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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 silo-isation: 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 meanwhile 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 ghettoes 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 signlas 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 regrettably $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 electricity 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

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.'

Source: *The Witness* Twitter feed

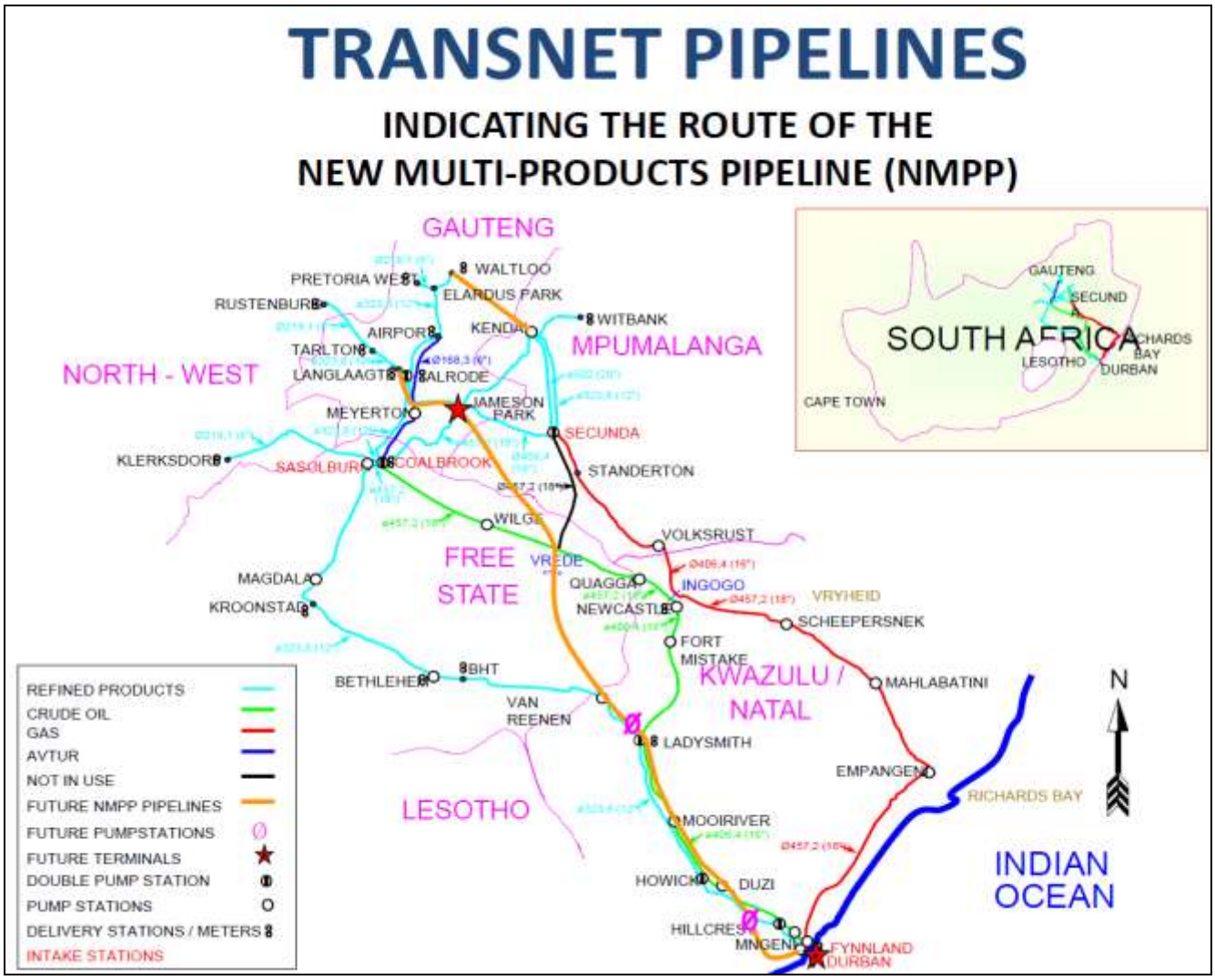
Look more closely at the damage and how it might have been prevented. Not only should this become a case for rethinking both our addiction to climate-destroying petroleum and the geographically-illogical Johannesburg region's excessive air pollution – and what narratives activists might deploy against 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.

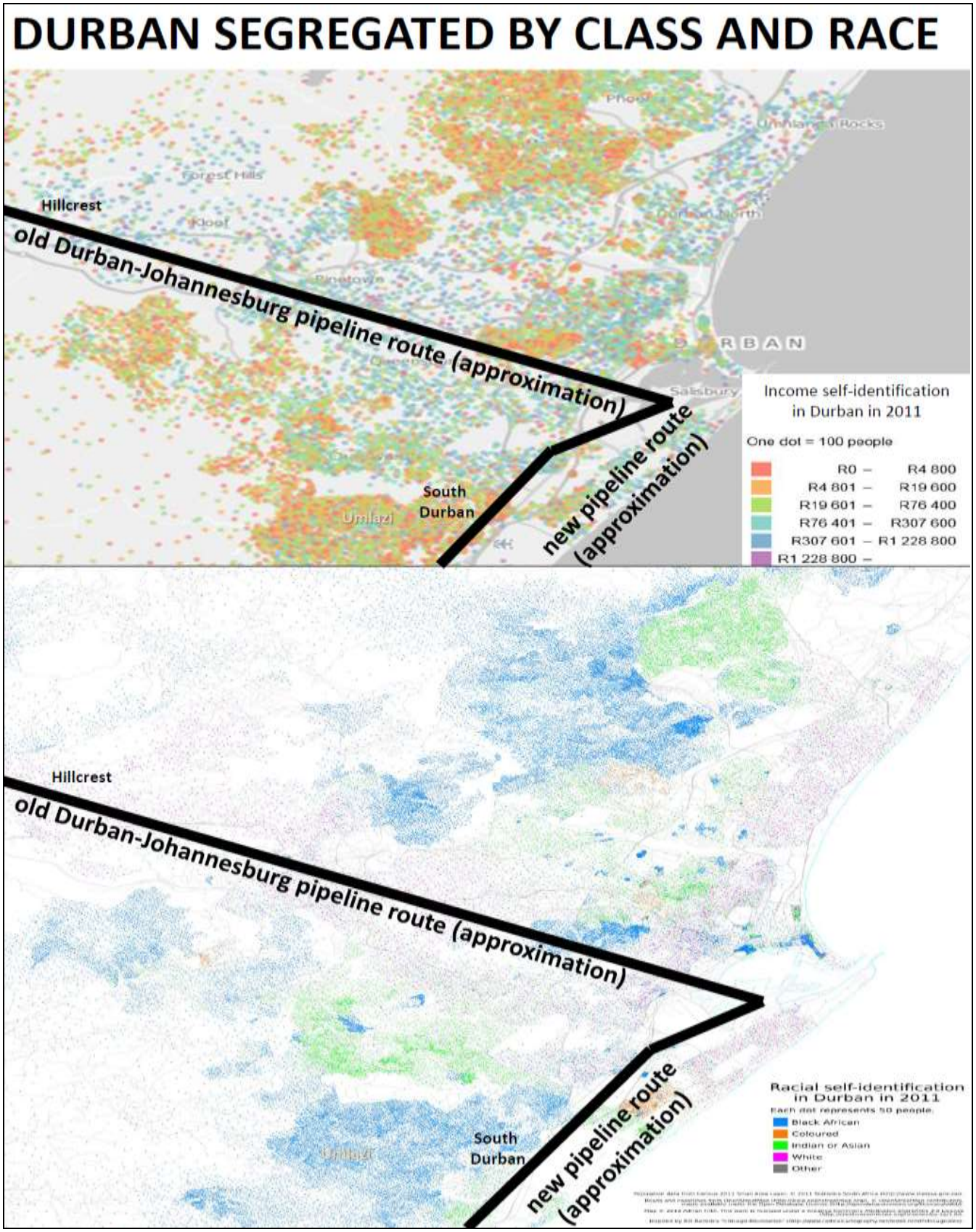
That 'New Multi-Products Pipeline' (NMPP) – whose piping was completed three years ago but which still awaits two new pump stations to reach full capacity – suffered huge delays and overruns, raising the cost from the initial estimate of $550 million in 2006 to $1.98 billion at last count.

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)

Source: Transnet NMPP Environmental Impact Assessment Draft Scoping Report, 2008

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.

THE MERCURY

Blues for Durban

Win a bush lodge break

All eyes on Boks, Kaizer Chiefs

Carnage on Field's Hill

KIA DURBAN SOUTH

INTRODUCING THE PICANTO LX

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.

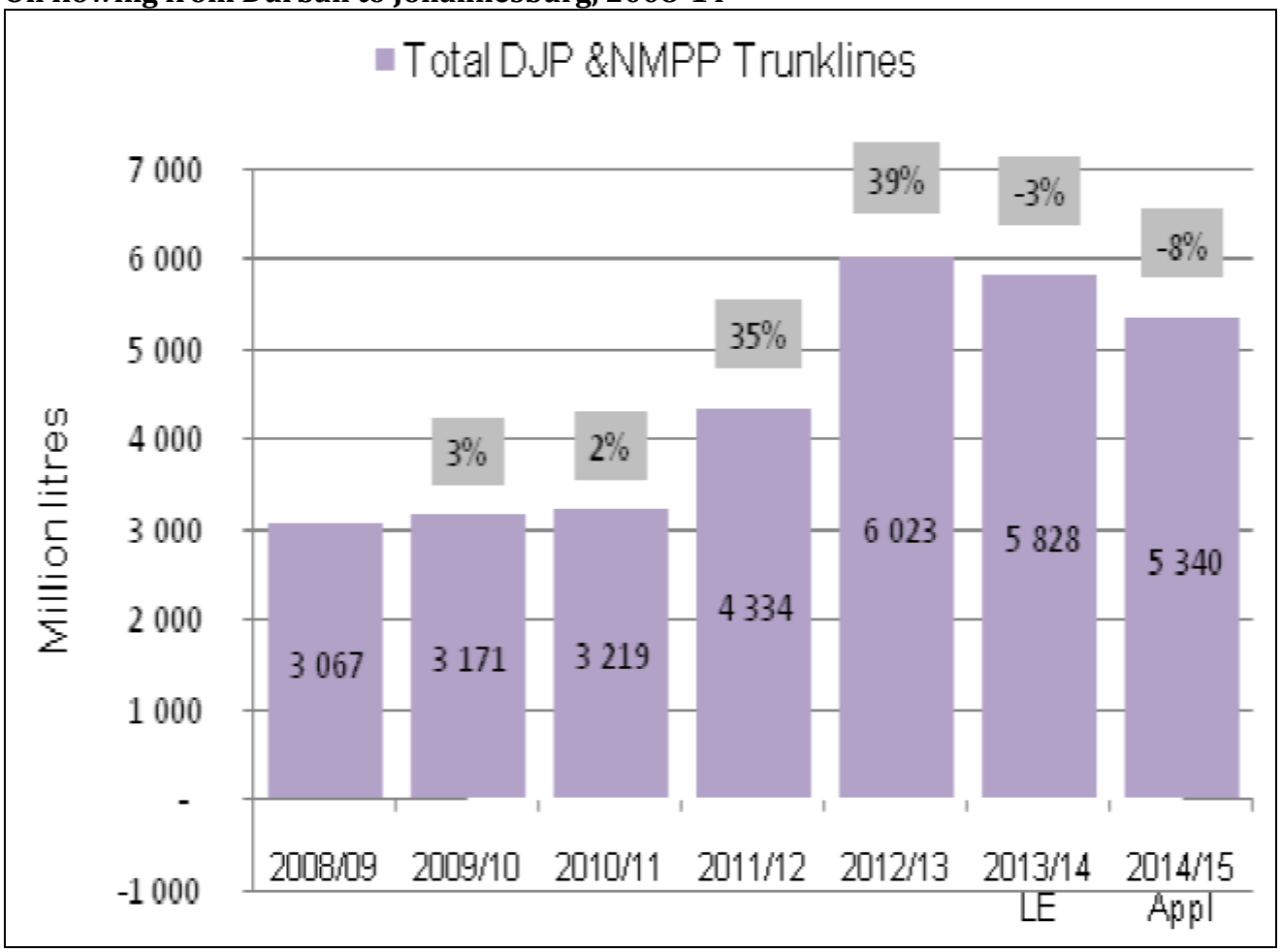
In contrast, the main merit of Transnet's new oil pipeline is that far fewer truckloads of petrol and diesel are now being transported by truck. The new pipeline more than doubles the oil-transit

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.'

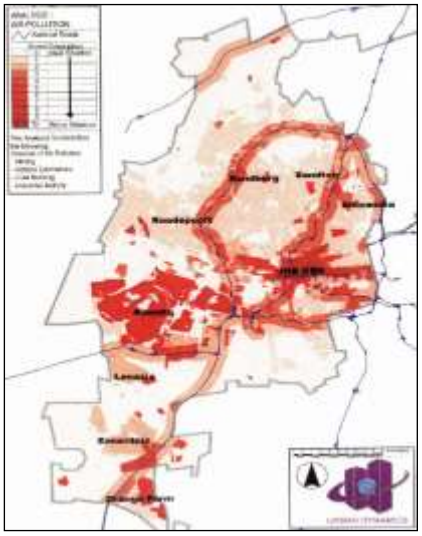
If so, given the excess capacity in the new pipeline, why was the old pipeline still being used on December 23, as well as back in 2013 at Mooi River? According to government's 2007 Energy Security Master Plan, 'When it comes to infrastructure investments in the South African liquid fuels sector, in 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 councilors and chiefs in the areas affected by the new pipeline also sold out. They told everyone it would create jobs there. The councilors 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.

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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

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 (Figueres) 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 CO_2 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 pasaran' 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 incapacities, 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 traipsing 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 "lood 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 summitry 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 Press 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.

Economic, ecological and social risks in Durban's port-petrochemical-coal expansion
Man in India, 94, 3, pp.471-500, September 2014

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 Coodinating 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:

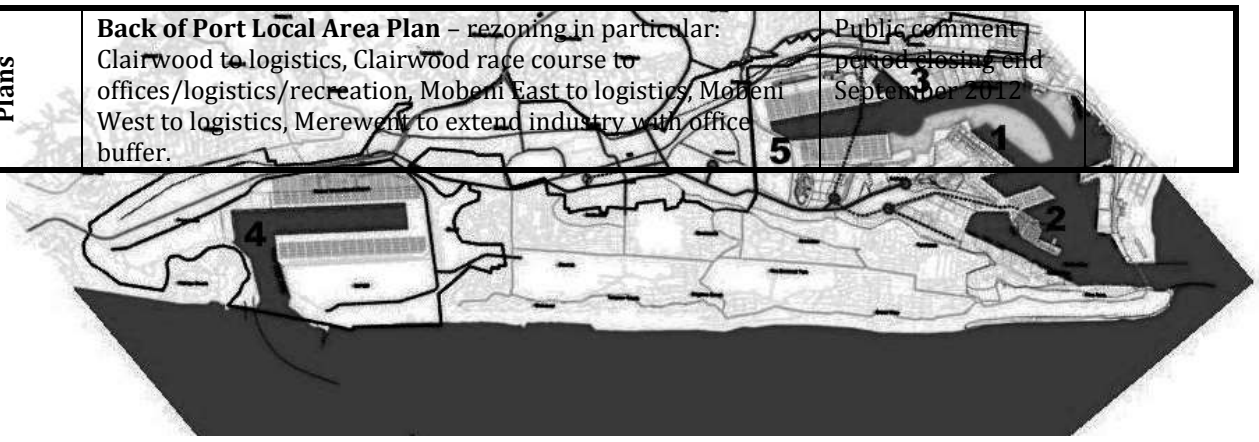
> At the close of the second decade of our democracy, it is clear that we need to change gear. All South Africans need to work together in a concerted effort to improve service delivery**,** bolster job creation and expedite economic transformation**.** In South Africa, joblessness is still unacceptably 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.

Strategic Investment Project 1: Coal exports through Richards Bay Port

Strategic Investment Project 2: the South Durban port-petrochemical expansion

Plans	**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.	Public comment period closing end September 2012	



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		New freight route from harbour around Clairwood, through the uMhlatuzana river valley connecting to N2	2012 -17	
		North-South truck freight roadway from airport dig-out on the M4, then through Mobeni to a junction at Clairwood	2014 - 2020	
		East – West freight route from port via Mariannhill to Cato Ridge	2015 - 2023	

Marketing of the two largest SIPS

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.

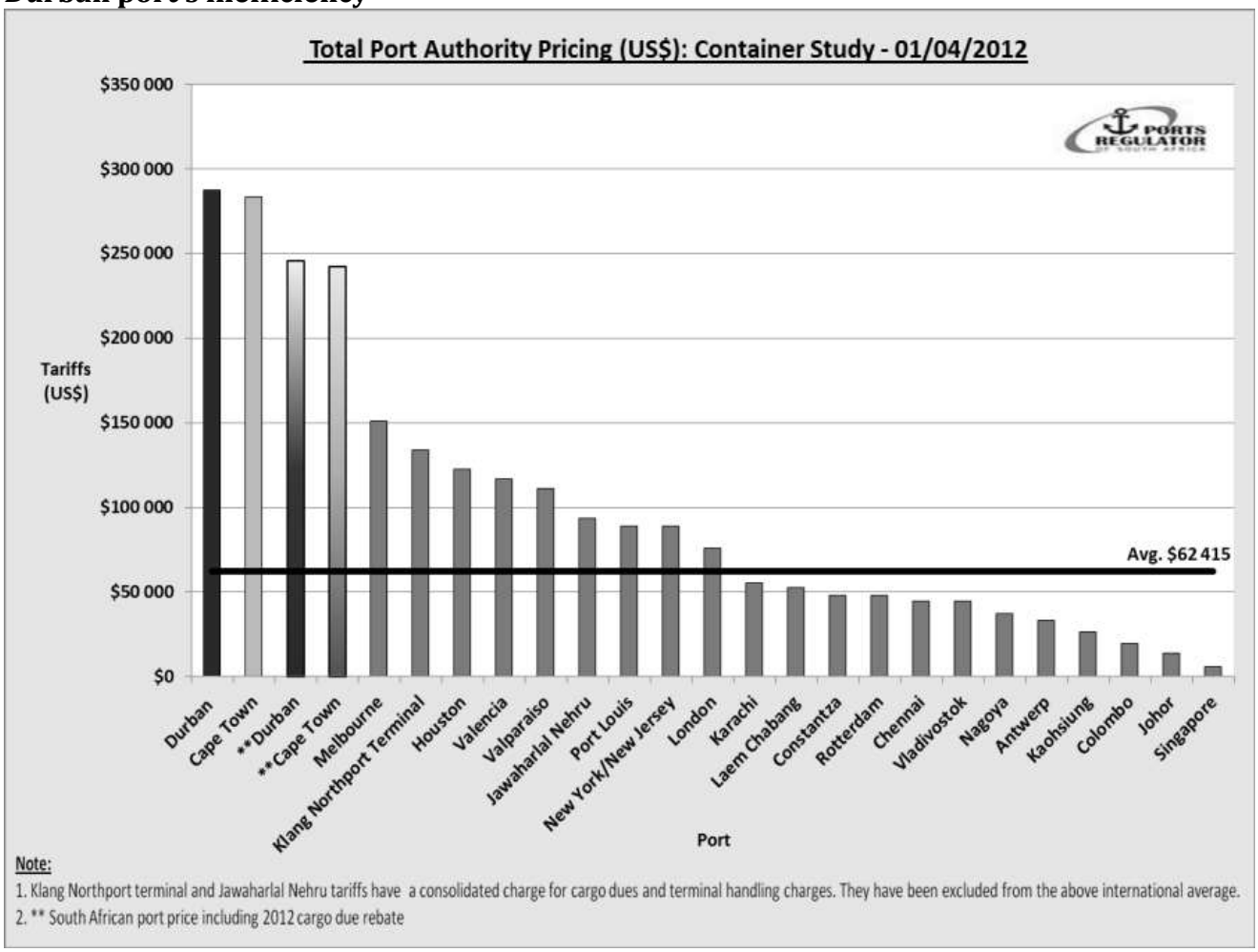
Finally, by way of background, it is revealing that this kind of port-centric infrastructure strategy was endorsed by SA Communist Party deputy general secretary Jeremy Cronin (2013), who enthused over

> 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.

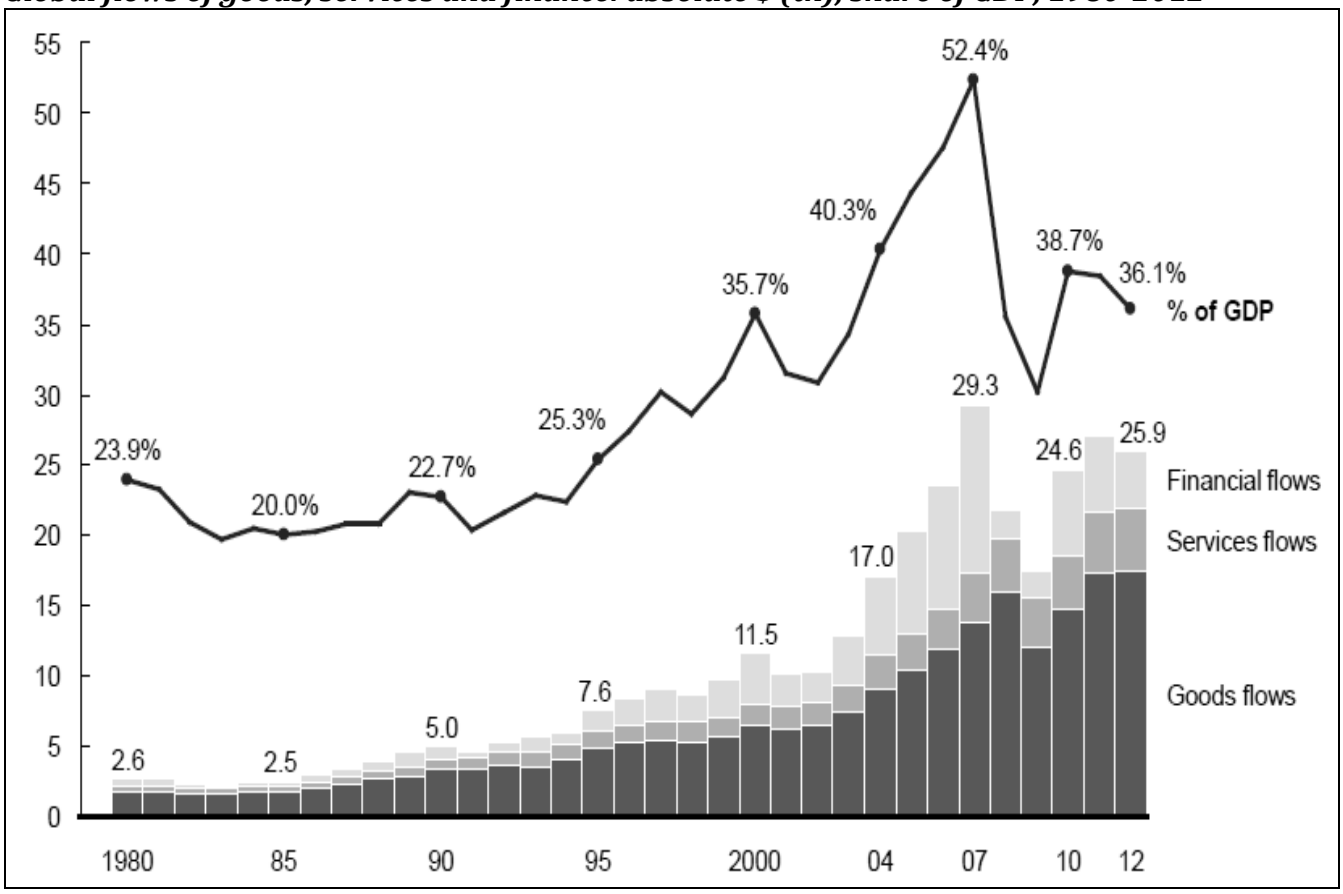
As a result, most municipal economic development efforts entailed crafting a marketing strategy based upon sports tourism and convention centre activity (Durban has Africa's largest hall), as well as a strong patronage impulse within the ruling party, which together generated high-profile white elephant 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 "deglobalisation" 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



Source: McKinsey (2014, 14)

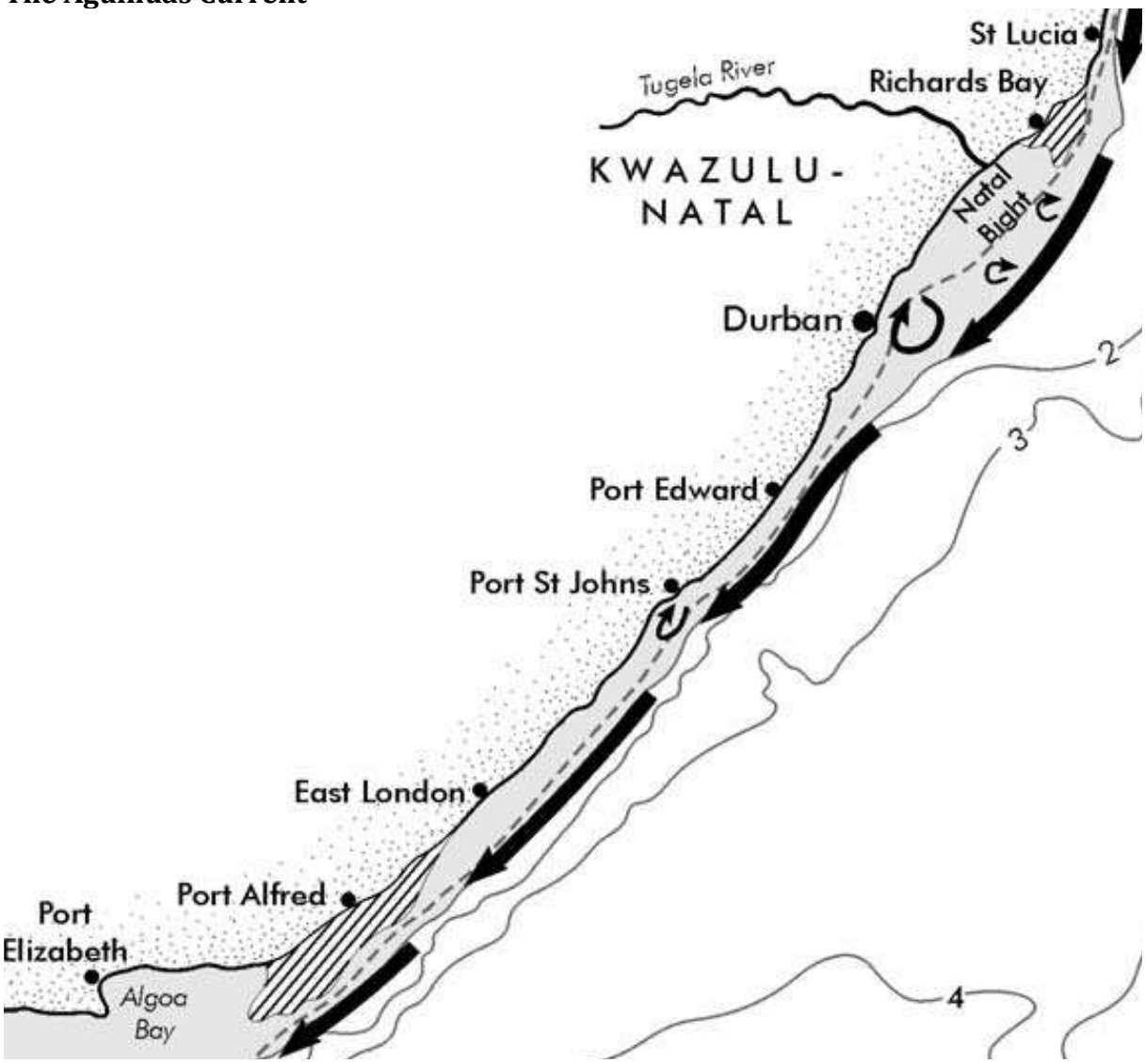
3. Risks in riding and drilling the 'remarkably stable' *(sic)* Agulhas Current

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 Waratua 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

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 contentions; 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 Ballegooyen (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 enchanged 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 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 skimped 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.

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

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.

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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.

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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."

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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 major 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.*

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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 'sub-

1. Rosa Luxemburg, *The Accumulation of Capital,* New York, Monthly Review Press, 1968 [1913], p.396.
2. *Ibid,* pp. 397, 76, 327.
3. Patrick Bond, Horman Chitonge and Arnd Hopfmann (eds), *The Accumulation of Capital in Southern Africa,* Berlin,The Rosa Luxemburg Stiftung, 2007.
4. Martinez-Allier's work is profiled, along with a network in which this author is an associate, at the Environmental Justice Organizations, Liabilities and Trade project: http://www.ejolt.org.
5. Patrick Bond, 'Sub-imperialism as Lubricant of Neoliberalism: South African "deputy sheriff" duty within BRICS,' *Third World Q*uarterly, 34, 2.

> imperialisms' arose… Each developing centre of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence.

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,[6] 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.[7] 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.[8] 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.[9]

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.[10] The crony-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

6. Harold Wolpe, 'Capitalism and Cheap Labor Power,' *Economy and Society*, 1.
7. Samantha Ashman, Ben Fine and Susan Newman, 'The crisis in South Africa: Neoliberalism, financialization and uneven and combined development,' in L Panitch, G Albo and V Chibber (eds), *The crisis this time: Socialist Register 2011.* London: Merlin Press; New York: Monthly Review Press, 2010; John Saul and Patrick Bond, *South Africa – The Present as History,* Oxford, James Currey, 2014.
8. Ben Fine and Zav Rustomjee, *The Political Economy of South Africa: From Minerals-Energy Complex to Industrialization*, London, Christopher Hirst and Johannesburg, Wits Press, 2006.
9. David McDonald (Ed), *Electric Capitalism,* Cape Town, Human Sciences Research Council Press, 2008.
10. Patrick Bond, 'South Africa's resource curses and growing social resistance,' *Monthly Review,* 65, 11, April 2014, http://monthlyreview.org/2014/04/01/south-africas-resource-curses-growing-social-resistance

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.[11]

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 Bank[12] 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

11. Samantha Hargreaves, 'Extractivism, its deadly impacts and struggles towards a post-extractivist future,' Unpublished paper, Women in Mining, Johannesburg, 10 April 2014.
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.
13. Patrick Bond, *Elite Transition,* London, Pluto Press, 2014; Connie Fields, *The Bottom Line: Have You Heard from Johannesburg,* Berkeley, Clarity Films, 2010, http://*www.clarityfilms.org/joburg/.*

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 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),[14] and it carries an absurd claim made by Bank president Jim Yong Kim in 2012 that Medupi is a 'clean coal' generator.[15] 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

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

15. Jim Yong Kim, 'Press Conference with WBG President Jim Yong Kim, S.African Finance Minister Pravin Gordhan, and WB VP for Africa Makhtar Diop', 6 September 2013, Pretoria, World Bank, http://www.worldbank.org/en/news/speech/2012/09/06/press-conference-wbg-president-jim-yong-kim-safrican-finance-minister-pravin-gordhan-wb-vp-africa-makhtar-diop

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 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 CO_2 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),[16] 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.[17] South Durban activists launched the local public campaign with a spirited protest at Eskom's main local branch.[18] To establish a campaign against an obscure World Bank loan so quickly, with the

16. BankTrack, urgewald, groundWork and Earthlife Africa, *Bank Rolling Climate Change,* London, 2011, http://www.banktrack.org/show/pages/bankrolling_climate_change_report_on_banks_and_coal
17. groundWork (2009), *The World Bank and Eskom,* Pietermaritzburg, December, http://www.groundwork.org.za/Publications/Reports/SpecialReports/worldbankeskom09.pdf and http://www.earthlife.org.za/?p=858
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

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?

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.[19] 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.'[20] 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.'[21]

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).[22] 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

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residents in South Durban were being disconnected. They often reconnected illegally, and Eskom and the municipality clamped down, generating ore local anger.

19. http://ia600307.us.archive.org/7/items/PatrickBondWilliamMoomawDiscussClimateJusticeSouthAfricaAndThe/PatrickBond.wmv

20. Sipho Kings, 'Medupi mining puts river in deep trouble', *Mail&Guardian,* 11 January 2013, http://mg.co.za/article/2013-01-11-mining-puts-river-in-deep-trouble

21. *Ibid.*

22. SAPA, 'Sweet deals use 5 percent of Eskom's power – Hogan,' April 19, 2010.

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.[23] 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 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 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

23. The literature on multipliers is reviewed in Patrick Bond, *Unsustainable South Africa,* London, Merlin Press, 2002.
24. Castro Ngobese, 'Numsa statement on Eskom retrenchments,' National Union of Metalworkers of SA Press Statement, Johannesburg, April 19, 2010.
25. Patrick Bond, *Elite Transition,* Peitermaritzburg, University of KwaZulu-Natal Press, 2005.
26. Castro Ngobese, 'Motivations for a socially-owned renewable energy sector,' Johannesburg, 15 October 2012, http://www.numsa.org.za/article/motivations-for-a-socially-owned-renewable-energy-sector-2012-10-15/
27. Peter Bruce, 'The thick end of the wedge,' *Business Day,* April 19, 2010.
28. Ernest Mabuza, 'Valli Moosa-Eskom 'Conflict of Interest',' *Business Day,* February 19, 2010.

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]

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29. Ironically, in February 2010, the World 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). World Bank, *Silent and Lethal: How Quiet Corruption undermines Africa's development efforts*, Washington, DC: World Bank, 2010.
30. National Union of Metalworkers of SA, 'Appalling working conditions and deteriorating working conditions within the Medupi Project grievances', Lephalale, 19 October 2012.
31. National Union of Metalworkers of SA, 'Statement on the latest developments at Medupi Power Plant,' Johannesburg, 22 January 2013.
32. Schalk Mouton and TJ Strydom, 'Darkness looms as Eskom takes more strain', *Times,* 9 January 2014.

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,[33] 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.[34]

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.'[35] 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'.[36] In any case, according to *Business Day* columnist Simon Reader, 'It seems Swartberg wasn't all that good.'[37]

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:

33. Carol Paton, 'Medupi faces fresh glitches', *Business Day,* 15 November 2013.
34.Londiwe Buthelezi, 'Department denies part in Dames' decision to leave Eskom', *The Mercury,* 6 December 2013.
35. Chris Yelland, 'A company in distress', *Daily Maverick,* 4 March 2013.
36. Sapa, 'Eskom apologises for spying on Greenpeace, Earthlife,' 11 November 2013.
37. Simon Reader, 'Why is Eskom the only rotter in the spy saga?,' *Business Day,* 26 November 2013, http://www.bdlive.co.za/opinion/columnists/2013/11/26/why-is-eskom-the-only-rotter-in-the-spy-saga

- 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 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.'[38]

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.'[39] 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.[40] 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.[41]

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.'

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38. Tracy Hancock, 'Inspection panel findings on impact of Medupi', *Creamer's Engineering News,* 17 May 2013, http://www.engineeringnews.co.za/article/inspection-panel-findings-on-community-impact-of-medupi-2013-05-17
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.

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 would cause an embarrassment for Ramaphosa. She said if the matter went to court it could even cost her her job.'[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.[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

42. Nelly Shamase and Matuma Letsoalo, 'Saving Cyril: Molewa accused of meddling', *Mail&Guardian,* 9 November 2012.
43. Shanta Davarajan and Patrick Bond, http://blogs.worldbank.org/africacan/patrick-v-shanta-round-2

(after the Waterberg-Richards Bay coal infrastructure expansion).[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[45] but also for his next project: halting the port expansion.[46] One morning, reporting on D'Sa's award, *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.'[47] 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.[48]

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.

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44. National Planning Commission, *National Development Plan,* Pretoria, 2012, http://www.info.gov.za/view/DownloadFileAction?id=172296
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=_erEf4zI0BI
46. South Durban Community Environmental Alliance, http://sdcea.co.za; Erin Hanekom, 'NGOs to wage trifecta of troubles in South Durban, *Southland Sun,* 3 December 2013, http://southlandssun.co.za/20309/ngos-to-wage-war-on-trifecta-of-troubles-in-south-dbn/; and https://www.youtube.com/watch?v=taFtYFmFXEE
47. John Vidal, 'South Africa's "cancer alley" residents face new threat from port development,' *The Guardian,* 28 April 2014, http://www.theguardian.com/global-development/2014/apr/28/south-africa-cancer-alley-port-development
48. *The Economist,* 'Durban port expansion South African campaigner wins environmental prize,' 28 April 2014, http://www.economist.com/blogs/baobab/2014/04/durban-port-expansion

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 Descoins update his team's planning: 'The fatal flaws analysis yielded many risks but no show-stoppers.'[49] 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-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.[50]

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.'[51] 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.[52]

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49. *Creamer's Engineering News,* 'Prefeasibility work starts on Durban Dig Out Port,' 5 July 2013, http://www.engineeringnews.co.za/print-version/prefeasibility-work-starts-on-durban-dig-out-port-2013-07-05
50. Colleen Dardagan, 'Durban to nail tender riggers', *The Mercury,* 26 June 2013, http://www.iol.co.za/business/companies/durban-to-nail-tender-riggers-1.1538042
51. Tony Carnie, 'New route for R6bn fuel pipeline,' *The Mercury,* 9 May 2008.
52. Irma Venter, 'Construction industry must deal with 'great anger' over collusion, says Upton,' *Engineering News,* 12 August 2013, http://www.engineeringnews.co.za/article/construction-industry-must-deal-with-great-anger-over-collusion-says-upton-2013-08-12

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.'[53] 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.[54] 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.[55]

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53. Malusi Gigaba, 'Where the Transnet pipeline project went wrong,' Statement by Public Enterprises Minister Malusi Gigaba, Pretoria, 2 December 2012.
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.

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

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'.[56] 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

56. Lloyd Gedye, 'South Durban's battle royal,' *City Press,* 28 April 2013, http://www.citypress.co.za/news/south-durbans-battle-royal/
57. Ishaam Abader, 'Rejection of the Final Environmental Impact Assessment Report for the Porposed Deepening, Lengthening and Widening of Berths 203 to 205 at Pier 2, Container Terminal, Port of Durban, KwaZulu-Natal Province,' Department of Environmental Affairs, Pretoria, 2 October 2013.
58. *Ibid*.
59. Cornell University, 'We have a planetary emergency: Hansen, leading NASA climate scientist, urges unions to act', New York City, 23 October 2012, http://www.ilr.cornell.edu/news/GLIJamesHansen_102312.html
60. Academy of Science of SA, *Towards a Low Carbon City: Focus on Durban,* Pretoria, 2011, http://www.assaf.org.za/2011/08/durban-on-a-pathway-towards-a-low-carbon-city/

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, *in*efficiency 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 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? [61] In October 2012, at 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.

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.'[62] 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, mega-projects have dominated corporate investment, and have always entailed very generous state-supported subsidies, usually associated with mining (Free State Goldfields), smelters (Alusaf, Columbus), airports, ports (Richards Bay, Saldanha, Coega), mega-dams (Gariep, Lesotho), coal-fired powerplants and other energy projects (Mossgas, Sasol oil-from-coal) and occasional special projects (sports stadiums and the Gautrain).

What this means is that there remains a formidable lobby for fossil-fuel based infrastructure investment in SA, ranging from mining houses to the construction industry. The ruling class 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.[63] Behind Bruce's strategy is a long history of cheap energy supply for transnational capital made possible by the availability of large amounts of poor quality coal and an incestuous relationship between the coal mines, gold industry and Eskom. 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 big capital.

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 CO_2 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

62. *CityPress,* 'Infrastructure roll out to cost R844 million', 19 October 2012, http://www.citypress.co.za/business/infrastructure-roll-out-to-cost-r844bn-20121019/
63. Peter Bruce, 'Thick end of the wedge,' *Business Day,* 13 February 2012.
64. A. Spalding-Fecher, 'The Sustainable Energy Watch Indicators 2001,' Energy for Development Research Centre, University of Cape Town, Cape Town, 2000.
65. International Energy Agency, 'CO2 Emissions from Fuel Combustion, 1971-1998,' Paris, 2000; International Energy Agency, 'Key World Energy Statistics from the IEA,' Paris, 2000.
66. Republic of South Africa Department of Environmental Affairs and Tourism, *National Climate Change Response Strategy*, Pretoria, September 2004.

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'.[68]

How would South Africa to 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, Manhohan Singh, Wen Jiabao and Jacob Zuma leaving the earth's atmosphere with 770 parts per million of CO_2 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.[69]

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.[70]

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 CO_2 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.

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67. Patrick Bond, 'At Warsaw's COP19 climate summit, South Africa has no bragging rights', *Daily Maverick,* 12 November 2013, http://www.dailymaverick.co.za/opinionista/2013-11-12-at-warsaws-cop19-climate-summit-south-africa-has-no-bragging-rights/#.UpzqZOKafeo.

68. Republic of South Africa, *National Climate Change Response Green Paper,* Pretoria, 2010, http://www.climateresponse.co.za.

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.

70. United Nations, Report of the Secretary-General's High-level Advisory Group on Climate Change Financing, New York, 5 November 2010, http://www.un.org/wcm/webdav/site/climatechange/shared/Documents/AGF_reports/AGF_Final_Report.pdf

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).[71] 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.[72] 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'.[73] By 2012, SA's 'Environmental Performance Index' slipped to 5th worst of 133

71. Hilary Joffe, 'Growth has helped richest and poorest,' *Business Day,* 5 March, 2008.
72. Geeta Kingdon and John Knight, 'Unemployment in South Africa,' Paper presented at the '10 year review of the South African Economy conference,' Stellenbosch University, 28-29 October 2005, http://www.csae.ox.ac.uk/resprogs/usam/default.html
73. http://www.info.gov.za/speeches/2007/07062911151001.htm

countries surveyed by Columbia and Yale University researchers.[74] 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.[75] 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.[76] 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.[77] 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-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

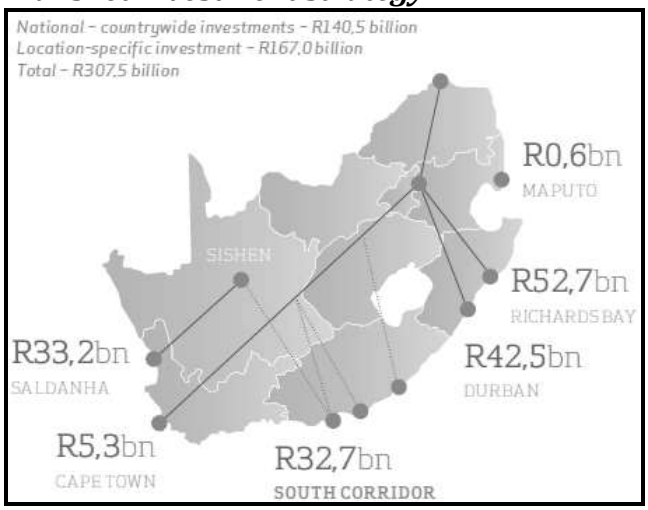
74. Environmental Performance Index, http://epi.yale.edu/
75. See Bond, *Unsustainable South Africa, op cit.*
76. World Economic Forum, *Global Competitiveness Report 2012-2013,* Davos, September 2012, http://www.weforum.org/reports/global-competitiveness-report- 2012-2013 and same document for 2013-14.
77. SAPA, 'Cops handled 12,399 protests,' IOL News 19 September 2013.

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.

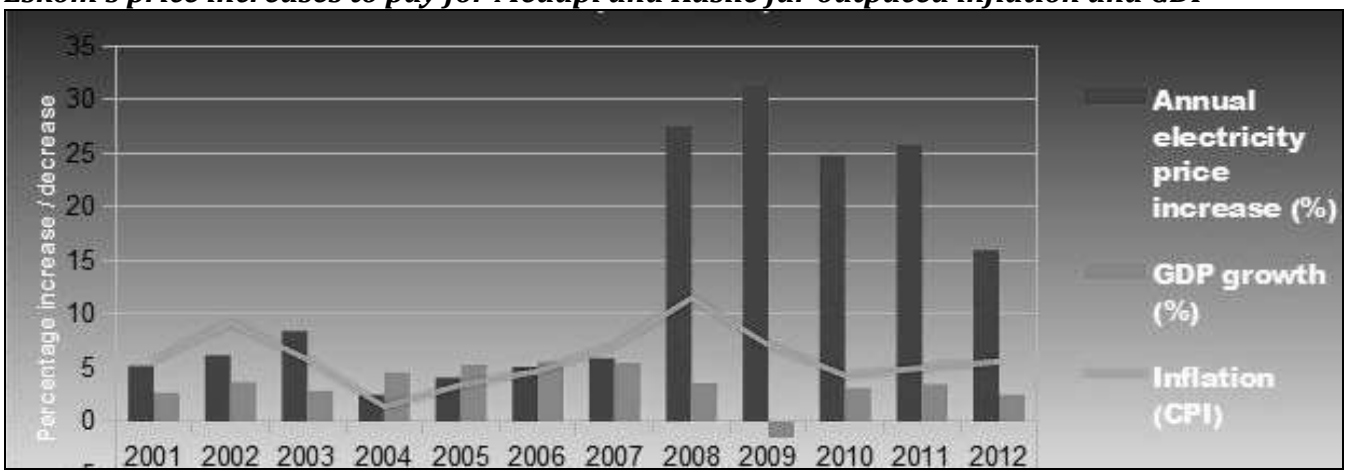
It is the financing weaknesses of the two parastatal corporations that might, if organizing does intensify, make the mega-projects more difficult to bring to fruition, given SA's vulnerabilities and excessive foreign debt. Weakening capital along these lines is a prerequisite to fighting for and winning 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.[78] But that will be a matter for struggle.

Eskom's two newest coal-fired power plants

Transnet investment strategy



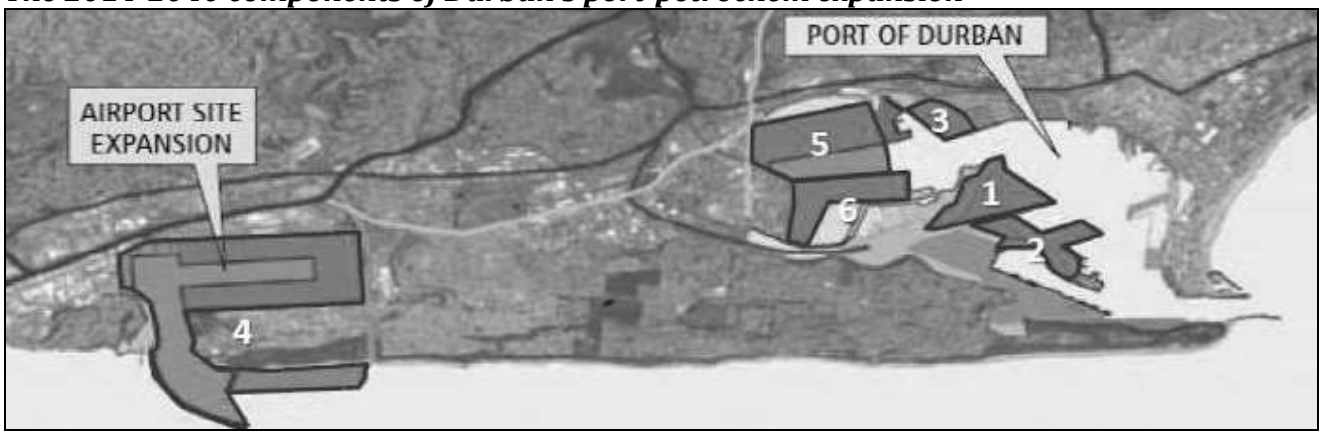
Eskom's price increases to pay for Medupi and Kusile far outpaced inflation and GDP



Source: World Bank, Eskom, Statistics South Africa

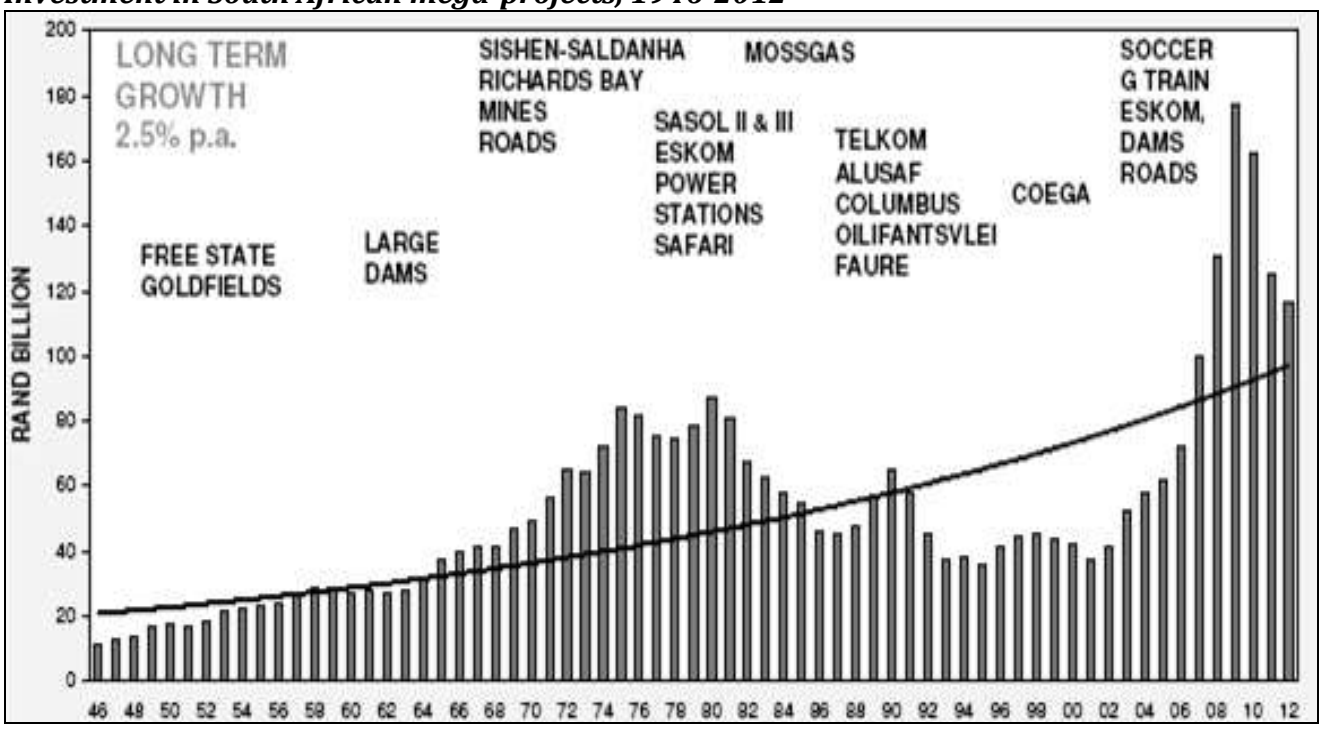
78. Patrick Bond, *Politics of Climate Justice: Paralysis above, movement below,* Pietermaritzburg, University of KwaZulu-Natal, 2012; Naomi Klein, *This Changes Everything,* New York, Simon & Schuster, 2014.

The 2014-2040 components of Durban's port-petrochem expansion



Source: Transnet

Investment in South African mega-projects, 1946-2012



Source: SA Reserve Bank

Spatio-temporal fixes within climate-crisis capitalism, global environmental governance and geopolitical competition in emissions laxity

Submitted to *Environment and Planning* for 2015 publication

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 arrangments 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 (CO_2) 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

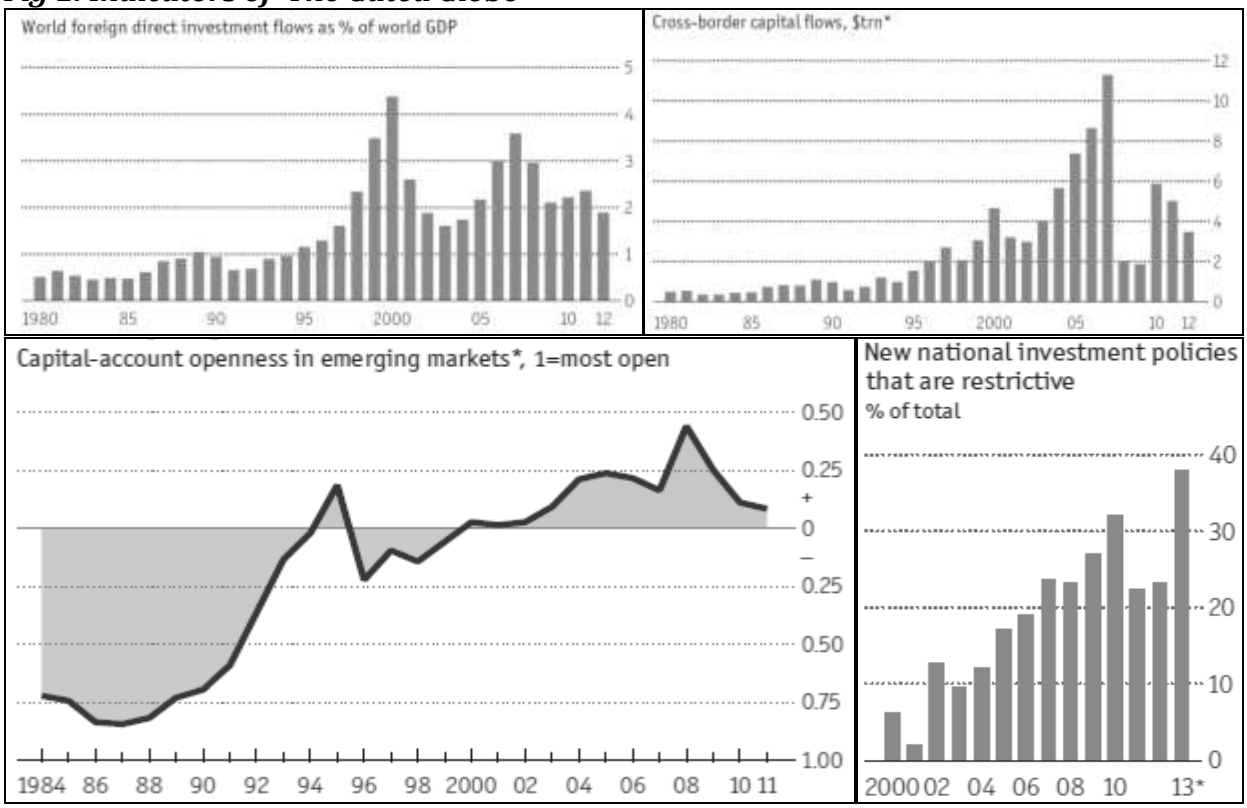
reached $240 billion in size. Then in 2012-13 there were BRICS announcements of a future $50 billion New Development Bank and $100 billion Contingent Reserve Arrangement, one of whose objectives, according to South African officials, is to 'complement existing international arrangements' (Republic of 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

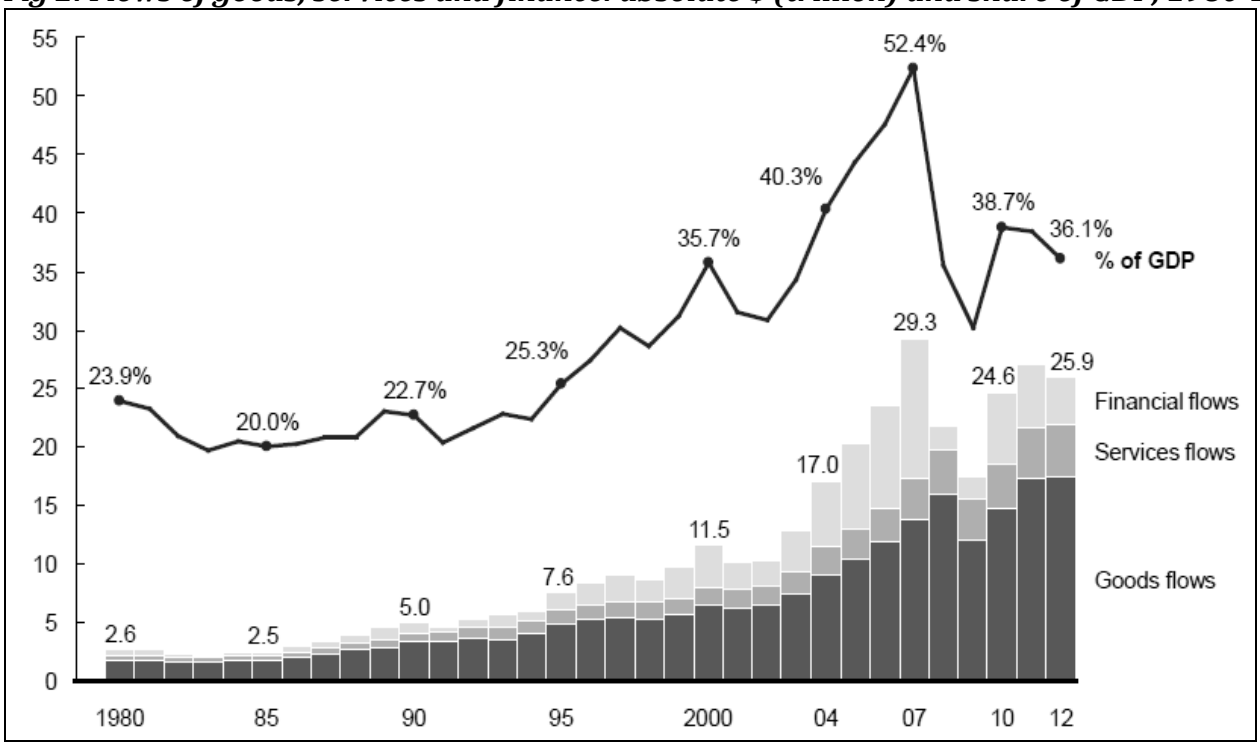
> Globalization has clearly paused. A simple measure of trade intensity, world exports as a share of world GDP, rose steadily from 1986 to 2008 but has been flat since. Global capital flows, which in 2007 topped $11 trillion, amounted to barely a third of that figure last year. Cross-border direct investment 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



Source: McKinsey (2014, page 14)

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 develeraging – 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

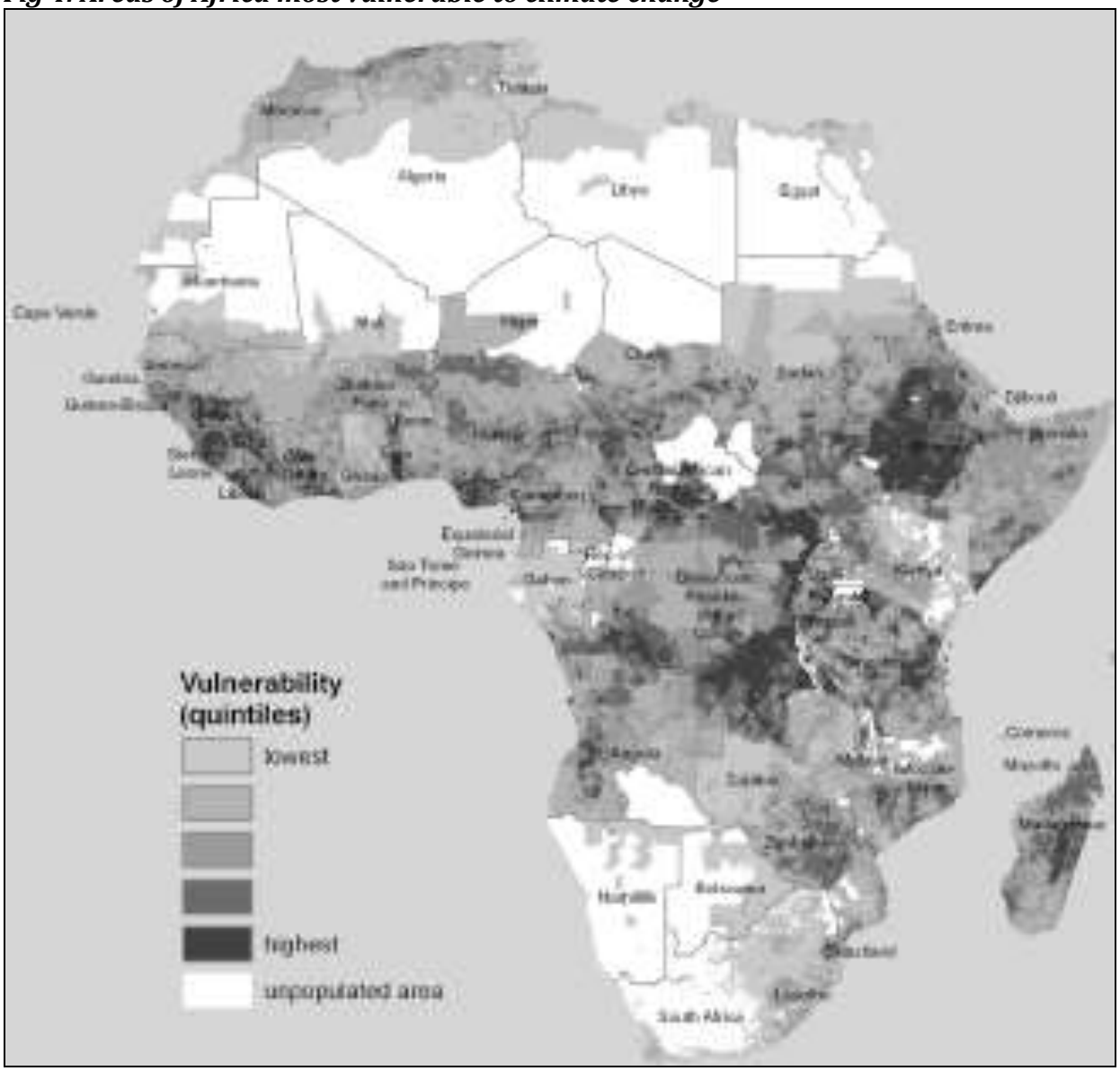
Source: World Bank (2011)

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

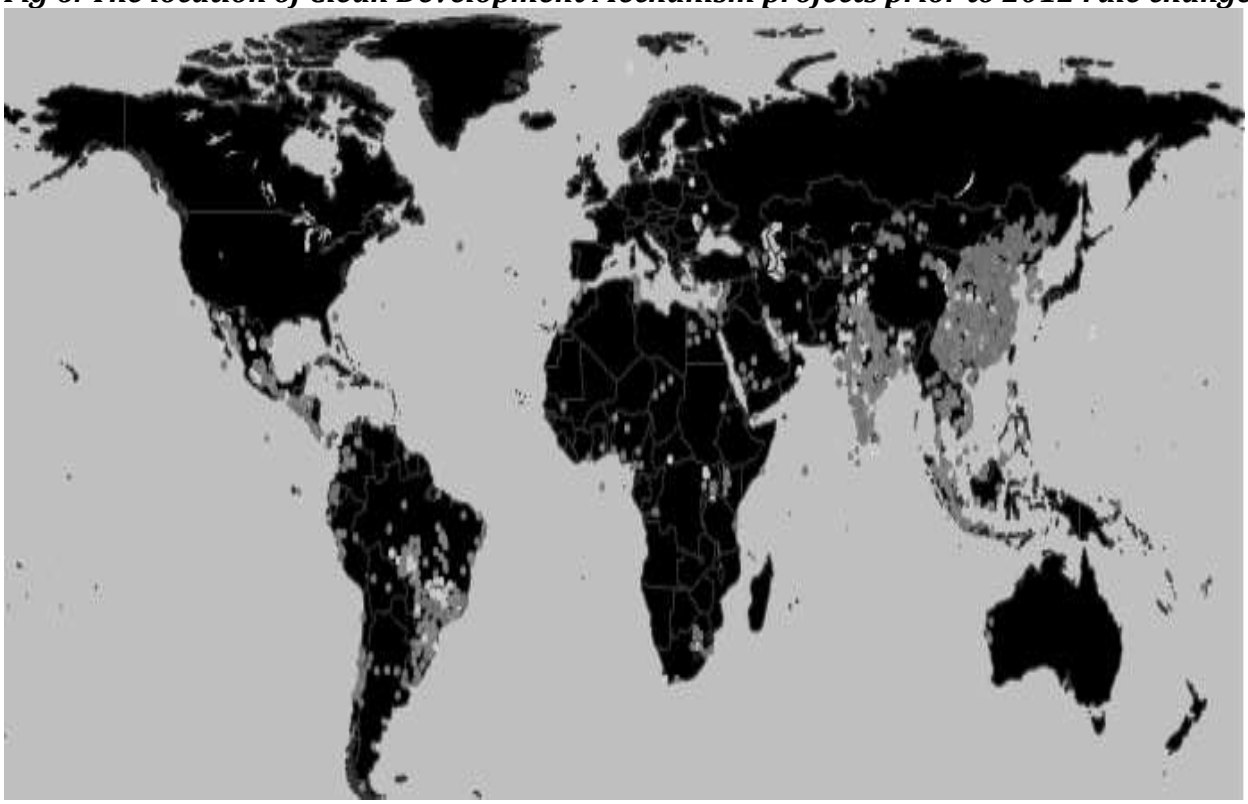


Source: University of Texas (2013)

Fig 5: The old and new carbon markets

Source: World Bank (2013)

Fig 6: The location of Clean Development Mechanism projects prior to 2012 rule change



Source: United Nations Environment Program (2013)

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 behaviourial 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 petro-chemical 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 SO_2 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, Manhohan 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).

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Gigaba's pleasing infrastructure promises soon to be broken in Durban
Mail&Guardian, 2 May 2014
http://mg.co.za/article/2014-05-02-soapbox-gigabas-pleasing-infrastructure-promises-soon-to-be-broken-in-durban

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 Maathei 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-doccie 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 Ballegooyen). 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.

Who will pay for climate change disaster?
The Real News, 21 April 2014
http://therealnews.com/t2/index.php?option=com_content&task=view&id=31&Itemid=74&jumival=11768

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 yetwhich 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.

Loss & Damage beyond charity, into solidarity, and suffused with climate justice
Triple Crisis, 4 December 2013
http://triplecrisis.com/loss-damage-beyond-charity-into-solidarity-and-suffused-with-climate-justice/#sthash.0sFUCuap.dpuf

An important article about one facet of the Warsaw Conference of Polluters 19, "Loss & Damage", was published last week in *The Star* (Malasia) 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 Ambiental 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 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 climate debt:
http://therealnews.com/t2/index.php?option=com_content&task=view&id=31&Itemid=74&jumival=11065&updaterx=2013-11-22+13%3A59%3A51

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-ellos-hablan-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-I64o0)

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 stationwho 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 climage change
The Real News, 22 November 2013
http://therealnews.com/t2/index.php?option=com_content&task=view&id=31&Itemid=74&jumival=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 delegitimize 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 behaviourial 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 politicies 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.

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

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 Guartambel.

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, by and for Africa
June 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 *under*polluted".[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 anti-capitalist 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 Africans were at risk of premature death due to climate change this century (Christian Aid 2008). According to African Union (AU) official Abebe

1 See http://www.diakonia.se/sa/node.asp?node=4675 (accessed on 01/06/2013).
2 Reprinted at http://www.whirledbank.org (accessed on 01/06/2013).

Hailegabriel, "Trillions 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 CO_2 emitter (responsible for more than 40 per cent of the continent's CO_2) – 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 CO_2 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

3 See The Guardian, "US Embassy cables. US urges Ethiopia to back Copenhagen climate accord", 3 December 2010.

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 listserve for those opposed to carbon trading and other "false solutions" to the climate crisis[4]. 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.[5] 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.[6]

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."

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).
6 See http://www.climate-justice-action.org (accessed on 01/06/2013).

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.[7] 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) 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 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
- 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

7 See http://pwccc.wordpress.com (accessed on 01/06/2013).
8 See http://cochabamba2010.typepad.com/blog/2010/08/the-proposals-of-peoples-agreement-in-the-texts-for-united-nations-negotiation-on-climate-change.html (accessed on 01/06/2013).

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" 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 privatisation; 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."[9]

9 See South African Minister outlines priorities for Nairobi Climate Meetings, accessed on 01/06/2013 from http://www.stakeholderforum.org/index.php?id=11sept.

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."[10] 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:

> "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 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 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'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 Group[11] was formed to oppose carbon trading's "privatization of the air". From the vantage point

10. Marthinus van Schalkwyk: "Speech to the International Emissions Trading Association", accessed on 01/06/2013 from http://www.polity.org.za/.../sa-van-schalkwyk-international-emissions-trading-association-forum-26092007-2007-09-26.

11 See http://www.durbanclimatejustice.org/ (accessed on 01/06/2013).

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 Hammarskjold Foundation, deliberated over the neoliberal climate fix for several days. Particpants 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):

- 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.[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

12 The analyzes of emission market contradictions authored by Larry Lohmann are probably the best (see Lohmann 2006, 2009a, b, c, d, 2010).

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 C0P 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 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"[13].

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

13 See http://climatespace2013.wordpress.com/2013/04/08/launch-of-no-redd-in-africa-network-redd-could-cause-genocide/ (accessed on 01/06/2013).

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

14 One of Shell's private military operators was captured as a hostage.
15 See http://www.terroristplanet.com/2010/02/terrorist-group-profile-the-movement-for-the-emancipation-of-the-niger-delta/ (accessed on 01/06/2013).

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."
>
> 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."[16]

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."[17]

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

16 See One Million Climate Jobs, "Why One Million Climate Jobs?", 2011, accessed on 01/06/2013 from http://www.climatejobs.org.za/component/content/article/37-climate-jobs/54-why-one-million-climate-jobs.html
17 See http://www.pacja.org/index.php?option=com_content&view=article&id=302%3Aworld-urged-to-reject-false-solutions-for-green-economy&Itemid=130 (accessed on 01/06/2013).

> 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[18] 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).[19]

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

18 See http://www.globalpolicy.org/socecon/develop/devthry/well-being/2000/tandon.htm (accessed on 01/06/2013).

19 They include three dozen cases of African resources – worth many 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, such as a diabetes drug produced by a Kenyan microbe, the South African and Namibian indigenous appetite suppressant Hoodia, ; groundnuts from Malawi, Senegal, Mozambique, Sudan and Nigeria, and molluscicides from the Horn of Africa (McGown 2006).

20 See *The Guardian* (2008), "Rich countries owe poor a huge environmental debt", 21 January, http://www.guardian.co.uk/science/2008/jan/21/environmental.debt1 (accessed on 01/06/2013).

> 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.

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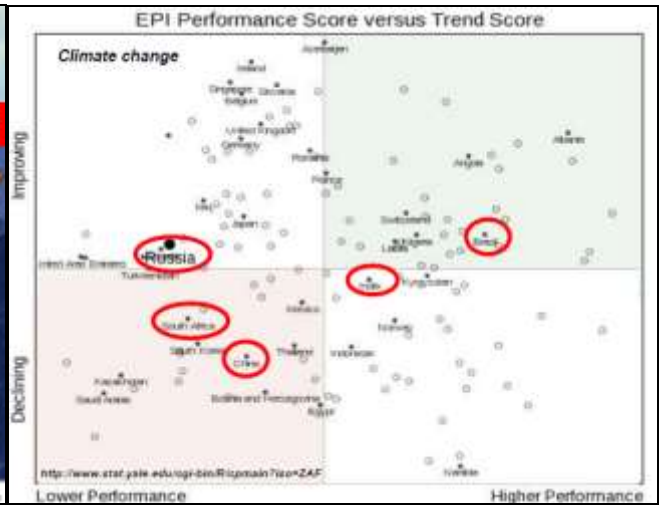
BRICS cook the climate
Business Day, 27 March 2013

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.



http://epi.yale.edu/

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

21. Columbia University and Yale University, *Environmental Performance Index 2012,* New York.

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.[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.

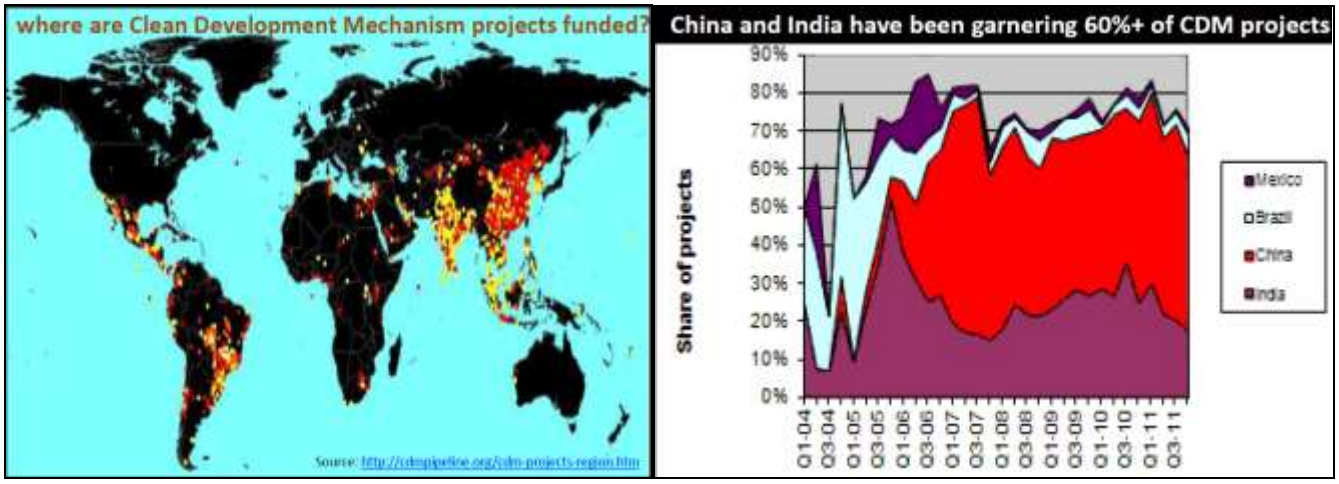
By the end of 2012, the BRICS no longer qualified to receive direct CDM funds,[25] so efforts shifted towards subsidies for new internal carbon markets, especially in Brazil and China. In February 2013, South African finance minister Pravin Gordhan also announced that as part of a carbon tax,

22. For more, see P Bond, *Politics of Climate Justice,* Pietermaritzburg, University of KwaZulu-Natal Press, 2012.
23. N Klein, 'For Obama, no opportunity too big to blow,' *The Nation*, December 21, 2009.
24. P Bond (Ed), *Durban's Climate Gamble,* Pretoria, University of South Africa Press, 2011.
25. P Bond *et al, CDMs Cannot Deliver the Money to Africa,* Report for the Environmental Justice Organisations, Liabilities and Trade project, December 2012, http://www.ejolt.org/2012/12/the-cdm-cannot-deliver-the-money-to-africa-why-the-carbon-trading-gamble-won%E2%80%99t-save-the-planet-from-climate-change-and-how-african-civil-society-is-resisting/

Pretoria would also allow corporations to offset 40 percent of their emissions cuts via carbon markets.

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.'[26]

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

26. S Böhm, M Misoczky and S Moog, 'Greening capitalism?', *Organization Studies,* November 2012, 33, 11, p.1629.

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.'[27]

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.

27. J Broder, 'Signs of new life as UN searches for a climate accord', *New York Times,* 24 January 2012.

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.'[28]

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,[29] 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 sub-imperialist.

28. P Solon and W Bello, 'Why are climate negotiations locked in a stalemate?', <http://focusweb.org/node/1916>
29. J Zuma, 'ANC January 8 Statement', Durban, http://www.politicsweb.co.za/politicsweb/view/politicsweb/en/page71619?oid=350068&sn=Marketingweb+detail

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, Kazahkstan, 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 Apeng (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 icnraeses.

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 relegitimise 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
Climate and Capitalism 18 June 2012 - http://climateandcapitalism.com/2012/06/18/at-rio20-values-versus-prices/?utm_source=rss&utm_medium=rss&utm_campaign=at-rio20-values-versus-prices

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.'

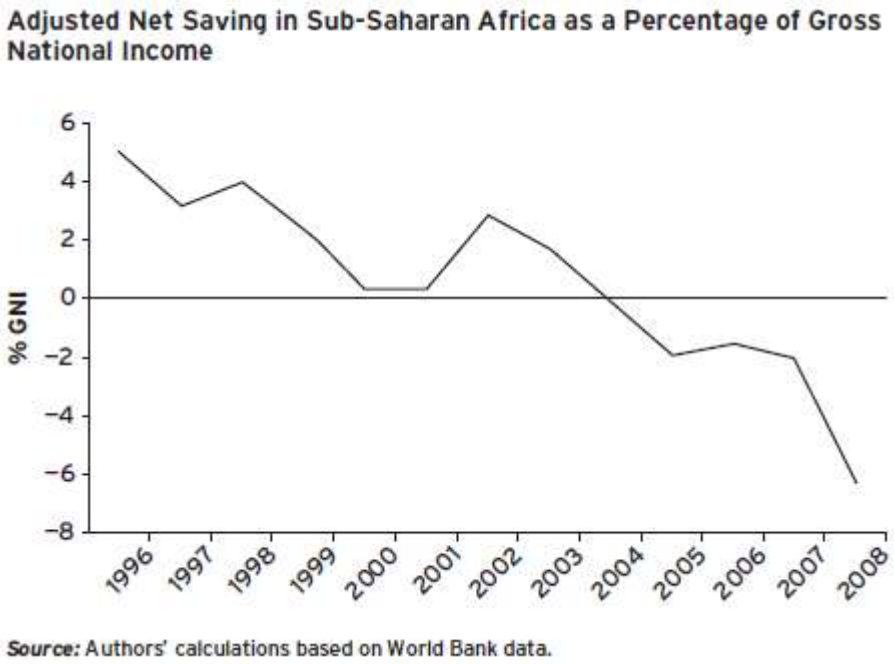
The nature-as-capital narrative leans dangerously close to the maniacal positioning of former Bank officials Larry Summers and Lant Pritchett, who in 1991 wrote their infamous memo in preparation for the original Rio conference: 'The economic logic of dumping a load of toxic waste on the lowest wage 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 *under*polluted.'

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. (See http://www.storyofcapandtrade.org for a simple, 8-minute video explanation.)

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 Societé 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.

Carbon Rush or Climate Justice?
in Amy Miller (Ed), *Carbon Rush,* Montreal, 2012

"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.[30] 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.)[31]

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.[32] 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."[33] The

30. *Washington Post*, 'Kyoto credits system aids the rich, some say,' 11 March 2005, http://www.washingtonpost.com/ac2/wp-dyn/A28191-2005Mar11?language=printer
31. University of KwaZulu-Natal Centre for Civil Society and Dartmouth College Climate Justice Project, *The CDM in Africa Cannot Deliver the Money,* Durban and Hannover, 18 April 2012, http://cdmscannotdeliver.wordpress.com/.
32. Aoibheann O'Sullivan, 'Carbon credits and Durban's Dump', *CCS Wired,* 2006, http://ccs.ukzn.ac.za and http://www.aoibheann.net/film2005.html
33. groundWork, *Wasting the nation,* 2008, http://www.groundwork.org.za/Publications/gWReport2008.pdf

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.[34] 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*.[35]

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)

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34. http://www.christianaid.org.uk/pressoffice/pressreleases/august2008/climate_change_talks_accra.aspx
35. Global Humanitarian Forum, 'The human impact of climate change,' New York, 2009, http://www.global-humanitarian-climate-forum.com/uploads/An___Impacts.pdf.

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 toincentivize 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 –

36. See Nina Chestney and Michael Szabo, 'Emissions traders expect US carbon market soon,' Reuters, May 28, 2009, http://www.reuters.com/article/GCA-GreenBusiness/idUSTRE54R4YP20090528, last accessed October 11, 2009.

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]

37. Pablo Solon, Wolpe Lecture at the University of KwaZulu-Natal, Durban, 2 December 2011, http://ccs.ukzn.ac.za.
38. Susanna Twidale, 'Durban deal delays debate on new markets', *Point Carbon,* 13 December 2011.
39. Reuters, 'Carbon markets still on life support after climate deal', 13 December 2011.

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.[40] 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. 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.[41]

In 2004, a global civil society network, the Durban Group[42] 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;

40. Catherine Airlie and Matthew Carr, 'EU, UN carbon prices could fall 'close to zero', SocGen says', Bloomberg, 17 January 2012.
41. John Vidal, 'Billions wasted on UN climate programme,' *The Guardian,* 26 May 2008, http://www.guardian.co.uk/environment/2008/may/26/climatechange.greenpolitics
42. http://www.durbanclimatejustice.org/

- 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 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

43. The analysis of emission market contradictions generated by Larry Lohmann is probably the most sophisticated, e.g., see Lohmann, L. 2006. *Carbon Trading: A critical conversation on climate change, privatisation and power*, *Development Dialogue*, 48, September, http://www.dhf.uu.se/pdffiler/DD2006_48_carbon_trading/carbon_trading_web_HQ.pdf; Lohmann, L. (2009a), 'Climate as investment', http://www.thecornerhouse.org.uk/pdf/document/Climate%20as%20Investment.pdLohmann, L. (2009b), 'Neoliberalism and the calculable world: The rise of carbon trading', in K. Birch, Mykhnenko, V. and Trebeck, K. (eds.), *The Rise and Fall of Neoliberalism: The Collapse of an Economic Order?*, London: Zed Books; Lohmann, L. (2009c), 'Regulatory challenges for financial and carbon markets,' in *Carbon & Climate Law Review*, 3(2); Lohmann, L. (2009d), 'Toward a different debate in environmental accounting: The cases of carbon and cost-benefit', in *Accounting, Organisations and Society*, 34(3-4): 499-534; and Lohmann, L. (2010), 'Uncertainty markets and carbon markets: Variations on Polanyian themes', http://www.thecornerhouse.org.uk/pdf/document/NPE2high.pdf

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.[44] 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."[45] 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."[46]

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44. Dales, J. 1968. Pollution, Property and Prices: An essay in policy-making and economics, Toronto: University of Toronto Press, p.85
45. Jon Hilsenrath, 'Cap-and-trade's unlikely critics: Its creators – economists behind original concept question the system's large-scale usefulness, and recommend emissions taxes instead,' *Wall Street Journal*, August 13, 2009.
46. *Ibid.*

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 issueing 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-compliance. 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 CO_2 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 crony capitalism rife 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 subsidized 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.

1. Due, however, to chaotic procurement processes, such funding was not made available to the C17 until just before – and in once 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.

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.

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 foces 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 nobilility 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.

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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 behaviourial 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.

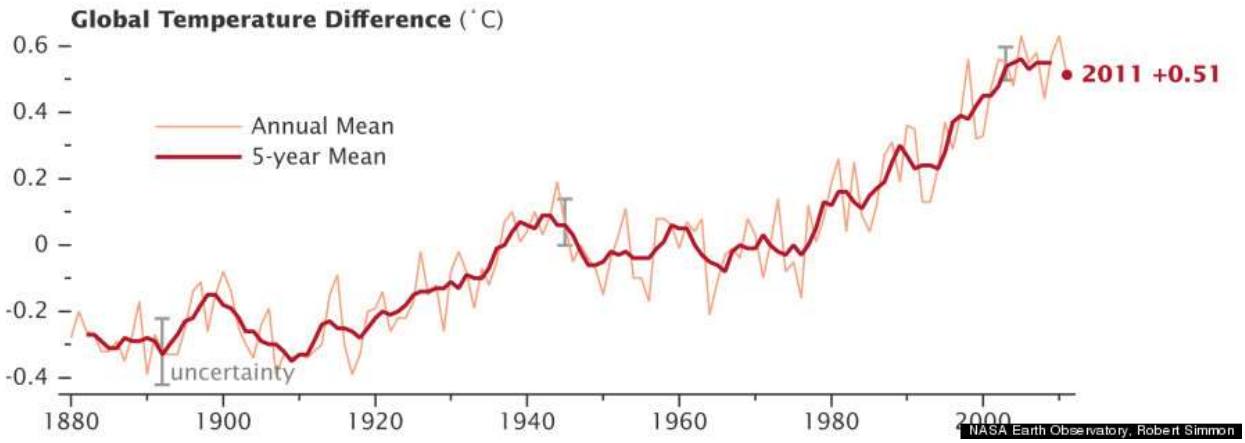
Africa will be 'cooked', concluded the continent's leading climate justice activist, Nnimmo Bassey of the Niger Delta NGO Environmental Rights Action. According to UN Intergovernmental Panel on Climate Change director R.K. Pachauri, "crop net revenues could fall by as much as 90 percent by 2100." Climate 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.



SOURCE: National Aeronautical and Space Administration, Washington

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 CO_2 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 bank lowered its 2012 forecasts by 28 percent.

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), 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/), 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.

South Africa has its own dubious candidate, former Finance Minister Trevor Manuel (http://www.iol.co.za/sundayindependent/the-myth-of-manuel-s-wizardry-1.1072429), who on one Irishman's account (http://www.paddypower.com/bet/novelty-betting/current-affairs/world-bank?ev_oc_grp_ids=609714) has odds of 20-1, in sixth place, as against 4-11 for frontrunner Summers.

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 on 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.

Steer clear of this climate 'Ponzi scheme'
with Michael Dorsey, *Business Day,* 24 January 2012

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.'[1] 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

1 *The New Age,* "Capital flight a threat to economic freedom: Moeletsi Mbeki", 5 September 2011, http://thenewage.co.za/27987-1007-53-Capital_flight_a_threat_to_economic_freedom_Moeletsi_Mbeki

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.'[2] '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.

2 International Monetary Fund, 'South Africa: Article IV Consultation,' IMF Country Report No. 11/258, Washington, August 2011.

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 system-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

3 *Business Insider,* 'IMF Advisor: Could see Eurozone "Meltdown" in two or three weeks', 6 October 2011, http://articles.businessinsider.com/2011-10-06/markets/30250050_1_british-banks-significant-bank-largest-banks

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.'[4] 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"?'[5]

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

4 *Moneyweb, '*SA might contribute to EU bailout (excerpt): Pravin Gordhan - Finance Minister', 29 September 2011, http://www.moneyweb.co.za/mw/view/mw/en/page295799?oid=553257&sn=2009+Detail&pid=299360
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

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.'

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.'[6] 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.'[7]

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

6 *Wall Street Journal,* 'Marx was right: Interview with Nouriel Roubini', republished by Global Research, 15 August 2011, http://www.globalresearch.ca/PrintArticle.php?articleId=26031
7 National Planning Commission, 'Diagnostic Report', Pretoria, July 2011.

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.' NPC members didn't want to see the world financial iceberg looming immediately ahead. 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

8 National Planning Commission, 'National Development Plan: Vision for 2030', Pretoria, November 2011.

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 maneuvres 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 Ambassadar 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 CO_2 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 controling 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.

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 (celluose), 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 succeedes.

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 Pavillion 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.

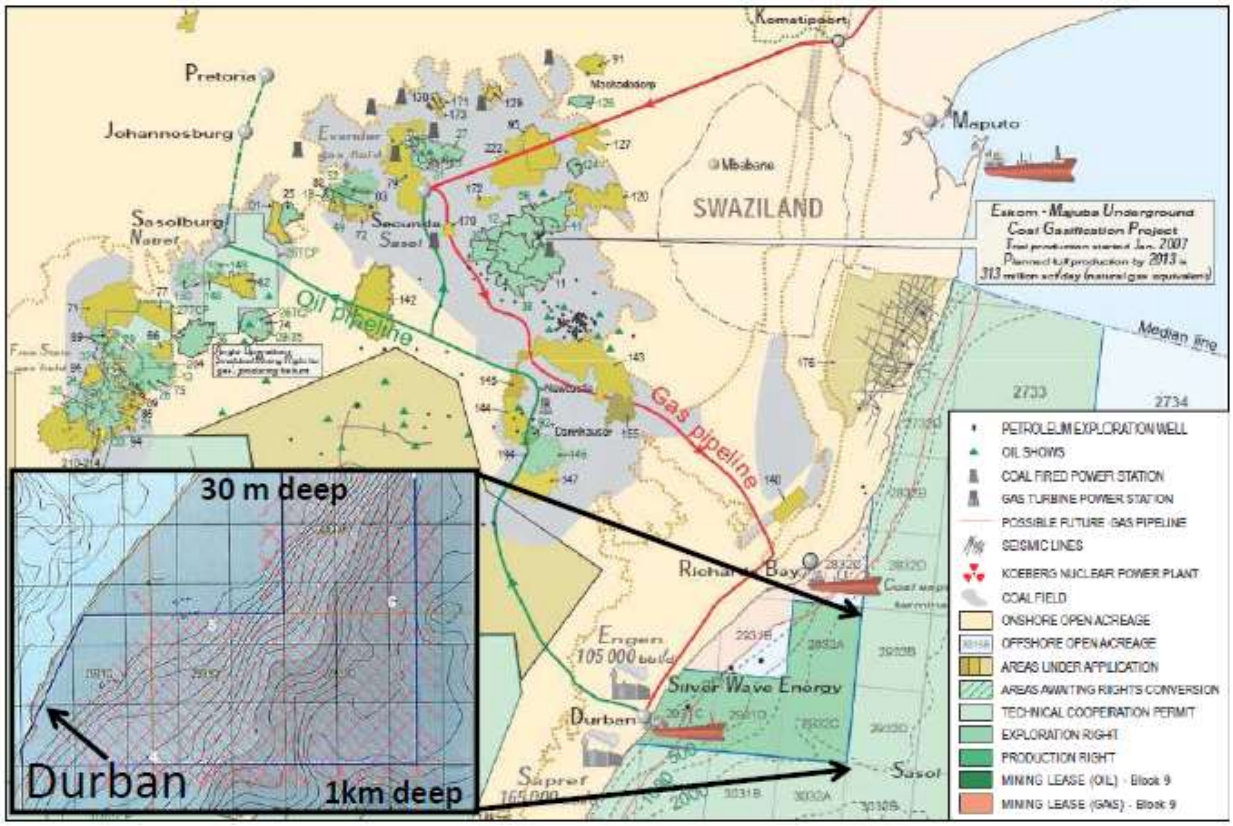
The shipwreck is in the heart of a beautiful albeit class-segregated tourist and retirement site, Durban's North Coast, that just two weeks earlier held an Association of Surfing Professionals (ASP) world competition, Mr Price Pro. That event boasted some of the best waves ever seen in ASP history, said 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

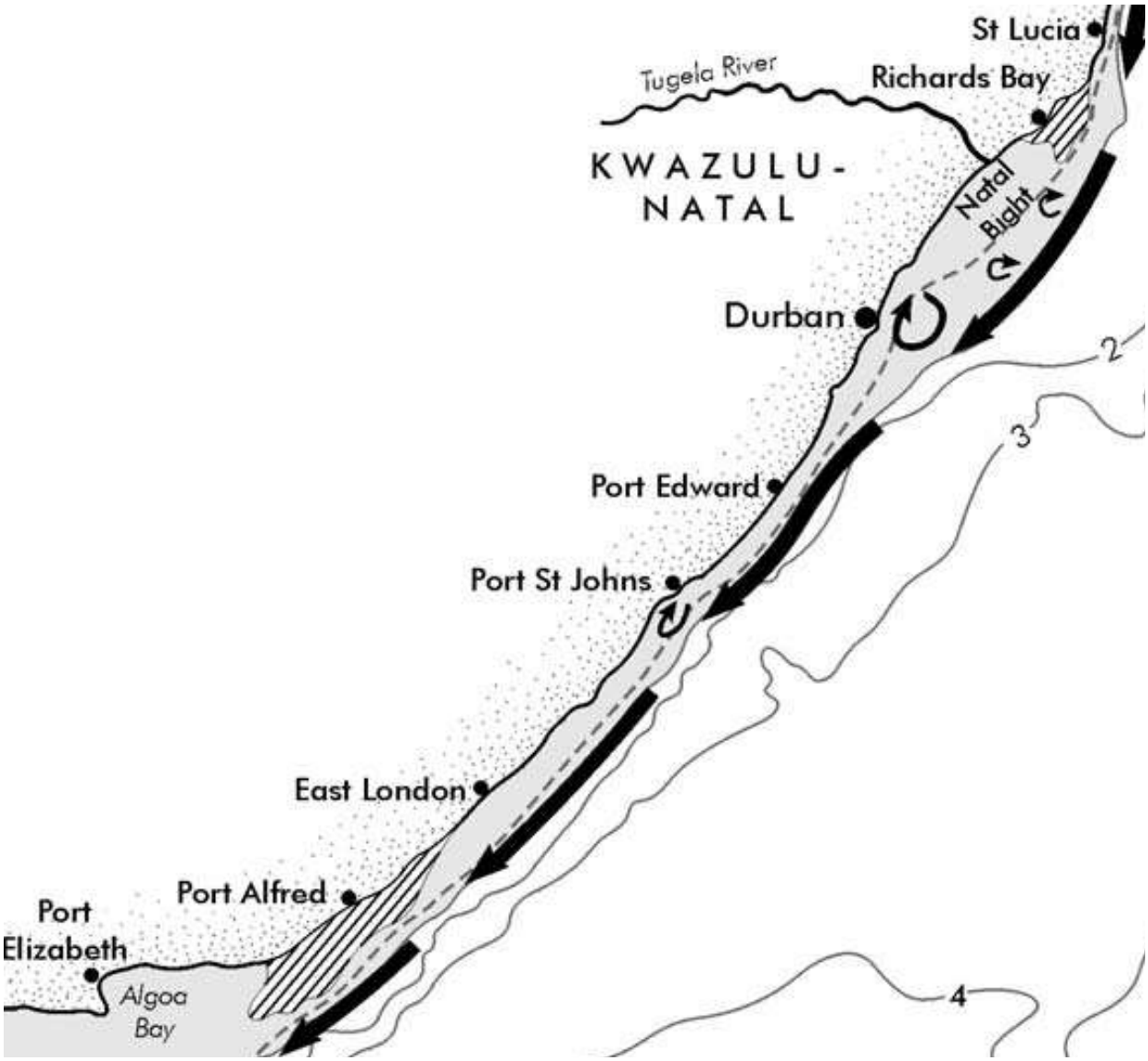
Silver Wave Energy's primary owner is Burmese businessman Min Min Aung, who is tight with the junta that still rules there, according to reliable reports. Exploitation of oil and gas in Burma's Andaman Sea has long been controversial (my grandfather was deputy warden there during brutal colonial times), 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."



Source: Silver Wave submission to PetroSA

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 calamaties.

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

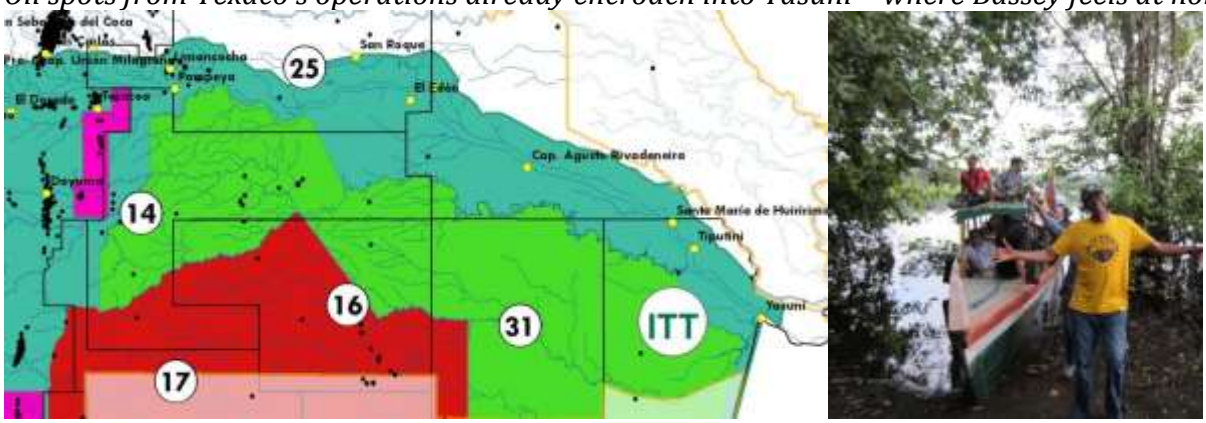
catastrophic climate change. And regrettably, this search must include Venezuela, Bolivia and Ecuador (and from last week Peru as well), for even South America's most progressive governments are currently extracting and exporting as much oil and gas as they possibly can. We may even be recipients in 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.

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.

Oil spots from Texaco's operations already encroach into Yasuni – where Bassey feels at home



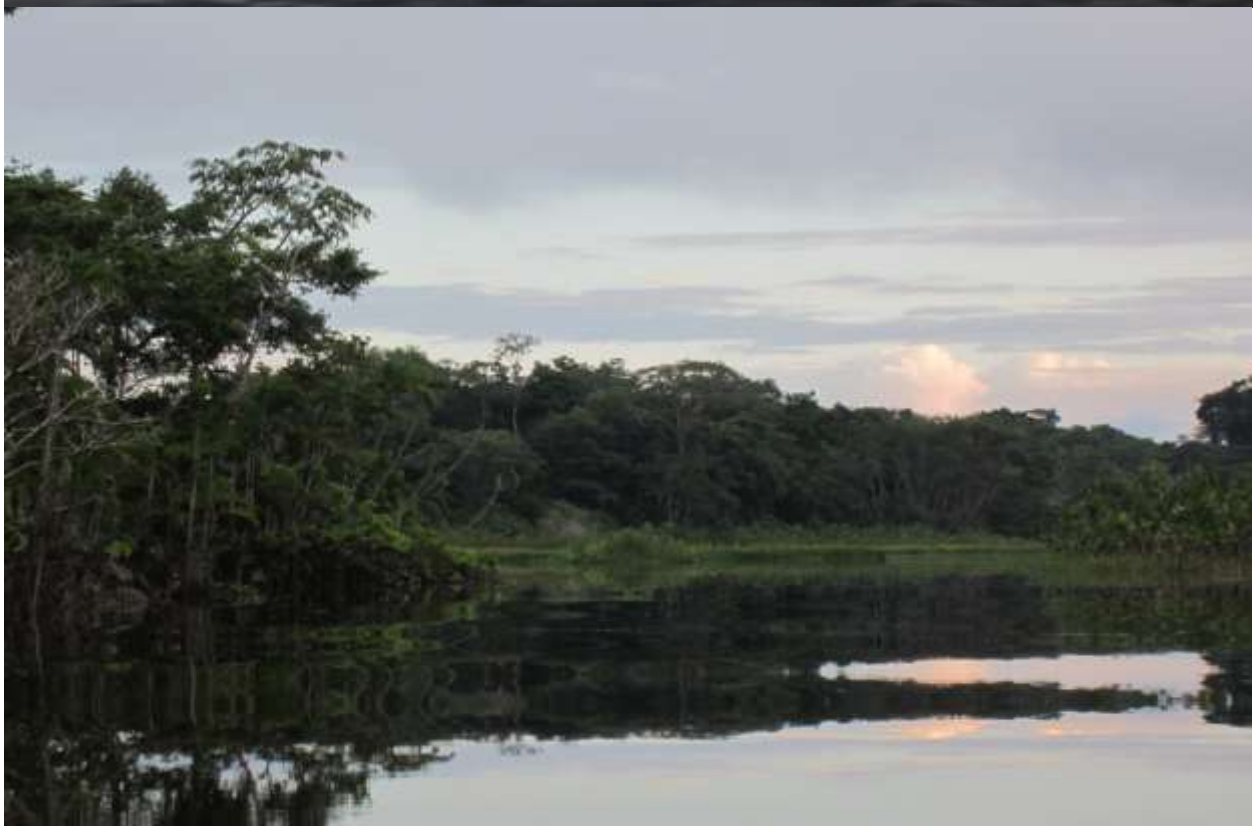
Accion Ecologica assembled forty members of the civil society network Oilwatch – including four others from Africa led by Friends of the Earth International chairperson Nnimmo Bassey from the Niger Delta – first to witness the mess left by Chevron after a quarter century's operations. Six months ago, 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.

Yasuni National Park



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, quite legitimately, 'what is the alternative?' to those in the SA Communist Party and Business Leadership South 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 about overestimated coal industry reserves, SACP leader Jeremy Cronin's recent suggestion of 'phasing out aluminium smelters' at Richards Bay (and we might add, Durban's killer-manganese Assmang at Cato Ridge which alone chews a third of our city's electricity), and the global climate summit in November-December.

It bears repeating that the COP17 will be extremely embarrassing for South Africa, not only because Durban will notoriously host the demise of the Kyoto Protocol's binding commitments, due to the destructive 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 explained the 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 reason that Pretoria faces embarrassment is increasing awareness of dirty secrets of coal-fired electricity abuse. This is a result of the way that mining houses – especially Anglo American Corporation and BHP Billiton – have managed to monopolize the world's cheapest energy while poor people are so overcharged that they face widespread disconnection.

High-profile resistance this month alone included the burning of municipal councilors' houses over high prices and prepayment meters in Soweto, Tzaneen residents' attacks on Eskom officials engaged 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's balanced development and also a threat of great magnitude to the local and global environment. As last month's diagnostic document from the new planning ministry admitted, "SA's economy is highly 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 in the process has ruined many rivers, and so badly polluted the Kruger Park that hundreds of crocodiles have died. The main beneficiary, whose smelters guzzle more than a tenth of SA electricity, is BHP Billiton, the Melbourne firm that started life as Gencor. Eskom's annual report

admits it was given a R1.4 billion subsidy last year thanks to apartheid-era deals, and was responsible 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.

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

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 indominable 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.

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

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 Dominque 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 Parenzee. Former ruling-party politician Pregs Govender helped developed 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
- Boatbuilding.

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 pail 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 shrunk 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 dramactic 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.

Dethroning King Coal in 2011, from West Virginia to Durban
Znet, January 30, 2011

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 which 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 slavey, 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
with Michael K. Dorsey, November 2010, forthcoming in *Australian Journal of Political Economy,* 2011

'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.[1] 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.[2]

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

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.

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.

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 Whitington 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-neoliberals 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 Whitington, 2010).

Chart 1: Fraud and enforcement in carbon markets

Source: 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 than it would have from winning 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 Billition 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 portfolion 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 triumphalist 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 adminstration 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 spurned 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.

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

The stench of rotting 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-Apeng, 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… to 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',[1] 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

1. Russell, A. (2007), 'Post-apartheid phase two: Zuma's leadership of the ANC needs to prove skeptics wrong', *Financial Times* 19 December; MacNamara, W., A. Russell and W. Wallis (2007), 'Post-apartheid phase two', *Financial Times,* 20 December.
2. Joffe, H. (2008), 'Growth has helped richest and poorest', *Business Day,* 5 March.
3. http://www.info.gov.za/speeches/2007/07062911151001.htm Other problems especially in the economy are described at Bond's 2009 *Development Dialogue* article, 'Realistic Post-Neoliberalism: A View from South Africa,' http://www.dhf.uu.se
4. Nqakula, C. (2007), 'Reply to Question 1834, National Assembly, 36/1/4/1/200700232', Cape Town, 22 November.

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 CO_2 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.[5] 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'[6] 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

5. Fine, B. and Z.Rustomjee (1996), *The Political Economy of South Africa: From Minerals-Energy Complex to Industrialisation*, London, Christopher Hirst and Johannesburg, Wits Press.
6. Polanyi, K. (1957), *The Great Transformation,* Boston, Beacon Press, p.76.

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'.[7] (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

7. *Mail and Guardian*, 22 November 1996.

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.[8] 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.[9] 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.[10]

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.[11] Johannesburg Metro authorities decided, in an act of solidarity, to cut off water and began evictions selling off residents' houses in order to recoup

8. Statistics South Africa (2001), South Africa in Transition: Selected Findings from the October Household Survey of 1999 and Changes that have Occurred between 1995 and 1999, Pretoria, pp.78-90.
9. *Star*, 15 July 1999.
10. Eskom (2001), *Annual Report 2001,* Megawatt Park, Johannesburg.
11. Eskom (2001), 'Eskom Targets Defaulters', Press statement, Megawatt Park, 27 February.

the debts owed, in an attempt to pressure people to pay Eskom arrears.[12] 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.[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.[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.[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;

12. *Saturday Star*, 10 March 2001; *Star*, 17 May 2001.
13. McDonald, D. (2002), 'The Bell Tolls for Thee: Cost Recovery, Cutoffs and the Affordability of Municipal Services in South Africa', Municipal Services Project Special Report, http://qsilver.queensu.ca/~mspadmin/pages/Project_Publications/Reports/bell.htm.
14. Morris, A. B.Bozzoli, J.Cock, O.Crankshaw, L.Gilbert, L.Lehutso-Phooko, D.Posel, Z.Tshandu, and E.van Huysteen (1999), 'Change and Continuity: A Survey of Soweto in the late 1990s', Department of Sociology, University of the Witwatersrand, pp.34-35,41.
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…*

16. Jeter, J. (2001), 'For South Africa's poor, a new power struggle', *Washington Post,* 6 November.

[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 Mphenyeke'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 GEAR[17] . 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.

18. Fafuli, T. (2003), 'Beyond dreadlocks and demagogy', *Umrabulo,* 18, June.

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 helped form an electoral front of community and left organizations to run candidates in the national elections on a red-green platform[19]. 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. [20] 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.[21]*

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.
21. McDonald, D. (Ed) (2008), *Electric Capitalism,* Cape Town, Human Sciences Research Council Press.

- is 'the most vulnerable fossil fuel exporting country in the world'[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'. [23]

As a result, Eskom is amongst the worst emitters of CO_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, *by a factor of 20*.[24] To deal with this legacy, the government adopted a *Long-Term Mitigation Scenario* in mid-2008, to great fanfare, calling for cuts in CO2, 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'[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:

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22 "vulnerable" to losing earnings from selling coal, an environmentally harmful carbon-emitting fossil fuel

23. Spalding-Fecher, A. (2000), 'The Sustainable Energy Watch Indicators 2001', Energy for Development Research Centre, University of Cape Town, Cape Town.

24. International Energy Agency (2000)a, 'CO2 Emissions from Fuel Combustion, 1971-1998,' Paris; International Energy Agency (2000b), 'Key World Energy Statistics from the IEA,' Paris.

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.

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 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 placing 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;

26. Chimeziri, U. (2008), 'Activists demand end to oil exploration in Africa', *Financial Standard News,* 5 October.

- 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 probblem.

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 earlierTurner'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 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 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.

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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 McKibbon 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:

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).

- 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 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

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.

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 Bisasar's explict 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

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 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 Giftfabrikken 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 doorstop. 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).

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 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-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 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).

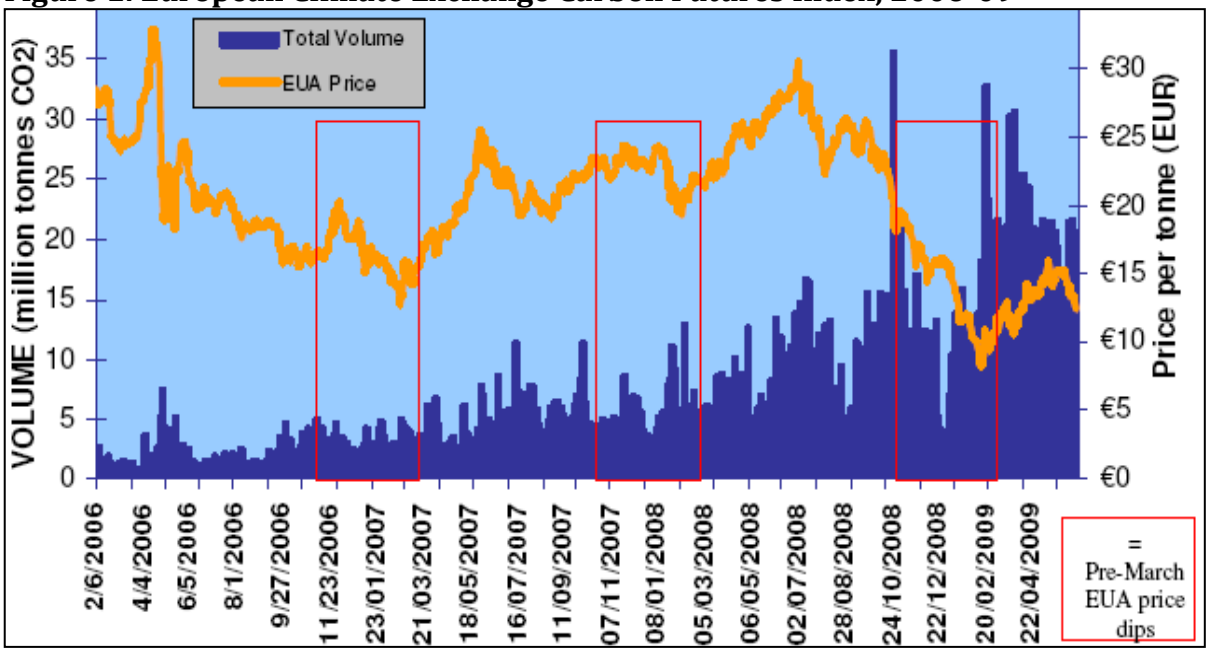
The problem lies not only with the particular project, an explicit example of environmental racism. More generally, to make such landfill methane-electricity conversions highly profitable, the 1997 Kyoto Protocol needed to accomplish four things:

- 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



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.

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Climate debt owed to Africa:
What to demand and how to collect?
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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-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." 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."[5]

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.[6] But increasingly, carbon trading appears as a 'false solution', in contrast to the alterative 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 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, 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[7] 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.[8]

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,[9] 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 discusson 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 al"' (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'.[11]

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'.[12]

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.[13]

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."[15]

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 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 (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 Salon 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).

[3] See Van Schalkwyk (2007a, 2007b).

[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".

[7] See: http://www.globalpolicy.org/socecon/develop/devthry/well-being/2000/tandon.htm

[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.

[10] Heads of State of Bolivia, Cuba, Dominica, Honduras, Nicaragua and Venezuela (2009), 'Declaration', Cumana.

[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'.

[13] PanAfrican Climate Justice Alliance (2009), 'Statement', Nairobi.

[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.

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Climate justice, climate debt, and anti-capitalism:
An interview with Patrick Bond
Upping the Anti #10, May 2010

http://uppingtheanti.org/journal/article/10-climate-justice-climate-debt-and-anti-capitalism-an-interview-with-patri/

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 intellectcual 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 CO_2 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 *under*polluted', 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 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.

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 emmissions. 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 sub-imperialist 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
Social Text, March 2010

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 McKibbon 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 solidaristic 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.

Maintaining momentum after Copenhagen's collapse:
'Seal the deal' or '"Seattle" the deal'?*
Capitalism Nature Socialism, March 2010

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."[1] 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."
1 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." John Broder and Elisabeth Rosenthal, "U.N. Official Says Climate Deal is at Risk," *The New York Times*, January 20, 2010.

- 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

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2 World Development Movement, "Facts Behind the Climate Finance Figures," December 18, 2009, online at: http://www.wdm.org.uk/facts-behind-climate-finance-figures.
3 Bill McKibben, "With Climate Agreement, Obama Guts Progressive Values, argues McKibben," December 18, 2009, http://www.grist.org/article/2009-12-18-with-climate-agreement-obama-guts-progressive-values/#comments.
4 Jeffrey Sachs, "Obama as Climate Change Villain," December 21, 2009, <http://www.project-syndicate.org/commentary/sachs161>
5 Naomi Klein, "For Obama, No Opportunity Too Big to Blow," *The Nation*, December 21, 2009.
6 George Monbiot, "Scramble for the Atmosphere," *The Guardian*, December 19, 2009.
7 A. Ashine, "Africa Threatens Withdrawal from Climate Talks," *The Nation* (Nairobi), September 3, 2009.
8 John Vidal, "Copenhagen: Head of African Bloc Calls on Poorer Nations to Compromise over Climate Funding," *The Guardian*, December 16, 2009.

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

9 Trusha Reddy, "From African Walk Out to Sell Out," *Climate Chronicle*, December 18, 2009.
10 Sunita Narain, "Move over boys and girls, the men are here: the future of climate negotiations and why India wants the Accord," *India Environment Portal blog*, January 12, 2010, online at: http://www.indiaenvironmentportal.org.in/blog/move-over-boys-and-girls-men-are-here-future-climate-negotiations-and-why-india-wants-accord.

> also generate billions of dollars that we can invest in solar, wind, biodiesel and other alternative energy approaches.[11]

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."[12] 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.[13] 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-denialist 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

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11 Barack Obama, January 17 2008, *San Francisco Chronicle.* The full debate with McCain is reviewed in Patrick Bond, "The State of the Global Carbon Trade Debate," *Capitalism Nature Socialism*, Vol. 19, No. 4, December 2008, pp. 89-106.
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.
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.

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 violations[15] 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 oppositional 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

14 John McGarrity, "Global Climate Effort 'in Slow-Motion Collapse'", Point Carbon, 19 January 2010; Paddy Gourlay and Andrew Allan, "Brussels Clamps Down on CER Leak," Point Carbon, 26 January 2010.
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
16 "Tax Fraud Costs E.U. Carbon-Trading System Billions," *The Telegraph*, December 7, 2009, online at: http://www.telegraph.co.uk/earth/copenhagen-climate-change-confe/6778003/Copenhagen-climate-summit-Carbon-trading-fraudsters-in-Europe-pocket-5bn.html.

resurrection of this movement, known by some as the Global Justice Movement, under the banner of Climate Justice" failed the tests of critical analysis and militant practice.[17] 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

17 Tim Simons and Ali Tonak, "How NGO Bureaucrats and Greenwashed Corporations are Turning Nature Into Investment Capital," *Counterpunch*, January 8, 2010, http://www.counterpunch.org/simons01082010.html, and my full reply is Patrick Bond, "Why Climate Justice Did Not Crumble at the Summit," *Counterpunch*, January 12, 2010, http://www.counterpunch.org/bond01122010.html.

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 CO_2," 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."[18] 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,[19] 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

18 Joan Martinez-Alier, "Marxism, Social Metabolism and Ecologically Unequal Exchange," paper presented at the Lund University Conference on World Systems Theory and the Environment, September 19-22, 2003.
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.

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, 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 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 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
  - 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
  - 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]

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.

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.

- 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 Ecologica'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 1oC 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 them 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-in-decline 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.

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 Dehlhi, 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 Giftfabrikken 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 doorstop. 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 give 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 (CJN!SA) KZN chapter, reported back from the Copenhagen climate summit on Friday at UKZN.

As the Eskom protest demonstrated, SDCEA and CJN!SA 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, CJN!SA 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."

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 CJN!SA 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.

The carbon market ship is sinking fast
ZNet, 19 January

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 immediatley 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 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 (http://www.eenews.net/public/eenewspm/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', CJers 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 trashing 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 trashing' 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 Bolivaran 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 at the outset of Copenhagen 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 concientization on the issues, and delegitimation 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-mark-her-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 bugga!" 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.

The third critical group includes green technocrats with financial self-interest. That may explain why at least one of them – Adam Stein from TerraPass – is so very cross, absurdly entitling his attack on the film, 'Why does Annie Leonard hate the environment?' (http://www.terrapass.com/blog/posts/why-does-annie-leonard-hate-the-environment, and another is carbon consultant Gay Harley, http://carboncommentary.blogspot.com/2009/12/no-rest-in-copenhagen.html).

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.

Reproducing Life as Guide to Climate Politics
Women in Action, December 2009

"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!"

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'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.' [21]

Ecofeminist anti-capitalism or Not-In-My-Back-Yard self-interest?

The term 'ecofeminism' was first used in Francois d'Eaubonne's 1974 book *Le Feminisme ou la Mort* (*Feminism or Death*).[22] 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'. [23]

She resisted, Desai testifies: 'Sajida Khan was breaking another mould of politics. During apartheid, opposition in her community was channeled 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

21 Interview, September 25 2005.
22 d'Eaubonne F (1974) *Le Feminisme ou la Mort,* Paris: Pierre Horay.
23 Interview, July 30 2007.

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.'

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[24] 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

24 Vedantam, S. (2005), 'Kyoto credits system aids the rich, some say', *Washington Post,* 12 March.

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 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 a 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]

25 See reports at: http://www.engineeringnews.co.za/article/ethekwini-cdm-project-sells-cers-to-uks-trading-emissions-2008-11-21; http://free.financialmail.co.za/report08/green08/qgreen.htm; http://www.investegate.co.uk/article.aspx?id=200811210700116463I

26 Manion, K (2002) 'Ecofeminism in Relation to Gender and Development', available at www.ecofem.org/journal, www.lancs.ac.uk/staff/twine/ecofem/manion.pdf

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

27 Erion G (2006) 'Low-hanging Fruit Always Rots First', available at www.natuurenmilieu.nl/pdf/0500_3.3_low_hanging_fruit_always_rots_first.pdf
28 Salleh A (2005) 'Moving to an Embodied Materialism', in *Capitalism Nature Socialism,* 16, 2, 11, p.11.

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-Apeng, 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 internationalist 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/battleofseattleakpres - 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 strade. 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 agoi 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 reducation, 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
in S. Böhm and S. Dabhi (Eds), *Upsetting the Offset: The Political Economy of Carbon Markets,* London, MayFlyBooks, September 2009

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 capitliast 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 critics[1] 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 forcesbehind 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..

1. The analysis generated by Larry Lohmann is probably the most sophisticated, e.g., Lohmann, L. (2006), *Carbon Trading,* special issue of *Development Dialogue,* Dag Hammarskjold Foundation, http://www.dhf.uu.se/pdffiler/DD2006_48_carbon_trading/carbon_trading_web_HQ.pdf and more recently, Lohmann, L. (2010), 'Uncertainty markets and carbon markets: Variations on Polanyian themes', *New Political Economy;* Lohmann, L. (2009a), 'Climate as investment', *Development and Change;* Lohann, L. (2009b), 'Neoliberalism and the calculable world: The rise of carbon trading', in K. Birch, V.Mykhnenko and K.Trebeck (Eds.), *The Rise and Fall of Neoliberalism: The Collapse of an Economic Order*?, London, Zed Books; Lohmann, L. (2009c), 'Regulatory challenges for financial and carbon markets,' *Carbon & Climate Law Review*, 3, 2; and Lohmann, L. (2009d), 'Toward a different debate in environmental accounting: The cases of carbon and cost-benefit', *Accounting, Organisations and Society,* 34, 3-4.

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. [2]

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. [3]

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'. [4]

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

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2. See, e.g, the groups 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 .
3. Wheelan, H. (2007), 'Soros slams emissions trading systems: Market solution is "ineffective" in fighting climate change', *Responsible Investor,* 18 October, http://www.responsible-investor.com/home/article/soros_slams_emissions_cap_and_trading_systems/
4. Bond, P. (2009a), 'A timely death?', *New Internationalist,* January, http://www.newint.org/features/2009/01/01/climate-justice-false-solutions/

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.' [5] 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. [6]

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.' [7]

Leading ecofeminist Vandana Shiva[8] and former South Centre director Yash Tandon[9] estimate that wild seed varieties alone account for $66 billion in annual biopiracy benefits to the US. Examples

5. Accion Ecologica (2000), 'Trade, climate change and the ecological debt,' Unpublished paper, Quito.
6. Martinez-Alier, J. (2003), 'Marxism, Social Metabolism and Ecologically Unequal Exchange', Paper presented at Lund University Conference on World Systems Theory and the Environment, 19-22 September.
7. *Ibid.*
8. Shiva, V. (2005), 'Beyond the WTO Ministerial in Hong Kong', ZNet Commentary, 26 December.
9. http://www.globalpolicy.org/socecon/develop/devthry/well-being/2000/tandon.htm

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;
- 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.[10]

A partial ecological debt accounting was published by environmental scientists in early 2008, and counted $1.8 trillion in concrete damages over several decades.[11] 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'.[12] 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

10. McGown, J. (2006), 'Out of Africa: Mysteries of Access and Benefit Sharing', Edmonds Washington, the Edmonds Institute and Johannesburg, the African Centre for Biosafety.
11. Srinivasan, U., S.Carey, E.Hallstein, P.Higgins, A.Ker, L.Koteen, A.Smith, R.Watson, J.Harte and R.Norgaard (2008), 'The debt of nations and the distribution of ecological impacts from human activities', *Proceedings of the National Academy of Sciences of the United States of America*, 105, 5, http://www.pnas.org/content/105/5/1768.
12. *Guardian* (2008), 'Rich countries owe poor a huge environmental debt', 21 January, http://www.guardian.co.uk/science/2008/jan/21/environmental.debt1.

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,[13] 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 those firms doing the extraction (Table 1).

Table 1: African countries' adjusted national wealth, 2000[14]

	Income per capita before adjustment ($)	Change in wealth per capita after adjustment ($)
Benin	360	-42
Botswana	2925	814
Burkina Faso	230	-36
Burundi	97	-37
Cameroon	548	-152
CapeVerde	1195	-81
Chad	174	-74
Comoros	367	-73
Rep of Congo	660	-727
Côte d'Ivoire	625	-100
Ethiopia	101	-27
Gabon	3370	-2241
The Gambia	305	-45
Ghana	255	-18
Kenya	343	-11
Madagascar	245	-56
Malawi	162	-29
Mali	221	-47
Mauritania	382	-147
Mauritius	3697	514
Mozambique	195	-20
Namibia	1820	140
Niger	166	-83
Nigeria	297	-210
Rwanda	233	-60
Senegal	449	-27
Seychelles	7089	904
South Africa	2837	-2
Swaziland	1375	8
Togo	285	-88

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 communities around mines; and the Bank's use of average – not marginal – cost resource rents also probably leads to underestimations of the depletion costs.

14 . World Bank (2006), *Where is the Wealth of Nations?,* Washington, DC, p.66.

Zambia	312	-63
Zimbabwe	550	-4

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 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]

15. McLure, J. (2009), 'Ethiopian leader chosen to represent Africa at climate summit,' Addis Ababa, 1 September.
16. Pachauri, R.K. (2008), 'Summary of testimony provided to the House Select Committee on Energy Independence and Global Warming,' US Congress, Washington DC, globalwarming.house.gov/tools/assets/files/0342.pdf.
17. Agence France Press (2009), 'Albania to Zimbabwe: the climate change risk list', 2 September.
18. Ashine, A. (2009), 'Africa threatens withdrawal from climate talks', *The Nation,* 3 September.

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

19. Bond, P. (2009b), 'Don't play games with humanity's future', *The Mercury,* 2 September.
20. Bond, P., R.Dada and G.Erion (2009), *Climate Change, Carbon Trading and Civil Society,* Pietermaritzburg, University of KwaZulu-Natal Press.
21. Sapa (2009a), 'SA not "compromising anything" at climate change negotiations – Sonjica," 15 September.
22. Sapa (2009b), 'SA on climate change: "No money, no deal"', 5 August.

> 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 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. [23]

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.' [24]

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;

23. Republic of Bolivia (2009), 'Submission to the Ad Hoc Working Group on Long-term Cooperative Action under the UN Framework Convention on Climate Change,' La Paz, April.
24. Bond, P. and D.Brutus (2008), 'Ecological debt and our centre's survival', ZCommentaries, 21 August, http://www.zcommunications.org/zspace/commentaries/3594.

- 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 peoples;
- 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. [25]

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 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. [26]

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. [27]

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25. Africa Peoples Movement on Climate Change (2009), 'Confronting the Climate Crisis: Preparing for Copenhagen and Beyond', Nairobi, 30 August.
26. World Council of Churches Central Committee (2009), 'Statement on eco-justice and ecological debt,' Geneva, 2 September.
27. *Ibid.*

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 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.

28. Chaffin, J. and E. Crooks (2009), 'EU sets out €15bn climate aid plan', *Financial Times,* 8 September.
29. Action Aid (2005), *Real Aid: An Agenda for Making Aid Work,* Johannesburg.
30. International Monetary Fund (2009), 'The implications of global financial crisis for low-income countries', Washington, DC.

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

31. Lohmann, L. (2009), personal correspondence.
32. Bond, P. (2010), 'South Africa's "rights culture" of water consumption: Breaking out of the liberal box and into the commons?', in B.Johnston, L.Hiwasaki, I.Klaver, and V.Strang (Eds), *Water, Cultural Diversity & Global Environmental Change: Emerging Trends, Sustainable Futures?,* Paris, UNESCO.

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

33. Bond, P. and K.Sharife (2009), 'Apartheid reparations and the contestation of corporate power in Africa', *Review of African Political Economy,* 119.
34. Friends of the Earth (2009), 'Landmark global warming lawsuit settled', Washington, DC, 6 February.
35. Kristoff, N. (2007), 'The big melt', *New York Times,* 16 August.
36. Adam, D. (2009), 'Leading Climate Scientist: "Democratic Process Isn't Working"', *The Guardian,* 18 March.
37. Mistilis, K. (2009), 'Niger Delta standoff', *Pambazuka News,* 442, 16 July, http://pambazuka.org/en/category/comment/57769.

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.

38. Gallagher, K. (2009), 'Paying to keep oil in the ground', *The Guardian,* 7 August.
39. Laxer, G. (2007), 'Freezing in the dark?', Presentation, Parkland Institute, University of Alberta, Edmonton, 7 November.

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.

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

"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 20071

What is the state of the strategic debate over climate change?2 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

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1. Cited in Greenpeace (2007), "Greenpeace climate activists refused bail in India, as Al Gore and IPCC win Nobel Peace Prize for raising global climate awareness", Kolkata, 12 October.
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).

> representative Chandrashekar 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

3. Agence France Press (2008) *Progress falters on road map to new climate deal*, Bonn, Germany, 13 June 2008.
4. US Congressional Budget Office, *Policy Options for Reducing CO2 Emissions,* February 2008.

> 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

5. US Congressional Budget Office, *Policy Options for Reducing CO2 Emissions,* February 2008.

(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

PRIVATIZATION OF Atmospheric WORLD CARBON DUMP BY THE EU EMISSIONS TRADING SCHEME	*Phase 1 gift to big business (MT CO2)*	*2005 emissions*	*Phase 2 approved gift to big business*	*Increase/ decrease in gift to big business*	*Gift = x% of "world carbon dump" (IPCC)*	*Yearly value of gift @ €30/t*
Czech R	97.6	82.5	86.8	+5%	~1-2%	€2.6b
France	156.5	131.3	132.8	+1%	~1-3%	€4.0b
Germany	499	474	453.1	-4%	~5-9%	€13.6b
Netherlands	95.3	80.4	85.8	+7%	~1-2%	€2.6b
Poland	239.1	203.1	208.5	+3%	~2-4%	€6.3b
Spain	174.4	182.9	152.3	-17%	~2-3%	€4.6b
Sweden	22.9	19.3	22.8	+18%	<1%	€0.7b
UK	245.3	242.4	246.2	+2%	~3-5%	€7.4b
TOTAL EU	**1815.7**	**1672.5**	**1650.7**	**-1%**	**~17-34%**	**€49.52b**

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

6. Kill, J. (2008), 'Lessons from the European Emissions Trading Scheme', Sinkswatch, www.sinkswatch.org/pubs/2007%2009%20Lessons%20from%20the%20European%20Emissions%20Trading%20Scheme%20_2_.pdf According to Kill, some of these problems could be mitigated by a cap-and-auction but with a prohibition on both trading and offsets, and with renewable energy fed into the national grid thanks to minimum price guarantees so as to ensure new investments. But to do so would require phasing out of fossil fuel subsidies and utilizing energy efficiencies fully.

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)*[7] between "reformist reforms" and "non-reformist reforms":

> 1) *Reformist* reforms undergird, strengthen and relegitimise 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 delegitimise 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 delegitimised, 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.

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7. Gorz, A. (1967), *Strategy for Labour,* Boston, Beacon Press; Gorz, A. (1973), *Socialism and Revolution,* Garden City, Anchor Press.

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:

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8. Butler, R. (2008), '55% of the Amazon may be lost by 2030. But carbon-for-conservation initiatives could slow deforestation', mongabay.com, 23 January.

> 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

9. Organizations that Endorse this Statement: Indigenous Environmental Network, CORE Manipur, Federation of Indigenous and Tribal Peoples in Asia, Na Koa 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

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.

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.

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10. Bond, P. (2007), 'Privatization of the Air turns Lethal: 'Pay to Pollute' Principle Kills South African Activist Sajida Khan', *Capitalism Nature Socialism,* 18, 4.

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 (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. [11]

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.

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, disincentivising 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.

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]

12. Monbiot, G. (2007), "The Real Answer to Climate Change is to Leave Fossil Fuels in the Ground", *The Guardian,* 11 December.

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.