

THE ROLE OF INTERNATIONAL DEVELOPMENT COOPERATION IN CLIMATE JUSTICE

WE CAN DO BETTER

FIVE SYSTEMIC ISSUES TO ADDRESS

- Fight for debt justice
- End tax evasion by multinational corporations
- Help stop financial "leakages" and illegal capital flight
- Enable Global South countries to profit from their own resources
- Advocate for a planned reduction in consumption in Global North economies

International development actors are making a mad dash to incorporate climate change issues into their programming. It's becoming increasingly difficult to fund or justify any development intervention in the Global South that does not in some way include climate-responsive action, be it mitigation or adaptation.

CLIMATE CHANGE ACTION IS IN STYLE

The push to focus on climate is taking place in a landscape where funding for international cooperation is dwindling overall, as Global North countries shift their focus to addressing the interrelated climate change and economic crises at home. These actors often work to incorporate climate by adding on climate-related dimensions to their existing programmes, or reshuffling their budget to create an additional climate programme with the same budget. This sometimes results in budget cuts for "competing" sectors like health or education or even water supply.

These development-driven climate interventions may have local impact but do little to address the existential crisis that is climate change. Given the drop-in-the-bucket scale of international aid relative to Global South countries' own national budgets, citizens' spending, and the anticipated costs of climate change mitigation and adaptation, the role of global development actors in providing meaningful support should be scrutinised. Are these organisations spreading themselves too thinly by adding climate action to their already ambitious social development programmes, or perhaps even greenwashing their own impact strategies while not really changing anything?

THE INTERSECTION OF CLIMATE VULNERABILITY AND POVERTY

A common goal among development actors is to reduce climate vulnerability for the populations they serve. The Intergovernmental Panel on Climate Change (IPCC) defines climate vulnerability as "the degree to which a system is susceptible to, or unable to cope with, adverse effects of climate change, including climate variability and extremes." In other words, vulnerability is the predisposition to be adversely affected by stresses or shocks.

A country's climate vulnerability is not simply based on its geographic location or susceptibility for national disasters, but has far more to do with its ability to rapidly mobilise resources to address the country's pressing needs. Vulnerability is a function of a country's economic status and position in today's world order. It is affected by infrastructure readiness and the quality of public health systems, and is especially linked to the fragility of the national economy and the presence or absence of absolute poverty.

Low-and middle-income countries in Africa, Asia, and Latin America are consistently rated among the most climate vulnerable in the world, even as Global North countries are also experiencing changing climatic conditions and the devastation of extreme weather events. Bangladesh faces deadly impacts from increasingly frequent and massive floods (including 5 million people stranded last month), whereas the Netherlands, which is even more flood-prone than Bangladesh, has averted major disaster since 1953. Through costly infrastructure planning, the Netherlands is already working on its long-term plan to adapt to the later stages of climate change post 2050.

If poverty is a cause of climate vulnerability rather than the result, systems thinking suggests we must look deeper into addressing poverty before jumping on board to address its symptom—climate vulnerability.

THE UNDERLYING SYSTEMS OF POVERTY

Why are poor countries poor? The answer is complex, but cannot be understood without a macro-level perspective on today's highly globalised economy which still strongly reflects the world order as established during European colonisation and solidified after World War II.

Building on existing work, a recent article in Nature demonstrated quantitatively how the massive net flow of resources and labour from the Global South to the Global North, that started during European colonialism, has continued constantly to the present day. Though the means of extraction has changed, the end result is that today's rich countries are benefiting enormously from unequal exchange, while Global South countries are left with fragile economies, unable to invest in building the required resiliency at home. Countries like the Democratic Republic of Congo are facing disaster as a consequence of their natural endowment with the raw materials required for Europe's own resilience building.

While the predominant narrative is that rich countries are helping poor ones to develop, these financial data demonstrate that Global North countries are net beneficiaries of global transactions by far. For every US\$1 of aid received, there is a net outflow of US\$24 from Global South countries to the Global North, an estimated US\$3.3 trillion annually. This happens through collections of interest on debt, tax evasion by transnational corporations, and through the unequal exchange of labour and materials, such as sweatshops and child labour where fair prices are not paid relative to the profits made by the companies in charge.

This is all money and resources that cannot be used by national governments to fuel their social and economic development, and to build their resilience. Added up over all the years since 1980, it is estimated that enough resources have been drained from the Global South to have ended extreme poverty in these countries more than 21 times over.

CLIMATE CHANGE IS AN AMPLIFIER OF EXISTING INJUSTICES

Most countries are simply not able to handle the added stress on their systems—economically, ecologically, or institutionally. Climate change is an added level of complexity, but resilience cannot be built within systems that are structurally unjust and exploitative, systems that work to lock entire countries out from participation in global prosperity.

A MORE STRATEGIC ROLE FOR INTERNATIONAL DEVELOPMENT ACTORS

It makes sense that international development

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actors are getting involved in the climate crisis, since its impacts are so deeply intertwined with social wellbeing and sustainable development. Yet, the piecemeal approach taken by most international development agencies is grossly inadequate and lacks a systemic analysis of where these agencies should work to have the most lasting impact on resilience building.

When international development actors make minor investments in green infrastructure or provide drought-resistant crops, they perpetuate the tendency of development actors to provide small-scale solutions that can impact a countable number of beneficiaries, rather than addressing the economic drivers of poverty and inequality that prevent a more transformative change. Unless the massive drain of resources from Global South to Global North is addressed by global leadership, other efforts to build resilience remain futile.

If international development actors want to get serious about addressing climate change vulnerability, they should leverage their outsized voice and influence to join global calls for economic systems change, debt cancellation, international tax reform, and monetary sovereignty for the Global South.

It can no longer be seen as radical or 'out of line' for international development actors to call attention to the problematic nature of the economic system, a system that prioritises profits and the accumulation of wealth over the meeting of human needs. The drive for endless economic growth in already rich countries fuels the outflow of resources from the Global South; it is a fundamental barrier to Global South countries' escape from the cycle of debt and economic despair. International actors' speaking out about our broken economy would demonstrate their willingness to risk their own reputations and profits to call about the change that is really needed to finance climate adaptation and resilience in the Global South.

Such words and action from large scale non-profit actors are not even unprecedented. Oxfam has been speaking about structural post-colonial exploitation and the problems of the economic system for decades (see example). The United Nations Secretary-General António Guterres has also weighed in: "Absurdly, GDP rises when there is overfishing, cutting of forests or burning of fossil fuels. We are destroying nature, but we count it as an increase in wealth." The IPCC has stated that "The interaction between politics, economics and power relationships is central [to explaining why global leaders are not following through on their commitments to address climate change and its impacts]."

A MORAL IMPERATIVE TO ACT

International development organisations committed to achieving equity as well as climate resilience have a moral imperative to dismantle unjust differences rather than simply providing relief for those suffering from it. Their climate action should be in the form of political engagement. These actors already have a powerful voice in multilateral organisations like the United Nations, and they often work closely with political leadership in low- and middleincome countries, making them well-placed to campaign for change. Bilateral aid institutions are part of national governments in the Global North, so they could start by speaking out about problematic practices within their own institutions.

FIVE SYSTEMIC ISSUES TO ADDRESS

Here are 5 systemic issues that international development actors could help tackle as part of their climate action, to reduce climate vulnerability in the Global South through systemic poverty alleviation.

- 1 **Fight for debt justice** join the call for international debt forgiveness (debt jubilee) which in turn rescinds structural adjustment requirements.
- 2 **End tax evasion by multinational corporations.** Support the crack down on tax havens like London and end <u>transfer mispricing by multinational corporations</u>.
- 3 **Help stop financial "leakages" and illegal capital flight.** Strengthen international transparency laws and invest in national institutions like customs services, financial intelligence units, and anticorruption agencies.
- 4 **Enable Global South countries to profit from their own resources.** Advocate for reforms and democratisation for <u>the institutions that rig competition against aid-recipient nations, forcing them to keep markets open so raw materials remain cheap for purchase by wealthy economies. These include the World Trade Organization and the International Monetary Fund.</u>
- 5 **Advocate for a planned reduction in consumption in Global North economies.** Climate change is driven by the excess of the few and not the survival of the masses. See <u>this youth manifesto for an Intergenerationally just post-growth European economy for more inspiration.</u>

CONCLUSION

Climate vulnerability mirrors the level of development in a country far more than it reflects their particular geographic location or the unique conditions of the natural environment. Rather than scrambling to assess the greenhouse gas emissions of their various programmes, or add an analysis of resilience into their existing infrastructure programmes, international development actors should respond to climate concerns by exploring how the unique position of their organisations can be a leverage point for change in local, national, and international policies.

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One For All was founded on the belief that we can go faster and further together. Solving for SDG 6 (water and sanitation for all) requires urgent, innovative, collective action as we face the growing impacts of the climate crisis and other interconnected challenges on people's lives.

ABOUT THIS PAPER

This paper does not reflect the official views of all One For All alliance members. It has been authored by Angela Huston (IRC) and Kelly Latham (Water For People) to foster and encourage debate among our members, partners, and wider audiences.

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