

The Limits of a Capitalist Solution to the Climate Crisis

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Climate change impacts every corner of the planet, threatening the habitability of vast tracts of land and disrupting entire economies. These changes will affect us all, but not all equally. Although we all share the same atmosphere, those who have contributed most to the problem, the industrialized countries, will have the most resources to deal with climate disruption. On the other hand, the less wealthy countries in the Global South, which generate fewer greenhouse gas emissions, will be the most affected and have the fewest resources to deal with this crisis. As a result, climate change will deepen existing inequalities. The imminent threat of the climate crisis calls for radical solutions. Unfortunately, the current political landscape seems to be failing the promise of a brighter future. In the 2021 United Nations Climate Change Conference, also known as COP26, we saw that political and economic leaders are unwilling to acknowledge that the climate crisis is a symptom of a broken system. Instead, solutions are more inclined to protect the status quo of this social order. The world's central focus is on net-zero commitments¹¹ backed up by tech corporations and financial mechanisms

¹¹ United Nations Climate Action. Net Zero Coalition. Retrieved from <https://www-unorg.dartmouth.idm.oclc/en/climatechange/net-zero-coalition>.

established under the umbrella of capitalism and designed to justify business-as-usual. The green energy transition is essential to the battle against global warming, but its profit-based model is not taking us anywhere new. Indigenous communities are at the frontline, being disproportionately affected not just by climate change but also by land grabbing for clean energy projects. However, implementing ambitious clean energy plans has excluded indigenous peoples from decision-making, and today they still have not sat at the table, as they were unrepresented at the COP26. On the eve of the COP27, which will bring nations together in November 2022 to boost global efforts to address the climate crisis, it is essential to recognize the underrepresented communities. Actions against global warming need to acknowledge those often left behind in the climate policy and who are already facing the worst catastrophes of extreme weather worldwide. Moreover, research indicates that climate change is going far faster than we are, putting ecosystems and populations at risk. Thus, more than ever, solutions need to be human-centered and based on empathy rather than economic profits.

This essay tries to answer how the expansion of green capitalist policies exacerbates social inequalities and environmental degradation, shedding light on the opposition to clean energy projects that emerge through the defense of indigenous territories, local livelihoods, and community traditions. It embraces an environmental and energy justice perspective challenging the socially and geographically unequal patterns of the present climate change politics. For a deeper understanding, this paper presents the case study of wind farming in Oaxaca-Mexico, exploring Latin America's capitalist wind energy landscape.

The driver of climate change

Climate change is the accelerated imbalance that human activity is unleashing on the systems that support life on the planet due to the increase of greenhouse gases in the atmosphere. Worldwide, 152 million tons of greenhouse gases are emitted every day, where the leading cause is burning fossil fuels.²² Given this reality, the energy transition to clean sources is one of the pillars of the global

²² Climate Reality Project. (2020). Truth in 10. Retrieved from <https://www.climaterealityproject.org/truth>.

strategy for tackling climate change. However, despite the clean energy megaprojects' environmental and socio-economic potential, there are doubts about the actual transformation of those solutions.

It is common to talk about climate change from a technical point of view or from the tangible consequences the world is experiencing. However, only recently, reflections on the hidden drivers of global warming are taking the stage of eco-politics. Climate change is a symptom of a social order that has encouraged capitalist entrepreneurs to freeride on nature and savage the planet with systems of production and transport that fill the atmosphere with greenhouse gases.³³ In addition, industrialization has led society to a complete dependency on fossil fuels as a source of energy, establishing a fixed relationship between the economy and nature. In this relation, fossil fuels are a non-economic background condition to the market economy. Thus, capitalism sets a contradiction between the economy and nature. On the one hand, it depends on nature as a source for production inputs and as a sink for waste disposal. But, on the other hand, capitalism is incentivized to maximize profits by thinking of nature as a free resource and exploiting it cheaply while absolving them of any obligation to replenish what they take or repair what they damage.⁴⁴ Understanding nature as given or low price supports the need for accumulation inherent to the system, which scoops up as much as possible from nature, surpassing the point required for production. This overaccumulation shows that the system cannot contain itself, even when the consumption level exceeds the capacities of nature, leading us to the current crisis.

The contradiction between economy and nature led thus to a predatory extractive relation between capitalism and the environment. In the same way, clean energy solutions based on land, water, wind, and sunlight rely on nature, commodify those resources and seize land to maximize its production system. Therefore, the contradiction between clean energy initiatives and natural resources is structurally built into capitalist society. That means we cannot save the planet without disabling some core defining features of this social order.

³³ Nancy Fraser, "Climates of Capital," *New Left Review*, 127, 2021.

⁴⁴ Fraser, "Climates of Capital."

The ecological contradiction relates to other non-economic background conditions, social reproduction, and political power.⁵⁵ First, the climate crisis led to struggles over family, community, and ways of life. When capitalism destabilizes nature, it immediately endangers social reproduction. Today, clean energy projects are displacing communities, endangering their sources of livelihoods, and threatening their cultural practices by massive land grabbing.⁶⁶ Likewise, the ecological relates to the political, enabling the capitalist division between exploitation and expropriation. Here, the political agenda to tackle climate change is the underlying power that facilitates land grabbing and commodification of natural resources. Indeed, the clean energy policy is enabling seizures of land to develop green projects affecting the most vulnerable populations. Thus, the relations among all non-economic conditions lead to new socio-environmental injustices beyond global warming.

Today, the responses to the climate crisis follow the neoliberal forms of monopoly rent, profiting from eco-commodities, ensuring that the global climate regime remains market-centered and capital-friendly, bringing along new ways of inequality.⁷⁷ Moreover, climate change policing perpetuates colonialism's expropriation practice to secure property, maintain hierarchies that reinforce and deepen social and economic disparities, and justify exploiting people and nature globally. As a result, there is a growing interest in addressing the inequalities and injustices of the climate crisis. However, the current conception of environmental justice focuses on an equal distribution of harms rather than challenging the underlying systems of exploitation that these

harms rest upon—extractive capitalism and enduring forms of colonialism. Therefore, green initiatives based on the current social order only offer dysfunctional solutions to mitigate global warming while perpetuating the system that brought us to this point of no return. Until we can put the brakes on capital accumulation, we cannot aspire to a real solution to the climate crisis.

⁵⁵ Fraser, 'Behind Marx's Hidden Abode,' *New Left Review*, 86, 2014, 55-72.

⁶⁶ John Bellamy Foster and Brett Clark, "The Expropriation of Nature," *Monthly Review* (New York. 1949), 69.10 (2018), 1-27.

⁷⁷ Fraser, "Climates of Capital."

Mexico's unequal energy transition

Climate change has undeniably become one of the most critical global issues over the past two decades, demanding global action. The international climate agenda requires each country to reduce its emissions and transition to clean energy sources. Renewable energy has been promoted to achieve a low-carbon economy and sustainable development, increasing employment, energy access, and rural development.⁸⁸ With one of the most progressive policies on climate change in the Global South, Mexico has pledged in its National Climate Change Strategy to produce more than 50 percent of its national energy from clean sources by 2050.⁹⁹ Furthermore, with the internationally acclaimed potential for wind power production, the government has embarked on large-scale wind farming, promoting foreign investment and participation of transnational developers.¹⁰¹⁰ The State of Oaxaca, specifically the Isthmus of Tehuantepec, is the region with the more significant wind resources for developing those projects. Since 2014, Mexico has launched more than 24 wind power projects in this area. These installations have led to massive changes to the overall landscape, affecting the social and cultural structures of the local indigenous population.¹¹¹¹ They see this development as a threat to their survival, exploitation of natural resources, and a violation of their territorial rights. These disagreements have resulted in protests throughout the region, led by indigenous organizations and backed by human rights advocacy groups.

Wind exploitation has allowed Mexico to grow in the renewable energy sector and become a subject of interest to international stakeholders. The blooming of Mexico's wind energy industry results from the national commitment to provide a regulatory framework and incentives for green investments. Unfortunately, the State's interest in securing foreign funds has given access to wind territories without exploring the rights to or control over the land and ignoring the impacts on indigenous

⁸⁸ Sofia Avila, "Environmental Justice and the Expanding Geography of Wind Powers Conflicts," *Sustainability Science*, 13.3 (2018), 599-616.

⁹⁹ Climate Action Tracker. Mexico's unconditional target. Retrieved from <https://climateactiontracker.org/climatetarget-update-tracker/mexico/>.

¹⁰¹⁰ A. A. Dunlap, "Renewing Destruction: Wind Energy Development in Oaxaca, Mexico," 2017.

¹¹¹¹ Dunlap

communities, fostering a market-led clean energy sector, benefiting the interests of private stakeholders, and allowing them to profit from the green policy of Mexico. The green investment and energy transition narratives have led to the climate change political landscape in Mexico. However, these proposed green solutions should be viewed with skepticism, as they are not far different from traditional extractive mega-business models in Latin America. At first glance, the clean energy discourse offers a sense of being on the right track, without noticing that alternative narratives about the social and environmental impacts of wind energy in the indigenous territory are being silenced. From an ecological perspective, the vast lands required for extensive wind farming perpetuates the idea of seeing nature as a commodity, creating a system of expropriation of indigenous lands in the name of environmentalism. In addition, the wind turbines in the region have resulted in the loss of biodiversity by an increase in noise pollution and changes in bird migration. The social outlook of clean energy development in the area reveals a system of land grabbing and wind exploitation.¹²¹² Leasing indigenous lands indicate that the population cannot use them for agriculture anymore and thus cannot be self-sustaining, resulting in the loss of their primary livelihood. Also, there is a lack of transparency and community involvement from clean energy companies, where the promise of economic benefits to the local communities is instead publicity rather than actual gains.¹³¹³ Thus, those so-called solutions to global warming that threaten indigenous territories and endanger their survival as a community, need to be accountable.

Therefore, it is crucial to understand the interconnections between climate change politics and social and environmental inequalities. Clean energy ventures are just one of the different climate change mitigation strategies that have resulted in widespread reconcentration of land and capital.¹⁴¹⁴ In effect, the Global South faces a process of eco-colonization where the capitalist system continues and deepens domination of the ecological space by domestic political elites and transnational

¹²¹² Avila.

¹³¹³ Avila.

¹⁴¹⁴ Jennifer C. Franco and Saturnino M. Borrás, "Grey Areas in Green Grabbing: Subtle and Indirect Interconnections between Climate Change Politics and Land Grabs and Their Implications for Research," *Land Use Policy*, 84 (2019), 192-99.

investors.¹⁵¹⁵ Cases like Isthmus of Tehuantepec invite us to analyze what is happening in our territories and reflect on hidden and unequal effects of climate change politics. It is essential not to interpret this essay as an opposition to the low-carbon transition but as a critique of current and uneven solutions perpetuating capitalism's inequalities. Mexico's environmental and energy injustice case must challenge the assumed necessity of market-based answers and overcome the myth that reasonable solutions come only from the developed countries. Moreover, this is an invitation to think about justice beyond a regulatory perspective and open space to challenge other dominant but harmful principles, like the need for endless economic growth based on capital accumulation and the demand for energy-intensive markets.

The hope of the Global South

The climate crisis is a symptom of a system designed around the commodification of nature; a capitalist system built on the back of exploitation that systematically sacrifices frontline communities.¹⁶¹⁶ Yet, the world leaders keep talking about climate change as a distant problem that innovative technology and market-based businesses will solve. The politics of climate change are afraid of the discomfort of actually thinking about systemic transformation, embracing the fact that the survival of humankind requires rethinking everything in the way we know it. It requires a change in the way we live and relate to nature. It calls for redefining the economy and confronting the capitalist power. Therefore, the current measures and traditional market system solutions illustrate a continuing business-as-usual, where profit is the foremost priority. To stop global warming, governments and companies need to redefine their purpose and create solutions that target the fundamental problems of our time rather than only seek capital accumulation. The green energy policies that create extractive frontiers and sacrifice local communities also preserve the predatory system over nature. A capitalist response to climate change rather than providing solutions exacerbates environmental and social inequalities.

¹⁵¹⁵ Foster and Clark.

¹⁶¹⁶ Fraser, "Climates of Capital."

Underlying the capitalist narratives that foster environmental and energy injustice is the enforcement of hierarchical social-ecological order. As a result, answers to climate change are not moving beyond our destructive relationship with nature; instead, those solutions free ride on nature and the most vulnerable populations. The case study shows that green policies play an essential role in expanding green capitalism as it enforces ecologically and socially unjust projects, often under the guise of sustainability. The displacement of indigenous communities for wind power projects in Mexico is one example of the many climate change mitigation projects that promote enclosure, exclusion, encroachment, and entrenchment of inequalities.¹⁷¹⁷ We must move beyond the aim of redistributing harms toward challenging the very logic underpinning this ecocidal social order – capitalism. Instead, we should strive for decolonial and solidarity-based ways of organizing social and economic life.

The Global South is disproportionately impacted by global warming, while those countries have contributed the least. At the same time, these countries are the large holders of solutions and knowledge, where grassroots resilience is already facing threats to their lives and livelihoods. Building on the idea of justice from indigenous knowledge, the world needs to redefine its economic relation with nature and move from the current market economy towards an economy of solidarity. The solidarity approach challenges the rationales of capitalism, such as the form of property rights, the market and social relationship among the actors, and the conception of value.¹⁸¹⁸

In the past decade, in Latin America, ancestral indigenous ideologies of *Buen Vivir*, from which arises the idea of a sacred nature, have begun to take hold in the political and social discourse, proposing principles such as parity, community service, and reciprocity between human beings and nature. The solution to the climate crisis is neither unique nor straightforward, but it cannot come only from the usual profit-driven actors. The current climate policy landscape under a traditional market scheme has failed to show acceptable results, demonstrating the level of seriousness with which climate action is being taken. It is time to allow new voices to lead and implement solutions outside the current social order. COP27 is

¹⁷¹⁷ Franco and Borrás.

¹⁸¹⁸ Lewis Hyde, *The Gift: Imagination and the Erotic Life of Property* (New York: Vintage Books, 1983).

another chance for parties and observers to work together and address the global crisis. However, this is only sustainable if humans prevail over the capital in designing, implementing, and adopting solutions.

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