

THE CHALLENGES AHEAD

Grassroots activism for climate change needed

DR. ABDULLAH SHIBLI

THE ink has hardly dried on the Paris climate agreement (PA) document, and it appears that global attention has moved on to other urgent matters: terrorism, election politics, Brexit, and what have you. But, the Agreement marks only the beginning of a long process to address multiple issues relating to climate change. What are the tasks before us now? Well, for a start, the signatories have to ratify the treaty, work on a mechanism to motivate as well as monitor carbon reductions, and to find ways to fulfill all the other commitments. The ambiguities inherent in PA and how different stakeholders are interpreting it are big challenges. Like the elephant for a blind man. At the recent UN gathering of signatories, Joseph Kabila Kabinga of Congo voiced this aptly. "The Paris Agreement created many challenges and opportunities for economies. To reach many of the goals it set out, predictable and significantly increased financial flows and other resources would have to be put in place to enable robust action," Mr. Kabinga said.

I do not intend here to comment on the shortcomings of the Paris Agreement or the various provisions which have inherent weaknesses. It is my intent to point out why we all need to be vigilant as the signatories backslide or try to wriggle out of their commitments. I also offer some ideas for strengthening the process of implementation at the national level, both in the developed and the less developed countries.

First and foremost, all countries must work with each other and independently to ratify the agreement. As of August 3, 2016, while there are 180 signatories to PA, only 22 states have also ratified it accounting for only 1.08 percent of the total global greenhouse gas emissions! That's an important statistic, since it is well known that the Agreement "shall enter into force on the thirtieth day after the date on which at least 55 Parties to the Convention accounting in total for at least an estimated 55 percent of the total global greenhouse gas emissions have deposited their instruments of ratification, acceptance, approval or accession." While there is still a long way to go until the year 2020 when the accord is supposed to enter into force, there are already signs of grumbling from some of the major polluters. In the US, the Republican candidate for the President has indicated that he plans to ask for a "better" deal. According to the Washington-based World Resource Institute's PA Tracker model, "Even if every other country in the world ratifies the Agreement, it

cannot go into force without at least one of the four biggest emitters (China, United States, EU and Russia) doing so as well."

Among the emerging countries, India, Arab oil exporting countries, and a group of countries banding together as "Third World Network" have voiced their own reservations. India has indicated that coal will be its main source of power for years to come, and its power minister Piyush Goyal even mocked the "treaty-mongers", as he calls them. "It is very easy to be evangelists in homes enjoying 24 hours' power. For that power, somewhere down the line you had to cut a forest to get the coal." The Third World Network is asking developing countries to wait before ratifying PA in order to,

on the status of "loss and damage" provision; 3. Absence of any effective mechanism to ensure that commitments made are enforced; and 4. General lack of public support. Let me address each of these issues briefly below.

Funding for climate change projects has been woefully inadequate. The Global Climate Fund (GCF) is designated to mobilise US\$100 billion a year to fund mitigation and adaptation efforts but current commitments are less than half, or even only a fraction, of that goal according to some accounts. Meanwhile, the US Congress has already voiced its reservations and indicated that any future administration is not bound by any PA targets. A group of 37 US senators has accused President Obama of acting

some critics have also voiced alarm that total elimination of any reference to liability and compensation in Article 8 has "diluted" the mechanism. To boot, Article 9, which contains the finance provisions of PA, has made an effort to sweep "Loss and Damage" under the rug of mitigation and adaptation. Even Bianca Jagger, who is an otherwise strong supporter of Third World causes, has managed to lump these together. "The Agreement provides \$100 bn in financing to compensate poorer countries' for 'loss and damage,' mitigation and adaptation," she said.

Thirdly, compliance technicalities will need to be fleshed out at the next meeting of the climate change super-body, Conference of Parties (COP), to be held in the city of Marrakech, Morocco. While all countries agreed to report their progress in reducing GHG emissions, there aren't any mechanisms to ensure uniformity or compliance. None other than the US Secretary of State John Kerry pointed out that PA "doesn't have a mandatory scheme and it doesn't have a compliance enforcement mechanism". A recent Congressional report has raised the possibility that EU and USA will miss their respective target INDCs since the Agreement is not binding. A number of Arab countries including Kuwait, Saudi Arabia, Egypt, Qatar, Bahrain, and the United Arab Emirates have "indicated that they would incorporate clean energy and sustainable priorities into infrastructure investments to varying degrees, but they did not establish targets to reduce emissions or set carbon intensity reduction goals."

Last but not least, there is a need to build up public support in each signatory country, and to convey the seriousness and urgency at the grassroots level. Why should the average Joe be bothered about climate change? Countries, rich or poor, will soon discover that it will be tough to formulate "draconian regulations with no public support". To address these concerns, we need a massive grassroots initiative.

In Bangladesh, during the National Environmental Management Action Plan (NEMAP) process many years ago, with funding from international organisations, activists brought together (at the union level) representatives from the various local government agencies and categories of civil society to a gathering under the same tent and hashed out the ideas. They negotiated and came up with some policy recommendations. And, most importantly, it raised public awareness.

The writer is an economist and the author of a recent book Economics is Fun: Essays for the Masses.



- Secure the leverage needed in the negotiations
- Ensure the fulfillment by developed countries of existing commitments
- Wait for roadmap on the provision of the \$100 billion annually in climate finance by 2020

- Assess progress on new 'loss and damage' mechanism
- Assess effectiveness of technology transfer efforts

It is known that Third World Network has close links to "Like Minded Developing Group of Developing Countries" which includes China, India, Saudi Arabia, Venezuela, Iran and Ecuador.

Other areas of concern relate to "1. Lack of adequate funding for mitigation and adaptation; 2. Confusion and contradiction

"unilaterally" when the government announced that it had deposited \$500 million into GCF as part of the \$3 billion it committed in 2014.

"Loss and Damage" which refers to negative residual impacts of climate change and not addressed by mitigation and adaptation got short shrift in PA. While Article 8 addresses Loss and Damage, it "does not involve or provide any basis for any liability or compensation." Island nations and LDCs need to continue their push to have Loss and Damage recognised as a third category, in addition to mitigation and adaptation, of financing necessary for countries to cope with the effects of climate change. It is now well known that PA skirted this issue to buy in the support of developed countries, and

Killings of Bangladeshis in US

We condemn

TWO Bangladeshi expatriates, an Imam and his assistant, were killed by an assailant outside a mosque in Queens in New York City on August 15. The killings have brought condemnation from a large segment of U.S. society. We share the grief of the Bangladeshi community in America. This is the first time that Muslim clerics have been targeted in the U.S. And while many have attributed the killings to hate crime, we hope that is not the case. The incident has occurred at a time when Islamophobia is sweeping through the United States and the rest of the world and, sadly enough, being utilised in the run up to the presidential elections by Donald Trump. Needless to say, the killings have outraged and induced fear in the Bangladeshi community and the only way to placate their mind is to identify and bring the killer to justice as quickly as possible.

Indeed, fingers have been pointed towards the Republican candidate whose utterances have generated anti-Muslim sentiments in the US. Although the party he represents doesn't condone his racist comments, the fact is that the incessant rhetoric against Muslims at large will only aid in polarising American society and crimes such as this might be replicated.

A country like the United States, which is long considered to be the "melting pot" where people of different races and religions had come together to build a common future – can hardly afford a regime of intolerance.

Good yield of jute

Time to maximise the benefits

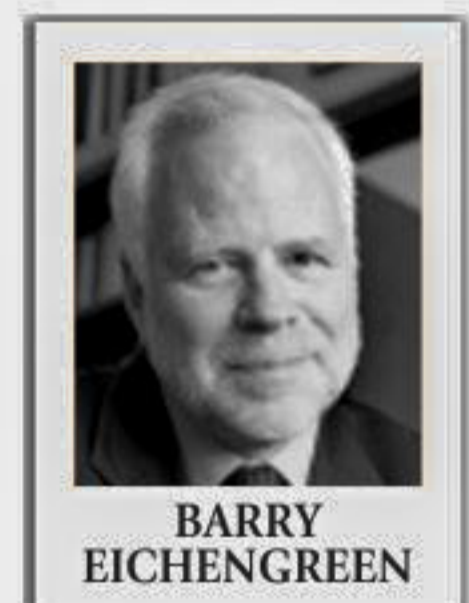
WE are heartened by the news of a good yield of jute and also of the farmers receiving remunerative prices this year. Once the financial barometer of our economy, the golden fibre has witnessed a topsy-turvy ride in the last couple of decades. Of late, the demand for jute and related products have witnessed a substantial increase in the world market, thanks primarily to the growing concerns over climate change. Yet, we have not been able to maximise the benefits from the current global trend of demand for eco-friendly products.

While the export of raw jute to the neighbouring countries have risen sharply, local spinners complain of a shrinking supply and are warning of closure of local jute mills if the current exporting trend persists in the long run. Furthermore, the number of government-run purchase centres is pitiful, opening up avenues of export through illegal channels. Also, the failure to diversify the product lines is evident in the rise of jute-related exports of India and China, both of which import from Bangladesh to manufacture sacks, yarns and bags.

There is no denying that, to find a strong footing, the jute sector needs policy and logistical support. In this regard, we urge the government to firmly implement jute packaging law 2010, which, we believe, will help the jute-dependent products in the local market. The hurdles before the key areas of productivity have to be immediately removed. In the volatile world of international trade, there is no alternative to product development and marketing, which, we believe, is heavily neglected.

PROJECT SYNDICATE

Airing the IMF's dirty laundry



BARRY EICHENGREEN

government belt-tightening, the IMF established an Independent Evaluation Office (IEO) to undertake arm's-length assessments of its policies and programmes. That office has now issued a comprehensive critique of the Fund's role in Europe's post-2008 crisis.

Many of the IEO's conclusions will be familiar. IMF surveillance, intended to detect economic vulnerabilities and imbalances, was inadequate. While staff sometimes pointed to booming credit, gaping current-account deficits, or stagnant productivity, they downplayed the implications.

This reflected a tendency, conscious or not, to think that Europe was different. Its advanced economies did not display the same vulnerabilities as emerging markets. Strong institutions like the European Commission and the European Central Bank had superior management skills. Monetary union, for some less-than-fully articulated reason, changed the rules of the game.

Such self-serving claims were in the interest of European officials, but why was

the IMF prepared to accept them? One answer is that European governments are large shareholders in the Fund. Another is that the IMF is a predominantly European institution, with a European managing director, a heavily European staff, and a European culture.

The report, still on familiar ground, then goes on to criticise the Fund for acquiescing to European resistance to debt restructuring by Greece in 2010. It criticises the IMF for setting ambitious targets for fiscal consolidation – necessary if debt restructuring was to be avoided – but underestimating austerity's damaging economic effects.

More interestingly, the report then asks how the Fund should coordinate its operations with regional bodies like the European Commission and the ECB, the other members of the so-called Troika of Greece's official creditors. The report rejects claims that the IMF was effectively a junior member of the Troika, insisting that all decisions were made by consensus.

But that is difficult to square with everything we know about the fateful decision not to restructure Greece's debt. IMF staff favoured restructuring, but the European Commission and the ECB, which put up two-thirds of the money, ultimately had their way. He who has the largest wallet speaks with the loudest voice. In other words, there are different roads to "consensus."

The Fund encountered the same problem in 2008, when it insisted on currency devaluation as part of an IMF-EU programme for Latvia. In the end, the Fund

felt compelled to defer to the EU's opposition to devaluation, because it contributed only 20 percent of the funds.

The implication is that the IMF should not participate in a programme to which it contributes only a minority share of the finance. But expecting the IMF to provide majority funding implies the need to expand its financial resources. This is something that the IEO report evidently regarded as beyond its mandate – or too sensitive – to discuss.

And was the ECB even on the right side of the table in these European debt discussions? When negotiating with a country, the IMF ordinarily demands conditions of its government and central bank. In its programmes with Greece, Ireland, and Portugal, however, the IMF and the central bank demanded conditions of the government. This struck more than a few people as bizarre.

It would have been better if, in 2010, the IMF had demanded of the ECB a pledge "to do whatever it takes" and a programme of "outright monetary transactions," like those ECB President Mario Draghi eventually offered two years later. This would have addressed the contagion problem that was one basis for European officials' resistance to a Greek debt restructuring.

One objection to imposing conditions on the ECB is that the eurozone, as a regional entity, is not an IMF member. Only countries, not regions, are entitled to draw IMF resources. But nothing prevents the IMF from demanding policy commitments from regional bodies when leading to their member governments.

This has been done before when African and Caribbean monetary unions and central banks were involved.

Finally, the report criticises IMF management for failing to ensure adequate involvement by the Executive Board, its oversight committee of 24 national representatives. Board approval was sought, but only after the key decisions were already made. Moreover, the Board was forced to act under intense time pressure and lacked the information needed to challenge management recommendations.

The IEO's report suggests involving the Board more meaningfully, in order to provide a counterweight to political pressure from regional stakeholders. But this merely threatens to substitute one form of political influence for another.

It would be better to allow an independent management team to make decisions free of political interference, in the manner of a central bank policy committee. But this presupposes freeing the IMF from dependence on financial contributions from its regional stakeholders. And it requires IMF management to demonstrate that it can consistently make decisions based on programme countries' economic interest, not on the political preferences of powerful national shareholders.

The writer is a professor at the University of California, Berkeley, and the University of Cambridge. His latest book is *Hall of Mirrors: The Great Depression, the Great Recession, and the Uses – and Misuses – of History*.

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(Exclusive to The Daily Star)

COMMENTS

"Exclusive bus, rickshaw for Gulshan area" (August 12, 2016)

Toufiqur Rahman

All lives are equally valuable. So I hope the government will ensure security at other places too.

Omar Ahmed

500 rickshaws and 20 buses will only transport a fraction of the commuters that come and go through these areas. Kudos for the initiative but the number of transportation has to be increased.

Imam Hossen Manik

It's a good and timely decision from the authorities for the general commuters. Thanks.

LETTERS TO THE EDITOR

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Overloading in the bus

With the improvement of science and technology, our tendencies have not kept pace. Take the example of highway transport. The buses are over loaded with passengers as well as goods. When a bus comes to a bus stand, passengers rush into it. Some passengers hang on the windows. As a result buses get over loaded. This causes serious road accidents. Almost every day we get news of road accidents.

So, overloading in the buses should be strictly prohibited by law. The passengers also should not risk their their lives by getting into an overloaded bus. The government should take steps to check overloading of buses to save valuable lives of passengers.

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Bangladesh needs more trained electricians

Electricity is the indispensable driving force of development and the ingredient to enhance the standard of living nowadays. Expansion of electricity distribution to urban and rural people as well as to organisations has been going on rapidly since 2009. No doubt that it aided in the expansion of the economy. But along with the expansion of

electricity, incidents of electrocution have also been on the rise mainly owing to lack of trained electricians. We have lost many valuable lives during the last few years. Every day, newspapers have been publishing such unfortunate accidents. In many government polytechnic institutions, technical courses are being imparted, but the

number of trained electricians coming out is far less than required. In this context, the Technical Education Board needs to make arrangements to expand training facilities for electricians on an urgent basis. We need safe use of electricity throughout the year.

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