COMMENTARY

No to Kyoto

Chris Wilbert

Much has been made of the Bush administration's withdrawal from negotiations on, and refusal to complete ratification of, the Kyoto Protocol on global climate change. Yet more bile has been raised by the subsequent announcement of new energy policies to address America's supposed 'energy crisis', policies which involve further exploitation of gas, oil, coal and nuclear power, as well as an opening up of the Alaskan Arctic to oil exploration. Bush's wholly expected policy towards Kyoto has been widely condemned – especially in the European Union, but also by mainstream environmental organizations urging an 'email the White House' campaign, which led to the temporary stalling of the White House server. Many EU ministers seemed to be shocked by Bush's decision, although it was entirely predictable.

But, beyond such posturing, is the US withdrawal from Kyoto really such a bad thing? Might it not instead be something of a blessing? The EU and many other developed countries are seeking to go ahead and move towards fulfilling their greenhouse gas emission targets as set out in the Kyoto Protocol. What if Kyoto is not something to be supported at all costs – as many environmental groups have seemed to presuppose – but something to be *resisted* for seeking to develop an international market in the trading of carbon emissions and the further commodification of environments through the application of property rights to all aspects of life? This is perhaps a hard question, bearing in mind that the opposition to the Kyoto Protocol has come mainly from right-wing republicans, fossil-fuel lobbies and industries, and some labour unions focused only on job numbers – especially those in coal and oil.

But Kyoto is not what it seems. It is not the case that supporting Kyoto puts people against the polluters. No major European industry federation was opposed to the signing of the Kyoto Protocol. Corporations are voluntarily seeking to show how enthusiastic they are about cutting emissions across many areas of their organization, in some cases introducing internal markets in emissions permits. Some are calling for the framework to be legally binding. Business is generally rather attracted to at least certain aspects of the Kyoto Protocol and the business opportunities afforded by its mechanisms, and this interest is growing. The smell of profit, not just pollutants, is in the air.

Some ten years ago Andrew Ross wrote, in *Strange Weather*, about the political attractiveness of environmentalist critiques of global warming:

> Whether the hypothesis of global warming is proven or not, the recent spotlight on the climate debates has provided *the single best opportunity for ecological condemnation of capitalist growth and development* to win a hearing in the most powerful circles of decision making.

But perhaps too many of the environmentalists' eggs have been put in one basket, a basket that is about to be traded from underneath them, with few benefits even to this

increasingly abstract notion of 'the atmosphere' that we hear so much about. Kyoto cannot be seen in isolation. It is part of a wider 'free' market approach to the environment that has for some time been advanced by a whole gamut of organizations, states and corporations. In this it links up with the basic trend towards assigning private property rights to common property resources around the world. Moreover, Kyoto perpetuates the separation of environmental problems from broader political-economic factors, promoting technical and technological 'solutions' at the expense of broader social change. Even more than this, it sets a precedent for all other globally constructed environmental 'problems', promoting the idea that markets and profits will be the main drive to business and nation-states' participation in supposedly alleviating such problems.

Want to buy some carbon?

Following on from the UN Framework Convention on Climate Change (UNFCCC), ratified in 1994, the Kyoto Protocol was signed in December 1997 and set an overall target for the period 2008–12 of 5.2 per cent cuts in so-called 'greenhouse gases' below 1990 levels. Such limited 'caps' only applied to Annex 1 countries – thirty-eight industrialized countries and the countries in transition to market-based economies (Kazakhstan and Argentina subsequently applied to join Annex 1). Within this, different countries adopted varying emissions targets: the USA, for example, accepted a 7 per cent cut, but Australia was allowed an increase of 8 per cent. The EU, treated as one territory (or a 'bubble' in Kyoto speak), accepted an 8 per cent cut overall, with larger economies accepting higher targets (Germany 21 per cent, UK 12.5 per cent) and new members such as Greece and Portugal being allowed increases of up to 27 per cent above 1990 levels.

However, under three vaguely worded Articles of the Kyoto agreement, provision was also made for supplementary forms of carbon reduction implementation, forced on to the agenda over the preceding eighteen months by the US negotiators. These market-based mechanisms allowed International Emissions Trading (between Annex 1 countries), Joint Implementation (JI) between countries, and a Clean Development Mechanism (CDM); it is these which have proved to be some of the most contested aspects of Kyoto. The CDM refers to co-operation between Annex 1 countries and countries from the developing world. Such co-operation would supposedly 'assist parties in Annex 1 in achieving compliance with their quantified limitation and reduction commitments' through such things as technology transfers and afforestation or reforestation projects, while encouraging developing countries to achieve that most vague of aims – sustainable development. Moreover, the Protocol also sought to incorporate carbon sinks (land use which helps 'soak up' carbon dioxide (CO_2), in the form of forests and agriculture (so-called Land Use, Land Use Change and Forestry activities – LULUCF), stating that these could be used to meet countries' commitment targets. Not least of the problems here was how to define, measure or monitor activities such as reforestation: how many trees, how densely planted, for how long, mixed native species or monocultural plantations, and so on.

These supplementary means of cutting emissions were not agreed in the subsequent Conference of Parties (COP) in Buenos Aires but were due to be agreed at COP6 in the Hague in 2000. No agreement was reached, of course. Media reports told us this was due to differences between those countries wanting a very loose system of emissions trading and penalties for non-compliance – the 'Umbrella Group' (including USA, Canada, Russia, Australia, Ukraine, Japan, Iceland, among others) – and the EU, favouring firmer limits on the amounts of emissions which could be traded. This is true. But these were not the only players. Other objections to many proposals on supplementarity and equity were also made by the G77 countries/China principally seeking

greater financial benefits through the CDM. The CDM has sometimes been promoted as a potential means for wealth redistribution between developed and developing countries. As it stands the CDM will benefit developed countries' emissions targets, industries such as forestry, and other businesses and elites in developing countries. The CDM is also likely to be used to condone some of the worst development activities of developing countries in which social and ecological considerations are disregarded in favour of 'the atmosphere'. Accordingly, projects as devastating as the Iliusu Dam in Turkey or Three Gorges Dam in China could potentially be included as environmentally 'beneficial'. Moreover, the widespread move to carbon forestry (forests which will act as carbon sinks) suggests that poorer communities in developing countries are likely to continue to find themselves dispossessed of land designated for storing carbon. Communities in industrialized nations living near those polluting industries which purchase carbon credits will continue to suffer from the many other pollutants churned out with CO_2 emissions.

The USA has, of course, increasingly taken the line that developing countries should also be included in the undertaking to cut emissions, not just in the CDM. This was one of the reasons Bush cited (in his letter to Senators Hagel, Helms, Craig and Roberts) for rejecting Kyoto in March 2001, claiming that it was 'unfair' on the USA for developing countries to be excluded. In any case, the US Senate voted in 1998 to prevent the USA from signing any agreement which excludes Southern countries or 'harms' the US economy.

'Market access' all areas

In the face of domestic opposition – this, it must be said, mainly for ideological reasons – the USA and other Umbrella Group countries, have been seeking the freedom to achieve their own targets through emissions trading. Russia and the Ukraine, especially, are scheduled to undercut their emissions levels by perhaps 15 per cent due to the massive setbacks to their industries since their move towards market-based economies. Under an emissions trading agreement these countries would be able to sell their emissions quotas to countries such as Australia or Japan, deriving much-desired revenue from the Protocol.

In the meantime, and after initial prevarication on the three market mechanisms and 'sinks', countries in the EU such as the UK have moved ahead in introducing emissions trading between companies within their own borders; by 2005 the EU will have instigated a system for trading across borders. Within the UK trading system the government is to subsidize companies to enter an emissions reduction scheme in which voluntary participants receive an incentive payment for cutting carbon emissions within a specified target. Some £215 million is available over five years in this scheme. To many corporations this is small change. In the period 2008–12 companies will also be able to trade emissions with other companies. In March 2000, a government minister somewhat overoptimistically announced that the UK could overshoot, by 7.5 per cent, emissions reduction targets set in Kyoto. In an international global trading scheme in carbon emissions, he argued, this would allow the UK to sell this 'surplus' on to the USA for up to £120 million (although, with the USA excluded from carbon trading post-Bonn, they now have to find another partner willing to pay). Trading could occur through the EU trading scheme or, less likely, through the recently emerged greenhouse gas emissions trading market in Chicago. Alternatively it could be traded through the increasing numbers of emissions brokers (such as CO_2e.com) encouraged by the potential business opportunities of the Kyoto mechanisms. Many of these brokers have formed themselves into lobbies, for example the Emissions Marketing Association, lobbying at high levels for no restrictions on emission trading. The World Bank has also set up an on-line site for businesses to join up to Joint Implementation and the CDM, providing advice and

information on potential opportunities in technology transfer and investing in energy-saving projects in developing countries. The website announces all kinds of business opportunities for services that can provide verification and certification of emissions reductions, project baseline and risk assessments, and so on.

In effect, states, transnational institutions and corporations are constructing and developing a market basis for greenhouse gas emissions, and carbon sink trading as a means of incorporating 'pollution' into the production process. Direct emissions trading will only take place between the developed countries of Annex 1, but more trading opportunities will be available even before firm agreement is made around Joint Implementation and the CDM, which allows credits to be gained from the year 2000. The International Academy of the Environment in Geneva has estimated that the CDM could eventually have an annual turnover of some $17 billion; others see a far greater financial potential. Quite how this amount of money will turn over is, of course, a major question, but judging by past experience much of it may well be passing to the North, or will work as a cheap way to offset greenhouse gas emission cuts by sidelining demands for infrastructural changes to economic and energy practices of companies and states. Larry Lohmann, an arch-critic of such carbon trading, describes one example of this:

> the Canadian International Development Agency has agreed to forgive about US$680,000 of Honduras's $11 million debt with Canada if Honduras will establish an office under the Kyoto Protocol to promote tree plantations and monitor forest conservation. In return, Canada gets credit for 'cutting' emissions of carbon dioxide and other greenhouse gases without having to change its industrial practices at all.

Within the Kyoto Protocol – as in increasing aspects of post-neoliberal 'environmentalism' – profit is to be the impetus for so-called environmental improvement, a form of ecological modernization in which markets in pollution rights and permits are developed, with states and intergovernmental agencies painstakingly providing limits and legal frameworks for the rules of trading schemes. Unsurprisingly, in the current climate, the Protocol therefore sanctions not only continuation of the current production system, but the extension of property rights into the atmosphere and carbon sinks, giving richer countries permission to use a sizeable chunk of the atmosphere as their own CO_2 dump.

We are urged to see that there is no alternative to the 'common-sense' real-world view that economic mechanisms are the necessary means to solve global warming. But pollution, climate change and other 'environmental problems' are not processes which can be fixed through commodification; they are not simply economic externalities requiring economic, scientific and technocratic answers. Environmental problems are political and normative questions about rights and wrongs, requiring political and ethical answers involving notions of social justice and equity not countenanced within dominant social relations. There were, of course, nods to simple notions of justice and equity in the UNFCCC agreement; less so in the Kyoto Protocol. It was at least on some basis of equity that developed countries were to be the first to cut emissions. Now even this most basic tenet is being undermined by the USA and other countries sharing their

perspective. Kyoto has been worked into a perpetuation of global inequalities. States and corporations are increasingly moving towards the most flexible interpretations of trading, where there are very small enforceable limits, if any, to the amounts of carbon to be traded. The negotiations led by Jan Pronk, leading up to the resumption of COP6 in Bonn and the agreement brokered there, only confirmed this. The whole force of the negotiations is a move towards voluntary cuts on top of minor caps on carbon emissions based on the narrowest of economic arguments about where it is *most efficient* to undertake such cuts. Kyoto has seen a further economization of environments and ecologies.

Global warning

Environmental groups, and a strongly committed community of scientists, have forced the theme of climate change and a resultant imperilled world onto the social agenda against enormous resistance from established parties. But this is now leading to an agreement which does nothing to change the exploitative inequities and polluting activities of current relations of production. Instead, there is an agreement which threatens to advance socially and environmentally damaging technologies and extend market mechanisms into more and more of social and ecological life. In short, Kyoto does not work as a condemnation of capitalist growth and development, as environmentalists may once have hoped, but promises a further lease of life for that system.

The 'global' crisis of global warming needs to be reworked. We seem to have been left in a situation in which either we support Kyoto as the most effective means of 'stabilizing' greenhouse gas emissions, or the science of global warming is disputed for its uncertainty and pollution carries on as before. But these positions are in actuality converging. It matters less and less whether the science is disputed, as science can almost always be. This is evident in the range of corporations volunteering to cut emissions, while also remaining tied to lobby groups disputing global warming. If Kyoto is embraced it is business as usual (probably more so); if Kyoto fails – the same. We do not need to deny the threat of global warming to realize there is, of course, a wider debate to be had regarding the central role of science in the whole global warming process, along with the ways differing social and cultural factors are excluded from research and debate in favour of 'objective' science and its attendant rational economic solutions. Likewise, the metaphors of 'stability' and 'balance', which are such staples of environmentalism and the whole climate change brouhaha, would also seem vastly to underrate the complex dynamism of the biosphere. But that must remain another story for now.

Many will argue that it is better to have a flawed agreement rather than none at all, for the sake of the millions of people who are most vulnerable to unpredictable effects of climate changes. Yet this agreement, in its extension of property rights and wholly inadequate market pricing of the atmosphere, carbon sinks and pollution, promises only the continuation of (if not increase in) social and environmental inequalities, and greater exploitation of environments. Moreover, as many scientists have argued, even if a 5.2 per cent cut were achieved, this would make no discernible difference to projected climate changes anyway. In any case, this cut has effectively been limited to about 1.8 per cent post-Bonn. To argue that Kyoto is only a *beginning* of the end of the 'carbon age' misses the point entirely.

In the resumed COP6 meeting at Bonn in July 2001, environmentalists called for supporters to build a huge lifeboat to symbolize the need for urgent action. Each protestor was to bring one piece of wood from which the lifeboat was to be built. But much as the tenacity and creativity of environmentalists has to be admired in devising such dramatic stunts, this is no time for lifeboats. It is time for those scientific, environmental and grassroots organizations not seduced by 'access' to influence and

power, or by the view that market mechanisms and profit are the solutions to environmental problems, to gather together, to reject Kyoto, to tell the world why this system is no good, and to force real changes based on social justice, leading to wider economic transformation.

Sources

World Bank carbon website: www.prototypecarbonfund.org/.
Equity Watch, Centre for Science and Environment, India: www.cseindia.org/cmp/climate/ew/.
Larry Lohmann, 'The Carbon Shop: Planting New Problems', World Rainforest Movement, 2000.
Dept of Environment, Transport and Regions, *Business and Climate Change: UK Advisory Office*, 2001.
Michael Grubb et al., *The Kyoto Protocol*, Royal Institute of International Affairs, London, 1999.
'Carbon Capitalism', *Corporate Watch* 11, 2000.
UNFCCC website: www.unfccc.org/.
International Institute for Sustainable Development: iisd.ca/climate/COP6bis/.

One more symptom

The foot and mouth crisis in Britain

Ted Benton

The brief and tepid diversion offered by the general election in Britain now over, the premature media postmortem on the (continuing) catastrophic outbreak of foot and mouth disease has begun. So far there have been an estimated 4 million animals – the majority of them sheep, but more than half a million cattle and tens of thousands of pigs – slaughtered because of the epidemic and buried or incinerated; 2,000 confirmed cases, but more than 7,000 farms directly affected by the 'firebreak' strategy; financial and personal losses to farmers on an unprecedented scale; the final discrediting of the Ministry of Agriculture, Fisheries and Food (MAFF) and much of the 'scientific' advisory apparatus connected with it, and so on. So far the analysis in the mainstream media has focused on the management of the crisis. Did ministers and the ministry recognize early enough the seriousness of the initial outbreak? Did it take too long to remove 'red tape', involve the army and so get the slaughter under way within twenty-four hours of suspected cases? Was the vaccination option dismissed too early, and then resurrected too late? How far were interdepartmental and ministerial rivalries responsible for insufficiently prompt and effective action? What risks were involved in the methods of disposal of the carcasses, and how defective was the management of this ghoulish business? All perfectly proper questions, but none of them comes close to probing the underlying causes and significance of yet another major crisis in the UK food industry.

Comparison with the earlier outbreak in 1967 is interesting. The 'lessons' of dealing with that outbreak had not been learned. But the stark differences in the scale and scope of the current outbreak would have made those lessons more difficult to apply in any case. Massive increases in the distances travelled by live animals, inadequacies