Climate change, ecological debt, carbon trading and the seattling of Copenhagen

CENTRE FOR CIVIL SOCIETY

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Presentation to
Mellemfolkeligt Samvirke
(Action Aid Denmark),
Copenhagen-Durban

Global Change course
16 September 2009

OUR OBJECTIVE IS TO ADVANCE SOCIO-ECONOMIC AND ENVIRONMENTAL JUSTICE BY DEVELOPING CRITICAL KNOWLEDGE ABOUT, FOR AND IN DIALOGUE WITH CIVIL SOCIETY THROUGH TEACHING, RESEARCH AND PUBLISHING.

South Africa's 'Social Movements United' march from Alexandra Township to the World Summit on Sustainable Development in Sandton, 31 August 2002

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Cartoons by Zapiro


Sandton Convention Centre, Johnnesburg: UN World Summit on Sustainable Development 31 August 2002
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ZAPIRO
A GIFT FROM THE CORPORATE WORLD!
johannesburg world summit 2002
SUSTAINABLE DEVELOPMENT
•PROFIT
•SELF REGU-LATION
•UNFAIR TRADE

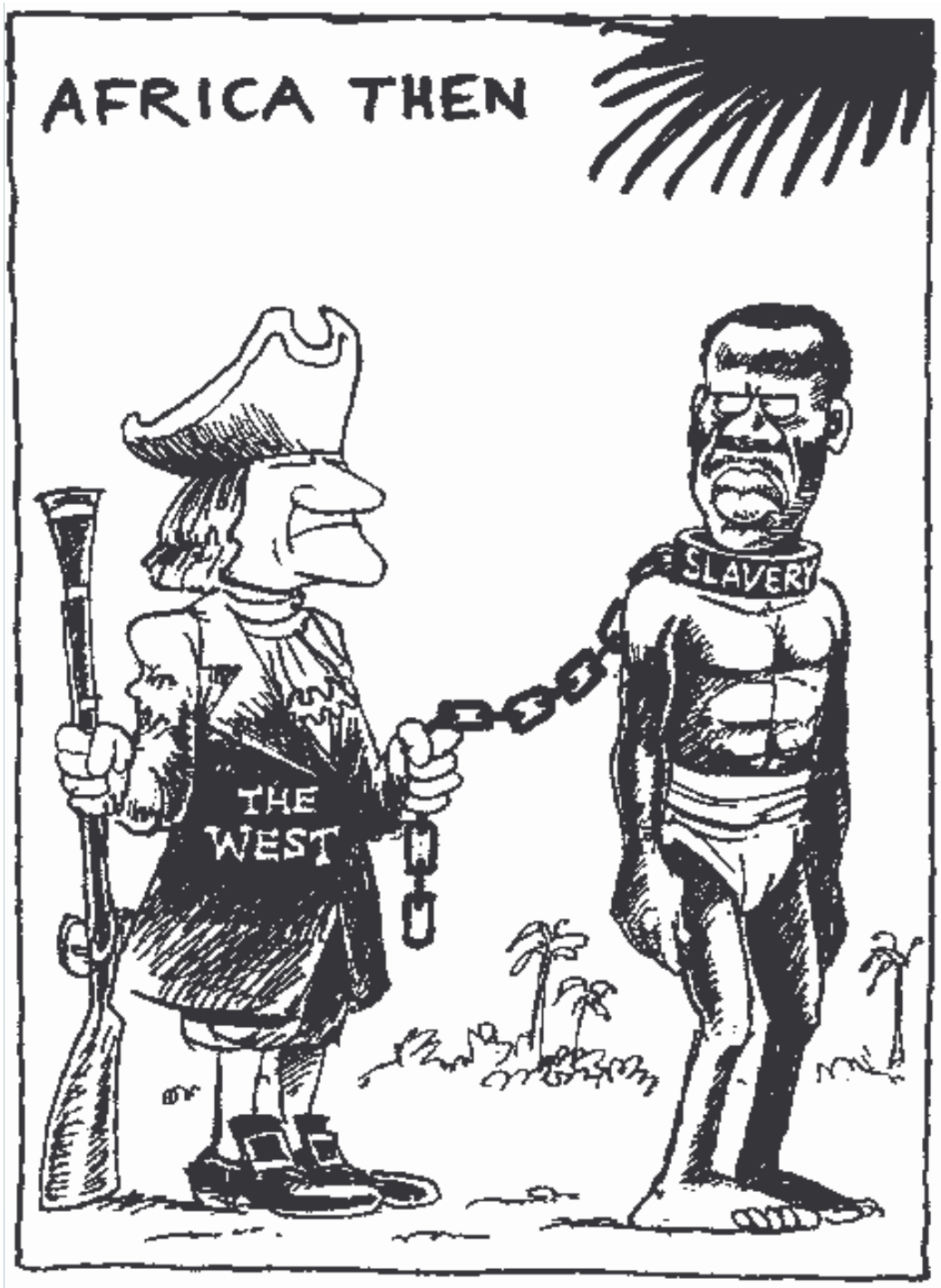

A TIMETABLE TO REDUCE EMISSIONS?! ..NOT UNTIL THERE'S MORE EVIDENCE OF GLOBAL CLIMATE CHANGE!
Johannesburg World Summit
ZAPIRO

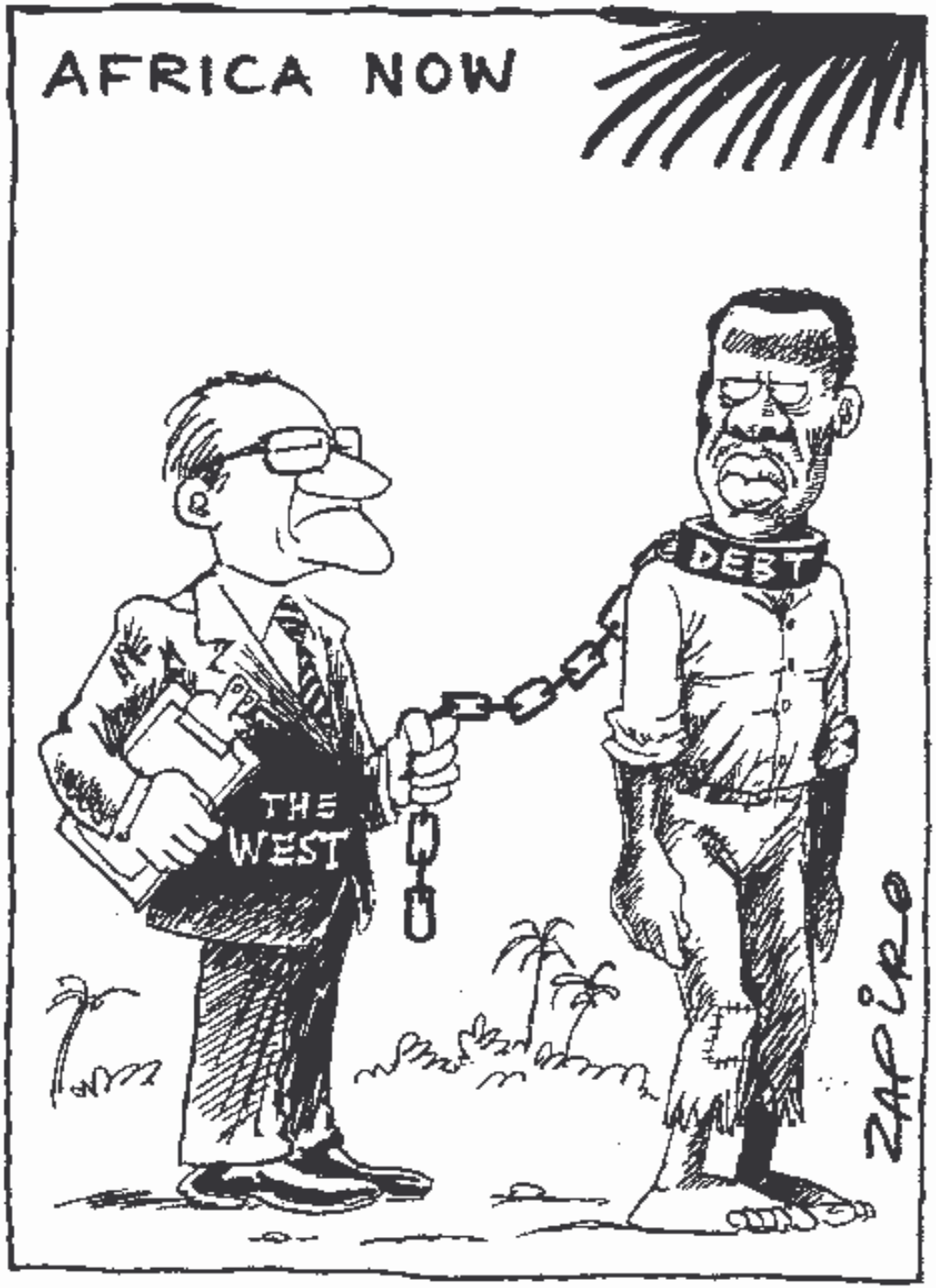
- Could Copenhagen be another W$$D, characterised by the 'privatisation of the air'?
- Should the conference be 'seattled'?
- Will the Global North renege on its responsibility to cut emissions 40% by 2020 and 80% by 2050?
- Will the Global North use carbon trading as a gimmick 'false solution'?
- Will the Global North refuse to pay sufficient ecological debt to victims of climate chaos?

Up for debate today:

1. **Contextualising** climate change and ecological debt amidst market failures, commodity crashes and financial crises
2. **Defining** the components and implications of ecological debt
3. **Calculating ecological debt**
4. **Financing** repayment of eco-debt
5. Avoiding **the carbon trade**
6. Taking **debtors to court**
7. Supporting the **movement**!


HOPES FOR THE WORLD SUMMIT
Zapiro
SUSTAINABLE DEVELOPMENT
johannesburg 2002
..TO SAVE THE ENVIRONMENT!
..TO UPLIFT THE POOR!
..TO KEEP EXPLOITING THE ENVIRONMENT AND THE POOR WHILE THEY FIGHT IT OUT!
ENVIRONMENT-ALISTS
POVERTY ACTIVISTS
BUSINESS


AFRICA THEN
THE WEST
SLAVERY


AFRICA NOW
THE WEST
DEBT

ECOLOGICAL DEBT

THE PEOPLES OF THE SOUTH ARE THE CREDITORS

Cases from Ecuador, Mozambique, Brazil and India

Edited by
Athena K. Peralta

World Council of Churches

From Rogate Mshana's Preface, a telling quote from Cecil B. Rhodes:

"We must find new lands from which we can easily obtain raw materials and at the same time exploit the cheap slave labour that is available from the natives of the colonies. The colonies would also provide a dumping ground for surplus goods produced in our factories"[3].

The 'impeccable' logic of a dumping ground for the waste trade

DATE: December 12, 1991
TO: Distribution
FR: Lawrence H. Summers

... 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... I've always thought that under-populated countries in Africa are vastly UNDER-polluted.

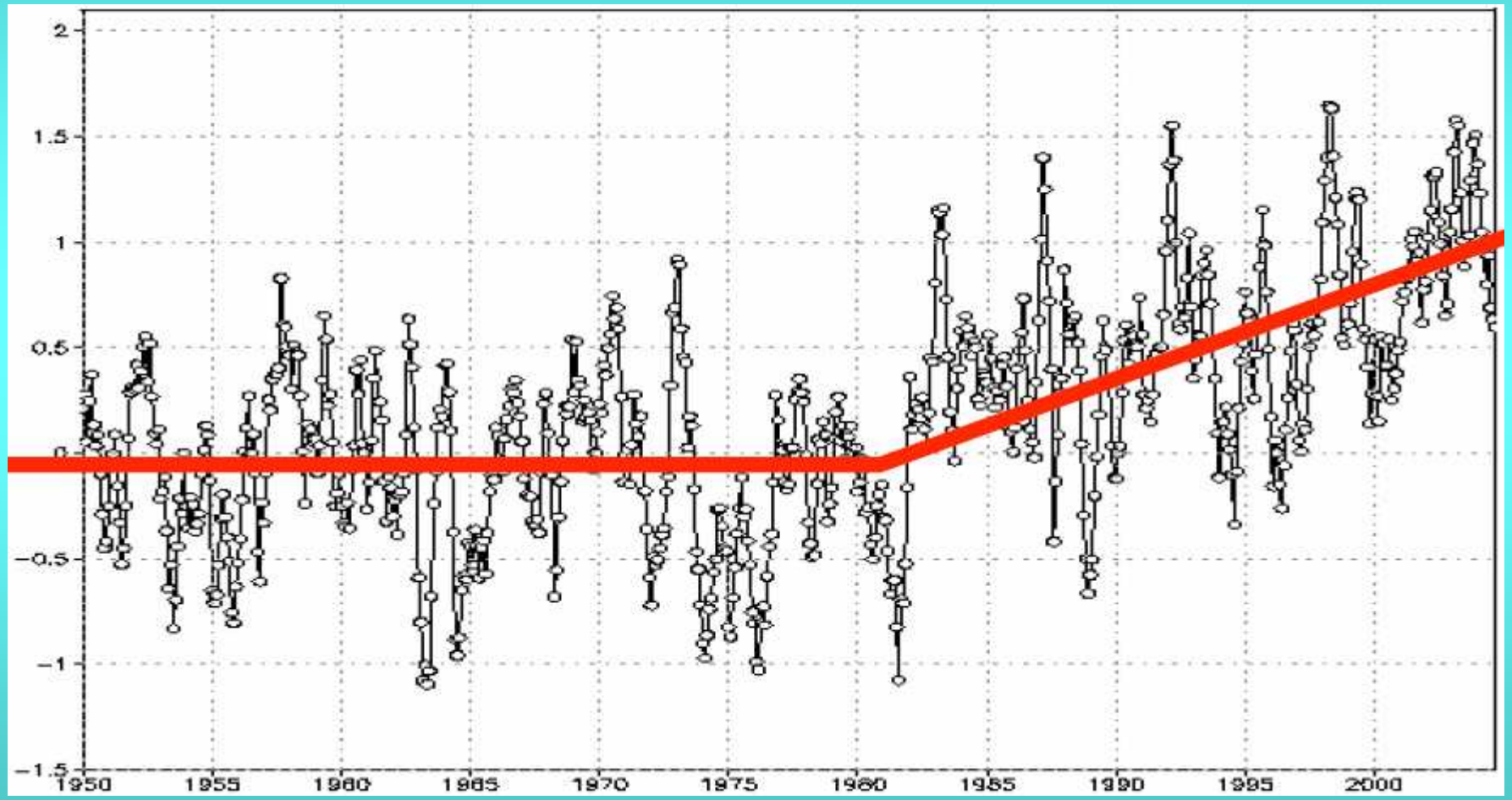
(full memo at www.whirledbank.org)

Remember Rhodes?

When you see Larry Summers, why do we remember 'colonies' as a 'dumping ground' for the North?

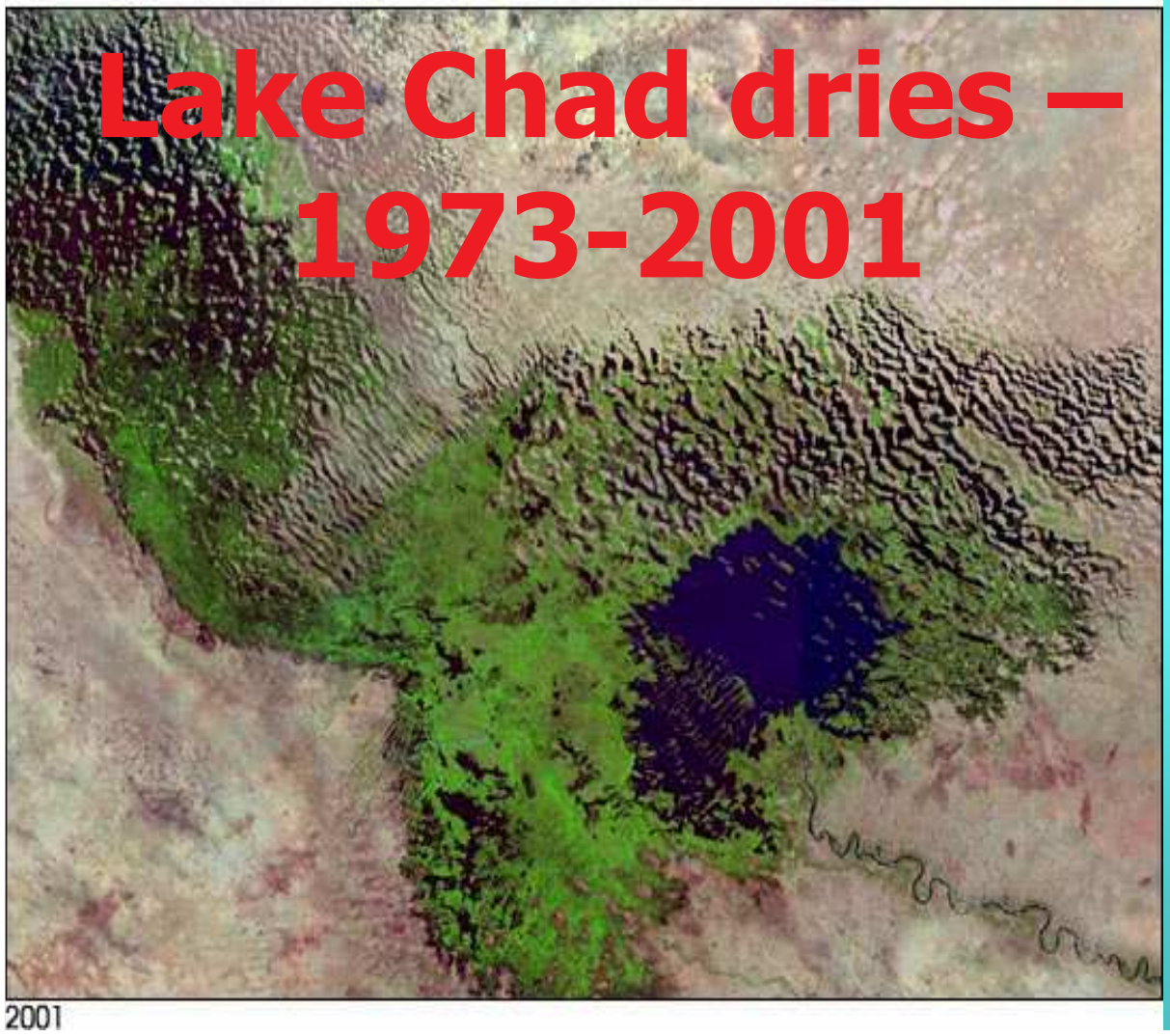
"We must find new lands from which we can easily obtain raw materials and at the same time exploit the cheap slave labour that is available from the natives of the colonies. The colonies would also provide a dumping ground for surplus goods produced in our factories"[3].

‘Underpolluted?’
Rise in Southern African temperatures over historic norms



Source: Mark Jury

Lake Chad dries – 1973-2001



Kiliminjaro melts – 1970-2000

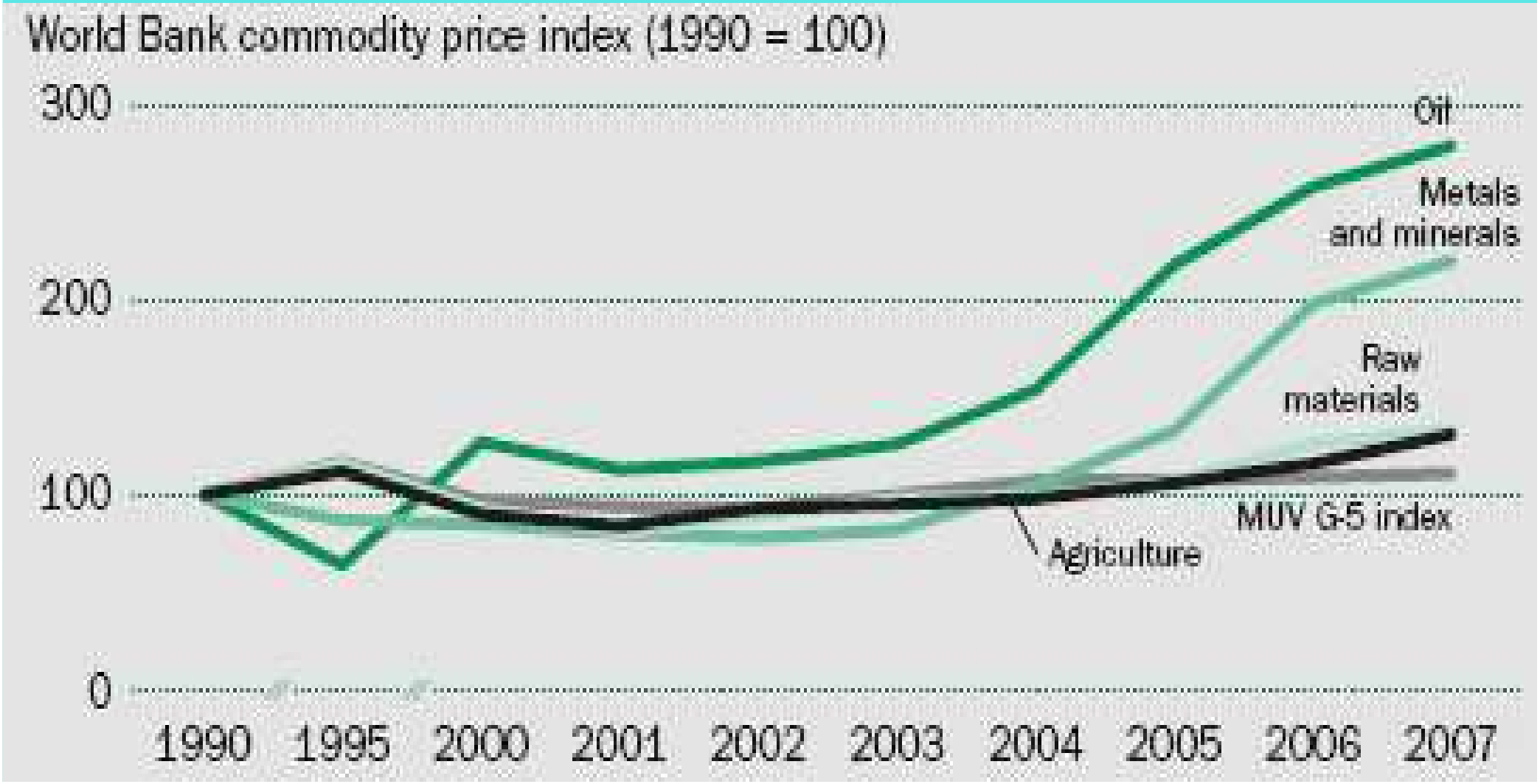
Climate and African food

"It is projected 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."

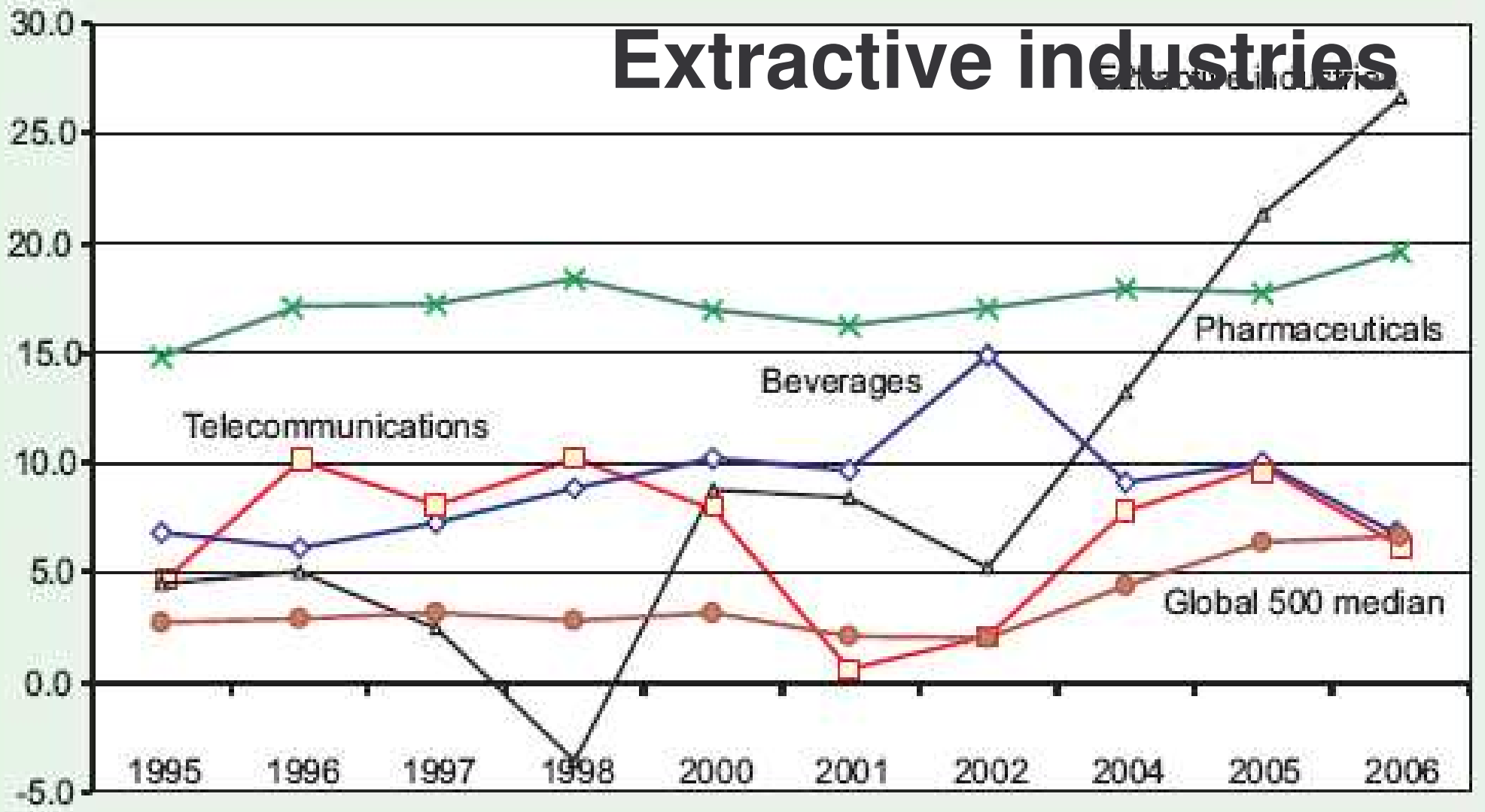
– Testimony to the US House of Reps. Select Committee on Energy Independence and Global Warming, by R.K. Pachauri, Chairman, United Nations Intergovernmental Panel on Climate Change, August 2007

RETURNS ON RESOURCE EXTRACTION

From 2002-08, substantial commodity price increases



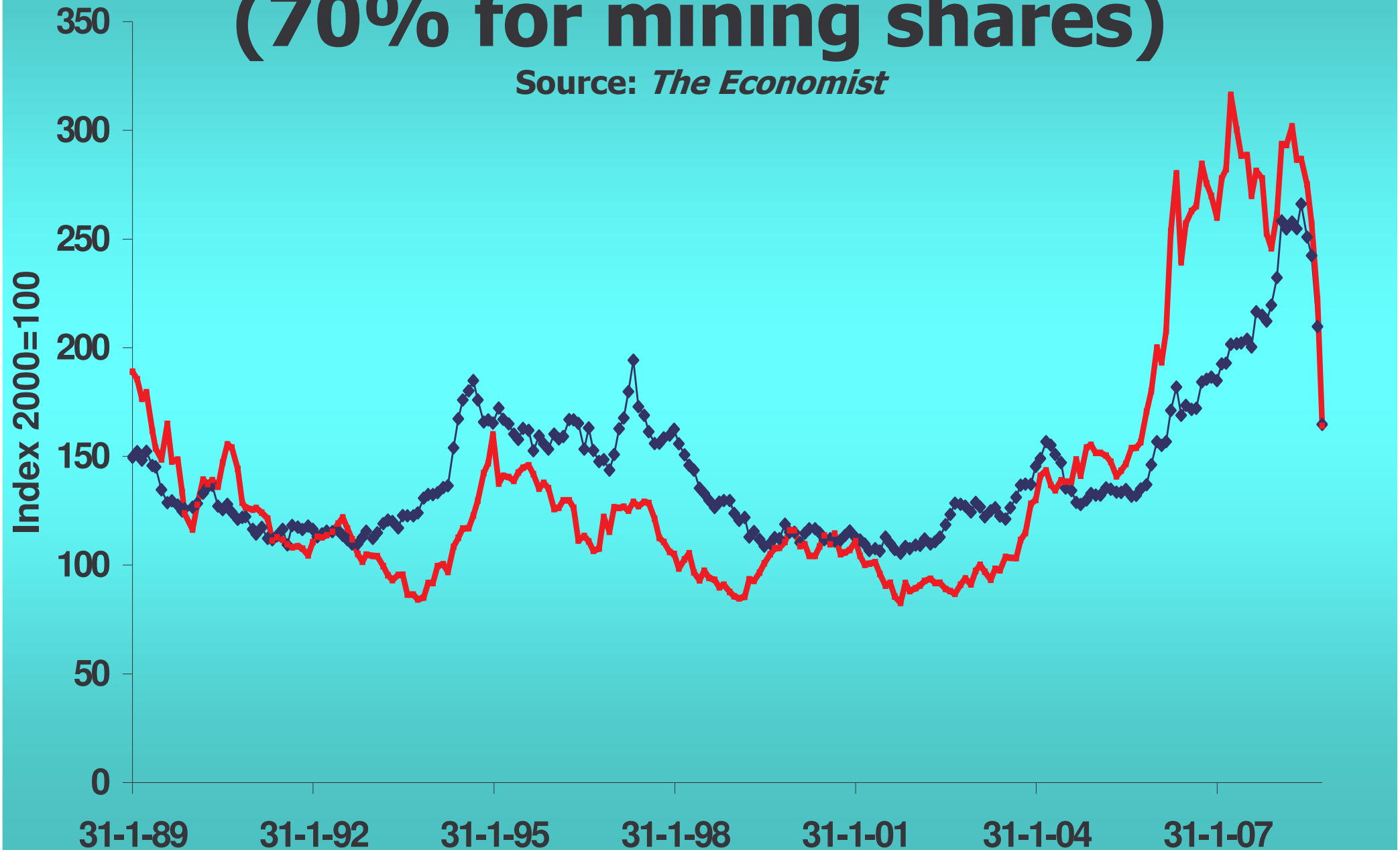
Multinational corporate profits
as a percentage of firm equity



Source: UN Conference on Trade and Development (2007), *World Investment Report 2007,* Geneva.

Since mid-2008, commodity crash (70% for mining shares)

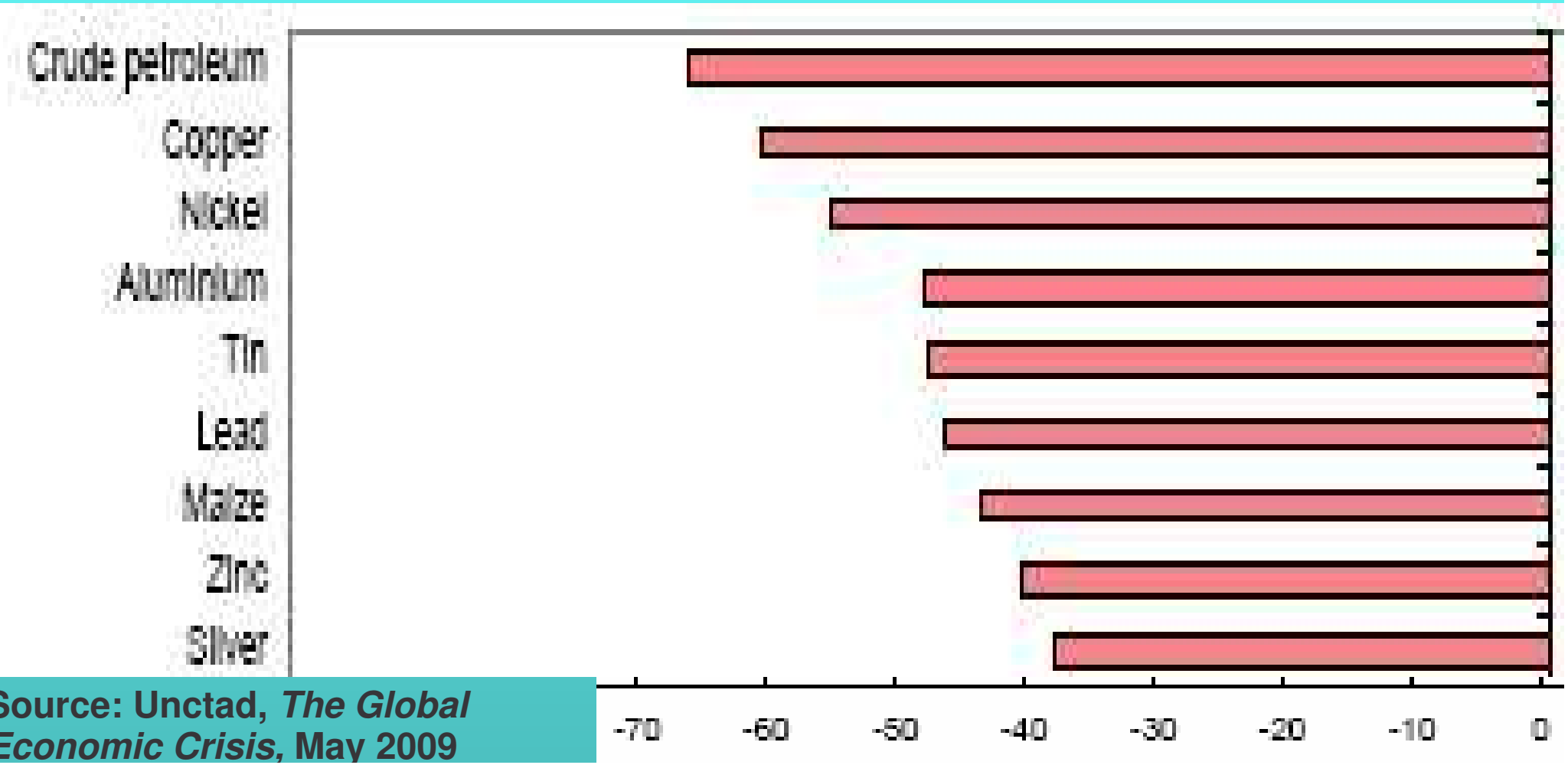
Source: *The Economist*



Commodity devaluations:

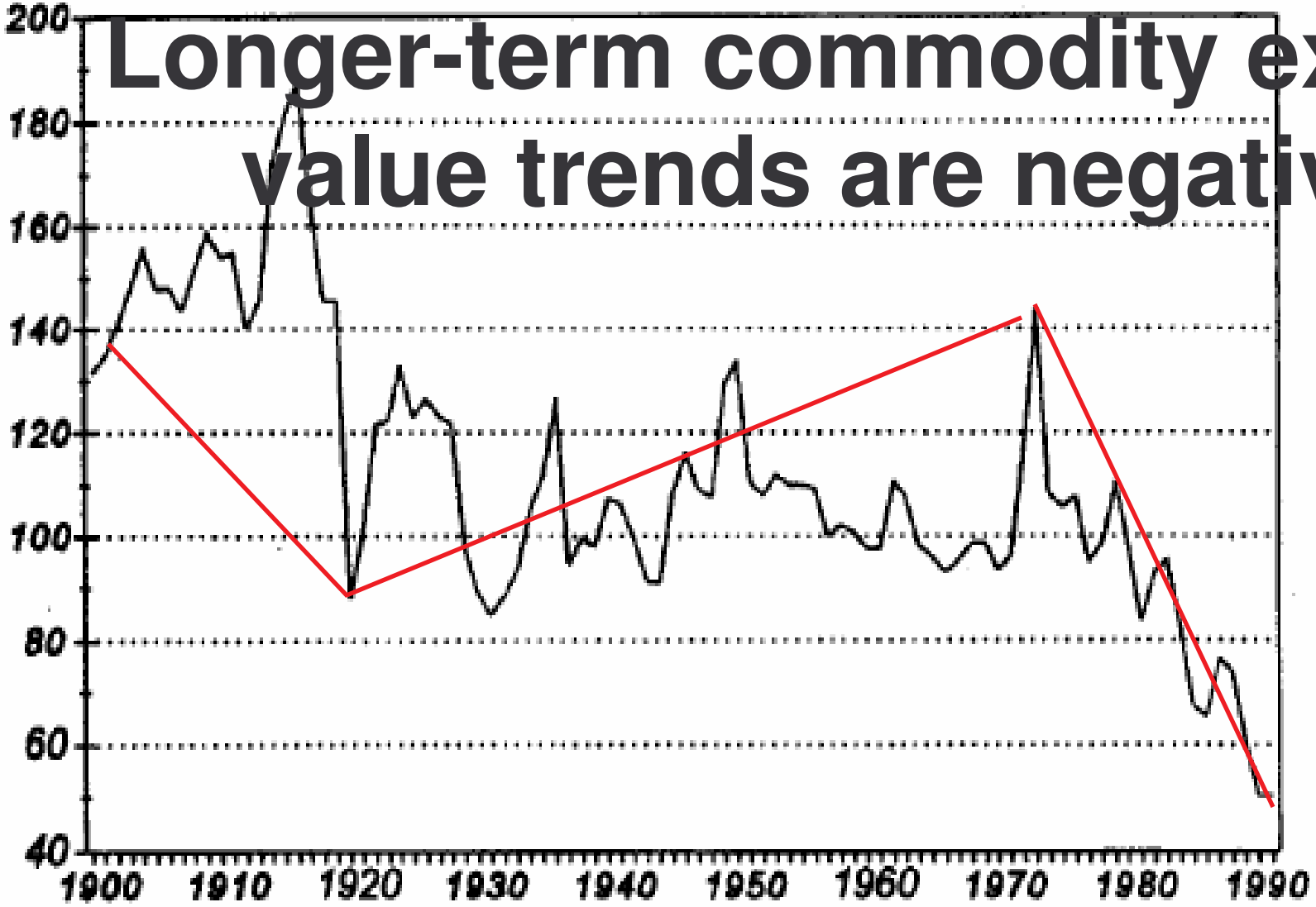
Change in prices, July – December 2008

…particularly devastating for African countries addicted to export-led extractive-industry 'growth'…



Source: Unctad, *The Global Economic Crisis*, May 2009

Aggregate Commodity Price Index, 1900-1990
1970=100



Longer-term commodity export value trends are negative

Source: : Javier León and Raimundo Soto, "Structural Breaks and Long-Run Trends Commodity Prices," *Journal of International Development*, 9, 1997, 347-66, p. 350.

2. Defining the components and implications of ecological debt

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.

World Council of Churches:
"ecological debt is the ecological damage caused over time to ecosystems, places and peoples through production and consumption patterns; and the exploitation of ecosystems at the expense of the equitable rights of other countries, communities or individuals."

WCC: "the debt owed by industrialized countries in the North to countries of the South on account of historical and current resource plundering, environmental degradation and the disproportionate appropriation of environmental space to dump greenhouse gases and toxic wastes."

(Implications: Cease and desist, measure what's been taken, repay!)

WCC: "It is also the debt owed by economically and politically powerful national elites to marginalized citizens both in the North and the South; the debt owed by current generations of humanity to future generations; and, on a more cosmic scale, the debt owed by humankind to other life and the planet."

(Implication: Socio-politico-economic change, inter-generational measures)

WCC: "The definition of ecological debt includes social damages such as the disintegration of indigenous communities and the loss of cultural heritage and values."

(Implication: 'Keep the resources in the ground' and similar Climate Justice Now! Principles)

WCC notes victims: "… have disproportionately adverse effects on impoverished nations, small island states, people of the South, especially women, farmers, fisher folk, indigenous peoples, people with disabilities and future generations… both within and across national borders."

(Implication: support their movements!)

WCC on causal mechanisms:

"Firstly… loan conditionalities, as well as multilateral and bilateral trade and investment agreements, to pursue export-oriented and resource-intensive growth strategies, which fail to account for the costs of pollution."

(Implication: 'full ecological resource cost accounting', e.g. World Bank's *Where is the Wealth of Nations*… but is this sufficient?)

"Secondly, many mega-development projects (e.g. dams) in countries of the South are financed through foreign lending by international financial institutions, with little consideration of their ecological and social consequences."

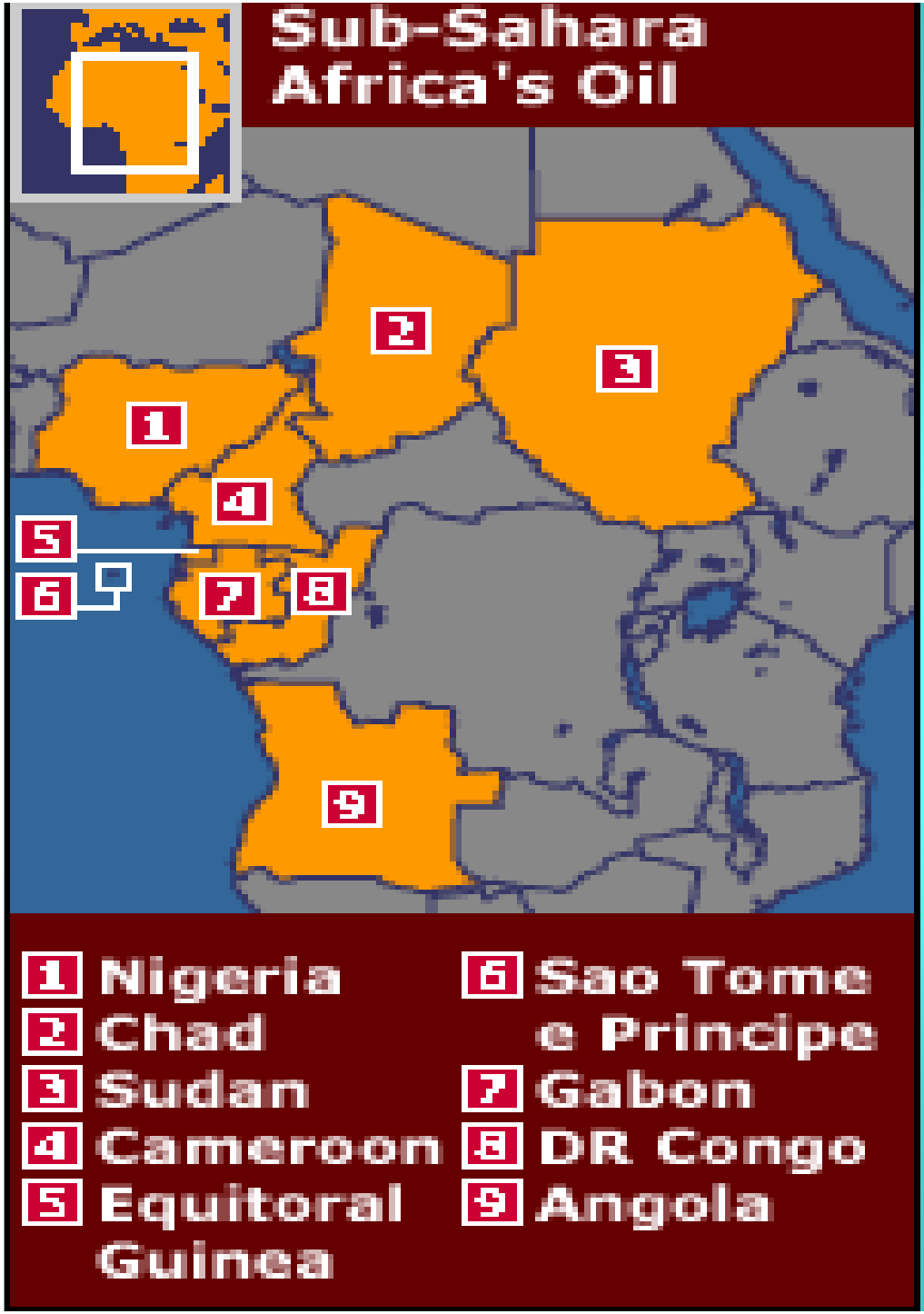
(Implication: link to campaigning against mega-projects, e.g. Nepal's Arun Dam halted in 1995, Narmada, Lesotho Highlands, Gibe, Mpande Nkua, etc etc)

"Thirdly, industrialized Northern countries make disproportionate use of the environment without adequate mitigation, reparation and compensation. Presently, the ecological footprints of Northern countries average 6.4 ha/person, which is substantially higher than the ecological footprints of Southern countries (0.8 ha/person)."

(Implication: a Greenhouse Development Rights framework? – needs debate!; warning against further commodification)

"Fourthly, economic globalization is increasingly linked to militarization around the world; the ecological destruction that is inflicted during war is a major contributor to ecological debt."

(Implication: support anti-war movements using ecological debt arguments… but also look at resource-related causes of war)



Africa's oil map

- **Substantial oil reserves**
- **Oil and wars: Sudan, Angola, Chad, Congo**
- **US imports 16% from Africa**
- **In ten years will import 25%**

http://www.catholicrelief.org/images/oil/Africa-Map-Web-PS0301-Da.jpg

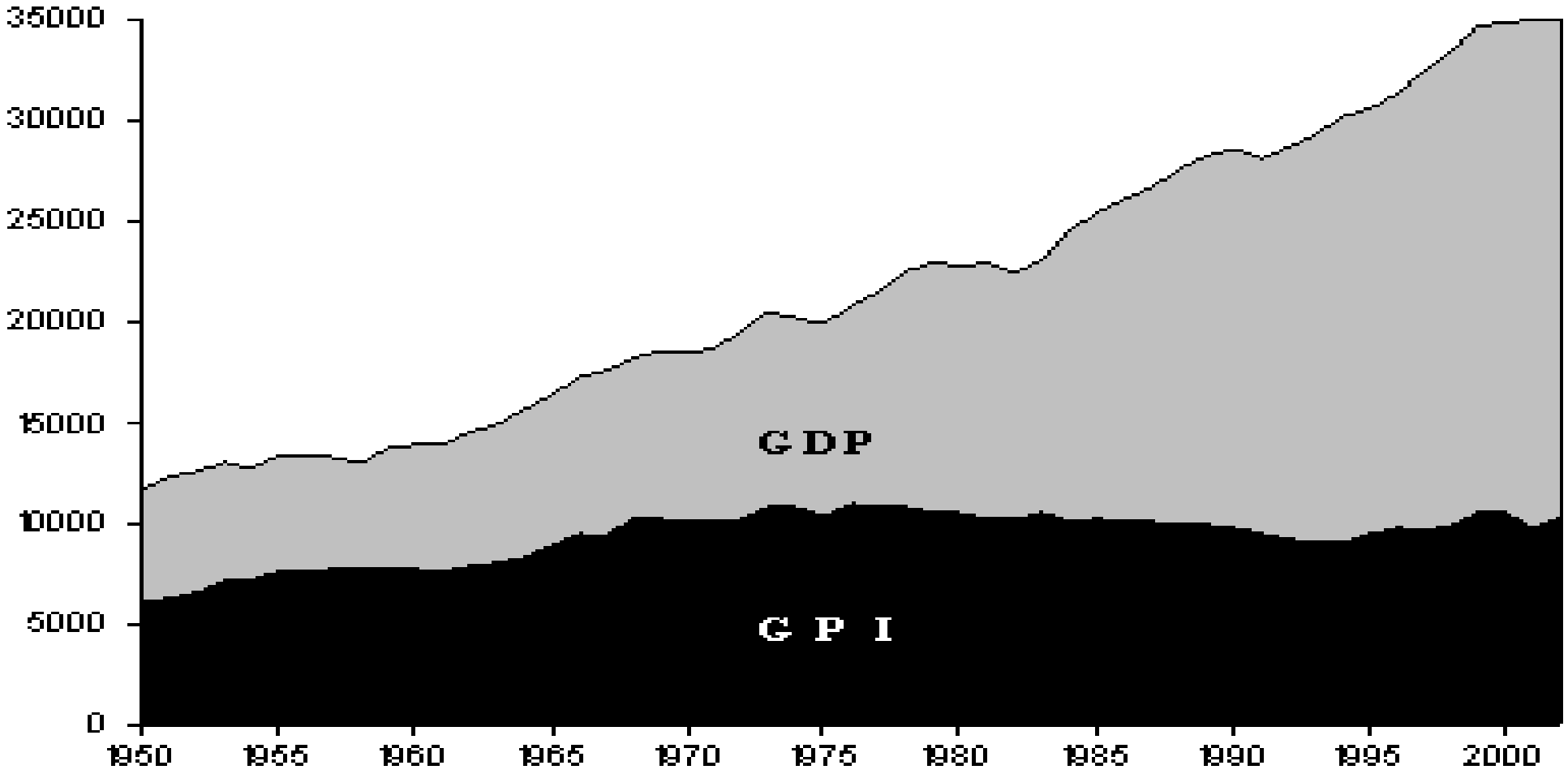
(credit: Horace Campbell)

"For too long official Washington has been gripped by the perception that the United States has no vital interests in Sub-Saharan Africa. Nothing could be further from the truth. As the political and security conditions of the Persian Gulf deteriorate the availability and appeal of reliable, alternative sources of oil for the American market grows. *African oil is emerging as a clear direction U.S. policy could take to provide a secure source of energy."*

U.S. Assistant Secretary of State Walter Kansteiner III, 2003

3. Calculating ecological debt

Urgent to correct GDP bias (global) for pollution, resource extraction, etc



A "genuine progress indicator corrects the bias in GDP"

Source: redefiningprogress.org

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: "Ecologically unequal exchange is one of the reasons for the claim of the Ecological Debt. The second reason for this claim is the disproportionate use of Environmental Space by the rich countries."

Types of ecological debt

(Joan Martinez-Alier):

- renewable resources that have been exported;
- future lack of availability of destroyed resources;
- damages produced by exports (smelter sulphur dioxide, mine tailings, water pollution by mining);
- profits from stolen genetic resources ('biopiracy');
- imports of solid or liquid toxic waste; and
- disproportionate use of 'Environmental Space', e.g. (unpaid) costs of free disposal of gas residues (carbon dioxide, CFCs, etc) assuming equal rights to sinks and reservoirs ($75 billion/year).

Martinez-Alier's counting challenge:

"tropical rainforests used for wood exports have an extraordinary past we will never know and ongoing biodiversity whose destruction we cannot begin to value."

"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, J. (1998) 'Ecological Debt - External Debt', Quito, Acción Ecológica.

leading ecofeminist Vandana Shiva and former South Centre director Yash Tandon estimate that biopiracy of 'wild seed varieties have contributed some $66 billion annually to the US economy.'

Examples of biopiracy in Africa

2005 study commissioned by Edmonds Institute, African Centre for Biosafety:
* 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
* 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

Rich Countries Owe Poor a Huge Environmental Debt

The Guardian UK

Monday, January 21, 2008 -- The environmental damage caused to developing nations by the world's richest countries amounts to more than the entire third world debt of $1.8 trillion, according to the first systematic global analysis of the ecological damage imposed by rich countries. The study found that there are huge disparities in the ecological footprint inflicted by rich and poor countries on the rest of the world because of differences in consumption.

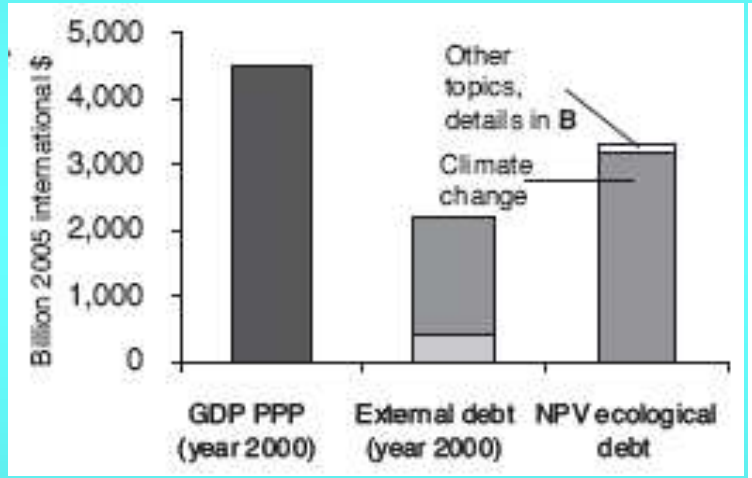
Richard Norgaard, ecological economist at University of California, Berkeley: “At least to some extent, the rich nations have developed at the expense of the poor, and, in effect, there is a debt to the poor. That, perhaps, is one reason that they are poor. You don't see it until you do the kind of accounting that we do here.”

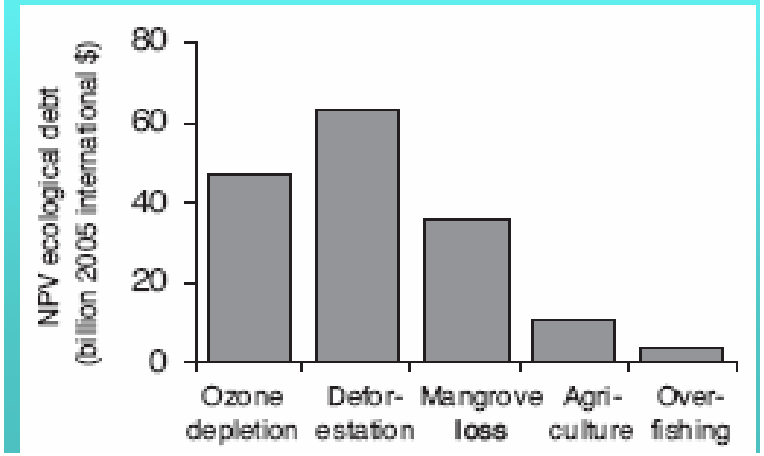
The debt of nations and the distribution of ecological impacts from human activities

U. Thara Srinivasan[a,b], Susan P. Carey[c], Eric Hallstein[d], Paul A. T. Higgins[d,e], Amber C. Kerr[d], Laura E. Koteen[d], Adam B. Smith[d], Reg Watson[f], John Harte[c,d], and Richard B. Norgaard[d]

[a]Pacific Ecoinformatics and Computational Ecology Laboratory, Berkeley, CA 94703; [d]Energy and Resources Group, 310 Barrows Hall, University of California, Berkeley, CA 94720-3050; [c]Department of Environmental Science, Policy, and Management, University of California, Berkeley, CA 94720-3114; [e]American Meteorological Society, 1120 G Street NW, Washington, DC 20005-3826; and [f]Sea Around Us Project, Fisheries Centre, University of British Columbia, Vancouver, BC, Canada V6T 1Z4

Category	Direct or indirect driver
Climate change	Greenhouse gas emissions (carbon dioxide, methane, nitrous oxide)
Stratospheric ozone-layer depletion	Chlorofluorocarbon emissions
Agricultural intensification and expansion	Consumption of agricultural goods
Deforestation	Consumption of agricultural goods and wood-related goods, weighted equally
Overfishing	Consumption of fish and fisheries products
Mangrove loss	Consumption of farmed shrimp





As human impacts to the environment accelerate, disparities in the distribution of damages between rich and poor nations mount. Globally, environmental change is dramatically affecting the flow of ecosystem services, but the distribution of ecological damages and their driving forces has not been estimated. Here, we conservatively estimate the environmental costs of human activities over 1961–2000 in six major categories (climate change, stratospheric ozone depletion, agricultural intensification and expansion, deforestation, overfishing, and mangrove conversion), quantitatively connecting costs borne by poor, middle-income, and rich nations to specific activities by each of these groups. Adjusting impact valuations for different standards of living across the groups as commonly practiced, we find striking imbalances. Climate change and ozone depletion impacts predicted for low-income nations have been overwhelmingly driven by emissions from the other two groups, a pattern also observed for overfishing damages indirectly driven by the consumption of fishery products. Indeed, through disproportionate emissions of greenhouse gases alone, the rich group may have imposed climate damages on the poor group greater than the latter's current foreign debt. Our analysis provides *prima facie* evidence for an uneven distribution pattern of damages across income groups. Moreover, our estimates of each group's share in various damaging activities are independent from controversies in environmental valuation methods. In a world increasingly connected ecologically and economically, our analysis is thus an early step toward reframing issues of environmental responsibility, development, and globalization in accordance with ecological costs.

Included: greenhouse gas emissions, ozone layer depletion, agriculture, deforestation, overfishing, and converting mangrove swamps into shrimp farms

Not included (too difficult): excessive freshwater withdrawals, destruction of coral reefs, bio-diversity loss, invasive species, and war

World Bank estimates of tangible wealth:

what price on subsoil, timber, not-timber forest resources, protected areas, cropland, pastureland, produced capital, urban land, intangible wealth?

the cases of Rwanda, Senegal, Seychelles, Singapore and South Africa

(per capita US$ measure – *Where is the Wealth of Nations?*, WB, 2006)

Country Name	Population	Subsoil assets US$ per capita	Timber resources US$ per capita	NTFR US$ per capita	PA US$ per capita	Cropland US$ per capita	Pasture-land US$ per capita	Natural capital US$ per capita	Produced capital + urban land US$ per capita	Intangible capital US$ per capita	Total wealth US$ per capita
											(continued)
Rwanda	7,709,000	2	81	9	27	1,849	98	2,066	549	3,055	5,670
Senegal	9,530,000	4	238	147	78	608	198	1,272	975	7,920	10,167
Seychelles	81,131	0	0	84	0	0	0	84	28,836	96,653	125,572
Singapore	4,018,000	0	0	0	0	0	0	0	79,011	173,595	252,607
South Africa	44,000,000	1,118	310	46	51	1,238	637	3,400	7,270	48,959	59,629

World Bank method for adjusting savings to account for a country's tangible wealth and resource depletion: The case of Ghana, 2000

(per capita US$ measure)

Tangible wealth		Adjusted net saving	
Subsoil assets	85	Gross National Saving	40
Timber resources	280	Education expenditure	7
NTFR	78	Consumption fixed capital	19
Protected areas	7	Energy depletion	0
Cropland	855	Mineral depletion	4
Pastureland	43	Net forest depletion	8
Produced capital	888		
Total tangible wealth	2022	Adjusted net saving	16
Population growth	1.7%	Δ Wealth per capita	-18

Note: Data for 2000. NTFR: nontimber forest resources.

Why World Bank estimates are conservative:

* minimalist definition based upon international pricing in 2000 (not potential future values when scarcity becomes a more crucial factor, especially in the oil industry);

* only partial calculation of damages to the local environment, to workers' health/safety, and especially to women in communities around mines;

* Bank's use of average – not marginal – cost resource rents also probably leads to underestimations of the depletion costs.

World Bank method for adjusting savings to account for a country's tangible wealth and resource depletion: The case of Ghana, 2000

(per capita US$ measure)

(*Where is the Wealth of Nations?*, 2006)

Tangible wealth		Adjusted net saving	
Subsoil assets	85	Gross National Saving	40
Timber resources	290	Education expenditure	7
NTFR	78	Consumption fixed capital	19
Protected areas	7	Energy depletion	0
Cropland	855	Mineral depletion	4
Pastureland	43	Net forest depletion	8
Produced capital	886		
Total tangible wealth	2022	Adjusted net saving	16
Population growth	1.7%	Δ Wealth per capita	-18

Note: Data for 2000. NTFR: nontimber forest resources.

Where *is* Africa's wealth? World Bank recording of African countries' adjusted national wealth gap, 2000

	GNI per capita	Population growth rate (%)	Adjusted net saving per capita	Change in wealth per capita
Benin	360	2.6	14	-42
Botswana	2925	1.7	1021	814
Burkina Faso	230	2.5	15	-36
Burundi	97	1.9	-10	-37
Cameroon	548	2.2	-8	-152
Cape Verde	1195	2.7	43	-81
Chad	174	3.1	-8	-74
Comoros	367	2.5	-17	-73
Congo, Rep. of	660	3.2	-227	-727
Côte d'Ivoire	625	2.3	-5	-100
Ethiopia	101	2.4	-4	-27
Gabon	3370	2.3	-1183	-2241
Gambia, The	305	3.4	-5	-45
Ghana	255	1.7	16	-18
Kenya	343	2.3	40	-11
Madagascar	245	3.1	9	-56
Malawi	162	2.1	-2	-29
Mali	221	2.4	20	-47
Mauritania	382	2.9	-30	-147
Mauritius	3897	1.1	645	514
Mozambique	195	2.2	15	-20
Namibia	1820	3.2	392	140
Niger	166	3.3	-10	-83
Nigeria	297	2.4	-97	-210
Rwanda	233	2.9	14	-60
Senegal	449	2.6	31	-27
Seychelles	7089	0.9	1162	904
South Africa	2837	2.5	246	-2
Swaziland	1375	2.5	129	8
Togo	285	4.0	-20	-88
Zambia	312	2.0	-13	-63
Zimbabwe	550	2.0	53	-4

Note: All dollars at nominal exchange rates.

(***Where is the Wealth of Nations?*, 2006**)

Is reformed resource extraction the answer?

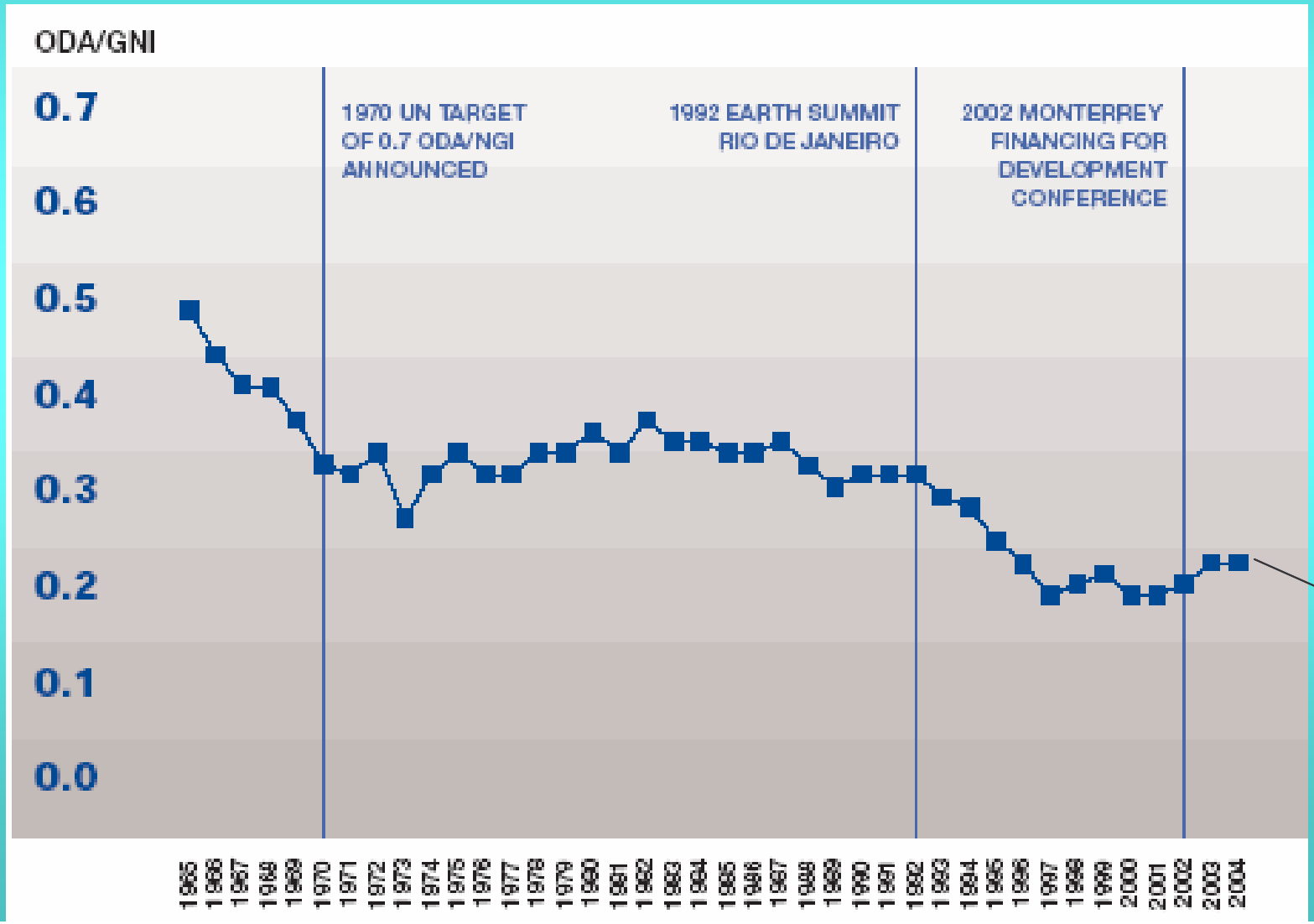
Credibility of Kimberley Process on the Line, Say NGOs (*IRIN*, June 22, 2009)

The credibility of the Kimberley Process Certification Scheme (KPCS) - an initiative to prevent conflict diamonds from entering the multibillion dollar market - is being questioned by NGO activists ahead of a three day international meeting in Namibia on 23 June.

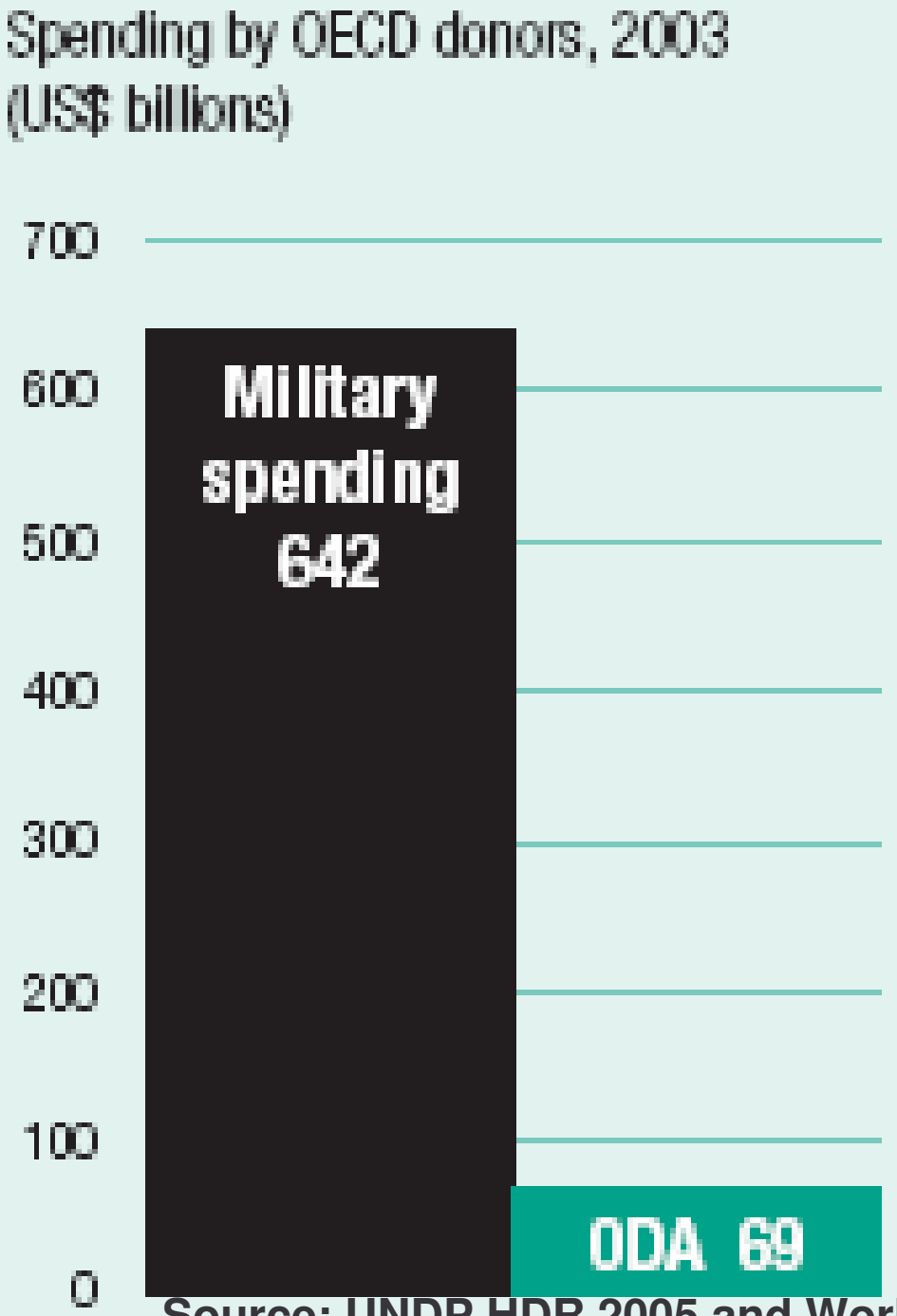
UK-based Global Witness, which led the campaign to set up the certification system, said in a statement on 19 June: "Despite having all tools in place, the scheme was failing effectively to address issues of non-compliance, smuggling, money laundering and human right's abuses in the world's alluvial diamond fields."

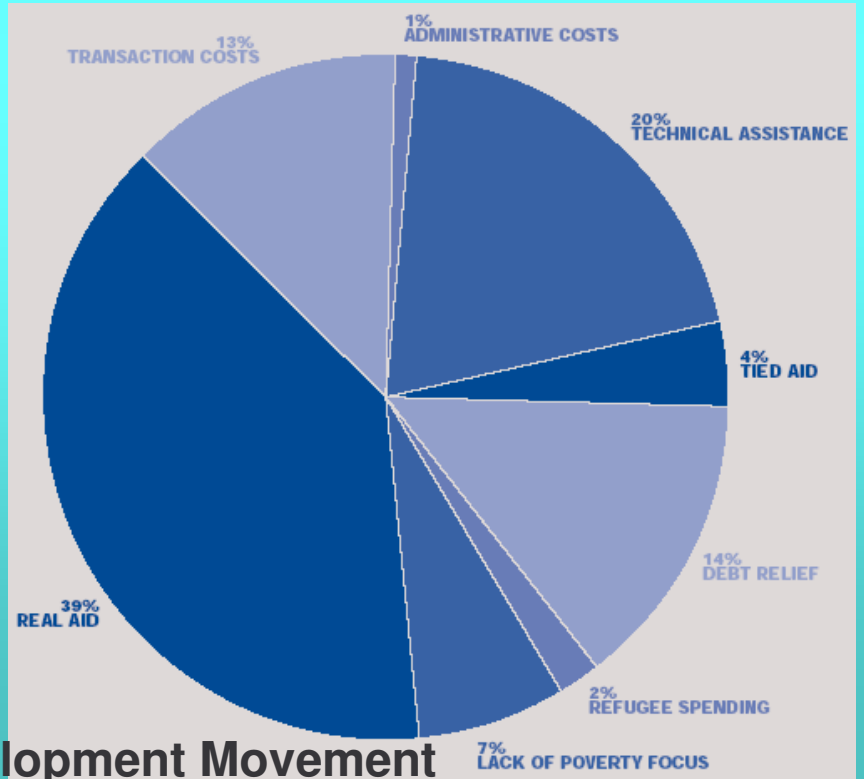
4. Financing repayment of ecological debt

REPAYMENT VIA AID?
Declining commitments
Source: World Development Movement



AID IN CONTEXT: Far less than military spending - and 60% is 'phantom aid'

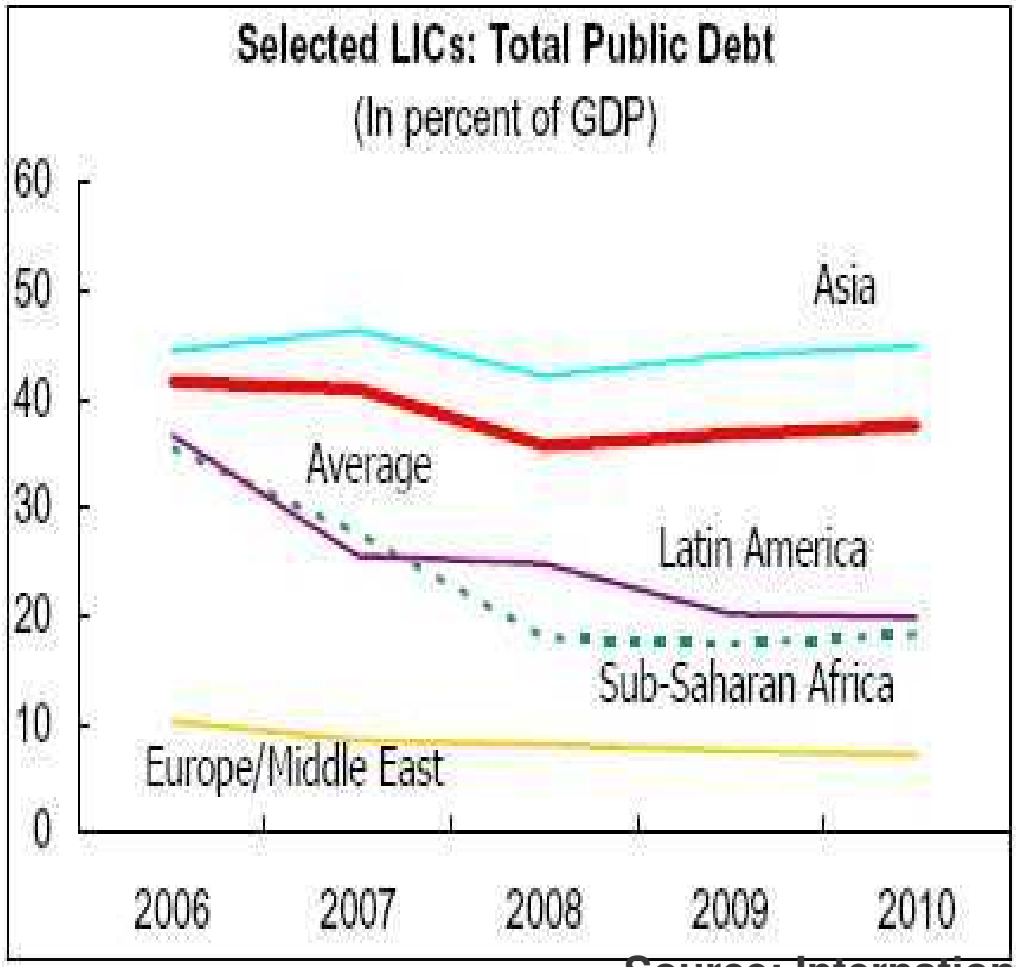


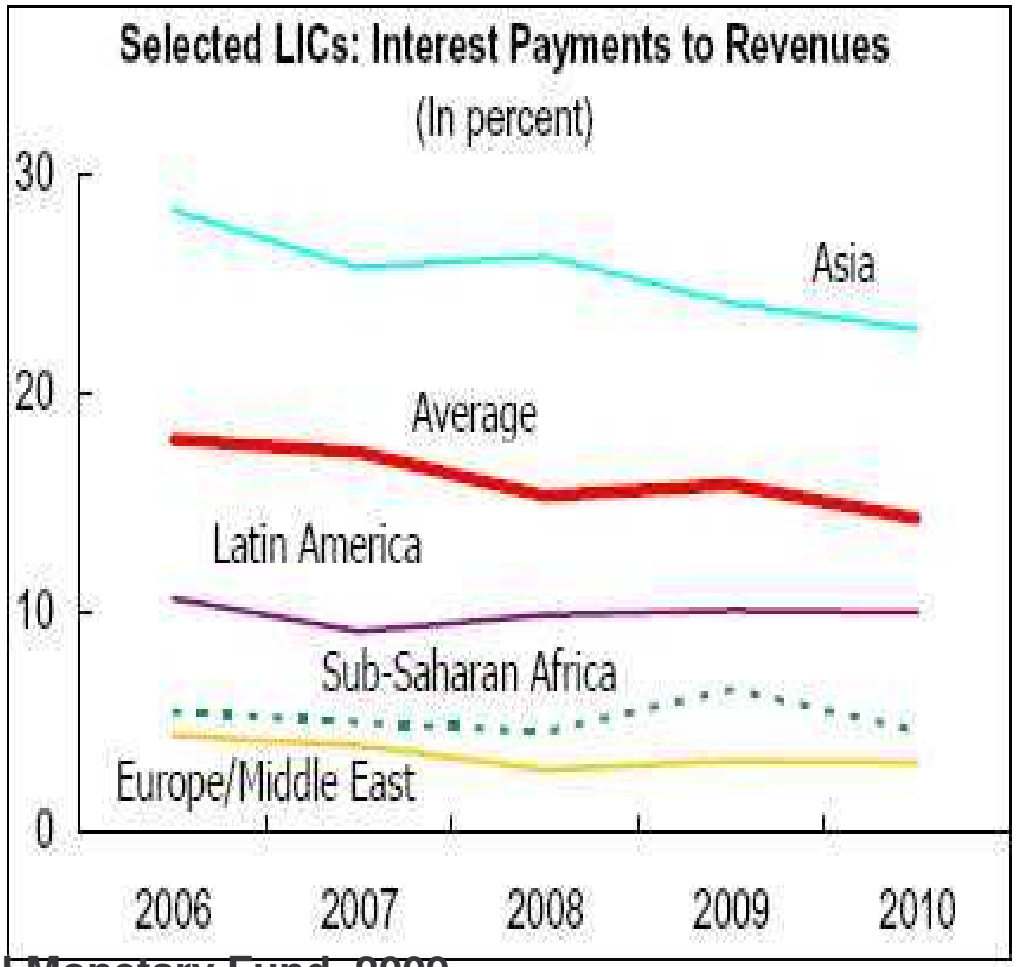


Source: UNDP HDR 2005 and World Development Movement

Lessons from G8's 2005 debt relief? Don't believe the hype!

Although there was debt cancellation it was on unrepayable debt, so debt servicing charges for low-income African countries rise!





Source: International Monetary Fund, 2009

actionaid

Who should pay to tackle climate change in developing countries?

An ActionAid rough guide

May 2009

ActionAid ask: How much is required for climate mitigation, 2020?

Issue	Amount required per year
Adaptation[1]	US$86 billion
Clean technology[3]	US$65 billion
Combating deforestation[4]	US$24 billion
Agricultural mitigation[5]	US$7 billion
TOTAL	**US$182 billion**

… how much is pledged?

Fund	Amounts pledged
Special Climate Change Fund	US$12 million
Least Developed Countries Fund	US$182 million
Kyoto Protocol Adaptation Fund	US$61 million
TOTAL	**US$255 million**

Who should pay what share?

Country	% of global total	Mitigation amount per year by 2020 (billions)		Adaptation amount per year by 2020 (billions)		TOTAL amount per year by 2020 (billions)	
		US$	*€*	*US$*	*€*	*US$*	*€*
US	44%	42.2	31.4	37.8	28.1	80	59
EU17	32%	30.7	22.8	27.5	20.4	58	43
Japan	13%	12.4	9.2	11.1	8.3	24	18
Canada	4%	3.8	2.8	3.4	2.5	7	5
Australia	3%	2.9	2.2	2.6	1.9	5	4
South Korea	2%	1.9	1.4	1.7	1.3	4	3
Others[8]	2%	1.9	1.4	1.7	1.3	4	3
TOTAL	**100%**	**96**	**71**	**86**	**64**	**182**	**135**

Repayment responsibility?

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.

A better rights-based approach? SA's 'Free Basic Services'

'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.'

(ANC campaign promise, 2000 municipal elections, currently under extensive juridical and social contestation! – pics of the last two days' social protests)

5. Avoiding the carbon trade

Let the market solve the crisis caused by the market?

A critique of 'carbon trading', a.k.a.

'privatisation of the air'

Al Gore helped develop emissions trade, in exchange for promised (undelivered!) US support for Kyoto:

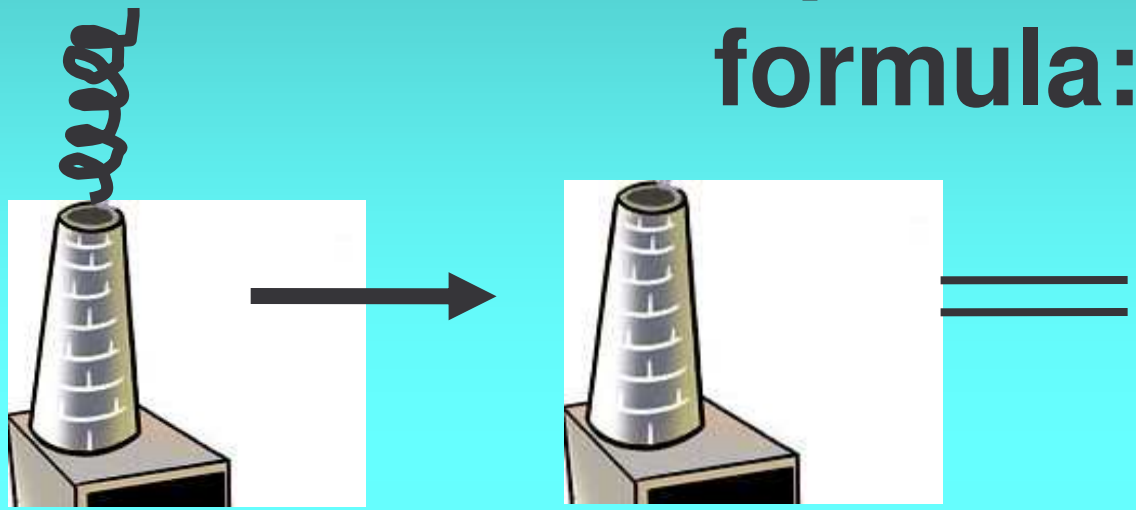
"The European Union has adopted this U.S. innovation and is making it work effectively there."

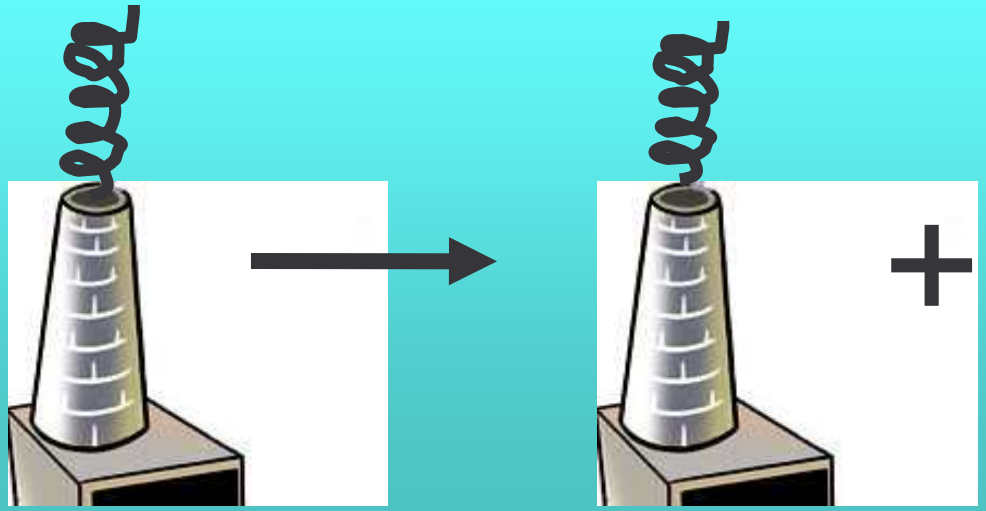
(Gore, *An Inconvenient Truth*, p. 252)

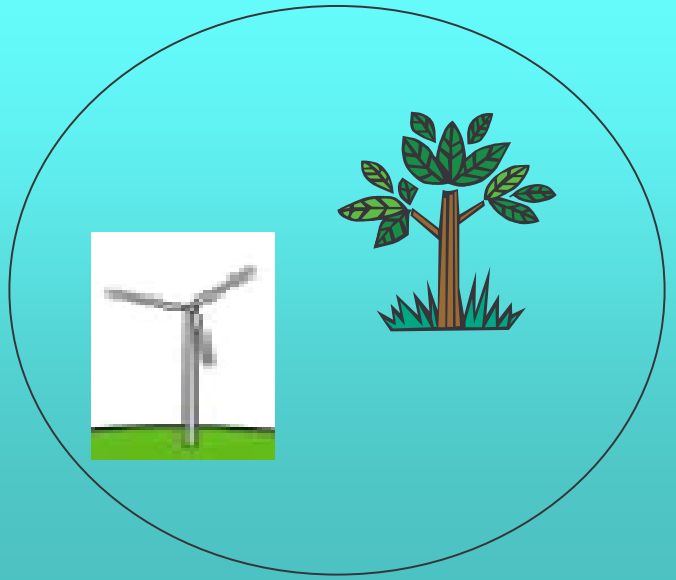
Based on the sink ‘solution’

Some slides that follow from Larry Lohmann, editor of *Carbon Trading*

The Kyoto Protocol's Clean Development Mechanism formula:







Not only: when do we run out of oil?

Should we be using remaining supplies?

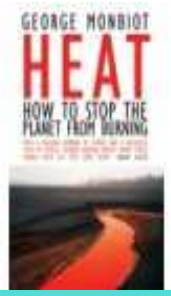
Carbon trading allows dangerous 'yes we can!'

Plantar, Brazil's 'green desert' timber plantation

14 Lagoa secando – APP ausente – Área de preservação permanente – No fundo, eucalipto da PLANTAR com 02 anos CÓRREGO BURITI – Felixlândia

FASE/ES - 10/02

trees become charcoal, pig-iron for auto industry



George Monbiot debunks timber sink investments

‘When you drain or clear the soil to plant trees, for example, you are likely to release some carbon, but it is hard to tell how much. Planting trees in one place might stunt trees elsewhere, as they could dry up a river which was feeding a forest downstream. Or by protecting your forest against loggers, you might be driving them into another forest. As global temperatures rise, trees in many places will begin to die back, releasing the carbon they contain. Forest fires could wipe them out completely.’

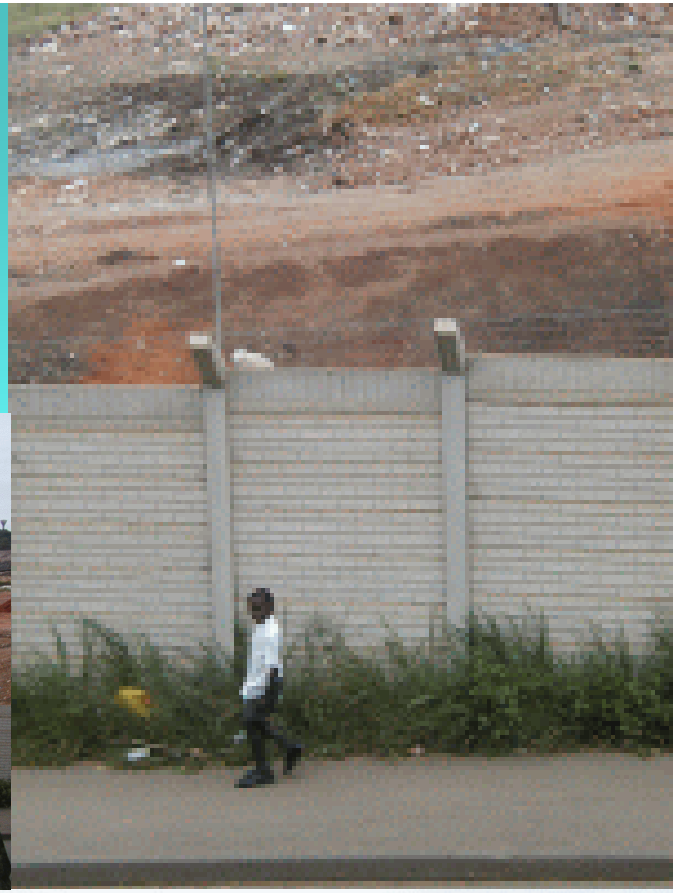
South Africa's proposed $15m CDM pilot:

methane-to-electricity at environmentally-racist Bisasar Rd dump (Africa's largest landfill) - in apartheid-era black residential suburb of Durban – via World Bank Prototype Carbon Fund credits

Sajida Khan (1952-2007)

though felled by cancer from dump,
her EIA challenge to methane flaring
rebuffed the World Bank PCF, 2005

at present, Durban lacks investors



Who benefits from carbon trading?

Buyers	*Sellers*
Shell	Tata Chemicals
BHP-Billiton	ITC
EDF	Plantar
RWE	Votorantim
Endesa	Petrobras
Rhodia Energy	Shri Bajrang
Mitsubishi	Birla
Cargill	Oil & Gas Nat. Corp.
Nippon Steel	Sasol
ABN Amro	Mondi
Chevron	Hu-Chems Fine Chemical
Chugoku Electric Power	Chhatisgarh Electricity

Crits of EU Emissions Trading Scheme

- "ETS has done nothing to curb emissions . . . [and] is a highly regressive tax falling mostly on poor people . . . Enhances the market power of generators. Have policy goals been achieved? Prices up, emissions up, profits up . . . so, not really. . . All generation-based utilities – winners. Coal and nuclear-based generators – biggest winners. Hedge funds and energy traders – even bigger winners. Losers . . . ahem . . . Consumers!" - Peter Atherton powerpoint, Citigroup, January 2007
- 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 . . . old-fashioned rent-seeking . . . making money by gaming the regulatory process." - *Wall Street Journal*, 3 March 2007

More carbon trade critiques

- "It isn't working . . . a grossly inefficient way of cutting emissions in the developing world . . . A shell game . . . $3 billion to some of the worst carbon polluters in the developing world." - *Newsweek*, 12 March 2007
- "Industry caught in carbon 'smokescreen' " - *Financial Times* front page, 25 April 2007
- "Truth about Kyoto: Huge profits, little carbon saved . . . Abuse and incompetence in fight against global warming . . . The inconvenient truth about the carbon offset industry" - *Guardian*, 2 June 2007
- Kyoto has produced "no demonstrable reductions in emissions or even in anticipated emissions growth" - Gwyn Prins and Steve Rayner, 2007

More carbon trade critiques

- *Guardian*, 12 September 2008

Britain's worst polluters set for windfall of millions

A flagship European scheme designed to fight global warming is set to hand hundreds of millions of pounds to some of Britain's most polluting companies, with little or no benefit to the environment, an investigation by the Guardian has revealed.

Dozens of multinational firms stand to benefit from the windfall, which comes from the over-allocation of carbon permits under the European emissions trading scheme.

More carbon trade critiques

- ***London Times*** **report, 4 December 2008:**

  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."

More carbon trade critiques

- ***The Economist*** **debate, 16 December 2008**

  ONLINE DEBATES DEMONSTRATE PUBLIC SKEPTICISM ABOUT CARBON TRADING

  Michael Wara of Stanford, together with Kevin Smith of Carbon Trade Watch and Platform and others, have won the Economist magazine's online debate on carbon offset trading against Henry Derwent of the International Emissions Trading Association, businessman Mark Trexler and others.

  Some 55 per cent of readers voted in favor of the resolution: "This house believes that carbon offsets undermine the effort to tackle climate change"

More carbon trade critiques

- *London Times,* 4 January 2009:

  EU denounces socialite's carbon offset project

  A PIONEERING climate change project in Africa run by Robin Birley, the socialite, has been accused by the European commission, its main donor, of making unsubstantiated claims about its environmental impact. The project has received more than £1m in public grants and money from celebrities in the music and film business. They include Ronnie Wood of the Rolling Stones and Brad Pitt, the actor.

  The project attempts to offset an individual's carbon footprint by paying poor farmers in Mozambique to plant trees, which absorb CO2, and to protect existing forests. The commission's criticism comes amid increased concern about the worth of these fashionable but largely unregulated carbon offset schemes. Critics say it is almost impossible to guarantee that the trees will survive the length of time needed to offset any significant carbon emissions.

  A Sunday Times reporter approached the company posing as a businessman who wanted to offset his family's carbon footprint for Christmas by investing £20,000 in the N'hambita project. The reporter was put in touch with Philip Powell, a South African and the company's project manager.

More carbon trade critiques

- *Guardian, 2*4 February 2009:

  Carbon markets are collapsing
  Europe's system to edge up the cost of emissions and boost green energy has backfired. There isn't much time to rescue it.
  "Roll up for the great pollution fire sale, the ultimate chance to wreck the climate on the cheap. You sir, over there, from the power company — look at this lovely tonne of freshly made, sulphur-rich carbon dioxide. Last summer it cost an eyewatering €31 to throw up your smokestack, but in our give-away global recession sale, that's been slashed to a crazy €8.20. Dump plans for the wind turbine! Compare our offer with costly solar energy! At this low, low price you can't afford not to burn coal!"
  Set up to price pollution out of existence, carbon trading is pricing it back in. Europe's carbon markets are in collapse.

More carbon trade critiques

- 'Cap & Trade' increases costs to the public… other parties support 'Cap & Trade' because they hope to profit - it is a give-away to special interests, who feel, based on extensive empirical evidence, that they will be able to manipulate the program through their lobbyists. Except for its stealth approach to taxing the public, and its attraction to special interests, 'Cap & Trade' seems to have little merit. -- Dr. James Hansen, 25/2/09 (testimony to US House of Reps)

Obama's broken promise

"What I've said is that 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." -- January 17 2008, *San Francisco Chronicle*

But Obama's new Waxman-Markey legislation only auctions 15% of carbon credits, destroys the Clean Air Act, and allows massive offsets (so no US emissions reduction until 2030)

6. Taking debtors to court?

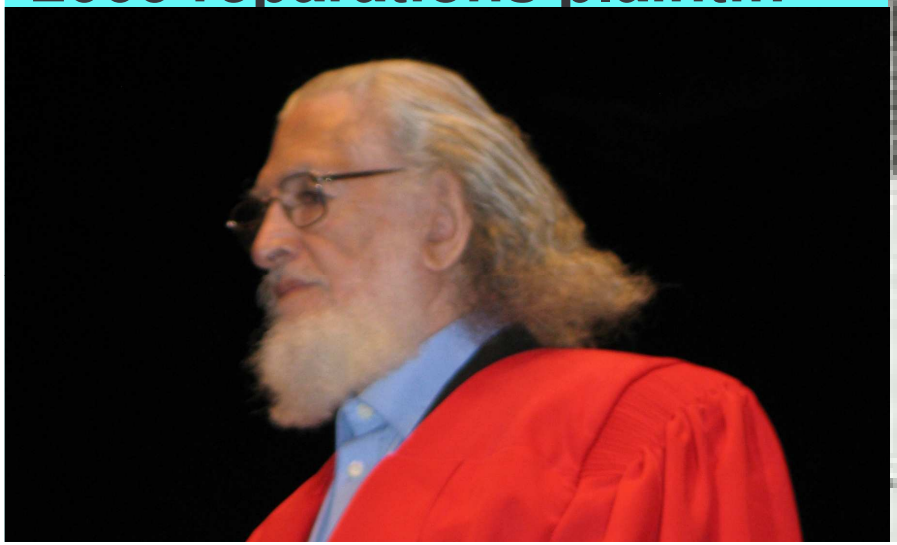
JUSTICE IN THE (US) COURTS?

- In November 2008 a San Francisco court began considering a 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 judgements went against Bowoto et al but appeals are in process.
- On June 10 2009, Shell reparations payments of $15.5 million were accepted by the families of Saro-Wiwa and the Ogoni Nine. Though just four hours' worth of Shell profits, it is considered a crucial step in establishing liability and disincentivising corporate exploitation of people and nature.

- **Reparations lawsuits now being heard in New York by victims of apartheid who are collectively requesting $400 billion in damages from three dozen US corporations who 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.**

Dennis Brutus, a leading activist (and honorary prof at UKZN Centre for Civil Society), sends regards.

1970s anti-apartheid sanctions leader -> 2009 reparations plaintiff



- **Climate change lawsuit settled out of court in February 2009 by Friends of the Earth, Greenpeace and cities of Boulder, Colorado, Arcata, Santa Monica and Oakland in California.**
- **Targets were US Export- Import Bank and Overseas Private Investment Corporation, which invested, loaned or insured $32 billion in fossil fuel projects from 1990–2003 with no 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.**
- **Defendants will incorporate CO2 emissions into planning (http://www.foe.org/climatelawsuit)**

7. Supporting the movement!

Momentum for ecological debt work in Africa:

- following Bolivian and Ecuadoran governments' lead, Meles Zanawi (Ethiopian prime minister) and AU environmental delegation demand $67 bn in annual reparations for CO2 emissions by 2020 (25/6/09)
- movements against ecological debt need to be built within CJN!, given profile and cross-fertilised across the Global South

Submission by Republic of Bolivia to the Ad Hoc Working Group on Long-term Cooperative Action under the UN Framework Convention on Climate Change
April 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. This debt must be repaid by freeing up environmental space for developing countries and particular the poorest communities.

‘Keep the Oil in the Soil!’ in Yasuni National Park

Quito NGO Accion Ecologia and its Oil Watch allies began campaigning several years ago against the kinds of abuses of resources that create Ecological Debt. Their work 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 debt to the South. According to Accion Ecologia,

“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 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.

African eco-justice movement activists define terrain of future eco-debt struggles

- activists fighting Monsanto's GM drive from the US to South Africa to several African countries;
- blood-diamonds victims from Sierra Leone, Angola, Botswana and Zimbabwe continue to build pressure after failure of Kimberley Process;
- victims of SA mining capital - platinum in Limpopo and titanium on the Wild Coast - successfully protest extraction;
- Lesotho peasants objecting to displacement during construction of the continent's largest dam system (solely to quench Johannesburg's irrational and hedonistic thirst);
- Ugandans similarly threatened at the overly expensive, corruption-ridden Bujagali dam, Mozambicans fighting the Mpande Nkua dam on the Zambizi, and Ethiopians opposed to the Gibe dam;
- Ghanaian, South African and other activists opposing water privatization;
- a growing network questioning Liberia's long exploitation by Firestone;
- Chadian and Cameroonian activists pressuring the World Bank not to continue funding their repression and environmental degradation; and
- Oil Watch linkages of Nigerian Delta activists such as those who signed the Ogoni Bill of Rights and many other Gulf of Guinea communities.

Ogoni Bill of Rights

We, the people of Ogoni (Babbe, Gokana, Ken Khana, Nyo Khan and Tai) numbering about 500,000, being a separate and distinct ethnic nationality within the Federal Republic of Nigeria, wish to draw the attention of the Government and people of Nigeria to the under mentioned facts:
… that oil was struck and produced in commercial quantities on our land in 1958…

that in over 30 years of oil mining, the Ogoni nationality have provided the Nigerian nation with a total revenue estimated at over 40 billion Naira (N40 billion) or 30 billion dollars.

that in return for the above contribution, the Ogoni people have received NOTHING…

that the search for oil has caused severe land and food shortages in Ogoni - one of the most densely populated areas of Africa (average: 1,500 per square mile; national average: 300 per square mile.)

that neglectful environmental pollution laws and sub-standard inspection techniques of the Federal authorities have led to the complete degradation of the Ogoni environment, turning our homeland into an ecological disaster.

that the Ogoni people lack education, health and other social facilities.

that it is intolerable that one of the richest areas of Nigeria should wallow in abject poverty and destitution…

Adopted by general acclaim of the Ogoni people on the 26th day of August, 1990, at Bori, Rivers State

Petro-mineral resources:
Leave the oil in the soil
Leave the coal in the hole
Leave the tar sand in the land

- Alaska wilderness and California offshore drilling campaigners
- Oil Watch
- women of the Niger Delta, ERA, MEND
- Australian *Rising Tide v* Newcastle coal exports
- British Climate Camp
- Attac, Norway
- Alberta, Canada tar sands green & indigenous activists
- South Durban Community Environmental Alliance against new pipeline that will double petrol flow to Johannesburg
- Ecuadoran indigenous activists, Accion Ecologica and Rafael Correa - agree that Ecuador's main oil reserve (Ishpingo-Tiputini-Tambococha, in Yasuní National Park) should stay in the ground (August 2007), to be financed by Germany (June 2009)

Climate Justice Now!
Bali, December 2007

- Carbon Trade Watch (a project of the Transnational Institute);
- Center for Environmental Concerns;
- Focus on the Global South;
- Freedom from Debt Coalition, Philippines;
- Friends of the Earth International;
- Women for Climate Justice;
- Global Forest Coalition;
- Global Justice Ecology Project;
- International Forum on Globalization;
- Kalikasan-Peoples Network for the Environment;
- La Vía Campesina;
- Durban Group for Climate Justice;
- Oilwatch;
- Pacific Indigenous Peoples Environment Coalition;
- Sustainable Energy and Economy Network (Institute for Policy Studies);
- Indigenous Environmental Network;
- Third World Network;
- Indonesia Civil Society Organizations Forum on Climate Justice;
- World Rainforest Movement.

Climate Justice Now!
Bali, December 2007
Movement 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.**

Keep the Oil in the Soil!

Nigerians campaign against Shell and against drilling in new blocks