

# *Ethical Trade Currents*

**CLIMATE, ENERGY &  
POVERTY**

**ISSUE NO. 2  
SUMMER 2004**

**Climate Related  
Disasters**

**Malaria spreads due  
to global warming**

**Terror in the Congo**

**Renewables in China**

**The Solar House**

Welcome

## Trade Talk

G'day and welcome to the second issue of Ethical Trade Currents, the global links business newsletter. This issue, we look at the effect climate change and energy use are having upon the poor in developing countries.

Ethical Trade Currents: Climate, Energy and Poverty has a global focus showing you the impacts your business decisions cause in the rest of the world.

Businesses in Britain have now accepted the climate change levy as a user pays tax but by switching to green electricity tariffs, businesses can avoid it. We list in our global links section some of the green business tariffs your company could change to. Make the switch today and help contribute to climate mitigation.

Profit is not a dirty word but nor should a company or work force be unethical in its daily trading arrangements.

**Andy Parnell**

Editor

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# GLOBAL LINKS

**The earth's climate can be protected not at a cost but at a profit—just as many industries are already turning the costs of environmental compliance into the profits from pollution prevention.**

**Click on the links below to find out more detailed information about issues or features highlighted in this issues articles...**

## Climate Change and Malaria

*Go Straight to the WHO website for detailed information*

[http://www.who.dk/ccashh/Vector/20020610\\_1](http://www.who.dk/ccashh/Vector/20020610_1)

*Read about Climate Change and Human Health*

<http://archive.greenpeace.org/climate/impacts/index.html>

*All you wanted to know on Mozzies but were too afraid to ask...*

<http://whyfiles.org/016skeeter/index.html>

## Oil and Poverty

<http://www.globalwitness.org/>

<http://www.seen.org/>

<http://www.stopesso.com/>

<http://www.moles.org/>

<http://www.oilwatch.org.ec/>

## Renewable Energy & China

[www.yes2wind.com](http://www.yes2wind.com)

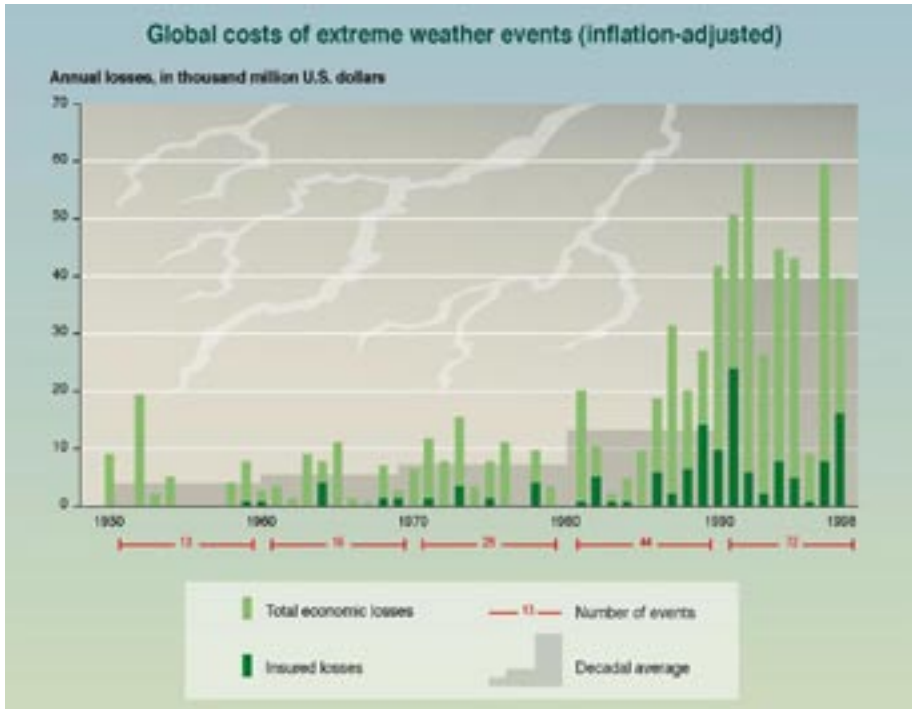
<http://www.greenelectricity.co.uk/>

<http://www.greenpeace.org.hk/eng/>

<http://www.ewea.org/03publications/WindForce12.htm>

# Disaster Watch

Extreme Weather events are continuing to cost business and society a fortune in lost wealth and is adding to the insurance burden. Every quarter, some of these events will be highlighted to ensure Global Warming is taken seriously.



media reports said. The three, including an eight year-old boy, died after they were crushed by buildings that collapsed during the storm that struck late Thursday, the Daily Star newspaper reported. Tropical Bangladesh has been in the grips of a heat wave for the past several weeks. Storms and tornadoes are frequent in the South Asian nation at this time of year when the mercury climbs, sometimes resulting in large death tolls.

## Heavy Rain Kills Seven in Jiangxi, China 11th May to 15th May 2004

Seven people have been reported dead in the floods caused by continuous heavy rain in east China's Jiangxi Province. From May 11 to 15, the northern part of the province suffered torrential rains and 51 counties throughout the region were hit by record-high rainfall on May 11 and 12, according to the provincial meteorological department. The rain has caused landslides, house collapses and flooding which have killed seven people, and has caused 439 million yuan (US\$53.5 million) of direct economic losses, according to the government.

## Thousands Displaced as Nida Whips Philippines 17th May 2004

More than 16,000 people were displaced or stranded in the eastern and central Philippines on May 17 as hurricane-force winds from Typhoon Nida forced ports to close, officials said. The coastguard suspended domestic shipping in areas in the path of the typhoon, which

was streaking northwest with maximum sustained winds of 170 kilometres (105 miles) an hour and with gusts of 205 kilometres an hour. Nida slammed into Catanduanes, an eastern island of more than 200,000 people, mid-morning, the weather bureau said. Local news reports of deadly landslides on the island could not be independently confirmed.

## Three Dead, 200 Injured as Storm Hits Bangladesh 15th May 2004

At least three people were killed and 200 injured in a violent storm that struck northern Bangladesh amid sweltering heat,



# NATURE BITES BACK!

Climate Change is helping to spread malaria and other mosquito born diseases to parts it hasn't been able to reach before. The mosquito is now able to travel up the highlands of the Eastern Andes Mountains, Colombia, Northern Highlands of India, Highlands of Uganda, Ethiopia, Kenya and Rwanda. These little biters can typically carry Dengue Fever, Malaria and Yellow Fever as well as Rift Valley Fever and others. This increase in the range of these diseases have been directly attributable to global warming. Now, even the cooler parts of the tropics are no longer safe.

Yet even the developed world is likely to come under attack from vector based tropical diseases. In the summer of 1999 and then again in 2000 there was an outbreak of West Nile virus, a disease carried by the mosquito in New York! Climate models are predicting an increase in the range of the malaria to cover 80 percent of the human population up from 40 percent as it stands now. This will

add at least another 50 to 80 million new cases of malaria per year! Already, Malaria is responsible for taking 3,000 human lives per day, the majority of them children. It is likely that this figure will double should the means to combat the disease remain the same. Malaria is already one of the top three killer diseases in the world (along with HIV/AIDS and TB).

Mosquito population survival rates and breeding increase when there is excessive rainfall and high humidity. Recent analyses have shown that the malaria epidemic risk increases five-fold in the year after an El Niño event. Large



pools of stagnant water make for fertile breeding grounds for mosquito larvae; with climate change likely to lead to an

increase in monsoonal type rainfall and other weather extremes in the tropics and further afield.

Many villagers in developing countries cannot afford such basic preventative measures such as mosquito nets and repellents. There is a serious

lack of state led preventative measures to hold in check mosquito numbers in malaria hot-spots.

The challenge is to stabilise global emissions through mitigation measures like emission cutbacks, energy efficiency and changing to renewable energies in the developed world. Whilst we best prepare communities in developing countries to adapt to climate change led poverty and ill-health through preventative work in combating vector borne diseases in the developing world. Countries and populations that were not at risk from Malarial infection previously, now need to train and create systems to combat the disease as even emissions cuts of the magnitude of 60% by 2050 are unlikely to prevent the spread and range of this troublesome killer.

**“Already, Malaria is responsible for taking 3,000 human lives per day, the majority of them children .”**

# Terror in the Congo

Nearly everyone in Britain depends on oil to transport people and goods around the country, or just to make products or packaging. Yet this oil addiction is not only helping to fuel climate change, it is also causing untold misery in the countries we extract oil from.

Getting your goods to market on time is essential for modern businesses and could make

or break a business deal. Adopting clean transport technologies is going to be one of the tougher challenges we face.

Climate Change is already directly responsible for 160,000 deaths per year and it is therefore essential that we adopt more renewable technologies. Bio-diesel technology will help in the interim period, however, the quicker we move to

a hydrogen economy using fuel-cell technology the better.

In developing countries, where the bulk of oil extraction goes on, deals between corrupt ruling elites and equally corrupt western oil company executives have continued to fuel conflict, misery and debt as the wealth generated from these deals are kept out of the hands of the poor. The Congo (Brazzaville) is one of the worst case examples in Africa of wealth staying in the hands of a few, bypassing any positive development

amongst the ordinary people and destroying whole societies. Oil overuse not only adds to climate change, it has also caused a reversal of standards of living in the very countries it is extracted from.

The Congo Brazzaville is the fourth largest oil producer in sub-Saharan Africa. It also used to be one of the richest states in Africa yet now has the highest per capita debt in the world! The French multinational Elf (now Total) led it to feed corruption, meddle with elections, encourage massive indebtedness and funded both sides of the Congo civil war in 1997.

Should Western corporations be held to account for their actions in developing countries? Oil companies have caused numerous human rights abuses in developing countries and the 'Elf System' in Africa is the perfect example of it. Western corporations often point the finger at corrupt African governments but with the sorts of financial influence Elf had in Africa, it's hard to see Congo Brazzaville as being able to take any other course of political development.

The Elf System of corrupting influence came in three main component parts:

*Bonus Payments.* These ranged from US\$1 to US\$5 million but sometimes exceeded US\$25 million to Congolese minister's offshore



bank accounts.

*Abonnements.* Literally 'subscriptions' These were funded by the company's sales subsidiary Elf Trading under-invoicing the crude oil it bought from African subsidiaries by selling the oil with an average mark-up of US\$0.20 per barrel and placing US\$0.40 per barrel into Liechtenstein-based trusts in Elf's name. These trusts then transferred funds into offshore accounts held by Congolese leaders.

*Oil-Backed Loans.* Whilst the above two forms of corruption were designed to reward decision makers for favouring Elf, the loans were actually designed to increase the indebtedness of the Congolese government to Elf. How was this done? Elf would set up a company, usually in Switzerland and then either lend money to it at a low interest rate or guarantee a loan to it from another source. The Swiss-based company would then lend the money at a higher interest rate to a bank that would, in turn, lend it - at a much higher mark up- to the Congolese government. Elf obviously profited from the difference whilst ensuring indebtedness of the Congolese government.

Elf held a *Tomate* (tomato)

slush fund account for the 1992 elections to presumably influence them. Whilst, just before the civil war in 1997, oil baron Tarallo and former

**“Oil companies have caused numerous human rights abuses in developing countries and the ‘ELF System’ in Africa is the perfect example of it.”**

These arms were paid for with

What we have is a very clear case of corruption by a Western corporation with enough deep pockets and power to 'pull the strings' of corrupt African governments. As the law stands now in Britain, it would be very hard to bring a similar case to the courts and ensure hefty jail sentences for directors of British based companies. CORE England (a Corporate

Elf colleague Jack Sigolet helped president Lissouba to arrange arms purchases through the notorious Belgian arms-trafficker and money-lauderer Jacques Monsieur. oil.

Social Responsibility Network of ethical businesses, trade unions and NGO's) did try to get a CSR bill through parliament but it was filibustered in the second reading by New Labour.

However, it is likely that CSR legislation will eventually become a fact of life in business so for companies who are currently trading overseas, it may be advisable to ensure anti-corruption systems are in place to ensure that the company trades ethically.

In the long term, with oil prices sky high and electricity prices cheaper than oil, companies may well wish to look into the new hybrid electric cars just out on the market. This will cut the companies reliance on fossil fuels and if the company is signed up to a green electricity tariff will ensure that the electricity is being generated from renewable energy sources. With fuel efficiency ratings of 60 miles per gallon already, it will also save you money and increase daily cash flow.



# Renewable Energy in China

By Robin Oakley  
Climate Campaigner  
Greenpeace

Beijing hides within a pall of smog. Smog spewed from its coal power stations, from the weaving, beeping traffic and from the dust blown from the inexorably encroaching Mongolian desert. This dirty haze hangs over the air, fogging the oppressive bulk of the enormous buildings, drying out your eyes, clogging your lungs. At every intersection lurching cars and straggling lines of cyclists compete for road space in a white-knuckle game of nerves and bravado.

On many of the tricycle trucks the cargo is fat cylinders of coal piled into high tubes and stacked twenty or more deep. Out in the country around the capital city, long cargo trains haul massive loads of the same stuff, slowed to a crawl, just like the cyclists, by the coal's weight - just as the sunlight itself seems slowed to a crawl through it's polluting haze. Coal hangs round China's neck like a great millstone.

A country of 1.3 billion people, whose exports and economic growth are accelerating past that of countries like the UK and whose electricity comes almost entirely from coal - there could not be a greater need for clean energy alternatives. As power shortages threaten and fuel imports rise steeply it is becoming clear that not only is

the planned expansion of coal and nuclear power stations in China a huge environmental problem - it is also not enough to meet China's energy needs.

As climate change pushes the desert closer and closer to Beijing the Chinese authorities, perhaps more than most, are

experiencing global warming at the sharp end. They are aware both of the urgent need to address China's fossil fuel consumption and the need to find resources that are sustainable to keep its economy powered. As a massive, quick-to-develop and indigenous resource with no



pollution, no carbon emissions and no legacy of dangerous waste to clean up - wind power and renewable energy are seen as a big solution to some of China's problems.

A recent report by the European Wind Energy Association and Greenpeace, Wind Force 12, conservatively shows that by 2020 China could harness a staggering 417TWh electricity per annum from 170,000MW of wind (that's about two and half times the total capacity of the all the power stations in the UK). This is 12% of the International Energy Agency forecasted Chinese electricity consumption in 2020 and would create over 444,000 jobs from wind power. The environmental gain would be an annual reduction of 325 million tonnes of CO2. The cumulative investment would be €105 billion, creating in turn a truly massive market for the wind industry around the world.

There are strong signs that the Chinese government want to harness this potential for clean energy. Earlier this year the Renewable Energy Asia Conference - a massive trade show and conference in Beijing - was sponsored by the Chinese government itself. The event was a showcase for the industry that China could develop if its renewable energy policy is a success and a powerful signal of the government's support for renewables.

Meanwhile the government is drafting a Renewable Energy Support Law to start the industry booming. If they get it right the Chinese utilities and the big global wind companies will seize the opportunity offered and kick-start a massive domestic Chinese wind industry. Solar power and biomass will take off alongside.

Then at the beginning of June in Bonn, at the first ever international government

conference for renewable energy, China stepped up to the plate and announced ambitious plans for renewable energy - 60,000 MW (about the same as 3/4 of all the UK's power plants) of renewables by 2010 and double that by 2020.

China is enormous. Its environmental problems are enormous. The global impact of its industrial growth and resource consumption could become enormous. On the other hand China's contribution to the solution could also be truly enormous. The mass production and plummeting costs that will follow if China becomes - as it certainly can - an international leader in renewable energy would have a global ripple effect that could change the world.

In Chinese calligraphy the word crisis is made up of the characters for 'danger' and 'opportunity'. Both China and the world as a whole face a massive environmental and

energy crisis. We have to face the danger of climate change and seize the opportunity offered by renewable energy. The Chinese government seems ready to do this. Greenpeace definitely is and will be working to help make the Chinese renewable energy ambitions a big success.





# The Solar House

**Climate Change is the biggest single threat to the planet we are likely to face this century. There will be more environmental disasters and freak weather conditions more frequently and with greater intensity than last century.**

Yet in our daily lives and in our homes, there appears to be little that is being done about it. A strong green building and housing sector is needed in Britain if we are ever going to seriously tackle the problem of climate change. We need at least one million new build eco-homes by 2012 if we are to meet our energy efficiency targets to cut emissions to tackle global warming. This new build housing stock will

need to take into account the highest eco-efficiency measures to keep the heat in and to cut down on fuel poverty and emissions. Yet shouldn't we change the way heat and energy is produced in the first place?

Climate Change is going to hit those living nearest the equator the hardest! Already Kiribati Island in the Pacific is under threat with all but one of their islands not being higher than 4 metres above sea level; drought in the Horn of Africa has helped contribute to famine on a scale worse than that in the 'Band Aid' days of the 1980s and it is estimated that Global Warming is already responsible for 160,000 extra deaths in the world each year!

There are numerous tactics the home-owner and builder can take to turn the home into a solar home to cut back on CO2 and other greenhouse gas emissions. As a first step, you can simply open your curtains during a sunny day and close them at night. The effect is to allow space heating of the room during the day and trapping that heat in at night.

Next, you could install a Solar Hot Water system on your roof. There are currently government grants in order to do this. Since the hot water system is often responsible for a large amount of energy use, it makes sense to heat up the first 50 degrees of it via the sun (or hotter if need be) and modern solar hot



water systems have no trouble achieving this.

Double Glazing and Super-thermal windows also help let in the sun's rays whilst trapping in the heat once inside.

If you're keen you could install a PV module electricity system on your roof. Again there are grants to do this. It normally raises the value of your home AND you can sell any excess energy you generate back to the national grid. The JUICE scheme allows you to do this from npower and pays the best rate. These days, you can even get your tiles made out of Solar PV, thus absorbing some of the cost of roof cladding in new build housing. Windows can even be made out of PV Glass modules that also generate electricity.

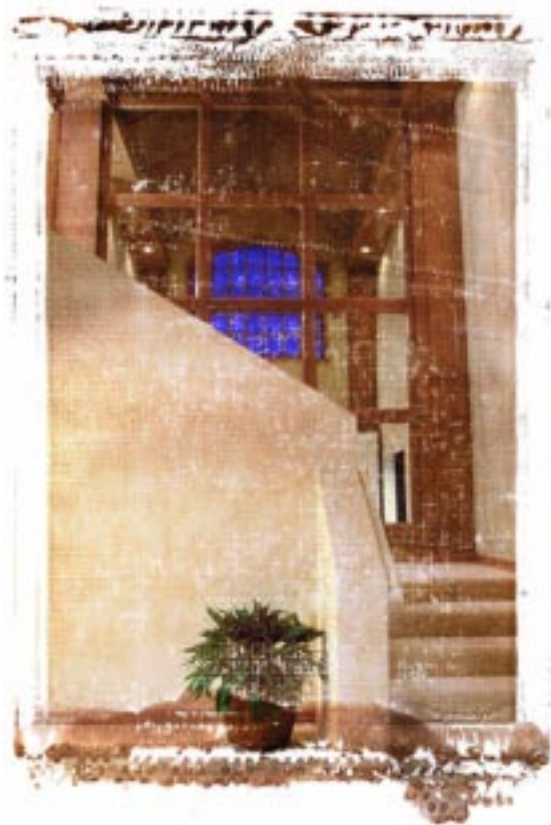
Want to let the light in? Why not go for some Sun-pipes or skylights? Sun-pipes have the advantage of being able to channel the light down from the roof to the ground floor level and skylights are great for stairwells. You can also get solar lanterns and lights for the garden (CAT, Homebase and other garden centres are now stocking these products) and a solar fountain looks great in the garden pond.

So you've decided that a Solar Home is for you but are thinking that you're still producing too many emissions in the kitchen department? Say no more! You can also get a solar fridge that extracts heat from the fridge and is powered by Solar PV. If that's not enough, why not make your

own home-made solar cooker? Effectively, two cardboard boxes with a bit of glass and aluminium foil and some instructions and you can cook free from the sun. Simply leave your food outside in the morning in your solar cooker, go to work and come home to your food already cooked! Don't forget to dry your clothes on the line on a sunny day.

Finally, if you're hooked up to the National Grid, why not switch to a Green Electricity Tariff such as Ecotricity, JUICE, Good Energy, RSPB Green Tariff or WWF Green Tariff? In many of these schemes, 100% of your energy is sourced from renewable sources like wind power (wind is created via solar thermal currents in the atmosphere) and hydro power. In other countries, like Spain, there are also Solar Thermal Power Plants but these sources don't yet exist in Britain.

Solar Power is a blessing from the Sun and it isn't too hard to turn your house into a Solar House. You'll cut down your energy use and change the way your energy is produced in the first place. Both these strategies are needed in the developed world if we're ever going to tackle the problem of global warming. It will also help you sleep better at night knowing that you're not exploiting people in the developing world who are most likely to suffer from the



effects of climate change. Be responsible and adopt a solar powered lifestyle.

## **SOLAR LINKS**

[www.solarcentury.co.uk](http://www.solarcentury.co.uk)

[www.sunpipe.co.uk/](http://www.sunpipe.co.uk/)

[www.sundanzer.com/](http://www.sundanzer.com/)

[www.solarcooking.org/](http://www.solarcooking.org/)

[www.greenelectricity.co.uk/](http://www.greenelectricity.co.uk/)

[www.cat.org.uk/](http://www.cat.org.uk/)

[www.pv-uk.org.uk/](http://www.pv-uk.org.uk/)

[www.clear-skies.org/](http://www.clear-skies.org/)

[www.est.org.uk/solar/](http://www.est.org.uk/solar/)

[www.windandsun.co.uk/](http://www.windandsun.co.uk/)

[www.ecodyfi.org.uk/  
dyfisolarclub.htm](http://www.ecodyfi.org.uk/dyfisolarclub.htm)

[www.greenerhomesandbuildings.co.uk/](http://www.greenerhomesandbuildings.co.uk/)

[www.breconbeacons.org:8080/  
breconbeacons/cac/solarclub](http://www.breconbeacons.org:8080/breconbeacons/cac/solarclub)