At Rio+20, the green economy won’t save the planet. But green democracy will.

Raj Patel and Martin Crook
Opinions

Text © Commonwealth Advisory Bureau

The information in this publication is believed to be correct at the time of manufacture. Whilst care has been taken to ensure that the information is accurate, the publisher can accept no responsibility for any errors or omissions or for changes to the details given. Views expressed in this publication are not necessarily those of the Commonwealth Advisory Bureau or the publisher.

First published 2012

ISBN: 978-0-9571941-6-8

Published by and available from the Commonwealth Advisory Bureau (CA/B)

Tel: +44 (0)20 7862 8865
Fax: +44 (0)20 7862 8813
Email: CAB@sas.ac.uk
Web: www.commonwealthadvisorybureau.org
Mail: Commonwealth Advisory Bureau
     Institute of Commonwealth Studies
     Senate House
     University of London
     London
     WC1E 7HU
     United Kingdom
At Rio+20, the green economy won't save the planet. But green democracy will.

Raj Patel and Martin Crook

Coverage of the upcoming Rio+20 Earth Summit has tended either to express exasperation at the futility of a single conference attempting to address multiple planetary crises or to bemoan the fact that, while laudable, the little that is being done comes too late. Both views are wrong. There is, in fact, a great deal being done in the environment’s name and much more of it will be pushed between 20–22 June in Brazil. Unfortunately, the central solution presented by policymakers – The Green Economy – will make matters worse. This concept, a way of putting a price on the use of natural resources previously considered ‘free’, is being touted as the only way to prevent future crises. In this Opinion, we explain how the green economy approach – relying as it does on the kinds of broken mechanisms that precipitated the current financial crisis – will only further incentivise the exploitation and destruction of the ecosystems on which we all depend. And while humans are accelerating the rate of species extinction, it is not too late to adopt the kinds of policies that have demonstrated success in combatting the global crises in food, energy and climate change. Policymakers at Rio+20 ought to look away from the greenwash, to the concrete proposals already enacted by social movements around the world. Their environmental solutions have the advantage of enfranchising the poor, transforming social relationships with nature and, most importantly when compared to the Green Economy approach, they actually work.

The fallacy of the ‘Green Economy’

The original 1992 Earth Summit wasn’t the first time that governments had worried about the fate of the Earth. The Rio Earth Summit was less a birth and more a renaissance of international concern about the environment. The 1970s had seen some concerted international action: the establishment of the United Nations Environment Programme (UNEP) in 1972, and through it the hatching of plans for international coordination, many of which fizzled out in the global recession and environmentally hostile conditions of the early 1980s. There was no ten-year anniversary in 1982 to mark the founding of UNEP. Nonetheless, for a variety of reasons, international environmental diplomacy and activism was able to wring out of state heads agreements such as the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The World Commission on Environment and Development’s Our Common Future was published in the same year, defining the notion of ‘sustainable development’ for the first time.

The title of the conference that spawned UNEP in 1972, the United Nations Conference on the Human Environment, had by the 1992 Rio conference evolved into the ‘United Nations Conference on Environment and Development’ – ‘development’ being a concern traceable to the 1980s. Rio can be counted among the more successful international environmental conferences, resulting as it did in the Convention on Biological Diversity, the Convention to Combat Desertification, the Framework Convention on Climate Change (FCCC), The Rio Declaration and Agenda 21. The devil lay in the implementation of these ideas. The FCCC was negotiated for five hard years after the Rio conference, producing the Kyoto Protocol to the UNFCCC ratified in 1997. It set limits on outputs of greenhouse gases, and allowed countries that were unable to meet their emissions limits to buy the right to pollute from countries that had more successfully limited their emissions, or had more successfully lobbied for exemptions to continue polluting. In other words, the atmosphere was to be saved by inventing a market to pollute it.

On paper, carbon markets are attractive to economists because they remedy the externalities that result from industrial development, using efficient market mechanisms. Reality has, however, failed to live up to economic models. Consider, for example, the carbon market known as ‘cap and trade’. Since greenhouse gases are greenhouse gases (GHGs) no matter where they are emitted, the carbon market treats the emissions from rich countries the same as those from poor countries. With this equivalence comes a sleight of hand that rich countries have increasingly practised: if their emissions are the same, the Global North and Global South are the same. Through the introduction of ‘cap and trade’, in other words, the Global North is attempting to twist out of the historical ecological debt that it owes to the developing world, and refusing to accept its ‘common but differentiated’ obligations under international treaties.
History isn’t the only casualty when reality is made to conform to market logic. It is, for instance, commonly argued that climate change mitigation will lead to lower CO₂ emissions. Climate change scholar Larry Lohmann points out that reducing emissions and tackling climate change are two very different issues. Markets’ preoccupation with price discovery may drive a quest for the cheapest way to deliver CO₂ emission reductions, but this activity is fundamentally different from the long-term structural change which upends price signals, and which is necessary if we are to embrace a low or non-carbon economy.

Perhaps one of the more perverse manifestations of the commodification equation is that ‘offset’ projects emitting GHGs can generate carbon credits as long as fewer GHGs are released than otherwise would have been in the absence of carbon finance for setting up the project. Lohmann gives an illustrative example:

capped polluters or carbon traders in Europe can purchase carbon pollution rights from coal-mining projects in China, provided that the projects burn off some of the methane that seeps out of the mines, on the grounds that by converting methane into carbon dioxide, the projects do less damage to the atmosphere than would have been the case otherwise.

The ironies of carbon trading are legion. The failures of the carbon market principles are, unfortunately, ones that are common to a range of attempts to turn nature, and ecosystem services, into actually traded commodities. This isn’t to argue against the calculation and enumeration of environmental damage caused by humans. Quite the contrary. We need robust calculations of the harm we do and our ecological arithmetic skills – preliminary though they are – help to show quite how little is counted in gross financial data. Consider, for instance, that the Deepwater Horizon Oil Spill will cost BP around $40 billion, one estimate suggests that the ecological damage ranges between $34–$670 billion.

Again, the problem lies in transforming the natural world into the kind of entity that swiftly becomes the plaything of financial capital.

And this is precisely the direction in which the ‘Zero Draft document’, the basis for negotiations at the Rio+20 summit, is heading. The UNEP argues that environmental problems can be avoided by pursuit of a market mechanism that recognises a three-dimensional capitalism which includes physical, mental and now ‘natural capital’ (wetlands, forests, coral reefs, biological diversity etc.). The UNEP report is premised on the idea that environmental problems and their social consequences are the result of the ‘misallocation of capital’. This seems plausible – particularly when one of the consequences is that the market should internalise rather than externalise the environmental costs of production; capital investment should be invested away from the high-carbon brown economy and towards the green economy. This would help to mitigate the depletion and degradation of nature’s ‘natural endowments’ and pull away the veil that for so long has made the use of precious natural resources costless to businesses and invisible to the market.

Valuing nature is fundamental to any cost/benefit approach to regulatory and other measures that incentivise sustainable practices such as taxes. But who should do the valuing? This, we argue, is the central problem of the Green Economy concept. Valuation is an inherently political phenomenon. Joan Martinez-Alier in *The Environmentalism of the Poor* presents the problem concisely with this example:

… mangrove forests are surrounded by shrimp growers. Shrimp production entails the loss of livelihood of people living directly from, and also selling, mangrove products. Other functions of mangroves are also lost, such as coastal defence against sea level rise, breeding grounds for fish, carbon sinks, repositories of biodiversity, together with aesthetic values. Which languages of valuation are used by different agents in order to compare the increase in shrimp exports and the losses in livelihoods and in environmental services? Who has the power to impose a particular language of valuation?

The answer is simple, according to UNEP – the market will decide. No democracy, no debate, no discussion, just dollars. The Green Economy involves actually applying monetary value to nature’s ‘services’ and constructing a market in these services. The environmental amenities to be commodified include plants, animals and ecosystem services (such as water purification, pollination of
and energy traders: even bigger winners. Losers?? Herm … consumers! … Have policy goals been achieved? Prices up. Emissions up. Profits up. … So, not really.”

Winners among the private sector are a systematic feature for the green economy. The use of biomass energy as an alternative to petroleum, a leading idea in this new economy, is progressing to what the Third World Network described as the biggest earth grab in 500 years and will exacerbate soil erosion, drought and water shortages. The ETC group, in a report entitled ‘Who will control the Green Economy’, observes that a range of multinationals, including Monsanto, Dupont, Syngenta, Dow, BASF and Unilever, are involved in strategic partnerships, takeovers and research and development projects in preparation for this new ‘green’ onslaught on agricultural land, old growing forests, and lakes and rivers currently under the stewardship of indigenous communities.

And, despite the rhetoric, the costs of the Green Economy appear very far from being internalised. Consider the Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) and its successor programme REDD+. In attempting to compensate firms for limiting their forest activities, reports have emerged of further land grabs and violent evictions and forced displacement ‘of the very peoples and communities that have conserved the forests for millennia’ according to a recent Carbon Trade Watch publication. The perversity of the Green Economy is that it ends up destroying the rich examples of sustainability beneath our noses, so that far less sustainable, but more profitable, projects might line the pockets of a few. This irony isn’t lost on La Via Campesina, the largest global peasant farmers’ movement. They denounced REDD as an agri-business profiteering scheme, arguing that ‘the logic of carbon markets and trading should not be allowed to enter into agriculture.

Neither peasants nor indigenous peoples can, however, claim to be the first critics of ‘the green economy’. That honour goes to 19th-century Karl Marx, for an analysis that’s well worth revisiting in 2012. Marx argued that all life must draw its sustenance from nature, which is ultimately returned to nature through waste or decomposition when we die. This is an energy cycle or metabolic relationship, which must be
Continually renewed for us to survive. Under capitalism, the accumulation of capital has severed this metabolic relationship as we take out more then we return to nature. Capitalist development simultaneously undermines the original sources of all wealth: the soil and the worker. What Marx called the metabolic rift, could only be restored through the rational regulation of labour consistent with the needs of future generations. Marx had in mind the very opposite of the commodification of nature when he said:

“even an entire society, a nation, or all simultaneously existing societies taken together are not owners of the earth. They are simply its possessors, its beneficiaries, and have to bequeath it in an improved state to succeeding generations as boni patres familias [good heads of the household].”

Marx is more than an ecologist avant la lettre. He’s pointing out why capitalism can never heal the damage it causes. But if not capitalism, then what?

**Decommodifying Nature and pursing alternatives**

The argument for the green economy is this: without property rights, no one will have an incentive to care for the environment. And without care, our individual greed will create a ‘tragedy of the commons’, which will result in environmental catastrophe, as it has in the past. The trouble is that this view of the world – peopled by humans capable only of greed, and motivated only insofar as they own things – is the result of a soil biologist’s thought experiment in the 1960s. If one looks at evidence, humans have in fact been rather good at protecting the environments on which they depend, without resorting to contracts and private property. Corporations and governments, on the other hand, take a rather shorter view, motivated by quarterly shareholder demands or – at best – a four-year election cycle. That governments or corporations might stint or glean (two words that find their origins in English communing practices) is unthinkable. But human beings did it successfully in England until their lands were enclosed. The idea of ‘the commons’ remains relevant, as signalled by the 2009 award of a Nobel Prize in Economics to Elinor Ostrom, who was one of the leading researchers in ‘common pool resources’.

This isn’t of merely academic interest. In a recent paper in the Proceedings of the National Academy of Sciences in the United States, researchers studied 80 forest commons in ten countries. They found that if communities are given enough land to survive mistakes and shocks, and given enough autonomy from corporations and governments to manage resources themselves, these community-managed resources outperformed both market mechanisms and state-led development projects. They developed more and sequestered more carbon while doing it. And all through managing the resources themselves. The question, it seems, is not how to put more of the environment in the hands of corporations, but how to put more of the economy in the hands of the people.

There is already a growing environmental justice movement fighting for the abolition of carbon markets. Organisations like Climate Justice Now, Friends of the Earth, Carbon Trade Watch and Climate Camp For Action are forging alliances with popular movements opposed to the privatisation of water, electricity and health services and advocating food sovereignty, land rights, alternative energy and the public control of finance and banking, such as La Via Campesina, Global Alliance of Indigenous People’s Movement and Local Communities against REDD and for Life, and Occupy Now. Together, they are pulling the climate justice movement away from technocratic and ideological fixations on market mechanisms and temperature targets towards a focus on the kind of profound social, economic and political change that will be necessary to manage climate change in a sustainable and just manner.

Although we see most hope coming from mass democratic organisations, we also find important ideas coming from at least one government: Bolivia. There, on Earth Day (22 April 2011), a radical environmental bill was passed that codified and legally enshrined the rights of nature, specifically the rights to life, regeneration, biodiversity, water, clean air, balance and restoration. It legally mandates an ecological reorientation of the Bolivian economy and obliges all present and future laws to be consistent with Pachamama – ‘Mother Earth’ – law and recognise the ecological limitations of nature. According to the law ‘Mother Earth is a living dynamic system made up of the undivided community of all living beings, who are all interconnected, interdependent
and complementary, sharing a common destiny.' Its provisions include the right to:

- maintain the integrity of life and natural processes
- not have cellular structure modified or genetically altered
- continue vital cycles and processes free from human alteration
- pure water
- clean air
- balance, to be at equilibrium
- be free of toxic and radioactive pollution
- not be affected by mega-infrastructure and development projects that affect the balance of ecosystems and the local inhabitant communities.26

The law combines institutional safeguards for ecosystems and nature but crucially combines them with environmental human rights, collapsing the false dichotomy that has plagued the climate justice movement between concerns for the ecology and concerns for the poor. Theoretically, it suggests the kind of 'hard-reset' needed to shift today's planet-destroying development to tomorrow's planet-compatible kind.

In practice, the law sits in a constitution that has been entirely compatible with environmental destruction. There are plenty of contradictions. One particularly salient example is what has become known as the TIPINIS highway conflict. This concerned the Bolivian government's plans in 2011 to build a highway through the indigenous territory and national park known as TIPINIS (Territorio Indigena del Parque Nacional Isiboro-Securre). Some argue that this reflected a government concession to powerful economic national, regional and international interests and its willingness to sacrifice the interests of indigenous communities and its 'progressive' development model.27 Others have countered that some of the largest indigenous groups, in addition to 350 social organisations (including many of those who lead the struggles against neo-liberalism), actually campaigned for the building of the highway, arguing that the highway is essential to integrating Bolivia's Amazonian region with the rest of the country and providing local communities with access to medical services and local markets to sell their agricultural produce.28

Far from proving that the Bolivian government violates the ‘Mother Earth’ constitution, the case shows a government fumbling toward the future, buttressed and sometimes checked by an ever-vigilant social movement of indigenous groups, social and communitarian movements and trade unions. But far better this imperfect balance, negotiated through the rights and interests of social groups and the environment, than no debate at all – which is precisely what a Green Economy would entail. Under the new ‘mother earth’ constitution, Bolivia offers the opposite of a Green Economy – a Green Democracy.

It is this model of the ‘rights of nature’ that the Bolivian government is submitting at the Rio+20 Earth Summit, a proposal that conspicuously rejects the ‘Green Economy’ paradigm. This is as it should be. ‘Business as usual’ has generated this ecological crisis. More of the same cannot work. The original call for sustainable development stresses the importance of the ‘needs, in particular the essential needs of the world’s poor, to which overriding priority should be given’. The best way to respect those needs is for the world’s poor to speak for themselves. They are perfectly capable of doing so – the Green Economy is a way of ensuring that they don’t.29 But were we to take a leaf out of Bolivia’s book, and build a strategic democratic movement to oblige our governments to reverse course, we’ll have saved our democracy, economy and planet all at one stroke.
References

3 The definition is this: ‘sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concept of needs, in particular the essential needs of the world’s poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs.’ http://upload.wikimedia.org/wikisource/en/d/d7/Our-common-future.pdf, p. 41.

About the authors

Raj Patel is an award-winning writer, academic and activist. Educated at Oxford University, the London School of Economics and Cornell University, he is currently a visiting scholar at UC Berkeley’s Center for African Studies, an honorary research fellow at the University of KwaZulu-Natal, in Durban, South Africa and an Institute for Agriculture and Trade Policy (IATP) food and community fellow. He is the author of the internationally acclaimed Stuffed and Starved: The Hidden Battle for the World Food System, and The New York Times and international bestseller, The Value of Nothing. He has also co-authored Food Rebellions with Eric Holt-Gimenez and Annie Shattuck, and co-edited Promised Land with Peter Rosset and Michael Courville. His work on sustainability, food and economics has been translated into more than a dozen languages. Raj Patel has also published widely in the academic press, with articles in peer-reviewed philosophy, politics, sociology and economics journals. He is an advisor to the United Nations Special Rapporteur on the Right to Food, a regular contributor to the BBC, NPR, CBC, Democracy Now!, Al Jazeera, the Guardian, Mail on Sunday, Observer, The Nation, Foreign Policy, and has written for the NYT Times.com, San Francisco Chronicle and Los Angeles Times, among others. His website is www.rajpatel.org

Martin Crook is an anti-war, anti-racism, and social equality activist. Martin is also a postgraduate studying an MA in human rights at the Institute of Commonwealth Studies and has been researching food security at the Commonwealth Advisory Bureau. His research interests include human rights and the environment, genocide and the political economy of development.

10 This approach was expounded in great detail in the form of a report called ‘The economics of ecosystems and biodiversity’ (TEEB), presented in 2010, at a UN Biodiversity summit in Nagoya, Japan, by UNEP and is realised through two mechanisms known as ‘Markets for Ecosystem Services’ (MES) and ‘Payment for Ecosystem Services’ (PES).
22 Ibid.
26 http://tcl.ly/items/212y0r1R0W2k2F1M021G/Mother_Earth_Law.pdf.
Joining the Commonwealth

We offer a two-stage process of advice, but are also happy to negotiate tailored packages to meet your requirements.

Stage 1
We provide advice on the extent to which your country meets Commonwealth membership criteria and other relevant political considerations. We produce a short report and offer a telephone consultation with government ministers or officials.

Stage 2
We deploy a team of CA/B experts to conduct a rigorous in-country assessment to identify areas of strength and areas for improvement. We can discreetly assess the likely political support of existing Commonwealth members before you submit your application.

CA/B
- Confidential and impartial advice — independent of any government or Commonwealth institution
- Expert knowledge — the CA/B is based at the University of London's Institute of Commonwealth Studies, the world's premier research institute on the Commonwealth, and has a team of experts with extensive experience and knowledge of the contemporary Commonwealth
- Bespoke packages — advice to suit your requirements
- Non-profit — we provide an affordable service
- Unique — we are the only Commonwealth organisation offering this service

For more information please contact
Ms Daisy Cooper
Director, Commonwealth Advisory Bureau
Institute of Commonwealth Studies
University of London
Senate House
London WC1E 7HU
United Kingdom

Tel: +44 (0)20 7862 8865
Email: CAB@sas.ac.uk
Web: www.commonwealthadvisorybureau.org
Practice-oriented MA in Understanding & Securing Human Rights at the University of London

Our MA is the longest-running multidisciplinary and practice-oriented human rights MA programme in the UK. We have been training human rights advocates and defenders around the world since 1995.

Programme benefits

- unique degree that integrates theory, practice and law
- you’ll learn practical skills, such as advocacy, research, and fundraising
- our internship scheme with human rights organisations offers hands-on experience and improved job prospects
- a one-week study tour to Geneva where you’ll meet a wide range of human rights advocates inside and outside the UN
- an intimate and friendly learning environment, with small class sizes and frequent contact with lecturers
- the opportunity to participate in academic events hosted by the Institute, which bring together academics, human rights defenders, and the public to debate a wide range of pressing human rights issues
- access to the University of London Research Library Services, where the Institute has over 190,000 volumes
- a network of 350 alumni around the world, who work for human rights, NGOs, humanitarian organisations, charities, national governments, and UN agencies
- a number of funding opportunities are available
About the Commonwealth Advisory Bureau
The Commonwealth Advisory Bureau is the independent think-tank and advisory service for the modern Commonwealth of fifty-four nations and nearly two billion citizens. We specialise in issues of Commonwealth policy including globalisation, democracy, civil society and human rights.

Part of the Institute of Commonwealth Studies, University of London, we run projects in countries across the Commonwealth. We produce quality policy-relevant reports and briefings to inform and influence policy makers in over a quarter of the world’s countries. We seek to put the policy choices before the Commonwealth into sharper focus, exploring options and suggesting new directions. CA/B projects are changing the way people think on issues such as making elections fairer, recognising the needs of indigenous peoples and assisting development in small island states. We are committed to continuing our work to inform and improve policy and decision making across the Commonwealth.

We also offer confidential and impartial advice to countries interested in applying to join the Commonwealth, and can help existing member countries make the most of Commonwealth membership for maximum impact at home and abroad.

About the Opinions Series
CA/B Opinions are authored opinion pieces and do not necessarily reflect the views of the CA/B. The purpose of the publication series is to stimulate debate and dialogue around some of the most pressing issues in the Commonwealth.