

# Climate change and capitalism's ecological fix in Latin America

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The issue of climate change has recently acquired great prominence in South America. It has received considerable coverage in the mainstream media, been the object of many citizen-led campaigns and has at least been discursively acknowledged by governments and some companies. Yet despite this growing presence in public debate, the question is whether the proposals that have been circulated so far are really aimed at devising effective measures to tackle climate change.

The analysis in the present text shows that the discourses of all South American governments today, while not denying the challenge of climate change, present it in a distorted way. Climate change is thus rendered as functional for a process of commodification of nature and a reorientation of environmental policy. Even under left-wing governments, South America is witnessing the redeployment of variations on the theme of faith in progress through the appropriation of nature, thus preventing the substantive agreements that would be necessary to confront climate change.

## *A distorted perspective on climate change*

All the governments of South America are worried about climate change. The reasons are



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varied, and range from possible losses in agricultural production, the disappearance of the Andean ice fields, coastline changes, declines in tourism or the effects of an increase in natural disasters. Their emphases, too, are very diverse, from enraged speechifying to the establishment of scientific committees and the promotion of campaigns. Concomitantly, the conventional media

recycle reports on the subject, almost all of which, however, originate in industrialised countries: the ones that are more regularly cited come from the Northern hemisphere, and thus obviously express the problems and priorities of richer countries.

It is thus that, step by step, a certain idea of climate change has spread across South America, wherein the following elements are central: emphasis on the responsibility of industrialised nations as a way of deferring and avoiding commitment; identification of emissions by sectors such as industry and transport as the main culprits; and the view that South American countries would be, above all, ‘victims’. However much truth there is in each of these elements, the whole set leads to distorted positions, allowing South American countries to engage in media campaigns while avoiding both debate and concrete action to tackle the roots of the problem.

To be sure, a much greater responsibility falls on industrialised countries, particularly if the question is considered from a historical perspective. However, we must also admit that several Southern countries have become huge greenhouse gas emitters, sometimes at levels higher than developed nations. For instance, if we consider total emissions (excluding land-use changes), Brazil ranks 7th, ahead of countries such as Germany and Canada; Mexico is 11th (ahead of Italy and France) and Argentina, 25th (ahead of The Netherlands).<sup>1</sup>

The volume of current emissions is sometimes minimised, sometimes hidden (this partly explains the delayed presentation of

the official reports by various South American countries), or relativised according to evaluations in proportion to surface or population. Despite their global responsibility, many Southern countries oppose accepting any substantive commitments to reduce emissions on the grounds that they do not want to be tied to reduction goals that might hinder their development. But they also, by emphasising their condition of victimhood, insist that the fight against climate change must be financed and supported with technology transfers from industrialised nations. Their own responsibilities – which, however ‘differentiated’, are global nonetheless – disappear. Their own initiatives remain limited, and South American countries contribute to the eternal horse-trading and bargaining in international negotiations concerning the money that is expected in order to initiate national measures against climate change.

Correspondingly, the way in which these governments have begun to take action on climate change accentuates other deformations. While recognising problems of vulnerability, which are serious and urgent, their mitigation campaigns are focused on reducing emissions in sectors such as transport, industry and electricity generation. On these fronts, their actions are generally modest and narrow, and usually exhaust themselves in programmes to foster the use of energy-saving light bulbs, filters in some factory chimneys and praising hybrid cars. Whatever their true efficacy, in the end these programmes matter because of the support they garner in the form of public opinion. Besides, this kind of initiative is in line with the dominant message in the media, where the stress is always on industrial or transport emissions.

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<sup>1</sup> Emission figures for 2005, based on the Climate Analysis Indicators Tool – CAIT database, World Resources Institute.

The problem is that this does not correspond to South American reality. A greater proportion of emissions in the energy sector is typical of rich countries. For instance, transport and industry generate about 90 per cent of greenhouse gas emissions in the EU. It is for this reason that these are the sectors targeted by such countries.

The situation in South America, however, is very different: the most substantial portion of greenhouse gas emissions (75.2 per cent) comes from agriculture and land-use changes. Industry, transport and the like represent 23.6 per cent of emissions of CO<sub>2</sub> equivalents.<sup>2</sup> Agriculture, land-use change and forestry represent 83 per cent of total emissions in Brazil, almost 86 per cent in Peru and 91 per cent in Bolivia. It is obvious that this situation is different from what many assume. This situation exposes the contradictions of, for example, Brazil, which has become a great global emitter, but resists taking substantial measures, demands compensation and transfers while at the same time presenting itself as a new global power.

The gravest and most urgent problems for climate change in South America relate to agricultural policy, land use and exports of agrifoods. The agenda of political debate and the most urgent measures must turn to these questions, and in particular to urgent issues such as deforestation, land reform and the expansion of export monocultures such as soy. Yet this nexus does not receive the attention it deserves from the South American public: on the contrary, it is repeatedly avoided by governments whose mitigation plans are inadequate and whose goals are vague. What is more, they take advantage of this distortion in the debate on climate change by organising

marketing campaigns around themes such as light bulbs. In this way, the most urgent and politically most costly themes, such as agricultural policy, go undiscussed. This stance is, nevertheless, instrumental in strengthening their international bargaining positions while carrying on with the present models of development.

### *The commodification of nature*

The persistence of conventional development strategies is one of the main causes of the resistance to a climate change agenda in South America. The dominant model is still one based on the appropriation of nature and on export-led growth. Even the so-called progressive governments (Argentina, Bolivia, Brazil, Chile, Ecuador, Paraguay, Uruguay and Venezuela) have been resurrecting a particular version of an ideology of *progress* – according to which, these countries possess enormous natural resources and ample potential for ecological buffering, and so the governments take it as their mandate to make the most of this wealth. The high price of commodities in recent years has amplified this tendency, and many governments thought it essential to take advantage of these opportunities in the global economy to further their foreign trade. To that end, they refused, and are still refusing, any idea of environmental conditions or restrictions, although now the justification is the global crisis that has negatively impacted economic expansion.

The distortion of the climate-change agenda enables governments to evade a deeper debate on the central ideas of this style of development, which are central in the formulation of land-use and agriculture policies. But this same distortion means that some conventional actions can be present-

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2 Data for the year 2000. CAIT database, World Resources Institute.

ed as having an environmental purpose. A typical case is the agro-fuel programme in Brazil, greenwashed as a fight against an oil-based civilisation, when in fact it constitutes a deepening of the expansion of soy and sugarcane monocultures in support of exporting agribusiness, with serious social and environmental impacts.

Thus nature is turned into a basket of commodities: environmental goods and services replace ecosystems, and natural capital comes to express the environment's monetary value. This kind of approach is functional to the trade in natural resources, and so does not contradict the present version of the ideology of progress.

This emphasis is not new, and is part of the heritage of the neo-liberal years, but it has also been promoted by South American governments. One should remember the Rio+10 summit in South Africa in 2002 where various Latin American countries, led by Brazil, insisted on the idea of promoting the commercialisation of their own biodiversity and ecosystemic functions as if they were but one commodity among others. This explains the present insistence on the part of various progressive governments on arriving at agreements on environmental goods and services at the World Trade Organization (WTO).

In the framework of the commodification of nature, the environment is broken up into commodities to be inserted into productive processes. As a consequence, the components of ecosystems – its fauna and flora, or even their genes, ecological cycles, etc. – are converted into commodities that are subject to trade laws and can have owners and an economic value. Countries like Brazil and Argentina, for example, are among the most energetic advo-

cates of the incorporation of environmental goods and services into the WTO regime.

Other actors operate in the same way. Among the so-called conservation BINGOs (big international NGOs), for example, market-based mechanisms such as carbon trading are seen as key in responding to the challenge of climate change – extending all the way to extreme cases such as Conservation International's proposal regarding the Amazon, whereby protected areas should self-finance themselves by way of the sale of environmental services and goods, or carbon capture, in global markets (Killeen 2007). This is an extremely pessimistic position, which assumes incapable states and the forsaking of any idea of transforming global capitalism, and accepts the destruction of the greater part of the rainforest, while all that is hoped for is to salvage the odd protected area by including it in the very commercial networks that cause environmental destruction.

Along the same lines, the recent ECLAC (Economic Commission for Latin America and the Caribbean) report on international trade, insofar as it even acknowledges the importance of climate change, also calls for resistance to green forms of trade protectionism. More importantly, this proposal demonstrates other aspects of this distortion, since national or local environmental problems vanish from the agenda. Environmental impacts that range from the loss of biodiversity to urban contamination are not adequately considered; the actions to confront them are emptied of meaning; environmental institutions are even more fragile; and there are multiple problems with enforcement. Much is said about environmental questions, but from a distorted perspective, while a parallel weakening of na-

tional and local environmental governance in South America takes place.

### *The ecological fix for capitalism*

This distorted perspective on climate change, and the advancing commodification of nature even in times of global crisis, are due to the fact that we are witnessing a sort of 'ecological fix' for capitalism. This new version is different from the programme pushed in the framework of the neo-liberal reforms of the 1980 and 1990s, since today there is acknowledgment of the problems with those positions, a greater role for the state is envisioned and social programmes are to remain in place.

Yet there has been no progress in developing a substantive critique of the economic order, of the excessive emphasis on the appropriation of nature or the logic of progress and economic growth. The progressive or left-wing governments of South America have rectified some of the extremes of the old politics, especially in the social arena, and this is no small matter. But they have, nevertheless maintained the same style of development as natural resource-exporting countries. What is more, in some of these governments the state acts to facilitate the intensified use of natural resources, the export of primary commodities and the attraction of foreign investment: directly, through state enterprises, such as national oil companies, as in the case of Bolivia or Venezuela, or indirectly, as in the plans to attract large-scale mining investment in Ecuador.

For the said governments, the importance of the state as a new promoter of the appropriation of nature is clear. For example, the Bo-

livian president, Evo Morales, has recently challenged environmental organisations and even local communities that oppose oil exploration thus: 'What are we to live off?' he asks. Along the same lines, support for a traditional style of material development can be found in old social movements, such as trade unions with an industrial, urban base.

In this context, the social policies characteristic of progressive governments remain targeted at specific social groups and compensate for the negative effects of this very developmentalist strategy of the commodification of nature. Environmental questions are engaged at a surface level, usually taking the form of marketing campaigns, but the insistence is still that environmental regulation would slow economic growth and represent a risk to development itself. As a result, only a superficial environmental agenda is accepted, or one that effectively incorporates actions that are functional to economic growth and a relationship to the global economy that relies on the export of primary commodities. This explains the distortions of the debate on climate change and the resistance to discussing, for instance, the role of emissions originating from agriculture and land use.

Since this style of development now has a social and environmental face, it generates the illusion of a 'benign capitalism'. The fundamentals of its functioning go unquestioned, as do those of the commodification of nature or the supporting role of social programmes. Instead, there are measures of reparation and compensation, and even the acceptance of another kind of globalisation, with greater state regulation (a good example would be the 'capitalism 3.0' proposal of economist Dani Rodrik).



Targeted poverty-alleviation programmes are very important in emergency situations, but when they become permanent they dampen the most acute effects of this capitalism and pacify social unrest. Governments find political legitimacy and so prevent the discussion of their mode of appropriation of nature and their international insertion based on natural resources. The examples above show how governments, several big NGOs and significant sectors of academia are complicit in this. The degradation of the environment is hidden, made invisible. However much recognition of ecological effects there may be, the argument is that they are the inevitable costs of leaving underdevelopment behind. Not only that, but the intensification of the commodification of nature is presented as a solution to the existing problems.

### *Climate change and post-material development*

A radical shift in international negotiations on climate change requires another kind of leadership from South American countries. It is necessary to break with the ideology of progress and to move towards *post-material development*. To the extent that political debate in South America is today richer and more diversified, it is possible to move forward with this agenda. For example, the proposal for post-oil development in Ecuador, including a moratorium on oil drilling in the Yasuní region (Acosta et al., 2009), is a very important intervention. In the same way, we need to discuss urgently policies regarding agriculture, cattle farming and forestry, and generally come up with a new design for rural development.

In this task, it is necessary to put the essence of contemporary Latin American capitalism

itself at the centre of the debate, and particularly its goal of achieving economic growth through the export of primary commodities. The ‘solutions’ that beckon with the commodification of nature are not enough to tackle national environmental problems, let alone global ones. Measures such as the creation of international carbon markets are mere illusions of supposedly effective alternatives, when in fact they do nothing but exacerbate the problems. If there is no radical change in this kind of relationship, everything points to the persistence of sluggish international negotiations that will repeatedly avoid real commitments to tackle the root causes of climate change.

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by Rodrigo Nunes.*

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