

The Dark Side of Globalization: Threats to the Environment

Abstract

- *This work explores the environmental impact of globalization, the global environmental governance system and analyzes the function of diverse decision-making mechanisms in the sustainability process in Latin America*

Key words:

- *Environmental Governance, tools of the environmental policy, Strategic Environmental Assessment, institutional fragmentation.*

1. What is environmental governance ?

- Environmental governance means rules, processes and behavior that affect the way powers are exercised at global level in the field of environmental policies, particularly as regards openness, participation, accountability, effectiveness and coherence.
- **Governance** refers to the alignment of the actions of several diverse people or groups who must collectively deliver some output.
- **What are the elements of good environmental governance?**

Elements of Good Environmental Governance

- transparency,
- participation, and
- the fluid transmission of knowledge into policy.

«Good» Side of Globalization

- New technologies to detect and understand environmental problems and to share information across countries are now available
- Eco-efficient capital equipment and its accompanying “clean” production technologies, is an important mechanism through which globalization may ultimately benefit the environment.

Dual effect of Globalization

Sanitary restrictions imposed have a dual effect on the technology of agriculture production.

They foster the use of agrochemical products

and discourage the use of agrochemicals



Dark Side of Globalization

- Empirical evidence shows also that some multinational enterprises move to pollution heavens attracted by less stringent environmental regulations.

Dark Side versus Good Side



- Large international companies maintain relatively high levels of R&D, and are capable of transferring pollution abatement technologies across international borders.
- Positive spillover effects on the technological characteristics of national firms (case of American Airlines in Paraguay, San Cristobal Mining Co. in Bolivia are some examples).

Environmental Governance Structure

- Regarding regulatory systems, Latin American countries have vast differences in governance capacities. There is, after all, no point in pretending that all Latin American countries are created equal.

Dealing with globalization (NAFTA, MERCOSUR-EU agreement, or the CAFTA-DR) takes leadership and capacity. Capacity begins and ends with knowledge.

CBD Convention on Biological Diversity (1992/1993) www.biodiv.org

UNFCCC United Nations Framework Convention on Climate Change (1992/1994)
www.unfccc.int

UNCCD The United Nations Convention to Combat Desertification (1994/1996)
www.unccd.int

Ramsar Convention on Wetlands (1971/1975) www.ramsar.org

Convention concerning the Protection of World Cultural and Natural Heritage (1972/1975) (UNESCO World Heritage Convention) whc.unesco.org

UNEP Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973/1975) www.cites.org

Convention on Conservation of Migratory Species of Wild Animals (1979/1983) (CMS or Bonn Convention) www.cms.int

Convention on the Protection and Use of Transboundary Watercourses and International Lakes (ECE Water Convention)

UNEP Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (1998/2004)
www.pic.int

Stockholm Convention on Persistent Organic Pollutants POPs (2001/2004)
www.pops.int

The Model and key questions

- EU vs NAFTA
- strong functional institutions

Key questions regarding global environmental governance:

How to coordinate the actions of diverse stakeholders, without the « invisible hand » of the global market and with no presence of a global government?

How to finance the production and maintenance of global public goods?

What role for Governments and NGOs in this area?

3. Challenges for Latin America in the Management of Natural Resources and Impact of Globalization

- Some Examples on how international environmental governance can help development
- The Soybean War in Paraguay
- The Camisea MegaProject
- Sustainable Development in the Northern Region of El Salvador

Soybean war in Paraguay

Resource degradation and unequal distribution drove violence, exacerbated disputes and created national security problems.

- Escalating environmental degradation and deteriorating 'environmental security' was a source of civil and political conflict.
- Violence had two principal stakeholders: peasants and soybean producers (the vast majority Brazilian).
- Elites extended their control over productive resources and displaced peasants and subsistence farmers affecting their wealth and health (More than 25 peasant died from the indiscriminate use of agrochemicals), but also producing enormous deforestation.

Soy bean war: solutions

- WWF in the development of scientific studies, facilitating dialogue for consensus building, and creating capacities at the national and local level to react against emergencies caused by non traditional threats.
- The crisis was not only solved but also the deforestation rate of Paraguay (the highest in Latin America) was reduced by 95% in just 3 years.
- WWF has facilitated the dialogue between peasants, Producers Federation, Federation of Industries, national and local authorities, in order to build a “Social Pact” which allows the consensus, in the implementation of policies and solutions.

Functional roles of the NGO

- In this case WWF could fulfill five broad functional roles in environmental governance:
 - 1) Intellectual and visionary;
 - 2) Advocacy;
 - 3) Problem solving;
 - 4) Service provision;
 - 5) Critics and watchdogs.

Camisea Gas Mega Project in Peru

- Mega projects like dams, gas projects, waterways, transport corridors can produce mega impacts if not properly managed.
- Camisea firms and the Peruvian government, with the support of an international financial organization like the Inter American Development Bank, have succeeded in avoiding where possible, and otherwise minimizing, the project's negative side effects.
- A well-designed and managed gas project treads lightly on the environment, when compared with other productive activities in the Amazon, such as growing soybeans, raising cattle and gold mining in the rivers.

4. Implementing good environmental governance requires:

- In an Ideal Scenario:
- Strong environmental authority
- Strong local governments.
- Clear land management use and restrictions.
- Good coordination Public participation and permanent and continuous process of information.
- Independent elaboration of SEA/EIA

Social and political institutions must generate strong and efficient regulatory agencies that keep economic incentives in line with human development and social preferences.

5. Conclusion

Latin American Governments face constraints.

Seven obstacles to significantly 'tackle the problem' on environmental performance:

- 1) the lack of political will;
- 2) budget constraints;
- 3) the lack of human and regulatory capacity;
- 4) the competitive pressures of globalization, especially competition for foreign direct investment.
- 5) Fragmentation problems at the international environmental governance system,
- 6) Little influence and voice, in global governance
- 7) Leadership:

Conclusion

In Latin America the poorest of the poorest countries are excluded from the globalization process.

These countries are put aside without receiving benefits from the innovation provided by the globalization.

They are absent from the benefit of globalization.

It is not sufficient that the globalization benefit the market. Globalization must benefit the people.