Chapter 1

Globalization and the Environment: Capitalism, Ecology and Power

2012 marks twenty years since the Earth Summit on Environment and Development was held in Rio in 1992 and the fortieth anniversary of the Stockholm Conference on the Human Environment. Discussed at the time as the summit to save the earth, it is remarkable that twenty years on from Rio, many of the issues and debates look and sound familiar, as frustration at the lack of tangible progress in responding to environmental threats grows and intensifies. The principal challenges of delivering sustainable development appear as elusive as when the term entered mainstream policy discourse in 1987, with Brundtland’s celebrated report Our Common Future (WCED 1987).

Despite nearly four decades of intense institutional activity aimed at containing and ultimately reversing an array of environmental threats and claims by a range of actors to have greened their activities, many environmental problems, despite some successes, show evidence of getting worse. The tragic roll-call is summarized in box 1.1.

Many of these problems result from decades, or in some cases even a century or more, of human activity including population growth and rapid industrialization. But none of the key indicators or trends shows signs of significant improvement or reversal, despite global endeavours to do so. Why then, despite rapid advances in human development, economic progress and the application of modern technology, paralleled by a large body of international environmental law and a great many global environmental institutions, do things appear to be getting worse? It is this basic anomaly that needs to be explained if we are to advance sustainable development in a context of globalization.

As the Global Environmental Outlook report noted over 10 years ago:

The global human ecosystem is threatened by grave imbalances in productivity and in the distribution of goods and services. A significant proportion of humanity still lives in dire poverty, and projected trends are for an increasing divergence between those that benefit from economic and technological development, and those that do not. This
Box 1.1  The state of our planet

- Half of the world’s tropical and temperate forests are now gone. The rate of deforestation in the tropics continues at about an acre a second.
- 75 per cent of marine fisheries are now overfished or fished to capacity.
- About half the wetlands and a third of the mangroves are gone.
- There are more than 200 dead zones in the ocean due to overfertilization.
- Species are disappearing at rates about a thousand times faster than normal.
- Over half of the agricultural land in drier regions suffers from some degree of deterioration and desertification.
- 20 per cent of the corals are gone and another 20 per cent severely threatened.
- Human activities have pushed atmospheric carbon dioxide up by more than a third.
- Persistent toxic chemicals can now be found by the dozen in nearly every one of us.

Source: Speth (2008: 1–2)

unsustainable progression of extremes of wealth and poverty threatens the stability of the whole human system, and with it the global environment ... Environmental gains from new technology and policies are being overtaken by the pace and scale of population growth and economic development. The processes of globalization that are so strongly influencing social evolution need to be directed towards resolving rather than aggravating the serious imbalances that divide the world today (UNEP 1999: xx; emphasis added).

The extent to which this predicament is intensified and exacerbated by an increasingly integrated global economy lies at the heart of one of the most contentious debates of our time. Is the current organization of the global economy compatible with the pursuit of sustainable development? Are we capable of securing the planet’s future with the economic and political institutions we currently have at our disposal? What forms of governance and collective action are possible in a context of globalization? Can the undoubted wealth which globalization generates (for some) be steered towards more equitable and sustainable forms of development (for all), or is the very idea of sustainable development in a context of globalization an oxymoron?

A globalizing capitalist political economy provides the context in which the challenges of sustainability have to be met given the imperative of near-term action. The fate of the economy and the planet are intimately interwoven. Just as the history and evolution of globalization has had a profound influence on the nature of environmental politics, so too ecological problems bring about changes in the ‘nature of globalization’: what forms of resource extraction are possible by whom, at what cost and under what constraints, as well as of course constituting a manifestation of globalization in their own right. Environmental change, therefore, produces new forms of globalization just as surely as globalization creates new patterns of environmental change and accelerates existing ones.

For good or for bad then, the fate of the planet’s ecology is increasingly bound up with the fate of contemporary capitalism, or what we are referring to here as globalization. This means the contradictions that are intrinsic to capitalism become ever more apparent in the ecological and social systems with which the global economy interacts, upon which it is based and which ‘sustain’ it. As Marx noted in Capital, ‘the original sources of all wealth’ are ultimately ‘the soil and the labourer’ (1974: 475). We are faced with the juxtapositions of unprecedented levels of material comfort and human development for some parts of the world while millions of the world’s inhabitants live in poverty. We have witnessed spectacular and unprecedented forms of technological advance and diffusion at the very time that the environmental and social costs of some such innovations have become increasingly apparent. Calls for vast increases in finance for environmental initiatives, most notably to address climate change ($100 billion a year by 2030), will be achieved through an intensification of the very processes of production and consumption which have created human-induced climate change. As the quotation above from the Global Environmental Outlook suggests, important progress has been achieved, gains have been made, but the drive to accumulate, produce and consume on an ever expanding scale currently directly undermines and cancels out the effect of these measures. In order to address the question of whether the global economy, as currently constituted, is capable of addressing the challenges of sustainable development, it is critical to understand how and
for whom globalization works in order to understand the prospects for effective action to promote sustainable development.

**Power: The Politics of Globalization**

Underlying the questions posed above is an unpopular assumption that globalization can be managed or steered or that it is, in some general sense, organized. Contrary to many popular accounts of globalization, which construct the notion of a world out of control, in which volatile capital and footloose transnational corporations move rapidly around the world without control or direction, this book shows that globalization has always been, and continues to be, driven by deliberate actions and non-actions on the part of states, international organizations and the private actors that they often serve. This is as true of global finance, where governments have removed controls on capital and provided bailouts for banks with vast sums of public money, as it is for trade, where governments have subjected themselves to the decision-making authority of the World Trade Organization, or production, where they have sought to develop legal accords to promote and protect the investment rights of transnational companies. Debates about the desirability of constructing a new financial architecture or creating a ‘green new deal’ also suggest that most governments, when they choose to exercise such powers, can direct market activities towards collective goals such as protection of the environment or financial stability. The problem is that most of the time they choose not to do so.

It is key to understand, then, that the relationship between globalization and the environment is mediated by policies, institutions and processes from the local to the global level and in the public and private sector and not, for the most part, anonymous and uncontrollable economic forces as befits the popular caricature. This makes globalization first and foremost a political process: it results from deliberate actions and non-actions by political actors wielding political power. Differential distributional impacts often derive from the process by which decisions are made: who is represented, who participates, who makes policy, how and for whom.

**Which Globalization?**

The history of the relationship between a globalizing economy and the environment can be said to stretch back at least several hundred years. Indeed, some scholars have attempted to trace the rise and fall of civilizations to environmental factors, providing us with a ‘green history of the world’ (Ponting 2007). Yet the globalization that is the subject of this book is that which is relevant to contemporary patterns of environmental governance and change. Both the latest stage in the historical development of capitalism and the rise of material, institutional and discursive responses to the ecological crisis can, for the most part, be dated back to the 1970s when unprecedented levels of integration were brought about through policies such as the removal of capital controls and the conclusion of trade agreements which, when combined with developments in technology and communications, enabled businesses to internationalize their operations. This period of globalization in the global economy also coincides with the era of multilateral environmental agreements and the globalization of the environmental regulations of leading states from the time of the Stockholm Conference on the Human Environment in 1972 onwards. The fact that the globalization of economic activity and the intensification of environmental degradation that prompted environmental summity coincide is not of course coincidental, in so far as the former exacerbates the latter. The emergence of contemporary forms of global environmental governance in a liberal economic order has also significantly shaped the norms and principles which guide and underpin international environmental diplomacy, however. Steven Bernstein refers to this as the ‘compromise of liberal environmentalism’, which predicates environmental protection on the promotion and maintenance of a liberal economic order (Bernstein 2001).

But before proceeding further, what do we mean by globalization? There are, of course, numerous definitions of globalization (box 1.2). The range of definitions reflects attempts to capture the complex and dense interdependencies that increasingly exist across all levels of interaction between economic, political, social and cultural spheres, though clearly in some spheres, some parts of the world and for some people more than others. Many definitions are broad and all-encompassing. Mittelmann (2000: 5), citing Berresford, notes that:

> the term globalization reflects a more comprehensive level of interaction than has occurred in the past, suggesting something different from the word ‘international’. It implies a diminishing importance of national borders and the strengthening of identities that stretch beyond those rooted in a particular country or region.

Often emphasis is placed on the increasing speed and intensity of exchanges (by implication in finance and communications). Giddens (1990: 64), for
Box 1.2 Definitions of globalization

'...the growing interconnectedness and interrelatedness of all aspects of society' (Jones 2006: 2)

'globalization refers to the widening and deepening of the international flows of trade, capital, technology and information within a single integrated global market' (Petas and Veltmeyer 2001: 11)

'globalization is a transformation of social geography marked by the growth of supra-territorial spaces' (Scholte 2000: 8)

'globalization is what we in the Third World have for several centuries called colonization' (Khor 1995)

'a process (or set of processes) which embodies a transformation in the spatial organization of social relations and transactions – assessed in terms of their extensity, intensity, velocity and impact – generating transcontinental or interregional flows and networks of activity, interaction and the exercise of power' (Held et al. 1999: 16)

example, suggests that 'Globalization can thus be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa'.

It is this construction of time-space compression that has given rise to popular notions of 'one-worldism', and has nurtured fears about the potential of globalization to homogenize economic and cultural life, captured in references to the 'McDonaldization of society' (Ritzer 1993). It is also this notion of intricate patterns of interdependency that is said to connect the fate of nations in an unprecedented way. We have long had debates about the organization of world systems and the existence of dependency between the global North and global South, or the 'core' and 'periphery' as it is sometimes referred to (Wallerstein 1979), to capture the uneven nature of this development. We have also had experience of the way in which crisis spreads from one pole of the economy to another, whether in the form of the Great Depression in the 1930s, which promoted the saying that 'when the US catches a cold, the rest of the world sneezes', or more recently in the 2008 financial crisis which started as a sub-prime crisis in the US housing market and rapidly went global. Crises are contagious and, as David Harvey reminds us, are not solved by capitalism but merely

moved around (Harvey 2010). Perhaps what is notable about this latest stage in global capitalism is the enhanced potential for 'boomerang effects', where actions and decisions taken in one part of the world can have rapid, if not immediate, impacts elsewhere because of the level of integration of economic systems. The East Asian financial crisis in 1997 underscored this new reality in alarming terms, as did forest fires in the region some years later. Global environmental change does so even more profoundly through the spread of nuclear contamination or, more slowly but equally devastating, climate change.

Globalization/Global Ecology

Those aspects of globalization which interface with global ecology are of course numerous, including environmental change as both a manifestation and a cause of much globalizing activity. But the focus here will be the key drivers of contemporary globalization: trade, production and finance. There are, of course, cultural dimensions and manifestations of globalization that relate to the environment, including the role of media and advertising and the cultures of consumption and materialism that they propagate (Dauvergne 2008). They relate strongly in this sense to structures of production and a broader economic system, in which continual expansion of capital and the creation of new markets and desires is imperative to growth. The importance of this aspect of the globalization of material desire through global advertising and media is reflected in the growth of activism aimed at questioning wasteful consumption and raising awareness about the social and environmental costs of the ever increasing use of resources (Newell 2004). Other drivers of environmental change clearly also include migration, population and transport, to name but a few. Their governance and non-governance by national and international institutions is profoundly important for patterns of natural resource use. Such drivers, in turn, are a product of deeper economic and social forces that encourage population growth as a survival strategy in conditions of abject poverty; movement, internally and across borders, in search of work or freedom from oppression and war, following capital to zones of affluence and opportunity, or in the case of transport, the construction of infrastructures to encourage and facilitate investment.

However, it is patterns of production, trade and flows of finance, and their governance and un-governance by a growing range of actors that are most central to the interface between globalization and ecology, as the structures that literally create environmental change and shape the context
in which it can be responded to. This is because those charged with tackling environmental problems and promoting sustainable development are the same actors that create the conditions for the expansion of trade, production and finance which generates environmental harm in the first place. It is imperative to be clear about the contradictions and strategic dilemmas that flow from this situation if we are to meaningfully advance a project of socially just sustainable development in a context of globalization.

For this reason, while focusing on these economic dimensions of globalization as the key structures that have to be ‘greened’ and realigned with ecological imperatives if the multiple challenges of sustainability are to be achieved, I argue that globalization can best be thought of as a political project. It should be understood in the context of the historical setting in which it is evolving and at the same time helping to define. In this sense it has to be viewed at once as an ideological and material project with a corresponding institutional infrastructure, rather than an objective description of global reality. Locating the process as the product of a particular historical and political moment helps us to understand for whom the discursive, institutional and material project of globalization works, and how. It also draws our attention to the social forces that promote and benefit from the existing organization of globalization and from patterns of unsustainable development, and serves to delineate opportunities for reform and possibilities of transformation. We return to these themes in chapters 2 and 3.

Ecology is also deeply political. Each of the main chapters of the book on trade, production and finance include a section on political ecology. This refers to a large literature by this name which seeks to provide a framework for understanding human-society or ‘socio-natural’ relations (Paulson et al. 2003; Robbins 2004). Specifically, it examines the interrelations of politics and power, structures and discourses with the environment. Political ecology is a broad label, therefore, for an eclectic set of theoretical approaches that take as their point of departure the fact that all ecology is political and all politics are ecological (Bryant and Bailey 1997; Stott and Sullivan 2000; Forsyth 2003; Peet and Watts 2004; Robbins 2004). This framing, as opposed to merely talking about environmental impacts, draws attention to the social relations which shape questions of access to resources, exposure to harm and responsibility for action, differentiated as they are by dimensions of class, gender and race (Newell 2005b). This also allows us to understand the source of grievance and the nature of the demands around which groups mobilize, which are discussed at the end of each chapter, which highlight issues of justice and inequities in processes of decision making, as well as the distribution of benefits and harm associated with different patterns of global resource use. The benefits of employing a political ecology lens are further discussed in the next chapter.

States of Caricature

One of the central debates in the literature on globalization is about the role of the state and in particular whether states have lost or conceded power to global economic actors and institutions. Perhaps nowhere is the importance of ideology in these debates better revealed than in the construction of narratives around state power and incapacity. Globalization may have certain corrosive effects on the sovereignty and territoriality of states, but this does not render them politically impotent in the way many accounts suggest (Ohmae 2004). The economic changes associated with globalization in many, but not all, cases have been produced and continue to be produced by state actions and non-actions, albeit by some states much more than others. Reaffirming state agency through reference to historical precedents (Hirst et al. 2009) and comparative experience (Weiss 1998) is important for situating contemporary globalization and for engaging in debates about the future positive potential of state action for sustainable development in a context of globalization. Challenging narratives that ‘There Is No Alternative’ (TINA) is important normatively and can be done with reference to ample empirical evidence which highlights the multiple forms that capitalism takes, depending on the social and political context in which it is embedded, the critical role that the state performs through acts of intervention or strategic abstention (Evans 1995; Weiss 1998), as well as the alternatives to a model of neo-liberal globalization which some states, regions and communities around the world are constructing.

We also need to go a step further, however, by looking inside the state. It is important to appreciate how some parts of the state have internationalized or globalized more than others and are more subject to the disciplines of global markets than others (Görg and Brand 2006). Through connections to global institutions with mandates in the policy areas for which they are responsible, as well as interactions with networks of financiers and foreign capital, state bureaucrats can play a key role in ‘domesticating’ external pressures for reform aimed at creating a favourable climate for business (Newell 2008b). While this has been the case for some time with regard to ministries of trade and commerce for example, new challenges are created where the state’s ability to protect its citizens’ rights to health or work or to guarantee access to critical natural resources such as water is compromised.
by global accords such as the General Agreement on Trade in Services (GATS) which subject them to market disciplines (World Development Movement 2002). The ‘developmental space’ or policy autonomy of governments to prioritize domestic poverty alleviation objectives over those of enabling foreign investment is sharply constrained by such developments (Wade 2003; Gallagher 2005), negotiated under pressure and often without leverage, or by state elites with little regard for the potential consequences for the citizens they notionally represent. As we will see later in the book, the same concern arises with respect to the scope governments have to adopt environmental measures and policies which conflict with international trade and investment rules. The question is ‘whose rules rule’ and how can we account for this politically? Emphasizing constraints on state policy, often self-imposed by other more powerful elements of the state or by international economic institutions, does not provide support for generic claims of state impotence. Rather, it reflects the ways in which some political programmes are supported while others are challenged or reversed by transnational policy elites.

Naturalizing Globalization

Much of the literature on globalization seeks to present it as apolitical, natural and inevitable; natural in that it is just a continuation of earlier periods of expansionist capitalism which have shown a trend towards internationalization over the last century as new sources of accumulation are sought around the globe (Harvey 2010). Marxist political economists, in particular, propose that globalization is best understood as the latest chapter in the evolving history of capitalism and does not, as such, constitute a break with previous eras (Lewis 1996; Rosenburg 2000). Indeed, there is evidence in the Communist Manifesto that Marx and Engels foresaw the coming of globalization as an inevitable by-product of capital’s hunger to conquer new markets and territories and to find new consumers for their products. They note:

The bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country… In the place of old wants, satisfied by the productions of the country, we find new wants, requiring for their satisfaction the products of distant lands and climes (Marx and Engels 1998 [1848]).

There is also a tendency in other strands of the globalization literature to argue that, since globalization is inevitable, states have no choice but to adapt to the new reality. Globalization is represented as a driverless machine that no actor can control. The question becomes one of accommodation and adaptation to that which cannot be controlled. At a popular level and in policy discourse, terms such as TINA bear testimony to this ideology of impotence. Similarly, economists often frame the question in terms of how, and not whether, to engage, as if there is no choice, no agency, no alternative (Kaplinsky 2001).

The effect of removing questions of power and agency from the study of globalization is to present the phenomenon as apolitical and benign: guided by anonymous private actors and technological forces beyond the realm of state politics. This makes it very difficult to determine the causes of change and the appropriate sites for reform. It also serves to obscure the intimate links between state managers charged with addressing problems of environmental degradation and poverty, and the capital they depend upon for political and economic survival. Emphasizing the inevitability and linearity of processes of globalization serves to entrench the view that states have to adapt to, rather than direct, the changes taking place in the global economy. Hence, it performs an important ideological function: the de-legitimization of some policy options on the grounds that they are no longer tenable, and the promotion of others as inevitable and desirable. Discourses of inevitability absolve governments of blame for the consequences of reckless investment and irresponsible speculation, who can deflect the responsibility onto unaccountable market actors over whom, they allege, they have no control. Former President Fernando Henrique Cardoso claimed that he does not rule Brazil, because globalization is swallowing up less powerful states. He claimed both that the ‘increase in inequality and exclusion that globalization fuels is intricate and difficult to counter’ and that ‘globalization is inevitable, as are its consequences, its disasters, exclusion and social regression’ (quoted in Mittelmann 2000: 240). For Mittelmann (2000: 240) his comments reveal ‘that globalization can be appropriated by political actors and used as an excuse for the lack of a project for political reform, a mark of the failure of the holders of state power to contest evolving global structures and to craft a political solution’.

Similarly, restricting public expenditure and resisting calls for higher social and environmental standards can be justified on the grounds that responding to these demands will lead to capital flight and loss of investment: a fear that those business actors opposed to more stringent forms of environmental regulation frequently invoke. Governments, as well as business and civil society actors, benefit from constructing globalization in
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a particular way. Differentiating between the constraints that globalization actually imposes upon governments, as opposed to those they choose to emphasize for strategic reasons is, of course, a difficult task. But it remains important to de-mystify ‘the market’ and reveal the power relations behind this abstraction.

One way of doing this, drawing on the work of political economists such as Karl Polanyi, is to show, firstly, how markets are always created by and embedded within institutions and social relations and, secondly, how the nature of that relationship has, historically speaking, been subject to dramatic change. Polanyi, for example, invokes the notion of a ‘double-movement’ to describe attempts to re-embed market activities that followed nineteenth-century experiments with laissez-faire economics. Polanyi helped to explode the myth of the self-regulating market by showing how state actions are crucial to the creation and maintenance of market activities. In The Great Transformation (Polanyi 1980 [1944]), with a clear resonance to contemporary trends in globalization, he showed how unprecedented market expansion and social dislocation were followed by demands on the state to counteract the deleterious effects of the market. This helps us to get beyond the temptation to view contemporary globalization as the inevitable model of the future and to expect moves and counter-moves in the battle to define the direction of the global economy as ideologies of economic governance evolve, and thinking about the appropriate role of the state in economic (and environmental) management is constantly re-appraised. The shifting attempt to manufacture a consensus around the state’s role in development demonstrates this process at work. The evolution of thinking can be discerned from a reading of the World Development Reports of the World Bank over the course of the late 1980s and into the 1990s, where by 1997 the report The State in a Changing World (World Bank 1997a) reaffirms the centrality of the state for delivering development; a belated recognition of the key role of so-called ‘developmental states’ in Asia (Leflwich 1994), where state-led industrialization yielded such success, and a notable departure from the anti-state neo-liberal rhetoric that preceded it.

Rather than presenting globalization as an endpoint in the economic evolution of society, as discourses around the end of history trend to (Fukuyama 1993), it is important to understand how the alleged consensus on the desirability of market-led development has been achieved. It is important to recall, for example, the way in which many states have been ‘adjusted’ to the realities of the global market. Structural Adjustment Programmes (SAPs), conditionalities, tied aid and the threat of retaliatory actions through global institutions such as the World Trade Organization (WTO) have been some of the mechanisms by which the policy elites in the global North have been able to use their leverage to promote their preferred form of globalization in the postcolonial world (Hoogvelt 1997; Payne 2005). This underscores, once again, the importance of understanding state power, both in terms of capacity and resilience, to shape globalization and safeguard policy autonomy from global market actors and institutions.

The Approach of this Book

What can this book add to debates about globalization and the environment? There is now an extensive literature, much of it engaged with throughout this book, which deals with different aspects of the relationship between globalization and the environment, whether it be the relationship between trade and the environment, business and the environment or finance and the environment. Each of these dimensions of globalization has received extensive policy and academic treatment. Fewer books try to capture the big picture of this relationship, however, focusing on the globalization of environmental crises (Oosthoek and Gills 2008); specific case studies as with Gabriela Kütting’s (2005) book on Globalization and the Environment, which focuses on West African cotton in the global political economy; or specific themes such as environmental reform initiatives: like Arthur Mol’s (2003) book on Globalization and Environmental Reform. General surveys of competing perspectives on globalization and the environment such as Clapp and Dauvergne’s (2005, 2011) book Paths to a Green World, or Speith’s (2003) edited collection Worlds Apart: Globalization and Environment and monograph The Bridge at the Edge of the World (Speith 2008) meanwhile provide an invaluable base for understanding the themes and issues raised in this book. Other collections, while useful, are either now very out of date (Newell 1999) or in the case of Elmar Alvater’s (1996) book, inaccessible to those readers with little or no German.

What is arguably missing, and which this book seeks to provide, is a contemporary, coherent, critical analysis of the way in which the relationship between globalization and the environment is being governed: by whom, for whom, and with what social and ecological implications. It does not provide a narrow description of institutional responses to environmental threats in a context of globalization however, since there are numerous books that do that already. Rather, it looks at how (global) ecologies and economies interrelate, how that relationship is mediated by politics, including institutions, but more importantly at the broader relations of power of
which they are a part and in which they are embedded. Going beyond presenting a static picture, or one in which globalization is an all-powerful hegemonic project, it also explores the politics of contention and contestation about who wins and who loses from how resources are exploited in conditions of globalization, looking at patterns of resistance and mobilization for reform aimed at showing that another world, a more sustainable one, is possible. In assessing and seeking to explain these trends it draws from an eclectic range of literatures from a range of disciplines including Politics and International Relations, Development Studies, Environmental Studies and Geography. This is important to capturing the sorts of social and ecological relations and patterns of governance and politics that characterize the environment in a context of globalization that cannot be adequately understood from the perspective of any one discipline.

Why is this necessary? I have tried to illustrate above that power, politics, institutions and policy processes are key to understanding the relationship between diverse trends commonly attributed to globalization and their impact upon, and interrelationship with, the environment. The seemingly obvious statement that it is politics and power that mediate and indeed define globalization and its relationship to global environmental change is at odds with many orthodox accounts and representations of these relationships by key development actors and academics. Contrary to assumptions that markets alone determine outcomes in environmental as in other spheres of social life, this book shows that all market activity is inherently political. It reflects choices, embodies biases and ideologies and reproduces the social relations of which it is a part.

Since institutions and political processes in the public and private sphere are the source of decisions about which areas of the economy to globalize, how fast and under what conditions, it should be clear that all globalization is, first and foremost, a political project. Institutions can serve to promote, mediate and offset the impacts of particular patterns of trade, production or finance on the environment. Their ability to do so, of course, differs hugely between firms and states, depending, amongst other things, on their capacity, resources and global market position. Many states in parts of the world on the periphery of the global economy, including areas of sub-Saharan Africa, for example, are less centrally involved in mediating financial and trade flows critical to sustainable development, resulting from their lack of capacity to perform those roles or the lack of overall interest by foreign investors in investing in countries with poor infrastructures and weak institutional capacity. Institutions, either by their presence or absence, exercise a strong overall effect on who has access to which resources and on what terms. The nature of this relationship needs to be desegregated by type of globalization, and further still by sector and region and type of environmental problem. The importance of this will become clear in the chapters that follow, organized around the globalization of trade, production and finance in turn.

The focus on governance in this book goes beyond a focus on the institution of the state or global governance bodies. It directs our attention towards the processes of governing, managing, steering and organizing that account for patterns of global resource use, but which emanate not only from the centres of political authority we are accustomed to analysing (the state and international institutions) but from market and civil society actors engaged in the production of a variety of mechanisms of social regulation and governance. This is a broader notion of governance, therefore, in which authority in a formal sense is more dispersed, less concentrated only in traditional loci of power such as the state, where decision making on matters of routine importance to how resources are used implies a wide range of political and social actors whose interventions need to be understood and engaged with.

There is a broad set of theoretical and conceptual resources that can be used and refined to address the challenge of adequately explaining the relationship between globalization and the environment which are explored in chapters 2 and 3. There the case is made that a political economy approach to the relationship between globalization, governance and ecology is best placed to adequately capture these diverse trends and assess their significance. The challenge is two-fold: firstly, to understand and account for the ways in which different aspects of globalization impact upon, reconfigure and alter existing patterns of resource use and environmental governance in the broadest sense. Secondly, at the same time, to understand the extent to which they may be giving rise to new forms and patterns of environmental governance, albeit ones which are often overlooked by contemporary accounts of governance and environmental governance in particular.

Such an approach is justified and required by a series of key changes in global politics and in patterns of environmental governance within which they are embedded. It is argued in chapter 3 that changes in the locus of political authority, combined with structural changes in the organization of the global economy, require us to adopt new combinations of theoretical and conceptual approaches to understanding environmental governance in contemporary world politics. Many theoretical resources already exist that help us in such an endeavour, from historical materialist analysis of globalization to political ecology work on the interrelationship
between social relations and nature as explored in chapter 2. Approaches which are overly state-centric, focused on the public sphere and formal institutional decision-making processes, or which adopt a narrow view of power and who exercises it, are increasingly redundant to an adequate understanding of global environmental politics in a context of globalization. By historicizing and politicizing environmental governance, it becomes easier to understand its origins and potential for change. Rather than viewing the ‘nature’ of governance as a result of an abstract rational techno-bureaucratic response to environmental crisis, the point here is to trace the contemporary dimensions of environmental governance to the political and historical conditions that shape their inception and evolution.

Structure of the Book

The next chapter articulates a political ecology of globalization which brings together work on globalization and political ecology respectively in order to understand the social relations of environmental change which characterize the link between the global political economy and specific ecologies. Chapter 3 then lays out the theoretical foundations of a global political economy account of environmental governance which provides answers to the questions who governs, what is to be governed (and what is not), how it is to be governed and on whose behalf? Taken together these chapters enable an understanding of the three key dimensions of the relationship between globalization and the environment that are examined in the subsequent chapters. Chapters 4, 5 and 6 explore the relationship between the environment and trade, production and finance, respectively. Each chapter assesses in turn (i) the political ecology of trade, production and finance (ii) the governance of these relationships and (iii) contestations around the ways in which they are currently governed. Finally, chapter 7 draws together key overarching conclusions from the book.

Chapter 2

The Political Ecology of Globalization

This chapter lays out some conceptual tools to help us make sense of the relationship between globalization and the environment as described in chapter 1. These enable us to go beyond mapping the interaction of economic and ecological flows to look at questions of politics and power that are decisive in terms of how the benefits of resource extraction and the burdens of human-induced environmental change are globally distributed. The governance dimensions of this are then explored further in chapter 3 on the political economy of global environmental governance.

In particular, the chapter seeks to show how the social forces which are central to contemporary capitalist globalization are also decisive shapers of environmental outcomes. The primacy of intensifying accumulation on a global scale creates critical ecological and political challenges, notably whether viable accumulation strategies can be identified which are less resource intensive or may even profit from reduced resource use, or whether environmental problems such as climate change create a crisis of capitalism because of its inability to respect ecological limits to growth (Kovel 2002; Magdoff and Bellamy Foster 2010; Newell and Paterson 2010). This context is critical for understanding the ‘nature’ and conduct of global environmental politics and the effectiveness of existing structures of global environmental governance. More specifically, it affects our understanding of whether such structures are capable of re-shaping the global economy and steering it onto a more sustainable footing, or whether their role is more likely to advance and deepen existing forms of capitalist globalization.

In such a rendition, global environmental governance, understood conventionally as what international environmental institutions (or ‘regimes’ as they are referred to in International Relations – see chapter 3) do, is dislodged from a position of primacy in the analysis in favour of an account which attempts to ‘read’ ecologically and socially the organization of the global political economy: the relations of power which create and sustain it and the ecological and social consequences of this way of