

# COP 17 and labour

The aftermath of the Durban COP 17 is a dilemma. Capitalism is not interested in making commitments on climate change, while government has surrendered to capital. With lukewarm interest but no commitment, labour shows signs of apathy, while workers pay more for energy, writes **Patrick Bond**.

**T**he 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 (UN) leader Kofi Annan, there are already more than 300,000 deaths per year due to climate change. Temperature increases of more than 4° Celsius on average will translate to 7° in the interior of our continent, including the Northern Cape, making it unlivable.

Africa will be 'cooked', says leading climate justice activist, Nnimmo Bassey of the Niger Delta Environmental Rights Action. According to UN Intergovernmental Panel on Climate Change director RK Pachauri, 'crop net revenues could fall by as much as 90% by 2100.'

Climate damage to Africa will include much more rapid desertification, more floods and droughts, worse water shortages, increased starvation, droves of climate refugees jamming shanty-packed cities, and the spread of

malaria and other diseases. The danger is imminent, for eight of the 20 countries 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 UN Framework Convention on Climate Change Conference of the Parties 17 - dubbed COP17 for short and then redubbed the 'Conference of Polluters'.

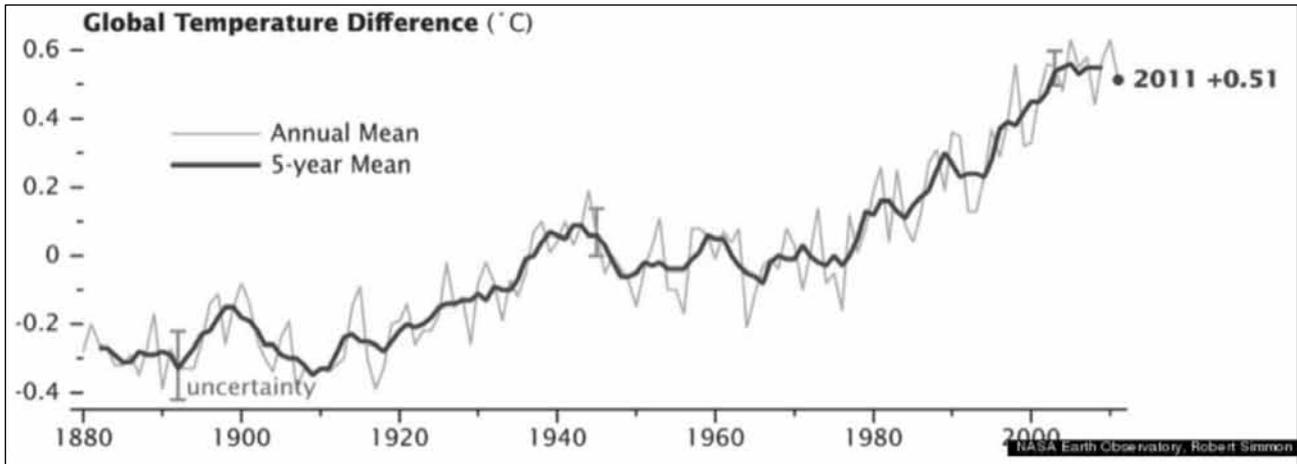
Labour showed interest in this crisis - but frankly, not yet genuine commitment. Worker participation in union-organised 'People's Space' seminars at the University of KwaZulu-Natal (UKZN) was impressive. Yet somehow in spite of early endorsements, the Congress of South African Trade Unions (Cosatu) failed to take adequate leadership in the C17 coalition of oppositional civil society, to bring out its numbers to the big march on 3 December (aside from providing marshals) and to deliver the promised concert at the end of the march. Nor was there substantive Cosatu support for the 4 December

conference on a Million Climate Jobs at the People's Space. This was a huge missed opportunity, in view of the disastrous neo-liberal process inside the COP17.

## 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 30 years have caused more than a 0.5° increase. The COP17 paralysis ensured that if nothing is done in future years, in this century our descendants will witness at least a 4° average increase. There may, as a result, be more than 150-million additional deaths in Africa.

In order to stop 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). The corporations trash the planet, the commons, communities and the very soul of humanity by reducing



Source: National Aeronautical and Space Administration, Washington

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. This is the same as in 1987 when the world elites agreed (in the UN's Montreal Protocol) to phase out chlorofluorocarbons (mixture of carbon, chlorine and fluorine) that produced the dangerous gases methane and ethane that were destroying the ozone protective layer. This will also involve state-owned renewable energy initiatives and shifts in state subsidies away from fossil fuels to renewable energy, public transport (and rail replacing road 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. Over the long term as communism is achieved, a 'withering away' of centralised states into socially controlled, humane and eco-conscious systems.

The South African government has many opportunities to make shifts in policy, immediately:

- Halt the R250-billion plus 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 CO2 emissions source, Sasol's Secunda plant which makes oil from coal.
- Reverse the R80-billion heavy oil refinery authorised 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 these will cause permanent contamination of rivers and water tables, increased mercury residues and global warming. This is just as the case at the Cradle of Humankind northwest of Johannesburg, which is suffering threats of serious acid mine drainage.
- Open state-owned renewable energy facilities where the private sector is failing, as called for by the National Union of Metalworkers of South Africa (Numsa).
- 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, at the expense of a genuine strategy.

#### PRIVATISING 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 spin-offs 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%.

These prices are far too low for transformation and innovation to begin. At least €50/tonne is needed 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 chief executive officer Joanne Yawitch – 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



Marching for climate justice: Activists in Durban during COP17.

William Matjala



emissions markets are speculators, financiers, consultants including from non-governmental organisations (NGOs) and energy sector hucksters who make billions of dollars in profits on the sale of notional emissions reduction credits. As the air becomes privatised and commodified, poor communities across the world suffer, and resources and energy are diverted away from real solutions.

### FINGERPRINTS ON 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.'

The back-slapping continued. In his February 9 State of the Nation address, Zuma declared '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 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.

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 joke. 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 without giving too much thought 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 that required her handbag be whisked through the Oslo airport metal-detector, as for all such dignitaries.

Such lack of seriousness 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 that 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 (ANC) deal with Hitachi to supply boilers to the Medupi and Kusile power plants, a multimillion rand bonanza 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 *20 times higher* than even that great climate Satan, the US.

An insignificant contribution to the energy grid – less than 4% 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 (KWH) 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 through illegal transfer pricing. According to a recent study by the University of the Witwatersrand this general practice cost us a fifth of the gross domestic product

(GDP) in 2007. The companies also transfer money through dividends to shareholders in London (Anglo) and Melbourne (BHP Billiton), given the relocation of so many mega firms' financial headquarters out of South Africa a decade ago. Furthermore, internal consumption of metals is constrained by 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 soot when cooking over biomass.

### LABOUR'S CHALLENGES

Civil society must tell no lies and claim no easy victories. Community activists and environmentalists did not do a very good job in mobilising 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?
- 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 were at least thoughts to bring unity to progressive civil society. Unions in the metals, transport and paper industries made strides to go post-carbon, even if they have not yet sold their ideas to all their members and the broader society on this burning agenda. They are also making these efforts when some unions like the mineworkers still promote more coal-digging out of short-sighted desperation.

Still, there is no way for organised labour to ignore climate challenges, since jobs and the broader arrangement of society are going to be renegotiated by necessity in coming years. The big questions remain: will labour activists be at the forefront and use the climate crisis to also question the capitalist mode of production and its profit accumulation agenda? As now appears likely, will a divided union movement be used against its logical allies who are critical of elite climate policy? ■

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