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Trends and Analysis

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The intersecting food, energy and climate crises

The current high prices of food and energy have drawn attention to the close links between the two sectors, with the dependence of industrial agriculture on fossil fuels also driving climate change. Tackling these interconnected crises demands that corporate control of energy and food production be overturned.

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THIRD WORLD ECONOMICS
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Global food import bill to reach all-time high of nearly $2 trillion

World food imports are expected to register a record level this year, driven mainly by higher prices rather than increased volumes, says the UN's Food and Agriculture Organization.

by Kanaga Raja

GENEVA: Higher international food prices are set to lift the global food import bill to an all-time high of $1.94 trillion in 2022, higher than previously expected, the Food and Agriculture Organization of the United Nations (FAO) has said.

In its latest *Food Outlook* report, published on 11 November, FAO said while this represents an increase of 10%, or $180 billion, over last year's record level, the expansion is foreseen to slow significantly compared with the 18% increase registered in 2021 relative to 2020.

The anticipated slowdown in growth in 2022 reflects higher world food prices and depreciating currencies against the United States dollar, all of which are expected to weigh on the purchasing power of importers and subsequently on the quantity of imported foods.

According to the FAO report, high-income countries (HICs) and upper-middle-income countries (UMICs) are expected to account for 85% of world expenditures on imported food in 2022 and over 80% of the growth in these expenditures.

The bulk of the increase in the food import bill is expected to be cost-driven, reflecting record international food prices that come on the back of surging input prices as well as disrupted food supply chains, it said.

"Imports by low-income countries (LICs) are expected to become increasingly responsive to higher prices; their volumes are forecast to come to a standstill in 2022," said FAO.

FAO said the anticipated increase in the 2022 import bill is almost entirely on account of higher prices, with $157 billion due to higher international prices and merely $27 billion reflecting higher volumes.

The upshot is that higher import bills mainly reflect higher unit costs rather than higher volumes, with many regions or country groups set to face higher bills in return for lower or the same volumes, it added.

Worryingly, said the report, this development is much more pronounced for some economically vulnerable country groups.

Sub-Saharan Africa, for instance, is expected to spend $4.8 billion more on food imports but see a decline in volumes worth $0.7 billion. Similarly, least developed countries (LDCs) are expected to see an expansion in their food import bill by $4.9 billion, fully on account of higher prices.

As for net food-importing developing countries (NFIDCs), they are forecast to face $21.7 billion in extra costs for merely $4 billion of extra imported food volumes.

The aggregate food import bill for LICs is expected to remain unchanged in value terms but could shrink by as much as 10% in volume terms, highlighting growing accessibility issues for such countries, said the report.

"These are alarming signs from a food security perspective, indicating importers are finding it difficult to finance rising international costs, potentially heralding an end of their resilience to higher international prices," it added.

From a food-group perspective, existing differences across importing regions are likely to become more pronounced in 2022, the report said.

"While high-income countries continue purchasing across the entire spectrum of food products, the expenditures of developing regions will be increasingly concentrated on importing staple foods."

Unsurprisingly, it said, the share of imported staple foods in the total food import bill (FIB) rises with lower income levels; staple foods account for 19%, 37%, 43% and 46% of the total FIBs for HICs, UMICs, lower-middle-income countries (LMICs) and LICs, respectively.

Overall, 2022 may usher in an era of less resilience to higher food prices, notably in poorer regions, said FAO.

In response to these developments, FAO said it has proposed a Food Import Financing Facility (FIFF) which would provide balance-of-payments support to low-income, highly food import-dependent countries to ease their access to international food markets.

Agricultural input import bill

The FAO report also assessed global expenditures on imported agricultural inputs, including fertilizers.

Higher international prices of most agricultural inputs could lift global expenditures on imported inputs to $424 billion in 2022, it said. This represents a leap of 48% or $138 billion over the total reached in 2021.

Relative to 2020, the 2022 agricultural input import bill (IIB) is projected to rise by as much as 112%, albeit from a depressed level of $200 billion owing to lower overall imports during the near-ubiquitous trade contractions caused by the COVID-19 pandemic.

"Higher bills for imported inputs now add to rising food import bills for many low-income countries and, together with a rising US dollar exchange rate, further aggravate existing balance of payments problems," said the report.

Higher costs for imported energy and fertilizer are the main drivers behind the soaring global IIB in 2022, FAO said. "These two inputs accounted for well over 75% of the overall world bill in the past and are likely to reach a new record of 86% in 2022."

Fertilizer and energy are particularly important items in the import bills of LICs and LMICs, accounting for 92% and 91% of total imported inputs, respectively, said FAO. Saddled with higher costs of fertilizer and energy imports, these countries may be forced to cut down on the use of imported inputs and, where domestic substitutes are not available, will eventually reduce input applications overall. Reduced use of inputs would almost inevitably result in lower agricultural productivity, potentially resulting in lower domestic food availability.

The decomposition of changes in the IIB between 2022 and 2021 shows that price effects dominate volume effects at the global level, meaning that countries around the world are encumbered with higher costs for imported inputs without necessarily receiving higher quantities – they pay more for imported inputs in 2022 while receiving lower volumes than in 2021, said the report.

It said that while this is a near-ubiquitous development, the price effect is less pronounced for LICs, where higher prices account for "only" 67% of the respective overall increase in their IIB.

This could signal the beginning of a more general slowdown in the demand for imported agricultural inputs, it said.

Pesticides are an exception, especially in sub-Saharan Africa, where volume effects invariably outweigh price effects, indicating that countries are getting more of the input at the same price, said the report. For sub-Saharan Africa, a plausible explanation for the buck in trend is the upsurge of desert locusts, resulting in international purchases of subsidized pesticides.

However, FAO said that no discernible global trend emerges for seeds, which constitute a minor cost in the import schedule of many countries.

Energy, in the form of natural gas, is a key feedstock in the production of nitrogenous (N) fertilizer, where soaring gas costs have driven up N fertilizer prices in the first semester of 2022 by more than 300% relative to the levels that prevailed in 2020.

FAO said that with high and inelastic demand for natural gas and little prospects for abating supply shortages, high world fertilizer prices are likely to extend into 2023, with negative repercussions for global agricultural output and food security. *(SUNS9688)*

Meeting on WTO reforms reinforces divisions among members

Agreement continues to elude member states over the nature of reforms to how the WTO operates.

by D. Ravi Kanth

GENEVA: Members of the World Trade Organization, at an informal meeting on 10 November, apparently remained divided on various key issues on reforming the trade body, despite the short "positive" statements issued by the WTO General Council (GC) chair, Ambassador Didier Chambovey of Switzerland, and the WTO Director-General, Ngozi Okonjo-Iweala, said participants after the meeting.

At the end of the day-long meeting, the GC chair, in a single-paragraph statement, said that "the engagement of members was constructive." He hoped that "Members would continue working in a pragmatic and cooperative spirit to deliver meaningful WTO reforms for the benefit of all Members and their respective stakeholders."

However, Chambovey did not provide any details to buttress his rather "positive" sentiment, or on the key issues that were raised by members during the meeting.

In a similar vein, Okonjo-Iweala also made a short statement, saying that she was "impressed by the level of engagement and the substantive exchanges."

The DG also said that "while there were difficult issues to address along the way, the dialogue had been important to move along the path to WTO Reform – not as an end in itself, but as a means to helping trade and the WTO deliver for members."

The DG, who is normally prone to making rather elaborate statements, as she did after the recent retreats on fisheries subsidies and agriculture, seems to have otherwise remained tight-lipped on this occasion.

According to members who spoke to the *South-North Development Monitor* (*SUNS*) after the meeting, the divide persisted on various issues relating to WTO reform.

These issues include: (1) convening annual WTO ministerial meetings instead of the current practice of holding biennial meetings; (2) institutionalizing "flexible" negotiating approaches based on plurilateral negotiations; (3) strengthening the provisions on special and differential treatment; (4) continuation of the principle of consensus-based decision-making; and (5) continuing negotiations to resolve the main issues in the unfinished Doha agriculture agenda among others.

There appeared to be no consensus as well on proposals for strengthening the transparency and notification requirements.

Opaque process

The GC chair had sought to know from members at the informal meeting what needs to be accomplished to take advantage of available opportunities to address the challenges that the WTO is facing in ensuring its proper functioning. He also raised the issue of how to structure the WTO reform process "in order to steer the discussions towards realistic and meaningful outcomes".

The chair constituted five groups at the meeting. The first group was chaired by Japan's Ambassador Kazuyuki Yamazaki; the second group by Ambassador Manuel Teehankee of the Philippines; the third group by Ambassador Zhanar Aitzhanova of Kazakhstan; the fourth group by Ambassador Kokou Yackoley Johnson of Togo; and the fifth group by Ambassador Ana Patricia Benedetting Zelaya of El Salvador.

As the discussions were conducted based on Chatham House rules, the extent of opposition to any of the new issues – such as opening a window for a "flexible" negotiating format to advance plurilateral negotiations – was not clear, said a trade envoy who asked not to be quoted.

Even though the GC chair and the WTO DG made some concluding remarks, given the opposition from several members to issuing any reports of the discussions, apparently there were no details provided on the issues that were discussed, the trade envoy said.

While it was difficult to measure the depth of discussions on the main issues, the manner in which the meeting was conducted reinforced the "opacity" of the process, said participants who preferred not to be identified.

Up until now, the WTO negotiations had been conducted in the open, based on concrete proposals from members so that there was clarity and inclusivity, but the new methods adopted by the DG and the GC chair based on retreats and informal Chatham House discussions in separate groups seem to confound the negotiations, said people who asked not to be quoted.

Reform mandate

Paragraph 3 of the outcome document adopted by trade ministers at the WTO's 12th Ministerial Conference (MC12) on 17 June states: "We acknowledge the need to take advantage of available opportunities, address the challenges that the WTO is facing, and ensure the WTO's proper functioning. We commit to work towards necessary reform of the WTO. While reaffirming the foundational principles of the WTO, we envision reforms to improve all its functions. The work shall be Member-driven, open, transparent, inclusive, and must address the interests of all Members, including development issues. The General Council and its subsidiary bodies will conduct the work, review progress, and consider decisions, as appropriate, to be submitted to the next Ministerial Conference."

Significantly, a footnote attached to this paragraph states: "For greater certainty, in this context, this does not prevent groupings of WTO Members from meeting to discuss relevant matters or making submissions for consideration by the General Council or its subsidiary bodies."

The footnote was reportedly proposed by major developed countries to ensure that the door is kept open for bringing in proposals discussed by groups of countries in plurilateral settings outside formal GC meetings, said an analyst who asked not to be quoted. It could legitimize a process to "parachute proposals by stealth", the analyst said.

During the 10 November informal meeting, it appears that many developing countries stuck to their development-oriented proposals for strengthening the WTO based on its foundational Marrakesh Agreement.

The developing countries apparently demanded that the principle of consensus-based decision-making and special and differential treatment must be safeguarded, said a trade envoy who asked not to be quoted.

While the developing countries have submitted concrete WTO reform proposals, the major industrialized countries are yet to put forward such proposals covering all areas.

A group of developing countries comprising India, Cuba, members of the African Group and Pakistan have submitted a proposal for "strengthening the WTO to promote development and inclusivity". The proposal envisages reforms related to the three functions of the WTO: the negotiating function, the enforcement function and the monitoring function.

Another developing-country group, made up of Bolivia, Egypt, Indonesia, Pakistan, South Africa, Sri Lanka, Tunisia, Uganda and Venezuela, have submitted a proposal on what ought to be the WTO's response "in light of the pandemic: trade rules that support resilience building, response and recovery to face domestic and global crises."

In addition, at MC12, many developing countries drawn from the African Group, as well as India, Pakistan, Sri Lanka and Cuba issued a joint statement on how the proposed WTO reforms must be conducted after MC12.

During the 10 November meeting, the United States, which had earlier proposed differentiation among developing countries in availing of special and differential treatment, apparently remained silent on this issue, said a participant who asked not to be quoted.

The US said it wanted to address only procedural issues involving the transparency and notification functions, but not the negotiating pillar or the dispute settlement pillar, the participant said.

Australia and several other developed countries apparently raised the issue of conducting ministerial conferences every year instead of continuing with the current practice of biennial meetings, said several participants who asked not to be quoted. However, this was opposed by trade envoys from many developing countries.

The proposal to host annual ministerial conferences was first circulated by Brazil in June. It had maintained that "long intervals between meetings of the Ministerial Conference may negatively impact on ministerial oversight and guidance for the work carried out in the WTO".

However, it is not clear whether Brazil will remain committed to the proposal, with an impending change in government following the victory of former President Luiz Inacio Lula da Silva in the recent national elections. With the election of Lula, the trade policies adopted by the present government of Jair Bolsonaro are likely to be nixed.

Also at the meeting on 10 November, several countries called for resolving the impasse in the functioning of the WTO's two-stage dispute settlement system, said a participant. They suggested that once this is done, centred around the restoration of the Appellate Body, then they could intensify the discussions on WTO reform.

The US, which had brought about the impasse by blocking appointments to fill vacancies at the Appellate Body, is currently holding discussions at various levels, including at the G20.

On the issue of plurilateral discussions, as proposed by several industrialized countries and some developing countries, there were sharp differences, as many developing countries had opposed any change in the existing rules based on the Marrakesh Agreement.

Several developed and some developing countries like the Philippines pressed for allowing negotiating flexibilities, particularly to pursue issues in plurilateral format, despite their alleged inconsistency with the Marrakesh Agreement, a trade envoy said.

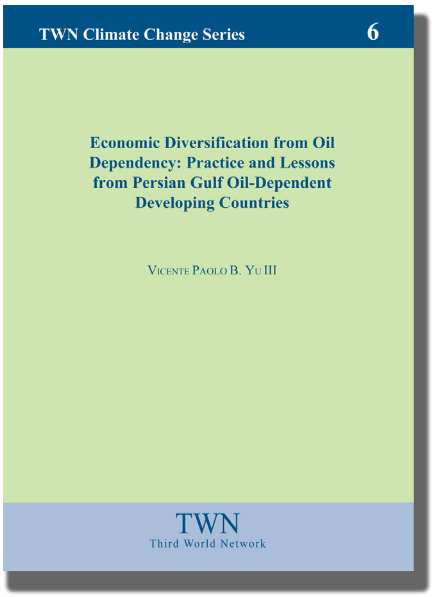
In conclusion, the "brainstorming" meeting on WTO reforms reinforced divergent views between many developing countries on the one side and industrialized countries on the other, said another trade envoy who asked not to be quoted.

It appears that the WTO reform discussions are strewn with hurdles due, among others, to the pushback against new negotiating approaches, including alleged attempts to undermine the consensus principle for arriving at decisions in the WTO. *(SUNS9689)*

TWN Climate Change Series No. 6

Economic Diversification from Oil Dependency: Practice and Lessons from Persian Gulf Oil-Dependent Developing Countries

By Vicente Paolo B. Yu III



A key need in tackling climate change is the shift of a country's income sources away from vulnerable towards low-emission, climate-resilient sectors. The challenge of economic diversification is however especially pronounced for developing countries reliant on production and export of oil and other fossil fuels for revenue. Drawing on the experience of oil-dependent countries from the Persian Gulf region, this paper highlights the importance of strategic and proactive national development policies to drive structural economic transformation. Additionally, international cooperation through financial support, technology transfer and conducive multilateral rules is also required to promote the transition to a climate-friendly development pathway.

Available at https://twn.my/title/climate/climate06.htm

Third World ECONOMICS No. 757, 16-31 October 2022

Getting out of the food-energy-climate crisis

High food prices. Soaring energy costs. Catastrophic climate change. One common element linking these troubling phenomena: corporate power.

by GRAIN

"Memo to the media: Please don't say inflation is at a 40-year high without also mentioning that corporate profits are at a 70-year high. Give the people the full picture." — Robert Reich, former US Secretary of Labour[1]

On 11 October 2022, the International Monetary Fund (IMF)'s head of research, Pierre-Olivier Gourinchas, warned that today's high energy prices were not going away any time soon. The "energy crisis", he cautioned, "is not a transitory shock". The same could be said for what he called the "food crisis". As Gourinchas noted, today's high prices for energy and food are intimately linked.[2] But they are also intensely connected to how corporations exercise control over consumers, decision-makers and workers, and the ensuing destabilization of our climate. Finding a way out of this "polycrisis" requires a deep transformation in how energy and food are produced and distributed, with actions that challenge corporate control head on.

A fossil fuels diet

The food system accounts for around a third of the world's total energy demand.[3] So any upswing in energy prices has an impact on food prices, even though it can take some time for that impact to occur. This is especially true of fossil fuels. The industrial food system is more addicted to fossil fuels as an energy source than other sectors, with little involvement of renewable sources.[4] Much of this dependency is due to the massive amounts of natural gas needed to produce nitrogen fertilizers. Fossil fuels are also used widely in crop cultivation and food processing, packing, transport and retailing.

But the food and energy picture varies greatly around the world. The large-scale, mechanized farms that dominate Europe, North America and parts of Latin America use vastly more energy than small farms in the Global South. Farms in the Global North use roughly 2.5 times the amount of energy to produce a tonne of cereals than farms in the Global South, and more than three times the energy per hectare. The disparity is even larger when looked at in terms of farmers. On a per-worker basis, a farm in the Global North uses 33 times the energy of a farm in the Global South.[5]

There is also variation when it comes to farming systems. Studies show that organic farming is more energy-efficient than industrial farming. One recent comparison of organic versus conventional rice farming by colleagues in the Philippines found organic farming to be 63% more energy-efficient, while producing equal yields.[6]

These differences help to explain why the heavily industrialized US food system consumes as much energy as India's total energy budget or the entire energy budget of all African nations combined.[7]

Hungry for energy

Europe's food system is equally reliant on fossil fuels as that of the US. Over a quarter of all the energy consumed in Europe goes into the cultivation, processing, packing and retailing of food.[8] Without cheap, abundant access to fossil fuels, Europe's food system would be in serious trouble.

This is why the war in Ukraine is such a disaster for Europe's industrial food system. Without cheap natural gas, European food companies cannot run their processing plants, nitrogen fertilizer factories have to shut down, and greenhouses cannot keep the lights on. This winter many European households will have to choose between heating or eating, as prices for both are rising too high and real wage growth is not keeping up. Experts predict the situation will only worsen next year.

This should be a moment for European powers and citizens to rethink their outsized energy consumption and reliance on a model of food production that is overly dependent on fossil fuels. Instead, the continent's corporations and governments have their eyes on an overseas energy grab – with scant consideration for the people living in those countries or our climate. There's a boom in energy projects that involve drilling, building ports, signing purchase agreements and making other investments across Africa and Asia, for example. The European Union has committed €50 billion to fossil fuels since the war broke out earlier this year, most of it to be able to import new, non-Russian liquefied natural gas (LNG) from countries like the US, Qatar, Senegal, Algeria, Egypt, Congo, Mozambique and Tanzania.[9] The East African oil pipeline being built by French energy giant Total in Uganda and Tanzania is mainly to serve Europe. The EU is even deploying massive funds to beef up security services in Mozambique to protect its gas interests there.[10] These are not one-off blips that will stop when the war in Ukraine comes to an end. There are 20 new long-term LNG terminals being planned in Europe right now.[11]

Europe is taking energy supplies from countries in Asia as well. It is buying up Indonesia's coal and Malaysia's LNG resources, driving up energy prices for local communities there. Similarly, communities in Pakistan and Bangladesh have been suffering blackouts due to gas supplies being diverted to Europe.

All of this spells disaster for a world already heading for a 2.5ºC increase in temperatures by 2100. More fossil fuel production will deepen the climate crisis, which will put further stress on global food production. Already, the increase in global temperatures is wreaking havoc on food production through droughts, floods and storms and scorching temperatures that make it unbearable for farmworkers to work in open fields. We cannot solve the energy crisis or the food crisis with measures that worsen the climate crisis; all three crises are deeply connected and overlapping.

Paths out of the polycrisis

There have been open protests against fuel and food prices in over 90 countries this year.[12] Huge mobilizations, sometimes aimed at the highest seats of power, have filled the streets in major cities of Sri Lanka, Sierra Leone, Ecuador and, most recently, Ghana. In many countries, the costs of medicine, housing and other necessities are being equally painfully felt.

People are now talking about "polycrisis" to describe the growing anxiety, dishevelment and destruction that this is leading to. And while it is triggering many new forms of social activism, it is also making clear that drastic structural change is needed.

For one, people are realizing that corporate power is playing a big role in the surge in prices of daily necessities. It is widely recognized today that companies are taking advantage of the general inflationary time we are in to increase their margins and raise prices above and beyond what's needed to cover their own costs.[13] In the US, experts say that while corporate profits accounted for 11% of price increases there in the 40-year period spanning 1979-2019, today they account for a massive 53.9%.[14] This is playing out quite notably in the food sector, including supermarket chains and restaurants. In Canada, the government is launching an official investigation into this, while in Europe and Australia business leaders themselves and media are reporting unjustified price hikes.[15]

Countries are increasingly talking about moving to tax windfall profits or super profits, and actually implementing measures on this. This is being targeted not just at energy companies, who are making a killing off the supply restrictions created by the war in Ukraine, but at banks, agribusiness conglomerates and food retail chains themselves. The ongoing announcements of exorbitant profit figures coming from these corporations – including food and agriculture giants like Nestlé, ADM or Mosaic – make new taxation strategies more than justified. Another approach being talked about to curb inflation and better distribute resources is a one-off wealth tax.[16]

Price caps, for both energy and food, are another measure being taken as a short-term move to protect the majority of people who can't foot the bills. Longer term, people are actively talking about wresting much more public control over these two sectors, such as through municipalization or new forms of cooperatives.

Many of the most interesting actions being discussed and implemented today are about shifting social control of energy and food production and distribution to more collective ownership or governance. In some countries, for instance, groups are talking about extending social security systems – which provide public healthcare and retirement pensions – to food.[17] The idea is that salaried workers would see monthly contributions deducted from their wages while all citizens would receive an equal amount of money to spend regularly on food. (Which foods are eligible, and therefore what kind of farmers are supported, would be determined through local decision-making.)

Another key issue that people are acting on now is making energy conservation a top priority – and *not* creating conditions for more cheap consumption or the status quo. Retrofitting housing is a top social demand in many countries, to make homes energy-efficient against heat and/or cold. This is widely seen as an effective approach that would uplift people's living conditions and create a lot of local jobs. Similarly, in the food sector, people are focusing on significant cuts in food waste, which is not only energy-intensive to produce but currently causes 8% of global climate emissions.[18] People are also recognizing that we have to scale back consumption where this makes sense (meat, dairy, ultra-processed foods and excess) while investing more in decentralized community-led food models (where producers, vendors and consumers cooperate).

These are all very promising changes that we can fight for together. We clearly need to shut down the fossil fuel industry and win public support for more collective and localized food systems. This means supporting small-scale producers and local markets while dismantling the power and profits of the corporate food chain.

***GRAIN** is a small international non-profit organization that works to support small farmers and social movements in their struggles for community-controlled and biodiversity-based food systems. This article is reproduced from its website grain.org.*

Notes

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Third World ECONOMICS No. 757, 16-31 October 2022

The financialization of conservation: The case of debt swaps for the oceans

Debt-for-nature swaps are being promoted as a means of relieving the loan burden of indebted countries while funding environmental protection efforts at the same time. Examining the use of these complex financial deals in the area of marine conservation, *Andre Standing* explains that they are however unlikely to deliver much in the way of either debt justice or ecological gains.

Conservation finance has become the dominant ideology of most of the world's biggest environmental NGOs. It is also heavily promoted by the World Bank, the United Nations and the European Union. The basic premise of conservation finance is that saving nature and averting the climate crisis requires an enormous amount of funds but money derived from public and philanthropic grants is woefully insufficient. Proponents argue that the only way to bridge this funding gap is to tap into the trillions of dollars of private capital circulating through global financial markets. To do this, saving nature must be turned into a profit-making endeavour, appealing to what are known as "impact investors".

The rise of conservation finance has transformed not only the way in which conservation is addressed, but by whom. People with backgrounds in finance, banking and business consulting are taking over the management of most of the big conservation organizations. Their governing boards are stacked with investment bankers, hedge fund managers and venture capitalists. Consequently, risky and opaque financial instruments, originating in financial markets, are being repurposed for environmental projects. This process represents another dimension of financialization – the process whereby financial markets, financial institutions and financial elites are gaining greater influence over almost all aspects of society.[1]

This article aims to scrutinize one particular financial instrument promoted by this conservation finance industry: the debt swap. Over the past few years, the world's largest conservation organization, The Nature Conservancy (TNC), has concluded three of these: in the Seychelles, Belize and Barbados. These deals are intended to expand marine protected areas, parts of the ocean where (certain) commercial activities are restricted with the goal of allowing wildlife to recover and be preserved. According to TNC, many more deals are in the pipeline. It has US government support for concluding deals in at least 20 coastal and small island developing states. Most recently, it is being reported that TNC is on the brink of securing a debt swap in Gabon, where it will buy $700 million of the country's debt in exchange for ocean conservation, including a marine protected area, but also other commitments, such as on carbon trading and fish farming. Other countries rumoured to be negotiating these kinds of deals include St Lucia, Kenya, the Gambia, Ecuador and Namibia. If this ambitious programme succeeds, TNC estimates it will have saved 4 million square kilometres of the ocean. It will also have leveraged several billion dollars in private capital, giving it unprecedented power for an NGO over a vast area of the planet and the economic health of many highly indebted countries. This is a development that demands attention.

World leaders at the COP27 UN climate conference have made positive statements about debt swaps. These instruments will also feature prominently at the UN biodiversity conference in Montreal this December, where the task is to agree on a global framework for the conservation of biodiversity. One of the key issues on that agenda is a commitment to designate 30% of the world's land and oceans as protected areas by 2030. Debt swaps are likely to be seen as a viable way of achieving this. What is alluring about these deals is they claim to accomplish two things: increase the flow of private capital for developing countries to use for saving nature and mitigating the climate crisis, and provide relief for developing countries from their crippling debt crisis. Indeed, many organizations are recognizing that "climate justice" cannot be divorced from "debt justice". The question, however, is: Do debt swaps really deliver either?

The history of debt-for-nature swaps

To fully understand debt swaps, they must be put in historical context. They also need to be understood in the wider perspective of the troubled relationship between developing countries and loans from investment banks.

Debt swaps for conservation were first proposed in the 1980s, when they were used predominantly by environmental NGOs to raise money for rainforest conservation. They were inspired by equity swaps that were once seen as a viable way to save Western banks and developing countries from an economic disaster caused by the gluttony of recycling petrodollars in the 1970s. It has been estimated that during the 1970s, $450 billion was deposited in US and European banks from Arab oil-producing states, and that the irresponsible lending bonanza that followed saw developing countries' debt rising at astonishing levels: from under $200 billion in the mid-1970s to well over a trillion in the mid-1980s. Most of this debt was via bank loans for government projects with high interest rates, pegged to the US government's interest rates. It is well documented that many of these loans lacked both transparency and due diligence.[2] The money was often squandered while providing bankers and political elites fabulous wealth at the expense of citizens. For developing countries, the 1980s was famously dubbed "the lost decade".

The bubble burst in 1979 when the US government aggressively raised interest rates to halt inflation back home, thereby increasing the value of developing countries' debts by 25%.[3] In 1982, Mexico became the first country to ever default on its debt repayments. In a panic, banks began to sell debts owed to them by developing countries to private investors at steeply discounted rates. For countries such as Peru, Western banks were willing to sell debts at a discount of as much as 95% (although they could recover part of their losses through tax accounting). Loan agreements between Western banks and foreign governments prohibited governments from buying their own debts, so to entice others to do so, they had to offer investors something in return. This was often done by giving them either the face value of the debt in local currency (enticing the investor to spend it in their countries) or a share of a nationally owned industry. These "equity swaps" were controversial, blamed for a wave of costly privatizations and the capture of businesses by foreign investors at knockdown prices.

In this context US conservation organizations identified an opportunity. Developing countries had other valuable assets they could trade for discounted debt – their wildlife and pristine rainforests. So, environmental NGOs such as WWF, Conservation International and The Nature Conservancy set up "equity swaps for nature". There were several ways they did this. However, in essence they would use their own money to buy discounted debts from banks in the US and Europe. Then they would get developing-country governments to provide the face value of the debt in local currency to be used on a conservation project of their choosing. Some of the deals involved a straight swap for cash, whereas others involved payments in kind. These deals usually involved a commitment by the host country to designate a new area of land as a protected park and allow the foreign NGOs a role in its management. Debt swaps were therefore considered a clever way of multiplying NGOs' limited funds and enlarging the size of rainforest parks.

These swaps were also described as deals to help lower the debts of developing countries. It was an important claim, first made by Thomas Lovejoy at WWF in an article in *The New York Times* in 1984. A prevailing view among conservationists was that the debt crisis was itself a primary driver of deforestation: highly indebted countries were selling off their natural resources to raise foreign cash to service debts to Western banks. Debt swaps were therefore seen as a "win-win" solution.

By the early 2000s, it was estimated that there had been 47 separate debt swaps paid by conservation organizations, with a total net spend of about $42 million.[4] But for several reasons, including changes in US tax laws, new systems for debt restructuring led by the US, and then ultimately debt forgiveness, the market opportunities for equity swaps dried up, and so did those for nature swaps. The enthusiasm for debt swaps among conservation organizations also waned; they were expensive deals to finalize and the resulting agreements with governments were hard to enforce.

Like equity swaps in general, nature swaps were also controversial, being rejected by many social movements working with small-scale farmers and indigenous people because they threatened land rights and were seen as legitimizing odious debts.[5] They were also subject to critical assessments by multilateral organizations, including the World Bank.[6] They had no effect on the debts of developing countries and rarely led to meaningful achievements in conservation. In 1993 the Italian academic Mauricio Minzi provided a withering summary of these criticisms:

"Scholars and activists were mesmerised by the potential of debt-for-nature swaps; in buying distressed debt on the US market, and then selling it at face value to a LDC [Least Developed Country] one could leverage the financing of conservation programs. For instance, debt bought at twenty cents on the dollar could be used to finance the equivalent of one full dollar in conservation projects. In the roaring '80s, the mystique of financial engineering was very influential and people were prepared to believe that the mere shuffling around of paper could somehow create value. Unfortunately … the leverage of conservation dollars is at least in part a myth … Proponents of the swaps mistakenly believed that these transactions were generous forms of assistance provided by the North to the South. In reality, the economic substance of the swaps appears to benefit the North more than the South."[7]

Eurobonds and the new debt crisis

Debt-for-nature swaps involving commercial loans disappeared by the late 1990s. A few countries, particularly the US and Germany, went on to experiment with variations of them involving development aid, sometimes blending these with debt forgiveness, also with mixed results.[8] So why have debt-for-nature swaps targeting commercial bank loans reappeared?

TNC has played a critical role in this development. For the past decade it has been putting together a team of experts, mostly former investment bankers and business consulting gurus, to reinvent nature swaps and make them more ambitious. It has done this by creating a sister organization called NatureVest in partnership with investment banks, particularly JP Morgan. TNC developed a strategy – codenamed the "audacious" plan – that would make debt swaps more appealing to impact investors. The key to this plan was to stop using its own limited funds to buy debt. Instead, as will be explained shortly, it could use the money of private investors to buy much larger quantities. The focus of this work was no longer on rainforests, but tropical oceans.

NatureVest's audacious plan relied on the existence of a new debt crisis. The genesis of this was forming after the financial crash of 2008. The stagnation of genuine aid in the period of austerity, coupled with the growth of Chinese lending, meant that the foreign debts of developing countries were creeping up again. However, the biggest direct source of the emerging debt crisis was another boom in reckless lending from Western investment banks.

There are several parallels between the debt crisis of the last decade and the lending bonanza in the 1970s. However, the mechanism of lending has changed. Previously, commercial debts of developing countries derived from direct bank loans. Since the early 2000s, these loans had been superseded by sovereign issued bonds. These are loans issued by governments, arranged by banks for a substantial fee, that are then sold by the banks to other investors, or bondholders. The "bond notes" derived from these deals are also traded in secondary markets. Owners of these notes receive interest rate payments, usually on an annual basis, until the end of the loan when the full value of the loan is repaid. Bonds have the advantage over bank loans as they can raise more money with the risks spread out to a larger pool of financial institutions. Also, unlike bank loans, which were usually targeted at specific projects, bonds can be used by governments for more general and vague purposes, operating like a "blank cheque".[9] Confusingly, bonds raised by governments in a foreign currency are called Eurobonds, although they are normally issued in US dollars.

The growth in Eurobonds among developing countries over the past decade has been startling. This has been driven by low interest rates in the US and Europe after the financial crash and the demand by private investors for higher-yielding bonds. Before 2008, the value of Eurobonds issued each year by developing countries was roughly $50 billion. Between 2010 and 2016, this annual average rose to $130 billion, and in 2017 it jumped to $225 billion. During the pandemic, the value of "emerging market" sovereign Eurobonds grew even more.[10] The advance of African Eurobonds is particularly remarkable. There were only two issued before 2008, but by 2021 more than 20 countries had issued their first ones and the total funds raised by African Eurobonds were estimated at over $136 billion. When the interest rates on these debts are factored in, the financial implications of paying back these loans are colossal. Furthermore, one of the concerns about Eurobonds is that some are issued without any public reporting, so the true value of developing countries' Eurobond debt is not known.[11]

As part of its work to develop new debt swaps, NatureVest developed an index that tracked debt distress across developing countries. This showed them which ones were experiencing the most precarious debt, so they could target their efforts accordingly. The ideal time to go for a debt swap is when a country is nearing a debt default, because bond notes at that point are trading at low values on the secondary market and can be bought up cheaply. They published a paper on this scheme in 2018, describing how the environment for swaps was improving:

"The global economy is experiencing another wave of rapid debt accumulation; debt loads in emerging market and developing economies reached a record high of US$55 trillion in 2018 … Changes over the last few decades in financing instruments available to developing countries and economies in transition means there is more high-risk, commercial sovereign external debt available to purchase on secondary markets than ever before."[12]

From the Seychelles to Belize

The first swap for oceans NatureVest tried to negotiate was in Belize in 2011. Belize was one of the most indebted countries in the world, largely due to reckless borrowing from the US bank Bear Stearns, one of the first banks that went bankrupt in the subprime mortgage scandal. But in 2012 the Belize government negotiated a debt restructuring deal, so the time wasn't right for a swap.

NatureVest turned its attention to the Seychelles, also among the most debt-distressed countries in the world at that time, partly due to unsustainable loans provided by other disgraced US banks, including Lehman Brothers. An International Monetary Fund (IMF) debt restructuring package had taken the pressure off Seychelles debts as well, so again the timing was not right for a debt swap involving bonds.

Perhaps impatient for a deal, NatureVest instead offered to buy some of the Seychelles debt owed to Paris Club donors.[13] This could then be swapped for commitments to declare 50% of the Seychelles oceans a marine park. NatureVest asked the Paris Club donors to sell $75 million of Seychelles debt at a discount of 25%. The donors agreed to sell only $21.5 million at a discount of 6.5%. But the deal was sufficient as a proof of concept and gained impressive international media coverage.[14] However, it was not a good example for the audacious plan: TNC did not raise private capital to finance the deal and instead had to provide the cash itself: about $15.5 million. They also required $5 million extra from philanthropic grants. But the deal was important for one major reason: for the first time a conservation NGO had lent money to a government to buy its own debt, and then charged them interest to pay it back. TNC charged 3% on their loan of $15 million, requiring it to be paid back in full over 10 years. This provides TNC an estimated return of $2.5 million on their investment.[15]

For six years after the Seychelles deal, NatureVest did not finalize any more debt swaps. That changed with the COVID pandemic and the acceleration of the debt crisis. NatureVest went back to Belize, this time with the help of Credit Suisse. Late in 2021 – when the Belize government was on the brink of defaulting on its debt repayments – Credit Suisse arranged a loan for NatureVest to buy the entire commercial debt of the country, which had been consolidated into one "superbond" with an outstanding value to bondholders of $533 million.

NatureVest announced that this was one of many deals in the pipeline. There was evidence supporting this: the US Development Finance Corporation (DFC) had offered NatureVest an investment guarantee to help raise money for the Belize transaction. These agreements were published on the DFC's website, with a reference to a master plan for 20 debt swaps in total that will create an additional 4 million square kilometres of marine protected areas.[16]

The next deal NatureVest secured was in Barbados, which involved them buying Eurobond debt worth $146.5 million. As indicated already, Gabon looks to be the next deal nearing completion, where NatureVest will purchase a Eurobond worth $700 million.[17] From what can be gleaned from various sources, the next countries include Kenya, Cabo Verde, St Lucia, Namibia and Ecuador.[18] During COP27, at a meeting at the Resilience Hub sponsored by JP Morgan and others, the environment minister from the Gambia declared her government's interest in working with TNC on a debt swap as well.

How do these deals work?

The structure of these deals requires NatureVest to obtain a loan from an investment bank. So far NatureVest has worked only with Credit Suisse, although it might choose to work with others. This money is referred to as a "blue bond", which is then lent to the government of the indebted country to pay out bondholders. In the case of Belize, the loan to the government did not come from NatureVest directly, but from a company they set up in the tax haven of Delaware, called the Belize Blue Investment Corporation (BBIC). Credit Suisse then repackaged the loan to BBIC to be sold in notes to investors. Credit Suisse did not issue the new bond notes themselves but passed this over to a special purpose vehicle registered in Amsterdam, called Platinum Securities. It is assumed this SPV is a subsidiary of Credit Suisse. However, there is no online information available on who owns this company or works for it, and the company does not have a website. The Swedish pension fund Alecta announced it bought $75 million worth of bond notes from Platinum Securities in January 2022.[19]

The key to these deals is an agreement by the owners of the original Eurobond to sell their debt at a discount. The successful buyout in Belize saw bondholders agree to a "haircut" of 45% of the face value of their original debt, i.e., the value of the bond notes when they were first issued, including all outstanding interest rate payments. The loan to Belize to buy out the bondholders was therefore $301 million. However, another $64 million was added for other costs. The contract between BBIC and the government of Belize commits the government to several things:

- Repay BBIC with interest and compensate for legal and banking fees, as well as financial inducements (discounts for early buyers) of the new bond issued by Platinum Services. There was also an insurance contract attached to this deal that provided Belize temporary respite for repaying BBIC in case of a climate disaster, which they needed to pay for on an annual basis. In total, these extra fees came to $40 million.

- Implement a range of policies for marine conservation, including scaling up marine protected areas from the current size of 20% to 30% of their oceans, implementing a strategic plan for the use of ocean resources (usually known as a marine spatial plan[20]), advancing fish farming in coastal areas, and engaging in blue carbon trading schemes.[21]
- Use a portion of the money lent (the remaining $24 million from the loan) to set up a marine trust fund. This fund will invest the money over a 20-year period, which is estimated by TNC to result in annual revenues of 7%, or a total amount of $71 million after 20 years. It is not specified how the money will be invested.
- Establish a new national Conservation Fund to receive the money from the earnings on the trust fund and savings in the debt swap. Precise details of how this financing arrangement will work remain elusive; however, according to an IMF report, the Conservation Fund will receive annual payments from the Belize government of $4.2 million for the next 40 years.[22] The role of this new Conservation Fund is to oversee policy implementation of the marine spatial plan and administer grants for marine conservation projects. TNC is given a permanent position on the governing board of this new organization.

It is likely that the same general model has been used in Barbados and will be used in Gabon, although the exact figures depend on several variables, including the discount rate achieved in these deals and the value of the bond being bought out.

Making sense of debt-for-ocean swaps

NatureVest's debt swaps have been covered in an enormous number of reports and news articles, and they have received substantial attention in international events on ocean conservation, the climate crisis and debt restructuring. Almost all of this has been positive. These complex financial deals are celebrated as ingenious financing mechanisms that could be replicated and scaled up even further. During COP27, IMF deputy director Kristina Kostial described these debt swaps as a critical solution to the international community's failure to provide adequate climate finance, adding that "carbon credits could feature as part of the swaps".[23]

Few organizations seem to scrutinize these deals, especially in light of all the criticisms raised against the past debt-for-nature swaps. Yet many of the same critical issues appear relevant. To simplify, there are a number of broad themes that more critical debates over these deals should explore.

Transparency and democratic participation

We should expect international finance that helps developing countries tackle their debt crisis and fund nature conservation to be transparent. So far, however, these deals remain astonishingly opaque.

News of these deals is deliberately kept secret, probably to avoid inflating the market value of bond notes before debt buybacks. However, even after they have been concluded, public access to information is limited. The investment and conservation contracts signed between NatureVest and governments in the Seychelles, Belize and Barbados are not in the public domain. This means it is impossible for citizens to understand what their governments have signed up for.

So far, information on conservation commitments has filtered through via statements by TNC. But these statements lack detail. It is currently unclear why the full conservation contract itself cannot be published. Several of the financial terms of this agreement are also kept from public scrutiny, again with summary information only found in statements and press releases, sometimes with inconsistencies. One aspect that is left unreported is the profits being made by NatureVest and Credit Suisse, including through the SPV in Amsterdam. There will be various commission and legal fees occurring as debt is transferred throughout this web of company structures. There is also a possibility that interest charged by BBIC to the government of Belize is less than the interest provided to companies buying the bond notes supplied by Platinum Services, meaning the intermediaries in this deal would be making further profits. The fact that NatureVest establishes new companies, registered in a tax haven, to handle payments and revenues, is concerning. It is important for TNC to clarify the financial structures of these deals and be transparent about the income from these arrangements.

Due to this secretive approach to debt swaps, they fail to achieve the free, prior and informed consent of people relying on marine resources for their livelihoods. This is critical. Debt swaps establish binding commitments for the management of marine resources, including expanding marine protected areas that might curtail economic activities such as fisheries. They also introduce other contentious policies such as carbon trading and the development of commercial aquaculture. However, NatureVest and the host governments of these deals have failed to consult with citizens or parliament before signing the contracts. None of these deals have produced environmental and social impact assessments either. It is hard to imagine such undemocratic instruments being employed in Europe or the US, and difficult to reconcile this with international human rights instruments such as the Tenure Guidelines and SSFGs which recognize the rights of small-scale fishers.

Resolving this lack of consultation is not straightforward. Debt swaps targeting commercial loans also rely on stealth. In negotiating the buyout of bondholders, it is unlikely that NatureVest could succeed if it had to subject its plans to lengthy public debate. Anyone familiar with the process of developing national plans for the oceans will know that this can take a long time, particularly if it involves genuine participation from marginalized people. As such, debt swaps, following the model used by NatureVest, would seem fundamentally inappropriate for financing ambitious programmes for reforming policies on nature conservation or climate mitigation and adaptation.

The illusion of generosity

One of the claims surrounding debt swaps negotiated by TNC is that they represent an act of generosity by creditors. Often creditors are described as forgoing debt repayments, equating these deals with debt forgiveness. *The Guardian*'s write-up on the debt swap in the Seychelles described that creditors had agreed to forgo millions in debt. This makes these deals seem relevant for global debates on compensation for loss and damage. But this is clearly misleading now, as it was for debt-for-nature swaps in the 1980s.

In the debt swap for the Seychelles, for example, Paris Club donors agreed to a mere 6.5% discount for their debts. This is an attractive deal to them because they receive an early payment in cash for debts that were not due to be paid in full for several years. However, what has been overlooked in this deal is that the donors all reported this discount as a grant. This means the money "gifted" to the Seychelles reduces the donor's commitments for other aid spending. It was not a transfer that increased aid flows from donor countries to developing countries. Bilateral debt swaps can be designed to reduce this problem, combining a greater element of debt forgiveness with rules that prevent donors from using an accounting trick to avoid additionality. But that did not happen in the case of the Seychelles.

When it comes to commercial deals involving Eurobond swaps, investors are not acting charitably either. They are being offered lump-sum cash payments based on the market value of their bond notes. It is possible that bondholders would reject this offer of a buyout, preferring to hold out for the full value of their assets. However, it was clear in 2021 that Belize's economic situation was worsening, and bondholders were holding assets that were depreciating in value. The value of bond notes of Belize's superbond has been volatile, trading as low as 30% of their face value in 2020. That bondholders were offered 55% of the face value in 2021 suggests it was in the interests of investors to sell then, irrespective of their concerns for the oceans and the climate disaster. Still, the bondholders, represented by a committee, issued the dubious statement that they agreed to sell out because savings in the deal were going to a good cause.[24]

Debt justice

Positive assessments of nature swaps point to the fact they reduce the debt burdens of developing countries. In the past, this claim was unconvincing because debt swaps were so small they achieved only tiny changes to the overall debt burdens of countries. That was also the case in the Seychelles, as the debt-for-ocean swap there reduced the country's future debt obligations by less than $2 million. It was a drop in the ocean. But the situation is now changing in the mega deals targeting Eurobonds, and the credentials of nature swaps creating fiscal breathing space for countries seem to be strengthening.

In Belize, for example, it is described in news reports that the debt swap saved the country $189 million and NatureVest has swapped a high-interest-rate loan for a more favourable blue bond. While part of that is true, the IMF confirm the interest rate schedule for the new blue bond starts with a lower interest rate, of 3%, but after four years this rises to over 6% – the same rate that Belize was paying for its previous Eurobond.[25] But most importantly, while Belize has reduced the total amount it has to pay to foreign creditors by $189 million, almost all of this money is reserved for spending by the new Conservation Fund for marine projects. There is limited fiscal space created by this swap for other pressing areas of government spending, such as health or education.

As debt swaps become larger transactions dealing with a sizeable share of a country's foreign debt, they also become more relevant to other efforts for debt restructuring. In this view, they appear more rather than less problematic. For example, a substantial barrier to coordinated and effective debt relief has been the difficulty of bringing different creditors to the table, including bilateral lenders, multilaterals and foreign private creditors. This leads to heightened concerns that debt relief will not be shared fairly. Furthermore, the scale of the debt crisis in many countries now is such that the only chance for lasting solutions is a coordinated response based on a transparent and participatory dialogue. However, debt swaps undermine this ideal: without consultation, they capitalize on a period of debt distress to benefit commercial lenders.[26]

A recent IMF publication analyzed debt swaps alongside other forms of assistance for developing countries for both debt relief and financing for climate-related spending.[27] This report made it clear that debt swaps are sub-optimal solutions. For highly indebted countries requiring urgent assistance to deal with climate change, the case for scaling them up should be rejected:

"Debt-climate swaps subsidize the creditors that do not participate in the operation. In contrast, deep debt restructurings generally come with frameworks that seek to ensure wide participation … For this reason, it is generally efficient to de-link the restoration of debt sustainability from fiscal support of climate action, which should be additional to the debt relief required to restore sustainability, and ideally come in the form of conditional grants (or a combination of grants and loans) rather than debt-climate swaps."

It is therefore surprising that senior officials at the IMF advocated so stridently for scaling up debt swaps at COP27, including praising TNC's deals. Tellingly, the IMF in its latest country assessment for Belize did not consider the debt swap sufficient to change its view that the country was still stuck with unsustainable debt: highly likely to struggle to maintain payments to its creditors, with a strong probability of needing more comprehensive debt restructuring in the future.

Finally, international recommendations on debt justice also stress the need for public audits of debt, and the urgent need for regulating the way in which sovereign commercial loans are raised for developing countries. Moving out of the debt trap is therefore not simply achieved through financial restructuring, but also regulatory and political reforms. None of this appears to be advanced by debt swaps so far. Instead, the public relations hype surrounding nature swaps legitimizes the institutions that have created and benefited from the reckless Eurobond market. In the 1980s, debt-for-nature swaps were rejected as unwelcome distractions from campaigns on odious debt. The same could be said of the reincarnation of nature swaps today.

Saving nature

Finally, although the stated purpose of these swaps is to save nature, it is doubtful they will succeed. Many of the statements made about these swaps assume that the debt buyout and the commitments of governments to set up endowment funds for new conservation organizations will protect the oceans. The mere act of designating an enlarged area of the ocean as protected is taken at face value, conflated with nature being actually saved.

TNC's limited public reports on its debt swaps are devoted to explaining the financial benefits of these deals. Almost nothing is provided on the considerable political and practical barriers countries face in following through on the ambitious conservation pledges. Meanwhile their conservation contracts reveal potential policy incoherence: they promote ecotourism and commercial aquaculture, for example. These sectors may help boost economic growth or food production, but they have high risks of costly environmental externalities and exacerbating inequality.

The plans for spending the money from debt swaps are also questionable. Channelling all the money through a new Conservation Fund creates another organization running parallel to, and possibly in conflict with, existing government agencies. The resulting Conservation Funds will have annual budgets that surpass government departments and will dwarf those of existing civil society organizations working with groups such as small-scale fishers. The intention is that the Funds will disperse money to others through grants, but this arrangement is fraught with risks relating to democratic accountability and conflicts of interest. TNC's guaranteed seat on the governing board of these Funds is also questionable, given their lack of democratic legitimacy or direct links to local communities.

In short, the mere act of increasing financial flows to conservation efforts does not solve deep-rooted conflicts over the use of resources, while it may work to aggravate them. Herein lies the fundamental dilemma in the debt-for-nature swap concept. This is the simplistic assumption that ecological destruction is due to an absence of funding and that this problem can be solved by more money. Once the absurdity of that belief is exposed, the entire proposition for conservation finance falls apart. Ecological justice is first and foremost a political struggle, not a financial one.

Final thoughts

The audacious plan by TNC deserves intense critical scrutiny. This is clearly difficult given the complexity surrounding its deals and their lack of transparency. However, if TNC delivers on this plan, then it will represent an astonishing development in the governance of the oceans. The arguments presented in this article suggest the considerable international praise that debt swaps are receiving is unmerited. Unfortunately, few organizations involved in marine conservation seem to be ringing alarm bells.

Debt swaps are just one of several innovative financial instruments being developed by the conservation finance industry. There are other forms of blue bonds, as well as CAT bonds and Rhino bonds, for example. The financialization of conservation is producing a bewildering set of instruments described through jargon that most of us find impossible to decipher.

Addressing the heavy burden of unsustainable and illegitimate debt carried by Southern countries, who are increasingly confronting the worst effects of the climate crisis, is pivotal to addressing this global crisis. Comprehensive frameworks for debt forgiveness, economic justice, loss and damage, and reparations will be needed if we are to move towards climate justice. However, debt-for-nature swaps instead represent a dangerous distraction, moving us further away from genuinely democratic solutions and just transitions, undermining the ability of working people to shape the policies that impact their lives, and further consolidating the power of international finance.

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Notes

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