) The debt is owed for taking too much environmental space and doing massive climate damage, which is already resulting in 300,000 premature deaths annually and expected to escalate much more quickly as climate chaos worsens.

• The Accord departed from Kyoto Protocol and Bali Action Plan principles, which set out much more ambitious targets for richer countries than poorer countries.

• The Accord contains no legally binding components or compliance mechanisms.

Most significant was Obama’s refusal to lead the North to make 45 percent emissions cuts and offer payment of the climate debt, and instead engage in a process of leadership so flawed that 350.org leader Bill McKibben charged that “he blew up the United Nations.”\(^3\) Economist Jeffrey Sachs also accused Obama of abandoning “the UN framework, because it was proving nettlesome to U.S. power and domestic politics. Obama’s decision to declare a phony negotiating victory undermines the UN process by signaling that rich countries will do what they want and must no longer listen to the ‘pesky’ concerns of many smaller and poorer countries.” The idea that the UN is too unwieldy for climate talks surfaced repeatedly in subsequent weeks. The Accord is “insincere, inconsistent, and unconvincing,” Sachs continued, “unlikely to accomplish anything real. It is non-binding and will probably strengthen the forces of opposition to emissions reductions.” Moreover, U.S. Secretary of State Hillary Clinton’s “announcements about money a decade from now are mostly empty words. They do not bind the rich countries at all.”\(^4\) As Naomi Klein summed up, the Accord is “nothing more than a grubby pact between the world’s biggest emitters: I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.”\(^5\) George Monbiot compared the deal to the 1884-85 Berlin negotiations known as the “Scramble for Africa,” which divided and conquered the continent.\(^6\)

The African Union was twisted and u-turned to support Zuma’s capitulation by the man appointed its climate leader, Meles Zenawi. In September, the Ethiopian dictator claimed, “If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent.”\(^7\) But he didn’t walk out. He walked off his plane in Paris on the way to Copenhagen, into the arms of Nicolas Sarkozy.\(^8\) The fateful side deal, according to Mithika Mwenda of the Pan African Climate Justice Alliance, is “undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa.” Not only did Zuma and Zenawi surrender on emissions cuts, but also on demanding full payment of the North’s climate debt to the South. “Meles wants to sell out the lives and hopes of Africans for a pittance,” said Mwenda. “Every other African country has committed to policy based on the science.”\(^9\) Climate damage to Africa will

---

include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, floods of climate refugees jamming shanty-packed megalopolises, and the spread of malarial and other diseases. Ironically, Obama’s and Zuma’s own Luo and Zulu relatives in rural Kenya and KwaZulu-Natal will be amongst the first victims of the Accord.

The BASIC climate “compradors” did, however, begin to face opposition from within. For example in India, Centre for Science and Environment director Sunita Narain argues that her government’s negotiators are the same people who would stymie any real action on environmental improvement in the country. They will oppose fuel efficiency standards, tax on big cars, or tough penalties for polluters. But they will still talk glibly about low-carbon economies. They will of course, dismiss out of hand, any discussion on the need for “radical” and out-of-the-box solutions for equity and sustainability. These, they will tell you, are mere evangelical thoughts of some fringe activists. The men think and act differently. These are the promoters of the Accord in India. And I believe they do so, because for them, firstly, the Accord provides the perfect solution—talk big about change, but do little at home. The U.S. has provided a perfect formula—it promises us the right to pollute, because it wants to legitimize its own pollution. Secondly, it promises that we can get a place on the high table of polluters. And as powerful conspirators this will mean that we need to do little ourselves, but instead push the price of change on the less favored—the poor of India or the poor anywhere else in the world. It’s an open offer to protect, not our right to development as we have been demanding—the rich countries pay for our transition to low-carbon economies. But a simpler proposition: we give you the right to pollute (at least for now). The other proposition is equally seductive. To the countries, which are not yet polluters (from Ethiopia to Maldives), the Copenhagen Accord says we will give money to keep you pliant and agreeable. This is why the Accord promises some fictional money to poor vulnerable countries. It’s a perfect formula, designed to please all. There is only one hitch: we will all have to forget the climate change crisis and the hazards and impacts that will grow.10

Judged not only by Copenhagen’s crash but by the rise of the G20 (economics) and BASIC (climate) groupings, the global-scale climate governance ship appears to be sinking. So, too, is the climate’s supposed private sector lifeboat, carbon trading.

Legislative gridlock and the sinking carbon trading ship

Recall Obama’s January 2008 promise:

We would put a cap-and-trade system in place that is as aggressive, if not more aggressive, than anybody else’s out there... So if somebody wants to build a coal-powered plant, they can; it’s just that it will bankrupt them because they’re going to be charged a huge sum for all that greenhouse gas that’s being emitted. That will


Nothing of the sort was attempted. The main legislation pushed by Congressmen Henry Waxman and Edward Markey and Senators John Kerry, Barbara Boxer, Joe Lieberman, and Lindsay Graham during 2009 did not auction but instead gifted the right to pollute to those firms with historically high emissions records, foregoing the billions Obama pledged would flow to alternatives. As Virginia Congressman Rich Boucher explained, new subsidies to the coal industry plus massive offsets, which reduce pressure to cut emissions at the source, together meant that the Waxman-Markey bill that passed in the House of Representatives in June 2009, “strengthens the case for utilities to continue to use coal.”\footnote{12 Hank Hayes, “Boucher Seeks Change in Cap-and-Trade,” Times News, August 29 2009, online at: http://www.timesnews.net/article.php?id=9016458.} Remarkably, the bill also strips the U.S. Environmental Protection Agency (EPA) of its authority to regulate greenhouse gases. As a result, the U.S.’ emergent climate justice movement opposed the legislation, and only the major environmental groups put resources into pressuring the Senate to adopt similar legislation.

Having thus spent his first year in office moving around some deckchairs with Congress’ assistance, Obama, the captain of this Titanic, began 2010 by heading directly towards the closest iceberg: the USS Senate. The shock election of Republican Scott Brown to fill Edward Kennedy’s Massachusetts seat in late January—ending the filibuster-proof Democratic majority—was telling and perhaps decisive, because the climate debacle was center stage. Brown campaigned partly on the basis that he will reject cap-and-trade legislation currently pending in the Senate. His election confirms the most likely outcome from Capitol Hill: gridlock. Given Congressional power relations and the destructive nature of legislation on the table, this outcome is, frankly, welcomed by many U.S. grassroots environmentalists, as well as by leading climate scientist James Hansen.\footnote{13 James Hansen, “Sack Goldman Sachs Cap-and-Trade,” December 7, 2009, online at: http://www.columbia.edu/~jeh1/mailings/2009/20091207_SackGoldmanSachs.pdf. Even the less harmful Senate bill offered by Maria Cantwell and Susan Collins includes trading, and offset provisions (albeit limited) aim for emissions cuts that are as weak—4 percent from 1990 levels by 2020, when science requires 45 percent cuts—as the other bills, and hence have no climate justice movement support, nor even major mainstream environmentalists’ sign-on.}

In the face of the ineffectual, pork-laden legislation, ecosocialists and other radical environmentalists may find more fruitful alternatives in the EPA’s ever-stronger regulatory potential and opportunities to intervene against climate-destroying projects at utility regulatory boards and local planning commissions. In December, the EPA issued an “endangerment” finding against carbon dioxide and other greenhouse gas pollutants using the Clean Air Act.

The major bills are being pushed by Kerry, the senior Massachusetts senator who failed in a 2004 presidential campaign bid against George W. Bush. Kerry felt the need to ally with the conservative Democrat-turned-Independent (but pro-Republican) Lieberman, his 2004 running mate, and the very conservative Republican Graham. To lure deserters from the Senate’s substantial climate-deni alist or climate do-nothing camps, the bill they are pushing in 2010 is full of subsidies to the coal, oil, gas, and nuclear industries. It also remains based on a carbon trading strategy which rewards polluters for historic emissions and allows an inadequate domestic emissions cap to be “offset” with purchases from other countries. This ill-gotten windfall was intended to partly fund U.S. promises in Copenhagen to begin giving $100 billion a year for climate change mitigation by
2020, an offer that many in the South rejected, since it is part of a market process rather than genuine climate debt payments.

The entire carbon trading apparatus—worth nearly $140 billion in volume last year and, had Copenhagen succeeded, projected to grow to $3 trillion in annual trades by 2020—is now in question. Experience with the main pilot project, the European Union’s Emissions Trading Scheme (ETS), gives no confidence that carbon trading will result in reduced emissions. After five years of operation, the ETS has not cut emissions, though it has sent vast profits from consumers to utilities, fossil fuel firms, and financial intermediaries. Although there are contending viewpoints, with Point Carbon projecting a price rise in 2010 to €18/tonne, it is just as likely that the price of ETS-traded pollution allowances will decline further in 2010, because of investor uncertainty about the UN process, because too many allowances were given out, deflating their value, and because ‘hot air’ credits from Eastern Europe (due to deindustrialization since 1990) may be dumped onto the market since there is a question whether after Kyoto expories in 2012 they will have any value.¹⁴

The failure of the Copenhagen Accord to confirm financing was a major blow to the market, which crashed by 10 percent between December 17-21, when it appeared there would be no legitimacy granted to a global carbon trading regime. By early 2010, a metric ton of carbon traded at €13, a 60 percent discount from mid-2008 highs of around €30. The ETS was itself delegitimized in September 2009 when the UN’s main verification contractor was disqualified for repeated procedural violations¹⁵ and again in December when Europol discovered that up to 90 percent of trades in some E.U. countries were flagrant tax scams.¹⁶

Yet in spite of its proven failure, carbon trading was still central to Copenhagen’s aims and promised “adaptation finance” (in place of the U.S. refusal to acknowledge “climate debt”). If the Kyoto Protocol Clean Development Mechanism (CDM) ratio remained at its current level of about 6 percent of the carbon market, by 2020 the anticipated $3 trillion market would yield $180 billion in annual “financing” from North to South, incidentally, far more than Clinton’s promised $100 billion. The proposal to use “market mechanisms”—at a discounted rate—to finance adaptation was harshly criticized not only by activists but by the more enlightened negotiators from vulnerable states: the Association of Small Island States, Africa, and Latin America’s Bolivarian leaders. In the end, only the latter prevailed with tough politics, as financial blackmail seduced many others to agree on December 19 to “note” the U.S.-BASIC Accord (although only 20 countries had formally signed on as partners by mid-January 2010). Surprisingly, the Mauritian and Ethiopian heads of state who were once so tough in their rhetoric ultimately folded and joined Obama’s side. Where, then, does that leave oppositinal grassroots politics?

Radical environmental politics

One theory, offered in Counterpunch ezine by anarchist activists Tim Simons and Ali Tonak is that Copenhagen is a site of defeat for radical climate politics, because, they claim, “the attempted resurrection of this movement, known by some as the Global Justice Movement, under the banner

¹⁵ Danny Fortson and Georgia Warren, “Carbon-Trading Market Hit by UN Suspension of Clean-Energy Auditor,” Business Times, September 13, 2009, online at: http://business.timesonline.co.uk/tol/business/industry_sectors/natural_resources/article6832259.ece
of Climate Justice” failed the tests of critical analysis and militant practice. Indeed, critical analysis and militant practice are important for any current and future fusion of red and green internationalism. Zapatismo in 1994 may be the first sighting of the solidarity that came to characterize the Global Justice movement’s inspiration and horizontal capacities. Likewise, Climate Justice might date its origins to Accion Ecologica’s pathbreaking work in Ecuador at roughly the same time. These two political projects were conjoined in Bali, Indonesia when Climate Justice Now! emerged outside another failed UN Conference of Parties to the Kyoto Protocol. That crucial moment stitched together global justice and radical environmental activists. Since then, the growth of climate justice politics has been not merely the rebranding of existing radical networks but instead has witnessed a new red-green movement across borders that by most accounts will necessarily be anti-capitalist if it addresses the problem with the seriousness required.

Simons and Tonak dispute that the climate justice movement can address the climate crisis at its roots, because, they argue, its insistence on climate debt payments promotes “the financialization of nature and the indirect reliance on markets and monetary solutions as catalysts for structural change.” Yet Climate Justice Now! and the main Copenhagen activist network, Climate Justice Action (and before them the Durban Group for Climate Justice, which began in October 2004), are explicitly against commodification of the atmosphere, strenuously opposing carbon trading and offsets.

Indeed on climate debt, the best of the older Jubilee South debt/reparations language merged with Accion Ecologica’s “Ecological Debt” demands, culminating in the insistence of $400 billion per annum by 2020, a figure that has been rising dramatically as we learn more about the damage ahead. If articulated fully, climate debt should cover not only the damages done by climate change but also finance the South’s transcendence of extreme uneven development associated with the world economy’s export-oriented operation. Payment of climate debt damages and “adaptation” financing—if done properly—would ideally permit (and compel) the Global South to delink from all manner of relations with the world economy that damage both the exporting economy and the climate: fossil fuel extraction, agricultural plantations and associated deforestation, export-processing zones, vast shipping operations, and foreign debt that forces further attempts to raise hard currency, which in turn reinforce the exploitative relationships that keep these countries in such poverty. Climate debt is not, therefore, a “simple claim,” as Simons and Tonak allege; it’s potentially a complex challenge to capitalism’s internal logic of commodification and neoliberal policy expansion.

Simons and Tonak charge that climate justice “demands for reparations justified by the notion of climate debt open a dangerous door to increased green capitalist investment in the Global South.” Yet the door has been wide open since 1997, when mainstream greens adopted the Kyoto Protocol’s CDM strategy as a North-South financing vehicle. Climate debt analysis does the exact opposite: it delinks reparations obligations from market mechanisms. In short, to promote climate debt does not require the climate justice movement to promote CDMs or other existing financing strategies that tie the South more deeply into Northern-controlled circuits of capital. On the contrary, the climate debt demand is why climate justice activists legitimately argue the South could and should halt export-oriented agriculture, extraction of minerals and petroleum, cheap

manufacturing platforms and metals smelting, mass-produced consumer imports, further debt, further migrant labor supplies, further Foreign Direct Investment, further aid dependency, etc.

Moreover, climate debt is about reparations to people who are suffering damages by the actions of Northern overconsumption of environmental space—damages that can be proven even in courts, as the Alien Tort Claims Act has proven useful in the U.S. for some of the Niger Delta plaintiffs against Shell recently and for apartheid victims. This does not mean, as Simons and Tonak further claim, that “Climate debt’ perpetuates a system that assigns economic and financial value to the biosphere, ecosystems and in this case a molecule of CO₂,” and that “Everyone from Vestas to the Sudanese government to large NGOs agree on this fundamental principle: that the destruction of nature and its consequences for humans can be remedied through financial markets and trade deals and that monetary value can be assigned to ecosystems.”

Yet even if Simons and Tonak’s political conclusion is wrong, their resistance to quantification of nature is understandable and commendable. Yet it is also irrelevant here, particularly given the climate justice movement’s hostility to—and track record fighting—carbon markets. Under capitalism, after all, everything gets commodified, and the optimal climate debt narrative involves recognizing this problem to insist on explicit compensation for damages done by climate chaos to the South (especially islands, Africa, Bangladesh, and other vulnerable sites), and then to make a rough estimate of this damage. The point is both financing compensation (for “adaptation”—i.e., survival) and disincentivizing further climate damage by penalizing the polluters.

Climate debt analyst Joan Martinez-Alier responds to this kind of critique by acknowledging that “although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion.” Once discussion is generated about the damages done to climate victims in the global South (including their inability to use the environmental space that is occupied by the North), next comes the logical demand for reparations. To refuse on principle to make any kind of quantification, as do Simons and Tonak, is to refuse to acknowledge that damage is being done—and then to refuse to halt it. That is Washington’s viewpoint, as was stated repeatedly by Obama Administration officials in Copenhagen, although the president’s Kenyan Luo relatives are amongst the first serious victims.

Simons and Tonak also claim the movement “obfuscates internal class antagonisms within states of the Global South in favor of simplistic North-South dichotomies.” This is a danger, of course, and always has been in internationalist politics. But against that danger, dynamic climate justice movements are emerging to challenge national elites (and the transnational corporations they front for) in Brazil, India, South Africa, and most other major global South sites. Simons and Tonak worry about “the pacification of militant action resulting from an alliance forged with transnational NGOs and reformist environmental groups who have been given minimal access to the halls of power in exchange for their successful policing of the movement.” But against the danger of demobilization,

19 On the question of climate debt, chief U.S. negotiator Todd Stern said: “the sense of guilt or culpability or reparations—I just categorically reject that.” Bolivian ambassador to the United Nations Pablo Solon replied, “Admitting responsibility for the climate crisis without taking necessary actions to address it is like someone burning your house and then refusing to pay for it. We are not assigning guilt, merely responsibility. As they say in the U.S., if you break it, you buy it.” Stern’s aversion to “culpability” translates into rejection of his own government’s straightforward “polluter pays” principle as well as the foundational concepts of the Superfund, which was created to clean up toxic waste dumps across the U.S. See Government of Bolivia Ministry of International Relations, “Press Release: Bolivia responds to U.S. on climate debt,” Copenhagen, December 11, 2009.
Climate Justice Now! arose specifically because the existing Climate Action Network on environmental NGOs was inadequate, compromised, and ideologically confused. Moreover, in Copenhagen, some of the most militant South-based transnational movements—e.g., Via Campesina and Oilwatch affiliates—showed they are able to negotiate the inside-outside space with power and grace. So, too, did the climate justice movement’s major formal NGO network, Friends of the Earth, which worked to undermine elite legitimacy within the Bella Centre and as a result were evicted. Simons and Tonak allege that the climate justice movement’s “solidarity with the Global South” was conflated with “a handful of NGO bureaucrats and allied government leaders.” There are certainly some in the climate justice movement who would put the North-South contradiction ahead of internal class conflict as a priority for struggle, a tension that is openly recognized and has been the source of frank debating as this broad global movement is organized quickly, without secretariats and enforced norms, values, and processes.

This is, after all, a movement in its early stages. If the long tradition of protests for democracy and social justice in Mexico are any guide, and if Cancun in 2003 and the 2006 Mexico City march of 10,000 against the World Water Forum (just as illegitimate a body as those deciding the climate future) are precedents for internationalism, then it will be worthwhile to again descend on another climate summit, in Cancun in November 2010 and again at a follow-up in South Africa a year later, to battle so that climate justice issues will be raised forcefully—including big emissions cuts, big climate debt repayment, and the decommissioning of carbon markets. And when the governing elites refuse the demands of science, environment, and, most of all, radical Southern social movements, which will be there in much greater numbers than in Copenhagen, then the momentum will have decisively shifted away from the centrist NGOs and mainstream environmentalists who do, certainly, aim to band-aid rather than transform the system.

Simons and Tonak would have preferred climate justice activists to confront “the hyper-green capitalism of Copenhagen, the massive effort of companies such as Siemens, Coca-Cola, Toyota, and Vattenfall to greenwash their image and the other representations of this market ideology within the city center.” But the world’s climate justice movements are indeed targeting both the corporates directly (especially at the oil/coalface in the Niger Delta, Ecuador, Australia, Europe, Alberta, West Virginia and San Francisco) and the national and multilateral executive committees of the bourgeoisie who go to COPS. There are, of course, major environmental organizations—WorldWide Fund for Nature, Environmental Defense Fund, National Resource Defense Council, and even the Sierra Club and Greenpeace—which have strong corporate connections. These were most pernicious in the case of the TckTckTck marketing campaign, which asked Copenhagen leaders to “seal the deal.” The climate justice movement, in contrast, aimed to “seattle the deal,” and generated the political principles, analysis, strategies, tactics, and alliances to do so.

Hence it is indeed logical for climate justice activists to declare victory at Copenhagen and make plans for future-scale politics that move progressively closer to the home base, whether in the North or South:

- At global scale, continue to make demands—albeit unwinnable in the foreseeable future given the adverse balance of forces in the UN and G8/G20—for
  - 1) huge emissions cuts (45% of industrial economy greenhouse gases by 2020),
  - 2) Climate Debt payments (scaling up to $400 billion/year by 2020), and
  - 3) carbon market decommissioning.
• At national scale, continue to make demands—also unwinnable in most settings, where due to adverse power balances, unacceptable legislation and/or gridlock are most likely—for
  o industrial economies to make the same cuts, Climate Debt payments and carbon market decommissioning, plus massive state investments in transformed, decentralized energy systems, transport and infrastructure, and
  o semi-industrialised economies (e.g. especially BASIC) to make cuts based upon reversing their growing fossil fuel addictions as well as making public investments in appropriate energy, transport and infrastructure, and in some cases (e.g. South Africa) pay a climate debt to poorer neighbours, while rejecting CDMs and offsets.

• At national scale where national environmental regulatory agencies exist, challenge the institutions to restrict greenhouse gas emissions as dangerous pollutants (for example, as in the US after lawsuits and direct action protests against the EPA).

• At regional/provincial/state/municipal scales, engage public utility commissions and planning boards to block climate-destructive practices and projects.

• At local scales, find point sources of major greenhouse gas emissions, power consumption or excessive transport, and raise consciousness and the cost of business-as-usual through direct action and other pressure techniques.

Organizing and consciousness-raising are critical, perpetual steps, just as hotly contested as the right to protest in Copenhagen. To illustrate, an intense struggle over interpreting carbon trading in the U.S. played out partly through a nine-minute popular educational film, The Story of Cap and Trade, launched a week before the summit. In its first two weeks on YouTube and Vimeo, the film recorded 400,000 hits, in the process attracting strong opposition from mainstream environmentalists wedded to the promotion of cap and trade. 20

Finally, to confirm that activism would be the main antidote to polluters and carbon traders, the most effective response to the post-Copenhagen hangover came from radicals stretching from Australia to Africa to the Andes to the Amazon to Appalachia to Alberta.

• On December 20, on a bridge leading to the world’s largest coal port, in Newcastle, Australia’s Rising Tide activists blocked a train for seven-and-a-half hours, with 23 arrests.

20 http://www.storyofcapandtrade.org made by Annie Leonard’s organization The Story of Stuff and Free Range studies with partners Climate Justice Now! and the Durban Group for Climate Justice. There were three repellent reactions: climate denialists who endorsed the film’s critique of cap and trade (which they incorrectly view as a big government tax); the mainstream environmental movement’s policy specialists who had worked for a dozen years to build support for cap and trade; and the carbon traders themselves (see cites and a rebuttal at Patrick Bond, “Green Market Punks,” Counterpunch, December 17, 2009, online at: http://www.counterpunch.org/bond12172009.html ). Another reaction was imitation: the Environmental Defense Fund—a large, corporate-financed Washington NGO—issued a film, Facts about Cap and Trade: http://ga3.org/campaign/cew_facts/forward (which originally carried the same title as Leonard’s). But aside from borrowing the style, copying some of the graphics and citing some of the same studies, Nat Keohane’s film did not acknowledge the widely-known problems of the cap and trade legislation (offsets, giveaways not auctions, nuclear/coal/gas subsidies, derivatives and speculation, and the terribly inadequate emissions cuts, not to mention the evisceration of EPA regulatory authority). It was released at just the point in late January when political pragmatism suggested that Capitol Hill was a no-go zone for climate legislation, the day after the Massachusetts Senate upset. This effort seemed to prove the Story of Cap and Trade’s main point, i.e., that the Washington-insider political strategy served mainly as a distraction to those genuinely interested in tackling climate change.
• In South Africa, groundWork, Earthlife, and the South Durban Community Environmental Alliance demanded that the state electricity utility, Eskom, “keep the coal in the hole” by protesting at Durban and Johannesburg tariff hearings in January.

• Up the Atlantic Coast, Niger Delta oil was kept in the soil by the Port Harcourt-based NGO, Environmental Rights Action, which explicitly links local destruction to global climate chaos, and through sabotage of oil extraction by the Movement for the Emancipation of the Niger Delta, which ended a two-month ceasefire by attacking a Shell and Chevron pipeline six hours after the Copenhagen Accord was signed.

• In the Andes, Bolivian President Evo Morales announced he will host a major strategy conference of the world’s eco-social climate justice movements from April 20-22.

• In the Amazon, Quito-based Accion Ecológica’s work with indigenous people to protect the Yasuni National Park required renewed solidarity in January when Ecuador’s President Rafael Correa threatened to authorize drilling in June (Correa also tried to put Yasuni into the carbon markets). Environmental and indigenous people have instead demanded that more countries join Germany, which has pledged $50 million per year, in paying their climate debt so that Ecuador’s leaders can justify leaving the oil in the soil;

• In Appalachia, the Climate Ground Zero activists of West Virginia have, according to a December 19 report by Vicki Smith, “chained themselves to giant dump trucks, scaled 80-foot trees to stop blasting and paddled boots online into a 9 million-gallon sludge pond. They’ve blocked roads, hung banners and staged sit-ins. Virginia-based Massey Energy claims a single three-and-a-half hour occupation cost the company $300,000.”;

• In Canada on December 20, anti-tarsands environmentalist Ingmar Lee climbed a flagpole at the British Columbia parliament to protest carbon crimes by Prime Minister Stephen Harper, provincial Premier Gordon Campbell, and their ally Tzeporah Berman from the corrupted NGO ForestEthics, following an action in London at the Canadian High Commission, where Camp for Climate Action activists offered solidarity to Alberta’s indigenous Canadian tarsands victims by cutting down the maple-leaf flag, drowning it in crude oil, and then locking down on an upstairs balcony.

Opportunities abounded for climate justice activism following Copenhagen, as leading U.S. forces in San Francisco carried out various protests—at Senator Boxer’s office, Chevron headquarters, City Hall, and the Danish consulate—as well as teach-ins in December-January. In New York on January 13, a carbon trade conference was subject to a protest by scores of Climate Camp activists.

So if only two useful things were accomplished in Copenhagen, they were the unveiling of Pretoria, Delhi, Beijing, and Brasilia as willing criminal accomplices to the Washington/Brussels/Tokyo/Melbourne/Ottawa axis, and the rise of Climate Justice Action, Climate Justice Now!, 350.org, and parallel movements whose hundreds of thousands of protesters swarmed streets of the world’s cities. The next question is whether, before the next fiasco in Cancun in November-December 2010, the latter can cancel the former. We all depend upon an affirmative answer.
Climate justice opportunities after US carbon market and legislative crashes
with Desmond D’Sa, ZNet, 31 March 2010

Fierce debating about United States climate justice (CJ) strategies and tactics on ZNet over the past couple of months leave us ready to continue exploring comradely but sharp differences.

In ZNet Commentaries on these pages, Robin Hahnel and Ted Glick firmly dispute, respectively, two views we hold from a long way away in Durban, South Africa:

- first, to fight global warming, carbon markets are a destructive distraction, and should be decommissioned; and
- second, national legislative campaigning is futile given the prevailing balance of forces (and weak bills) on offer in the US.

Instead, CJ activists everywhere are better off directly confronting the largest emitters, their financiers and their regulators.

We’ll briefly restate these positions, and then provide an alternative CJ opportunity that both us have come to the US to campaign on behalf of during the next two weeks: halting World Bank coal financing.

First, the Kyoto Protocol’s carbon market strategy – called ‘cap and trade’ in the US – is now dead in the water. Hahnel’s thousands of words extolling potential carbon market efficiencies in four ZNet articles since late December are obviously well meaning, yet a waste of time.

Why? ‘The concept is in wide disrepute’, according to the New York Times (ordinarily a booster) last week: ‘Obama dropped all mention of cap and trade from his current budget. And the sponsors of a Senate climate bill likely to be introduced in April, now that Congress is moving past health care, dare not speak its name.’

Don’t blame us. In spite of trying hard to spike this market (e.g. http://www.durbanclimatejustice.org and http://www.storyofcapandtrade.org), we green-left critics of carbon trading cannot claim to have succeeded, if the Times is correct: ‘Why did cap and trade die? The short answer is that it was done in by the weak economy, the Wall Street meltdown, determined industry opposition and its own complexity.’

According to Senator Maria Cantwell (a Democrat from Washington State), cap and trade was ‘discredited by the Wall Street crisis, the Enron scandal and the rocky start to a carbon credits trading system in Europe that has been subject to dizzying price fluctuations and widespread fraud.’

Hahnel assumed such problems could be solved as the market matured. But just one example of brand new fraud was the Hungarian government’s resale of carbon credits, which when exposed recently, drove the price of a tonne from €12 down to €1 and crashed two emissions exchanges. According to a BusinessGreen.com reporter on March 18, ‘Europe’s carbon market descended into chaos yesterday as fears over “recycled” carbon credits sparked a collapse in the price of Certified Emission Reductions.’
A week earlier, the Global Forest Coalition accused the European Union of promoting ‘highly volatile carbon markets that jeopardize forest-dependent peoples’ livelihoods’.

Four days before that, on March 3, Reuters reported: ‘Investors are becoming less convinced that a global carbon market, estimated to be worth about $2 trillion by the end of the decade, can be established as uncertainty over global climate policy persists.’

The report went on, ‘Participants at a carbon conference in Amsterdam were equally downbeat, as carbon prices in the EU Emissions Trading Scheme are weak and range-bound and expectations are low for a climate pact being agreed this year at the talks in the Mexican city of Cancun.’

This is pleasing news, given how bad such a deal would be, and given that the emissions market serves as a profound distraction from serious climate politics, sucking Big Green groups in Washington into corporate quicksand.

Second, then, should organizing be directed at lobbying for a non-market climate law on Capitol Hill? Not yet, not even the legislation that Glick fervently supports, proposed by Cantwell and Maine Republican Senator Sue Collins: the ‘Carbon Limits and Energy for America’s Renewal Act’ (CLEAR).

CLEAR puts a cap at the original source of greenhouse gas emissions, auctions the right to pollute, and gives back a ‘consumer rebate’ from carbon revenues. It’s much preferable to the Waxman-Markey carbon trading bill that passed the House of Representatives last June, to be sure.

However, Maggie Zhou of Secure Green Future in Massachusetts notes that CLEAR’s mandated emissions reductions will be just 8% below 1990 levels by 2020, even though 45% cuts are needed to avoid breaching 2 degrees Centigrade. But Zhou reminds us, ‘It is becoming increasingly clear that even 1°C is unacceptable warming that could trigger many dangerous and potentially irreversible feedback processes.’

CLEAR’s low targets are an unacceptable insult to the rest of the world, and so too is CLEAR’s failure to mention repaying victims of climate change the ‘climate debt’ owed by the US. Zhou also criticizes ‘offset-like projects’ in CLEAR, its promotion of unproven or dangerous techie fixes (carbon capture and storage, and oil or gas reinjection), and a too-narrow carbon pricing band range (http://securegreenfuture.org/blogs/clear).

(We would add that a genuine climate bill should also strengthen command-and-control regulatory mechanisms and mandates for the Environmental Protection Agency, utility boards and planning commissions. A serious climate/energy bill, yet to be authored, would mandate a profound economic transformation, so as to generate new production, consumption, transport, energy and disposal systems.)

Worse, if CLEAR passes the Senate in coming months, House conference negotiators will no doubt insist on fusing in many of the objectionable features of Waxman-Markey (private offsets, carbon trading, oil/nuke/agro subsidies, EPA neutering, etc).

Glick rebuts that the CJ movement cannot win everything we want at once: ‘Immanuel Wallerstein has written about the need for “movements to internalize the sense that the social transformation
they are seeking will not occur in a single apocalyptic moment, but as a continuous process, one continually hard-fought.”

True, but the critical problem is whether CLEAR drives us towards climate transformation, or puts us in neutral or reverse. Let’s distinguish between serious, structural, ‘non-reformist reforms’ on the one hand, and on the other hand, ‘reformist reforms’ that offer far too little change (just 8% below 1990); give the system a bit of legitimacy (Obama would go to Cancun beaming); amplify the system’s internal logic (auctioning the right to pollute); suffer from system-wide decay (e.g. volatile carbon prices); and weaken our team’s momentum.

We asked Wallerstein, who agrees, ‘The problem is always to decide about a particular project – in which category it falls.’ We’ve made the case that CLEAR is a reformist reform, to be avoided, and so it’s over to Glick.

Until legislation emerges and power relations change so we’re not dumped back within the toxic swamp of US congressional parameters, can’t leading CJ activists like Glick once again step up movement-building that cuts more quickly to the chase?

A good example was the March 18 Washington protest against EPA slobs who are not doing their jobs in West Virginia. For hours, Kate Finneran and Adrian Wilson blocked the EPA headquarters entrance atop stilts and two 20 feet mock blue mountains, demanding a halt to mountaintop removal by coal companies.

Joshua Kahn Russell of Rainforest Action Network explained, ‘Despite the Obama administration’s big announcement last year that it was going to take “unprecedented steps” to reduce the environmental damage from mountaintop removal coal mining in Appalachia, the EPA has been slow moving.’ Activists demand that EPA ‘block every single mining permit application that seeks to remove America’s oldest mountaintops and dump the waste into waterways,’ he said. And next, go after power companies.

Two more examples of CJ opportunities will be Fossil Fool’s Day, when on April 1, Rising Tide North America will ‘pull some pranks that pack a punch’ (http://www.fossilfoolsdayofaction.org/2010/15-actions-to-topple-the-fossil-fuel-empire/); and the Rainforest Action Network’s Tax Day (April 15) protests against coal financier Chase Bank.

Another campaign closer to our home entails fighting the World Bank’s coal portfolio (http://www.groundwork.org.za/). On April 8 the Bank Board is expected to approve a $3.75 billion loan to the South African electricity utility Eskom, to build the world’s fourth largest coal-fired power plant, Medupi. The US Treasury could veto, and thus ‘keep the coal in the hole’, but more pressure is needed.

If activists lose, paying for Medupi will require a 127% real price increase from 2007-12 for ordinary South Africans (to nearly $0.15/kiloWatt hour). Meanwhile the world’s biggest metals and mining houses – Anglo American Corporation, BHP Billiton, Arceleor Mittal and other multinationals – still get the world’s cheapest electricity from Eskom (less than $0.02/kWh).

These companies benefit from apartheid-era ‘Special Pricing Agreements’ that Eskom keeps secret, yet there are very few jobs and economic linkages because locally-sold steel and aluminum cost far
more than the same products which are send abroad. Also sent abroad are their vast profits, contributing to the country’s severe payments deficit.

More than 200 organisations across the world have endorsed a critique of the loan (http://www.earthlife.org.za/?p=858). South Durban activists launched the campaign on February 16 with a spirited protest at Eskom’s main local branch.

South Durban has been an epicenter of protest against fossil fuels, given that our neighbours include the largest and least responsible petro-chemical firms south of the Niger Delta. With electricity prices soaring, many more residents in South Durban are being disconnected. They often reconnect illegally, and as Eskom and the municipality clamp down, the result is more social strife, in a country with what is probably the world’s highest rate of community protest (http://www.ukzn.ac.za/ccs/default.asp?2,27,3,1858).

In Limpopo and Mpumalanga provinces, anger at Eskom and the World Bank comes from eco-social threats in the vicinity of Medupi and the dozens of new coal mines that will feed it. Local ecologies are adversely affected, especially the notoriously degraded water table, as well as the air, land, vegetables and animals due to mercury emissions from coal.

If these reasons are not enough, Eskom’s desire to privatize 30% of generating capacity is explicitly advanced in the loan, leading to opposition from trade unions – especially the National Union of Metalworkers of South Africa – and consumers.

Corruption is rife, too. Contrary to supposed anti-corruption policies, the Bank loan will directly fund African National Congress (ANC) ruling party coffers, because the power plant will be built with Hitachi boilers that in turn kick back an estimated $700 million thanks to a convenient – and utterly dubious (everyone admits) – ANC investment in Hitachi. When the deal was done, Eskom chair Valli Moosa was also a member of the ANC’s finance committee. A government investigation released last Thursday found his conduct in this blatant conflict of interest to be ‘improper’.

Finally, there’s historic racial injustice. The World Bank’s financing of apartheid began just three years after the 1948 election of the Afrikaners’ Nationalist Party, and included $100 million for Eskom. During that period, the World Bank’s money financed electricity to exactly zero black households and instead empowered white businesses and residences.

If the Bank makes the loan on April 8, South Africans will call for the revival of the World Bank Bonds Boycott, to encourage divestment by institutional investors similar to anti-apartheid tactics, and will also lobby for rejection of the Bank’s forthcoming recapitalization.

Scores of organizations across Africa are already on board this campaign, and the next step beyond the World Bank will be to demand that South Africa confront its own climate debt to the continent.

These opportunities for activism against the world’s largest producers, financiers, regulators and consumers of fossil fuels reflect the need for solidaristic global-local linkages. Seeking these out is one benefit behind building internationalist CJ politics as quickly as possible.
What will Zoellick break next? Firms and financial institutions, countries and the climate?  
*Counterpunch*, 19 March 2010

There are two theories about Robert Zoellick, and they’ll be tested next month by a World Bank vote on a massive South African coal-fired generator loan.

The 57-year-old Bank president is a nerdy man who served as number two at the Bush State Department and then in 2007 replaced the disgraced, nepotistic Paul Wolfowitz. One theory is that Zoellick is brilliant and effective. The other – which I’ll defend – is that nearly everything he touches, he breaks.

In one corner, writing in *Counterpunch* in 2005, is US foreign policy analyst Tom Barry: “At first glance, Zoellick could be mistaken for an ideologue, as an evangelist for free trade and a member of the neoconservative vanguard. But when his political trajectory is more closely observed, Zoellick is better understood as a can-do member of the Republican foreign policy elite – a diplomat who always keeps his eye on the prize, namely the interests of Corporate America and U.S. global hegemony.”

Ideologically, the man stood hand in hand with Cheney, Rumsfeld, Perle, Wolfowitz, Bolton, Negroponte and the other maniacs, admits Barry: “Zoellick was perhaps the first Bush associate to introduce the concept of evil into the construct of Bush’s radical overhaul of US grand strategy. A year before Bush was inaugurated, Zoellick wrote: ‘A modern Republican foreign policy recognizes that there is still evil in the world – people who hate America and the ideas for which it stands.’”

This, the argument continues, is merely banal Washington rhetoric. It should not distract us from Zoellick’s deeper capacity to reproduce and restructure imperial power. As Central American activist Toni Solo put it in *Counterpunch* in 2003, “Zoellick is neither blind nor crazy. He simply has no interest in the massive human cost, whether in the United States or abroad, of his lucrative global evangelical mission on behalf of corporate monopoly capitalism.”

The other theory is more skeptical of Zoellick’s efficacy, concluding that he’s not particularly good at what he does. Indeed, Zoellick is mainly of interest because he represents a global trend of Empire in crisis since the Millennium, featuring at least three self-immolating traits which he brings to next month’s climate showdown at the Bank.

First is the ideological fusion of neoconservatism and neoliberalism that Zoellick shares with his predecessor Wolfowitz. Both strains are bankrupt, by any reasonable accounting. Representing the former, Zoellick was at the outset a proud member of the Project for a New American Century, and as early as January 1998 he went on record that Iraq should be illegally overthrown.

As for the latter ideology, ‘Washington Consensus’ dogma, Zoellick and IMF managing director Dominique Strauss-Kahn had to spend 2009 beating a hasty retreat from the austerity-oriented economics their institutions intrinsically favor, so as to maintain global effective demand with crony-Keynesianism during capitalist crisis.

Second is Zoellick’s inability to cut global-scale deals required to manage the US Empire’s smooth dismantling. This we already witnessed in the World Trade Organisation’s (WTO’s) demise, on his 2001-05 watch as the US Trade Representative. Zoellick’s bumbling was on display at the Cancun
ministerial summit in 2003, in disputes with the European Union over the US genetic engineering fetish, and in his insistence upon bilateral and regional alternatives to multilateralism, which has generated durable anti-Washington economic sentiment across Latin America.

Next, as one of the most senior Bush Administration officials in 2005-06, Zoellick achieved practically nothing, aside from further wreckage of the US image abroad. And as Bank president, appointed after Wolfowitz’s fall by Bush (in what is likely the last unilateral imposition of a US petro-militarist in this role), Zoellick’s efforts during the 2008-09 G20 deliberations on the world economy and at the December 2009 UN Copenhagen climate summit were equally unsuccessful.

Actually, dating to the 1996 Montreal Protocol banning chlorofluorocarbons, there have been approximately zero global-scale deals that affirmatively solve major world problems. Thanks to Zoellick and his brothers, US Empire-inDecline is just not conceding the resources and power required to fix trade, finance, climate, migration, military, public health, multilateral governance, and similar global-scale crises.

An example is the international carbon market, founded by then US vice-president Al Gore in 1997 at Kyoto through tricking the world into thinking Washington would sign the Protocol if US firms were given permission to keep polluting at planet-threatening rates, through offsetting their emissions with trades and ‘Clean Development Mechanism’ (CDM) investments.

Zoellick’s World Bank strongly promotes carbon markets, even though they contain so much corruption, speculation and stupidity that the carbon price crashed from a high of €33/tonne in mid-2008 to €13 after Copenhagen, and on two European markets all the way down to €1.50 after yet more fraud scandals last week. 

Third, at a more profound level, is Zoellick’s tendency to deal with economic and ecological crises by shifting and stalling them, while stealing from those least able to defend.

(As a theoretical aside for political-economy fundis, what I call the shifting-stalling-stealing strategy is at the heart of the problem, and can be summed up in David Harvey’s phrase: ‘accumulation by dispossession’. This stage arrives when capital exhausts the options it usually has to address crises – such as 1973-75, 1980-82, 1989-92, 1997-2001 and 2007-09, with more to come – through traditional means: work speed-up [absolute surplus value], replacing workers with machines [relative surplus value], shifting the problems around geographically [the ‘spatial fix’], and building up vast debt and blowing speculative bubbles so as to stall crises until later [the ‘temporal fix’]. At this stage, capital needs to also loot the non-capitalist spheres of society and nature through extra-economic, imperialist techniques, the way Rosa Luxemburg described stealing so well a century ago in The Accumulation of Capital and Naomi Klein has updated in Shock Doctrine.)

To shift-stall-steal in a three-piece suit, Zoellick’s neocon-neolib worldview gives excellent cover, yet only up to a point, which we now appear to be reaching. That point comes sooner than later in part because the institutions needed to keep the game in play are cracking up.

To illustrate, Fannie Mae, Enron, Alliance Capital and Goldman Sachs were all crucial US imperial banksters, instrumental in generating the fictitious capital in real estate, energy and other sectors which proved so important to the Clinton-Bush era’s internal displacement and eventual amplification of crises. Goldman continues in this role today.

1172
The first suffered Zoellick as its mid-1990s executive vice president, following his several-years stint as a senior aide in James Baker’s Treasury (at one point Deputy Assistant Secretary for Financial Institutions Policy), just prior to the 1988-90 Savings&Loan crisis, itself a function of the financial-deregulatory era that gave us mortgage-backed securities. By the middle of the last decade, Fannie Mae was so far in the red due to subprime lending through those securities, that a massive state bailout was needed.

(And speaking of Baker, Zoellick served as his main assistant in the notorious December 2000 presidential vote recount in Florida, so destructive of those last vestiges of US democracy, thanks to the open racism and right-wing bullying of Zoellick’s thugs.)

The second firm, which cracked in 2002, boasted Zoellick as a senior political and economic advisor in 1999. Records are not available as to how implicated Zoellick was in Enron’s electricity gambles, so painful to Californians and investors. However, as Board member of the third firm, Alliance, Zoellick was party to late 1990s oversight of Alliance Capital’s investments in Enron which led to multiple fraud lawsuits and vast losses for Alliance’s clients, including the state of Florida.

The fourth bank, Goldman Sachs, which Zoellick served as a leading international official in 2006-07, has done well only through illegal, immoral deals and crony-capitalist bailouts linking Bush and Obama econocrats. In the process, Goldman Sachs has come to enjoy an unprecedented amount of popular brand awareness in the US and Europe, albeit not particularly favorable.

What gives any observer hope from Zoellick’s c.v. is its pure, consistent, world-class geopolitical, economic, environmental and diplomatic self-destructiveness. He is so bad, he has zero credibility among sensible people.

Moreover, if the World Bank joins FannieMae, Enron, Alliance Capital, Goldman’s reputation, the WTO, Bushite foreign/military policy (not to mention a million Iraqis and thousands of US soldiers), and other notches on Zoellick’s belt, future generations may be spared the implications simply because he will utterly foul his own nest.

This process will become glaringly evident as early as April 8, when Zoellick attempts to sell his Board’s Executive Directors an incompetent, corrupt, underdevelopmental, eco-disastrous loan to a corrupt regime, the African National Congress (ANC). It will add 5% to the foreign debt, which has soared since 2006 due to outflow of capital and amongst the world’s highest current account deficits.

Winnie Madikizela-Mandela, the ex-wife of our first post-apartheid president, Nelson Mandela, last week revealed to an Italian journalist (whether on or off record is in dispute) how the ANC leadership sold out to white business elites.

The current South African president, Jacob Zuma, pressured the country’s national prosecutor to drop scores of corruption charges against him just days before last year’s election. (That must have really impressed Zoellick, whose institution issued a new Africa Development Indicators report last week, ironically entitled ‘Silent and lethal: How quiet corruption undermines Africa’s development efforts.’ The new coal loan should be Case Study #1, but instead the Bank mainly blames teachers and doctors for slacking off.)
Such context clarifies why the ANC continued the apartheid-era gift of the world’s cheapest electricity to the world’s biggest mining/metals companies, such as Anglo American Corporation (formerly based in Johannesburg, now London) and BHP Billiton (also ex-SA, now Melbourne). This multibillion dollar gift is anticipated to continue in coming years when Zoellick’s proposed $3.75 billion World Bank loan helps the Pretoria government build the world’s fourth largest coal-fired power plant, leaving the apartheid deals intact.

Corruption is rife, with a reported $700 million scheduled to flow into ANC coffers from Hitachi, for its successful tender on a multi-billion dollar contract to build boilers for the $18 billion Medupi plant (boilermaking is not a typical ANC staffer’s speciality but everyone can learn new trades).

The borrower, a parastatal corporation called Eskom, began raising prices to retail consumers by more than triple the inflation rate in 2008. From 2007 to 2012, the price of a month’s normal electricity use in an ‘average township household’ is anticipated to rise 127% in real terms, according to Eskom. These price increases will have an extreme adverse impact, leading to massive disconnections (and illegal reconnections, hence electrocutions) of poor households.

Ironically, World Bank staff insist that the proposed Eskom loan will have a ‘developmental’ impact. An international coalition of more than 200 groups led by 65 red-green organizations in South Africa, vigorously object, and protests are mounting. Many recall the Bank’s last loans to Eskom, from 1951-67, when zero black South Africans received electricity, which was reserved for white business and households.

The World Bank is in an untenable position. Zoellick is soon to issue a new Bank energy policy and he is also campaigning to take on additional responsibilities for channeling finance related to climate change. The proposed Eskom loan should disqualify the World Bank from any further role in climate-related activities.

In advance of the Bank’s $180 billion recapitalization bid at the April 24-25 Spring Meetings, critics are ready to take even more vigorous action against the bank itself. This could include revival of the ‘World Bank Boycott’ which cost the institution support from many major bondholders over the past decade (including the world’s largest pension fund, the cities of San Francisco and Cambridge, the Calvert Group and many university, labor and church endowment funds).

Back to our opening question: is Zoellick clever or a pompous self-saboteur? From this angle he appears anxious, as ever, to defend the shortest-term of Empire’s interests, and once again, in the process break a great deal more.
Durban’s waste of energy
The Mercury, 3 February 2010

What we do with waste tells us a lot about how our society and economy have been organized – and it’s not pretty.

Mercury and E.coli in our fish and seawater. Industrial and agrobusiness effluents leaking everywhere. Periodic fires and explosions fires in South Durban’s unregulated petrochemical complex. Unrecycled solid waste in our rubbish bins (with insufficient orange bags). Carbon dioxide and other pollutants spewing into the air. All are poisoning nature, our own bodies, and the future of our species.

Governments appear oblivious, as witnessed when Pretoria joined the hijacking of December’s UN climate summit by Washington, New Delhi, Brasilia and Beijing. No matter SA’s world-leading CO2 emissions, Pretoria is pushing Eskom to build at least two more vast coal-fired power plants, paid for with a $3.5 billion World Bank loan in turn repaid with a 200% increase in electricity prices for households and vulnerable small businesses. Meanwhile, the world’s largest mining and metals houses continue getting the world’s cheapest electricity thanks to apartheid-era multi-decade deals.

In Durban, the same mentality was on display when Energy Minister Dipuo Peters visited the Bisasar Road landfill last Thursday. This is Africa’s biggest dump, processing 5000 tonnes of solid waste a day. It’s the new centerpiece of a ‘Clean Development Mechanism’ (CDM) project which generates electricity by burning a dangerous greenhouse gas, methane (from rotting rubbish), which would otherwise escape into the air, causing climate change at a rate 20 times higher than CO2.

At first glance the Bisasar Road CDM looks good, but consider two glaring reasons this project should have been vetoed by City Manager Mike Sutcliffe and environmental officer Debra Roberts:

- the fragile, declining global emissions market that supplies the CDM’s main income; and
- serious environmental hazards from flaring the methane.

First, backtrack a bit, as did Peters at the stinking dumpsite: “As I understand it, the development of this project began as far back as 2002 when the Department of Cleansing and Solid Waste here in eThekwini municipality was approached by the World Bank encouraging the municipality to consider participating in CDM initiatives.”

The Bank promised that a new emissions market would emerge in which Northern corporations bought CDM offset permits so as to continue emitting greenhouse gases of their own. To make the landfill methane-electricity conversions highly profitable, the 1997 Kyoto Protocol would need to accomplish four things:

- impose a cap and reduce emissions so as to generate scarcity (the Protocol didn’t),
- thus continually raise the price of carbon (but it fell 60% from peak in mid-2008 to today’s 13 euros/tonne),
- thus rapidly escalate emission market trading volume (now stagnant at $130 billion/year since 2008), via
• the establishment of markets across the rich world (but though Europe has an Emissions Trading Scheme, the US refused to play ball, Canada also dropped out, and Australia tried last November but gave up) along the way to a post-Kyoto Accord that would build a global market (but Copenhagen terminated this fantasy).

Naively believing the hype, Durban bureaucrats took the bait, and the loan shark moved in for the kill. The World Bank marketed Durban methane far and wide.

But then they ran into Sajida Khan, who lived next to the site – at the corner of Clair and Kennedy Roads – until she died in 2007 of cancer, a disease she blamed white municipal officials for. The dump had been plopped onto the Clare Estate community in 1980, in one of the world’s extreme cases of environmental racism. Many neighbours also succumbed to cancer.

Because of Khan’s activism, profiled on the front page of the Washington Post the day the Kyoto Protocol became operational in February 2005, the Bank retreated from Bisasar, but did offer CDM status to two other small Durban landfills in August that year.

During the 1990s, Khan organised thousands of her neighbours to call for the closure of the Bisasar Road site – like dumps at Umhlanga and Umlazi – but apartheid bureaucrats were as rude to her then as was Sutcliffe during the 2000s.

Sutcliffe ordered the dump to stay open, contradicting ANC campaign promises in 1994, because Bisasar is extremely well-located and the valley – once a nature reserve – could take many years’ more worth of rubbish before filling up, hence more methane-electricity CDM monies.

But for Khan, that meant the Clare Estate community would be forever stuck with waste, stink and toxins. Perfume rods along the fence sicken the air instead of cleaning it. Ever-widening gaps in the thin cement wall separating the dump from Kennedy Road (and thousands of shackdwellers) illustrate how little maintenance support the city provides.

The methane-electricity conversion requires burning and flaring, which mean the putrid fumes from rotting waste have a much higher level of lethal chemicals and metals. Ideally, Khan argued, the dump should be shut, a municipal ‘zero-waste’ strategy adopted, and methane piped out of Bisasar to a site (for industrial usage) not so densely packed with housing and schools in the immediate vicinity. But that would have cost the city a bit more.

Sutcliffe might argue that the Bisasar CDM gamble will yet pay off, and if so, I’d like to spend an evening playing poker with him given this unbroken losing streak: bus privatization, a supposed Warwick Junction shopping mall by June 2010, unending subsidies needed at the Point and ICC, last week’s Blue Flag beach bust-up in Council (a unanimous KO), the delusional Dube Trade Port, and an economic development strategy reliant upon sports tourism in an age of climate change, overly-expensive stadium and airport white elephants, and fast-rising air travel taxes.

It’s safe to bet against Sutcliffe’s expectation of rising emissions market income to pay for Bisasar Road. Carbon trading is now in terminal decay, in part because Obama will fail to get climate change legislation out of his corporate-funded Congress, everyone acknowledges.

It’s the same story in Europe, The Guardian reported last week: “Banks are pulling out of the carbon-offsetting market after Copenhagen failed to reach agreement on emissions targets.” As
Anthony Hobley of the law firm Norton Rose put it, “We are seeing a freeze in banks’ recruitment plans for the carbon market. It’s not clear at what point this will turn into a cull or a rout.”

Meanwhile, the awful consequences of Durban waste continue. In Chatsworth, the Bul Bul Landfill emits toxic fumes, and last October, a particularly bad eruption left more than 100 nearby schoolchildren hospitalised. According to Lushendrie Naidu of the Dumpsite Action Committee, “We are protesting, demanding the dump be closed. For the past five years, chemical waste has been stored at Bul-Bul, yet there is no disaster management plan.”

Instead of a sensible disposal strategy, Durban’s pyromaniac bureaucrats are turning to waste incineration, using the energy/climate crisis as an excuse, and borrowing outmoded technology from Oslo. Yet as one official Norwegian document concedes, “Incineration and landfill are seen as the least desirable forms of waste management and represent the last resort within Oslo’s strategy.”

Because the super-carcinogenic chemical dioxin is produced in the process, the Norwegian group Aksjon Steng Gifffabrikken demands that the two Oslo incinerators be closed.

Yet Mayor Obed Mlaba cheerily announced in last September’s city’s newsletter, “Residents of Oslo in particular, are generating electricity directly from solid waste. The way it’s done is that waste is simply fed into some transformer machine, where it is literally burned with the end product being electricity. Well, the good news for you and I is that we could soon have the same method right here on our doorstep. Once available, it would perfectly complement the methane-based power process,” putting Durban “well on track to playing its part in curtailing global warming through the reduction of greenhouse gas emission into the atmosphere.”

The reality is much more dirty, dangerous and destructive, and if Mlaba, Sutcliffe, Peters and the World Bank are doing this deed purely for the dollars, they’ll be as deeply disappointed as residents whose cancer they are causing by burning toxins and keeping landfills open in Durban’s vulnerable neighbourhoods, not to mention wagering our lives on a climate strategy – emissions trading – that won’t work, either for them or our descendants.
SA’s self-interested carbon pollution gels with ‘disappointing’ global climate governance

*Sunday Independent, 24 January 2010*

Today’s meeting of the Brazil, South Africa, India and China (BASIC) environment ministers in New Delhi comes at a time the Copenhagen climate deal is dead in the water. No one disputes that an entirely new strategy is needed if the same fate is to be avoided at the next negotiating venues: Mexico later this year and South Africa next.

But is this the optimal team to defeat the climate threat? When SA’s environment minister Buyelwa Sonjica returned from Copenhagen, she expressed ‘disappointment’ in the Copenhagen Accord that US President Barack Obama persuaded the BASIC leaders – including President Jacob Zuma – to sign at the last minute on December 18.

The sleazy deal followed extremely harsh police repression against nonviolent protest outside the Bella Centre, and inside, a ‘Green Room’ process in which the Danish hosts – conservative ruling party leaders – cherry-picked 26 countries to represent the world. When even that small group deadlocked, allegedly due to Chinese intransigence and the overall weak parameters set by the US, the five leaders – Obama, Zuma, Wen Jiabao, Lula da Silva and Manmohan Singh – attempted a face-saving last gasp at planetary hygiene.

Not only did it fail on its own terms, for the first key deadline is about to slip past, but Obama’s gambit meant that the World Trade Organisation’s notorious divide-and-conquer politics – controversially endorsed by SA’s then Trade Minister Alec Erwin at the 1999 Seattle, 2001 Doha and 2003 Cancun summits but vetoed by the African delegation at the first and third – would become the norm for UN climate negotiations, to the obvious detriment of climate victims, especially in Africa.

Nine of ten African peasants will not be able to produce if the 2 degrees mark is breached this century, according to UN experts. Hence the repeated accusation by African delegates that Zuma and Obama ‘sold out’ their rural Zulu and Luo relatives on behalf of their economies’ fossil fuel industries.

Process aside, the Accord’s content was nearly universally condemned, for four reasons:

- inadequate emissions cuts imply a catastrophic 3.5 degree centigrade increase by the end of the century, with options for vague ‘pledge and review’ commitments and, even worse, offsets so that Northern polluters can outsource the cuts;
- no clear sources of financing and explicit commitments to pay the North’s ‘climate debt’ to the South (estimated by even the World Bank at $400 billion/year by 2020), owed for taking too much environmental space and doing massive climate damage (such as the current 300 000 premature deaths annually, escalating much more quickly as climate chaos worsens);
- the deal’s departure from Kyoto Protocol and Bali Action Plan principles which set out much more ambitious targets for richer versus poorer countries; and
- no legally binding components or compliance mechanisms.
No one disputes, now, that the climate governance ship is sinking, as is the climate’s supposed private sector lifeboat, carbon trading. With just 20 out of 192 countries having signed on this week, UN climate official Yvo de Boer admitted the Accord deadline of January 31 was actually ‘soft’, because ‘Countries are not being asked if they want to adhere... but to indicate if they want to be associated.’

And the captain of this Titanic, Obama, is heading directly towards the closest US iceberg: the US Senate. Last week’s shock election of Scott Brown to fill Edward Kennedy’s Massachusetts seat is telling and perhaps decisive, because the climate debacle was centre stage. Brown campaigned partly on the basis that the US should avoid ‘cap and trade’ legislation currently pending in the Senate. His election confirms the most likely outcome from Capitol Hill: gridlock.

Given the power relations in Congress, this outcome is, frankly, welcomed by many US grassroots environmentalists. They contrast the ineffectual ‘pork-laden’ legislation with the Environmental Protection Agency’s (EPA’s) ever-stronger regulatory potential plus grassroots ‘keep the coal in the hole and oil in the soil’ direct actions at sites like West Virginia mountaintops and Chevron’s San Francisco headquarters.

In December, the EPA issued an ‘endangerment’ finding against carbon dioxide and other greenhouse gas pollutants using the Clean Air Act – a move that Pietermaritzburg NGO groundwork now insists Sonjica try with the SA Air Quality Act. Activists demand strong enforcement, but legislation that last June passed the US House of Representatives actually strips the EPA of enforcement powers. Hence halting the legislation in the Senate is a goal of both climate denialist fossil fuel firms and progressive ecologists, for completely opposite reasoning.

The major bills are now being pushed by John Kerry, the senior Massachusetts senator who failed in a 2004 presidential campaign bid against George W. Bush. Kerry felt the need to ally with the conservative Joseph Lieberman (his 2004 running mate) and the very conservative Lindsay Graham, and in order to overcome the climate denialist lobby, the bill they are now promoting is full of subsidies to the coal, oil/gas and nuclear industries.

It is also based on ‘cap and trade’ in which polluters are rewarded for historic emissions, and in which an inadequate cap on US emissions can be ‘offset’ with purchases from other countries, including South Africa. (This was partly the source of US promises in Copenhagen of $100 billion – and hence was rejected by many since it is part of a market process, not genuine climate debt payments.)

The most substantial Third World offsets through the UN’s Clean Development Mechanism (CDM) are being paid to companies which reduce emissions in China, India and Brazil. Meanwhile, South Africa’s own attempts to establish CDM offset projects have faltered.

In 2005, community opposition foiled a World Bank investment in the largest project, a methane-electricity conversion at Bisasar Road landfill in Durban’s Clare Estate residential neighbourhood. Last year, an attempt by Sasol to claim that a gas pipeline investment was ‘additional’ to existing plans (hence deserving emissions reductions credits) was ridiculed by the Johannesburg activist group Earthlife, and did not pass muster in the UN vetting process.

The entire carbon trading apparatus – worth nearly $140 billion in volume last year and once projected to grow to $3 trillion annual trades by 2020 – is now in question, having failed to cut
emissions in the main pilot project, the European Union’s Emissions Trading Scheme (ETS). Due to overallocation of permits, the ETS will face further declines in price, and the failure of the Copenhagen Accord to confirm financing was a major blow to the market, which crashed by 10% from December 17-21 as it appeared there would be a serious legitimacy deficit.

The ETS was itself delegitimised last September when the UN’s main verification contractor was disqualified for repeated procedural violations, and in December when Europol discovered that up to 90% of trades in some EU countries were flagrant tax scams.

The general problem of relying upon these actors to save the planet was obvious last week when Eskom’s contracts with an African National Congress investment firm, Chancellor House, were revealed. The boiler deals give the ruling party a multi-billion rand stake in further coal-fired power plant construction.

If Zuma aims, therefore, to persuade the world that he and similarly compromised BASIC leaders are not corrupted by this process, major cuts in emissions would be the only way. The SA cuts promised by Sonjica just before Copenhagen were labeled by Earthlife Africa as a ‘public relations stunt’ because of the ‘fantasy’ baseline projection. In reality, cuts promised in the Long-Term Mitigation Scenario – itself based upon the extreme case of rising Sasol coal-to-liquid emissions – will not start to decline until after 2030.

As the Eskom tariff hearings organised by the national regulator this week showed, Eskom is intent on a 35% annual increase the next three years so as to keep building coal-fired plants. Yet the purpose of the new build programme is not to increase affordable energy, because the tiny rise in Free Basic Electricity anticipated (from 50 to 70 kWh per household per month) does not mitigate the rise in a typical township household budget spent on energy: from R360/month last year to R1000/month in 2012, according to Eskom.

Meanwhile the multi-decade contracts signed during the closing years of apartheid – by men like Eskom treasurer Mick Davis, now head of Exstrata and beneficiary of more than R100 million in salary and share benefits last year – are being jealously guarded by Eskom, which won’t even reveal the extent of the giveaways to BHP Billiton, Arcelor Mittal and other smelter and mining operators. These firms, in turn, export profits and dividends to headquarters in Melbourne and London, worsening SA’s vast balance of payments deficit.

Does the public have any faith in the energy fraternity given these power relations, electricity disconnections and climate criminality? Last year the deputy leader of the Communist Party, Jeremy Cronin, called for the phasing out of the aluminium industry given the adverse cost-benefit ratio, and two years ago Standard Bank chairman Derek Cooper asked Eskom to shut off power to Richards Bay smelters so as to end the load-shedding crisis.

Last week there were protests at Durban and Midrand tariff hearings, including arrests of three Earthlife and Anti-Privatisation Forum activists.

The difference between those activists and the more established lobby groups like WWF and Greenpeace is becoming stark. WWF called Sonjica’s Copenhagen strategy ‘very progressive’ and Greenpeace – so effective with direct action protests involving pranks and aesthetically gripping imagery (instead of grassroots organizing) – termed SA the ‘star’ of Copenhagen. Now, according to
Themba Linden of Greenpeace Africa, ‘The BASIC countries have to lead the world in light of no leadership from developed world.’

But the new Greenpeace head is Kumi Naidoo, who understands global positioning, and his staff’s empowerment of such obviously inappropriate climate dealmakers is hopefully a thing of the past. Instead, leadership should be vested in the unions demanding Green Jobs for a just transition out of the minerals energy complex, communities facing a huge increase in electricity disconnections (hence making theft attractive and with it a rise in electrocutions), and environmentalists genuinely upset by the disaster unfolding before our eyes.
Eskom’s price hikes plus climate change contributions blow citizen fuses
with Alice Thomson, in The Mercury, 20 January 2010

Yesterday morning, anger against the rudderless parastatal Eskom was palpable in a large community protest outside the Luthuli International Convention Centre, and inside too, where the apparently useless National Energy Regulator of SA (Nersa) was holding court.

People should be very angry indeed, for even Eskom admits that the monthly bill a ‘typical township household’ paid a year ago – R360 – will rise to R1000 by 2012, and for a typical suburbanite, from R750 to R2400 (the free basic electricity supply will rise from 50 to 70 kWh/month, still a trivial amount).

We’re mainly paying for ecologically-destructive new coal-fired power plants, the first of which – Medupi near the increasingly water-stressed Waterberg in Limpopo – has been hit with a 40% cost escalation, to R120 billion. Dangerous nuclear plants could follow. And unless opposed by labour and consumers, partial privatisation will put even more pressure on Eskom to raise tariffs to return profits to its new partners.

But community consciousness is also rising, as leaders of the South Durban Community Environmental Alliance (SDCEA) spent most evenings last week mobilizing in neighbourhood civic halls, and along with the new Climate Justice Now! South Africa (CJNISA) KZN chapter, reported back from the Copenhagen climate summit on Friday at UKZN.

As the Eskom protest demonstrated, SDCEA and CJNISA practice a grassroots politics linking local and global so as to comprehensively criticize SA’s energy resource abuse, from coal extraction through pollution-intensive generation to hedonistic consumption. They view our state and corporate officials as amongst the world’s least environmentally and socially responsible.

Proof was evident in Copenhagen last month, and will be again on Sunday in New Delhi when the next generation of world-leading carbon tsotsis – Brazil, SA, India and China (using the acronym BASIC) – meet to update their do-nothing emissions strategy. Recall that on December 18, to cries of ‘Shame!’ across the world, Jacob Zuma and other BASIC leaders signed Barack Obama’s non-binding, unambitious and unfair Copenhagen Accord.

While nonviolent protesters were beaten up by Danish police outside, the US and BASIC were also beating the UN’s consultative process to a pulp, doing a deal in a secretive cabal meeting while leaving nearly 200 other countries to guess what these five major carbon emitters were up to. With the planet’s future at stake, CJNISA activist Siziwe Khanyile expressed anger in Copenhagen that the Pretoria delegation helped destroy what was once strong African unity, in order to promote self-interest: no emissions cutbacks until the 2030s.

But SA’s self-interest looks disturbingly like the self-interest of multinational metals and mining corporations based in London and Melbourne, which consume a vast share of South Africa’s electricity.

Remarked Khanyile, “The Southern powers who say they must have the ‘carbon space’ to ‘catch up’ with the North are less concerned with eradicating poverty than with their power in the international system. This is not a trivial matter. But, in choosing the means of carbon development, the major Southern powers choose to reproduce the economy of plunder.”

1182
Plunder was extreme during the last years of apartheid, when Eskom treasurer Mick Davis – now head of the Swiss-based Xstrata coal mining house, whose hostile takeover bid for Anglo American recently failed, yet who personally ‘earned’ R100 million in share sales last year – signed 40-year special pricing agreements with the likes of BHP Billiton (the firm Davis moved to after leaving Eskom in 1993). The world’s largest metals and mining firms got the cheapest power in the world, ever cheaper as minerals prices fall.

Since then, Eskom management has failed to address the contracts’ extreme socio-economic inequity, climate change implications, or financial volatility created within Eskom’s ‘embedded derivatives’ gambles. The discredited former leadership of Bobby Godsell and Jacob Maroga oversaw Eskom’s R9.7 billion loss in 2009, due mainly to these derivatives, as aluminium prices and the currency went haywire during the world economic crisis.

What often goes unmentioned is that when big corporations receive ultra-cheap electricity – just 11 cents per kiloWatt hour to BHP Billiton, compared to 44 cents/hour for Eskom’s household customers – their profits are exported to London, Melbourne and Zurich. In turn, this amplifies SA’s perennial balance of payments deficit – a problem which last year led The Economist magazine to rank SA as the riskiest of all emerging markets.

This ridiculous situation appears acceptable to Nersa’s Thembani Bukula, who last July defended BHP Billiton’s special deals, although a month later both Godsell and Maroga made an apparently half-hearted effort to renegotiate them.

Especially infuriating for environmentalists is that because Eskom ran out of cash, major renewable solar and wind energy projects are delayed, while tidal power is being seriously attempted. The company’s promise to roll out a million solar hot water heaters in three years is being broken, with only around a thousand supplied in its first year, even though 30,000 geysers are replaced annually and though this is an ideal ‘green job’ opportunity so as to rehire thousands of workers laid off last year in the metals and auto sectors.

Another broken Pretoria promise is a meaningful carbon tax that would force excessive consumers of energy to become more energy efficient. As finance minister, Trevor Manuel imposed only a tiny tax, with a bias against ordinary people not big corporations, and his successor Pravin Gordhan has dropped the baton.

If a higher price on carbon doesn’t persuade large corporates to change behaviour, then direct regulation must, including the 2004 Air Quality Act. But as Eskom’s last annual report confessed, the state-owned agency has since 2007 been regularly violating this law: “As a result of this decline in performance, we have applied for over 170 exemptions and had 22 legal contraventions as a result of not meeting limits set out in the power station emission permits.”

Since the Green Scorpions are apparently asleep on the job, Eskom is passing the costs of its world-leading emissions onto society and nature. People living near coal-fired power stations pay with their health, taxpayers will pay for their health costs, and there will be increased losses for agriculture.

Worse, Eskom’s proposed R385bn capital expansion – much for coal-fired electricity generation – will dramatically increase carbon emissions, since Eskom wants to double electricity supply by the
2030s. Already climate change is responsible for Africa’s increased droughts and floods, rising sea levels, decreasing water supply, malaria and other diseases, and extreme weather events.

The World Bank is the latest villain in the tale, provisionally offering Eskom $3.75 billion in December, but at an ever-higher interest rate as the rand declines in value, given that the loan must be repaid in hard currency.

NGOs are already mobilizing to halt the loan when the Bank’s board meets in March, for it is yet another travesty from the world’s largest fossil fuel financier. This is the institution that, ironically, is also bidding to manage both the new climate-debt fund promised in Copenhagen (which could amount to $100 billion/year by 2020) and the futile strategy of carbon trading in which ‘Clean Development Mechanisms’ (CDMs) are said to offset northern industrial pollution.

Instead of playing dangerous games with the World Bank – as does Ethekwini municipality with its dubious landfill gas extraction CDM – SA should peak greenhouse gas emissions no later than 2015 and cancel the coal-fired generators. How? First, by following advice given by Standard Bank chairman Derek Cooper two years ago during Eskom’s load-shedding crisis: cut off supply to the big aluminium smelters which use so much power, create so few jobs and export so many profits.

That way, as CJNISA puts it, we can finally start to ‘leave the coal in the hole’ and invest instead in solar, wind and tidal. At the same time, SDCEA insists, we can avoid new electricity price hikes caused by massive new coal-fired power plants. Together, the future of our species’ and our low-income neighbours’ economic survival require nothing less.
Robin Hahnel, ordinarily so persuasive when criticizing markets and constructing notional post-capitalist economic relations, makes serious strategic errors in his article ‘Has the Left Missed the Boat on Climate Change?’ (www.zmag.org/zspace/robinhahnel). In half the space he used, I’d like to offer two concerns:

- Robin’s argumentative technique assumes there’s no space in between full-fledged eco-socialism (our shared long-term ideal) and cooption into (allegedly reformable) carbon markets, and thus he takes serious political missteps justified through strange allegations about the Climate Justice (CJ) movement.

- Robin’s political vision is constrained by the backward state of US congressional power relations, which indeed makes his proposed reforms far less likely than the combination of grassroots direct actions (not a legislative utopia) against polluters, national/local air quality and planning regulation, and substantial public investments that together the CJ movement is advocating.

In short, Robin’s ‘pragmatic’ market-reformist approach to an urgent challenge is in reality more idealistic – impossible, really – than CJ anti/post-market politics. Having had exchanges of this sort in person and on email with Robin for fifteen months already, I have no illusion that his mind will be changed in the following pages. Still, at the risk of sounding ill-tempered, here’s a reply (at Z’s request) to Robin’s attacks on those of us who have, as he puts it, ‘missed’ his sinking cap-and-trade ship.

At the least it allows a review of CJ perspectives on how to contest markets, grounded in activist initiatives – some of which were pioneered here in South Africa – that cut against the grain of, instead of surrendering to, capitalist logic. For it is only by transcending ‘price’ (as ‘value’) that we can escape the fate of commodification of the atmosphere and all that it implies.

Escaping that fate is crucial, and follows the bottom-up, anti-market politics I’ve learned from activists here, which I think withstands Robin’s curious, self-proclaimed ‘left’ critique and top-down technicism. You the reader may decide on the merits of ideological labeling and self-labeling, as to what’s ‘left’. (For the sake of comparison, last week I rebutted a different but equally misguided crit of CJ climate finance politics by two San Francisco anarchists: www.counterpunch.org/bond01122010.html. And for a reply to pro-market ‘green’ critics of our short CJ movie http://www.storyofcapandtrade.org last month, see http://www.zmag.org/zspace/commentaries/4078.)

Although we all seek discussions between comrades with the utmost respect, and while respect will endure in other areas, it is distressing to the point of annoyance that Robin strays so very far from CJ carbon market wisdom gathered up over the past decade. Instead of drawing on that wisdom, especially environmentalist and indigenous people’s open hostility to Clean Development Mechanism (and now forest financing) versions of carbon trading, Robin prefers the mind-altering policy-wonk milieu that characterizes so much allegedly realist environmental debate in the United States (see, e.g., http://www.grist.org).
That means his analysis is grounded in the bankrupt logic of the economics profession, not the radical market-critical ideology we all know Robin is capable of through Parecon and his other contributions, not least of which are the many protestations that he’s still a true ‘socialist’. So dear reader, pardon the long trek through this muck, but rehearsing arguments about why markets – and pro-market reforms – are no solution to climate crisis is never entirely a waste of time.

The Copenhagen victory against elites and carbon trading

Robin’s initial error is lamenting the outcome of the December 2009 Copenhagen climate summit, in which he disregards both realpolitik and CJ strategy:

- from the standpoint of realpolitik, given the adverse balance of forces, as even establishment scientist James Hansen argued in the New York Times in early December, any deal struck at Copenhagen (or the US Senate) would be bound up in carbon trading, hence no deal was better than a bad deal – and for all effective purposes we got no deal;
- from the standpoint of political strategy, the Copenhagen circus dramatically lowered the credibility of the global climate governance elite, and added coherence, mutual trust and visibility to the emerging grassroots CJ movement.

The summit meltdown, witnessed in the universally-condemned Accord that Barack Obama stitched together at the last moment on December 18, should, in fact, be celebrated. Copenhagen was semi-seattled, unveiled as an undemocratic, crony-capitalist, band-aiding response to a genuine crisis, sullied by openly imperialist processes within the UN’s Bella Centre bubble, which in turn was protected by brazen police brutality.

Just as happened in Seattle a decade earlier with the activist lock-down outside and African elites denying consensus inside, the CJ movement in the Copenhagen streets and Bolivarian governments in the negotiations together questioned the process and the content, denying Obama’s deal the status of an official UN outcome.

A month later, no one claims the Copenhagen Accord was more than a face-saving gesture aimed at coopting Chinese, Indian, Brazilian and South African politicians into taking responsibility for their economies’ emissions (to the extent of surrendering potential pollution allotment ‘rights’), albeit without any meaningful way to do so, and without questioning their fossil-fuel addicted, export-oriented accumulation strategies, which will continue unabated because the Accord has no binding targets. So thankfully, there’s no legitimacy there, and no joy in the carbon markets, which from December 17-21 reacted by crashing from already flaccid levels.

And thankfully, too, Copenhagen’s failure leaves serious activists with much clearer strategic insights about ultimately solving this crisis. Because of global climate governance failure, we’re all going to be working much harder on:

- deepening educational and motivational work in local settings;
- targeting local fossil fuel production and consumption with direct action and boycotts;
- critiquing carbon markets and traders; and
• demanding that national air quality control regulation be enforced for greenhouse gases, and that local/regional planning boards and utility regulators start moving rapidly into the post-carbon future by prohibiting fossil-fuel-dependent project now in the application pipeline.

With the distraction of Copenhagen now past, and with no hope for a genuine climate-saving treaty in Mexico 2010 or South Africa 2011 (except in the opportunistic minds of professional conference-hoppers), the CJ movement is much stronger and can now plot more decisive interventions, for example in Bolivia at the April 20-22 meeting of indigenous, radical environmental and social/labour movements called by Evo Morales.

Moreover, as Jess Worth predicts in New Internationalist, ‘If governments won’t phase out fossil fuels, then we’ll have to do it for them, by shutting down their coal mines and oilfields. If they won’t protect the world’s forests – or worse, if they try to sell them off for private profit – then we’ll unite with the people of those lands and defend them ourselves.’

For instance, here in Durban this morning, hundreds of protesters came to the International Convention Centre fighting the national electricity company’s new coal-fired plants. To pay for these, Eskom has asked regulatory permission to jack up retail prices for poor people by 35% per annum the next three years, and is also near completion with negotiating a World Bank loan of $3.7 billion (but that may attract a serious backlash and revival of the World Bank Boycott which the late South African activist Dennis Brutus helped initiate eight years ago). Red and green politics come together very well under these circumstances.

Grassroots movement organizing is the first step forward for the CJ agenda, which in turn requires us to avoid carbon trading distractions and the elite deals that Robin seeks for a mythical global emissions market. Luckily, gridlock at both global and US national levels is not a setback, but instead an excellent outcome of the 2009 debates, given the prevailing balance of forces, especially the danger – in both the Kyoto Protocol’s extension and US congressional bills – of giving further momentum to the deepening of carbon markets.

These markets are currently worth around $130 billion/year, but had Copenhagen and congressional initiatives succeeded, they were expected to soar to $3 trillion in annual turnover by 2020 not counting derivatives. Gridlock means there’s a good chance that carbon trading will simply die, as two Foreign Policy (13 January 2010) writers, Ted Nordhaus and Michael Shellenberger, anticipate:

Midterm elections [in November 2010] are likely to bring large Democratic losses in the House, and, fairly or not, a hard vote for failed cap-and-trade legislation will take a fair share of the blame. For House Democrats it will be déjà vu all over again. In 1994 they went out on a limb and voted for an energy tax (known as the Btu tax) pushed by then-Vice President Al Gore and President Bill Clinton’s White House only to see the Senate reject such a measure. Having been ‘BTUed’ by two Democratic administrations, twice-fooled Democrats are unlikely to sign up for more of the same in the next Congress. And cap and trade’s death in the Senate would likely signal its death everywhere – Australia, Japan, Canada, and eventually even Europe.
All in all, Robin is wrong to call Copenhagen ‘a train wreck that no spin doctor can put a good face on.’ The carbon market’s immediate crash was just one indication of a worthwhile outcome, but the round of popular critique of the global climate governance ‘leaders’ was even better.

Robin is also wrong about an even bigger problem: how to generate a serious, pragmatic radical climate politics while staring fossil-fuel capitalism in the face. Unfortunately he opts instead for an unserious, idealistic, reformist capitulation, namely fixing cap and trade.

**Leftists need not be capital’s battered spouse**

Though he may argue there’s a substantial left faction in his corner, Robin appears virtually alone in places like ZCommunications fretting about the CJ critique of carbon markets. A few other progressive economists have also publicly identified themselves in favor of carbon trading, including Frank Ackerman of Tufts. Having known them for years, I celebrate their work when it provides ecological-economic critique.

But when Robin and Frank turn their minds to constructive policy-making in this rancid political environment, weighing in with insights drawn from within their battered profession, their theoretical approach misses the benefits of CJ movement-building commitment and experience. That experience comes from fighting back against the real damages done in carbon markets, especially Clean Development Mechanism (CDM) projects which are supported by Robin but opposed by environmentalists and indigenous and poor/working peoples (especially women – e.g. our first South African CDM educator, the late Sajida Khan, who died on the job: http://www.zcommunications.org/zspace/commentaries/3171).

That leaves Robin like a battered spouse – married to US corporate capitalist power relations – who has not learned the merits of divorce. His article shows no awareness of precedent for rejecting market-based reforms, and thus achieving much greater victories.

Such victories – for example, access to AIDS medicines and the pushback against water privatization (our two main South African social movement wins in the past decade, repeated in many other Third World sites) – came through fighting against the logic of capital, instead of going with the flow. In going with the capitalist flow, Robin’s natural allies in this battle are mainstream environmentalists from the large corporate-oriented agencies (especially EDF, NRDC, WRI and WWF) and carbon traders themselves.

So Robin’s views do not genuinely represent one half of, as he claims, a ‘divide between some on the Left who support putting a price on carbon emissions through a cap and trade treaty, and others on the Left who deny that putting a price on carbon is a necessary and important step forward, and denounce carbon markets as a “pretend solution” that diverts attention from “real solutions”.’ This is a false dichotomy, as I show in more detail below, as many critics of carbon trading favor a carbon tax, for example.

To gain added stature, Robin’s team of ‘some on the left’ includes Frank, in a televised debate on December 15 with the leading intellectual critic of carbon trading, Larry Lohmann. According to Robin, ‘When the Left needn’t agree on everything, when we contradict one another to the extent that Amy Goodman can’t figure out what message to bring home from Copenhagen for her Democracy Now audience, the Left also has a problem.’
Sorry, but Robin simply wasn’t paying attention, because in that debate, an opening excerpt of Annie Leonard’s nine-minute film The Story of Cap and Trade provided various examples of emissions market failure, leading Frank to immediately concede, ‘I’m not exactly for [carbon trading]... a price on carbon can be done either through a tax or through cap and trade... Any time a price incentive like this has worked, it has needed many, many other things to be working with it. The image of a level playing field that economists sometimes suggest is exactly wrong.’

And yet notwithstanding the critiques Frank had to acknowledge (see the transcript – http://www.democracynow.org/2009/12/15/cap_trade_a_critical_look_at), he was ultimately compelled to defend carbon trading, but in the way a battered spouse might fantasize about repairing a broken marriage because he/she sees no alternative:

The problem is not describing how to reduce American carbon emissions; the problem is creating incentives that will make people feel like they have been allowed to do it in a free market way (sic)... I think some of the big companies that are advocating a carbon tax are probably conscious of that and doing it with dishonest intent in the attempt to destroy the entire idea of climate legislation. From that, I deduce that, sadly enough, we’ll have to figure out how to patch up the holes in cap and trade, of which there are many.

The South African political equivalent of this sort of defeatism that we remember well was the option chosen in 1983 by a very few superficially anti-apartheid activists: cooption into the PW Botha regime’s reform program, which opened up second-class citizenship for Indian and ‘coloured’ (as against third-class African) people. It was central to apartheid’s divide-and-conquer strategy against black people in general, but it failed. Internationally the equivalent move was a few wealthy liberals’ endorsement of Rev Leon Sullivan’s Principles as an alternative to divestment. These gambits were termed by Archbishop Desmond Tutu ‘polishing the chains of apartheid’ instead of breaking them, and no one took them seriously as we struggled for the minimal demand, one person-one vote in a unitary state.

‘Patching the holes’ in emissions markets is just as objectionable a way of polishing the chains of climate apartheid, given how awful cap and trade is as policy and practice, how little success market watchdogs have had to date, and what a miniscule group of reformers Robin and Frank can turn to.

Worse, this logic isn’t even limited to dumbing climate policy down to humor the alleged backwardness of the ‘American people’, which for whatever bizarre reason is Frank’s main political criterion, as expressed on Democracy Now. In any case, holding the rest of the world hostage to the whims of the ‘American people’ – who, recall, suddenly swung in majority support for the Republican presidential candidate in August 2008 immediately after John McCain chose Sarah Palin as running mate – is as unethical as the Obama Administration’s attempts in Copenhagen to deny that the US owes a climate debt.

Frank’s dumb-it-down, make-it-palatable argument is also refuted by the most recent US poll of popular support for carbon trading versus a carbon tax (by Hart Research Associates in August 2009). As summarized by Energy and Environment Daily, only 27 percent of the 1000 people surveyed support cap-and-trade, half as much as a direct tax:

When both concepts are explained, voters of all political affiliations and backgrounds favor the tax proposal by a significant margin. Sixty-six percent of Democrats prefer the carbon
tax, as do 58 percent of independents and 46 percent of Republicans. Overall, 57 percent of those surveyed say they would favor a carbon tax, while 37 percent are opposed... The poll’s designers say support for the carbon tax proposal stems from a belief that it is far simpler than cap and trade, provides a revenue stream for tax refunds to offset consumer costs of the tax, offers a more direct incentive for businesses and consumers, and is less likely to be corrupted by loopholes for certain interests (http://www.eenews.net/public/enewspm/2009/12/01/2).

By the end of last month, cap and trade was losing the support of a great many Senators, as well; even Kerry admitted in Copenhagen that he might have to switch to a carbon tax (http://dyn.politico.com/printstory.cfm?uuid=CD9CFF07-18FE-70B2-A8A448F9F6703C97). As the website Politico remarked on Saturday:

Prospects for Senate passage of the legislation — already approved by the House last summer — have dimmed in recent months, with the bruising health care debate and looming midterm elections. Last month was particularly brutal, as environmental advocates fended off criticism of climate negotiations in Copenhagen that failed to produce a strong international agreement. Even some supporters now publicly doubt that the bill will get done this year. Senate Energy and Natural Resources Committee Chairman Sen. Jeff Bingaman (D-N.M.) told The Associated Press last week that passage of the legislation was unlikely (http://www.politico.com/news/stories/0110/31416.html#ixzz0coOZlEiy).

And as last Thursday’s Financial Times blog on climate finance by Kate Mackenzie explained,

Most people just don’t like the idea of carbon cap-and-trade schemes. Whether they object because it’s like a tax, or because it’s not like a tax, or because it only benefits those crooked financial types, or because it’s too bureaucratic and expensive, or because they hate offsets, or free allowance giveaways to polluters... there’s an objection for almost everyone. A pretty powerful constituency however does like cap-and-trade: (some) economists, financial industry types, policy wonks, and some big businesses (http://blogs.ft.com/energy-source/2010/01/14/carbon-emissions-reduction-without-cap-and-trade/).

In short, Frank and Robin are wrong to assume that cap and trade simply needs a bit of hole-patch fixing (not nixing) because it’s the only politically viable strategy: it just ain’t, all the evidence shows. That useless, abusive spouse should be tossed out of the house, pronto, because cap and trade may please some big corporations and their paid-for Washington ‘greens’, but is not even good for catching Senators and Senate constituent votes nowadays, if it ever was.

**Divorcing the capitalist albatross of climate commodification**

Yet more extreme, Robin argues that ‘as long as the albatross of global capitalism remains around our necks’ we should support global carbon trading and ‘fix’ its problems. Adopting this premise would be disastrous for the left in any field, so thank goodness South African activists divorced the climate albatross when it was time to consider life-and-death strategies in the health and water sectors.

First, a decade ago when we observed that AIDS medicines were too expensive at $15,000/person/year, the reformist logic of Robin’s position would have prevented the victory achieved by the Treatment Action Campaign and AIDS Coalition to Unleash Power:
decommodification of medicines (they are now free for millions) and deglobalisation of their production (they are now made in SA, Zimbabwe, Uganda, etc), which were only possible by removing them from solely market determinations (http://www.zmag.org/zspace/commentaries/1875 and http://www.zmag.org/zspace/commentaries/1792).

Second, likewise for water activists, Robin’s premise would have led to fruitless efforts to reform Suez’s Johannesburg operations so as to optimize the price mechanism, instead of the intense social resistance in Soweto which not only rejected orthodox water pricing but sought (and won) free water, in part because ‘Destroy the Meter, Enjoy the Water!’ was the slogan and practice. This militancy was in large part responsible for Suez departing after a disastrous 2001-06 spell, and for the increased Free Basic Water allotment Johannesburg coughed up in 2008 (http://www.zmag.org/zspace/commentaries/1683, http://www.zmag.org/zspace/commentaries/2505 and http://www.zmag.org/zspace/commentaries/3473).

Perhaps because Robin’s view of the transition to socialism relies more upon blueprinting the future than actually struggling for it by fighting unfair market determinations wherever they arise, he fails to recognize that waging decommodification battles in order to ‘common’ goods and services is the only sure route to dislodging the capitalist albatross, short of revolution. In contrast to Robin’s strategy, radical policy strategists such as the late Andre Gorz, Vicente Navarro, Gosta Esping-Andersen, Boris Kagarlitsky and John Saul have shown how ‘nonreformist reforms’ even within the capitalist mode of production can indeed undermine markets and strengthen the masses (and environment). Instead, Robin’s ‘reformist reforms’ explicitly amplify the power of the status quo and legitimize markets.

Opposition to commodified medicine and water may be the most advanced of South African nonreformist-reform strategies, yet quite early on, around 2002, a similar demand emerged from Durban for the decommodification of the air itself. This led to the rejection of carbon trading by leading environmental groups such as groundWork, the South Durban Community Environmental Alliance and TimberWatch, and hence the Durban Group for Climate Justice was formed in 2004 by an international team in a quite hospitable location, followed by the launch of a Climate Justice Now! South Africa chapter in Durban five years later. These South African CJ activists don’t accept Robin’s premise that until we get rid of the capitalist albatross we must just lobby for somewhat less corrupt but still thoroughly capitalist climate policies.

The CJ view of carbon trading is, simply, that in order to turn the clean air and cooler climate which we need to survive into a commons, we must avoid commodification of the air. Commodification entails

- carving up the air into property rights to pollute;
- commodifying the atmosphere via a carbon market in which emitting a tonne of carbon dioxide pollution today sells for just 13 euros;
- risking speculative hoarding (as energy traders are wont to do);
- promoting the growth of derivatives markets which allow gambling on the future value of the right to pollute; and
- selling it all to the highest bidder, with obvious implications for social equity.

Getting the prices really right
Rather than confront these obvious evils, Robin claims that critics of carbon trading ‘denounce those who work to increase the price of carbon emissions from its present price of zero to as close to its true social cost as is politically possible.’ Most CJ activists would, in fact, applaud a price associated with carbon emissions that incorporates ‘its true social costs’ (so long as it can include cross-subsidies that provide ‘lifeline’ support for ordinary people’s basic energy/transport needs). But we’re convinced by experience (and theory too) that carbon markets cannot determine these costs, much less achieve them in a sustained way so as to meet public policy purposes.

Such a price would have to be imposed as part of command-and-control regulation and carbon taxation (with punitive costs aimed at hedonistic carbon users so as to pay for basic consumption access for everyone). And it would have to be quite a dramatic price increase to achieve not only desired behavioral changes by those who need to radically change (such as me, vicariously flying around to climate protests last month), but also requires accompanying state investments in vast new alternative public infrastructure, something cap and trade simply isn’t designed for in practice, given its revenue-avoidance systems and offsets.

Working within markets to find appropriate prices is just damn hard, no matter what economists are hard-wired to believe. Amongst the many reasons that progressive environmentalists and political economists have consistently rejected carbon trading as a valid strategy, there are, in particular, two central problems that Robin doesn’t even try grappling with in his carbon trading analysis:

- markets generate and amplify adverse power relations in society (favouring the institutions which caused the problems), and
- financial markets generate speculative activity that amplify capitalism’s intrinsic crisis tendencies.

Instead, Hahnel’s critique of capitalism is based on five market imperfections, for which carbon trading can be repaired so as to provide internal market corrections: the inability to factor in externalities like pollution; failure to supply ‘public goods’ including environmental protection; excessively rapid extraction of natural resources; excess personal consumption; and inadequate information.

But to reiterate, the two that we highlighted most in our film The Story of Cap and Trade – corruption by self-interested, powerful corporations and speculation by financiers – can be fixed only by banning all carbon market activity (even the Cantwell-Collins Senate bill cannot fully insulate its trading proposal from Wall Street machinations). That’s why, when we drafted the October 2004 Durban Declaration, the authors were most concerned by the ways that markets ‘commodify... the earth’s carbon-cycling capacity into property to be bought and sold in a global market.’

In sum, most of us in the CJ movement denounce carbon markets because to genuinely get the prices right – i.e., so as to transform economies from fossil fuel addictions – we need much more than markets. Aside from distracting attention from genuine solutions, carbon markets reward those who are already rich from financial speculation and those in the fossil fuel industries who have the political clout to gain free carbon allowances.
As Robin well knows, markets typically change behavior in only a gradual manner, because what economists call ‘price elasticity’ – the change in consumption associated with a change in price – isn’t high enough for fossil-fuel costs within a typical household budget to generate life-style changes such as public transport commuting, or within a corporate budget given that firms typically pass energy costs straight to consumers.

Of course we need price increases (while protecting ordinary people from energy/transport poverty) but we need much more: direct grassroots action against emitters/extractors plus a major shift towards command-and-control regulatory functions, as Europe had adopted (prior to the Kyoto Protocol) to end sulfur dioxide acid rain much more quickly than did US SO2 markets.

Hence it is insulting of Robin to claim that CJ critics simply ‘sit on the sidelines while giant corporations seize valuable property rights to store carbon in the upper atmosphere in the greatest wealth give-away in history.’ The sidelines? Just last week Climate SOS joined by Hansen protested outside the main carbon trading conference in New York, in the wake of similar demonstrations in Chicago, London, Amsterdam and Paris prior to Copenhagen. It seems Robin’s not paying attention, especially to the film http://www.storyofcapandtrade.org, which has probably done more to raise debate about the free emissions giveaways in US congressional carbon trading legislation and the EU ETS than anything else he might point to.

But in the spirit of a battered spouse continuing to reside with the perpetrator, Robin suffers from acute self-blame: ‘we socialists need to look to ourselves. Had we done our work well the human species would have abandoned capitalism.’ Even though his main partners, the fossil-fuel corporation and Wall Street trader, continue to abuse him, Robin meekly appeals: ‘we socialists failed to replace capitalism with socialism in the twentieth century, which means that decisions about how to use the environment are actually made, and will continue to be made for some time, by market forces where a key price, the price of carbon emission, is completely out of whack.’

No, that’s a bad attitude! As explained above, South African activists have been successful at replacing the corporate calculus with decommodified essential medicines, water and to some extent electricity – and billions more people have won similar struggles in past decades over basic needs goods/services ranging from healthcare and education to fire protection and municipal libraries. Markets are not gravity, and as Karl Polanyi argued in The Great Transformation, when commodification and social movements resistance together represent a ‘double movement’, the reach of capitalism into all aspects of our lives can be repelled.

In any case, rather than getting the prices right, capitalism continues to get prices out of whack on nearly everything, even financial assets that should respond most efficiently to market signals (recall that from September 2008-March 2009, half the paper value in the world’s stock exchanges went up in flames). Reforming capitalism to get the carbon prices right is futile given the presence of speculative and corrupt elements which have made a farce out of the EU’s emissions markets.

**There’s only time for false solutions?**

In response, Robin claims we don’t have the luxury of time to decommodify: ‘when dealing with climate change it is irresponsible not to be realistic about time frames.’ (Likewise, a battered spouse might sometimes use the excuse of kids nearly out of high school to delay a needed divorce.)
But really, how long will it take to set up a functional carbon market? A dozen years after the Kyoto Protocol generated UN-sanctioned emissions trading, surely long enough for reformers to make the system work, the UN found its main CDM verification agency to be utterly incompetent last September. We’ve also had five years of EU emissions trading zaniness, with huge price crashes in April 2006, October 2008 and December 2009, and in December, Europol found that 90% of trades in some EU countries were corrupt. Finally, the gridlocked pathways through Copenhagen and the US Senate suggest that we’ll need dozens more years before the balance of forces is appropriate for a global cap and regulatory framework, even an inadequate one.

Robin replies that ‘being realistic about time frames does mean recognizing that the global economy will continue for some time to be dominated by giant corporations guided by the profit criterion and market forces.’ (I.e., ‘My spouse is too powerful and I’m just too weak to leave him/her.’) In reality, those corporations – especially the supposedly omnipotent Goldman Sachs – that most desperately want carbon trading haven’t dominated the US political system sufficiently to get it, and they probably won’t.

Finally, Robin laments the lack of ‘well-tested institutions and procedures at our disposal for making efficient and equitable choices about where and how to reduce carbon emissions, and how to distribute the costs of reductions fairly between and within countries without resort to commodification. But the last time I checked, participatory eco-socialism had yet to replace global capitalism, and pretending it has does not yield effective policy responses in the world we live in.’

But if we were having this debate in 1996, when chlorofluorocarbon (CFC) emissions threatened the ozone hole, adopting Robin’s logic would have deterred the green left from demanding an outright ban. Yet such a ban was achieved, in the Montreal Protocol.

**But it’s not yet too late to swim back to a solid political shoreline**

Finally, Robin worries that time’s a wastin’, Clers are on a ‘Road To Nowhere’, and the movement’s desire to seattle Copenhagen (and Mexico and South Africa summits next) is silly because ‘it is nationalistic, right wing American Firsters, not Leftists, who call for trashing the UN.’ Factually that’s not true. Here in Durban in 2001, 10,000 leading anti-racism activists demonstrated against the UN’s refusal to include Zionism and reparations for slavery/colonialism/apartheid on the agenda of the World Conference Against Racism. The following year in Johannesburg, 30,000 demonstrated against the UN World Summit on Sustainable Development because it amplified the commodification of nature and retained neoliberal development policies within ‘public private partnerships,’ including emissions trading markets.

Robin thinks that ‘Leftists have traditionally supported the UN,’ but when the UNDP mimics the World Bank, when UN Millennium Development Goals justify water privatization, and when the UN General Assembly votes in favor of US occupation of Iraq, as just three examples, then Tariq Ali’s suggestion to ‘let the UN go the way of the League of Nations’ is a more accurate reflection of our disgust at the executive committee of the world bourgeoisie.

Robin claims that ‘the UN sponsored Kyoto Protocol establishes a constructive framework for addressing climate change in an equitable way’, but in reality the Kyoto deal is a good example of the body’s bias towards Washington’s interests (it was Al Gore who introduced carbon trading based on the fib that in that case, the US would endorse it), towards big capital, and towards the privatization of environmental policy. Kyoto’s target for emissions reductions – roughly 5% cuts
mandated from 1990 levels by 2012 – and lack of enforcement against chiselers provide all you need to know about how serious the negotiators were in 1997, and again in 2009 in Copenhagen.

Of course the principle of ‘common but differentiated responsibilities and capabilities’ in Kyoto and other UN processes is useful, rhetorically, but the overarching context remains that the US and other rich countries have next to no responsibilities or capacities for solving major global problems. So it is not surprising that the last useful thing the UN can be credited with at the world scale goes back to that 1996 ban on CFCs.

And in the meantime, the weakening of environmentalist politics became so acute that Robin reverts to insult: ‘To be taken seriously Leftists must stop mindless trash of carbon trading and belittling the importance of reducing the social costs of averting climate change.’ For Robin, that means fixing carbon trading by advocating ‘changes in the Kyoto Protocol that would make it effective, fair, and well worth fighting for as we continue to work to convince more and more people to throw off the capitalist albatross that regrettably still hangs around our necks.’

In reality, there are no reforms of Kyoto carbon trading rules underway along the lines Robin hopes for (many Copenhagen proposals would have made it far worse, by including more scam offsets and false geo-engineering solutions, and commodifying forests). And if legislation does eventually emerge from the US Congress (very unlikely), the kinds of loopholes in Waxman-Markey and a likely Senate bill (such as removing Environmental Protection Agency greenhouse gas oversight) will make our ‘mindless trash’ that much easier.

Given the Washington political temperature, such legislation would merely represent rearranged deckchairs on the climate Titanic. Luckily, it appears nearly certain that carbon trading will die before getting congressional approval, and failure in the US spells the death knell for global emissions markets. At that point, when his ship is under water, comrade Robin will be very welcome back on dry land, encountering the pragmatic CJ movement reality now being crafted by activists and also by a few visionary state leaders in Latin America.

In that time and place, the distractions of cap and trade or other false solutions posed within financial markets to the vast problems caused by markets will be ancient history, as we will have ratcheted up the struggle not only to cut emissions, pay ecological debt, and build a new energy/transport infrastructure for society, but in the process to throw off that capitalist albatross.
Why climate justice did not crumble at the summit

Counterpunch, 12 January

Writing in CounterPunch, Tim Simons and Ali Tonak (hereafter S&T) have gone overboard in their critique of radical climate politics, offering an always-welcome warning against ineffectual reformism, but making enemies inappropriately due to their inadequate exposure to the Climate Justice (CJ) movement’s political analysis and to their misreading of Copenhagen alliances, strategies and tactics.

For S&T, ‘the antiglobalization movement has been brought out of its slumber’ because ‘anniversaries and nostalgia often trump the here and now’. Yet ‘what is troublesome,’ they worry, is ‘the attempted resurrection of this movement, known by some as the Global Justice Movement, under the banner of Climate Justice.’

Others may differ, but I think it’s terribly important to generate political linkages to the earlier tradition, dating not to the Seattle World Trade Organization (WTO) protest but to Zapatismo in 1994 (as CJ might date its origins to Accion Ecologica’s pathbreaking work in Ecuador at roughly the same time). Seattle+10 wasn’t actually the leading CJ’s movement’s founding moment; that occurred in Bali, Indonesia two years earlier when Climate Justice Now! (CJN!) emerged outside another failed Conference of Parties (COP).

That crucial moment stitched together global justice and radical environmental activists. Since then, the growth of CJ politics has been not merely the rebranding of existing radical networks – but instead has witnessed a new red-green movement across borders that is necessarily going to be anti-capitalist if it addresses the problem with the seriousness required.

A litany of anti-CJ claims

S&T repeatedly insist that the CJ movement promotes ‘the financialization of nature and the indirect reliance on markets and monetary solutions as catalysts for structural change’. As is well known, CJN! and the main Copenhagen activist network, Climate Justice Action (and before them the Durban Group for Climate Justice starting in October 2004), are explicitly against commodification of the atmosphere, strenuously opposing carbon trading and offsets.

S&T also claim the movement ‘obfuscates internal class antagonisms within states of the Global South in favor of simplistic North-South dichotomies.’ This is a danger, of course, and always has been in internationalist politics. But against that danger, dynamic CJ movements are emerging to challenge national elites (and the transnational corporations they front for) in Brazil, India and South Africa (three of the four sell-out countries whose leaders joined Barack Obama for the December 18 Copenhagen Accord) and in most other major Global South sites.

S&T worry about ‘the pacification of militant action resulting from an alliance forged with transnational NGOs and reformist environmental groups who have been given minimal access to the halls of power in exchange for their successful policing of the movement’. Yes, there’s a danger of demobilization, but CJN! arose specifically because the existing Climate Action Network was so incompetent, compromised and ideologically corrupted. Moreover, in Copenhagen, some of the most militant South-based transnational movements – e.g. Via Campesina and Oilwatch affiliates – showed they are able to negotiate the inside-outside space with power and grace. So too did the
CJ’s movement’s major formal NGO network which worked to undermine elite legitimacy within the Bella Centre, Friends of the Earth (as a result, they were booted).

S&T repeatedly allege that senior movement strategists (only Naomi Klein is named – though out of context, prior to the December 16-18 degeneration) ordered ‘those who came to protest to be one with a summit of world nations and accredited NGOs, instead of presenting a radical critique and alternative force.’ But in this instance, it’s not either/or but both/and: establishing a durable alliance with the Bolivian government delegation was perfectly consistent with presenting a radical critique and posing alternatives.

It may be tedious, but since S&T make so many unjustified allegations, consider some of the finer details.

**Should climate damage be paid?**

Regarding climate commodification, S&T begin by unfavourably comparing CJ politics to a decade past when, for example, ‘debt incurred through loans taken out from the IMF and World Bank [informed] the antiglobalization movement’s analysis and demand to “Drop the Debt.”’ Sure, but Jubilee South soon went much further and by 2001 also insisted on ‘Reparations for Slavery, Colonialism, Apartheid’ from the UN World Conference Against Racism (here in Durban). Because WCAR conference leaders Thabo Mbeki and Mary Robinson dogmatically refused to even table reparations for discussion (and also refused to recognize Zionism as racism), a march of 10,000 protesters set the stage for future anti-UN actions.

The best of the older Jubilee South debt/reparations language and ‘Ecological Debt’ demands that have been made ever more forcefully, culminating in the insistence on $400 billion/annum by 2020 (a figure that has been rising dramatically as we learn more about the damage ahead). CJ ecodebt demands were originally associated with Accion Ecologica and have overlapped closely with the broader global justice movement via Jubilee South, dating to the late 1990s. Hence it may embarrass S&T to recall that ‘Drop the Debt’ language was actually the least challenging component of this critique of world finance and economy.

The most obvious component of Ecological Debt is Climate Debt, and since S&T do not recognize the latter, they miss the crucial difference between Northern elites owing vulnerable ‘countries’ (as S&T say), when actually they owe people and ecosystems. This is important because if the North provides climate monies to Ethiopian tyrant Meles Zenawi (a close ally of George W. Bush when invading Somalia in January 2007 and of Nicolas Sarkozy when halving Africa’s Climate Debt demands just prior to arriving in Copenhagen) plus most other African elites, these recipients would likely abuse the funds. We need Climate Debt paid, but directly to the victims of climate chaos, and mechanisms need to be established to do so. (Similar debates have characterized the apartheid reparations movement’s strategies for non-state funding mechanisms.)

Hence we don’t need to waste time with S&T’s misguided critique of Climate Debt – instead, we need to restate this relationship as one between the primary victims of climate chaos and the beneficiaries of greenhouse gas emissions, including Southern elites such as most white South Africans and corporations such as SA’s Anglo American, Eskom and Sasol. Thus if articulated fully, Climate Debt should cover not only the damages done by climate change but also finance for the South’s transcendence of extreme uneven development associated with the world economy’s export-oriented operation. Payment of Climate Debt damages and of ‘adaptation’ financing – if
done properly – would ideally permit (and compel) the Global South to delink from all manner of relations with the world economy that damage both the exporting economy and the climate: fossil fuel extraction, agricultural plantations and associated deforestation, export-processing zones, vast shipping operations and foreign debt that forces further attempts to raise hard currency.

Climate Debt is not, therefore, a ‘simple claim’, as S&T allege, it’s potentially a complex challenge to capitalism’s internal logic of commodification and neoliberal policy expansion. This is critical because S&T claim that the earlier ‘Drop the Debt’ language aimed to ‘not only stop privatization (or at least its primary enabling mechanism) but also open up political space for local social movements to take advantage of. Yet something serious is overlooked in this rhetorical transfer of the concept of debt from the era of globalization to that of climate change.’

Not true. Only by understanding Climate Debt simplistically do you fall into this trap. Likewise ‘Drop the Debt’ could be read in a simplistic way – as did the 2005 Make Poverty History campaign run mainly by Oxfam, the Gleneagles G8 ‘mobilizations’ (characterized by Bono and Geldof’s untenable victory claims), and the Global Call for Action Against Poverty’s white bands and Millennium Development Goals, which all stupidly encouraged debt relief alongside tighter subsequent relations with world financial, industrial, commodity and commercial circuitries.

**Does counting climate chaos lead to climate commodification?**

Most inaccurately, S&T claim that our CJ ‘demands for reparations justified by the notion of climate debt open a dangerous door to increased green capitalist investment in the Global South’. Yet the door has been wide open since 1997, when the mainstream greens adopted the Kyoto Protocol’s Clean Development Mechanism (CDM) as a North-South financing strategy. Climate Debt analysis does the exact opposite: delink reparations obligations from market mechanisms. This is so obvious a strategy that even African elites adopted it in their own negotiations rhetoric in late 2009.

In short, to promote Climate Debt does not require us to promote CDMs or other existing financing strategies that tie the South more deeply into Northern-controlled circuits of capital. On the contrary, the Climate Debt demand is why we can legitimately argue the South should halt export-oriented agriculture, extraction of minerals and petroleum, cheap manufacturing platforms and metals smelting, mass-produced consumer imports, further debt, further migrant labor supplies, further Foreign Direct Investment, further aid dependency, etc etc).

Moreover, S&T fail to recognize that Climate Debt is about reparations to people who are suffering damages by the actions of Northern overconsumption of environmental space – damages that can be proven even in courts (the way the Alien Tort Claims Act has proven useful in the US for some of the Niger Delta plaintiffs against Shell recently and for apartheid victims).

S&T further suggest that “Climate Debt” perpetuates a system that assigns economic and financial value to the biosphere, ecosystems and in this case a molecule of CO2’, and that ‘Everyone from Vestas to the Sudanese government to large NGOs agree on this fundamental principle: that the destruction of nature and its consequences for humans can be remedied through financial markets and trade deals and that monetary value can be assigned to ecosystems.’

Even if S&T’s political conclusion is wrong, their resistance to quantification of nature is understandable and commendable. Yet it’s passé, particularly given the CJ movement’s hostility to – and track record fighting – carbon markets. Under capitalism, after all, everything gets
commodified, and it seems to me that the optimal Climate Debt narrative involves recognizing this problem, to insist on explicitly compensation for damages done by climate chaos to the South (especially islands, Africa, Bangladesh and other vulnerable sites), and then, yes, to make a rough estimate of this damage. The point is both financing compensation (for ‘adaptation’ – i.e. survival) and disincentivizing further climate damage by penalizing the polluters.

Climate Debt analyst Joan Martinez-Alier responds to this kind of critique by acknowledging, ‘although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion.’ Once we have generated discussion about the damages done to South climate victims (including their inability to use the environmental space that is occupied by the North), next comes the logical demand for reparations. To refuse on principle to make any kind of quantification, as do S&T, is to refuse to acknowledge that damage is being done – and then to refuse to halt it. That’s Washington’s revolting viewpoint, of course, as was stated repeatedly by Obama Administration officials in Copenhagen: ‘Don’t owe, won’t pay’ – while the president’s Kenyan relatives are amongst the first serious victims.

Alliances with enemies?

S&T then condemn Copenhagen CJ activists for insufficient militancy, which they trace to the inside-outside strategy. S&T’s mistake is understating the possibility for a large-scale walk-out from the Bella Centre, which appeared the most likely scenario until December 17th, when the African Union (AU) delegation lost spine. Prior to that point, it really did appear that Copenhagen might be ‘seattled’ by virtue of a denial of consensus by the AU, small islands and Bolivarian countries, similar to the outcome of the 1999 Seattle and 2003 Cancun World Trade Organization ministerial summits. What happened to the first two core groups between the 16th and 18th of December is unclear, but by Friday the AU and small islands had nearly all been pounded into submission, i.e., allowing the UN to ‘note’ the Accord.

Optimally, the AU delegates would have walked out, as was threatened as early as August, and as was dress-rehearsed the month before in a Barcelona meeting. But the elites running the AU – especially Zenawi of Ethiopia and Jacob Zuma of South Africa – took the AU in the usual direction, to work against the interests of the African masses and environment. One lesson we must draw is that the CJ activists did not sufficiently weaken the Northern negotiators and provide enough support to these Southern elites. Another is that the AU elites cannot be trusted, full stop (and I for one was mistaken by the extent of Zenawi’s militant rhetoric – we call this ‘talk left, walk right’ – from August-November).

But on December 14 we didn’t know the extent of the coming sell-out, so at that stage, CJ activists expressed the sense that the South elites might indeed repeat the Seattle/Cancun walk-outs – albeit as Naomi Klein put it, this would be ‘nothing like Seattle’ insofar as back in 1999 there was virtually no connection between the African elites who walked out and the street militants (only a couple of NGOs, Third World Network and Seatini, had feet in both camps). Indeed the final lesson of Copenhagen is that the only really reliable government to support CJ principles is Bolivia’s, perhaps adding Cuba and Venezuela (though petro-socialism is a contradiction in terms).

Looking ahead, only those sleeping through Copenhagen will have any expectation that in November the bulk of state delegations, the multilaterals and the mainstream green movement (WWF, IUCN, EDF, NRDC, etc) will do anything useful at Mexico’s COP 16. Given that reality, only a
very few outliers in the CJ movement, such as Greenpeace, will be asking ‘our political leaders’ – as TckTckTck chair Kumi Naidoo described them in a widely circulated AP article on December 24 – to do better next time.

Instead, like James Hansen, the CJ movement has (or should have) wised up to the need for further Copenhagen-style global elite gridlock (e.g. in the US Senate where failure to generate a climate bill will be welcome in coming months since no legislation is on the table that will improve matters), and hence direct actions of a much more serious nature at local and national scales, e.g. keep the oil in the soil and coal in the hole, and protest at environmental regulatory agencies and planning commissions that are not doing their job properly.

**Militants demobilized?**

S&T claim that ‘the bureaucratization of the antiglobalization movement (or its remnants), with the increased involvement from NGOs and governments, has been a process that manifested itself in World Social Forums and Make Poverty History rallies’, a fair point. Though still brimming with potential, the WSF was always mainly a talk shop. MPH was, from the start, opposed to what S&T call ‘antiglobalization’, and its core force, Oxfam, called itself ‘globophile’ as against our movement’s ‘globophobes’. Sure, some global justice components are bureaucratized, but others – like CJ – show a very healthy radical orientation.

S&T claim that CJ activists were ‘asked by these newly empowered managers of popular resistance to focus solely on supporting actors within the UN framework’, but there are no names or organizations identified to go back for an accountability check, aside from Greenpeace. Indeed, Greenpeace embodies some extreme contradictions. In South Africa, we’ve criticized their applause of the Zuma government for being a ‘star’ (thanks to Pretoria’s lies about potential emissions cuts), i.e., classical Greenpeace malpractice of parachuting into a place they don’t know and doing great damage by stumbling around, mismessaging and hogging the airwaves with their brand and ability to carry out effective publicity stunts (in SA, Greenpeace asked Zuma to attend Copenhagen by placing a high profile sign with this request around the neck of the main statue of Nelson Mandela, and Zuma not only did so in order to defend SA’s lamentable emissions and new coal-fired power plants, but on December 18 was one of five core leaders to sign Obama’s public relations gimmick). I hope the new Greenpeace director, Kumi Naidoo (from Durban), can turn that around, though his statement on December 24 wasn’t encouraging: ‘One thing our political leaders have learned is that they have to up their game’.

S&T allege that ‘solidarity with the Global South’ was conflated with ‘a handful of NGO bureaucrats and allied government leaders’. As one who applauded Zenawi’s walk-out threat as early as last August – mindful of his tyrannical role, to be sure – I’ll plead guilty to misreading the potential for fully seattling Copenhagen, and likewise I recognize that the new CJ movement in South Africa was not as effective in undoing the enormous damage of SA government officials as it could have been. But that just means much tougher analysis and better organizing is needed in future.

There are certainly some in the CJ movement who would put the North-South contradiction ahead of internal class conflict as a priority for struggle, and while I’m not one of those, that tension is openly recognized and has been the source of frank debating as this broad global movement is organized quickly, without secretariats and enforced norms/values/processes. It’s not easy, and requires constructive criticism, not a writing-off of the nascent CJ movement.
Romanticizing the 1999 WTO shutdown – ‘Ten years ago, resistance to transnational capital went hand in hand with resistance to corrupt governments North and South that were enabling the process of neoliberal globalization’ – S&T forget that in Seattle and Cancun four years later, there was plenty of celebrating in the streets when the African elites denied consensus and broke up the WTO ministerials.

S&T claim that ‘Those who came to pose a radical alternative to the COP15 in the streets found their energy hijacked by a logic that prioritized attempts to influence the failing summit, leaving street actions uninspired, muffled and constantly waiting for the promised breakthroughs inside the Bella Center that never materialized.’ As I understand it, though, the only real breakthrough that CJ movement people had hoped for, until around December 17th, was a walkout by the AU, AOSIS and ALBA.

**Did Copenhagen wreck CJ’s future?**

But the final outcome wasn’t bad: no legitimacy, a carbon market crash in subsequent days, and CJ movement building. Yet S&T believe that ‘the display of inside outside unity that the main action on the 16th attempted to manifest was a complete failure and never materialized,’ ‘way too negative a conclusion. The December 16th protest action was a partial success, and certainly the beatings that many suffered trying to get out from the Bella Centre unveiled the UN process as profoundly flawed, if even those basic rights of expression were denied.

S&T therefore assume that ‘An important opportunity to launch a militant movement with the potential to challenge the very foundations of global ecological collapse was successfully undermined leaving many demoralized and confused.’ But only people who had the mistaken impression that Copenhagen would generate elite consciousness and action about climate were despondent. I don’t think that category includes any CJ militant realists.

S&T are simply wrong to conclude that in the process, the CJ movement ‘discarded the most promising elements of the antiglobalization struggles: the total rejection of all market and commodity-based solutions, the focus on building grassroots resistance to the capitalist elites of all nation-states, and an understanding that diversity of tactics is a strength of our movements that needs to be encouraged.’ The first two are obviously false claims, while the third is a matter of conjunctural analysis. I’m willing to hear a scenario in which more militant activities outside would have genuinely changed the process, but it strikes me that it could have degenerated into adventurism without doing anything more durable for movement building, mass conscientization on the issues, and delegitimization of the elites. Copenhagen was actually a successful moment if we take those as three objectives.

This is, after all, a movement in its early stages, and if the long tradition of protests for democracy and social justice in Mexico are any guide, and if Cancun in 2003 and the 2006 Mexico City march of 10,000 against the World Water Forum (just as illegitimate a body as those deciding our climate future) are precedents for internationalism, then it will be worthwhile to again descend on the November 2010 Cancun COP and battle to get the issues raised properly – including big emissions cuts, big Climate Debt repayment and the decommissioning of carbon markets – and when the elites refuse the demands of science, environment and most of all radical Southern social movements, who will be there in much greater numbers than in Copenhagen, then the momentum will have decisively shifted away from the centrist NGOs and mainstream environmentalists who do, certainly, aim to band-aid not transform the system.
S&T would have preferred CJ activists to confront ‘the hyper-green capitalism of Hopenhagen, the massive effort of companies such as Siemens, Coca-Cola, Toyota and Vattenfall to greenwash their image and the other representations of this market ideology within the city center.’ But the world’s CJ movements are, it seems to me, targeting both the corporates directly (especially at coalface in the Niger Delta, Ecuador, Australia, Europe, West Virginia and S&T’s own San Francisco), and the national and multilateral executive committees of the bourgeoisie who go to COPS. As they should.

S&T wrap by appropriately asking whether ‘the NGO non-profit industrial complex has become a hindrance’, but this question has long applied to the big corporate green groups, not the bulk of the CJ movement. Their first task, I think, might be to add specific and more constructive critiques, and in the process to build a more radical movement that can demand accountability. This is the way it has always been, and always will be. S&T have made a start, but too sloppily to be of much use as it is.
Curing post-Copenhagen hangover

*Znet, Climate and Capitalism, MRZine, Links* and others, 23 December 2009

In Copenhagen, the world’s richest leaders continued their fiery fossil fuel party last Friday night, ignoring requests of global village neighbors to please chill out.

Instead of halting the hedonism, Barack Obama and the Euro elites cracked open the mansion door to add a few nouveau riche guests: South Africa’s Jacob Zuma, China’s Jiabao Wen (reportedly the most obnoxious of the lot), Brazil’s Lula Inacio da Silva and India’s Manmohan Singh. By Saturday morning, still punch-drunk with power over the planet, these wild and crazy party animals had stumbled back onto their jets and headed home.

The rest of us now have a killer hangover, because on behalf mainly of white capitalists (who are having the most fun of all), the world’s rulers stuck the poor and future generations with vast clean-up charges – and worse: certain death for millions.

The 770 parts per million of carbon in the atmosphere envisaged in the Copenhagen Accord signatories’ promised 15% emissions cuts from 1990 levels to 2020 – which in reality could be a 10% increase once carbon trading and offset loopholes are factored in – will cook the planet, say scientists, with nine out of ten African peasants losing their livelihood.

The most reckless man at the party, of course, was the normally urbane, Ivy League-educated lawyer who, a year ago, we hoped might behave with the dignity and compassion behooving the son of a leading Kenyan intellectual. But in Obama’s refusal to lead the North to make 45% emissions cuts and offer payment of the $400 billion annual climate debt owed to Third World victims by 2020, Obama trashed not only Africa but also the host institution, according to 350.org leader Bill McKibben: ‘he blew up the United Nations.’

Economist Jeffrey Sachs charged Obama with abandoning ‘the UN framework, because it was proving nettlesome to US power and domestic politics. Obama’s decision to declare a phony negotiating victory undermines the UN process by signaling that rich countries will do what they want and must no longer listen to the “pesky” concerns of many smaller and poorer countries.’

The Accord is ‘insincere, inconsistent, and unconvincing’, Sachs continued, ‘unlikely to accomplish anything real. It is non-binding and will probably strengthen the forces of opposition to emissions reductions.’ Moreover, US secretary of state Hillary Clinton’s ‘announcements about money a decade from now are mostly empty words. They do not bind the rich countries at all.’

As Naomi Klein summed up, the Accord is ‘nothing more than a grubby pact between the world’s biggest emitters: I’ll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.’

A handful of technocrats must also shoulder blame, including two key South African officials. A week earlier, before the politicians arrived, Pretoria bureaucrats Joanne Yawitch and Alf Wills were already criticized by leading Third World negotiator Lumumba Di-Aping for dividing the South’s main negotiating group, the G77. Yawitch then forced a humiliating apology from Di-Aping for his frank talk (to an African civil society caucus) about her treachery. On Friday night, Zuma did exactly what she had denied was underway: destroyed the unity of Africa and the G77.
The Pretoria team went to Copenhagen empowered by endorsements from the World Wildlife Fund and Greenpeace – alongside gullible climate journalists – who took at face value a vaguely-promised 34% emissions cut below anticipated 2020 levels, even though absolute decline would only begin after 2030. Tristen Taylor of Earthlife Africa begged Pretoria for details and after two weeks of delays, learned Yawitch’s estimates were from a ‘Growth Without Constraint’ (GWC) scenario.

According to Taylor, ‘GWC is fantasy, essentially an academic exercise to see how much carbon South Africa would produce given unlimited resources and cheap energy prices.’ Officials had already conceded GWC was ‘neither robust nor plausible’ eighteen months ago, leading Taylor to conclude, ‘The SA government has pulled a public relations stunt.’ WWF and Greenpeace owe an explanation for their incompetence.

Then came Friday, which George Monbiot compared to the 1884-85 Berlin negotiations known as the ‘Scramble for Africa’, which divided-and-conquered the continent. The African Union was twisted and U-turned to support Zuma’s capitulation by the man appointed its climate leader, Meles Zenawi. In September, the Ethiopian dictator claimed, ‘If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent.’

But he didn’t walk out, he walked off his plane in Paris on the way to Copenhagen, into the arms of Nicolas Sarkozy. The fateful side deal, according to Mithika Mwenda of the Pan African Climate Justice Alliance (PACJA), is ‘undermining the bold positions of our negotiators and ministers represented here, and threatening the very future of Africa.’

Not only did Zuma and Zenawi surrender on emissions cuts, but also on demanding full payment of the North’s climate debt to the South. ‘Meles wants to sell out the lives and hopes of Africans for a pittance,’ said Mwenda. ‘Every other African country has committed to policy based on the science.’

Clinton and the US team refused to acknowledge the North’s vast climate debt, owed not only for climate damage but for excessive use of environmental space. Huffed Washington’s chief climate negotiator, Todd Stern, ‘the sense of guilt or culpability or reparations – I just categorically reject that.’

Bolivian ambassador to the United Nations Pablo Solon replied, ‘Admitting responsibility for the climate crisis without taking necessary actions to address it is like someone burning your house and then refusing to pay for it. We are not assigning guilt, merely responsibility. As they say in the US, if you break it, you buy it.’

Stern’s aversion to ‘culpability’ translates into rejection of his own government’s straightforward ‘polluter pays’ principle as well as the foundational concepts of the Superfund, responsible for cleaning toxic waste dumps across the US.

Worse, if the Copenhagen Accord is widely endorsed by February 1, much of the promised funding would flow via notoriously corrupt Clean Development Mechanism projects which often do great damage in local settings. According to the Accord, ‘We decide to pursue opportunities to use markets to enhance the cost-effectiveness of and to promote mitigations actions.’
But carbon markets continue failing, as long predicted by the Durban Group for Climate Justice and more recently by http://www.storyofcapandtrade.org. Last Thursday, the European Union’s Emissions Trading Scheme anticipated the feeble Copenhagen outcome – including a defunct forest offsets deal – by dropping 5%. The benchmark price is just 13.66 euros, less than half the peak of mid-2008, far lower than required to attract renewable energy investments.

According to European Climate Exchange director Patrick Birley, ‘We were hoping that a deal in Copenhagen would open up new opportunities for emissions trading. That expectation has now faded’.

This leaves South Africa and the others as accomplices to an historic climate crime that cannot be covered up. The claim that post-apartheid Pretoria only looks after itself has often been made elsewhere on the continent. For example, former president Thabo Mbeki’s nickname at the World Economic Forum’s mid-2003 meeting in Mozambique was ‘the George Bush of Africa’, as the Sunday Times reported.

Climate damage to Africa will include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, floods of climate refugees jamming shanty-packed megalopolises, and the spread of malarial and other diseases. Ironically, Obama’s and Zuma’s own rural relatives in Kenya and KwaZulu-Natal will be amongst the first victims of the Accord.

Did Zuma know what he was doing, acting in Copenhagen on behalf of major mining/metals corporations, which keep SA’s ruling party lubricated with cash, ‘black economic empowerment’ deals and jobs for cronies, and which need higher SA carbon emissions so as to continue receiving the world’s cheapest electricity, and which then export their profits to London and Melbourne?

Perhaps, but on the other hand, two other explanations – ignorance and cowardice – were, eight years ago, Zuma’s plausible defenses for promoting AIDS denialism in 2000. He helped Mbeki during the period in which 330,000 South Africans died due to Pretoria’s refusal to supply anti-retroviral medicines (as a Harvard Public Health School study showed). To his credit, Zuma reversed course by 2003, as public pressure arose from the Treatment Action Campaign and its international allies. That’s exactly what the main local activist network, Climate Justice Now! South Africa, must repeat, or otherwise permit Zuma to remain a signatory to a far worse genocide.

In the US, given that Obama’s counterproductive cap-and-trade legislation is grid-locked in the Senate, the logical response – if he cares a whit about the climate – is to compel the Environmental Protection Agency to start shrinking greenhouse gas emissions by the worst polluters through its recent ‘endangerment’ finding, to locate serious resources (e.g. through Third World debt cancellation) to pay carbon debt damages that can finance adaptation for climate victims, and to formally decommission the nascent US carbon markets, which delay the needed structural change towards a post-carbon economy. None of these strategies need congressional authorization.

In South Africa, Zuma should do exactly the same. Neither will, of course.

So uncivil society will have to take up the slack and apply direct pressure, starting with the slogan ‘leave the oil in the soil, the coal in the hole and the tarsand in the land!’ Indeed the most effective antidote to the post-Copenhagen hangover came from environmentalists – most visibly, Greenpeace – stretching from Australia to Africa to Appalachia to Alberta.
On December 20, on a bridge leading to the world’s largest coal port, in Newcastle, Australia’s Rising Tide activists blocked a train for 7.5 hours, with 23 arrests.

In South Africa, groundWork, Earthlife and the South Durban Community Environmental Alliance are amongst the country’s serious environmentalists trying to keep coal in the hole, by protesting the recently-announced $3.75 billion World Bank loan to Eskom (which helps fund the vast Medupi coal-fired plant), increased coal exports from Richards Bay, ultra-cheap electricity for aluminium smelters and mines, filthy operations of Sasol oil-to-coal, a new dirty oil refinery near Port Elizabeth, and a proposed Durban-Johannesburg pipeline which will double fuel flow to Africa’s least sustainable city.

Up the Atlantic Coast, the climate’s and the people’s main ally is the militancy which keeps Niger Delta oil in the soil. The Port Harcourt-based NGO Environmental Rights Action, led by visionary Nnimmo Bassey, links local destruction to global climate chaos. Sabotage of oil extraction is the consistent tactic of the Movement for the Emancipation of the Niger Delta, which ended a two month ceasefire by attacking a Shell and Chevron pipeline six hours after the Copenhagen Accord was signed.

In Appalachia, West Virginia’s Climate Ground Zero activists have, according to a December 19 report by Vicki Smith, ‘chained themselves to giant dump trucks, scaled 80-foot trees to stop blasting and paddled boots online into a 9 million-gallon sludge pond. They’ve blocked roads, hung banners and staged sit-ins. Virginia-based Massey Energy claims a single 3 1/2-hour occupation cost the company $300,000.’

And in Canada on December 20, anti-tarsands environmentalist Ingmar Lee climbed a flagpole at the British Columbia parliament to protest carbon crimes by prime minister Stephen Harper, provincial premier Gordon Campbell and their ally Tzeporah Berman from the corrupted NGO ForestEthics. At the Canadian High Commission on London’s Pall Mall last week, Camp for Climate Action activists offered solidarity to Alberta’s indigenous Canadian tarsands victims by cutting down the maple-leaf flag, drowning it in crude oil, and then locking down on an upstairs balcony.

So if only two things were accomplished in Copenhagen, they were the unveiling of Pretoria, Delhi, Beijing and Brasilia as willing criminal accomplices to the Washington/Brussel/Tokyo/Melbourne/Ottawa axis, and the rise of Climate Justice Action, Climate Justice Now!, 350.org and parallel movements whose hundreds of thousands of protesters swarmed streets of the world’s cities.

The next question is whether in 2010, before the next fiasco in Mexico, the latter can cancel the former. We all depend upon an affirmative answer.
Countering critics of a cap-and-trade critique

ZNet, Counterpunch, 15 December 2009

Eight million people viewed Annie Leonard’s The Story of Stuff video since December 2007, and her new nine-minute Story of Cap and Trade (http://www.zmag.org/zvideo/3310) received 400,000 hits in the two weeks after its December 1 launch.

The film, produced by Free Range Studios, was developed in collaboration with the Durban Group for Climate Justice and Climate Justice Now! networks, which joined Climate Justice Action and other networks to put tens of thousands of activists on the streets of Copenhagen, London and dozens of other cities in recent days, demanding large emissions cuts, the payment of ecological debt to climate victims, and the decommissioning of carbon markets.

But critics abound, so what trends can we discern from the sometimes venomous feedback to Story of Cap and Trade, and what do these tell us about US and global climate politics? Consider three categories:

• libertarian climate change denialists;
• Big Green groups and other carbon trading supporters; and
• self-interested green capitalists.

To start, rightwing extremists are easiest to dismiss because they deny that climate change is a product of human/economic activity – but there’s a schizophrenic double agenda. For although they’re pro-business, libertarians like Fox tv’s Glenn Beck oppose market-based cap-and-trade schemes.

The most dangerous, Oklahoma Senator Jim Inhofe, denies ‘that we’re going to pass a cap-and-trade or we’re going to do something on emissions reduction,’ as he told the rightwing NewsMax agency on Sunday.

Australian climate denialists now control the official opposition party, having overthrown its leader last month due to his cap-and-trade endorsement, in the process halting the state’s proposed emissions trading scheme (http://agmates.ning.com/forum/topics/canberra-protest-rally-live?commentId=3535428%3AComment%3A9579).

Those of us fighting carbon markets certainly *don’t* want alliances with cretins like Inhofe or intrepid videoblogger Lee Doran. After a clumsy rebuttal to The Story of Stuff, Doran offered another zany video-attack (http://www.youtube.com/watch?v=TWjGZNDEH-A), in which he first agrees with the demolition of cap-and-trade, but then replies to Annie’s charge that rich-world overconsumption victimizes those least responsible for global warming:

Annie: ‘Did you know that in the next century, because of the changing climate, whole island nations could end up underwater?’

Lee: ‘Yes, and islands will emerge from the water too, it’s part of the natural cycle of the planet.’ (minute 6)

Enough said about flat-earth libertarian ideologues.
In the second group we find both pro-market ‘green’ ideologues – i.e., ‘always find a market solution for a market problem!’ – and well-meaning environmental advocates operating under conditions not of their own choosing within Washington’s adverse balance of forces.

From at least 1997, when Al Gore shoved cap-and-trade into the Kyoto Protocol with the soon-to-be-broken promise that Washington would then endorse the climate treaty, many greens who earlier criticized market solutions concluded that the market was the only game in town, due to prevailing power relations.

But instead of trying to change those power relations, most of Washington’s Big Green groups held their noses and went to work expanding carbon trading from London to the Chicago Climate Exchange, joined by like-minded academics and green policy wonks.

Along the way some turned eco-egotistical about their chosen trade. Eric de Place of Sightline Institute takes the policy critique personally: ‘All these years that tens of thousands (sic) of folks like me have worked long hours at low pay (or no pay) to hash out a workable and effective climate policy and it turns out that our purported allies like Leonard would rather paint us as duplicitous bankers in pin-striped suits.’

Notwithstanding the long underpaid hours hustling cap-and-trade – wasted, if judged by the subsequent evidence of carbon market failures – de Place’s injured tone is misplaced. As Annie did in fact acknowledge, ‘Some of my friends who really care about our future support cap and trade. A lot of environmental groups that I respect do too. They know it’s not a perfect solution and don’t love the idea of turning our planet’s future over to these guys, but they think that it is an important first step and that it’s better than nothing.’

However, as the film demonstrates, carbon trading is not better than nothing, it’s far worse than nothing. As the US’s top climate scientist, James Hansen, insisted in the New York Times last week, a Senate bill or Copenhagen deal based on cap-and-trade are indeed worse than no bill, no deal: carbon trading ‘actually perpetuates the pollution it is supposed to eliminate’ (www.nytimes.com/2009/12/07/opinion/07hansen.html).

Ideologically, the market environmentalists risk sliding down a dangerous slope. For instance, amongst conservationists in both Southern Africa (where I live) and Seattle (where de Place lives) this question has been posed: should markets be relied upon to preserve threatened wildlife, even endangered species?

In our case, the challenge involves rhinos and elephants whose ivory tusks attract murderous poachers seeking riches in the East Asian aphrodisiac markets. Poachers have reduced the big animals’ populations dramatically in recent decades. In the Pacific Northwest, instead of aphrodisiacs, macho trophy hunters seek coastal grizzly bears for their fireplace mantels.

Market-environmentalists react with a simple formula, which – to quote Robert Mugabe – reduces life to a commodity: ‘They must pay to stay’ (http://baraza.wildlifedirect.org/2008/03/10/illegal-wildlife-trade-is-fueling-wars-in-africa/). Mugabe and his allies seduce hunters to visit Zimbabwe in order to maintain a ‘sustainable’ herd for the killing pleasure of rich tourists (not ordinary Zimbabweans’ viewing pleasure).
De Place, too, defends the trophy industry: ‘I’m not sure that hunting is bad for the species being hunted’ (http://www.grist.org/article/to-save-a-species-shoot-here – and for a rebuttal by the Raincoast Conservation Foundation, see http://www.grist.org/article/raincoast-responds-to-eric-de-place).

David Roberts of Grist (http://www.grist.org/article/2009-12-01-annie-leonard-misses-the-marker-new-video-story-cap-and-trade/) also suffers pro-trading panic, calling the film ‘the perfect representation of all the confusion and misplaced focus that plagues the green left right now.’ In contrast, he confesses, ‘I’m generally viewed among greens as a defender of cap-and-trade—or, in the less charitable version, a defender of the “party line,” a shill for the administration, a sell-out “insider,” whatever.’

Quite. Roberts cannot defend the US and EU cap-and-trade systems’ free pollution allowances and billions of tons of offsets, rebutting that we should criticize not carbon markets, simply prevailing legislation. But the dreadful Waxman-Markey and Kerry-Boxer carbon-trading bills were complemented in mid-December by Senator Joe Lieberman – ‘This is the market-based system for punishing polluters previously known as “cap and trade”’ – to now include offshore drilling for oil and natural gas, nuclear energy and ‘clean coal’ scamming.

Another new bill offered by Senators Maria Cantwell and Sue Collins last week was endorsed by de Place and his colleague Alan Durning even though it has only a 4% emissions reduction target for 2020 from 1990 levels. Go figure, the author of the great 1992 anti-consumption book How Much is Enough?, Durning, now calls this irresponsibly low target ‘solid’ (http://www.grist.org/article/2009-12-11-cantwells-cap-and-trade-bill-almost-genius/).

Ideally Kerry, Lieberman et al will be punished by Washington’s grid-lock, as the bills suffocate in Capitol Hill’s corporate pollution – a good thing, since their death would at least preserve the existing Clean Air Act, which all the main legislators except Cantwell-Collins threaten to gut.

Roberts grows yet more defensive on matters of principle: ‘I don’t know why the green left has decided that markets are bad, in and of themselves, but it seems both politically unwise and substantively thin.’ He *doesn’t* know why? Only a year after the world’s worst market failure in recorded history, with global trade and financial indicators far lower after eighteen months than a similar period in 1929-31?!

Aside from concern about the self-destructive tendency of financial markets which host carbon trading (witness the EU Emissions Trading Scheme collapses in April 2006 and October 2008), the green left offers many substantively thick arguments why business environmentalism is flawed, and why commodifying natural resources – like the air, in carbon trading – generates systemic market failures.

For example, Africa’s greatest political economist, Samir Amin, has just penned a damning attack on environmental markets (http://seminario10anosdepois.wordpress.com/2009/12/01/the-battlefields-chosen-by-contemporary-imperialism/#more-37), as has University of Oregon professor John Bellamy Foster (http://sociology.uoregon.edu/faculty/foster.php): The Ecological Revolution: Making Peace with the Planet (http://www.monthlyreview.org/books/ecologicalrevolution.php). Either can assist Roberts to plug the gaping holes in his pro-market consciousness.
Roberts doesn’t seem to understand the severe dangers associated with an anticipated $3 trillion in carbon trades by 2020, which will become the basis for further trade in financial derivatives, for he derides the film’s warning about Wall Street speculation: ‘Leonard et al. seem instead to have decided that “market Goldman Sachs derivatives bugga buggal!” suffices.’

But Roberts, de Place and NRDC policy director David Doniger (http://switchboard.nrdc.org/blogs/ddoniger/the_rest_of_the_story_of_cap_a.html) dare not trash the film’s proposed solutions, such as stronger EPA regulatory enforcement and citizen activism (e.g. West Virginia mountaintop defense). There is greater potential to push the EPA into action – in spite of misgivings by NewEnergyNews’ Herman Trabish (http://newenergynews.blogspot.com/2009/12/oversimple-story-of-cap-and-facts.html) – than to win legislation regulating carbon within ill-functioning, untransparent financial markets, in which ‘too big to fail’ deregulatory freedom was amplified by Bush-Obama’s 2008-09 bailouts.


Stein claims, ‘cap and trade and carbon taxes are functionally equivalent policies’ – but they’re not. As Hansen points out, carbon fees would easily withstand the scamming and price volatility so notorious in the carbon markets.

Ultimately, for Stein, ‘one criterion clearly stands above all others: which policy actually stands a chance of passage in the US Congress?’ Unmentioned, for obvious reasons (the Congress being a wholly-owned subsidiary of big business) is that a carbon trading policy only enjoys the ‘strong support’ of a meager 2% of the US voting population, who ‘favor a carbon tax over cap-and-trade by nearly two-to-one,’ according to a Hart Research survey (http://www.sustainablebusiness.com/index.cfm/go/news.display/id/19351).

But given Washington’s adverse power relations, a genuine climate policy must avoid the corporate-ruled Congress for now, and instead focus on command/control by the EPA. (To be sure, a stronger EPA would also rule many of TerraPass’s own projects – especially those methane-electricity landfill conversions that undermine zero-waste strategies – as unworthy of green investment.)

Of all the film’s supposed errors, says Stein, ‘my favorite for sheer chutzpah, if not for actual importance, is when Leonard dings Kyoto because “energy costs jumped for consumers.”’

But Stein may want to look at what European consumers now see: no net emissions reductions on the one hand, and on the other, massive criminality in the EU’s carbon trading scheme (Europol estimates five billion euros have been stolen in tax fraud, as just one example), alongside regressive energy price increases (the poorest suffer a much higher burden of expenses than the wealthy, and are least able to make the transition to the post-carbon economy).

So when the film refers to higher EU energy costs, this is not chutzpah, it’s critical realism. No one more than Annie is committed to raising consumption costs appropriately so as to deter
waste; Story of Stuff’s viewers learned of unaccounted-for eco-social externalities that should be internalized in her $4.99 radio, for instance.

Actually, the most telling contribution to the critiques of our cap-and-trade critique comes from an unlikely source: Charles Krauthammer (http://www.washingtonpost.com/wp-dyn/content/article/2009/12/10/AR2009121003163.html). The despicable neocon columnist fused all three hostile narratives when he wrote, last Friday, against the EPA: ‘Congress should not just resist this executive overreaching, but trump it: Amend clean-air laws and restore their original intent by excluding CO2 from EPA control and reserving that power for Congress and future legislation. Do it now. Do it soon. Because Big Brother isn’t lurking in CIA cloak. He’s knocking on your door, smiling under an EPA cap.’

Sorry, the big brother who so frightens Krauthammer is far bigger than a beleaguered Washington environmental agency and far more dangerous to corporate profits than pro-market ‘green’ critics of The Story of Cap and Trade actually comprehend: simply, a new global movement known as Climate Justice.
“The climate crisis shows us the impossibility of infinite growth on a finite planet. We cannot continue business as usual, but we must radically re-calibrate how we consume and commodify nature, given the limits to our capacity to sustain and reproduce life.”

This is what Nicola Bullard of Focus on the Global South pointed out at a recent conference in Johannesburg, where the audience was reminded of the same approach that feminists brought to Southern African political economy many years ago. This approach suddenly made sense, when writ large, moving from our region to the planetary scale.

During the 1960s to 1970s, a series of South African male intellectuals argued that the apartheid system or the systematic discrimination against black people, was rooted in the corporations’ need for migrant labour, fusing race-class oppression. Behind the typical black male worker who laboured in the mines throughout the first century of gold mining, prior to Nelson Mandela’s election in 1994, was a woman. She provided three hidden and un-costed subsidies, as feminists quickly taught us, using the idea of the ‘care economy’.

First, in rural Bantustans – the ecologically-degraded apartheid “homelands” – women raised the migrant worker through childhood, as the state was non-existent or merely a religious mission station. Household reproduction was never subsidised, unlike urban residents who had access to state childcare and school systems. Second, rural women were compelled to look after sick workers who were tossed back home until they recovered, due to the lack of health insurance, as offered by states and companies in the West after workers battled long and hard. Finally, when the male worker was too old to work and returned to the Bantustans without adequate pension support, the women again took on the responsibility for care-giving.

Of course, it’s not just a matter of apartheid capitalism. The reproduction of global labour power has been universally subsidised by women’s unpaid work. But these days matters look more like the extreme South African system, with state and capital lowering the “social wage” and dismantling social policy gains that have been achieved through decades of struggle. This process extends as well into reproductive health and rights that feminist movements have consistently advocated.

Neoliberal policies and corporate power have resulted in labour outsourcing, casualisation and informalization. With life more precarious as a result, women are the safety net for household reproduction, in addition to being the most vulnerable and disposable of all labour sectors.

But they have also been the driving force in resisting this process here, overcoming micropatriarchy within communities and leading most of our grassroots campaigns on issues such as water decommodification, access to AIDS medicines and other successful strategies to enlarge or defend the commons and sustain life.

As the world recession spreads, global capitalism is becoming much more like apartheid: predatory against women and the environment. Drawing on evidence from Southern Africa, Rosa Luxemburg demonstrated this tendency in her own analysis of imperialism back in 1913: “Accumulation of capital periodically bursts out in crises and spurs capital on to a continual extension of the market. Capital cannot accumulate without the aid of non-capitalist organisations.”
Increasingly, such non-capitalist life arrangements rely upon women and the communities that they guide. And yet on the other hand, Luxemburg continued, capitalism cannot “tolerate their continued existence side by side with itself. Only the continuous and progressive disintegration of non-capitalist organisations makes accumulation of capital possible.”

Luxemburg would not have been surprised at how the destructive force of capital drives men into migrancy, spreads HIV/AIDS and causes rising domestic violence. Such disintegration is always contested by women’s personal strengths and mutual aid systems as well as other anti-/non-capitalist reactions, plus campaigns – successful in South Africa (unique on the continent) – to guarantee reproductive healthcare, including the right to a safe abortion.

Teresa Brennan made the link from the household scale to climate change, the biggest crisis women will face in the coming decades. She argued that, like the need to end Bantustan migrant labour systems, rearranging spatial and re/production arrangements is crucial to ending the unfair role of women in subsidising capitalism’s destructive irrationality.

In her 2003 book, Globalisation and Its Terrors: Daily Life in the West, Brennan wrote, “The closer to home one’s energy and raw material sources are, the more one’s reproduction costs stay in line: paid and domestic labour will be less exploited, the environment less depleted.” The need now to limit the “distance over which natural resources can be obtained” is obvious given how shipping, trucking and air transport contribute to carbon emissions.

That is why Bullard’s arguments are critical if one believes (as a few neoliberals insist) that globalisation of industry has helped break up feudal-patriarchal relations, drawing women out of oppression into Mexican maquiladore or Bangkok sweatshops. Such export-led growth is now an increasingly untenable “development” strategy, and in any case always generated extreme uneven development, drawing on the women’s care economy for its hidden subsidies.

Bullard likened the climate negotiations to those of the World Trade Organisation (WTO): “By and large, countries are defending their narrow economic interests and the rich countries in particular are trying to grab the last slice of the atmospheric pie.”

Although the Kyoto Protocol is deeply flawed, especially the low targets and reliance on market mechanisms, Bullard asserted that attempts by the US to get rid of Kyoto are dangerous. “It is critical to retain the rich countries’ legally binding commitment in any future agreement and any alternative that could emerge at this stage would be much worse.”

She broke down the narrative at Copenhagen into three discourses: business as usual, catastrophism, and climate justice. The first comes from business and most Northern governments while the second is advanced by some smaller and vulnerable countries as well as many NGOs. Catastrophism also “leads to dangerous last-gasp strategies such as geo-engineering, nuclear and carbon markets.”

Third, climate justice is supported by a widespread civil society movement launched in 2007 at the Bali negotiations. It now includes the Latin American governments of Bolivia, Paraguay, Ecuador and Venezuela.

Bullard explained, “If you look at what’s on the table and the balance of forces, whatever comes out of Copenhagen will be bad. On the other hand, with Copenhagen’s failure, there are a lot of
possibilities for shifting the discourse.” She reminded us of the demands of Climate Justice Now! for restoring planetary sanity:

- The North must repay its ‘ecological debt’ to the South
- There is a need to subordinate climate strategies to human rights agreements, especially those that protect women and indigenous people
- A moratorium on fossil fuel
- A just transition for workers
- Unconditioned public finance under control of the “creditors”
- Open-source global commons on sharing climate-friendly technology and innovations

Feminists working on climate change are connecting the dots between these various oppressions, to warn how, in times of crisis, their opponents are emboldened. In a major new report, “Looking Both Ways”, the group Asian Communities for Reproductive Justice document Hurricane Katrina’s deeper political damage: “Following a disaster, women of colour – particularly African American women, low-income women and immigrant women – are routinely targeted as burdens of the state and the cause of over population, environmental degradation, poverty, crime and economic instability.”

It has never been more important to draw together eco-feminist and eco-socialist insights to link issues, analyses, challenges and alliance-building efforts. There is no more crucial period than the aftermath of a failed elite process in Copenhagen.

Bullard teased the NGO-driven “Tck tck tck” campaign because it asks plaintively for an ambitious, fair and binding deal in Copenhagen – without asking what that deal really means. “If you believe in the ticking of the clock, you’ll do anything. So stop listening to the ticking of the clock and start listening to the voices of the people, especially women!”

Sources:


‘False solutions’ to climate crisis amplify eco-injustices
with Khadija Sharife, in Women in Action, December 2009

The idea that carbon trading will save the world from global warming is not only foolish but also deadly, as Durban activists inspired by a feminist environmentalist learned.

The struggle of Sajida Khan (1952-2007), a self-taught ecologist based in Durban, South Africa, is instructive for any of us worried about the climate. Attempting to shut the dump that ultimately killed her, Khan dedicated half her life to a contest with international corporations, the World Bank and heartless municipal bureaucrats. She did so in a courageous manner that helped us localize ecofeminist theory and international feminist anti-capitalism, while remaining acutely aware of race, class and gender conflicts within oppressed communities.

Africa’s biggest formal landfill, the Bisasar Road dump, can be found in the Clare Estate community of Durban, South Africa’s second largest city. Khan was raised in what was the traditionally Indian neighbourhood within Clare Estate, astride a nature reserve that spanned a small valley. In 1980, when she was 28, her surroundings were suddenly destroyed by apartheid officials. The peaceful reserve became an unending, stinking heap of rubbish, which until the late 1990s also included a medical waste incinerator. Khan believed that the neighborhood’s involuntary receipt of overwhelmingly wealthy white Durbanites’ droppings was the root cause of her two cancer cases, the latter of which was fatal.

The reason that Bisasar Road dump was not closed in the early 2000s notwithstanding a very substantial pressure campaign by Khan and 6000 residents, was a commitment by the World Bank to invest a potential $14.4 million grant in a Clean Development Mechanism (CDM) project to convert landfill methane emissions into electricity. With at least another 15 years of life left in the dump before it reached its maximum possible height, Durban officials (white men) celebrated the Bank’s interest at the 2002 World Summit on Sustainable Development by ignoring the clamour (mainly by black women) to close it.

The officials aimed to draw out the methane, burn and flare it (with associated incineration hazards) so as to power turbines and link the resulting electricity back into the municipal grid. The ‘win-win’ strategy to capture the dump’s escaping methane – a greenhouse gas at least twenty times more potent than CO2 – would require the CDM subsidy so as to compete with South Africa’s cheap coal-fired national electricity grid.

Conflict and contradiction

Community opposition to the Bank’s CDM and demands for Bisasar Road’s closure were not universal. Apartheid segregated South Africa’s four main race groups into different areas. In addition to people of Indian origin like Khan, Clare Estate also hosts thousands of poor ‘African’ and working-class ‘coloured’ residents. The Khan family built their middle-class house in the 1950s on Clare Road. Some members of the family still reside in the house overlooking (to the west) the dump, directly in the path of prevailing winds which continually coat the area with light landfill dust and disease-carrying flies.

As logical as the closure demand is, given the history of environmental racism, there are nevertheless conflicting opinions about how to handle this menacing neighbor. Starting in early 2005, the Abahlali baseMjondolo shackdwellers’ movement of Kennedy Road – also directly
adjoining the landfill, to the north – did an extraordinary job struggling against adverse conditions and police repression (until in September 2009 many of the leaders were driven away by a vigilante thug attack apparently carried out by the ruling African National Congress so as to secure votes from the area). But throughout the 2000s, the Kennedy Road shackdwellers welcomed the opportunity to have several dozen of their members pick rubbish and informally recycle it while on the dump. Scores more shackdwellers once informally picked materials from the dump, until the municipality’s Durban Solid Waste limited access due to safety and health dangers.

There was not unity in this community, for Kennedy Road leaders accused Khan of threatening livelihoods and sabotaging the city’s offer of a handful of jobs and bursaries (in Uganda) in the event the CDM project got off the ground. Khan had used the word ‘informals’ to describe the shack settlement residents and once advocated that they be compensated and moved to areas nearby (as she herself desired for her family), sufficiently far from the dump (she recommended a buffer for all residents of 800 meters) to be safe from the windswept dust. At the nearby clinic, health workers confirmed that Kennedy Road residents suffer severely from asthma, sinusitis, pneumonia and even tuberculosis. The toxic body load is unknown, but the Cancer Society of South Africa deemed the area a ‘cancer hotspot’ because of the heavy metals and other dangerous substances that penetrate the water, air and shifting soils.

Khan had a profound empathy for people in the same proximity as cancer-causing and respiratory disease particulates, as she noted in an interview: ‘Recently a woman was buried alive. She died on the site [picking rubbish, killed by a dump truck offloading]. I could have saved her life.’

Ecofeminist anti-capitalism or Not-In-My-Back-Yard self-interest?

The term ‘ecofeminism’ was first used in François d’Eaubonne’s 1974 book Le Feminisme ou la Mort (Feminism or Death). Khan epitomized the lifelong commitment so many extraordinary women leaders show in their eco-justice struggles. She fell into a coma on 12 July 2007 and died three days later. An ordinary middle-class victim of apartheid racism and patriarchy who equipped herself with detailed knowledge of chemistry, public health and landfill economics, Khan organised a landfill-closure petition campaign as well as a mass march during the mid-1990s. After the popular mobilising ended because the African National Congress ruled Council enjoyed large voting majorities, Khan turned to the courts to harass the city. As a Muslim woman, she waged her campaign at a time, as Durban sociologist Ashwin Desai puts it, ‘when religious gate-keepers were reasserting authority over the family. This involved the assertion of male dominance’.

She resisted, Desai testifies: ‘Sajida Khan was breaking another mould of politics. During apartheid, opposition in her community was channelled through the male-dominated Natal Indian Congress and Durban Housing Action Committee. But these were bureaucratised struggles with the leaders at some distance from the rough-and-tumble of local politics. She eschewed that. Her politics were immediately on her doorstep. It was a politics that, gradually at first, made the links between the local and the global. It was a kind of trailblazing politics that later was manifested in what have become known as the “new social movements”. In contrast, her political peers in the Congress tradition have built an impressive electoral machine but ended up merely with votes for party candidates rather than a movement to confront global apartheid and its local manifestations.’

---

21 Interview, September 25 2005.
23 Interview, July 30 2007.
Sometimes accused of waging her battle because of a selfish interest, her family’s declining property value, Khan rebutted, ‘No, no. It’s to do with pollution, and it transcends race and colour’. Yet there were certainly class and, to some extent, race and gender power relations at play – all of which were shaped by capital accumulation at municipal, national and global scales. For example, as Khan struggled for life, the toxic economy of Bisasar Road was being rebuilt by the Durban municipality with the global capitalist master’s CDM tool. The campaign to close apartheid’s dump may ultimately fail as a result of the various post-apartheid forces whose interaction now generates overlapping, interlocking, ecosocial and personal tragedies.

Still, if inhaling status quo pollution meant paying dearly with her health for so many years, still, Khan died knowing she had been partially successful: at least temporarily preventing a major World Bank investment and raising local/global consciousness. Most importantly, she left us with a drive to transcend the inherited conditions and mindsets into which apartheid categories have cemented infrastructures and people.

But pessimistically, and realistically, without Khan’s energy and talent, it was infeasible for Clare Estate residents from different and sometimes opposed race/class backgrounds to forge more effective alliances against the municipality, at least not in the short-term. It was only a matter of time before global capitalist processes rolled over citizen opposition to Bisasar Road, facilitated by the money-hungry, neoliberal municipality, joined by Pretoria and Paris.

**Bisasar brings in the bucks**

For John Parkin, deputy head of the engineering at Durban Solid Waste, ‘What makes (the Bisasar Road CDM project) worthwhile is the revenue that can be earned from carbon credits’, estimated at 3.1 million certified emissions reduction credits, worth about $15 million, along with some 6-8 megaWatts of electricity over a 20 year lifespan. In late 2006, the French Development Agency pledged long-term loans of $8 million to Durban’s landfill gas projects (Bisasar is by far the largest of three), alongside the $1.3 million extended by South Africa’s Department of Trade and Industry. According to Durban city manager Mike Sutcliffe, ‘Landfill gas offers a viable renewable energy source only when linked to Carbon Finance or CDM.’

The World Bank had backed off in 2005 when Khan’s fame was at her height – e.g. the lead paragraph in the *Washington Post*’s analysis of the Kyoto Protocol when it came into effect that year was about Khan’s battle against CDMs – but still billed itself as a potential financer for the project. The Bank needed such offsets because of its portfolio of obscene climate-destroying credits, such as 130 fossil-fuel projects during the mid-2000s, 82% of which were designed to supply cheapened energy to the North. By way of counterweight, fewer than 5% of the Bank’s CDM projects constituted renewable energy projects.

In 2008, the Bank was replaced by an investment company, Tradings Emissions, which acquired the right to purchase one million emissions reduction credits. The firm’s investment advisor Simon Shaw termed Bisasar and the other two landfills ‘an important project, it is operational, it has a long term future and we anticipate registration shortly. These credits will be a useful addition to our

---


1217
portfolio.’ By March 2009, the municipality registered it on the United Nations’ list of CDM projects, as active through at least 2014.25

The four million cubic meters of potential Bisasar Road rubbish that is today’s remaining capacity – on top of 19 million cubic meters in the dump that are already exuding methane – will allow extraction of methane and damaging on-site conversion of electricity for many years to come. Khan believed that the gas should indeed be removed, but through nearby gas pipes, not burned and flared on site. Khan’s goal of Bisasar Road’s immediate closure with conversion of the gas for industrial use a long way from residential areas could have been achieved were there better financing systems available than the unstable carbon market (which flitted from $40/tonne at peak eighteen months ago to $18/tonne today).

But Khan required something bigger than we find in Durban and South African politics at present: a united red and green civil society front that can defeat the local-global capitalist-patriarchal rubbish industry, using a ‘zero waste’ philosophy that would create dozens – perhaps hundreds – of reliable jobs in recycling for Kennedy Road shackdwellers who, where needed, could (at their own volition) be suitably resettled with security of tenure, on stable land in the immediate vicinity. With such a political front in place and the municipality in post-neoliberal hands, the simultaneous termination and rehabilitation of the Bisasar Road dump could then proceed, as Khan had demanded, potentially with stable soil cover, vegetation and a new public space for the oppressed neighbours. The end of Thabo Mbeki’s neoliberal reign over South Africa from 1999-2008 offered a hope that such a front might emerge, but sadly it did not.

Back to an eco-feminist future?

Why have we not found the red/green combination? Perhaps because long-standing principles of eco-feminism still elude Durban civil society. Ecofeminist theory sheds light on struggles that unite Khan’s with the anonymous shackdweller’s who died on the dumpsite scratching out a living.

In the words of Kathleen Manion, ‘Certain ecologically damaging issues have more of a detrimental effect on women than on men, particularly as women tend to be more involved in family provisions and household management. Such problems include sustainable food development, deforestation, desertification, access to safe water, flooding, climate change, access to fertile land, pollution, toxic waste disposal, responsible environmental management with in companies and factories, land management issues, non-renewable energy resources, irresponsible mining and tree felling practices, loss of biodiversity (fuel, medicines, food). As household managers, women are the first to suffer when access to sustainable livelihoods is unbalanced. When the water becomes unpotable, the food stores dry up, the trees disappear, the land becomes untenable and the climate changes, women are often the ones who need to walk further and work harder to ensure their families survival.’ 26

For a middle-class woman like Sajida Khan, just as for the impoverished woman killed on the dump, the struggle for reproduction was more costly than any of us can contemplate. High-profile heroines have led such struggles: for example Wangari Maathai fighting for Kenyan greenbelts; Erin

Brockovich campaigning for clean water in Hinkley, California; Medha Patkar opposing big dams in India or Lois Gibbs advocating against toxins at Love Canal, New York. Others have written eloquently of Chipko tree huggers (Vandana Shiva) and the Nigerian Niger Delta’s women activists (Terisa Turner). In all these cases, including Bisasar Road, women’s defence of immediate family and community is a compelling handle for a larger analysis of patriarchal power relations and anthropomorphism.

But though Khan did not find a way to work with all her neighbours as a result of huge political, class and race divides, her campaign against carbon trading using the Bisasar Road dump has at least brought this pilot project to the world’s attention, as an example of how ‘low-hanging fruit rots first’, to borrow the metaphor of Canadian CDM critic Graham Erion.27

Still, the attention she has gained for this cause only goes so far, as Desai observes: ‘Sajida’s main strategic flaw was the belief that by meticulous scientific presentation of the facts based upon thorough research, she could persuade the ruling class. Facts became the main weapon of struggle. But without an ongoing critical mass of people, once the World Bank was convinced she was right and dropped out – apparently the case by 2006, just as happened with the Narmada dams in India – then the domestic government stepped in to take up the slack. So eThekwini Municipality is now taking over from the World Bank and looking for investors because the bigger cadreship isn’t there to stop it. Facing down the World Bank was impressive and deserved the claim to a victory. But its one thing to tell truth to power, and Sajida was absolutely brilliant in defeating the system’s experts. I hosted one debate for the Mail & Guardian [South African weekly newspaper] in 2005, and she got a first round knockout. However, the corollary is that you must not just talk technically but also expose and defeat the power. And you need a much bigger mass movement to do that.’

Quoting Audrey Lourde, the great Australian ecofeminist-socialist Ariel Salleh might also find in Khan’s story an inspiring if as yet uncertain fight against capitalist patriarchy: ‘As an old feminist adage goes: “the master’s tools will never dismantle the master’s house”. For socialists, the capitalist class, its government cronies and lifestyle hangers on are the master and his house is the global public sphere. For ecofeminists, this is also true, but there is another master embodied in the private power relations that govern everyday life for women at home, at work and in scholarship. This is why we use the double construct capitalist patriarchal societies – where capitalism denotes the very latest historical form of economic and social domination by men over women. This double term integrates the two dimensions of power by recognising patriarchal energetics as a priori to capitalism. As reflexive ecosocialists know: the psychology of masculinity is actively rewarded by the capitalist system, thereby keeping that economy intact.’28

Carbon trading is the new rage of the world’s most maniacal financial capitalists, and it is no surprise that in their haste for fast profits, the bodies of women like Khan are violated so terribly. And it is no wonder that those who knew Khan – such as members of the Durban Group for Climate Justice which she hosted at her house for its launch in October 2004 – are that much more inspired to fight back, knowing how hard Sajida did.

Copenhagen friends and foes

Muslim Views, December 2009

As MV went to press, two critical developments emerged in Copenhagen that ensure a disastrous climate deal will result on December 18, and that clarify why country blocs whose leaders include Presidents Barack Obama in Washington and Jacob Zuma in Pretoria are mainly to blame.

First, Obama announced he will arrive on the 18th, which signifies a deal has been secretly cooked up by Danish hosts, to the chagrin of African delegates and civil society activists who on December 8 engaged in vigorous protest, including the threat of an African walk-out. As revealed in a leaked draft text, that deal will let Obama off the hook, so he and his main congressional ally, Senator John Kerry, can avoid cutting US emissions using the technique known as ‘carbon trading’ (or in the US, ‘cap-and-trade’).

As the new 10-minute internet film – http://www.storyofcapandtrade.org – shows, the carbon trading strategy is full of the kind of scams and market failures you’d expect from the likes of Goldman Sachs and Enron.

Carbon trading allows financial markets to ‘privatize the air’ and manipulate pollution credits, permitting those buying the permits to continue polluting, business as usual. Under former environment minister Marthinus van Schalkwyk and with the support of big business, Pretoria wholeheartedly endorsed this strategy, whose projects are locally known as Clean Development Mechanisms.

Much more is needed from Obama. But to avoid making the required emissions cuts — small island states demand 45% CO2 cuts by 2020 and 85% by 2050 – Obama’s negotiators claim that he first needs Senate legislation (sponsored by Kerry).

This is not true. On December 8, the Center for Biological Diversity in San Francisco issued a report, “Yes, He Can”, with this conclusion: “The US Supreme Court has repeatedly held that the President has legal authority to bind the country internationally, by way of an ‘executive agreement,’ without submitting a treaty to the Senate for supermajority approval. In fact, Congress already has given the President specific authority to negotiate international agreements to reduce greenhouse gas emissions.”

So if on December 18, Obama says he cannot make major emissions commitments in international negotiations, this is a fib. Moreover, according to the Center, “The President also could make an international commitment grounded in his power — and indeed, his duty — to enforce existing U.S. environmental laws” such as the Clean Air Act, which was recently interpreted to include CO2 as a dangerous pollutant.

But in service to the world’s worst polluters, Kerry’s legislation guts the Clean Air Act. As the Center puts it, “These laws could be implemented more quickly, and with far greater scientific credibility, than any compromise cap-and-trade system that Congress might (or might not) someday enact. All President Obama has to do is promise the international community that he will use his power as the Chief Executive to enforce existing laws in a manner that effectively reduces the country’s greenhouse gas emissions.”
The second development in Copenhagen is a split between the high-polluting and low-polluting countries of the Third World. In addition to the planet-destroying role of the US government plus EU, Canada and Japan, quite a few other major polluters – including South Africa – are putting the self-interest of corporations ahead of planet and people. The main victims are small island states which are already submerging, and the bulk of the African continent.

The latter want a legally binding deal that is far stronger than the Kyoto Protocol. According to Ian Fry, chief negotiator for the island nation of Tuvalu, “Our future rests on the outcome of this meeting.” He and African delegates insist that CO2 be reduced to 350 parts per million, not the 450 ppm that Washington and Pretoria are happy to accept, notwithstanding that this might well lead to runaway climate change, with global temperature increases exceeding 2 degrees this century.

In one Copenhagen session, the lead G77 negotiator, Lumumba Di-Aping of Sudan, “sat silently, tears rolling down his face,” according to a report. Di-Aping said, simply, “We have been asked to sign a suicide pact,” explaining that in his home region, it was “better to stand and cry than to walk away.” For much of the continent, said Di-Aping, 2 degrees C globally meant 3.5 degrees C: “certain death for Africa”, a type of “climate fascism” imposed on Africa by polluters, in exchange for which the Third World would get a measly $10 billion per year in ‘fast track’ funding, but “$10 billion is not enough to buy us coffins”.

Agreeing with leading US climate scientist James Hansen, the Copenhagen deal on offer is “worse than no deal”, said Di-Aping, concluding, “I would rather die with my dignity than sign a deal that will channel my people into a furnace.”

The African position was amplified on December 8 by protesters from the Pan-African Climate Justice Alliance, chanting in the main Bella Centre auditorium, “Two degrees is suicide! One Africa! One Degree!”

This is where Pretoria’s venal self-interest – for the sake of the world’s biggest mining and metal companies, which still receive the world’s cheapest electricity from Eskom – come in. In addition to Washington, the European Union, Saudi Arabia, China, and India, the Pretoria official delegation is taking the lead in opposing stronger cuts, arguing – as did environment minister Buyelwa Sonjica in her main speech – that it would hinder South Africa’s ‘development’.

‘Development’? We should look in the mirror and be frank: we’re one of the world’s ugliest, meanest carbon tsotsis. It’s not only because of our extreme social inequality which limits adequate, affordable electricity access to the wealthiest, but even moreso due to the metals and mining houses which use an inordinate share of SA electricity. Eskom’s CO2 emissions are many times worse per unit of per capita economic output than even the United States, that great climate satan.

Why? Shady decades-long deals done during apartheid are still in place, providing Anglo, Arcelor Mittal, BHP Billiton and their ilk with massive profits, which they export to London and Melbourne – in the process worsening SA’s extreme balance of payments deficit and driving the electricity price for the rest of us sky high.

As a result, deputy transport minister Jeremy Cronin last month suggested “phasing out aluminium smelters” in order to lower both emissions and Eskom tariff hikes. In early 2008 Standard Bank chairman Derek Cooper advocated cutting the smelters’ power source to avoid brownouts.
But on this very point, a crucial split has emerged in civil society, between the new Climate Justice Now! alliance of popular movements and progressive NGOs on the one hand, and the Climate Action Network of market-oriented environmentalists on the other. In the latter camp, a few ‘green’ agencies are making common cause with polluters and governments, and have not only endorsed Pretoria’s negotiating strategy in Copenhagen, but also carbon trading in spite of the fact that the European Union’s pilot Emissions Trading Scheme has conclusively failed.

The new social movement, Climate Justice Now (CJN), also calls for immediate reductions and a policy of keeping fossil fuels like oil in the soil, and coal in the hole. And CJN’s members in Earthlife Africa were instrumental in defeating Sasol’s carbon trading strategy earlier in 2009, and in making Sasol a leading candidate for the mock prize of most obnoxious polluter to be found lobbying here in Copenhagen (the ‘Angry Mermaid’ award, named after the famous harbour statue).

In contrast, the most visible and well-resourced NGO, the World Wildlife Fund (WWF), is tightly allied with Pretoria’s obscure ‘Long Term Mitigation Scenario’, which its staff helped draft during van Schalkwyk’s reign. His successor, Sonjica, has apparently rejected Cronin’s wise counsel in order to maintain van Schalkwyk’s destructive trajectory: SA’s emissions will rise until 2025 thanks mainly to two huge new coal-fired powerplants, ‘plateau for a decade and then decline from 2035’, as she confirmed in a speech last month.

A very small change in wording was announced by Zuma, just before Copenhagen, so that the emissions cuts might start as early as 2030. (Actually, 2009 emissions were substantially lower across the world than in 2008 because of the economic crisis which especially drove down demand for coal, aluminium, steel and auto, leaving vast excess capacity in SA’s most pollution-intensive industries.)

Added Sonjica, ‘Without financial and technology support, it will not be possible to do more than what we are already doing.’ This is nonsense, of course (as Cronin shows in an Umsebenzi article), and reflects mainly the agenda of the big vested interests which donate funds to the ruling party and its BEE buddies.

More optimistically, recall that eighteen months ago, Sonjica – then mining minister – initially backed the Australian titanium grab in the Wild Coast’s Xolobeni dunes, but community resistance forced her to U-turn, suggesting there may be flexibility under pressure.

Tragically, however, former environmental activist Peter Lukey – now Sonjica’s main climate spokesperson – defended Pretoria’s irresponsible Copenhagen stance on eTV’s ‘Big Debate’ climate show. The WWF terms Sonjica’s head-in-the-sand posture ‘very progressive’. Likewise, another SA civil society group in which WWF is dominant, ‘Climate Action Network’, endorsed another six years of rising emissions.

The WWF is playing a role reminiscent of the 1990s scandal in which oil behemoth Chevron trashed Papua New Guinea’s fragile Lake Kutubu. When local residents opposed the oil company’s ecological and cultural destruction, WWF took a $3 million Chevron contract for an ‘Integrated Conservation and Development Project’.

In exchange, Chevron viewed WWF as indispensable for spindoctoring efforts to ‘control media and interest groups’, specifically Greenpeace. In the event of an oil spill, wrote a Chevron official, ‘WWF
will act as a buffer for the joint venture against environmentally damaging activities in the region, and against international environmental criticism.’

By buffering SA’s polluters and greenwashing Pretoria, the WWF may cajole more corporate funding contributions and access to policy drafting exercises. But there is a price for this behaviour.

For example, last month, eighty environmental and indigenous peoples’ organisations attacked WWF-certified palm oil projects for ‘dislocation of local populations’ livelihoods, destruction of rainforests and peat lands, pollution of soils and water, and contribution to global warming.’

And in Geneva in early December, dozens more activists from across the globe demonstrated at the group’s international headquarters. According to protester Michelle Pressend of the church-based Economic Justice Network in Cape Town, they demanded ‘an end to WWF’s promotion of genetically modified soya, to its Roundtable on Sustainable Palm Oil – a contradiction in terms – and to counterproductive Latin American carbon trading and other market-based climate strategies.’

In contrast to the dangerous strategies of Washington, Pretoria and allied NGOs like WWF, the phrase ‘climate justice’ is being used to signify alliances between serious popular movements and genuine environmentalists, with the main victims of climate change in the small islands and the African continent. Social justice internationalism in civil society – mistakenly called ‘the anti-globalisation movement’ – that increased in earnest at the Seattle protest against free trade exactly ten years ago is being reborn through climate advocacy.

As in the case of AIDS treatment activism, civil society again shows that thinking globally and acting locally are much more than a bumper-sticker slogan. Without that combination, we will lose this vital battle over our planet’s future to the polluters, their paid politicians, and a few greenwashing NGOs.
From climate denialism to activist alliances in memory of Seattle
ZNet, 30 November 2009

Preparations for the December 7-18 Copenhagen climate summit are going as expected, including a rare sighting of African elites’ stiffened spines. That’s a great development (maybe decisive), more about which below.

While activists help raise the temperature on the streets outside the Bella Centre on December 12, 13 and 16, inside we will see Northern elites defensively armed with pathetic non-binding emissions cuts (Obama at merely 4% below 1990 levels), with carbon trading, and without the money to repay their ecological debt to the South.

The first and third are lamentable enough, but the second is the most serious diversion from the crucial work of cutting emissions. A nine-minute film launched on the internet on Tuesday, December 1 – ‘The Story of Cap and Trade’ (www.storyofstuff.org/capandtrade) – gives all the ammunition you need to understand and critique emissions trading, and to seek genuine solutions.

Another important diversion emerged on November 20, when hackers published embarrassing emails from the University of East Anglia’s (UEA’s) Climate Research Unit. What I’ve understood from http://www.guardian.co.uk/environment/georgemonbiot/2009/nov/25/monbiot-climate-leak-crisis-response and http://enviroknow.com/2009/11/25/climategate-the-swifthack-scandal-what-you-need-to-know is roughly as follows:

- the UEA researchers were silly egocentric ultracompetitive academics who were at times sloppy – an occupational hazard true of most of us, only in this case there is a huge amount at stake so their silliness is massively amplified,

- but a few academics who are silly about their work ethos do not reverse the universal understanding that scientists have regarding climate change, and

- people who want to distract the world from getting to the root of the climate crisis may well be empowered and have a field day with the UEA emails scandal, which should in turn compel the rest of us to redouble our efforts.

The unapologetic UEA researcher Phil Jones seems to think that because climate denialists have been a pain in the ass (since 2001), it was ok to hide scientific data (paid for by taxpayers), and to avoid wasting valuable time addressing the loonies’ arguments: “Initially at the beginning I did try to respond to them in the hope I might convince them but I soon realised it was a forlorn hope and broke off communication.”

Look, where I live, in Durban, we’ve had dreadful experiences with two kinds of life-threatening denialisms: apartheid and AIDS:

- dating back many decades, apartheid-denialists insisted that black South Africans had it better than anywhere else in Africa, that anti-apartheid sanctions would only hurt blacks and not foster change, and that if blacks took over the government it would be the ruination of SA, with whites having all their wealth expropriated; and
• from around 1999-2003, AIDS denialists very vocally insisted that HIV and AIDS were not related, that AIDS medicines were toxic and would do no good, and that the activists’ lobby for the medicines was merely a front for the CIA and Big Pharma (denialist-in-chief Thabo Mbeki is now being widely cited for genocide involving 350 000 unnecessary deaths due to his presidency’s withholding of AIDS medicines).

In both cases, as with the climate, the denialists’ role was to entrench the status quo forces of state and capital. They were, simply, hucksters for vested interests. In both cases they were defeated, thanks to vigorous social activism:

• fighting against apartheid-denialism, during the 1980s, the United Democratic Front, African National Congress and other liberation forces found that the denialists’ main damage was opposing sanctions/disinvestment pressure. So we intensified our efforts and by August 1985 won the necessary breakthrough when NY banks withdrew lines of credit to Pretoria, thus forcing a split between Afrikaner state rulers and white english-speaking capitalists. Within a few days, the latter traveled to Lusaka to meet the exiled ANC leadership, and then over the next eight years helped shake loose Afrikaner nationalism’s hold on the state, and indeed today in SA you will search long and hard to find a white person who admits they ever defended apartheid;

• as for AIDS, the Treatment Action Campaign found that a mix of local and international activist activism was sufficiently strong to pry open Big Pharma’s monopoly on intellectual property rights and also overthrow opposition by the US and South African governments, a story worth revisiting in more detail in below. In short, by 2003, the coterie of AIDS denialists surrounding Mbeki lost to street heat, ridicule and legal critique, so today nearly 800,000 South Africans and millions more elsewhere have access to the medicines.

I hope we’ll look back at the climate denialists and judge them as merely a momentary quirk in human rationality, ultimately not in the least influential. The real danger comes from fossil fuel firms which, like Big Tobacco decades ago, know full well the lethal potential of their product. Their objective is to place a grain of doubt in our minds, and climate denialists are rather useful.

The fossil fuel firms – especially BP, Shell, Chevron and ExxonMobil – not only fund denialist thinktanks and astroturf advocacy (such as the Global Climate Coalition). They support members of the US Congress – such as Rick Boucher from Virginia – who energetically sabotage legislation aimed at capping emissions (Congress’ offsets, carbon trading and other distraction gimmicks mean there will be no net US cuts after all until the late 2030s). They also work with mainstream ‘green’ groups – WWF comes to mind – to halt environmental progress.

These corporations are far more insidious than the email hackers. I hope we aren’t further distracted by the UEA affair and that this is a quickly-forgotten little episode of dirty academic laundry meant for the dustbin of our sloppy movement where it belongs, so we can make the movement stronger, more transparent, more rigorous, more democratic and much more militant in trying to defeat the fossil fuel industry.

One way to do so is to flash back to Seattle exactly a decade ago, when the World Trade Organisation (WTO) fiasco on November 30, 1999 taught civil society activists and African leaders two powerful lessons. Turning 85 years old on Saturday, our comrade Dennis Brutus reminded us of two lessons from one of the most eventful weeks in his amazing life.
First, working together, African leaders and activists have the power to disrupt a system of global governance that meets the Global North’s short-term interests against both the Global South and the longer-term interests of the world’s people and the planet. Second, in the very act of disrupting global malgovernance, major concessions can be won.

Spectacular protest against the WTO summit’s opening ceremony is what most recall about Seattle: activists ‘locking down’ to prevent entrance to the conference centre, a barrage of tear gas and pepper spray, a sea of broken windows and a municipal police force later prosecuted for violating US citizens’ most basic civil liberties. (See David and Rebecca Solnit’s excellent new book The Battle of the Story of the Battle of Seattle – www.akpress.org/2008/items/battleofseattleakpress – for the spin on the spin)

That was outside. Inside the convention centre, negotiations belatedly got underway, and African leaders quickly grew worried that further trade liberalization would damage their tiny industrial sectors.

The damage was well recognized, as even establishment research revealed Africa would be the continent to suffer the worst net losses from corporate-dominated free trade. The US trade representative, Charlene Barchefsky, repeatedly insulted African elites who raised this point.

With the exception of South African trade minister Alec Erwin, who enjoyed an insider ‘Green Room’ role to promote SA’s self-interest, delegations from the Organisation of African Unity (OAU, since renamed the African Union) were soon furious.

As OAU deputy director general V.J.McKeen recalled: “They went out to a dinner in a bus, and then were left out in the cold to walk back. To tell you to the extent that when we went into the room for our African group meeting, I mean, there was no interpretation provided... so one had to improvise. And then even the microphone facilities were switched off.”

Tetteh Hormeku, from the African Trade Network of progressive civil society groups, picks up the story: “By the second day of the formal negotiations, the African and other developing-country delegates had found themselves totally marginalised... [and threatened] to withdraw the consensus required to reach a conclusion of the conference. By this time, even the Americans and their supporters in the WTO secretariat must have woken up to the futility of their ‘rough tactics’.”

By walking out, the Africans’ strong willpower earned major concessions in the next WTO summit, in Doha, in November 2001. At the same time as the global justice movement began widening into an anti-imperialist movement in the wake of the USA’s post-9/11 remilitarization, African activists delved deeper into extreme local challenges, such as combating AIDS. In Doha, African elites joined forces with activists again.

On this occasion, the positive catalyst was a South African government law – the 1997 Medicines Act – which permitted the state’s compulsory licensing of patented drugs. In 1998, the Treatment Action Campaign (http://www.tac.org.za) was launched to lobby for AIDS drugs, which a decade ago were prohibitively expensive – $15,000 per person per year – for nearly all South Africa’s HIV-positive people (roughly 10% of the population).
That campaign was immediately confronted by the US State Department’s attack on the SA Medicines Act, a “full court press”, as bureaucrats testified to the US Congress. The US elites’ aim was to protect intellectual property rights and halt the emergence of a parallel inexpensive supply of AIDS medicines that would undermine lucrative Western markets.

US vice president Al Gore directly intervened with SA government leaders in 1998-99, aiming to revoke the Medicines Act. Then in mid-1999, Gore launched his presidential election bid, a campaign generously funded by big pharmaceutical corporations, which that year provided $2.3 million to the Democratic Party.

In solidarity with the South Africans, the US AIDS Coalition to Unleash Power began protesting at Gore’s campaign events, in New Hampshire, Pennsylvania and Tennessee. The demos soon threatened to cost Gore far more in adverse publicity than he was raising in Big Pharma contributions, so he changed sides.

As pressure built, even during the reign of president George W. Bush and his repressive trade representative Robert Zoellick (now World Bank president), the WTO’s Trade Related Aspects of Intellectual Property Rights system was amended at Doha in late 2001 to permit generic drugs to be used in medical emergencies.

This was a huge victory for Africa, removing any rationale to continue to deny life-saving medicines to the world’s poorest people.

In 2003, with another dreadful WTO deal on the table in Cancun and 30,000 protesters outside, once again the African leadership withdrew consensus, wrecking the plans of the US and Europe for further liberalization. The WTO has still not recovered.

These are the precedents required to overcome the three huge challenges the North faces in Copenhagen: 2020 emissions cuts of at least 45% (from 1990 levels) through a binding international agreement; the decommissioning of carbon markets and offset gimmicks; and payment on the vast ecological debt owed to victims of climate change.

Realistically, the adverse balance of forces currently prevailing will not permit victories on even one, much less all three. What response is logical?

In Barcelona, in early November, African negotiators boycotted the pre-Copenhagen talks, making good on AU leader Meles Zenawi’s September threat, given that the North put so little on the negotiating table.

Indeed, that is the main lesson from Seattle: by walking out – alongside civil society protesters – and halting a bad deal in Copenhagen on December 18, we can together pave the way for subsequent progress.

Two years after Seattle’s failure, progress was won through African access to life-saving medicines. We must ensure it doesn’t take two years after Copenhagen’s failure for Africa to get access to life-saving emissions cuts and to climate debt repayment, alongside the demise of carbon trading – but those are surely the battles just ahead.
Lessons for Copenhagen from Seattle via Addis Ababa
ZCommentaries, November 2009

The decade since the Seattle World Trade Organisation (WTO) fiasco taught civil society activists and African leaders two powerful lessons. First, working together, they have the power to disrupt a system of global governance that meets the Global North’s short-term interests against both the Global South and the longer-term interests of the world’s people and the planet.

Second, in the very act of disrupting global malgovernance, major concessions can be won.

The spectacular November 30 1999 street protest against the WTO summit’s opening ceremony is what most of us recall about Seattle: activists ‘locking down’ to prevent entrance to the conference centre, a barrage of tear gas and pepper spray, a sea of broken windows and a municipal police force later prosecuted for violating US citizens’ most basic civil liberties.

That was outside. Inside the convention centre, negotiations belatedly got underway, and African leaders quickly grew worried that further trade liberalisation would damage their tiny industrial sectors.

The damage was well recognized – an OECD study found Africa to be the continent that would suffer the worst net losses from corporate-dominated free trade. The US trade representative, Charlene Barchefsky, repeatedly insulted African elites who raised this point.

With the exception of South Africa’s Alec Erwin, who enjoyed Green Room status hence an insider role to promote self-interest, the delegations from the Organisation of African Unity (OAU, since renamed the African Union) were furious.

As OAU deputy director general V.J. McKeen told journalists: “They went out to a dinner in a bus, and then were left out in the cold to walk back. To tell you to the extent that when we went into the room for our African group meeting, I mean, there was no interpretation provided. And we are – you know, at least the English and French interpretation should have been there, so one had to improvise. And then even the facilities, the microphone facilities were switched off.”

Tetteh Hormeku, from the African Trade Network of progressive civil society groups, picks up the story: “By the second day of the formal negotiations, the African and other developing-country delegates had found themselves totally marginalised. This arose mainly from the non-transparent and, some would say, unlawful practices adopted by the powerful countries, supported by the host country and the WTO secretariat.”

According to a statement by civil society, “African countries were not getting their positions and issues on the table for the simple reason that the table had been shifted away from the place where the negotiations were supposed to be taking place – the working groups – into exclusive Green Room discussions where they had no equal access.”

Hormeku recalls that African Trade Network members “began to demand that their Northern NGO counterparts help focus attention on the outrageous practices of their various governments. The first concrete result was a joint press conference by the African Trade Network, Friends of the Earth, South Centre, Oxfam, the World Development Movement, Focus, Consumers International and New Economics Foundation. Here developing-country negotiators like Sir Sonny Ramphal...
(former Secretary-General of the Commonwealth) joined hands with NGO representatives to
denounce the big-power manipulation of the WTO process. Many more African civil society
organisations and governments spoke out.”

At that point, says Hormeku, “African countries thus joined the other developing-country groups in
threatening to withdraw the consensus required to reach a conclusion of the conference. By this
time, even the Americans and their supporters in the WTO secretariat must have woken up to the
futility of their ‘rough tactics’.”

This strong will by Africans at least earned major concessions in the next WTO summit, in Doha, in
November 2001. At the same time as the global justice movement began widening into an anti-
imperialist movement in the wake of the USA’s post-9/11 remilitarization, African activists were
delving deeper into extreme local challenges, such as combating AIDS. In Doha, African elites joined
forces with activists again.

On this occasion, the positive catalyst was a South African government law – the 1997 Medicines
Act promoted by then health minister Nkosazana Dlamini-Zuma – which permitted the state’s
compulsory licensing of patented drugs. In 1998, the Treatment Action Campaign (TAC) was
launched to lobby for AIDS drugs, which a decade ago were prohibitively expensive – $15,000 per
person per year – for nearly all South Africa’s HIV-positive people (roughly 10% of the 50 million
current population).

That campaign was immediately confronted by the US State Department’s attack on the SA
Medicines Act – a “full court press”, as bureaucrats testified to the US Congress. Their aim was to
protect intellectual property rights and halt the emergence of a parallel inexpensive supply of AIDS
medicines that would undermine lucrative Western markets. US Vice President Al Gore directly
intervened with SA government leaders in 1998-99, aiming to revoke the law.

Then in mid-1999, Gore launched his 2000 presidential election bid, a campaign generously funded
by big pharmaceutical corporations (which in that election cycle provided $2.3 million to the
Democratic Party). As an explicit counterweight, TAC’s allies in the US AIDS Coalition to Unleash
Power began to protest at Gore’s campaign events.

The protests ultimately threatened to cost Gore far more in adverse publicity than he was raising in
Big Pharma contributions, so he changed sides.

By 2001, even during the reign of president George W. Bush and his vicious trade representative,
Robert Zoellick (now World Bank president), the WTO’s Trade Related Aspects of Intellectual
Property Rights system (TRIPS) was amended to permit generic drugs to be used in medical
emergencies, such as AIDS. This was a huge victory for Africa, removing any rationale to continue to
deny life-saving medicines to the world’s poorest people.

Then in 2003, with another dreadful WTO deal on the table in Cancun, and 30,000 protesters
outside, once again the African leadership withdrew consensus, wrecking the plans of the US and
Europe for further liberalization.

These are the precedents required to cut through the three huge challenges we face in Copenhagen
– and forever after in climate negotiations:
• northern countries should cut emissions by 2020 by at least 45% through an international agreement;
• they should not rely on carbon markets or offset gambits when making these cuts; and
• they should pay the ecological debt they owe to victims of climate change.

Tragically, the adverse balance of forces currently prevailing will not permit victories on even one, much less all three.

Recall that Africa is the worst-affected continent. According to UN Intergovernmental Panel on Climate Change director R.K. Pachauri, “crop net revenues could fall by as much as 90% by 2100.” The ecological debt the North owes Africa alone is estimated at $67 billion/year (minimum) by 2020.

What response is logical if the North fails to address these three basic challenges? In early September 2009, Ethiopian Prime Minister Meles Zenawi issued this threat about Copenhagen from Addis Ababa: “If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent.”

Indeed, that is the main lesson from Seattle: by walking out – alongside civil society protesters – halting a bad deal in Copenhagen now paves the way for subsequent progress, once our forces reassemble.
When the climate change center cannot hold
ZNet, 24 October 2009

On a day that 350.org and thousands of allies are valiantly trying to raise global consciousness about impending catastrophe, we can ask some tough questions about what to do after people depart and the props are packed up. No matter today’s activism, global climate governance is grid-locked and it seems clear that no meaningful deal can be sealed in Copenhagen on December 18.

The recent Bangkok negotiations of Kyoto Protocol Conference of Parties functionaries confirmed that Northern states and their corporations won’t make an honest effort to get to 350 CO2 parts per million. On the right, Barack Obama’s negotiators seem to feel that the 1997 Kyoto Protocol is excessively binding to the North, and leaves out several major polluters of the South, including China, India, Brazil and South Africa.

Kyoto’s promised 5% emissions cuts (by 2012, from 1990 levels) are impossible now. Obama’s people hope the world will accept 2005 as a new starting date; a 20% reduction by 2020 then only brings the target back to around 5% below 1990 levels. Such pathetically low ambitions, surely Obama knows, guarantee a runaway climate catastrophe – he should shoot for 45%, say the small island nations.

The other reason Kyoto is ridiculed by serious environmentalists is its provision for carbon trading rackets which allow fake claims of net emissions cuts. Since the advent of the European Union Emissions Trading Scheme, the Chicago exchange, Clean Development Mechanism projects and offsets, vast evidence has accumulated of systemic market failure, scamming and inability to regulate carbon trading (see a website launched today www.350reasons.org).

A final reason we need to rapidly transcend Kyoto’s weak, market-oriented approach is that devastation caused by climate change will hit the world’s poorest, most vulnerable people far harder than those in the North. Reparations for the North’s climate debt to the South are in order. The European Union offered a pittance in September, while African leaders are stiffening their spines for a fight in Copenhagen reminiscent of Seattle a decade ago.

Since discussing this threat six weeks ago in a ZNet column, subsequent Bangkok negotiations and web traffic offered me a sobering reminder of Northern stubbornness, on two fronts – those whose interests are mainly in short-term capital accumulation, but also the mainstream environmentalists who are only beginning to grasp the huge strategic error they made in Kyoto.

In the first camp, Obama’s people are hoping non-binding national-level plans will be acceptable at Copenhagen. But their case is weaker because at home, the two main proposed bills – Waxman-Markey which passed in the US House of Representatives and Kerry-Boxer which is under Senate consideration – will do far more harm than good.

Don’t take it from me; the best source is Congressman Rich Boucher, from a coal-dominated Southwestern Virginia district. Boucher supported Waxman-Markey, he told a reporter last month, precisely because it would not adversely affect his corporate constituencies. The two billion tons of offset allowances in the legislation mean that ‘an electric utility burning coal will not have to reduce the emissions at the plant site,’ chortled Boucher. ‘It can just keep burning coal.’
Boucher was one of the congressional rednecks who wrecked Obama’s promise to sell – not give away – the carbon credits, and then bragged to his district’s main newspaper, the Times News, that ‘this helps to keep electricity prices affordable and strengthens the case for utilities to continue to use coal.’

Boucher and co are also working hard to disempower the Environmental Protection Agency from regulating CO2. This was accomplished in Waxman-Markey, and upon introducing his legislation, Senator John Kerry gave the game away by noting EPA regulatory authority is not gutted in his bill now, only so that it can be gutted later, so as to provide ‘some negotiating room as we proceed forward.’

The Senate bill has all manner of other objectionable components, which hard-working activists from Climate SOS, Rising Tide North America, Friends of the Earth, the Center for Biological Diversity, Biofuelwatch and Greenwash Guerrillas have been hammering at.

Hence in the US, the balance of forces is fluid. On the far-right, the fossil fuels industries are intent on making Obama’s climate legislation farcical – and have so far succeeded. In the centre, the main establishment ‘green’ agencies – such as the Environmental Defense Fund and Natural Resources Defence Council – are plowing ahead with carbon trading strategies, hoping to salvage some legitimacy for Obama, because these bills are a ‘first step’ to more serious emissions reduction, they claim.

Yet US negotiators will go to Copenhagen (as they did in Bangkok and will next month in Barcelona) with the aim of smashing any residual benefit of the Kyoto Protocol – such as potential binding cuts with accountability mechanisms – and then allow these US dynamics to play out in a manner that locks in climate disaster.

So just as in 1997, when Al Gore introduced carbon trading into the initial deal – and subsequently broke an implicit promise by failing to get the US (under both Clinton and Bush) to ratify the Protocol – there is every likelihood that if an agreement in Copenhagen were reached, it would be as worthless as Kyoto.

Which brings us to quandaries faced by two other forces: the ordinary environmentalist in the US – perhaps a typical fan of useful www.grist.org blogs – and activists based in the so-called Third World who have to deal with the most adverse impacts of climate chaos in coming decades.

Grist’s Jonathan Hiskes recently reacted to the first dilemma by characterizing Goddard Institute for Space Studies director James Hansen – the most celebrated US climate scientist – as ‘especially troublesome.’ Hansen not only put his body on the line this year in a high-profile arrest at a West Virginia coal generator, and testified repeatedly against carbon trading, but also endorsed Climate SOS, to Hiskes’ dismay.

Why rail against Hansen? Hiskes claims that when describing Obama’s bills as ‘worse than nothing’, Hanson and other ‘no-compromise types’ ignore ‘the historical precedent of legislation that is deeply flawed at first evolving into something effective and durable. The original Clean Air Act did not address the acid rain crisis, an omission not corrected until 1990. The original Social Security Act did not include domestic or agricultural workers, effectively excluding many Hispanic, black, and immigrant workers.’
The obvious difference is that those two laws empowered environmentalists and workers against enemies. They had universalizing potential and could be incrementally expanded. In contrast, Obama’s climate legislation is so far off on the wrong track – by commodifying the air as the core climate strategy and empowering the fossil fuel industries – that the train cannot be steered away from its over-the-cliff route. Just let it crash.

(Oh bummer, the same seems to be true of 2009 legislation and fiscal programs for the economy and healthcare, which empower banksters, derivative financiers, energy firms, insurers and others who caused the problems in the first place.)

The second force caught in the quandary of climate politics is Penang-based Third World Network (TWN) and its many admirers, who insisted at Bangkok that the Kyoto Protocol be retained because, first, at least it offers the possibility of a binding framework, and second, countries not presently liable under Kyoto should still have the right to increase emissions so as to ‘develop.’

I’ll grant the first point, for if US negotiators block Kyoto’s extension, then national-level agreements could indeed be much weaker. On the other hand, if the EPA actually used its powers to reduce the top 7500 or so largest point-sources of US carbon pollution, that would be far stronger than carbon trading legislation which lets polluters off the hook.

The main problem with TWN’s ‘development’ argument is that a great deal of CO2-emitting economic activity and resource extraction in the Third World are better considered ‘maldevelopment’ – and for environmental, socio-economic and moral reasons should halt.

Here in South Africa, a long-term (apartheid-era) state relationship to the so-called ‘minerals-energy complex’ generated a political bloc so powerful that it is now in the process of building $100 billion in new coal-fired and nuclear plants. Their strategy is to keep offering the cheapest electricity in the world to UK/Australian (formerly SA) mining/metals firms, including Anglo, BHP Billiton, Lonplats and Arcellor-Mittal.

By way of background, state supplier Eskom lost $1.3 billion last year gambling on aluminum futures. Forty percent of SA’s CO2 emissions can be traced to a handful of the largest firms, including the dangerous oil-from-coal/gas operator Sasol. And cheap electricity for the mining/metals firms contrasts with wickedly-high price hikes (a 250% projection from 2008-11) for ordinary people, which in turn contributes to the intense demonstrations now destabilizing dozens of municipalities (the Centre for Civil Society documents these daily in our Social Protest Observatory, at http://www.ukzn.ac.za/ccs).

Moreover, as corporations export profits and dividends to London/Melbourne headquarters, our vast balance of payments deficit gives The Economist magazine cause to rate South Africa the world’s riskiest emerging market. In sum, it is impossible to argue that SA’s world-leading per capita CO2 emissions represents ‘development’.

One way to address this maldevelopment – especially from exports of CO2-intensive minerals and cash crops, as well as manufactured goods transported by air and ship – is import/export taxation.

French president Nicolas Sarkozy proposed a small import tariff (the equivalent of 4 cents per litre of petrol) last month: ‘Most importantly, a carbon tax at the borders is vital for our industries and
our jobs’. In the US, the energy secretary and organized labor are also making noises along these lines.

Sarkozy’s small incremental tax will not change consumption patterns. Explains Soumya Dutta from the People’s Science Movement, ‘In India, a far less affluent society, whenever gasoline or diesel prices are raised by even 6-10 %, there is an initial hue and cry. Within a month, things settle down and the consumption keeps growing – invariably.’

The South Centre’s Martin Khor condemns Sarkozy’s move as ‘climate protectionism’, remarking, ‘It would be sad if the progressive movement were to support and join in the attempts by those who want to block off products from developing countries in the name of climate change.’ He is correct to label such taxes ‘self-interested and selfish bullying acts’.

More generally, says Khor, ‘We shouldn’t give the powerful countries an excuse and legitimacy to use climate or labour or social issues to block our exports and get away with it through a nice sounding excuse.’

Of course, the details of the French strategy, and indeed its protectionist orientation, must be criticized. But the most crucial factor when imposing any kind of sanctions – whether a carbon tax or trade sanctions against Burmese regime or Zimbabwe’s main ruling party – is the consent of those affected who are themselves struggling for change, a point Sarkozy hasn’t factored in.

How might one? Turning a carbon tax into a positive funding flow for the Third World is a suggestion by Daphne Wysham of the Institute for Policy Studies. Proceeds should go directly to the countries whose products are being taxed, for the purposes of explicit greenhouse gas reduction.

These nuances in national-level strategic debates should be tackled by Northern activists bearing in mind the Global South’s genuine development aspirations.

Regardless, core principles of the progressive movement are non-negotiable. In advance of Copenhagen Bella Center protests, here are demands articulated by Climate Justice Action:

- leaving fossil fuels in the ground;
- reasserting peoples’ and community control over production;
- relocalising food production;
- massively reducing overconsumption, particularly in the North;
- respecting indigenous and forest peoples’ rights; and
- recognising the ecological and climate debt owed to the peoples of the South and making reparations.

If the center is not holding, that’s fine: the wave of courageous direct-action protests against climate criminals in recent weeks – and the prospect of seattling Copenhagen on December 16 – is an inspiring reflection of left pressure that will soon counteract that from the right. It’s our only hope, isn’t it.
‘Seattle’ Copenhagen, as Africans demand reparations

ZCommentaries, September 2009

Here’s a fairly simple choice: the Global North would pay hard-hit Global South sites to deal with climate crisis either through complicated, corrupt, controversial ‘Clean Development Mechanism’ (CDM) projects with plenty of damaging side effects to communities, or instead pay through other mechanisms that must provide financing quickly, transparently and decisively, to achieve genuine income compensation plus renewable energy to the masses.

The Copenhagen climate summit in December is all about the former choice, because the power bloc in Europe and the US have put carbon trading at the core of their emissions reduction strategy, while the two largest emitters of carbon in the Third World, China and India, are the main beneficiaries of CDM financing.

What that means is that problems caused when Al Gore’s US delegation brought pro-corporate compromises to Kyoto in 1997 – promising US sign-on to Kyoto (hah, what a lie) in exchange for carbon trading – are going to now amplify, and haunt us for a very long time, unless serious reforms are achieved in Copenhagen.

They won’t be, and nor will any substantive agreement emerge, hinted the new UN Development Programme director, New Zealand’s neoliberal former prime minister Helen Clark, this week: ‘The success of the Copenhagen summit on climate change in December will not depend on a final international deal being sealed there.’

In other words, prepare for a stalemate by a coalition of selfish, fossil-fuel addicted powers. Terribly weak targets may get a mention (or even no mention, as last time at Bali), but market mechanisms will be invoked as the ‘solution’ so as to appease polluting capitalists and the governments under their thumb, especially Barack Obama’s.

In contrast, there are attractive, simple mechanisms for financing Africa’s survival, including the militant ‘ecological debt’ (or ‘climate reparations’) demands now being made by environmental leaders of the African Union (AU), as well as Jubilee Africa’s request to just remove the damn boot from Africa’s financial neck by canceling ongoing debt repayments.

On that score, in 2009 the lowest-income African countries are suffering a 50% increase in debt repayments (as a percentage of export earnings), according to the International Monetary Fund (IMF).

As noted four years ago in this space, that means the ‘Make Poverty History’ NGO-rockstar campaign was a farce. The only debt written off wasn’t possible to repay anyhow, so for low-income Africa, ‘debt relief’ was just an accounting gimmick and the G8’s real Gleneagles debt strategy was to squeeze Africa even tighter, as the IMF data now show.

But, you may well ask, should anyone take anything said by the AU leadership seriously, since that would be a mistake when it comes to malevolent leaders of the G8, G20, etc? The AU typically serves, as Zimbabwe’s new finance minister Tendai Biti once put it, as the continent’s ‘trade union of dictators.’
Heading the AU climate team is Ethiopian strongman Meles Zenawi, who also chairs South Africa’s subimperialist New Partnership for Africa’s Development and thus gets invited to G20 gatherings along with Pretoria (better him than AU chair Moammar Gaddafy, reckon the others).

Sometimes seen merely as a US puppet – thanks to the disastrous, Washington-sponsored 2007 invasion of neighboring Somalia – Zenawi is rather more complex. He was once a self-described Marxist but is now a brutal tyrant whose troops killed scores of students and other democrats, and who has just imposed a ban on international funding of local civil society aimed to intimidate critics.

Quite ridiculous, isn’t it, for Zenawi to lead the charge, reportedly demanding a minimum of $65 billion – and up to $200 billion – annually from the North by 2020?

Well, no, not considering how much Africa will be devastated. Even Zenawi’s voice, and role in Copenhagen are potentially crucial in the struggle ahead.

What a struggle it is. The most shocking probable outcome of climate change is that 90% of the African peasantry will be out of business by 2100 due to drought, floods, extreme weather events, disease and political instability, according to UN experts.

The Climate Change Vulnerability Index, calculated in 2009 ‘from dozens of variables measuring the capacity of a country to cope with the consequences of global warming’, listed 22 African countries out of 28 across the world at ‘extreme risk’, whereas the United States is near the bottom of the world rankings of countries at risk even though it is the leading per capita contributor to climate change.

There is no question that those most responsible should pay reparations, now that we are aware of the damage being done by rising greenhouse gas emissions, and by the ongoing stubborn refusal by the rich – especially Obama and his people – to cut back.

The amounts can be debated, for of course $65 billion/year for Africa is way too low, given how many incalculably valuable species will be lost, how much devastation to individuals and communities is already underway, how many economies will falter, how much ecology is threatened.

But in addition to AU leaders, the world is awakening. After several years of hard work by World Council of Churches members and staff, on September 2, the Council’s Central Committee adopted a formal statement on the North’s ‘deep moral obligation to promote ecological justice by addressing our debts to peoples most affected by ecological destruction and to the earth itself.’

The Council slams ‘the agro-industrial-economic complex and the culture of the North, characterized by the consumerist lifestyle and the view of development as commensurate with exploitation of the earth’s so-called natural resources,’ and cites the eco-debt definition pioneered by Accion Ecologica of Quito: ‘historical and current resource-plundering, environmental degradation and the dumping of greenhouse gases and toxic wastes.’

Like the USA’s ‘Superfund’ legislation or any other damages paid by corporations for messes made – such as Thor Chemicals’ notorious mercury spillage a few dozen kilometers from my Durban home, now leaking into the city’s bulk water supply at the Inanda Dam – the point is to get a general estimate of clean-up costs and a rough estimate of damages done.
As compensation, flows of grant funding are required – hopefully via an accountable, fair, transparent system such as a Basic Income Grant for all residents of Africa (a Namibian pilot is showing excellent results) – instead of the kinds of corrupting carbon trade financing that dictators or big corporations currently grab hold of and redirect to adverse ends.

What is a carbon market regime and why is it counterproductive? This is the heart of the debate about the merits of a Copenhagen deal.

Carbon trading allows corporations and governments generating greenhouse gases to seemingly reduce their net emissions. They can do this, thanks to the Kyoto Protocol, by trading for others’ reductions (e.g. CDM projects in the Third World) or emissions rights (e.g. Eastern Europe’s ‘hot air’ that followed the 1990s economic collapse).

Why do they do it? The pro-trading rationale is that once property rights are granted to polluters for their emissions, a ‘cap’ can be put on a country’s or the world’s total emissions (and then progressively lowered if there is political will). So as to minimize adverse economic impact, corporations can stay within the cap even by emitting way above it, by buying others’ rights to pollute.

But the carbon market isn’t working, for several reasons:

- the idea of inventing a property right to pollute is effectively the privatization of the air;
- the corporations most responsible for pollution and the World Bank – which is most responsible for fossil fuel financing – are behind the market, and can be expected to engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;
- many of the offsetting projects – such as monocultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies;
- the price is haywire, having crashed by half in a short period in April 2006 and by two-thirds in 2008;
- there is a serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many Enron employees populate the carbon markets);
- as a ‘false solution’ to climate change, carbon trading encourages merely small, incremental shifts, and thus distracts us from a wide range of radical changes we need to make in materials extraction, production, distribution, consumption and disposal; and
- the idea of market solutions to market failure is an ideology that rarely makes sense, and especially not following the world’s worst-ever financial market failure.

Recall that scientists insist an 80% drop in emissions will be necessary within four decades at most, with the major cuts before 2020. To achieve this, carbon markets won’t work, as the leading US climate scientist, James Hansen, remarked in opposition to Barack Obama’s cap and trade scheme.

Obama’s legislation – the Waxman-Markey bill that passed the house in June – is so profoundly flawed it should be scrapped. Some excellent movements have sprung up to try to prevent US carbon trading and the destruction of Environmental Protection Agency powers to regulate carbon pollution, on which Waxman-Markey is especially wicked (please help by joining scores of groups
disgusted with Obama’s legislation, at http://www.biologicaldiversity.org/action/toolbox/ACESA/sign-on_letter.html and http://www.climatesos.org – and do give a miss to pro-Hopenhagen campaigners like Avaaz, the World Wildlife Federation, the ‘Climate Action Network’ and other deal-doers who either haven’t thought through the issues properly or who wallow in conflicts of interest as carbon-traders themselves).

In sum, the emissions trade is a bogus, ‘false solution’. Very different forms of climate finance are required at the Copenhagen Summit in December, including the North’s payment of ecological debt. But Zenawi and others from Africa – especially civil society – will have to work much harder to put climate compensation on the agenda (and to ensure that governments corrupted by the fossil fuel industry and other TNCs, as well as local elites, do not become the vehicle for distributing the compensation).

While carbon trading is at the heart of Copenhagen negotiations, any deal done will be a step backwards. The Durban Group for Climate Justice – founded in 2004 in South Africa – is the main civil society network explicitly fighting carbon trading; a superb analysis by Larry Lohmann is available from the Dag Hammarskjold Foundation: http://www.dhf.uu.se/pdffiler/DD2006_48_carbon_trading/carbon_trading_web_HQ.pdf

One of our other gurus, University of KwaZulu-Natal honorary professor Dennis Brutus, puts the challenge ahead quite frankly: ‘My own view is that a corrupt deal is being concocted in Copenhagen with the active collaboration of NGOs who have been bought off by the corporations, especially oil and transport. They may even be well-intentioned but they are barking up the wrong tree.’

Instead of a bad deal, Brutus recommends that we all ‘seattle Copenhagen’, i.e. the AU insiders work with civil society outsiders to prevent the North from doing a deal in their interests, against Africa’s. A decade ago, that formula stopped the World Trade Organisation’s Millennial Round from succeeding in Seattle, and in 2003 the feat was repeated in Cancun.

‘We’re outta here’ Zenawi may well say in Copenhagen, for on September 3, he issued a strong threat from Addis Ababa: ‘If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent.’

To seattle Copenhagen would entail civil society protesting outside and African governments working for Africans’ interest inside, to halt a dirty deal that makes matters worse. Even with less than 100 days to go, Brutus insists it’s feasible, and would then allow us to move on to the real emissions reduction and alternative energy and production systems the world desperately needs.
Repaying Africa for climate crisis:
‘Ecological debt’ as a development finance alternative to emissions trading

The ‘ecological debt’ that the Global North owes the Global South for excessive use of the environmental space plus damages done to Third World ecology became a global concern in 2009 as it entered the Copenhagen Conference of Parties (COP) negotiations. The willingness of African rulers to raise this in preliminary meetings – and the European Union’s acknowledgement of compensation payments but at grossly inadequate levels – reflected how much damage was already done. It also suggested that a configuration similar to the Seattle World Trade Organisation summit might emerge (if not at Copenhagen then in subsequent negotiations), with discontented elites inside and angry protesters outside. Other faith-based and advocacy groups in civil society took up the demand as well, suggesting the potential for a global movement which would generate the resources thus far missing from Africa’s plans to finance development aspirations – and also to change those aspirations into strategies that can transcend the Western model of capitalistic industrialism and mass consumption.

Introduction

Carbon trading is under attack, but is there an alternative strategy to transfer resources to the Global South to support a different model of development? Is it reasonable to make calls for ‘ecological debt’ or ‘climate compensation’ in the form of a fund that would justifiably exceed $100 billion/year within a decade, without tendentious reliance upon emissions trading brokers, offset salesmen, futures and options, ‘additionality’ requirements, corruption, and the ‘commodification of the air’ associated with the Kyoto Protocol and its likely successor regime?

There is a fairly simple financial choice facing those advocating global climate governance: the Global North would pay hard-hit Global South sites to deal with climate crisis either through ‘Clean Development Mechanism’ (CDM) projects and declining overseas development aid – both entailing plenty of damaging side effects – or instead, pay through other mechanisms that must provide financing quickly, transparently and decisively, to achieve genuine income compensation plus renewable energy to the masses. The Kyoto Protocol – and its potential Copenhagen COP successor – is all about the former choice, because the power bloc in Europe and the US put carbon trading at the core of their emissions reduction strategy, while the two largest emitters of carbon in the Third World, China and India, are the main beneficiaries of CDM financing. What that means is that problems caused when Al Gore’s US delegation brought pro-corporate compromises to Kyoto in 1997 – deceitfully promising US sign-on to Kyoto in exchange for carbon trading – will now amplify and haunt this debate for a long time to come. For what we have witnessed since Kyoto came into effect in February 2005 is a climate-reduction stalemate by a coalition of selfish, fossil-fuel addicted powers. Terribly weak targets may get a mention (or even no mention, as at the Bali 2007 Conference of Parties), but market mechanisms will be invoked as the ‘solution’ so as to appease polluting capital and associated governments, especially Washington. Some of the less principled environmental NGOs and opportunistic Third World elites will sign up, as has become a habit in such global governance gambits.

Market mechanisms – especially carbon trading and offsets – allow corporations and governments generating greenhouse gases to seemingly reduce their net emissions. They can do this, thanks to the Kyoto Protocol, by trading for others’ ‘certified emissions reductions’ (e.g. CDM projects in the
Third World) or emissions rights (e.g. Eastern Europe’s ‘hot air’ that followed the 1990s economic collapse). The pro-trading rationale is that once property rights are granted to polluters for these emissions, even if given not auctioned (hence granting a generous giveaway), a ‘cap’ can be put on a country’s or the world’s total emissions. It will then be progressively lowered, if there is political will. So as to minimize adverse economic impact, corporations can stay within the cap even by emitting way above it, by buying others’ rights to pollute.

But critics⁴ argue that the carbon market isn’t working, for several reasons:

- the idea of inventing a property right to pollute is effectively the ‘privatization of the air’;
- greenhouse gases are complex and their rising production creates a non-linear impact which cannot be reduced to a commodity exchange relationship (a tonne of CO2 produced in one place accommodated by reducing a tonne in another, as is the premise of the emissions trade);
- the corporations most guilty of pollution and the World Bank – which is most responsible for fossil fuel financing – are the driving forces behind the market, and can be expected to engage in systemic corruption to attract money into the market even if this prevents genuine emissions reductions;
- many of the offsetting projects – such as monocultural timber plantations, forest ‘protection’ and landfill methane-electricity projects – have devastating impacts on local communities and ecologies, and have been hotly contested;
- the price of carbon determined in these markets is haywire, having crashed by half in a short period in April 2006 and by two-thirds in 2008, thus making mockery of the idea that there will be a sufficient market mechanism to turn the society towards renewable energy;
- there is a serious potential for carbon markets to become an out-of-control, multi-trillion dollar speculative bubble, similar to exotic financial instruments associated with Enron’s 2002 collapse (indeed, many Enron employees populate the carbon markets);
- as a ‘false solution’ to climate change, carbon trading encourages merely small, incremental shifts, and thus distracts us from a wide range of radical changes we need to make in materials extraction, production, distribution, consumption and disposal; and
- the idea of market solutions to market failure (‘externalities’) is an ideology that rarely makes sense, and especially not following the world’s worst-ever financial market failure, and especially not when the very idea of derivatives – a financial asset whose underlying value is several degrees removed and also subject to extreme variability – was thrown into question..

Most scientists insist that at least an 80% drop in emissions will be necessary within four decades, with the major cuts before 2020. To achieve this, carbon markets won’t work, as the leading US climate scientist, James Hansen, concluded in leading the intellectual opposition to Barack Obama’s cap and trade scheme. Obama’s legislation – the Waxman-Markey bill that passed the US House of

---

Representatives in June 2009 (with similar Senate legislation bogged down at the time of writing in September 2009) – was so profoundly flawed that the more ambitious wing of environmental civil society argued it should be scrapped, especially because of the legislation’s destruction of Environmental Protection Agency powers to regulate carbon pollution.  

Even the financial speculator George Soros criticizes cap and trade:

The cap and trade system of emissions trading is very difficult to control and its effects are diluted. It is pretty much breaking down because there is no penalty for developing countries not to add to their pollution. You count the saving but you don’t count the added pollution going on. As a world, I don’t think we are getting our act together on climate change at the moment... [CDMs] are not effective: you buy credits in third world countries that don’t have a cap on emissions and you can get carbon credits whether you can sell them or not... It is precisely because I am a market practitioner that I know the flaws in the system.  

To be sure, one wing of civil society – e.g., campaigners Avaaz, the World Wildlife Federation and the Climate Action Network – endorsed a Copenhagen deal no matter such flaws, which can be partially explained by the fact that some in the latter group have substantial conflicts of interest as carbon-traders themselves. According to Michael Dorsey, professor of political ecology at the US’s Dartmouth College, these include CAN board member Jennifer Morgan of the Worldwide Fund for Nature, who took leave for two years to direct work on Climate and Energy Security at carbon trading firm E3G, Kate Hampton, formerly of Friends of the Earth, who joined Climate Change Capital as head of policy while simultaneously advising the EU on energy and the environment, working for the California Environmental Protection Agency, and acting as president of International Carbon Investors and Services, and several others.

Dorsey concludes: ‘After more than a decade of failed politicking, many NGO types... are only partially jumping off the sinking ship – so as to work for industries driving the problem. Unfortunately, many continue to influence NGO policy from their current positions, while failing to admit to or even understand obvious conflicts of interest’.  

Critics condemn carbon trading for these and many other reasons, and term the emissions trade a ‘false solution’. In contrast, central to a genuine solution to climate crisis is the task of raising the world’s standards of living in a manner not characterized by the fossil fuel addiction of industrial society. Climate-related finance will be required, and this might logically begin with the North’s payment of ecological debt to the South for excess use of environmental space and for the damage done to many ecosystems already, and in future when vast damages are anticipated especially in Africa.

**Ecological debt defined**

According to the Quito group Accion Ecologica: ‘ecological debt is the debt accumulated by Northern, industrial countries toward Third World countries on account of resource plundering, environmental damages, and the free occupation of environmental space to deposit wastes, such as greenhouse gases, from the industrial countries.’ The term came into professional use in 1992 at the Earth Summit of the United Nations in Rio de Janeiro of 1992, with NGOs promoting the concept through an ‘Alternative Treaty’. An initial voice was the Institute of Political Ecology in Santiago, Chile, and contributed to world consciousness about ChloroFluoroCarbon damage to the ozone layer. A Colombian lawyer, José María Borrero, wrote a 1994 book on the topic, and further research and advocacy was provided by the Foundation for Research on the Protection of the Environment. By 1999 Friends of the Earth International and Christian Aid agreed to campaign against Ecological Debt, especially in relation to climate damage.

The leading scientist in the field, Autonomous University of Barcelona’s Joan Martinez-Alier, calculates ecological debt in many forms: ‘nutrients in exports including virtual water, the oil and minerals no longer available, the biodiversity destroyed, sulphur dioxide emitted by copper smelters, the mine tailings, the harms to health from flower exports, the pollution of water by mining, the commercial use of information and knowledge on genetic resources, when they have been appropriated gratis (‘biopiracy’), and agricultural genetic resources.’ As for the North’s ‘lack of payment for environmental services or for the disproportionate use of Environmental Space,’ Martinez-Alier criticizes ‘imports of solid or liquid toxic waste, and free disposal of gas residues (carbon dioxide, CFCS, etc).’ According to Martinez-Alier:

The notion of an Ecological Debt is not particularly radical. Think of the environmental liabilities incurred by firms (under the United States Superfund legislation), or of the engineering field called ‘restoration ecology’, or the proposals by the Swedish government in the early 1990s to calculate the country’s environmental debt.

The sums involved are potentially vast. As Martinez-Alier puts it, ‘tropical rainforests used for wood exports have an extraordinary past we will never know and ongoing biodiversity whose destruction we cannot begin to value.’ However, ‘although it is not possible to make an exact accounting, it is necessary to establish the principal categories and certain orders of magnitude in order to stimulate discussion... If we take the present human-made emissions of carbon, [this represents] a total annual subsidy of $75 billion is forthcoming from South to North.’

Leading ecofeminist Vandana Shiva and former South Centre director Yash Tandon estimate that wild seed varieties alone account for $66 billion in annual biopiracy benefits to the US. Examples of biopiracy in Africa, according to a 2005 study commissioned by Edmonds Institute, African Centre for Biosafety, include:

- three dozen cases of African resources – worth $billions – captured by firms for resale without adequate ‘Access and Benefit Sharing’ agreements between producers and the people who first used the natural products;

7. Ibid.
• diabetes drug produced by a Kenyan microbe and Libyan/Ethiopian treatment;
• antibiotics from Gambian termite hill and giant West African land snails;
• antifungal from Namibian giraffe and nematocidal fungi from Burkina Faso;
• infection-fighting amoeba from Mauritius;
• Congo (Brazzaville) treatment for impotence;
• vaccines from Egyptian microbes;
• South African and Namibian indigenous appetite suppressant Hoodia;
• drug addiction treatments, multipurpose kombo butter from Central, W.Africa;
• beauty, healing treatment from Okoumé resin in Central Africa;
• skin and hair care from the argan tree in Morocco, Egyptian ‘Pharaoh’s Wheat’, bambara groundnut and ‘resurrection plant’;
• endophytes and improved fescues from Algeria and Morocco;
• groundnuts from Malawi, Senegal, Mozambique, Sudan and Nigeria;
• Tanzanian impatiens; and
• molluscicides from the Horn of Africa.

A partial ecological debt accounting was published by environmental scientists in early 2008, and counted $1.8 trillion in concrete damages over several decades. According to co-author Richard Norgaard, ecological economist at the University of California, Berkeley, generated a crucial finding: ‘At least to some extent, the rich nations have developed at the expense of the poor, and, in effect, there is a debt to the poor. That, perhaps, is one reason that they are poor. You don’t see it until you do the kind of accounting that we do here’. The study included factors such as greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, overfishing, and the conversion of mangrove swamps into shrimp farms, but did not (so far) succeed in calculating other damages, e.g. excessive freshwater withdrawals, destruction of coral reefs, bio-diversity loss, invasive species, and war.

Another route into the intellectual challenge of calculating ecological debt was taken by the World Bank (2006) in its estimates of tangible wealth (in the book Where is the Wealth of Nations?). In addition to resource depletion and rent outflows, there are also other subsoil assets, timber resources, nontimber forest resources, protected areas, cropland and pastureland to account for. The ‘produced capital’ normally captured in GDP accounting is added to the tangible wealth. In the case of Ghana, to consider one example, that amounted to $2,022 per person in 2000. The same year, the Gross National Saving of Ghana was $40 and education spending was $7. These figures require downward adjustment to account for the consumption of fixed capital ($19), as well as the depletion of wealth in the form of stored energy ($0), minerals ($4) and net forest assets ($8). In Ghana, the adjusted net saving was $16 per person in 2000. But given population growth of 1.7%, the country’s wealth actually shrunk by $18 per person in 2000. Notwithstanding the World Bank’s conservative counting bias, Africa shows evidence of net per capita wealth reduction, largely

13. The Bank’s estimates are conservative for at least three reasons: a minimalist definition based upon international pricing in 2000 (not potential future values when scarcity becomes a more crucial factor, especially in the oil industry); the partial calculation of damages to the local environment, to workers’ health/safety, and especially to women in...
traceable to the extraction of nonrenewable resources that is not counterbalanced by capital investment from those firms doing the extraction (Table 1).

Table 1: African countries’ adjusted national wealth, 2000

<table>
<thead>
<tr>
<th>Country</th>
<th>Income per capita before adjustment ($)</th>
<th>Change in wealth per capita after adjustment ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benin</td>
<td>360</td>
<td>-42</td>
</tr>
<tr>
<td>Botswana</td>
<td>2925</td>
<td>814</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>230</td>
<td>-36</td>
</tr>
<tr>
<td>Burundi</td>
<td>97</td>
<td>-37</td>
</tr>
<tr>
<td>Cameroon</td>
<td>548</td>
<td>-152</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>1195</td>
<td>-81</td>
</tr>
<tr>
<td>Chad</td>
<td>174</td>
<td>-74</td>
</tr>
<tr>
<td>Comoros</td>
<td>367</td>
<td>-73</td>
</tr>
<tr>
<td>Rep of Congo</td>
<td>660</td>
<td>-727</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>625</td>
<td>-100</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>101</td>
<td>-27</td>
</tr>
<tr>
<td>Gabon</td>
<td>3370</td>
<td>-2241</td>
</tr>
<tr>
<td>The Gambia</td>
<td>305</td>
<td>-45</td>
</tr>
<tr>
<td>Ghana</td>
<td>255</td>
<td>-18</td>
</tr>
<tr>
<td>Kenya</td>
<td>343</td>
<td>-11</td>
</tr>
<tr>
<td>Madagascar</td>
<td>245</td>
<td>-56</td>
</tr>
<tr>
<td>Malawi</td>
<td>162</td>
<td>-29</td>
</tr>
<tr>
<td>Mali</td>
<td>221</td>
<td>-47</td>
</tr>
<tr>
<td>Mauritania</td>
<td>382</td>
<td>-147</td>
</tr>
<tr>
<td>Mauritius</td>
<td>3697</td>
<td>514</td>
</tr>
<tr>
<td>Mozambique</td>
<td>195</td>
<td>-20</td>
</tr>
<tr>
<td>Namibia</td>
<td>1820</td>
<td>140</td>
</tr>
<tr>
<td>Niger</td>
<td>166</td>
<td>-83</td>
</tr>
<tr>
<td>Nigeria</td>
<td>297</td>
<td>-210</td>
</tr>
<tr>
<td>Rwanda</td>
<td>233</td>
<td>-60</td>
</tr>
<tr>
<td>Senegal</td>
<td>449</td>
<td>-27</td>
</tr>
<tr>
<td>Seychelles</td>
<td>7089</td>
<td>904</td>
</tr>
<tr>
<td>South Africa</td>
<td>2837</td>
<td>-2</td>
</tr>
<tr>
<td>Swaziland</td>
<td>1375</td>
<td>8</td>
</tr>
<tr>
<td>Togo</td>
<td>285</td>
<td>-88</td>
</tr>
<tr>
<td>Zambia</td>
<td>312</td>
<td>-63</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>550</td>
<td>-4</td>
</tr>
</tbody>
</table>

African leaders united?

How is Africa reacting? Generally the leadership of African countries has cooperated with those doing the resource extraction and utilizing Africa’s ecological space, with only complaints by communities around mines; and the Bank’s use of average – not marginal – cost resource rents also probably leads to underestimations of the depletion costs.

exploited communities, by workers subject to safety/health violations and exploitation, and by environmentalists. However, finally in mid-2009, the African Union’s leadership on climate issues became a force to be reckoned with, thanks to Ethiopian prime minister Meles Zenawi, who also chaired the New Partnership for Africa’s Development and thus was invited to G20 gatherings along with the South African government. Sometimes seen merely as a US proxy power in the Horn of Africa – thanks to the disastrous, Washington-sponsored 2007 invasion of neighboring Somalia – Zenawi is rather more complex. He was once a self-described Marxist but became a tyrant whose troops killed scores of students and other democrats. It is ironic, thus, for Zenawi to lead the ecological debt charge, reportedly demanding a minimum of $67 billion – and up to $200 billion – annually from the North by 2020.15

Ironic or tragic, nevertheless this voice must be heard, considering how much Africa will be devastated by the climate crisis. The most shocking probable outcome of climate change is, according to the UN Intergovernmental Panel on Climate Change director R.K. Pachauri, ‘that there could be a possible reduction in yields in agriculture of: 50% by 2020 in some African countries... In Africa, crop net revenues could fall by as much as 90% by 2100, with small-scale farmers being the most affected.’ 16 The Climate Change Vulnerability Index, calculated in 2009 ‘from dozens of variables measuring the capacity of a country to cope with the consequences of global warming’, listed 22 African countries out of 28 across the world at ‘extreme risk’, whereas the United States is near the bottom of the world rankings of countries at risk even though it is the leading per capita contributor to climate change.17

There is no question that those most responsible should pay reparations, now that there is near-universal awareness of the damage being done by rising greenhouse gas emissions, and by the ongoing stubborn refusal by the rich to cut back. The amounts can be debated, for of course $67 billion/year for Africa is way too low, given how many incalculably valuable species will be lost, how much devastation to individuals and communities is already underway, how many economies will falter, how much ecology is threatened.

The question is not mainly a technical one, but related to power. Behind African elites’ considerations are the threat to repeat their performance in Seattle in 1999 and Cancun in 2003, when denial of consent in World Trade Organisation negotiations were the proximate cause of the summits’ collapse on both occasions. On September 3, 2009, Zenawi issued a strong threat from Addis Ababa about the upcoming Copenhagen conference: ‘If need be we are prepared to walk out of any negotiations that threatens to be another rape of our continent.’ 18

To gather that power, Zenawi established the Conference of African Heads of State and Government on Climate Change: chairpersons of the AU and the AU Commission, representatives of Ethiopia, Algeria, the Democratic Republic of Congo, Kenya, Mauritius, Mozambique, Nigeria, Uganda, Chairpersons of the African Ministerial Conference on Environment and Technical Negotiators on climate change from all member states. They met at the AU Summit in Sirte, Libya in July 2009, agreeing that Africa would have a sole delegation to Copenhagen with a united front and demands for compensation. According to AU official Abebe Hailegabriel, ‘Trillions of dollars might not be enough in compensation. Thus there must be an assessment of the impact before the

figure.’ Added AU head Jean Ping, ‘Africa’s development aspirations are at stake unless urgent steps are taken to address the problems of climate change. Climate change will fundamentally affect productivity, increase the prevalence of disease and poverty... and trigger conflict and war’. 19

The most important African negotiator – and largest CO2 emitter (responsible for more than 40% of the continent’s CO2) – is South Africa. 20 Long seen as a vehicle for Western interests in Africa, Pretoria’s negotiators have two conflicting agendas: increasing Northern payments to Africa (a longstanding objective of the New Partnership for Africa’s Development, which requested $64 billion per annum in aid and investment concessions during the early 2000s); and increasing CO2 outputs through around 2050, when the Long-Term Mitigation Scenario – South Africa’s official climate cap – would come into effect and emissions declines are offered as a scenario. In the meantime, Pretoria has earmarked more than $100 billion for emissions-intensive coal and nuclear fired electricity generation plants due to be constructed during 2010-15, which would amplify Africa’s climate crisis, requiring more resources from the North for adaptation. South Africa does not, officially, see itself as an ecological creditor; As the environment minister, Buyelwa Sonjica put it in September 2009: ‘We expect money. We need money to be made available... we need money as of yesterday for adaptation and mitigation.’ 21

South African negotiators also lead the G77, and are on record from August 2009 demanding that ‘at least 1% of global GDP should be set aside by rich nations’ so as, according to one report, help developing countries conduct research, improve flood control, protect their coastlines, create seed banks and take other steps to cope with the severe storms and droughts linked to climate change. The money also could help poor countries obtain technology to reduce their carbon emissions. Alf Wills, a top South African environmental official, summed up the position going into Copenhagen: ‘No money, no deal.’ 22

There are other allies, especially Bolivia, whose submission to the UNFCCC in 2009 made the ecological debt demand explicitly:

The climate debt of developed countries must be repaid, and this payment must begin with the outcomes to be agreed in Copenhagen. Developing countries are not seeking economic handouts to solve a problem we did not cause. What we call for is full payment of the debt owed to us by developed countries for threatening the integrity of the Earth’s climate system, for over-consuming a shared resource that belongs fairly and equally to all people, and for maintaining lifestyles that continue to threaten the lives and livelihoods of the poor majority of the planet’s population. This debt must be repaid by freeing up environmental space for developing countries and particular the poorest communities. There is no viable solution to climate change that is effective without being equitable. Deep emission reductions by developed countries are a necessary condition for stabilising the Earth’s climate. So too are profoundly larger transfers of technologies and financial resources than so far considered, if emissions are to be curbed in developing countries and they are also to realise their right to development and achieve their overriding priorities of poverty eradication and economic and social development. Any solution that does not ensure an

The equitable distribution of the Earth’s limited capacity to absorb greenhouse gases, as well as the costs of mitigating and adapting to climate change, is destined to fail.  

Bolivia’s government is generally driven by left-leaning popular forces in the rural and urban social movements. Other countries that have expressed similar sentiments include Venezuela, Paraguay, Malaysia and Sri Lanka. In Africa, where most countries do not have such strong movements, what is the state of play around civil society’s ecological debt demands?

**Civil society reactions**

The threat of a walkout at Copenhagen was contemplated with interest by civil society groups, both in Africa and across the world. The former became increasingly active in August 2008 when Africa chapters of Jubilee South converged in Nairobi to debunk limited ‘debt relief’ by Northern powers and to plan the next stage of financial campaigning. Nairobi-based Africa Jubilee South co-coordinator Njoki Njehu concluded, ‘Africa and the rest of the Global South are owed a huge historical and ecological debt for slavery, colonialism, and centuries of exploitation.’ Njehu says Jubilee’s challenge as it rebuilds is to link issues as diverse as food sovereignty, climate change, trade and EU Economic Partnership Agreements and continuing debt bondage. ‘From the initial 13 countries that participated in the Jubilee South founding conference in Johannesburg in 1999, the Africa Jubilee South network has grown to organizations and movements from 29 countries.’

A year later in Nairobi, the Africa Peoples Movement on Climate Change, pronounced:

- We reject the principle and application of Carbon Trading, which is a false solution based on inventing a perverse property right to pollute, a property right to air;
- We demand that human rights and values be placed at the centre of all global, national and regional solutions to the problem of climate change;
- We call on colleagues in the social and economic justice movement globally to rigorously campaign against the undemocratic corporate led agendas which will dominate the deliberations and processes at COP 15;
- We emphasize that ecological, small holder, agro-biodiversity based food production can ensure food and seed sovereignty and address climate change in Africa;
- We urge African governments to engage civil society groups positively and collaborate with them to build common national and international responses on the problems of climate change.

Another node of ecological debt organizing is the World Council of Churches (WCC), whose Central Committee adopted a formal statement in September 2009 on the North’s ‘deep moral obligation to promote ecological justice by addressing our debts to peoples most affected by ecological

---

25. Africa Peoples Movement on Climate Change (2009), ‘Confronting the Climate Crisis: Preparing for Copenhagen and Beyond’, Nairobi, 30 August.
destruction and to the earth itself.’ It is useful to consider the WCC’s analysis because it does not stop at the debt, but attacks the mode of production itself:

We call for the recognition, repayment and restitution of ecological debt in various ways, including non-market ways of compensation and reparation, that go beyond the market’s limited ability to measure and distribute... This warrants a re-ordering of economic paradigms from consumerist, exploitive models to models that are respectful of localized economies, indigenous cultures and spiritualities, the earth’s reproductive limits, as well as the right of other life forms to blossom. And this begins with the recognition of ecological debt.  

The WCC Central Committee made several requests, including:

- Urges Northern governments, institutions and corporations to take initiatives to drastically reduce their greenhouse gas (GHG) emissions within and beyond the United Nations Framework Convention on Climate Change (UNFCCC), which stipulates the principles of historical responsibility and ‘common, but differentiated responsibilities’ (CDR), according to the fixed timelines set out by the UNFCCC report of 2007.
- Urges WCC member churches to call their governments to adopt a fair and binding deal, in order to bring the CO2 levels down to less than 350 parts per million (ppm), at the Conference of Parties (COP 15) of the UNFCCC in Copenhagen in December 2009, based on climate justice principles, which include effective support to vulnerable communities to adapt to the consequences of climate change through adaptation funds and technology transfer.
- Calls upon the international community to ensure the transfer of financial resources to countries of the South to keep petroleum in the ground in fragile environments and preserve other natural resources as well as to pay for the costs of climate change mitigation and adaptation based on tools such as the Greenhouse Development Rights (GDR) Framework.
- Demands the cancellation of the illegitimate financial debts of Southern countries, most urgently for the poorest nations, as part of social and ecological compensations, not as official development assistance.  

It is evident at this writing (September 2009) that the COP15 – or its immediate successors – will not make the urgent progress required on cutting emissions to the levels at which climate disaster can be averted; or on providing restitution and reparations to Third World peoples, or even canceling their illegitimate debts. To be sure, in September 2009, a desire by the European Union to begin paying its ecological debt was recorded, but only up to $22 billion annually to fund adaptation, roughly 1/7th of what EU environment commissioner Stavros Dimas observed would be required by 2020 ($145 bn). Some of that would be subtracted from existing aid. The EU damage estimates were considered far too conservative, as China’s mitigation and adaptation costs alone would be $438 bn annually by 2030, according to Beijing. According to one report, the EU view is that emissions trading should be the basis of ‘much of the shortfall’: ‘The international carbon market, if designed properly, will create an increasing financial flow to developing countries and

27. Ibid.
could potentially deliver as much as €38bn per year in 2020.’ 28 As noted above, however, this strategy is replete with fatal flaws.

Because of the influence of big capital and pro-market ideology on Northern governments in the Kyoto process to date, not only will emissions continue rising and the ecological debt not be properly paid, carbon trading will not be dropped as a central EU and US strategy. As a result, critical narratives will become more common, and in turn will force serious advocates of environmental justice to raise very important strategic issues about how to get the North to repay the ecological debt.

Conclusion: Repaying the debt?

Existing North-South redistributive processes are not effective. Northern foreign aid to the South goes only a small way towards ecological debt repayment. It is a far lower sum (and falling) than military spending (which is rising), and in any case 60% is ‘phantom aid’, according to the Johannesburg-based agency Action Aid. 29 Aid is also a tool of imperialism. Other North-South payments to Africa are yet more dubious, including the debt relief promised in 2005. In spite of enormous hype at the Gleneagles G8 meeting, the International Monetary Fund calculates that notwithstanding a lower debt stock, the actual debt repayments of the lowest-income African countries stayed stable from 2006-08 and then increased 50% in 2009 as a percentage of export earnings. 30 So although there was debt cancellation, it was on unrepayable debt, with debilitating debt servicing charges for low-income African countries still preventing local accumulation and provision of social services, much less financing preparations for climate change adaptation.

There are important debates about who should pay what share. But in general, it is important to note that ecological debt results from the unsustainable production and consumption systems adopted by elites in the Northern countries, which are to some extent generalized across the Northern populations. Hence even poor and working-class people in the North, often through no fault of their own, are tied into systems of auto-centric transport or conspicuous consumption, which mean that they consume far more of the Earth’s resources than do working-class people of the South.

Hence, recalling the WCC position in favour of a ‘Greenhouse Development Rights’ framework, it is worth considering that a per capita ‘right to pollute’ – and to trade pollution rights – will have some of the same dubious outcomes. The bigger questions which GDRs pose are whether environmental justice can be measured merely in terms of formal ‘equality’; whether environmental justice is instead historical, political-economic, and grounded in social struggles of those adversely affected; and in turn, whether environmental justice should not aim higher, for a broader, deeper eco-social transformation? The WCC hints at such a perspective, but the GDR approach may foreclose it by reducing the challenge to incremental reformism. When it comes specifically to GDRs as a methodology for calculating debt liabilities and beneficiaries, Larry Lohmann of The Cornerhouse (a British development institute) critiques the model’s tacit endorsement of a long-discredited concept of ‘development’ that condescendingly sees ‘resilience’ as ‘far beyond the grasp of the billions of people that are still mired in

poverty’, and that singles out for special climate blame ‘subsistence farming, fuel wood harvesting, grazing, and timber extraction’ by ‘poor communities’ awaiting Northern tutelage in capital flows, social networking, carbon trading and methods for holding policymakers accountable. 31

Is a rights-based approach to environmental services preferable, as a strategy for demanding and properly redistributing ecological debt payments from North to South? South Africa’s ‘Free Basic Services’ provide insights into the possibilities and limitations of rights discourses for redistributing wealth from North to South. In 2000 (just after Nelson Mandela left the presidency), the ruling party’s municipal campaign platform highlighted this promise: ‘African National Congress-led local government will provide all residents with a free basic amount of water, electricity and other municipal services, so as to help the poor. Those who use more than the basic amounts will pay for the extra they use.’ But as can be shown in excruciating detail, it was the failure to move beyond individualized nuclear-family household units and tokenistic amounts of free basic water (6 kl/household/month) and electricity (50kWh/household/month) that led to many ‘service delivery protests’ during subsequent years, contributing to South Africa’s standing as the country with the most per capita social unrest. Attempts to gain justice in these cases through the court system – even the Constitutional Court in September 2009 – proved extremely frustrating.32

Juridical approaches to ecological debt may not be optimal, although interesting precedents have emerged. In November 2008 a San Francisco court began considering an ecological debt and reparations lawsuit – under the Alien Tort Claims Act – filed by Larry Bowoto and the Ilaje people of the Niger Delta against Chevron for involvement in 1998 murders reminiscent of those that took the life of Ken Saro-Wiwa and eight other Ogoni leaders on November 10, 1995. The first judgments went against Bowoto et al but appeals are in process. In June 2009, Shell Oil agreed in a similar lawsuit to an out-of-court settlement with reparations payments of $15.5 million. Although representing just four hours’ worth of Shell profits, it was considered a crucial step in establishing liability and disincentivising corporate exploitation of people and nature. In late 2009, further reparations lawsuits were expected in the New York Second District Court by victims of apartheid who initially requested $400 billion in damages from US corporations which profited from South African operations during the same period. Supreme Court justices had so many investments in these companies that in 2008 they bounced the case back to a lower New York court to decide, effectively throwing out an earlier judgment against the plaintiffs: the Jubilee anti-debt movement, the Khulumani Support Group for apartheid victims, and 17 000 other black South Africans. When Judge Clara Scheindlin replaced the late John Sprizzo, the case suddenly was taken seriously and in March 2009 moved a step closer to trial when she rejected the corporations’ attempt to have it dismissed.33

Beyond these kinds of tort actions, will courts start declaring climate-related ecological debt a valid concept? Environmental rights to protection from climate change were explored in a court case filed by Friends of the Earth, Greenpeace and the cities of Boulder, Colorado, Arcata, Santa Monica and Oakland in California, against the US Export-Import Bank and Overseas Private Investment Corporation, which had invested, loaned or insured $32 billion in fossil fuel projects from 1990 – 2003 without regard to the US National Environmental Policy Act (NEPA). At present, only US cities

have formal standing to sue for damages from climate change under NEPA, in the wake of a 2005 federal ruling. The out-of-court-settlement in February 2009 meant that the defendants will in future incorporate CO2 emissions into planning, but there are prospects for further suits that extend into identification and payment of damages.34

There are quite obvious limits to prospects for court relief under the Alien Tort Claims Act or NEPA, the two most advanced areas. Hence it would be consistent to also proceed with more immediate strategies, as well as direct action tactics. As Al Gore expressed it in 2007, ‘I can’t understand why there aren’t rings of young people blocking bulldozers and preventing them from constructing coal-fired power plants’.35 Arguing that ‘Protest and direct action could be the only way to tackle soaring carbon emissions,’ the US National Aeronautic and Space Administration’s leading climate scientist, James Hansen, ‘The democratic process is supposed to be one person one vote, but it turns out that money is talking louder than the votes. So, I’m not surprised that people are getting frustrated. I think that peaceful demonstration is not out of order, because we’re running out of time.’36 Hansen himself moved to direct action in 2009, demonstrating at coal-fired power plants in Coventry, England and West Virginia (where at the latter site he was arrested).

But the most effective examples of direct action come from the Global South, especially the Niger Delta. In January 2007, at the World Social Forum in Nairobi, many other groups became aware of this movement thanks to eloquent activists from the Delta, including the Port Harcourt NGO Environmental Rights Action (ERA). In separate disruptions of production (including armed interventions), the Movement for the Emancipation of the Niger Delta prevented roughly 80% of the country’s oil from being extracted, although a cease-fire was called in mid-2009.37 The strategy is consistent with the grassroots, coalface and fenceline demands of civil society activists in the Oilwatch network (headquartered at ERA) to leave the oil in the soil, the coal in the hole, the tar sand in the land. Activists from Accion Ecologica popularized this approach in their struggle to halt exploitation of the oil beneath the Yasuni park in the Ecuadoran Amazon. The German state development agency GTZ conceded to a $50 mn/year grant, although Yasuni may become a pilot carbon trading case unless Ecuadoran environmental and indigenous rights activists can resist.38

The legacy of keeping oil in the soil includes Alaskan and Californian environmentalists who halted drilling and even exploration. In Norway, the global justice group, ATTAC, took up the same concerns in an October 2007 conference and began the hard work of persuading wealthy Norwegian Oil Fund managers that they should use the vast proceeds of their North Sea inheritance to repay Ecuadorans some of the ecological debt owed via a Yasuni grant. In Australia, regular blockades of Newcastle coal transport (by rail and sea) by the activist group, Rising Tide, correspond to Gore’s injunction.

Canada is another Northern site where activists are hard at work to leave the oil in the soil. In a November 2007 conference in Edmonton, the University of Alberta Parkland Institute addressed the need to halt development of tar sand deposits (which require a liter of oil to be burned for every three extracted and devastate local water, fisheries, and air quality). Institute director Gordon Laxer laid out careful arguments for strict limits on the use of water and greenhouse gas

emissions in tar sand extraction; realistic land reclamation plans (including a financial deposit large enough to cover full-cost reclamation up-front); no further subsidies for the production of dirty energy; provisions for energy security for Canadians (since so much of the tar sand extract is exported to the U.S.); and much higher economic rents on dirty energy to fund a clean energy industry (currently Alberta has a very low royalty rate). These kinds of provisions would strictly limit the extraction of fossil fuels and permit oil to leave the soil only under conditions in which much greater socio-ecological and economic benefit is retained by the broader society.39

There are many other examples where courageous communities and environmentalists have lobbied successfully to keep nonrenewable resources (not just fossil fuels) in the ground for the sake of the environment, community stability, disincentivizing political corruption, and workforce health and safety. For many victims, the extraction of these resources is incredibly costly in terms of local land use, water extraction, energy consumption, and political corruption, and requires constant surveillance and community solidarity. The adverse balance of forces noted at the outset should be restated: the climate negotiators and corporations of the Global North will consistently fail to make sustained emissions cuts; to depart from the ineffectual, dangerous carbon trading modus operandi; and to offer adequate reparations for the ecological debt. This will, in turn, require national states to take stronger actions, such as Zenawi has threatened, or as Ecuador’s Rafael Correa did in defaulting on odious foreign debt in early 2009. But most of all, it will require people of conscience across the world to become involved, and to offer solidarity and activism aimed at leaving fossil fuels in the ground.

A climate-poverty challenge in South Durban
with Vanessa Black, Rehana Dada and Desmond D’Sa, The Mercury, 19 August 2009

Let’s be frank: the most important trend to affect our lives over the coming decades – climate change – is being ignored by our own people, by our municipal representatives, and by the companies doing business in our neighbourhoods.

In South Durban, the Community Environmental Alliance (SDCEA) views climate change with the utmost concern and last year we issued a pamphlet to help residents understand the implications for our weather, our vulnerabilities to natural disaster and the ways we should begin adapting.

But we also think that mitigation of the problem is a responsibility of our organisation. After all, our neighbourhoods are full of climate tsotsis, especially in the petro-chemical, transport and pulp/paper industries.

The impact of climate change will especially be felt in several of our community’s vulnerable areas:

- Low-lying sites include areas where shacks have been built in flood plains and other places with inadequate storm-water drainage – and poor people especially are located in environmentally-vulnerable zones.
- Many wetland areas of South Durban have been destroyed over the past few decades.
- The ability of the beachfront to withstand bruising waves and torrential storms has limits, as the March 2007 semi-tsunami proved by ripping up infrastructure and even roads at Ansteys, Brighton, Cuttings and ‘Toti beaches.
- Our landscape has been covered with asphalt and cement, leading to worse flash floods, as we saw in July 2008.
- Fishing has also already been adversely affected by rising seawater temperatures, as the failed 2009 sardine run demonstrated.
- The small-scale agricultural sector near the airport could be devastated, as the UN Intergovernmental Panel on Climate Change anticipates a 90% reduction this century in African farmer production due to droughts and floods; while many other farmers from rural KwaZulu-Natal will immigrate to Durban as their livelihoods decline.
- Street and market traders will be adversely affected if they do not get access to local food and fish products for resale.
- Jobs in the air transport, shipping/trucking and auto sectors will be radically changed by the imposition of carbon taxes, so the employment base of South Durban will need to adjust, and that usually happens at the expense of ordinary people.
- The proposed Transnet pipeline to double petroleum flows to Johannesburg is being rerouted through South Durban for what we believe are environmentally-racist reasons – and without adequate consideration to dangerous implications of (and for) climate change.

Already, our community is known as the armpit of South Africa, because sulphur pollution – that rotten egg smell – is notorious. Lethal fires break out regularly at badly-maintained facilities in the petro-chemical complex, especially the Engen refinery. But in addition, greenhouse gases such as CO2 and methane are being emitted by major industries at a rate that makes South Durban one of our country’s worst climate hotspots.
These companies are going to have to completely transform their production systems so as to be less destructive. We believe many should vacate our community because of the persistent damage they have caused residents and the environment.

Unfortunately, when it comes to climate change, it is not only the corporations that are now the enemies of our current residents and our descendants.

Service delivery failure also characterises the Durban municipality’s climate policy. Officials have failed to incorporate climate change in economic development planning, leaving all our citizens far more vulnerable than we should be:

- Gambling that our city’s future will be based on tourism, major sports events and transport is absurd given what we now know about the need for national and global carbon taxes.
- The municipality’s attempt to profit from climate change through ‘Clean Development Mechanism’ carbon trading gimmicks at several landfill sites is not only unworkable, it is also immoral because it allows Northern countries and companies to maintain greenhouse gas emissions while neglecting green alternatives to waste disposal at home.
- The city’s failure to fund green jobs and the just transition away from fossil fuel addiction is another example of short-sightedness.
- City manager Michael Sutcliffe has already littered Durban with failed gambles and public subsidies at the Point and ICC, formerly Blue Flag Beaches, the Early Morning Market, bus privatisation, services disconnections and a growing housing crisis, evictions of fisher-folk from the port, non-consultative street renaming, and vast cost-overruns at the Mabhida Stadium. He has let loose police on all our communities when we attempt to stage non-violent marches. He treats shackdwellers, market traders, organised labour, and residents’ organisations with contempt.

Supported by Oxfam, today SDCEA holds a day-long hearing at the Clairwood Tamil Institute Hall, focusing on ways that climate change and poverty are mutually destructive, and how we can fight back, for the good of our present and the survival of our society and environment long into the future.

When the United Nations Kyoto Protocol Conference is updated in Copenhagen, Denmark in December, we will provide testimonies from South Durban to inform the deliberations. Last week, the main UN official responsible for climate change, Yvo de Boer, warned that efforts at reaching an emissions reduction deal “will not make it at this rate”.

At the rate the elites in both Copenhagen and Durban are going, it is only through grassroots pressure that they will change their ways. It is up to all of us to save our species from self-destruction, by reversing the corporate and state policies and practices that are so certain to wreck the planet.
“We sometimes feed conflict by the way we award contracts, gain access to land, and deal with community representatives,” Shell Nigeria admitted in 2003.

It was a modest confession from a corporate giant that has long collaborated with the state to loot Nigeria’s oil and gas resources, systematically destroying the indigenous ecology through spills, deforestation, flaring and dumped waste, in the process fueling climate change that threatens our collective future on the planet.

In 2006, the Niger Delta Natural Resource Damage Assessment and Restoration Project declared the region “one of the 10 most important wetlands and marine ecosystems in the world.” Although 20 million people directly depend on shared natural Delta resources such as fisheries, fertile land and water sources, Shell is responsible for 2900 oil spills.

Many have stood up to say “enough!”, but perhaps it was the Ogoniland civic leader and writer/poet Ken Saro-Wiwa who is best known for courageous socio-environmental struggle against Shell, especially after mobilizing 300 000 non-violent protesters in early 1993.

Our UKZN colleague Dennis Brutus recalls his last meeting with the 54 year-old Saro-Wiwa, at the University of Pittsburgh: “Ken was displaying his new novel Soja Boy, his 28th book. He seemed very gloomy – even pessimistic: as if he had a foreboding that he would be executed on his return to Nigeria.”

Brutus traveled to Johannesburg soon thereafter: “After a Wits conference in 1995, the US poet Amiri Baraka and I brought a letter to Mandela’s office appealing for a stronger role in preventing his execution. But the functionary who took the letter was not encouraging.”

Brutus reminds us, “Saro-Wiwa was executed in a bungled operation, with three attempts. The evidence has emerged that the Nigerian regime of Sani Abacha acted on instructions of Shell Oil.”

Saro-Wiwa’s son and brother are now taking Shell to court in the US under the Alien Tort Claims Act, a law Brutus himself helped to publicise as part of a suit demanding apartheid reparations from multinational corporations that profited from apartheid by colluding with the white South African military prior to 1994.

Families of Saro-Wiwa and other victims claim that from 1990-1995, Shell requested and financed Nigerian soldiers to repress a peaceful environmental justice movement with deadly force. On November 10, 1995, the “Ogoni Nine” were executed after being framed for murder and tried by the military.

In addition to Saro-Wiwa, those killed were youth leader John Kpuinen, Dr. Barinem Kiobel, Saturday Doobee, Nordu Eawo, Daniel Gbokoo, Paul Levera, Felix Nuate and Baribor Bera.

On May 26, after twelve years of preliminary arguments, the Ogoni finally get their day in the New York courts, supported by Brutus’ anti-apartheid ally Paul Hoffman, the Center for Constitutional Rights, EarthRights International and Justice in Nigeria Now.
Solidarity protests will be held around the world, including The Bluff’s Solomon Mahlangu (Edwin Swales) Shell petrol station.

Nearby, Shell’s refining operation at Sapref is partly responsible for the extreme leukemia and asthma rates suffered by Merebank and Wentworth residents. Shell won the groundWork/CCS “Corpse Awards” in 2005, for contributions to mortality/morbidity in the South Durban basin: “13 thousand tones of sulphur dioxide and 1.2 million tones of carbon dioxide as well as the usual heady mix of volatile organic compounds.”

A few years earlier, in 2001, according to Desmond D’Sa of the South Durban Community Environmental Alliance, “Sapref’s ageing pipelines ruptured and leaked between one and two million litres of fuel into the ground beneath local people’s houses, and 26 tons of tetra-ethyl-lead leaked out of a holding tank adjacent to community houses. Shell then set up a ‘Community Liaison Forum’ to divide the community.”

The damage pales in comparison to the Niger Delta, where it is estimated that 1.5 million tonnes of oil have spilled since drilling began 51 years ago, the equivalent of an Exxon Valdez spill each year, costing more than $5 billion in annual environmental damage. Last year, Nigerian president Umaru Musa Yar’Adua finally conceded the obvious: “There is a total loss of confidence between Shell and the Ogoni people. So, another operator acceptable to the Ogonis will take over.”

But Yar’Adua’s regime, like others before it, is rife with corruption and collaboration, and Shell has hung on in a country responsible for 10% of its profits. The bulk of Nigeria’s wealth is held offshore by corrupt officials, and is estimated at over $100 billion.

It is not only Nigerian money that flows out. In Cape Town, Pastor Barry Saro Wuganaale assists Ogoni exiles who still face exile “because of founded fears of persecutions by the government against those who believe in the liberation of their motherland.”

Nigeria, considered to be the US’s new oil cushion, is the seventh largest producer in the world pumping out a minimum of 900,000 barrels of crude each day. Even greater amounts would flow were it not for militant activists of the Movement for the Emancipation of the Niger Delta, who kidnap foreign oil workers both for ransom and to halt the destruction.

As MEND spokesperson Jomo Gbomo put it a year ago after an attack on a Shell facility, “Our candid advice to the oil majors is that they should not waste their time repairing any lines as we will continue to sabotage them.”

Despite Nigeria raking in over $400 billion during the past three decades, the population living under $1 per day has increased from 59% (1990) to 71% (2008) while the percentage of people with access to clean water has decreased by 3% (50% – 1990 to 47% 2008).

Says Brutus, “The reparations case against Shell strongly relates to our South African anti-apartheid case.” In the same court, six weeks ago, Judge Shira Scheindlin found that Daimler Chrysler, Ford, General Motors, IBM, Fujitsu and Rheinmetall must answer charges in September.

Six years ago, US secretary of state Colin Powell arm-twisted Thabo Mbeki and justice minister Penuell Maduna to write a letter opposing the apartheid reparations case on grounds it interfered with SA’s own reconciliation process and hence would harm US foreign policy. Will Jacob Zuma and
Jeff Radebe follow suit with this blasphemy, given how they have pledged to foreign investors there will be no change in economic policy?

Economist Joseph Stiglitz and Archbishop Desmond Tutu testified against Pretoria’s alliance with the corporations. Last month Scheindlin confirmed that there was “absolutely nothing in the Truth and Reconciliation Commission process, its goals or the pursuit of the overriding goal of reconciliation, linked with truth, that would be impeded by this litigation. To the contrary, such litigation is entirely consistent with these policies and the findings of the TRC.”

As Brutus’ co-plaintiffs in the Khulumani Support Group observed, “That ruling has certainly breathed new life into a class of human-rights litigation seeking to establish that corporations have obligations under international law to not be complicit in human rights violations.”

Some of Saro-Wiwa’s last words are the most inspiring, and can ring true with some assistance from the US courts: “I have no doubt at all about the ultimate success of my cause, no matter the trials and tribulations which I and those who believe with me may encounter on our journey. Nor imprisonment nor death can stop our ultimate victory.”
The state of the global carbon trade debate
The Commoner, Winter 2009

Introduction

“I can’t understand why there aren’t rings of young people blocking bulldozers and preventing them from constructing coal-fired power plants.” – Al Gore speaking privately, August 2007

What is the state of the strategic debate over climate change? What kinds of reforms are being contested? Are we in danger of seeing the air itself – one of our last commons – become commodified, reflecting not only the core elite strategy to mitigate global warming, but market-environmentalist acquiescence?

As climate change generates destruction and misery, the people and corporations responsible for these problems – especially in the US/EU-centred petro-mineral-military complex and associated financial agencies like the World Bank – are renewing their grip on power, but likewise reasserting their rights to property and to inaction on climate change. And a good many activists once strongly opposed to the corporate elites have bought in, seduced by the idea that we have to tackle the climate crisis one step at a time, with reforms that the establishment can live with, that in turn can be used to leverage substantial cuts in emissions through clever market incentives.

Here, we grapple with four sets of strategies to combat climate change: emissions cap-and-trade options, carbon taxation, command and control of emissions, and alternative grassroots climate change mitigation strategies. The latter two are what we insist will be necessary to save the planet, yet it is the former two strategies that are still ascendant.

A scientific consensus now appears unshakable: by 2050, the world requires 80% reductions in CO2 emissions to prevent tipping of the world environment into an unmanageable process and potentially a species-threatening crisis. Yet the options being contemplated in global and national public policy debates to take us to 80% reductions were nowhere near what is required, for several reasons.

The first is that the global balance of forces appears adverse to the kinds of radical changes required. As a mid-2008 report from Bonn put it,

Another round of talks on the road towards a new global deal on climate change was wrapping up in Germany on Friday, battered by criticism that progress had been negligible. The 12-day haggle under the 192-nation United Nations Framework Convention on Climate Change (UNFCCC) was the second since the accord in Bali, Indonesia, last December that set down a “road map” towards a new planetary treaty... India representative Chandrashekar

2. Earlier reports on the struggle over commodification of the air as a climate change mitigation strategy include the co-edited books with Rehana Dada (2005) Trouble in the Air (Durban, Centre for Civil Society and Amsterdam, Transnational Institute) and with Dada and Graham Erion (2007, 2008), Climate Change, Carbon Trading and Civil Society (Pietermaritzburg, UKZN Press and Amsterdam, Rozenberg Publishers).
Dasgupta deplored “the lack of any real progress” in Bonn and “a deafening silence” among industrialised countries, save the European Union.3

In this context, the current state of debate, in mid-2008, divides those who would want the world economy to slowly and painlessly adapt to CO2 abatement strategies, and those who would advocate dramatic emissions cuts in a manner that is both redistributive (from rich to poor and North to South, and in the process male to female), and sufficiently shocking to economic structures and markets that major transformations in production and consumption are compelled.

**Harnessing the market to fix a market imperfection**

There are some who argue that market-based instruments – either a “cap-and-trade” system or carbon tax (or some hybrid) – will have the capacity to rope in the major CO2 emitters and compel them to reduce greenhouse gases as an economic strategy, a means of using the market to fix a market imperfection. A debate has emerged about how to make mitigation more efficient. As the US Congressional Budget Office explains:

> The most efficient approaches to reducing emissions of CO2 involve giving businesses and households an economic incentive for such reductions. Such an incentive could be provided in various ways, including a tax on emissions, a cap on the total annual level of emissions combined with a system of tradable emission allowances, or a modified cap-and-trade program that includes features to constrain the cost of emission reductions that would be undertaken in an effort to meet the cap.4

The “cap” means that each major point source of emissions – usually in the form of a country and a firm within a country – would be granted an emissions permit for each tonne of CO2 released into the atmosphere. The cap would gradually reduce to the point that by 2050, the 80% target is met. The crucial point is that through the “trade”, flexibility can be attained so as to achieve more efficient greenhouse gas reduction. Those with the opportunity to make bigger cuts should do so and sell their “hot air” – the emissions saved above and beyond what is required at any given point in time – to those who have a harder time making the required cuts. Such a trading strategy would keep the high-emissions businesses alive until they have time to adapt. Auctioning the permits would give governments a dependable revenue stream which could be used to invest in renewable energy and other innovations. In the US, $300 billion per year is anticipated as feasible income (at $10-15 per metric tone of CO2) by reducing emissions 80% below 1990 levels by 2050.

Another version of a market-based climate change mitigation system – which either enforces underlying economic dynamics or changes them – is a tax on greenhouse gas emissions. Such a tax would take the production system as given and alter the demand structure. According to an assessment by the US Congressional Budget Office,

> A tax on emissions would be the most efficient incentive-based option for reducing emissions and could be relatively easy to implement. If it was coordinated among major emitting countries, it would help minimize the cost of achieving a global target for emissions by providing consistent incentives for reducing emissions around the world. If other major nations used cap-and-trade programs rather than taxes on emissions, a U.S. tax could still

---

provide roughly comparable incentives for emission reductions if the tax rate each year was set to equal the expected price of allowances under those programs. 5

The major problems with taxation are tax avoidance capacities of influential industries, and incidence: who will pay the bill. As noted below, there are ways to design a tax system with a strongly redistributive outcome, and in the process to incentivize transformative economic strategies. However, a dramatic shift in political power is required for such an outcome.

A more equitable version of emissions trading advocacy comes from those who recommend a per capita strategy oriented to social justice along North-South lines, combined with trading. The per capita right-to-emit has been advocated through “contraction and convergence” and “Greenhouse Development Rights” strategies.

The alternatives to such market-based strategies typically fall into state-oriented command-and-control, and activist “direct action”. The rationale here is, typically, that the application of market incentives – and in the process, the granting of pollution rights – cannot generate the cuts needed to save the species from severe damage due to climate change. Instead, a variety of strategies and tactics that would explicitly cut greenhouse gas emissions is preferable. Some of the strategies – a switch to renewable energy, changed consumption patterns, new production and consumption incentives through punitive taxation, and “keep the oil in the soil and the coal in the hole” campaigns – are already being adopted by some activists.

The state of the debate

In mid-2008, the most important single site of debate was the US Congress, where a cap-and-trade law proposed by Senators Joe Lieberman and John Warner was narrowly defeated. Although there are two committed US Presidential candidates in the November 2008 election who have aggressive positions on climate change – Ralph Nader (Independent) and Cynthia McKinney (Greens) – their chances of winning are negligible. The two who will set the climate agenda from 2009 onwards are Barack Obama and John McCain, and both support the cap-and-trade concept. The primary difference is that Obama supports and auction while McCain would give out emissions permits to large CO2 polluters for free, at least initially.

The Environmental Defense Fund argues that core support for cap-and-trade in the US Congress represents an opportunity in 2009 for a major legislative initiative. However, opposition to Lieberman-Warner by environmentalists and other progressive organisations – including Greenpeace, Friends of the Earth, MoveOn.org, CREDO Mobile and Public Citizen – was a result of its inclusion of support for nuclear energy, its inadequate emissions cap, the adverse impact on low-income people, and other problems inherent in carbon trading. Increasingly, there are many environmental justice organisations which lobby not for cap-and-trade, but for a robust and fair carbon tax instead.

The other main site of debate is Europe, whose Emissions Trading Scheme (ETS) has been hotly contested. Due to the large reliance upon controversial offsets as well as the ETS price crash in April 2006 once a flood of emissions permits were released to companies on a gift (non-auctioned) basis, there is doubt about the ability of the ETS authority to tackle the challenge of regulating emissions. Moreover, roughly 50 billion euros worth of pollution

rights (measured at 30 euros per tonne) are being transferred to large European CO2 emitters annually through the ETS (Table 1).

Table 1: Transfers of wealth to polluters by EU countries

<table>
<thead>
<tr>
<th>Privatization of Atmospheric World Carbon Dump by the EU Emissions Trading Scheme</th>
<th>Phase 1 gift to big business (MT CO2)</th>
<th>2005 emissions</th>
<th>Phase 2 approved gift to big business</th>
<th>Increase/ decrease in gift to big business</th>
<th>Gift = x% of “world carbon dump” (IPCC)</th>
<th>Yearly value of gift @ €30/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech R</td>
<td>97.6</td>
<td>82.5</td>
<td>86.8</td>
<td>+5%</td>
<td>-1-2%</td>
<td>€2.6b</td>
</tr>
<tr>
<td>France</td>
<td>156.5</td>
<td>131.3</td>
<td>132.8</td>
<td>+1%</td>
<td>-1-3%</td>
<td>€4.0b</td>
</tr>
<tr>
<td>Germany</td>
<td>499</td>
<td>474</td>
<td>453.1</td>
<td>-4%</td>
<td>-5-9%</td>
<td>€13.6b</td>
</tr>
<tr>
<td>Netherlands</td>
<td>95.3</td>
<td>80.4</td>
<td>85.8</td>
<td>+7%</td>
<td>-1-2%</td>
<td>€2.6b</td>
</tr>
<tr>
<td>Poland</td>
<td>239.1</td>
<td>203.1</td>
<td>208.5</td>
<td>+3%</td>
<td>-2-4%</td>
<td>€6.3b</td>
</tr>
<tr>
<td>Spain</td>
<td>174.4</td>
<td>182.9</td>
<td>152.3</td>
<td>-17%</td>
<td>-2-3%</td>
<td>€4.6b</td>
</tr>
<tr>
<td>Sweden</td>
<td>22.9</td>
<td>19.3</td>
<td>22.8</td>
<td>+18%</td>
<td>&lt;1%</td>
<td>€0.7b</td>
</tr>
<tr>
<td>UK</td>
<td>245.3</td>
<td>242.4</td>
<td>246.2</td>
<td>+2%</td>
<td>-3-5%</td>
<td>€7.4b</td>
</tr>
<tr>
<td>TOTAL EU</td>
<td>1815.7</td>
<td>1672.5</td>
<td>1650.7</td>
<td>-1%</td>
<td>-17-34%</td>
<td>€49.52b</td>
</tr>
</tbody>
</table>

Source: Jutta Kill

According to Jutta Kill, there are five lessons to be learned from the ETS experience:

1. Over-allocation of permits due to intensive industry lobbying during the allocation process led to price collapse of ETS permit prices in April 2006 and few permit trades for compliance purposes. Similar price collapse due to over-allocation has been reported for the New South Wales emissions trading scheme. Lack of a stringent cap has undermined the emissions trading scheme. Slight tightening of the cap for the second phase of the ETS from 2008-2012 in the wake of the failure and price collapse during phase 1 has been offset by increasing the hole in the cap: across the board, companies are allowed to use significantly more offset credits from CDM and JI projects during phase 2 compared to phase 1 of the ETS. Several reports have shown that the shortfall of permits resulting from the tightening of the cap in phase 2 will be filled to 88%-100% by increased volume of offset credit influx into the ETS.

2. Free allocation of emission permits has led to record windfall profits to energy utilities and some of the highest emitting industry sectors in the EU. 100% auctioning in the third phase of the ETS increasingly considered as the only remedy to salvage the ETS. Capping emissions without 100% auctioning selects against immediate investment in long-term structural change. Short-term and uncertain price signals discourage structural change, cost-spreading discourages innovation.
3. Any influx of offset credits into the emissions trading scheme will undermine effectiveness due to risk of development of a ‘lemons market’ as a result of unverifiable quality of offset credits. This is of concern particularly given the increasing evidence that up to one third of CDM projects either already registered or in the process of CDM registration are considered ‘non-additional’ by CDM experts.

4. There is increasing acknowledgement, including from the private sector, that emissions trading will not provide the incentives and price signals required to trigger significant investments and R&D into zero-carbon and low-carbon technologies which is required to be able to achieve the emissions cuts required to avert climate chaos.

5. Increasing signs that more effective approaches to switch to zero-carbon economies are held back for fear of jeopardizing the EU’s flagship Emissions Trading Scheme. A leaked UK government internal note for example reveals a deep concern that achieving the 20 per cent renewable energy target itself could present a “major risk” to the EU’s emission trading scheme, for which London has become a major centre of exchange. Combined with the EU’s drive to greater energy efficiency, increasing the share of renewable energy could cause a carbon price collapse and make the ETS “redundant”, the note says.6

A crucial determinant of the impact of market mechanisms, whether carbon trades or taxes, is the problem of our unreliable understanding of carbon price elasticity: i.e., what happens to demand for carbon-related products when their price changes, either in small increments or dramatically. Latest data, and their implications for environmental justice, are reviewed below. In addition, a series of less publicised alternatives are in continual evolution, including the Contraction-and-Convergence and Greenhouse Development Rights strategies for per capita emissions rights, which also involve trading.

In contrast to market-related approaches, command-and-control strategies for emissions reductions have an important history. However, for public policy to evolve in a just and effective way on climate emissions, a much stronger set of measures will be required. These will mix the set of command-and-control strategies associated with prior emissions controls (e.g. ChloroFluoroCarbons in the 1996 Montreal Protocol and many European regulations of emissions) and the national state strategy known as “leave the oil in the soil” (and “leave the coal in the hole”), with direct grassroots action against greenhouse gas emission points (such as coal facilities), as advocated by Al Gore in 2007.

Reformist and non-reformist reforms

There are intrinsic, deep-level problems in the new emissions markets, both on their own terms and with respect to the climate and peoples most vulnerable. What is required is agreement on the strategic orientation and the kinds of alliances that can move the debate forward. To this end, applied to the debate over market solutions to the climate crisis, consider the late French

sociologist Andre Gorz’s distinction (in his books *Strategy for Labour* and *Socialism and Revolution*) between “reformist reforms” and “non-reformist reforms”:

1) *Reformist* reforms undergird, strengthen and relegitimize the main institutions and dynamics in the system that cause the climate change problem, and thus weaken and demobilise environmental and social justice advocacy communities through co-option;

2) *Non-reformist* reforms undermine, weaken and delegitimize the climate change system’s main institutions and dynamics, and consequently strengthen its critics, giving them momentum and further reason to mobilize.

The prior pages allow us to distinguish four market-based emissions mitigation initiatives along this spectrum:

1) *carbon trades without auctions*, where pollution permits are grandfathered in, as in the European Trading Scheme, are now so widely delegitimized, that only US Republican Party candidate John McCain supports them;

2) *carbon trades with auctions* will increasingly dominate discussions, especially in the US if Barack Obama is elected President in November, in part because they have the support of many mainstream commentators and large environmental organizations;

3) *carbon taxes*, either aimed to be revenue-neutral, or to raise funds for renewables and socio-economic transformation, will continue to be seen as the main progressive alternative to carbon trading, even though such taxes do not address more fundamental power relations or achieve systematic change required to avert climate disaster; and

4) *Greenhouse Development Rights, Contraction-and-Convergence* and other *per capita “right to pollute” strategies* with a North-South redistributive orientation are also advocated by eloquent environmentalists and some Third World leaders, and entail a trading component and the property right to emit.

Each strategy has major disadvantages by virtue of being located within market-based systems, especially during a period of extreme financial volatility during which energy-related securities (including emissions credits) have been amongst the most unreliable measures of value. As a result, we can conclude that the first two are reformist reforms, and the latter two have non-reformist possibilities. There are two further non-reformist alternatives – command-and-control emissions prohibitions and local supply-side strategies (a kind of command-and-control from below) – that bear consideration once the market-based strategies are briefly reviewed.

A central problem is that reformist reforms can be *counterproductive* to mitigating climate change. In short, it is possible that an exploitative system becomes even stronger in the wake of an eco-social change campaign. If campaigners unwittingly adopt the same logic of the system, and turn for change implementation to the kinds of institutions responsible for exploitative damage, and moreover also restore those institutions’ credibility, the reforms may do more harm than good.

---

To illustrate, if mainstream environmentalists endorse World Bank strategies to commodify forests through the “Reducing Emissions From Deforestation and Degradation” (REDD) programme, their co-optation inevitably strengthens the Bank – responsible for vast climate damage as a major fossil fuel investor – and weakens the work of indigenous people and environmental activists. The reformist-reform logic appears in the case of a Brazilian meat packing plant in the Amazon that coincides with the Bank’s investments in forest protection. There are, in such cases, persuasive advocates of reform, such as Dr Daniel Nepstad of Woods Hole Research Institute, who accept the basic parameters of the system’s logic, namely the ongoing exploitation of the Amazon, and who seek to tame that process using World Bank resources:

The irony is that at the same time the World Bank was launching the Forest Carbon Partnership Facility, the International Finance Corporation [a World Bank agency] was making a loan to the Bertin meat-packing plant in the Brazilian Amazon. The loan aims to set up a sustainable supply of beef for an ecological meat-packing facility in Marab in the state of Para. What upset the protestors was the idea that the same institution would be accelerating deforestation by expanding the capacity to process meat in the Amazon region as it creates this mechanism for compensating nations for reducing their emissions.

Our own feeling on this is that there comes a point where we have to acknowledge that the region is undergoing an economic transformation and if we can find a powerful lever for commodifying how this transformation takes place – putting a premium on legal land-use practices, legal deforestation, the gradual elimination of the use of fire – we should take it. For me that trumps the negative consequences of setting up increased capacity in the region. In other words, I really do believe that there are many responsible cattle ranchers and soy farmers in the Amazon who are waiting for some sort of recognition through positive incentives.

The incentive could be a very small mark up – literally a few cents per pound of beef sold – but it would send a signal to these ranchers that if they want to participate in the new beef economy, they better have their legal forest reserve in order or have compensated for it, maintain or be in the process of restoring their riparian zone forests, control erosion, and get their cows out of the streams and into artificial watering tanks. There is a whole range of positive things that can happen once cattle ranchers see that if they do things right they are rewarded. This means that as Brazil moves forward as the world’s leading exporter of beef – with tremendous potential to expand – we have a way to shape that expansion as it takes place to reduce the negative ecological impacts.8

Such logic is also evident in efforts to reform carbon trading by advocating the auctioning of emissions permits. In opposition to reformist reforms, a coalition of 32 Indigenous Peoples (and environmental allies) lobbied against the REDD programme:

Given the threat to Indigenous Peoples’ Rights that REDD represents, we call on the United Nations Permanent Forum on Indigenous Issues to recommend strongly to the UNFCCC, the UN Forum of Forests, concerned UN agencies such as UNEP, the World Bank, the Special Rapporteur on Human Rights and Fundamental Freedoms of Indigenous Peoples and nation states that REDD not be considered as a strategy to combat Climate Change but, in fact, is in

violation of the UN Declaration on Indigenous Peoples. Moreover, we also urge the
Permanent Forum to recommend strongly to the Convention on Biological Diversity that the
implementation of the programme of work on Forests and biodiversity prohibit REDD. We
also further urge that Paragraph 5 be amended to remove “clean development mechanism,
the Clean Energy Investment Framework, and the Global Environment Facility”. These
initiatives do not demonstrate good examples of partnership with indigenous peoples.
There are many CDM projects that have human rights violations, lack of transparency and
have failed to recognize the principles of Free, Prior and Informed Consent.9

In contrast to reformist reform initiatives such as REDD, non-reformist reforms are generated by
campaigns that explicitly reject the underlying logic of climate change, i.e., fossil fuel exploitation.
Such reforms legitimate the opponents of the system, not the system itself, and lead to further
mobilisation rather than to the movement’s cooptation. An example is the partially-successful
struggle to “keep the oil in the soil” in the Yasuní National Park waged for several years by the
Quito NGO Accion Ecologia and its Oil Watch allies. The campaign advanced rapidly in 2007, when
Ecuadoran president Rafael Correa declared his intent to leave $12 billion worth of oil reserves
untouched in perpetuity, in exchange for anticipated payments from international sources – not as
a carbon offset, but instead to be considered part of the North’s repayment of its “ecological debt”
to the South.

The aim of the proposal is to provide a creative solution for the threat posed by the
extraction of crude oil in the Ishpingo-Tiputini-Tambococha (ITT) oil fields, which are located
in the highly vulnerable area of Yasuní National Park. The proposal would contribute to
preserving biodiversity, reducing carbon dioxide emissions, and respecting the rights of
indigenous peoples and their way of life.

Ecuadorian President Rafael Correa has stated that the country’s first option is to maintain
the crude oil in the subsoil. The national and international communities would be called on
to help the Ecuadorian government implement this costly decision for the country. The
government hopes to recover 50% of the revenues it would obtain by extracting the oil. The
procedure involves the issuing of government bonds for the crude oil that will remain “in
situ”, with the double commitment of never extracting this oil and of protecting Yasuní
National Park. It is important to keep in mind that if Ecuador succeeds in receiving the
hoped for amount – estimated at 350 million dollars annually – it would only be for a period
of ten years beginning after the sixth year, since production and potential revenues would
progressively decline at the end of that period.

A more promising alternative would be a strategy to provide the government with the 50%
of resources in such a way as to provide a consistent income for an indefinite period of time.
This resources would be channelled towards activities that help to free the country from its

9. Organizations that Endorse this Statement: Indigenous Environmental Network, CORE Manipur, Federation of
Indigenous and Tribal Peoples in Asia, Na Koia Ikuiku Kalahui Hawaii, Indigenous World Association, CAPAJ- Parlamento
del Pueblo Qollana, International Indian Treaty Council, Amazon Alliance, COICA, Instituto Indigena Brasileno para la
Poropiedad Intelctual, The Haudenosaunee Delegation, Agence Kanak de Developpement, Mary Simat-MAWEED,
Marcos Terena-Comite Intertribal-ITC-Brasil, Land is Life. ARPI-SC-Peru Amazonia, Asociaciones de Mujeres Waorani de
la Amazonia AMWAE, Kus Kura S.C., Indigenous Network on Economic and Trade, Aguomon FEINE, Friends of the Earth
International, Amerindian Peoples Association, FIMI North America, L. Ole L. Lengai-Sinyati Youth Alliance, Beverly
Longid-Cordillera Peoples Alliance Philippines, Red de Mujeres Indigenas sobre Biodiversidad de Abgatala, Fundacion
para la Promocion de Conocimiento Indigena, Asociacion Indigena Ambiental, INTI-Intercambio Nativa Tradicional
Internacional, Global Forest Coalition, Fuerza de Mujeres Wayuu, Caf’ ek
dependency on exports and imports and to consolidate food sovereignty. The proposal is framed within the national and international contexts based on the following considerations:
1. halt climate change
2. stop destruction of biodiversity
3. protect the huaorani people
4. economic transformation of the country.

The very notion of an “ecological debt” is also a non-reformist reform, because although it asserts the calculation of the monetary value of nature, payment on such an obligation would revise such a range of power relationships that massive structural change would inevitably follow. Such linkages between environmental stewardship and social justice provide the only sure way to generate political principles that can inform lasting climate mitigation. Prior to concluding with these movements’ most recent call to action, we must quickly review the proposals “in between”, and ask, will principles of non-reformist reformism be adopted by those advocating carbon taxes and per capita emissions rights?

Two crucial questions emerge which will help determine whether the reforms proposed by carbon tax and per capita emissions rights advocates do more harm than good. The first is whether the kinds of reforms proposed – which entail putting a price on carbon and exposing that price (and all manner of related negotiations) to corporate-dominated national and global-scale “governance” initiatives – can be assured of both genuinely addressing the climate crisis and also redistributing energy and economic resources from rich to poor. The “devil is in the details” in relation to both a carbon tax and per capita emissions rights, yet as noted, the presumptions entailed in taxation (which often has a maldistributive impact, as shown in the British Columbia gas tax) and allocations of property rights will make a constructive outcome unlikely.

Might non-reformist reform opportunities emerge so that a carbon tax redistributes resources to both renewable energy investments and to low-income people who, through no fault of their own, are most vulnerable to higher energy prices? Could a per capita rights mechanism be designed and adopted that move forward the agenda of the environmental and social justice movements without falling victim to market distortions? These are not impossible outcomes, but given prevailing power relations are quite unlikely.

**Strategic problems for the environmental justice movement**

The next question is whether pursuing these sorts of reforms will contribute to the expansion and empowerment of the environmental justice movement. At the December 2007 Bali Conference of Parties, a movement emerged to unite “green” and “red” demands:

- reduced consumption;
- huge financial transfers from North to South based on historical responsibility and ecological debt for adaptation and mitigation costs paid for by redirecting military budgets, innovative taxes and debt cancellation;
- leaving fossil fuels in the ground and investing in appropriate energy-efficiency and safe, clean and community-led renewable energy;
- rights based resource conservation that enforces Indigenous land rights and promotes peoples’ sovereignty over energy, forests, land and water; and
- sustainable family farming and peoples’ food sovereignty.
The alternative strategies proposed above do not rely entirely upon command-and-control, for that in turn requires national and ultimately global state power, which is not likely to be exercised by environmentally-responsible political parties for many years if not decades, notwithstanding encouraging signs from Ecuador. Instead, a new approach to command-and-control-from-below is being adopted which takes forward community, labour and environmental strategies to maintain resources in the ground, especially fossil fuels and especially in cases where “resource curse” economic power relations prevail. It is in such cases where activists have an unprecedented opportunity.

Because of the failure of elites to properly recognise and address climate change, and because their strategy of commodifying the commons through the Clean Development Mechanism was already a serious threat to numerous local communities across the Third World, the Durban Group for Climate Justice produced a Declaration on Carbon Trading in 2004, which rejected the claim that this strategy could halt the climate crisis. It insisted that the crisis has been caused more than anything else by the mining of fossil fuels and the release of their carbon to the oceans, air, soil and living things.

The Durban Declaration suggested that people need to be made more aware of carbon trading threat, and to actively intervene against it. By August 2005, inspiring citizen activism in Durban’s Clare Estate community forced the municipality to withdraw an application to the World Bank for carbon trading finance to include methane extraction from the vast Bisasar Road landfill (instead, the application was for two relatively tiny suburban dumps). But the heroic battle against Bisasar’s CDM status was merely defensive, and the loss of Sajida Khan to cancer in July 2007 was a great blow to the struggle there. Community residents have a proactive agenda, to urgently ensure the safe and environmentally sound extraction of methane from the Bisasar Road landfill, even if that means slightly higher rubbish removal bills for those in Durban who are thoughtlessly filling its landfills, without recycling their waste.10

At the time the Durban Declaration was drafted in October 2004, only cutting-edge environmental activists and experts understood the dangers of carbon trading. Others – including many well-meaning climate activists – argued that the dangers are not intrinsic in trading, just in the rotting ‘low hanging fruits’ that represent the first and easiest projects to fund, at the cheapest carbon price. Since then, however, numerous voices have been raised against carbon colonialism. These voices oppose the notion that, through carbon trading, Northern polluters can continue their fossil fuel addiction, drawing down the global atmospheric commons in the process. Rather than foisting destructive schemes like the toxic Bisasar Road dump on the South, the North owes a vast ecological debt.

Conclusion: Direct action to protect the climate commons

It is here, finally, where the most crucial lesson of the climate debate lies: in confirming the grassroots, coalface and fenceline demand by civil society activists to leave the oil in the soil, the coal in the hole, the resources in the ground. This demand emanated in a systemic way at the Kyoto Protocol negotiations in 1997 from the group OilWatch when it was based in Quito, Ecuador, as heroic activists from Accion Ecologia took on struggles such as halting exploitation of the Yasuni oil.

Within a decade, in January 2007, at the World Social Forum in Nairobi, many other groups became aware of this movement thanks to eloquent activists from the Niger Delta, including the Port Harcourt NGO Environmental Rights Action. (ERA visited Durban in March 2007 to expand the network with excellent allies such as the South Durban Community Environmental Alliance and the Pietermaritzburg NGO groundWork, and in turn these groups committed in July 2008 to campaign against the proposed pipeline from Durban to Johannesburg which would double petrol product flow).

But the legacy of resisting fossil fuel abuse goes back much further, and includes Alaskan and Californian environmentalists who halted drilling and even exploration. In Norway, the global justice group ATTAC took up the same concerns in an October 2007 conference, and began the hard work of persuading wealthy Norwegian Oil Fund managers that they should use the vast proceeds of their North Sea inheritance to repay Ecuadorans some of the ecological debt owed. In Australia, regular blockades of Newcastle coal transport (by rail and sea) by the activist group Rising Tide correspond to Al Gore’s injunction, noted at the outset. As Gore showed in his August 2008 endorsement of Obama at the Denver Democratic Convention, the establishment’s desire for offsets will require even more intensive activism of this sort.

Canada is another Northern site where activists are hard at work to leave the oil in the soil. In a November 2007 conference in Edmonton, the Parkland Institute of the University of Alberta also addressed the need for no further development of tar sand deposits (which require a litre of oil to be burned for every three to be extracted, and which devastate local water, fisheries and air quality). Institute director Gordon Laxer laid out careful arguments for strict limits on the use of water and greenhouse gas emissions in tar sand extraction; realistic land reclamation plans (including a financial deposit large enough to cover full-cost reclamation up-front); no further subsidies for the production of dirty energy; provisions for energy security for Canadians (since so much of the tar sand extract is exported to the US); and much higher economic rents on dirty energy to fund a clean energy industry (since Alberta has a very low royalty rate). These kinds of provisions would strictly limit the extraction of fossil fuels and permit oil to leave the soil only under conditions in which much greater socio-ecological and economic benefit is retained by the broader society.  

There are many other examples where courageous communities and environmentalists have lobbied successfully to keep nonrenewable resources (not just fossil fuels) in the ground, for the sake of the environment, community stability, disincetivising political corruption and workforce health and safety. The highest-stake cases in South Africa at present may well be the Limpopo Province platinum fields and Wild Coast titanium finds, where communities are resisting foreign companies. The extraction of these resources is incredibly costly in terms of local land use, water extraction, energy consumption and political corruption, and requires constant surveillance and community solidarity.

11. I raised this issue in many sites in 2006-08, enthusiastically commenting on the moral, political, economic and ecological merits of leaving the oil in the soil. Unfortunately, in addition to confessing profound humility about the excessive fossil fuel burned by airplanes which have taken me on this quest, I must report on the only site where the message dropped like a lead balloon: Venezuela. At a July 2007 environmental seminar at the vibrant Centro Internacionale Miranda in Caracas, joined by the brilliant Mexican ecological economist David Barkin, our attempts failed to generate debate on whether petro-socialism might become a contradiction in terms.
Finally, one of the most eloquent climate analysts is George Monbiot, so it was revealing that in December 2007, instead of going to Bali, he stayed home in Britain and caused some trouble, reporting back in his *Guardian* column:

Ladies and gentlemen, I have the answer! Incredible as it might seem, I have stumbled across the single technology which will save us from runaway climate change! From the goodness of my heart I offer it to you for free. No patents, no small print, no hidden clauses. Already this technology, a radical new kind of carbon capture and storage, is causing a stir among scientists. It is cheap, it is efficient and it can be deployed straight away. It is called ... leaving fossil fuels in the ground.

On a filthy day last week, as governments gathered in Bali to prevaricate about climate change, a group of us tried to put this policy into effect. We swarmed into the opencast coal mine being dug at Ffos-y-fran in South Wales and occupied the excavators, shutting down the works for the day. We were motivated by a fact which the wise heads in Bali have somehow missed: if fossil fuels are extracted, they will be used... The coal extracted from Ffos-y-fran alone will produce 29.5 million tonnes of carbon dioxide: equivalent, according to the latest figures from the Intergovernmental Panel on Climate Change, to the sustainable emissions of 55 million people for one year...

Before oil peaks, demand is likely to outstrip supply and the price will soar. The result is that the oil firms will have an even greater incentive to extract the stuff.

Already, encouraged by recent prices, the pollutocrats are pouring billions into unconventional oil. Last week BP announced a massive investment in Canadian tar sands. Oil produced from tar sands creates even more carbon emissions than the extraction of petroleum. There’s enough tar and kerogen in North America to cook the planet several times over.

If that runs out they switch to coal, of which there is hundreds of years’ supply. Sasol, the South African company founded during the apartheid period (when supplies of oil were blocked) to turn coal into liquid transport fuel, is conducting feasibility studies for new plants in India, China and the US. Neither geology nor market forces is going to save us from climate change.

When you review the plans for fossil fuel extraction, the horrible truth dawns that every carbon-cutting programme on earth is a con. Without supply-side policies, runaway climate change is inevitable, however hard we try to cut demand.12

---

A timely death?
New Internationalist, January 2009

Carbon trading is a charade that will do nothing to reduce global warming. Could it be doomed by the financial meltdown, or will Barack Obama help sustain it?

In the year leading to the Copenhagen Summit, preventing climate change may now finally get a proper global hearing – but not necessarily with useful outcomes. What could be a last ditch attempt to rely on markets to reduce greenhouse gas emissions looks likely to come from carbon trading enthusiast, US President-elect Barack Obama.

His market-friendly approach to tackling climate change is not surprising. Wall Street financiers donated substantially more campaign cash to Obama than McCain. In January 2008 Obama announced: 'We would put a cap-and-trade system [a carbon trading mechanism] in place that is as aggressive, if not more aggressive, than anybody else’s out there... So if somebody wants to build a coal-powered plant, they can; it’s just that it will bankrupt them because they’re going to be charged a huge sum for all that greenhouse gas that’s being emitted. That will also generate billions of dollars that we can invest in solar, wind, biodiesel and other alternative energy approaches.'

The idea is that polluters would bid against each other for a share of the emissions allowed under an agreed cap, which in turn they can trade with each other so as to improve economic efficiency.

It may sound like a neat plan. But it won’t work: in part, ironically, because the financial crisis that helped sweep Obama to power has also caused the price of carbon to collapse.

Carbon crash

The crisis crashed so many financial institutions and froze credit markets so quickly that carbon values in the emissions-trading markets plummeted by a quarter during the first weeks of October 2008, from around 30 dollars per tonne to less than 22. The price had been 37 dollars per tonne in July – showing just how quickly an incentive scheme meant to provide stability and security to clean energy investors can do the opposite.

Opponents of emissions trading still need to persuade centrist greens and the broader swathes of society that the carbon market is crazy

A low carbon price is no good for stimulating the kind of investment in alternatives needed: for example, an estimated 50-75 dollars per tonne is required to activate private sector investments in ‘carbon capture and storage’, the as-yet-non-existent technology by which coal-fired power stations could, theoretically, bury liquefied carbon emitted during power generation.

This extreme volatility makes it abundantly clear that market forces cannot be expected to discipline polluters.

Carbon trading, like most climate policies currently under consideration by élites, is what the French sociologist André Gorz would have called a ‘reformist reform’. It is addressing a market-caused problem – greenhouse gases released during most capitalist transactions – with a capitalist ‘solution’. That solution allows the North to continue emitting, through the granting and trading of brand new property rights to pollute. The only real winners are speculators, financiers and energy
sector hucksters who have made billions already. As the air itself is privatized and commodified, poor communities across the world suffer and resources and energy are diverted away from real solutions.

But opponents of emissions trading still need to persuade centrist greens and the broader swathes of society that the carbon market is crazy, because conventional wisdom begins with the opposite premise. As Obama himself says: ‘This market mechanism has worked before and will give all American consumers and businesses the incentives to use their ingenuity to develop economically effective solutions to climate change.’

Will it really?

A brief history of failure

Canadian economist John Dales first justified trading in emissions rights by applying market logic to water pollution in a 1968 essay. Then, after the 1980s Reagan/Bush administrations neutered the US Government’s ability to prohibit destructive activities, the Clean Air Act of 1990 was the first to legalize trade in sulphur dioxide to tackle acid rain. This approach was far less successful than parallel European ‘command-and-control’ environmental policies.

Nonetheless, in 1997, the Kyoto Protocol was negotiated to include carbon trading as a core strategy to reduce global emissions. This was because the then US Vice-President Al Gore threatened that his Congress would only sign up if corporations gained the ability to continue emitting above set limits by paying to buy someone else’s right to pollute. After co-opting critics in Kyoto, the Clinton-Gore Administration and Congress did not keep their word and, later, George W Bush pulled out of Kyoto. But the idea of carbon trading stuck and in Europe the Emissions Trading Scheme (ETS) was launched in January 2005.

Ever since, tales of scandals and market mishaps have emerged from dismayed financiers and business journalists. The intrinsic problem in setting an artificially generated market price for carbon was revealed in April 2006 when the ETS crashed, thanks to the over-allocation of pollution rights. The EU had miscalculated on how to set up the market and granted electricity generation firms far too many credits. Carbon lost over half its value in a single day, destroying many carbon offset projects earlier considered viable.

By 2007, the European Commissioner for Energy had admitted the ETS was: ‘A failure’. Peter Atherton of Citigroup conceded: ‘ETS has done nothing to curb emissions...[and] is a highly regressive tax, falling mostly on poor people.’ Had it achieved its aims? ‘Prices up, emissions up, profits up... so, not really.’ Who wins, who loses? ‘All generation-based utilities – winners. Coal and nuclear-based generators – biggest winners. Hedge funds and energy traders – even bigger winners. Losers...ahem...consumers!’

Even the Wall Street Journal confirmed in March 2007 that emissions trading ‘would make money for some very large corporations, but don’t believe for a minute that this charade would do much about global warming’.

The Kyoto Protocol also promotes carbon trading in the Majority World via the Clean Development Mechanism (CDM). This aims to finance emissions reductions project by project: for example, by turning landfill methane into electricity, or by planting trees. But, according to a Newsweek
investigation in March 2007, ‘it isn’t working... [and represents] a grossly inefficient way of cutting emissions in the developing world.’

Notorious projects like the Plantar timber monoculture in Brazil secured vast funds, with dreadful consequences for local communities and ecosystems. *Newsweek* called the trade ‘a shell game’ which has already transferred ‘$3 billion to some of the worst carbon polluters in the developing world’.

In October 2008, with the market crashing, Carl Mortished wrote in *The Times* of London: ‘The ETS is making a mockery of Europe’s stumbling attempts to lead the world in a market-based carbon strategy. It is causing irritation and frustration to the armies of advisers and investors who seek to cajole utilities into big investments in carbon reduction.’

**With friends like these...**

All this mainstream criticism should spell the end for what is clearly a bad idea. But many still doggedly endorse the carbon market, including major green groups in the influential Climate Action Network (CAN), which has lobbied most visibly on the Kyoto Protocol. Why? Some would say, pragmatism: it’s the only game in town, according to Sierra Club Canada director Elizabeth May: ‘I would have preferred a carbon tax, but that is not the agreement we have. The reality is that Kyoto is the only legally binding agreement to reduce greenhouse gases. When you’re drowning and someone throws you a lifeboat, you can’t wait for another one to come along.’

But according to Michael Dorsey, professor of political ecology at the US’s Dartmouth College, there is another reason for CAN’s support: some of its leaders have personal involvement in the industry. He lists many prominent greens closely connected to carbon trading firms. Take, for example, CAN board member Jennifer Morgan of the Worldwide Fund for Nature, who took leave for two years to direct work on Climate and Energy Security at carbon trading firm E3G. Or Kate Hampton, formerly of Friends of the Earth, who joined Climate Change Capital as head of policy while simultaneously advising the EU on energy and the environment, working for the California Environmental Protection Agency, and acting as president of International Carbon Investors and Services.

Dorsey concludes: ‘After more than a decade of failed politicking, many NGO types... are only partially jumping off the sinking ship – so as to work for industries driving the problem. Unfortunately, many continue to influence NGO policy from their current positions, while failing to admit to or even understand obvious conflicts of interest.’

Tellingly, in November 2008, Friends of the Earth International formally withdrew from CAN membership.

**Serious strategies**

The financial crisis has proved categorically that carbon trading is not a seaworthy lifeboat. As temperatures (and sea-levels) rise we are discovering the numerous leaks, opening up space for a crucial debate about how to change the world’s economy into something that does not threaten our descendants’ future. Luckily, countering the more sluggish, corporate-sponsored elements of the environmental movement are grassroots organizations, coming together to oppose market strategies wholesale and advocate direct and equitable measures that reverse addiction to fossil fuels.
Critics from Indonesia, Thailand, India, South Africa, Brazil and Ecuador, together with Northern academics, researchers and radical environmentalists first issued the ‘Durban Declaration’ in October 2004. This sounded the alarm about the ethical and economic shortcomings in carbon trading.

A tragic setback came in July 2007 with the death of Durban Declaration host Sajida Khan. She had battled against a Clean Development Mechanism proposal for methane extraction that had kept open the Bisasar Road toxic dump next to her home – which caused the cancer that ultimately killed her. But in December 2007, the movement joined forces with broader global justice activism at the Bali climate talks and formed the Climate Justice Now! network.

Climate Justice Now! is committed to exposing the false solutions promoted by governments, financial institutions and multinational corporations – such as forest carbon markets, agro-fuels and carbon offsetting. Instead, its members are campaigning to leave fossil fuels in the ground and invest in clean, efficient, community-led renewable energy. These are the only serious strategies in place: to halt climate change at the supply side. They will go much further than market gimmicks towards saving the planet.

---

1 By way of disclosure, the chapter’s first author was involved in leadership of Pacja from the outset. The second author has been active with several of the South African organisations mentioned, including the Durban counter-summit and South Durban Community Environmental Alliance.

II By ‘South’ we mean lower income countries otherwise referred as to ‘Third World’, ‘Periphery’, or ‘Developing countries’. Inequalities affect all countries, so by ‘Global South’ we explicitly acknowledge that the “history of colonialism, neo-imperialism, and differential eco-nomic and social change”(Dados and Connell, 2012: 13) impacts groups and regions both in the South and in the North.