

The Causes of War II

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In our 7 December issue of The Friend, Robin Robinson reported on problems that contribute to bitterness and polarisation in the world. This article identifies an opportunity that could change the structure of the world economy and reduce the tendency to greater and greater disparities of wealth.

In less than a year, in September 2002, world leaders will be meeting in Johannesburg for the second Earth Summit. At Rio in 1992 attention focussed on potentially catastrophic environmental changes particularly relating to human effects on the global climate. After years of haggling the Kyoto protocol has eventually been signed this year by 178 nations with only the United States opposing it. A proposal is being considered for Johannesburg that could link climate concerns with our economic system. The Religious Society of Friends should do what it can to support that proposal.

The idea arises out of climate considerations so. So, before focusing on the truly radical economic implications, it is necessary to understand the climatic background. By definition, humans pollute and in recent years this pollution has been increasing exponentially. In the past, the earth's bio-systems could cope but this is no longer the case. Of particular concern is our effect on the atmosphere through the emission of greenhouse gases (GHGs). All scientists, except a few linked to the oil and coal industries, now agree that the emission of GHGs must be reduced, so a mechanism for rationing has to be found.

The basis for rationing in the Kyoto protocol is called 'grandfathering' – industrial countries are asked to reduce their present emissions by a certain percentage and their allocations can be traded. Grandfathering has two main faults. First, those that have caused most damage in the past have the highest allocation for future emissions, which is obviously unfair. Secondly, nations that are set to emit significantly in future, like India and China, are not part of the protocol.

A new approach being widely discussed is that the ration, the allocation for emission of GHGs, should be on the basis of the population of countries in 1990. To be fair, developing countries should have a much larger per-capita share than industrial countries, because the industrial countries have already caused so much damage; this is the argument being put forward by Brazil. Most others are willing to accept a compromise that the ration from now on should be on an equal-per-capita basis. This has been accepted by negotiators representing a large majority of the world's population including India and China, it has been specifically endorsed by President Chirac and our own Royal Commission on Environmental Pollution.

To repeat: everyone in the world should have an equal allocation for using the world's atmosphere; this would determine a country's allocation for emission of GHGs. And that allocation can then be traded.

In terms of economics, this is a startlingly radical proposal. India is responsible for just 1.6% of global emissions per-capita but its allocation would rise to 16%. The US ration would be 4.3%, not the 26% it emits at present. Incentives would work both ways: India would want to keep its emissions low so that it has more to trade. The US would try to reduce its emissions so that it needed to purchase less. Those would be the incentives for reducing emissions of GHGs globally. But the radical economic mechanism is that money would flow from rich to the poor nations as of right, not as arbitrary agreements on aid. A political formulation is called Contraction and Convergence – *contraction* of the amount of GHGs emitted, and *convergence* to an equal-per-capita allocation over a period of years.

There are plenty of mechanisms that work the other way: Interest charges mean that money flows from the poor who need to borrow to the rich who have funds to lend. All poor countries maintain dollar reserves which represent a massive interest-free loan from the poor to the wealthy. Trade arrangements, imposed by the west, ensure that the price of commodities, many poor countries' only asset, are driven down relentlessly (in India this year the process is causing an epidemic of suicides). This is the only mechanism of a similar sort that would work in the interests of the poor. (ncidentally Islam still accepts the biblical injunction that interest is not allowed and this is at the core of its quarrel with western capitalism).

In some countries, like Britain, the mechanism could work on an individual basis using smart-cards – every time you fill your car with petrol some units would be deducted. The proposal is called Domestic Tradable Quotas and would again flow money from the wealthy to the poor.

The destruction of the World Trade Centre and other suicide action, has forced us to recognise the intense loathing of the dispossessed for the hegemony of the dominant powers. This arrogant exercise of dominance on one side and loathing on the other must lie behind the 'asymmetric warfare' that is destroying any hope of peace. Much of the world is suffering from conditions closely analogous to slavery. These horrors should surely be at the top of Quaker concerns.

The Religious Society of Friends should adopt the concept of equal-per-capita allocation for use of the atmosphere and its formulation as Contraction & Convergence, and urge our government to make this its platform at the Earth Summit next year.

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