

TRANSFORM GLOBAL GOVERNANCE TO DELIVER SUSTAINABILITY AND CLIMATE JUSTICE

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If we are to achieve a fundamental shift away from the exploitation of people and planet – and deliver climate justice, global governance will need to change fundamentally. And if that is to happen, civil society needs to focus more on shifting power than on attending consultations – which are often little more than ‘insultations’, as Danny Srisikandarajah, Secretary General of CIVICUS puts it.

Across the world citizens are raising their voices for a fair and sustainable future. Rather than listening, governments all too often cover their ears and close their doors. Given this state of affairs, multilateral institutions need to be a positive counterexample. We need the United Nations in particular to be an open space of free deliberations to set global standards to improve the lives of all. We need all UN bodies to strive to live up to the good practices identified by CIVICUS in its mechanism for assessing

the quality of engagement between civil society organisations and intergovernmental institutions.

A shift of power is more important than a change in the frequency, style or depth of consultations that global institutions engage in with civil society. Global economic players have captured global politics. Reining in their current power is the most urgent task for all who want to deliver sustainability and climate justice – by which we mean achieving a decent life for all without causing dangerous climate change – while addressing the injustice that currently most climate change is caused by the rich’s overconsumption but most of its impacts are being borne by the poor.

CAPTURE BY CORPORATE POWER

We face a paradox: while climate damaging carbon emissions and the use of resources continue to rise globally, solutions are available and proven. Unlike 20 years ago, we know today that sustainable renewable energies, for example, are not a pipe dream but a fast-growing global industry. We know that we could deliver energy for all and cut climate damaging emissions enough to prevent dangerous climate change.¹ We can deliver more justice and a better planet, but we fail to do so despite this opportunity. Indeed, solutions for most, if not all, environmental ills are available and affordable. At the same

time, development in both North and South remains deeply unsustainable.

One key reason for this paradox is that globally, environmental governance systems are not as strong as they need to be. Even where governments do promote sustainable practices, such as the use of sustainable renewables, they fail to put a decisive end to unsustainable practices. An economy based on nuclear energy, oil and coal, genetic engineering, toxic chemicals or the overexploitation of our forests and seas will never be sustainable and will be incapable of providing prosperity for all within planetary boundaries. No bridge to climate justice can be built on these technologies.

Too many governments in the North and South have effectively been captured by corporate players that benefit from the destructive status quo. They are putting the interests of a few above the interests of the many. The finance industry, for example, has succeeded in making the taxpayer pay for its bad decisions and is stopping governments from properly regulating global financial markets.

Who are those powerful companies that are standing in the way of climate progress? One can get an idea by looking at the list of the 90 companies that alone have generated nearly two-thirds of all climate pollution since the dawning of the industrial age.² All but seven of them deal in oil, gas and coal. It

is these companies that should be regulated and made responsible for the damage they are causing and have caused. But instead, they are receiving special treatment and are buying influence with governments.

The fossil fuel industry has spent billions persuading governments and the public that climate change is not happening or not caused by humans, or that technological and economic fantasies such as ‘clean coal’ are viable solutions.

Their strategies of buying are creating dividends: between 2001 and 2011 governments handed out US\$2 billion a year in subsidies to the five biggest US oil firms. And this despite them raking in profits of US\$1 trillion over the same period. In Europe, energy companies spent heavily and had direct and privileged access to highest level decision-makers when the European Union set its 2020 climate and energy targets. This has resulted in fossil fuel interests being protected at the expense of people and the planet. The European emission trading scheme in particular is failing to shift Europe to green and clean energies as fast as required as too many emission permits were issued, resulting in an ineffective carbon price.³



We see the same patterns repeated around the world. In South Africa, for example, the state-owned power utility Eskom is getting the government to support their coal and nuclear expansion while charging consumers increasing amounts for their energy. If they were serving the public interest, let alone aiming to deliver climate justice, they would be moving to renewable energy rapidly. Instead, South Africans will pay the costs of their outdated business model, through polluted air, water shortages and an increasingly erratic and dangerous climate.⁴

For climate justice to be more than a dream, governments must put regulations in place that secure the public good and give the institutions tasked to implement these regulations the tools to do so. It sounds simple, but it does mean changing some fundamentals in the way we govern our planet, including how our global institutions and regulations work.

INEFFECTUAL ENVIRONMENTAL GOVERNANCE

It's important to remember that global regulations with teeth are not impossible.

They exist. If governments want to create powerful institutions, they can. The World Trade Organization (WTO), for example, can impose punitive fines on countries that break its rules. While the WTO has failed to make any major advances in trade liberalisation over the last 15 years, these powers persist, and the WTO remains the most powerful global governance instrument available. Many disputes are being taken to the WTO, and the WTO serving as an arena where support schemes for renewable energy, for example, are being attacked.⁵ Worse, the idea that regulations may be questioned at the WTO is having a chilling effect on progressive politics, making governments less likely to take decisive action, such as making polluters pay for climate pollution.⁶

In contrast, environmental and sustainable development governance is not effective. Experts agree that while there are many institutions dealing with social agendas or the environment, they are not coordinated, lack adequate powers and are much weaker than economic and trade bodies. Bodies such as the UN Environment Programme (UNEP) can only plead, coach and build capacity, compared to the WTO's ability to impose punitive measures.

UNEP was created as a compromise between North and South at the Stockholm Conference on Human Environment in 1972. Its mandate was limited, and its resources even more so. Many attempts have been made since then

to strengthen it. But while there is even a UN agency for tourism, UNEP remains a mere programme, which limits its authority, makes its funding base less set in stone and means UNEP has very few offices around the world.⁷

Similarly, the main international forum established in 1992 to deal with sustainable development was the Commission on Sustainable Development (CSD). The CSD was tasked with monitoring the implementation of Agenda 21, the main outcome document of the Rio Earth Summit in 1992. Sadly the CSD, which convened for two weeks each year since Rio, was never more than a talk shop. It could do nothing to actually force governments and businesses to deliver sustainable development.

At the Rio+20 UN Summit in June 2012, governments buried the CSD and pledged to replace it with a new 'high level' body on sustainable development, the High Level Political Forum. Time will tell whether this is a

step forward. So far the Forum has only held a mostly symbolic first meeting. But already today we sadly know that the Forum will have nothing like the clout of the WTO.

Similarly, the UN Framework Convention on Climate Change (UNFCCC), which does not have a remit to seek climate justice, but which is at least tasked with the necessary pre-condition of keeping our global atmosphere stable, is unable to penalise countries that fail on their commitments. For example, when Canada decided to rip up their commitments to reduce their emissions and left the UNFCCC's Kyoto Proto-

col, the UNFCCC could not impose fines or other sanctions.

CHANGING THE GLOBAL RULES

For planetary survival and climate justice, much more is needed than a strengthening and upgrading of existing institutions such as

UNEP or stronger enforcement mechanisms for institutions such as the UNFCCC. Global rules that change power dynamics and investment incentives are urgently required.

Global rules on corporate accountability and liability are a must in order to ensure that when corporations do damage to people and the environment, they incur real costs. A binding global instrument that ensures full liability for any social or environmental damage global corporations cause must be high priority in governance reform. Whether governments are willing to set such global rules or abandon responsibility by continuing to promote a free market system designed to only deliver short-term gain is a key test for global democracy.

Climate justice and sustainability cannot become a reality in a world in which short-term bets by financial markets prevail. Strong controls of financial markets therefore should also form an integral part of global governance reform. New fiscal instruments, such as a financial transaction tax, need to be adopted to slow harmful speculation and deliver much needed finance for development and environmental protection. In addition, a complete social and environmental review of the global trade system is long overdue.

THE CHALLENGE AHEAD

So why are these steps not being taken? That's where we have to return to the ques-

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tion of power. After Hurricane Sandy, even the vast majority of Americans are supportive of effective climate action.⁸ The fossil fuel industry, however, has captured too many governments, in both North and South. On Capitol Hill, and in Caracas, Brasilia, Ankara and New Delhi, the oil, coal and gas industries rule. Even measures such as cutting fossil fuel subsidies are therefore unable to find majorities, even in countries that face real constraints on their public finances. When push comes to shove, governments, for now, fear Shell and Exxon more than their citizens.

Achieving effective environmental governance is therefore above all about changing existing power relations. It is about building a movement powerful enough to force governments to act in the public interest. It is about building alliances between grassroots initiatives and global organisations. It is about making the argument for change as much on the street as in the corridors of power.

Only if we change power relations will we be able to transform global governance systems and get environmental governance bodies with real teeth, comparable to those of the WTO. The current weakness of environmental bodies is a symptom of environmental interests not being strongly represented enough – yet – within the global political system. No expert commission or think-tank proposal will be able to change

much until these power fundamentals are addressed. People power will be essential to tilt the balance.

Climate justice will need much more than global governance reforms. But without the shift of global power outlined here, it is difficult to see how sustainability and climate justice can have any hope of being achieved. It is therefore imperative not to settle for a little more transparency here or a little more consultation there. Civil society must, instead, act as a people-powered network across the globe to urgently challenge the current powers that be.

¹ For more information visit www.greenpeace.org/energyrevolution.

² K Naidoo, Ranking the Climate Culprits, Huffington Post, 21 November 2013, available at: http://www.huffingtonpost.com/kumi-naidoo/ranking-the-climate-culpr_b_4316256.html

³ New report finds failing EU carbon market threatens effectiveness of 2030 climate proposals, Ecofys, 11 June 2013, available at: [http://www.greenpeace.org/eu-unit/en/News/2013/Ecofys-Briefing/..](http://www.greenpeace.org/eu-unit/en/News/2013/Ecofys-Briefing/)

⁴ M Steele, Where a coal addiction has put us - the dirtiest air in the world, Greenpeace, 26 April 2013, available at: <http://www.greenpeace.org/africa/en/News/Blog/witbank-the-home-of-the-dirtiest-air-in-the-w/blog/44959/>; Powering The Future: Renewable Energy Rollout in South Africa, Greenpeace, 25 March 2013, available at: <http://www.greenpeace.org/africa/en/News/news/Powering-The-Future-Renewable-Energy-Rollout-in-South-Africa/>.

⁵ I Solomon and J Guay, US Challenges India's Solar Industry, Again, Huffington Post, 18 February 2014, available at: http://www.huffingtonpost.com/ilana-solomon/us-challenges-india-as-sola_b_4789919.html.

⁶ R Eckersley, The Big Chill: The WTO and Multilateral Environmental Agreements, (2004) Global Environmental Politics 4(2), 24, available at: http://www.peacepalacelibrary.nl/ebooks/files/Eckersley_Big-Chill.pdf.

⁷ K Naidoo and D Mittler, Time for an Upgrade: Rio+20: From Outcome To Implementation, UNEP, February 2013, available at: <http://www.unep.org/ourplanet/2013/feb/en/pdf/article4-OP-FEB-EN-2013.pdf>.

⁸ Tracking Public Attitudes – Latest Polls, US Climate Action Network, available at: <http://www.usclimatenetwork.org/hot-topics/climate-polling>.