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Contribution to

Global Labour University Master Course: Labour Policies + Globalisation
Climate change + trade union responses
Berlin School of Economics and Law, April 12-14, 2013

Session 1- thematic intro

Required themes:

Industrialization
and its effect on the environment
studied in a North-South Perspective

- Stages of industrialization
 - industrial revolutions
- impact on the environment

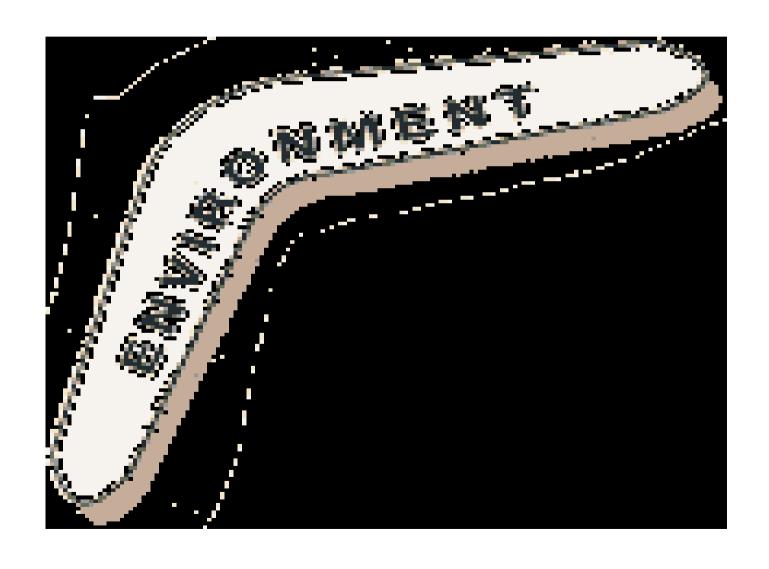
Disposition

- 0) What are the intended learning goals?
 - I) North-South perspective
- II) Historical perspective: industrialisation
- III) Socio-ecological approach: why + how?
 - IV) Back to basics on climate change

Learning goal (1 of 4)

Based upon TEXT 1 Cavanaugh and George:

=> understand in a <u>North/South perspective</u>, how and why <u>monetary and environmental debt are</u> <u>connected +</u> create a global <u>environmental boomerang</u>.



Learning goal (2 of 4)

Based upon TEXT 2 Schandl and Kraussmann:

Understand features of the long process of *industrialisation* of the United Kingdom

as a unique transition in social and ecological terms.

Historically unique <u>versus</u> reversible processes

Re: Requirements

The U.K. text presents
"Stages of industrialization" as unique, irreversible transitions;

It <u>does not support</u> the <u>modernisation</u>
story of
"industrial revolutions"
to be repeated in reversible time.

Rather: Dependency theory applied to European history

The book "Socioecological transitions and global change.

Trajectories of social metabolism and land use" is rather inspired by

dependency theory:

placing more and less developed countries in the same social + ecological space.

They ask at the end of the volume, how the fate of Austria as a late-comer differs from that of the U.K.

Learning goal (3 of 4)

Based upon TEXT 3 Fischer-Kowalsky + Haberl:

- Understand the
 co-evolution of society and nature
 where human populations work
 with(in) their environments;
- be informed about a <u>method</u> of studying historical transitions in both **social and ecological** terms.

Extractive work, man and nature



Learning goal (4 of 4)

Based upon all three texts + this presentation:

Become and/or remain

motivated to explain,

why and how **global warming (GW)**

is man-made.

Part I Susan George (text 1)

<u>The first boomerang – the environment</u>

From: The debt boomerang.
How Third World debt harms us all,
pp.1-33

Research + documentation (a)

John Cavanagh:

International economist

United Nations Conference on Trade and Development (UNCTAD, 1978-1981)

World Health Organisation (WHO, 1981-1982)

Inst. f. Policy Studies (IPS, Washington, D.C.)

Global Economy Project (1983-97);

director IPS since 1998;

founding fellow of

Transnational Institute (TNI, Amsterdam 1974-).

Research, documentation+final draft Susan George, here at Cologne 2007



Susan George

Franco-American

political and social scientist,

activist and writer on

global social justice,

Third World poverty,

underdevelopment and debt.

Previous books:

1976: How the other half dies;

1988: *A fate worse than debt*

Fellow and president of the board of the Transnational Institute (TNI) Amsterdam. Active in ATTAC.

The debt boomerang *project*

The 1992 book was part of a larger project. Readers were *invited to participate* in it:

"...if You, or Your organisation, wish to endorse (our) principles; if You wish to devote time to stopping the boomerang, and to building coalitions among the 'natural opposition' to debt."

The book: 2 boomerangs hitting 'nature'

1) The environment (external nature)
 Ecosphere, atmosphere, hydrosphere changes
 => global feed-back
 - not the least: global warming

2) <u>Drugs (internal nature)</u>
Cash-cropping
for export-led growth means land use changes;
criminal economy + state repression
feed hopeless consumption

The book: 2 boomerangs hitting the global economy

3) Northern taxpayers
bailing out the banks:
Early model for states' financial aid
to failed banks

4) Lost jobs + markets:
Reduced demand for goods + services in developing countries' markets
=> less jobs in Northern firms

The book: 2 boomerangs of destabilisation

5) *Immigration*

Taking flight from 'A fate worse than debt' - caused by post-colonial power relations

6) <u>Conflict + war</u>
Low-intensity conflicts as well as direct war
more frequent under **conditions** of
scarcity + famine

Structural conditions in question

From:

Last boomerang 'conflict and war', *Conclusion*:

"To do nothing to <u>remove the conditions</u> which create war + brutality in the third world is, very simply, to risk waking up to find that war + brutality have, like all boomerangs, come home"(p.167).

Looking back on the Third World Debt Crisis

Today, it's no more clear, whom You talk about when saying 'debt crisis'.

Earlier this was only seen in the Third World.

=> the Euro-'center' is becoming 'Third-Worldised' – at least in its periphery.

Or: The debt boomerangs analysed by Susan George have come home to Europe, too.

Innocent u.s.-Americans see the debt crisis as a result of Euro-socialism



Origins of Third World debt

1) Since the 1970's break-down of the Bretton Woods system: private financialisation of the world-economy.

2) Third World countries hit by

oil-price increases of 1973+79.

=> Would have been better off,
if Islamic OPEC-countries had followed

their religious norm
of not taking compound interest on loans
of their 'petro-dollars'.

(Pointed out recently by Susan George)

Outbreak of Third World debt crisis

Taking compund interest on loans
- only sustainable, if investments go into 'healthy' projects enhancing overall productivity.

This was most often NOT the case

- so the debt accumulated...

...critically,
when *U.S. increased interest rates*up to 20% in late 1970's
(debt *doubles* then every 3 ½ years!).
=> National debt crisis:
Mexico 1982.

Decoding text 1

Focus upon the

accumulation of monetary and environmental debt

and its international distribution

The environment (external nature)

Changes in

Land-ecosystems (as deforestation) give rise to global feed-back - not the least: *global warming*.

<= effect of man-made changes

<= emissions of greenhouse gases (GHG) from fossil fuel use + land use change (LULUCF in Kyoto protocol)

<= air + water pollution from deregulated industrial production (e.g. Maquiladores in Mexico)

The *debt-deforestation* connection

Supported with quantified evidence ('Let the figures speak for themselves')
Cavanaugh + George make a rank correlation between:

(a) the most heavily indebted nations +(b) the intensity + speed of deforestation.

Because of tropical soil + weather conditions the latter is *a lasting damage* (no 'pay-back' in kind)!

Additional feed-back: global warming threatens forest growth (note)

Premise: If / When global mean **temperature** rises more than 2,5 - 4 degree Celsius

- => not only the Amazon rain forest, but also big Northern forests ('boreal') will become 'sources' of carbon dioxide (instead of 'sinks' with net uptake)
- => This undermines the universal assumption of CO2-neutrality for burning forest tree.

The debt-outsourcing connection

Text 1 unfolds the case of the tax-free industrial zones at the U.S./Mexican border

=> Maquiladores.

- a lasting part of Mexicos debt crisis:
 Attractive by
- deregulated wages (< 1 \$ per hour);
 - => AFL/CIO complaints
- deregulated pollution (outsourcing corporations save investments)

Long-term question: Are there limits for outsourcing?

Since 1992, foreign direct investments have gone to many countries in Asia, e.g. China + Vietnam.

This proces cannot, however, continue without end.

Conditions in outsourcing areas can be improved, => social + ecological damages can be reduced / eliminated!

Part I Questions for discussion – talk with Your neighbor (5 minutes)

What are the *chances today*of stopping the environmental boomerangs
of the debt crises
in connection with:

- a. deforestation?
- b. other cases of resource extraction?
- c. deregulated foreign direct investments (outsourcing)?

Part II Heinz Schandl and Fridolin Krausmann 2007 (text 2)

The great transformation:
a **socio-metabolic** reading of the **industrialization** of the United Kingdom;

from:

Marina Fischer-Kowalski and Helmut Haberl, eds., Socioecological transitions and global change.

Trajectories of social metabolism and land use, pp. 93-115 (chapter 4, part)

Required: "Industrialisation and its effect on the environment"

'Industrialisation' and 'environment'

here not seen as two distinct black boxes
 (human system + non-human environment);

<u>BUT:</u>

as an ecological system of
material flows + stocks
operated by social actors
(with historical constraints + options)

Required: "Stages of industrialization"

Industrialisation: a continuous socio-ecological transition from agrarian mode of production to urban-industrial centers

Stages: a sequence of 3 normal "periods with specific metabolic characteristics" (p.108)

[metabolism = turnover of matter and energy: 'throughput']

Stage 1: <u>U.K. roughly 1600 – 1800:</u>

Proto-industrialisation + urbanisation

- rising <u>agricultural</u> productivity totally within the 'ancien regime' (solar-based)
- Manufacturing with animate + water power
- Home heating with <u>coal</u> in <u>dense settlements</u>
 - => industrious people concentrating the world's wealth in this nation (inspiration for ADAM SMITH)

Stage 2: U.K. ca. 1800-1940

- <u>Agricultural</u> productivity still rising, but levelling off per capita = <u>'bottleneck'</u> for further growth
- Concentrated <u>industrial</u> production
 with <u>scale economies</u> in both
 energy provision by <u>coal-driven steam engines</u>
 and in material works
 - *Rail transport* with limited outreach into the landscape:
 - animal traction + human labour needed to fill the gaps

Stage 3: U.K. ca.1945 - 75 All-encompassing fossilism (based upon coal, oil + gas)

- <u>Agriculture</u> = a department of petrochemical industry; an energy *SINK*
 - Resource-<u>industrial</u> complex: Oil, internal combustion machines, electricity
 - Physical human labour, natural materials + animal traction power less important: <u>networks are filling the gaps</u>

+ U.K. since 1973/79: Unstable socio-ecological regime

- former solution to oil (price) crisis:
- => **North Sea resources** exploited;
 - BUT: regional peak oil
- + environmental loads becoming critical

"Energy growth at low pace"

- saturation of demand
 - de-industrialisation
- outsourcing of energy-intensive, heavy polluting industries to low-income countries (112)

Part II Questions for discussion – talk with Your neighbor (5 min.)

- 1) In the 3-4 periods of socio-ecological transition:
 Are there *generalisable patterns* (cycles or trends)?

 If yes, what?
- 2) Have newly industrialising countries chances of *'leap-frogging'* stages of development?
 - 3) How important is it to contrast ecosocial development with growth?

Part III Fischer-Kowalsky + Haberl (text 3)

Conceptualizing, observing and comparing socioecological transitions;

from: Socioecological transitions and global change.

Trajectories of social metabolism and land use, pp.12-19 (part of chapter 1)

Conceptualizing socio-ecological transitions (1)

TRANSITION: moving from one state of a system (status quo) to another stable state – maybe, of another system.

Phases:

- TAKE-OFF from anywhere
- ACCELERATION on a chosen trajectory
- STABILIZATION: slow down/new equilibrium

Conceptualizing socio-ecological transitions (2)

NEITHER industrial systems; NOR socio-technical systems.

Why 'socio-ecological' in combination?

SOCIAL = <u>cultural/symbolic</u> causation (reasons) ECOLOGICAL = <u>natural/biophysical</u> causation

Both combined in BIOPHYSICAL STRUCTURES OF SOCIETY => next slide

Natural + cultural causation: biophysical structures of society

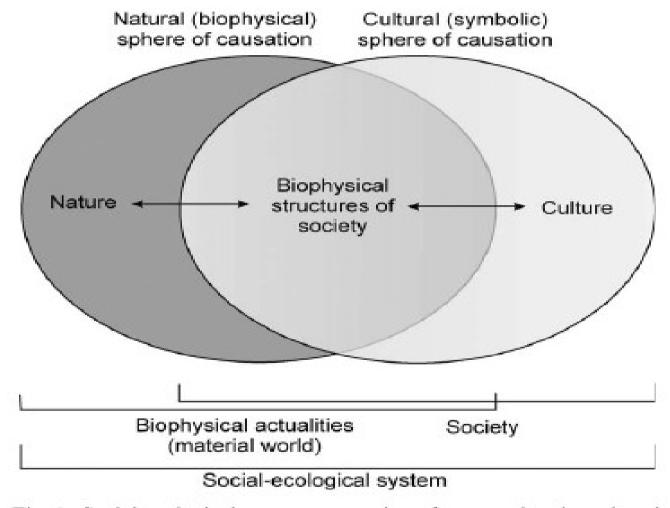
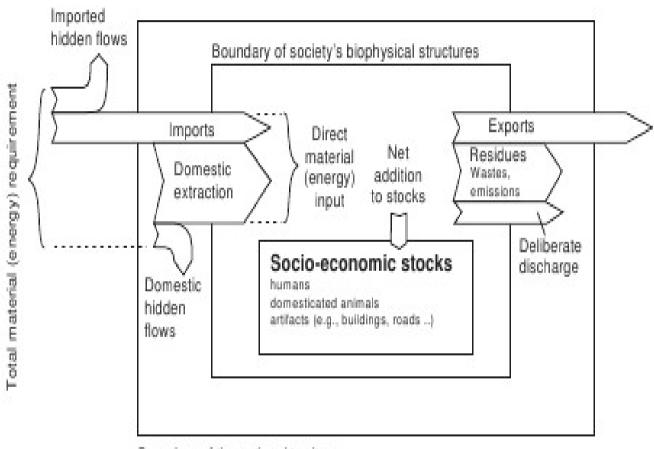


Fig. 1. Social-ecological systems as overlap of a natural and a cultural sphere of causation.

3 'big' <u>SOCIO-ECOLOGICAL</u> <u>REGIMES</u>

- 1) <u>Gatherers + hunters</u>: APPROPRIATE products of solar radiation/photosynthesis PASSIVELY
- 2) Agrarian societies: USE agricultural lands ACTIVELY as solar collector by intervening into ecosystems (rejuvenating them)
- 3) Industrial societies: ORGANISE WORK in big industry, based upon fossil energy (coal, oil + gas) and with minerals from the Earth's crust

MEFA framework for analysing society's energy and material flows



Boundary of the national territory

MATERIAL+ ENERGY <u>FLOW</u> ACCOUNTING (MEFA)

'FLOW' ACCOUNTING:

known from national accounts (with firms, states, households as 'stocks');

here: socio-ecologic metabolism

- = flows between 3 kinds of 'stocks':
 - human populations
- territories (areas, water + air; minerals)
 - biophysical stocks, except human (infrastructure, durables, livestock)

COMPONENTS of FLOW / THROUGHPUT

through human population stock:

- regeneration + life time
- immigration/emigration
 - total active labour

through territorial stock:

- water use
- use of other ecosystem services

through other biophysical stocks:

- Input/output of energy
- Input/output of materials

TERRITORY + LAND USE

LAND USE: "ONE OF THE MOST IMPORTANT SOCIOECONOMIC PRESSURES UPON THE ENVIRONMENT + DRIVING FORCES OF GLOBAL CHANGE"

<u>into natural systems:</u>
<u>COLONIZATION</u>
OF LAND-ECOSYSTEMS (p.18).

Part III Questions for discussion – talk with Your neighbor (5 min.)

1) Does the concept of

3 phases of a socio-ecological transition

(take-off, acceleration, stabilisation)

fit

with the historical account for the U.K.?

2) Is the concept of 'colonization' of land ecosystems

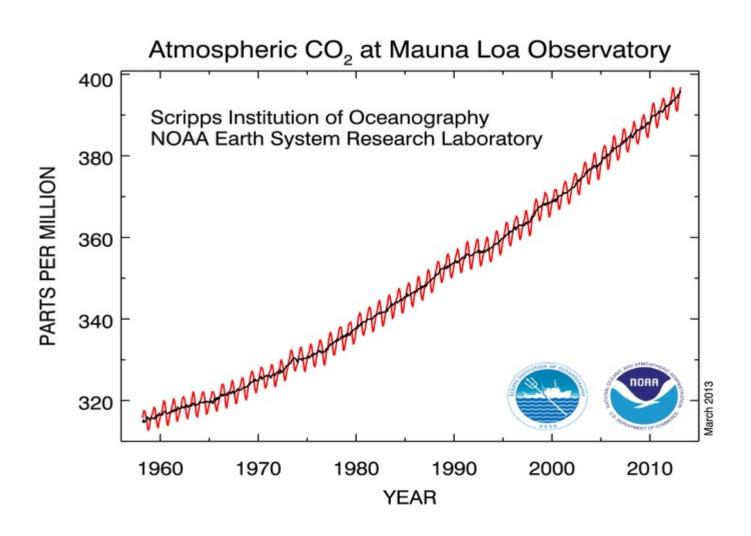
useful for understanding
relations between classes of societies
in the world-system of today?

Part IV BACK TO BASICS ON CLIMATE CHANGE / GLOBAL WARMING

Scientific background:

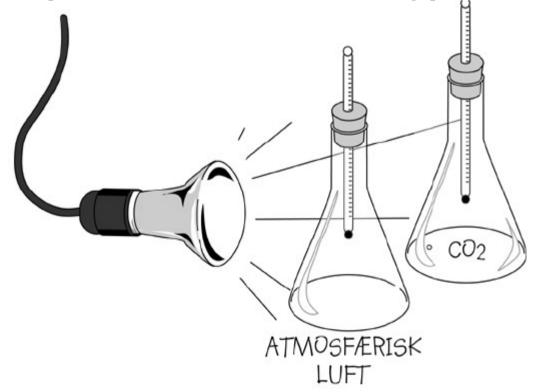
- Measuring CO2 in the global atmosphere
 - An <u>experiment</u>
 - Modelling results
 - + two debatable conclusions

Global warming (1) CO2 measured in Hawaii observatory 1958 - 2012

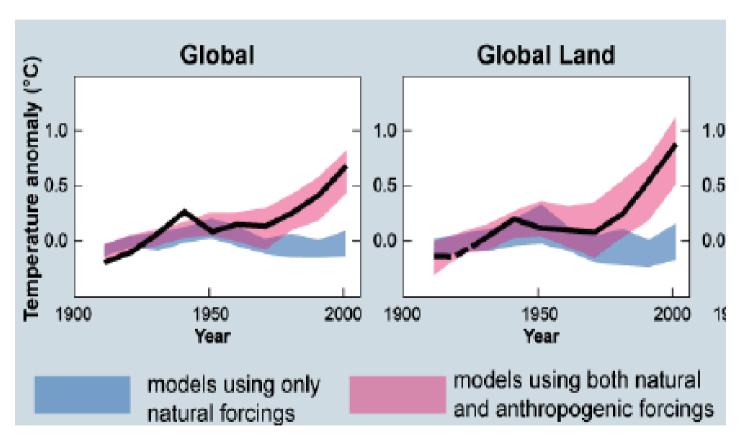


Physics experiment: more CO2 in air retains more warmth:

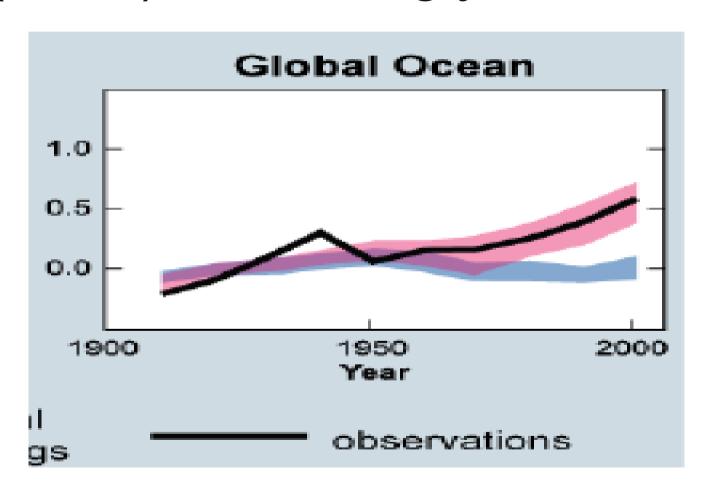
here NO difference (only light); NOT SHOWN: <u>warm plate underneath</u> raises temp. most in the right-hand flask



Global warming (2): increasing more than natural warming, esp. onshore [IPCC 2007] (U.S. EPA 2009, note)



Global warming (3): Oceans' SINK function for Greenhouse Gases (GHG) increasingly reduced



=> Global GHG boomerang between land + sea

from biomass manipulation
+ fossil fuel combustion
is adding to the natural content.

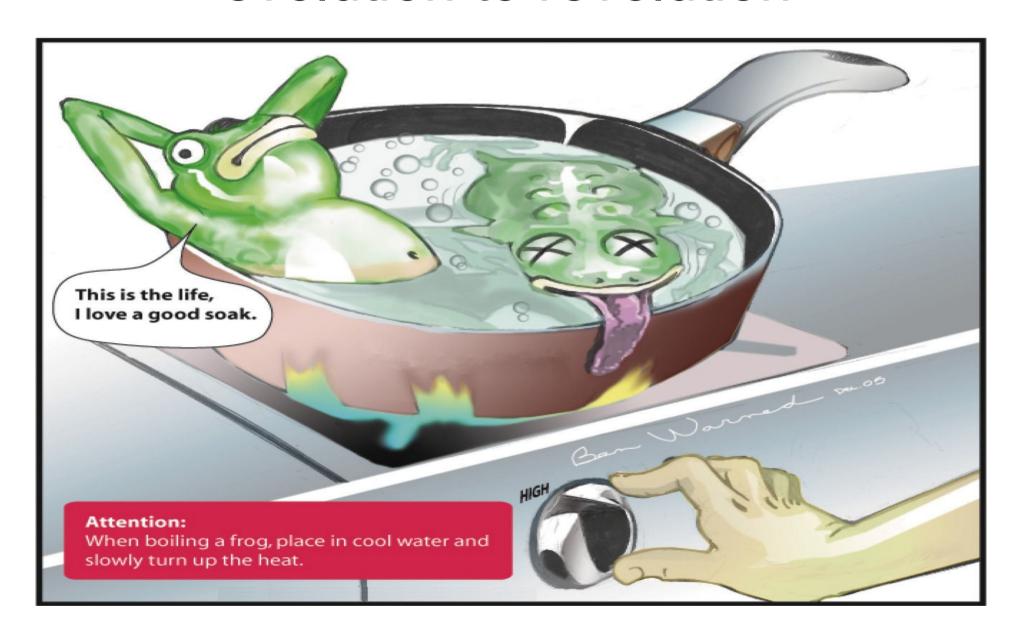
=> The sea was absorbing most of it.

BUT: This is stopping gradually throughout
the 20th century and leads to GW.

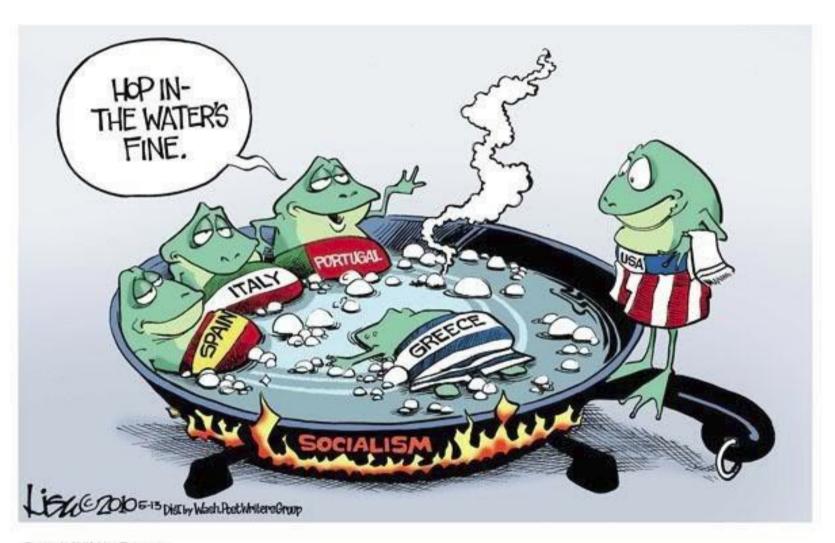
Land areas don't compensate for it.

=> On large scale, there is <u>no carbon neutral</u>
increase of combustion of biomass!!!

'Slow turn up the heat': no way from evolution to revolution



Perhaps, ECO-SOCIALISM is becoming an attractive alternative?



Thank You + good afternoon sessions!

