



# Debt for Climate: from the Global South, an initiative to build true climate justice.

By Giulia Rüegg

***Conversation with Esteban Servat, scientist and activist from Debt for Climate, on the issues of debt, climate justice, the current climate movements and how to make them more effective.***

## **Giulia : How did your movement start and what are your demands?**

Esteban: Debt for Climate (DFC) started towards the end of last year. I am from Argentina, where I have been working with the people there against fracking, mining, defending water and so on. Argentina is now going through a major debt crisis caused by the International Monetary Fund (IMF) from which the former right-wing president Mauricio Macri borrowed money. The IMF, under pressure from Trump, lent Argentina a record loan of \$44 billion: the largest loan ever awarded in the IMF history. The loan was awarded under illegitimate circumstances (violating even the IMF's own statute), to help him win the re-election. Luckily, that did not happen and Macri lost. The so-called progressive government that won the election, instead of challenging the debt ended up legitimising this debt and passing it through congress. They ended up borrowing more money to pay back the interest on the loans. Argentina has a long history of economic crises and IMF austerity policies. Argentina actually got out of the IMF's grasp 20 years ago (2001) through mass protests that ousted the government, being an example to the world, but now they are back in its grips.

The climate movements in Europe are focused on numbers and statistics, 1.5 and the IPCC. These things are good and necessary but by far they exclude the Global South. Largely, the Global South is outside of the equation in the climate crisis. This cannot continue because a major reason behind the climate crisis is the destruction of the environment and the colonisation of the Global South. This climate crisis was caused mostly by rich nations and through colonialism. Poor countries are paying for the development of rich countries. They are paying in two ways: they are paying by suffering the consequences of the GHGs emissions that the rich countries emitted to get developed and they also paying through the plundering of their resources and the payment of the huge interests on the financial debt they owe to the Global North. In that context, we needed to create a campaign that would bring the climate debt of the Global North to the table, and demand that the Global North begin to pay this climate debt, which includes reparations, loss and damage and cancelling the financial debt of the Global South as the first step in enabling a just transition.



**G: What do you think the issue of the mainstream climate justice movement is? Why is it not getting anywhere?**

E: After being in Europe for a little more than 3 years, and having worked a lot with the climate movement, such as with XR, Fridays for Future, Ende Gelände and many others, my feeling is that the climate movement in Europe, like most things in Europe, is very Eurocentric. There is an underlining, unspoken reality that everything is very self-centred, very much focused on themselves and the problems in Europe. This is completely neglecting a large part of what the climate crisis is about: it has to do with colonialism, with the exploitation of the Global South. Europe has built this sick cycle of consumption and waste, which is totally unsustainable, on the back of the billions of people in the Global South whose lands have been destroyed, whose water has been contaminated and where the multinationals of Europe and the Global North are plundering the resources. Debt is a key factor that was not taken into account. Debt is the major tool of colonialism that functions to coercively push for the expansion of the fossil fuel industry- and other extractive industries- so that the Global South can keep paying just the interests of the loans. All of these issues are completely out [of the discourse in] the mainstream climate justice movement. Or better, the climate movement, because I really didn't see much "justice" in the "climate justice" of Europe. Being very focused on the science, on the numbers, on the statistics and on 1.5 °C, which of course are very important, but if you don't look at the real picture of how we got to this problem, you will never really change it. It is not enough, for example, for Germany to reduce a little bit its own emissions; if it keeps plundering the Global South for lithium, gas and oil, to frack and mine to get the resources it needs, we will never get any meaningful climate action.

The climate movement is at a crossroads, because all the things they have done, have not worked. They did not reach major achievements and the time is running out. The climate movement is demoralised; hopelessness is there due to the set-backs on fossil fuels policies resulting from the war in Ukraine. I see that the climate movement, out of desperation, is trying to radicalise its tactics but they are not really working on their strategy. You know, strategy without tactics is the slowest path to victory, but tactics without strategy is the fastest path to defeat. [...] You can radicalise your tactics as much as you want, but as long as you don't have a global, holistic approach and a real strategy that includes the Global South, it will lead nowhere. These radicalised actions are mostly symbolic, totally disconnected from the workers in their countries. The climate movement is seen as mostly white, privileged and middle-class, and it is totally out of touch with the workers in their own countries. This will not go very far, until we can break out of those bubbles and reach out to all kinds of people in society, even those that don't necessarily agree with the narratives and ideologies of the little bubble. They are also radicalising their ideology in a counterproductive way, becoming sort of like a sect: in order to be one of us, you must be revolutionary, progressive or a communist. Instead, we should be finding strategic ways to reach all sorts of people in society, otherwise the impact will be insignificant.



**G: How were you able to engage the workers? How can we better communicate these crises to working class people, who don't have much time on their hands, who have more immediate, tangible worries, in order to break out of these bubbles?**

E: We all understand that the working class is involved in the climate fight but nobody really knows how to bring them into the struggle yet. We know that when conditions are really bad— there is no more water, no more jobs and this impacts the everyday reality of working people— more and more workers and worker's unions will be taking up the climate fight. However, we cannot wait until that happens because when this will happen it will be too late. We have been thinking a long time on how to engage the workers and the workers' unions in the climate fight and it's not an easy question to answer.

To go back to your previous question. Another issue of the climate movement of Europe is that it grossly overestimated itself: its power, its influence and its impact. This has also to do with the activists being very young and feeling that whatever they do will change the world. But this is an illusion. Their actions did manage to get the message in the mainstream view and in getting the message to the public. We know that any real change in society and any new right we have won over the past century or so have come from the workers' organising and their struggles to achieve them. The workers have lots of power because they are the power that makes our society function. It shuts down if they don't cooperate and organise for strikes. They have a power that we, in the climate movement don't have, as we are a small part of society.

The climate movement in Europe thinks that they will lead the world to system change. There is a bit of arrogance there. That is also an illusion, they don't have any power to do that. The only ones that have the power are the workers. They are the experts of social struggle for social justice and for their rights. We need to have the humility to put the climate movement at the service of the working class and work together. The problem is that the workers are not in the climate fight yet. We need to find a way to get them involved.

We found that when you talk about debt to workers and working unions in the Global South, they really understand because debt is one of the major issues they have to face every day. They are focused on very pragmatic, survival issues they have. Debt affects everything in their lives: their pay, the food prices, the social services they have access to etc. For example: The cost of servicing the debt for Nigeria has recently exceeded their national revenue. For many countries, for every dollar that comes in, 50 cents or 80cents go to pay back the interests on the loans. When we talk about debt cancellation to the workers they want to mobilise. So do the climate movements there and in Europe. Because this would enable the Global South to stop plundering their own resources to ship them to the Global North to pay back this loan. It would liberate the Global South from this debt, which is a form of colonialism, allowing them to leave trillions of dollars of fossil fuels and resources in place, truly enabling a just transition. This is why Debt for Climate was created and why the labour unions are playing a major role in it as well.



**G: How can I engage with workers and labour unions here in Europe? They also struggle and are mostly focused on more concrete and immediate issues, but are not affected by these debts and are not yet as affected by the climate crisis as much as the people in the Global South.**

E: There are a lot of tendencies that put climate activists against workers; this is likely going to get worse in the near future, especially if we are entering a global recession. If this happens, conditions will change for the worse. When society is in crisis, when there is a shortage of food and work, it will be very difficult for climate activists to make any gains. The government will turn us into scapegoats for why the working class cannot put food on the table, they will say 'there are these people blocking the pipeline etc.'. Antagonising the working class from the climate movement is the most dangerous thing that can happen in the context of the climate crisis. And I think that is exactly what the fossil fuel industry wants. This is why these industries are often backing the right-wing, white-supremacist movements that are backing Trump and trying to break up the EU. There is a clear relation of power, and we need to be very aware of that and build alternative narratives and alternative movements and campaigns that counter this divide, this abyss that is growing. Debt for Climate is one of the only campaigns that are not attacking the workers of the Global North, its demands do not affect them and will not affect their job as it impacts financial institutions like the IMF and World Bank. This is better than the alternatives, where workers feel threatened by the climate activists.

There is another layer: Europe is not all the same. Everywhere in Europe we are starting to feel the effects of the climate crisis, especially in the "periphery of Europe" like Italy- where there is a water crisis and the rivers are drying up- Spain, Greece, Portugal, Serbia, Romania etc. These countries are very affected by the climate crisis. They are also in a lot of debt!

Last week, the President of Colombia Gustavo Petro, in his inaugural speech, stated that they want to demand debt cancellation so that they can take care of the Amazon. He said that he wants to exchange the debt to take care of the Amazon. But here lies the problem we need to address, as a lot of the debt of Colombia is illegitimate, and as such it should demand unconditional cancellation of this illegitimate debt, before talking about an exchange. But the reason why I am talking about this, is that some of what he said could apply to the south of Europe as well. They also have some fossil fuels, they also have natural resources that they could protect and not destroy for the benefit of the whole planet. There is as such the possibility that we could also talk about debt cancellation for the "periphery of Europe" in exchange for climate action. This could be interesting for the labour unions in these countries, as it would lift the huge burden of debt off their necks.

Italy is a special case, because it is part of the selective club of the G7- the G7 controls the IMF and World Bank. You have a special situation in which you have one foot in the power club and one foot in being one of the countries most affected by the climate crisis in Europe and one of the most indebted. So this is a special case and I



don't have many more answers than that. So there should be some room to connect the debt cancellation for the GS and that of the periphery of Europe that are not part of the big club of Germany, the UK, the US and so on.

**G: In Italy, a big chunk of the working force is small business owners, not organised in labour unions. So how can I get them interested and involved with this cause?**

E: People who own a business sometimes can be a little better off than people who are employees but that is not necessarily true if they own a small food shop that does not make them rich. It takes politicising them with all the same talks and resources presented to the labour unions. You could try to approach the chamber of commerce and the small business unions, which tend to be quite powerful and have money aside for lobbying. Members could try to push initiatives within these institutions, like funding campaigns that demand debt cancellation or submitting letters or petitions to the government, pushing them for change. There is always the potential of doing things if you belong to a chamber of commerce that has a lot of funds. Only it might be tricky if these industries benefit directly from the climate crisis.

**G: How can I discuss colonialism and its impact with those who have never really heard about it or studied it in school?**

E: There are many books on this topic and resources from the campaign itself-factsheets with references. One major masterpiece about colonialism and its impacts called "*The Open Veins of Latin America*" by Eduardo Galeano, which explains the 500 years colonialism, its consequences and also about debt.

My feeling is that Debt for Climate is kind of doing a little bit of this education work, beginning with the climate movement in Europe. Many people that have been active in XR, Ende Gelände or Fridays for Future etc., that are part of our campaign, knew that colonialism was a problem, and it has to do with the climate crisis, but there is no real, direct explanation of how or something empowering them to take action about it. Debt for Climate is exactly that: educating people on how debt is connected to the climate crisis and how debt is the colonialism of today and also explaining to them how they have the power to change that. For example, Germany has the 4<sup>th</sup> highest voting power in the IMF. If all the movements in Germany came together and put pressure upon their government, it could have an impact in terms of Germany pushing for debt cancellation in the Global South. The campaign is, among other things, an educational tool: helping to educate and politicise the climate movement on colonialism, financial power and debt on one hand, while on the other hand politicising and mobilising the workers for climate justice. It builds a bridge between these two worlds, connecting social justice with climate justice.