



IFAIR
Young Initiative on Foreign Affairs
and International Relations e.V.

STRENGTHENING EU-LAC COOPERATION: SHARING EXPERIENCES FOR PRESENT AND FUTURE DEVELOPMENTS

IFAIR Impact Group 'LACalytics' Policy Paper Series, vol.2



EDITORS : ANNE LAIBLE, ANNA SCHWERTZ-WEIRICH, MARIE-CLAIRE PFEIFFER, BIANCA BECCA, SIGFRIED RJ EISENMEIER

ENGLISH

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IFAIR Impact Group 'LACalytics'
Policy Paper Series, vol.2

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Editors

Anne Laible, Anna Schwertz-Weirich, Marie-Claire
Pfeiffer, Bianca Becca, Sigfried Rj Eisenmeier

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Disclaimer

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WHAT IS LACALYTICS?

LACalytics is a programme organised by IFAIR, a German organisation of young people. IFAIR aims to incorporate young people into global politics and to make it a part of daily political life. LACalytics realises this goal by providing the youth with a platform to express their thoughts and to make their voices heard.

The term LACalytics etymologically originates from the splicing of 'LAC' – the abbreviation for Latin America and the Caribbean – with 'analytics'. This stresses the programme's most fundamental component: analysing the LAC-region. However, this explanation excludes the programme's central point: what makes LACalytics unique is its bi-regional perspective. There have been many analyses on both the LAC-region and the relationship between LAC and Europe, but many are written from an outside perspective. Unfortunately, many also employ a Eurocentric perspective that emphasizes what LAC can supposedly learn from Europe (EU).

LACalytics clearly disassociates from this view as its publication's articles are written utilizing a bi-regional perspective. We want to underline that both regions have strengths, weaknesses and common issues that are worth discussing today to generate impactful policy in the future. The LACalytics participants were matched to exchange ideas and discuss issues that are important to both

regions. The goal is to focus on similarities between the regions and to draw out shared lessons. The second aspect that makes LACalytics unique is its young perspective; its authors are students and young professionals interested in shaping international relations.

Publication and Conference

LACalytics generates articles written by bi-regional teams of young thinkers from the EU and LAC. Their contributions are published on the open think tank IFAIR.eu as well as on other online platforms. Additionally, the articles that illustrate the highest levels of excellence are featured in this printed policy publication and are presented by their respective authors during a final conference.

Objectives of the Programme

With LACalytics, IFAIR pursues three main objectives:

1. To strengthen the bi-regional relationship between the EU and LAC through the fostering of interregional understanding on matters of relevance to the young generation of both regions.
2. To form an open platform for the connecting of young people from both regions to work together on important

issues, thereby raising the impact of students and young professionals on the policymaking process.

3. To inspire dialogue and stimulate collaboration between the LAC-region and the EU, and to stimulate the interest of civil society members for their respective counterpart region.

The 1st Edition : 2015-2016

The first edition of LACalytics, which was greatly supported by the German Federal Foreign Office and the EU-LAC Foundation, was published to culminate the programme that took place in 2015 and 2016. The programme attracted the interest of more than 200 applicants from 33 countries and brought together bright talents from the EU and LAC. It produced 23 digital analyses on four general themes (economics, politics, environment and civil society). The best twelve contributions were featured in a multilingual digital and printed publication of a series of policy papers under the title: "EU-LAC Cooperation in the 21st Century: Combining Efforts in a Globalised World." The articles of the printed publication were presented during a final conference held in Hamburg, Germany between the 22nd and 25th of October 2016.

The 2nd Edition : 2017-2018

Due to the success of the first edition of LACalytics, IFAIR decided to launch a second edition: LACalytics 2018. The organising team began its work in July 2017. The Call for Applications had a great outreach; the 44 participants of LACalytics 2018 were selected from more than 260 applications received from more than 40 countries. They wrote their articles within five thematic chapters: Politics; Economics; Environment; Civil Society & Culture as well as Science, Technology & Innovation. The best articles are featured in this publication.

AUTHORS



Julia Baumann | Germany

Julia currently works as an analyst in the field of environmental, social, and governance (ESG) research in Germany. She has previously obtained a double Master's degree in Politics and Security at University College London and in International Relations at the Higher School of Economics in Moscow. She holds a Bachelor's degree in European Studies from Magdeburg University and gained work experience as an intern at the German Institute for International and Security Affairs (SWP) and the European External Action Service. Following a year of voluntary engagement in Mexico, she is passionate about Latin America and particularly interested in EU-LAC comparative research.



André W. Blackburn | Trinidad

André holds a MSc in Latin American Studies from the University of Oxford. Previously, he obtained a Post Graduate Diploma in International Relations and a BA in Spanish and History (First Class Honours) from the University of the West Indies, St. Augustine. From 2013 to 2017, he worked with the Embassy of Argentina in Port of Spain as the Executive Assistant to the Ambassador. His research interests include race, ethnicity, gender, sexuality, and development in Latin America and the Caribbean.



Sian Creely | United Kingdom

Sian is pursuing an MPhil in Latin American Studies at the University of Cambridge, with a thesis focusing on the use of 'gender' by social conservatives as a byword for dissatisfaction with neoliberal democracy. She holds a BA in European Social and Political Studies from University College London, where her dissertation looked at the metaphors of austerity. Her research interests lie in the globalisation of culture in relation to discourses of activism. Sian works freelance as a translator and arts journalist. In September 2018 she joined UN Women as an intern.



Nora Cyrus | Germany

Nora is pursuing an MPhil in Development Studies at the University of Oxford, where she is also a member of the Latin American Society and conducts research on urban development in Colombia. Her interest in Latin America stems from an exchange semester in Chile and from extensive travel across the region. As a consultant, Nora has worked with numerous public sector clients for three years, focusing on ICT sector promotion, eGovernment and gender diversity. She also interned with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and holds a BSc in International Business Administration and an MSc in Marketing Management from Erasmus University in Rotterdam.



Eleanor Gibson | Scotland

Eleanor graduated from the University of Glasgow with a Master of Arts in Geography and Spanish. Her interests lie in the field of environmental studies, sustainable development and education. She also has experience in carrying out volunteer work in Cameroon, where she helped develop a social project for the sustainable use of water and has spent six months living in Panama working as an intern in green economy and resource efficiency for UN Environment. Currently, she is a member of the UN Environment team in Guayana supporting nationwide sustainable and economic growth.



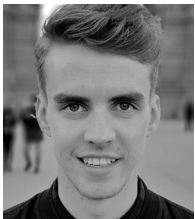
Mónica González | Colombia

Monica holds a bachelor's degree in International Relations and National Security from Del Rosario University in Bogota, Colombia where she graduated with honours. As an intern at the William J. Perry Centre of Hemispheric Defence Studies in Washington D.C, she researched a wide variety of topics related to international security, the Colombian peace process and defence sector reforms. Moreover, she facilitated the coordination of high level events hosted by the U.S Department of Defence. She plans to continue her studies and to fight against financial and organized crime by obtaining a Master's degree in anti-money laundering studies.



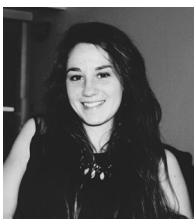
Rebecca Gramlich | Germany

Rebecca is a student of North and Latin American Studies at the University of Passau, from which she as well obtained a Bachelor's degree in International Cultural and Business Studies. She combines her research interest in Sustainability, (Brazilian) Political Theatre and Alternative Educational Methods as well as her studies abroad in Brazil and Canada to generate sustainable impact by connecting people and promoting opportunities for dialogue and exchange between LAC and other parts of the world. As such, she forms part of the committee that hosts the PLA – Passauer Lateinamerika Gespräche, a conference on LAC organised by students.



Willem Lijnders | The Netherlands

Willem is currently pursuing a Master's degree in Global Development at the University of Copenhagen. He holds a Bachelor's degree in Political Science with a major in International Relations from the Radboud University in Nijmegen. His regional interest in Latin America resulted from a project for AIESEC in Chile and his minor in Latin American Affairs at the Autonomous University of Barcelona. Additionally, he worked as an intern at the Embassy of the Kingdom of the Netherlands in Panama, where he focused on the increasing Chinese investment in the region.



Juliette Mardon | France

Juliette holds a Double Degree in History and Law and recently obtained a Master's degree in Environmental Law from Sorbonne University. She worked as an intern for the United Nations Environment Programme within their regional office for Latin America and the Caribbean in Panama for six months and afterwards gained practical experience through another internship in green and social bonds in an international agency, where she provided environmental, social and governance research for investors, public and private organisations, as well as NGOs. Juliette is currently pursuing a Master's degree in Biodiversity, Territories and Environment at Sorbonne University.



Jevon Minto | Jamaica

Jevon holds a Master's degree in Economic Development & International Cooperation from the Meritorious Autonomous University of Puebla in Mexico. He is a Young Scholar of the Inter-American Dialogue-China/Latin America Programme as well as a member of the China - Latin America and Caribbean-China academic network. As part of his research, Jevon is investigating China's contribution to economic development in Latin America and the Caribbean through regional and sub-regional development banks (RDBs). He holds a B.A. in Communication Studies from Northern Caribbean University.



Jose Noguera | Nicaragua

Jose obtained his Bachelor's degree in Applied Economics at the Central American University. He currently works in a private bank. During his internship at the Consejo Superior de la Empresa Privada (COSEP), he investigated the current situation of Nicaraguan enterprises and developed his passion for research. José's research interests include macroeconomic and financial problems, especially those in developing countries.



Paz Patiño | Ecuador

Paz obtained her Bachelor's degree in Integrated Social Sciences at Jacobs University in Bremen. After graduation, she chose to follow her interest in education by working at the National Institute for Evaluation of Education in Ecuador. For two years, she researched methodologies of standardised assessment and constructed frameworks of evaluation. She participated in projects to measure the quality of the Ecuadorian Intercultural System of Education, including ancestral languages. Currently, she is pursuing a Master's in Development Studies at the University of Passau, Germany.



Erik Post | The Netherlands

Erik is a Master of International Affairs candidate at the Graduate Institute of Geneva and will graduate in 2018. His research interests include imperialism, conflict dynamics and socio-environmental struggles around energy, water and extractive industries, with a particular focus on conflict formation and organised violence. He has conducted research on these dynamics for the Dutch Ministry of Foreign Affairs in the Democratic Republic of the Congo and for the International Crisis Group in Mexico. He is currently working on publishing an academic article on how the discourse on sustainable development and the energy transition in Mexico's Sierra Norte de Puebla region facilitates the wholesale dispossession of indigenous territories to the benefit of extractive industries, thereby threatening their social reproduction and risking an escalation of organised violence in the region.



Antonio Romero | Mexico

Antonio is co-founder and audiovisual producer of Bully Magnets, a so-called edutainment channel and social-digital initiative for cultural promotion in Spanish. He holds a Master's degree in Studies from The College of Mexico. He pursued a Bachelor's degree in Communication Sciences at the National Autonomous University of Mexico. His interests are regional collaboration on education, cultural management and gender mainstreaming in digital media. Antonio has worked as a gender consultant for the Mexican Ministry of Health and some Non-governmental organisations.



Ella Rouhe | Finland

Ella is currently pursuing a Master's degree in Development Studies at the University of Helsinki. She holds a BSc in Liberal Arts and Sciences: Global Challenges from the University College in The Hague. Her interest in Latin America stems both from her studies as well as her personal experience volunteering and travelling in the region. Ella is a board member of the Finnish Society for Development Research and she previously worked for the Ministry of Foreign Affairs in Finland.



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Alexandre is a Master's student in Public Economics, Law and Politics at Leuphana University in Germany. Previously, he completed a Bachelor's degree in International Relations at the Federal University of Santa Catarina, Brazil. Apart from his academic experiences in these two countries, he has studied and worked in South Korea. Currently, he is working at a German think tank on international relations. His main interests are international economics, trade regulation and development.



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Lewin holds a BSc in European Economics from the University of Bamberg and an MSc in Latin American Studies from the University of Oxford, where he focused on economic development and South American integration as well as EU-Latin American relations. Lengthy stays in Mexico and South America cultivated his passion for Latin America and turned him into an interested observer of the region's political environment. Following a stint at the German Institute for Economic Research (DIW) in Berlin, Lewin currently works on the sustainable development team at EPSC, the European Commission's in-house think tank.



Lena Schubmann | Germany

Lena holds a Master's degree in Latin American Studies from the University of Cambridge and Bachelor's degrees in International Relations from King's College London and in Business Administration from the University of Applied Sciences in Göttingen. Her research is primarily interested in social protection networks in Latin America. As part of her Master's degree, she has conducted research on social protection, indigeneity and trade unionism in Andean Bolivia. She is a Carlo-Schmid Fellow at the World Food Programme in Guatemala, where she specializes in resilience and climate change adaptation activities.



Nayaatha Taitt | Trinidad

Nayaatha currently works at the Inter-American Development Bank on a regional programme to scale up green finance across Latin America and the Caribbean. She holds a Master's in International Affairs from the Graduate Institute of International and Development Studies in Geneva, Switzerland as well as a Postgraduate Diploma in International Relations and a BA in French and Spanish from the University of the West Indies. Her professional interests lie in the sustainable development challenges attendant to Small Island Developing States, having gained an appreciation for their unique vulnerabilities whilst working on SIDS issues both at the regional and international levels. Nayaatha has held prior positions at the United Nations Development Programme, the Association of Caribbean States, and the International Centre for Trade and Sustainable Development.



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Ronald is currently co-authoring a publication on South American regional integration with the support of the Konrad Adenauer Stiftung Mexico Office and the Konrad Adenauer Centre for International Relations and Security Studies. He holds a Bachelor's degree in International Studies from ORT University Uruguay and completed a semester abroad at Sciences Po Paris. Ronald gained work experience as a trainee at the Delegation of the EU to Uruguay as well as an intern at the US Embassy in Montevideo and at the Organisation of American States. He plans to continue his graduate studies in international politics, security and economy.



Stefania Guadalupe Vallejo | Ecuador

Stefania is a Technology & Innovation Analyst for Connection Silicon Valley (CSV) with strong analytical and project management skills and a passion for environmental issues and gender equality. Before joining CSV, she worked as a Blue Book Trainee for the Directorate General of Communications at the European Commission. She holds a Master's Degree in Science, Technology and Society from Maastricht University, a Master's Degree in Political Science from Liège University and has recently obtained an International Diploma in Project Management from UC Berkeley.



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Scarleth is a Master's student in Sustainable Engineering at Villanova University, U.S.A, with a Bachelor's degree in Renewable Energy Engineering in Nicaragua. She is currently researching for the Sustainable Engineering department at Villanova University, her research topic is a „Proof of concept of biomimetic battery inspired in the electric eel“. During her Bachelor studies, she volunteered in renewable energy (photovoltaic systems) and eco-friendly stoves in rural communities in Nicaragua. Scarleth was also a volunteer for UNICEF in Nicaragua; where she and her team won first place worldwide in the 2014 “The Global Design for UNICEF” contest, proposing a telehealth project for communities in the Caribbean Coast of Nicaragua.



Claudia Wiese | Germany

Claudia Wiese holds a Master's degree in Politics and Economics from Sciences Po Paris and the University of Aix-Marseille. Having completed a research internship in Desco Urbano, an NGO working on slum development in Lima, she gained insight into infrastructure and slum-upgrading projects. She wrote her Master's thesis on the impact of slum living conditions on children's health and spent a year researching slum health at University of Aix-Marseille. Her interests lie in development economics with a special interest in urban development.



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Originally from Brazil, Raphael is a Ph.D. Fellow in the Faculty of Law, Social Sciences and Economics at the University of Erfurt in Germany. His research focuses on the political economy and governance of Development Financial Institutions in Latin America. He holds a Master's of Public Policy (MPP) from the Willy Brandt School of Public Policy and a Bachelor's degree in International Relations from the Pontifical Catholic University of São Paulo (PUC-SP). Raphael currently works as a Project Coordinator at the University of Erfurt and has worked for several years within the realm of international trade and process management in Brazil.

EDITORS



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Coordinator of LACalytics**

Anne works as Research Analyst at a private sector business intelligence and technology firm in Panama City, Panama. She holds a Bachelor of Economics and Latin American Studies from Passau University in Germany. Her academic focus lies on international economics, especially in development economics with a regional focus on Latin America and the Caribbean. Anne gained additional practical experience as a “weltwärts” volunteer and as an intern at the German-Peruvian Cultural Institute (part of the Goethe Institute) in Peru. She furthermore completed an internship at the regional hub for Latin America and the Caribbean of the United Nations Department of Safety and Security in Panama.



Sigfried RJ Eisenmeier
Impact Group LACalytics, Fundraising

Sigfried RJ Eisenmeier studied a Master of Philosophy in Development Studies at the University of Oxford. He researched the social security and working conditions of Uber drivers in Mexico City. Prior to this, Sigfried completed a BA in Sociology, Politics and Economics at the Zeppelin University in Friedrichshafen, with exchange semesters at the Universidad de los Andes in Bogotá, Colombia, and at UC Berkeley, in the USA. He gained practical experience with the International Cooperation Organization (GIZ) in Mexico, with Sistema B in Chile and as a “weltwärts” volunteer in Peru. He works on topics such as social policy, the future of work, on-demand work, vocational training, common resources and urban development.



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Regional Director for EU & Europe, Programme Partner for LACalytics

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LACALYTICS: CONNECTING PEOPLE, CONNECTING CONTINENTS

By Anne Laible
Regional Director for Latin America & Caribbean,
Programme Coordinator of LACalytics



Dear Readers,
Respected Friends and
Partners of LACalytics and IFAIR,

We are very proud that within the pages of this publication, you are looking at the outcome of the second edition of the LACalytics programme. The great success of the first LACalytics programme in 2016 has fuelled the desire to continue this unique programme.

The second LACalytics publication is titled **Strengthening EU-LAC Cooperation: Sharing Experiences for Present and Future Developments**. This title underlines LACalytics' focus on the bi-regional perspective between Europe (EU) and the Latin America-Caribbean (LAC) region, specifically on the intricacies of these two very different regions facing similar challenges. It outlines that these challenges often share similarities in their roots, consequences and solutions. In recent times of crisis and rising geopolitical trends favouring nationalism over regionalism and globalism, we want to emphasise the

importance of Europe and the LAC-region's cooperation and experience-sharing, with further emphasis on the importance of the young generation's voice in current debates and developments.

It was an honour to observe the progression of the LACalytics authors: beginning with their initial coupling according to theoretical matching criteria, to their relationship-building and brainstorming, and culminating in their eventual team formation and development of expert knowledge pertinent to the issue covered in their articles. It is in the nature of interpersonal exchange and intercultural experience of co-writing with an author from a different continent that the LACalytics programme finds its high value and its interactive character.

There are many people involved in LACalytics, and the programme would not

be possible without those who support us. We are immensely grateful to all organisations and individuals cooperating with the programme in their respective ways. Thank you for your support. We are especially grateful to our cooperation

partners, the EU-LAC Foundation and the German Federal Foreign Office. Lastly, we kindly invite anyone who shares our ideas and aims to get in touch with us. We are happy to discuss opportunities for future cooperation with LACalytics.

Yours sincerely,
Anne Laible, on behalf of the
LACalytics 2018 Team



STRENGTHENING EU-LAC COOPERATION

By Paola Amadei
Executive Director of the EU-LAC Foundation



Dear Readers,

The EU-LAC Foundation is very pleased to sponsor the LACalytics project and conference for the second time, and thanks to the German Federal Foreign Office for having once again provided the resources to support this initiative.

The EU-LAC Foundation was founded in 2010 by the Heads of State and Government of the European Union, Latin America and the Caribbean, and has among its goals to foster the collaboration, knowledge and mutual understanding between the civil societies and academia of the two regions.

In times of growing protectionism and nationalism, it is important to promote the bi-regional cooperation between the European Union and Latin America and the Caribbean. Fostering dialogue among young people of both regions is an integral part of our mission; to ensure the vitality of the EU-CELAC strategic partnership, it is crucial to listen to the voices of the youth and to shape with them a bi-regional future that reflects their aspirations.

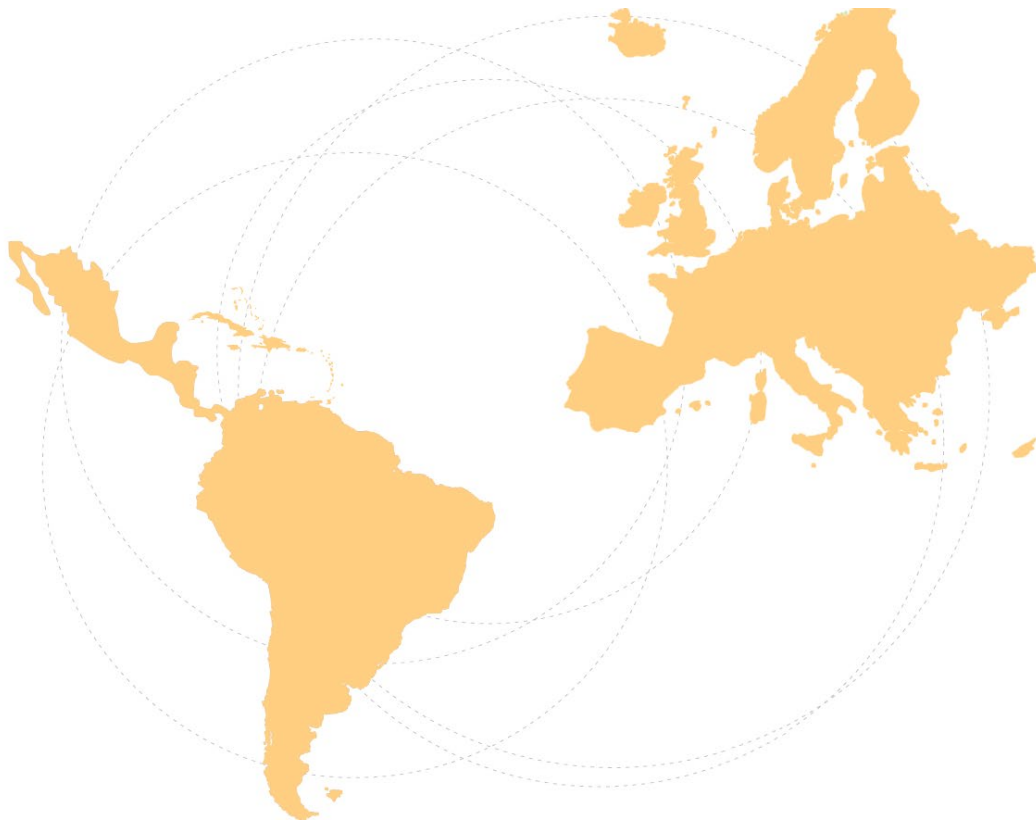
It is in this perspective that the Foundation organised a first EU-CELAC Youth

Forum in Quito, Ecuador in 2015; followed up this year by a second Forum in Zaragoza (Spain) bringing together organisations that promote youth volunteer programmes in both regions.

IFAIR, through the LACalytics project, is an exemplary case of cooperation between young researchers and university students from the EU and LAC, allowing them to work cooperatively beyond the boundaries of their regions and developing personal and professional ties that will hopefully outlast the duration of the programme.

The value added of their research for all of us is based on their fresh, sometimes provocative, shared bi-regional perspective; for the authors, the experience gained in this project will be an asset for all of their future endeavours.

The call for the second edition of LACalytics has been quite successful: over 260 applications were received from 40 countries – an increase of nearly 30 per cent compared to the first LACalytics call. This in itself illustrates the widespread interest for the subject and the approach.



44 applicants from 16 countries (10 LAC and 6 EU) were selected as authors of LACalytics 2018 and were matched in bi-regional pairs. The focus of the project this year was on strengthening bi-regional cooperation through the identification of experiences and issues that both regions face. Moreover, it analyses how these regions have approached their issues, with the young researchers covering the areas of politics; economics; environment; civil society and culture; science, technology and innovation. The best articles were selected and appear in this 2018 edition of LACalytics.

During a week in October 2018 in Hamburg - the host city of the Foundation since its establishment - the papers will be

discussed among a group of experts from both governmental and non-governmental institutions. Bringing together discussants from different countries, sectors and generations is also in line with the Foundation's objective to allow exchanges across boundaries and to challenge one's own perspective.

We wish the participants success and hope they will continue cultivate an interest for bi-regional EU-LAC studies beyond this experience.

Yours sincerely,
Paola Amadei

GERMANY, EUROPE AND LAC: A UNIQUE PARTNERSHIP

*By Ambassador Marian Schuegraf
Regional Director for Latin America and the Caribbean
of the German Federal Foreign Office*



Dear Readers,

Our world is currently undergoing profound change. The United States have become an unpredictable partner in the West. In the East, Russia has challenged the world order through its illegal annexation of Crimea and its conduct in Ukraine. The United Kingdom is set to shortly leave the European Union. Finally, China is shifting the geopolitical balance of power to its own advantage.

In light of the current global political order, I believe that Germany and Latin America and the Caribbean need to stand shoulder to shoulder; there is not a single country in our respective regions that could possibly confront the global challenges of our generation alone. Nor could we fully take advantage of the many opportunities that our fast-changing world provides: industry 4.0, new forms of mobility and artificial intelligence, to name but a few. By contrast, we can make our voices and joint interests heard if we act collaboratively. Together, Europe and Latin America represent 61 votes in the United Nations General Assembly, amounting to almost a third of all voting member nations. Together, we are well-positioned to shape the global discourse on issues ranging from climate change to robotics, from inclusive growth to smart farming, and from urbanization to biomedical science.

The unique partnership between Europe and the LAC region rests on several pillars such as politics, trade, and investment. But perhaps even more important is the close collaboration of academics and civil society. Indeed, I argue that the deep intertwining of our regions is largely contributed to by initiatives such as IFAIR's LACalytics.

Connecting young people from Europe and the LAC region to exchange views and to take ideas further is critical for shaping a common approach to our future and making youth voices heard. I am particularly impressed by IFAIR's LACalytics setup of bi-regional teams of young authors and their analysis of a wide array of trending global topics with remarkable scientific rigour. The topics in this year's edition range from politics to economics, from environment to civil society, from culture to science, technology and innovation. IFAIR's LACalytics blends creative acumen with a nuts-and-bolts approach: by doing so, it contributes greatly to the fostering of bi-regional awareness and understanding.

It has therefore been a pleasure and a privilege to assume the patronage of this year's edition of LACalytics.

Yours sincerely,
Marian Schuegraf

01 POLITICS

LATIN AMERICA – BACK TO THE FUTURE?

By Sabine Kurtenbach
Acting Director GIGA Institute
of Latin American Studies



Dear Readers,

In a world concerned with global trade wars, the crisis of multilateralism and the ongoing violence in the Middle East, Latin America rarely makes it to the front pages. This might be a positive sign illustrating the fact that the region is not a major global hotspot. At the same time, disturbing news emerge from the continent. Protests in the streets provoked calls for the military to step in in Brazil and Argentina. Nicaragua seems at the edge of armed conflict as the police engage in the shooting (some say executing) of anti-government demonstrators; over 300 young people have died. The internal crisis in Venezuela elicits violence domestically and growing migration rates across the country's borders. And even in Colombia where the end of the war between the Colombian government and the oldest Latin American guerrilla group FARC caused hope for change, the implementation of the accord is slow and the high number of murdered social activists and human rights defenders is more than worrying. These developments raise serious questions about Latin America's future and the quality of democracy.

Forty years ago, Latin American countries followed the examples of Spain, Portugal and Greece constituting the forefront of the "third wave of democratization." Changes in government took place via elections and when the Democracy Charter of the Organization of American States outlawed non-constitutional government takeovers. Expectations were high that – this time – democratic change would be consolidated. However, the current crisis makes a series of structural problems evident. Latin American democracies are deficient in many regards. While there are elections, participation is low. Venezuela crossed the threshold to an autocratic regime despite holding elections, as these are neither fair nor free, as the opposition cannot participate without restrictions. Beyond an open return to authoritarianism, there is a revival of authoritarian practices and a criminalization of social protests across the region.

These developments highlight the lack of problem-solving skills and the permanence of structural problems democratisation has failed to deal with. Two deeply engrained

and interrelated problems of Latin American development stand at the core of these structural issues: violence and inequality.

Democratization helped to end a series of civil wars but also shifted violence out of the political system. Regarding homicides, Latin America remains the most violent region in the world. However, contrary to media and policy discourses, violence is not limited to organized crime or criminal gangs. The state security forces, both military and police, are responsible for repressive policies even in countries ranking high in democracy indices such as Brazil and El Salvador. At the same time, evidence is growing on criminal networks between the region's elites and organized crime. High-level corruption scandals such as La Linea in Guatemala or Odebrecht across the regions are just the tip of the iceberg.

Closely related to violence is inequality, the second structural problem democratization has failed to resolve. While the number of people living in poverty has declined, the absolute number of the poor remained high. Inequality was somewhat tempered due to economically benign economic conditions such as the commodity boom. The end of the boom shows the fragility of this development and highlights the inter-generational reproduction of poverty and inequality. Perspectives for a better future are particularly relevant for young people whose options vary between adaptation, apathy and migration.

These structural problems underlie the current blockade or backsliding of democratic mechanisms. Violence and inequality pave the way for populist discourses in elections focusing on fear and simplistic answers. In the past neither the neoliberal model of the

recurring political right nor the state-centred policies of the leftist governments worked. . As long as the state and its administration serve rather particularistic and group interests, Latin America's path to democratization will continue to be blocked. What the region needs to promote inclusive development and change is a minimum consensus on a social contract based on democracy, accountability, the rule of law and a minimum of social welfare policies. Institutional capacity and an independent judiciary are key for non-violent conflict transformation and the enforcement of the rule of law, whereas civil society and independent media are important for demanding accountability and transparency. Social inclusion policies are a major mechanism of prevention. All these factors are also relevant for trust in public institutions and their levels of legitimacy.

Finally, problems are also abound at the level of regional cooperation. After a decade of intense regional cooperation in many policy fields, a return of nationalist and bilateral relations seems to be on the way. None of the many regional and sub-regional organisations – from OAS to UNASUR – are able or willing to play a constructive role to tackle the conflicts. Latin America heads back to claims of non-intervention into internal affairs. In this regard, Latin America resembles the global crisis of regional integration and multilateralism.

Yours sincerely,
Sabine Kurtenbach

“

As an ad hoc alternative, member states of both regional organisations could consider imposing bilateral sanctions on governments where the disrespect for democracy and human rights becomes unbearable, to signal that the adherence to previously agreed values is not exclusively an internal matter.”

*Julia Baumann &
Ronald Trenchi*

P1

BECAUSE DEMOCRACY MATTERS: OPTIONS FOR THE EU AND MERCOSUR TO RESTRAIN AUTHORITARIAN TENDENCIES

By Julia Baumann (Germany) & Ronald Trenchi (Uruguay)

The re-emergence of authoritarian practices in some LAC and European countries has triggered reactions by regional organisations to safeguard democracy within their member states. This article compares the approaches of MERCOSUR and the EU to the Venezuelan and Polish cases. It illustrates the necessity for a more active role and new instruments for regional organisations in opposing illiberal developments.

The recent rise in populist politics and authoritarian tendencies in the European Union (EU) and Latin America and the Caribbean (LAC) represents a threat to democratic principles and regional security. The risk inherent to these developments is primarily due to the anti-pluralist stance of most populists: rejecting the legitimacy of political opponents, they claim to be the only truthful representation of the people and, not infrequently, transform democratic foundations into façade institutions.¹

This raises the question for actors to revert this trend: Which role can regional organisations play in protecting democracy

within their member states?

Following the limited success of prior engagement, the Common Market of South America (MERCOSUR)², a regional trade bloc with four member states Argentina, Brazil, Paraguay and Uruguay; as well as the European Union (EU) with its 28 member states, should take a more active stance in restraining illiberal tendencies.

One of the key insights found in this article is that assuming a new role in protecting democratic principles is ultimately in the interest of the regional organisations' credibility and legitimacy. However, this requires structural improvements of institutional capacity and more effective democracy enforcement mechanisms.

Regional Organisations and Democracy

Increasing scholarly conviction on the authority for regional organisations to defend democracy within their own borders has furthered discussions on the

¹ Müller, J.-W. (2016) What Is Populism?. Philadelphia: University of Pennsylvania Press, 3-14.

² MERCOSUR is a South American organisation, originally created as free trade bloc in 1991, later amended by several political and social aspects.

respective mechanisms at their disposal.³ As prominent examples, MERCOSUR and the EU have illustrated their readiness to react to authoritarian tendencies inside member states, with Venezuela and Poland as recent and illustrative cases.

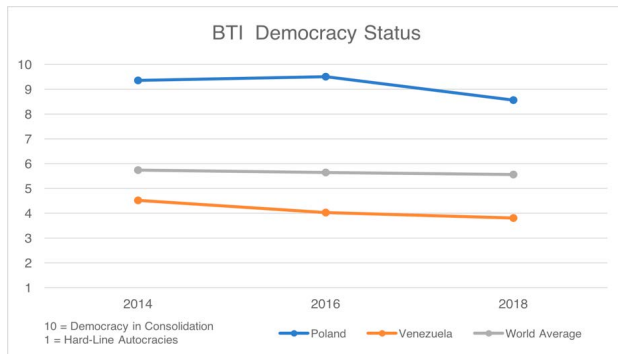


Figure 1: BTI Index - State of Political Transformation (2014-2018) | Source: Bertelsmann Transformation Index.⁴

Venezuela: from Populist Rise to Authoritarian Turn

As Venezuela is currently facing an economic and humanitarian crisis, the reasons behind its authoritarian turn can be traced back to the late 1990s. Under the premise of “21st century socialism”, then-President Hugo Chávez promoted social welfare programmes, while similarly introducing several reforms that enabled him to exert pressure on democratic institutions.⁵

When Chávez’s successor Nicolas Maduro won the 2013 presidential elections,

3 Closa Montero, C. et al. (2016) Regional Organisations and Mechanisms for Democracy Protection in Latin America, the Caribbean and the European Union. Hamburg: EU-LAC Foundation Publications. https://eulacfoundation.org/en/system/files/Democracy_Protection_eng.pdf (15 July 2018).

4 The BTI Index analyses the status of political and economic transformation in 129 developing and transition countries, Western Europe is not considered in the world average. Bertelsmann Stiftung (2018) BTI Transformation Index. Gütersloh: Bertelsmann Stiftung. <https://www.bti-project.org/en/data/rankings/status-index/> (15 July 2018).

5 Renwick, D. (2018) Venezuela in Crisis. Council on Foreign Relations (23 March 2018). <https://www.cfr.org/backgrounder/venezuela-crisis> (15 July 2018).

the country’s political and socio-economic situation turned increasingly unstable. Mass protests were brutally dispersed, Venezuela’s government erased its last democratic vestiges through the creation of a newly constituent body, thereby nullifying the opposition-held legislative assembly and denoting an authoritarian turn.⁶

MERCOSUR’s Reaction

Until 2015, MERCOSUR remained indifferent towards Venezuela’s increasing authoritarianism; many observers would argue that this was due to its member states’ preference for stable intergovernmental ties over the protection of democracy.⁷ Change took place in 2016 when Argentina and Brazil shifted towards more conservative governments that were not ready to tolerate this degree of authoritarianism inside MERCOSUR thereafter.⁸

Following a period of fruitless dialogue with the Venezuelan government, they made use of their political weight within the organisation to trigger Article 5 of the Ushuaia Protocol on Democratic Commitment in August 2017.⁹ As a result, Venezuela was expelled indefinitely from MERCOSUR until democracy is restored.¹⁰

6 Almagro, L. (2017) Denunciation of a Dictatorial Regime’s Consolidation in Venezuela. Washington: Organization of American States (25 September 2017). <http://scm.oas.org/pdfs/2017/CP38157REPORT.pdf> (15 July 2018).

7 Romero-Castillo, E. (2015) Venezuela y el comodín de la “no injerencia”. Deutsche Welle (3 December 2015). <http://www.dw.com/es/venezuela-y-el-comod%C3%ADn-de-la-no-injerencia/a-18890668> (15 July 2018).

8 Ministerio de Relaciones Exteriores de Brasil (2017) Comunicado de los países del MERCOSUR sobre Venezuela. Brasil: Itamaraty (5 July 2017). <http://www.itamaraty.gov.br/es/notas-a-la-prensa/16766-comunicado-de-los-paises-del-mercosur-sobre-venezuela> (15 July 2018).

9 Mercosur (1998) Protocolo de Ushuaia sobre Compromiso Democrático. Ushuaia: Mercosur (24 July 1998). http://www.mercosur.int/innovaportal/file/2485/1/cmc_1998_protocolo_es_ushuaia.pdf (15 July 2018).

10 Mercosur (2017) Decisión sobre la suspensión de la República Bolivariana de Venezuela en el Mercosur. São Pablo: Mercosur (5 August 2017).

Why did it take so long for this action to be taken? The reasons rest with MERCOSUR's consensus-based decision-making process, which allows for presidential diplomacy and political preferences to prevail over supranational agreements and leaves the Ushuaia Protocol as an imperfect, highly political mechanism for defending democracy.¹¹ It does not come as a surprise that as of now, save for its symbolic value, the sanctions against Venezuela do not seem to have had any major influence on the regime's degree of authoritarianism.

As a result, although democracy is recognised as essential for MERCOSUR's regional integration, the organisation proved itself unable to successfully engage in its defence, with their lack of prompt action challenging their credibility. A more determined commitment in safeguarding democracy is desirable and necessary but requires stronger institutions and enforcement mechanisms as a prerequisite.

Poland's Constitutional Crisis

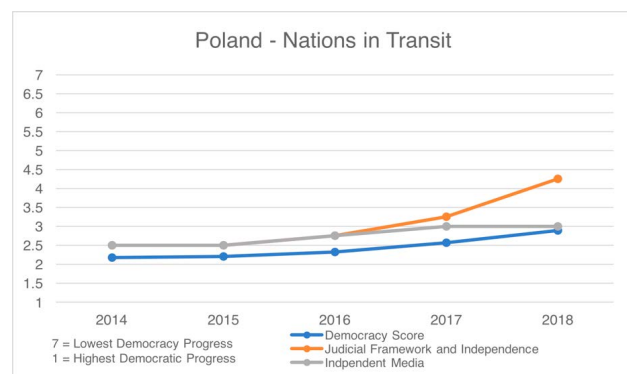
Another country with populist tendencies is Poland. Once considered a success story of European integration, Poland has been recently experiencing a severe decline in its quality of democracy. In contrast to Venezuela, however, where the rejection of liberal-democratic principles is embedded in an ideologically framed left-wing populism, the rise of illiberal politics in

2017). http://www.mercosur.int/innovaportal/file/8469/1/decision-suspension-de-venezuela-del-mercosur_es.pdf (15 July 2018).

11 Malamud, A. (2013) *Overlapping Regionalism, No Integration: Conceptual Issues and the Latin American Experiences*. EUI Working Paper, RSCAS 2013/20: 8-9. San Domenico di Fiesole: European University Institute (March 2013). http://cadmus.eui.eu/bitstream/handle/1814/26336/RSCAS_2013_20.pdf?sequence=1&isAllowed=y (15 July 2018).

Poland originates in the context of right-wing nationalism.

Since its electoral victory in October 2015, the Law and Justice Party (PiS) used its majority to reconstruct Poland's political order. A series of newly adopted measures and reforms granted the government increasing control over public media and the judiciary system, in particular regarding the Constitutional Court and the National Judiciary Council.¹²



Source: Freedom House, *Nations in Transit*.¹³

The EU's Response

In the EU, the controversial legislation was perceived as an unlawful interference in judicial independence and a risk to the separation of powers and the rule of law. Since the latter is a core value noted in the EU Treaties, the European Commission (EC) initiated a rule-of-law procedure against Poland in 2016.¹⁴ As the Polish government

12 The National Judiciary Council is a public body responsible for judicial appointments. Donner, S. et al. (2018) *BTI Country Report Poland*. Gütersloh: Bertelsmann Stiftung. http://www.bti-project.org/fileadmin/files/BTI/Downloads/Reports/2018/pdf/BTI_2018_Poland.pdf (15 July 2018).

13 Freedom House's *Nations in Transit* assesses the state of democracy and democratic reforms. Wójcik, A. (2018) *Nations in Transit 2018 - Country Report Poland*. Freedom House. https://freedomhouse.org/sites/default/files/NiT2018_Poland_0.pdf (15 July 2018).

14 European Commission (2016) *Rule of Law in Poland: Commission Starts Dialogue*. Brussels: European Commission (13 January 2016). http://europa.eu/rapid/press-release_WM-16-2030_en.pdf (15 July 2018).

rejected the procedure as an illegitimate interference in domestic affairs, the EC followed up after a year of unsuccessful diplomatic attempts by recommending the invocation of Article 7 of the Lisbon Treaty.¹⁵ The procedure provides grounds for an EU reaction in the case of a serious breach of Union values and can ultimately lead to a suspension of certain membership rights.

However, as for now such a scenario seems rather unlikely since triggering Article 7 requires a unanimous vote by all member states - except for the country to be sanctioned - and Hungary already announced its veto.¹⁶ Given the risk of such a deadlock, a regulation proposed by the Commission in May this year suggested tying the EU budget to deficiencies regarding the rule of law in member states.¹⁷ Since Poland currently receives the highest percentage of cohesion funds, this may provide for some leverage, even if it entails a certain degree of political risk.¹⁸

With the Polish government's failure to address the Commission's concerns¹⁹ and the new law related to the Supreme Court

taking effect, the EC opened an infringement procedure against Poland in early July 2018.²⁰ While this could lead to the reform being declared unconstitutional by the European Court of Justice, it remains questionable whether this could ultimately stop it.



Protests in Poland © Robert_z_Ziemi/Pixabay

How to Proceed

Despite the risk of causing a national backlash by getting involved in a member states' constitutional matters, there is no alternative for the EU but to engage itself more prominently if it aims to uphold its core values. The need to readily intervene in cases of serious breach of Union law is not least a question of legitimacy and credibility for the EU itself.

Next to persistent diplomatic pressure, the present challenge requires the EU to consider new enforcement mechanisms. These might include the creation of an oversight institution to monitor the state of democracy inside the Union and the establishment of a discussion on a potential expulsion mechanism to serve as a powerful

15 European Commission (2017) Commission Recommendation of 20.12.2017 regarding the rule of law in Poland complementary to Commission Recommendations (EU) 2016/1374, (EU) 2017/146 and (EU) 2017/1520. Brussels: European Commission (20 December 2017). http://ec.europa.eu/newsroom/just/document.cfm?action=display&doc_id=49107 (15 July 2018).

16 Rettman, A. (2017) Hungary veto sets scene for EU battle on Poland. Brussels: EU Observer (21 December 2017). <https://euobserver.com/justice/140385> (15 July 2018).

17 European Commission (2018) Proposal for a Regulation of the European Parliament and of the European Council on the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States. Brussels: European Commission (2 May 2018). https://ec.europa.eu/commission/sites/beta-political/files/protection-union-budget-rule-law-may2018_en.pdf (accessed 15 July 2018).

18 European Commission (2018) European Structural and Investment Funds: Country Data for: Poland. Brussels: European Commission (March 2018). <https://cohesiondata.ec.europa.eu/countries/PL> (15 July 2018).

19 Euractiv (2018) EU urges 'more progress' from Poland by next month. Euractiv (15 May 2018). <https://www.euractiv.com/section/justice-home-affairs/news/eu-urges-more-progress-from-poland-by-next-month/> (15 July 2018).

20 EU Commission (2018) Rule of Law: Commission launches infringement procedure to protect the independence of the Polish Supreme Court. Brussels: European Commission (2 July 2018). http://europa.eu/rapid/press-release_IP-18-4341_en.pdf (15 July 2018).

deterrent.²¹ The above-mentioned proposal of linking EU funds to the rule of law could be a step in this direction.



Protests in Venezuela © DJANDYW.COM AKA NOBODY/Flickr/
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Space for Improvement

MERCOSUR and the EU's previous reactions to authoritarian tendencies within their member states strengthened the notion of regional organisations' responsibility in protecting democracy within its members, but also illustrated the need to improve their instruments to do so more successfully in the future. In both cases, consensus-based decision-making leaves formal enforcement mechanisms as ultimately highly political procedures, which are often ineffective when it comes to their implementation.

Unlike MERCOSUR, where action only materialised after Venezuela had turned autocratic, the EU started engaging with the PiS government once questionable legislative changes were identified as threats to the rule of law. Although critics would point to the

²¹ Müller, J.-W. (2015) Should the EU Protect Democracy and the Rule of Law inside Member States? *European Law Journal*, 21(2): 141-160.

ineffectiveness of the respective procedures, the continuity inherent to the lengthy processes of dialogue, criticism and response between the EC and the Polish government contributes to raising public awareness regarding the importance of democracy and its protection.

The Venezuelan case provides important lessons on the rapid rise and transformation of populist claims to an authoritarian regime in the absence of a strong regional response. Therefore, the EU should not wait any longer for a more pronounced standing regarding Poland's backlash and should further consider establishing criteria and tools entailing the option to suspend membership. Even if this might further EU resentment and anti-liberal populist forces, the possibility of expulsion could provide some leverage vis-à-vis non-conforming governments and send a strong political signal. Admittedly, political isolation alone, as the example of Venezuela's expulsion suggests, is not an automatism for restraining authoritarian tendencies, and it may limit the opportunities of dialogue and other forms of influence.

Thus, the EU needs to consider PiS' anti-EU rhetoric in its compiling its strategy of action, as it has served as a legitimisation strategy not only for the Polish government, but for populist Euro-sceptics across an increasing number of member states such as Hungary and Italy.

Comparatively, MERCOSUR has not faced the same level of resentment domestically. Rather, it was its ideological selectivity and inconsistency in enforcing democratic commitments that undermined its credibility. The EU's stronger institutions

and democratic criteria might therefore serve as an example for MERCOSUR in setting up its own democratic requirements for regional integration to enable faster and less politicised reactions.

As an *ad hoc* alternative, member states of both regional organisations could consider imposing bilateral sanctions on governments where the disrespect for democracy and human rights becomes unbearable, to signal that the adherence to previously agreed values is not exclusively an internal matter.

A New Role for Regional Organisations

Although it has previously not been part of their tool kit, there is an increasing role for regional organisations to engage in the protection of democracy inside their member states. In this regard, the EU and MERCOSUR have not yet exploited their full potential. Their need to position themselves more actively in opposition to authoritarian tendencies is in the interest of their own credibility and legitimacy; this is particularly important in recent times as illiberalism is on the rise and calls democratic norms into question.

By enhancing their democratic commitment on a supranational level, both regions can send a strong signal to illiberal movements. Combined efforts in this sphere could shape society's perception of democracy and contribute to the strengthening of a consensus surrounding democratic values.

To conclude, the comparative perspective taken here illustrates the importance of regional responses to rising authoritarianism inside member states. A successful engagement in safeguarding democratic standards in the future requires that regional organisations improve their protection procedures and overcome the intergovernmental ties which have previously restrained effective action.

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Although the EU is still the most important provider of development assistance and FDI to the LAC region, China has displaced the EU in terms of imports and exports. Therefore, [...] further action is needed in order to rebalance relations between the CELAC states and the EU.”

*Jevon Minto &
Willem Lijnders*

P2

IS CHINA RECONFIGURING THE POLITICAL RELATIONSHIP BETWEEN THE EUROPEAN UNION (EU) AND THE COMMUNITY OF LATIN AMERICAN AND CARIBBEAN STATES (CELAC)?

By Jevon Minto (Jamaica) & Willem Lijnders (The Netherlands)

This article discusses whether the current partnership between China and CELAC is displacing or weakening the European Union (EU) in Latin America and the Caribbean (LAC). Although the EU is still the most important provider of development assistance and FDI to the region, China has displaced the EU in terms of imports and exports. Therefore, the article argues that further action is needed in order to rebalance relations between the CELAC states and the EU. Four ways are identified in which the EU can strengthen the partnership to assert its role as a strategic partner to the region.

China in LAC & the Framework of the Bi-Regional Forum

Six years before the establishment of the China-CELAC Forum (CCF), a 2008 strategy paper released by the Chinese Government stated that one of the main goals in its engagement with LAC was to strengthen coordination and cooperation on international issues to make the global political and economic order more fair

and equitable, in upholding the rights and interests of developing countries.¹ This is a pronouncement that harks back to the 1960-70s when the Chairman of China's Communist Party, Mao Zedong, elevated the "Third World" in Chinese Foreign Policy.² Though that policy would later fall into dormancy as China was preoccupied with internal matters and reform, it resurged with more vigour at the beginning of the current century, as China, now emboldened by its notable economic growth, is actively seeking allies to forge a new, multipolar world order.³ The establishment of the CCF on July 17, 2014, is a testament to this.

With the establishment of the CCF, Beijing brought an extensive agenda to CELAC and USD 38.5 billion to bolster and

1 COHA. (2009) China's Policy Paper on Latin America and the Caribbean. Washington D.C: Council on Hemispheric Affairs (29 June 2009). <http://www.coha.org/china%E2%80%99s-policy-paper-on-latin-america-and-the-caribbean/>. (18 July 2018).

2 Yu, G. (1977) China and the Third World. *Asian Survey*, Vol. 17 (11), 1036-1048. doi:10.2307/2643352. (Accessed 10 July 2018).

3 Kuhn, A. (2018) Emboldened by A Strengthening Economy, China Flexes Its Diplomatic Muscles. *National Public Radio* (01 January 2018). <https://www.npr.org/sections/parallels/2018/01/01/573773442/emboldened-by-a-strengthening-economy-china-flexes-its-diplomatic-muscles>. (19 July 2018).

tackle key regional challenges, ranging from infrastructure to innovation and trade competitiveness. It is estimated that both sides met on 28 different occasions between 2014 and January 2018. These meetings are guided by the 2015-2019 Cooperation Plan, also known as “1+3+6”, which outlines thirteen priority areas and specific measures for China-LAC overall cooperation.⁴ Additionally, the plan seeks to increase bilateral trade to USD 500 billion and raise investments to USD 250 billion in 10 years.⁵

The 2016 policy document on LAC and the January 2018 China-CELAC Forum in Chile highlighted how Beijing is strategically positioning itself in the region. At the end of the forum, the region was openly invited to participate in the One Belt, One Road Initiative (BRI) by the Chinese Foreign Minister, who told his counterparts that “China wants to be the region’s most trusted partner.”⁶ Chilean Foreign Minister Hernando Muñoz responded with earnestness, remarking that such a declaration is “something that the region values greatly,” a response that reflects a long-held pursuit within the region for a partnership that considers CELAC states not as nations of the periphery, but as equals in the centre.⁷ As current global political and economic events are challenging the foundations of the globalized world order, the CCF presents a

unique moment that could lead to a further consolidation of political and economic ties between China and CELAC states, unless concrete action is taken to reinforce the importance of the liberal world order.⁸

EU-CELAC Relations

The bi-regional strategic partnership between the EU and LAC dates to 1999. The EU and CELAC together represent 61 countries, or 15 per cent of the world population. Like the CCF, the bi-regional forum seeks to deepen relations based on mutual interests and a common strategy on global governance. The EU-CELAC relationship also serves to deepen EU cooperation with other sub-regional or regional groups such as Mercosur, CARICOM/CARIFORUM and the Pacific Alliance. In recent years, the bi-regional agenda has been enhanced with some EUR 2.68 billion to fund key programs and projects, in addition to more than 30 meetings.⁹ Over time, the CELAC-EU agenda has evolved to include new chapters on citizens’ security and higher education.

But almost two decades later, the EU-MERCOSUR free trade negotiations are still stalled, despite numerous strategic geopolitical events such as the US Asia Pivot which left a void in the region and the subsequent declaration of the end of the Monroe Doctrine. Though these negotiations are intrinsically complex, over the same period China has increased its influence in the region by working with multilateral institutions such as CELAC, presenting the

4 The “1” means one plan for the entire region, with a single goal: inclusive and sustainable development. The “3” refers to the three engines of regional cooperation: trade, investment, and financial cooperation. The “6” refers to the six specific fields that China sees as priorities.

5 Rosales, O. (2015) First Forum of China and the Community of Latin American and Caribbean States (CELAC): Exploring opportunities for Cooperation on Trade and Investment. Santiago, Chile: ECLAC https://repositorio.cepal.org/bitstream/handle/11362/37578/1/S1421103_en.pdf. (23 April 2018).

6 Cambero, F., and Sherwood, D. (2018). China invites Latin America to take part in One Belt, One Road. Santiago, Chile: Reuters News Agency. Retrieved from <https://www.reuters.com/article/us-chile-china/china-invites-latin-america-to-take-part-in-one-belt-one-road-idUSKBN1FB2CN>. (8 May 2018).

7 Ibid.

8 Prasad, E. (2018) Opinion | How China Aims to Limit the West’s Global Influence. New York Times (1 September 2017) <https://www.nytimes.com/2017/09/01/opinion/china-west-democracy.html>. (23 July 2018).

9 Sanahuja, J. (2015) The EU and CELAC: Reinvigorating a Strategic Partnership. Hamburg: EU-LAC Foundation. <http://dx.doi.org/10.12858/0115en1>. (5 May 2018).

region with options and a stronger bargaining power and it has negotiated several bilateral free trade agreements. The establishment of China as a dominant economic power has had an extensive effect on the nature of global competition and reshaped international trade. Dita Charanzová, a member of the European Parliament delegation to the Euro-Latin American Parliamentary Assembly and to Mercosur writes that “China’s influence in the region has increased at EU’s expense.¹⁰” Indeed, China has displaced the EU to third place in both regional imports and exports and for some countries such as Chile, Peru and Brazil, it has even become the main trading partner.¹¹ While Europe has always been an important player in Latin America, with a market share that has remained stable at approximately 14 per cent for the past fifteen years, China experienced an impressive growth in the region. While China only accounted for 3 per cent of Latin American countries’ imports from outside Latin America in 2000, their market share grew impressively to 18.3 per cent in 2016 (Figure 1)¹². Before 2007, competition between China and the EU was lower, partly due to the fact that China was mostly exporting low-quality products, whereas the EU focused on a higher-end market. However, with China gradually progressing in the value-added chain, it has also started to produce more high-quality products. This has led to fiercer competition between the two in some high-end products, especially electrical machinery and road vehicles. This shift diminishes the

10 Charanzová, D. (2015) Reaching greater summits. EURACTIV.COM (11 June 2015). <https://www.euractiv.com/section/global-europe/opinion/reaching-greater-summits/>. (18 July 2018).

11 Freitas, A. (2015) China in Latin America – a new force for the EU to reckon with. Borderlex. (05 June 2015) <http://www.borderlex.eu/china-latin-america-new-force-eu-reckon/>. (22 July 2018).

12 Herrero, A. and Marbach, T. (2018) European and Chinese Trade Competition in Third Markets: The Case of Latin America. Brussels: Bruegel (7 June 2018). http://bruegel.org/wp-content/uploads/2018/06/WP-2018-06_060618.pdf. (14 August 2018).

EU’s ‘soft power’ in the region and undermines its capacity to influence the trade and wider economic agenda.

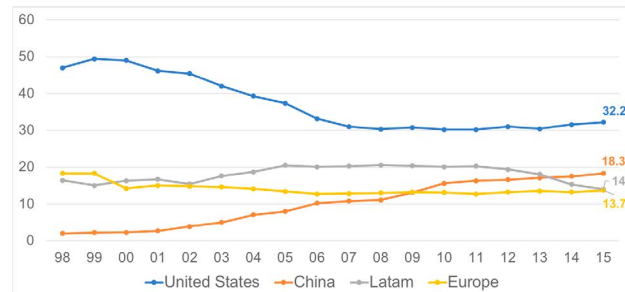


Figure 1: Share of Latin American imports from 1998 to 2015 (in per cent) | Sources: WITS

While China has displaced Europe as the second-most important trade partner of Latin America, the EU still holds the upper hand on two fronts: development finance¹³ and foreign direct investment (FDI)¹⁴. In 2015 the accumulated stock of European FDI in Latin America was nearly EUR 1.3 trillion compared to an investment stock of nearly EUR 168 billion by China. Similarly, EU Official Development Assistance (ODA) flows to the region are set to reach EUR 3.6 billion for the period of 2014-2020. These developments however, are threatened as more CELAC states are transitioning to middle income countries and are being provided with less development assistance and concessional loans under OECD/DAC guidelines.¹⁵

13 European Commission. (2018) EU remains the world’s leading donor of development assistance: EUR 75.7 billion in 2017. (April 10 2018). https://ec.europa.eu/europeaid/news-and-events/eu-remains-worlds-leading-donor-development-assistance-eu757-billion-2017_en. (18 August 2018).

14 Nolte, D. (2018) China Is Challenging but (Still) Not Displacing Europe in Latin America. Hamburg: GIGA German Institute of Global and Area Studies. https://www.ssoar.info/ssoar/bitstream/handle/document/55989/ssoar-2018-nolte-China_Is_Challenging_but_Still.pdf?sequence=1. (24 April 2018).

15 Anders, M. and Edwards, S. (2017) UK proposal on aid for overseas territories withdrawn at DAC, but sparks debate. Paris: DEVEX (1 November 2017) <https://www.devex.com/news/uk-proposal-on-aid-for-overseas-territories-withdrawn-at-dac-but-sparks-debate-91438>. (7 May 2018).

What Does China Want?

China's arrival in Latin America is both a search for resources and markets as it is a quest to shape regional norms, gain experience playing a leadership role in the region and to influence the policies of CELAC member states, with a long-term goal to gain the region's support in the building of a multipolar world order. These goals are intertwined with China's massive regional economic agenda.¹⁶ Key aspects of this agenda such as FDI will see Chinese companies and their footprints all over regional industrial policies. Much more so than bi-regional trade, FDIs exert pressures that will test the foundations of regional labour norms, and human rights issues. Chinese firms are increasingly acquiring key country assets, which gives them majority control over key industries. In the process, labour conditionalities are granted through policy concessions arranged with Chinese firms, which leads to a reduction in unionization and the subsequent importation of Chinese workers to replace local workers.

The trajectory of Chinese FDI also challenges western intelligence as Chinese telecommunications firms such as Huawei and ZTE are seen as advancing Beijing's strategic geopolitical interests as they build more and more of the region's telecommunications and information networks. Any inroads made by these companies in LAC will thrust China in a position of controlling the heart and soul of the region, as more CELAC states dash towards building digital economies.

16 Piccone, T. (2016) *The Geopolitics of China's Rise in Latin America*. *Geoeconomics and Global Issues*, Paper 2. Washington D.C: Brookings Institution. 1-29 https://www.brookings.edu/wp-content/uploads/2016/11/thegeopolitics-of-chinas-rise-in-latin-america_ted-piccone.pdf. (23 July 2018).

While China embarks on the promotion of the Belt and Road Initiative – one of the biggest global infrastructure projects yet – it promises to bring benefits to CELAC states but is also intrinsically fraught with sustainability risks.¹⁷ These include “a problematic increase in debt, potentially limiting other spending as debt service rises, and creating balance of payments challenges.”¹⁸ That challenge is further complicated with China's non-accession to the Paris Club of creditors, making it more difficult for the international community to fully understand the debt implications of CELAC states participation in this trillion-dollar infrastructure plan.^{19,20} These are developments that will strengthen Chinese influence in the region at the expense of traditional partners such as the EU, as Chinese loans are usually processed faster (although the interest rates tend to be higher than those of other multilateral or bilateral development banks; and sometimes are tied to Chinese providers or even the use of Chinese labour). To date, the EU is the region's largest FDI investor - it accounts for more than half of FDI in CELAC countries - but as China ramps up plans to raise bi-regional investments in the next decade, it will test the foundations of EU-CELAC relations and could weaken the main pillar of EU regional influence. Unlike the EU, CELAC states are not enacting legislation to scrutinize Chinese investments: they welcome them with open arms.

17 Kawashima, S. (2018) *The Risks of One Belt, One Road for China's Neighbours*. Tokyo: The Diplomat (23 April 2018). <https://thediplomat.com/2018/04/the-risks-of-one-belt-one-road-for-chinas-neighbors/>. (14 July 2018).

18 Clover, C. (2018) *IMF's Lagarde warns over debt of China's Belt and Road*. Beijing: Financial Times (12 April 2018). <https://www.ft.com/content/7b7f9db2-3dec-11e8-b7e0-52972418fec4>. (15 July 2018).

19 Hurley, J. et al. (2018) *Examining the Debt Implications of the Belt and Road Initiative from a Policy Perspective*. Washington D.C: Center for Global Development (March 2018). <https://www.cgdev.org/sites/default/files/examining-debt-implications-belt-and-road-initiative-policy-perspective.pdf>. (22 July 2018).

20 Ibid.

Where Does the EU Stand?

One of the big questions that the EU will have to answer is whether China's vision and intention to create a multipolar global order, using CELAC states as key allies, is antithetical to the global democratic values that it has helped to build over the last 50 years. After all, multipolarity is fundamentally a theory of rivalry and of competing values. China's policy of non-interference translates to non-action in advocating and championing transparency, the rule of law, representative government, free markets, promoting the building of institutional capacity to facilitate competent government, etc. These present the fundamentals of the democratic values that the EU together with the US has championed over the last five decades.

Moving forward, several cracks have emerged in the EU-CELAC partnerships. Chief among them is the low-participation rate among Caribbean states. While it is difficult to assess what the main cause of this is, there are some suggestions that some Caribbean countries feel affected by a wider OECD framework that designates some Caribbean countries as tax havens, effectively imposing more thorough controls on financial transactions leading to reputational damage.²¹ As tensions escalate over these issues, it provides an opening for China to deepen ties with these states, thus consolidating its bid to win them over as allies in an eager push to reform the international system. With the foregoing, the Caribbean Development Bank suggested that Caribbean nations should explore the use of the Chinese Renminbi to ease the stress resulting from

these policies.²² At the same time, Chinese correspondent banking relationships have surged by 3355 per cent between 2009 and 2016 due to these regulatory crackdowns, further diverting trade relations towards its borders.²³ However, recent developments show the EU is undertaking renewed efforts to engage with the Caribbean countries, with the introduction of the 'Facility for Development in Transition' initiative in cooperation with the OECD Development Centre and ECLAC.²⁴ The initiative will support the design and implementation of public policies to achieve the SDGs for LAC countries. The EU, ECLAC and the OECD have allocated an amount of 16 million EUR to the instrument.

Conclusion

Can the EU effectively respond to China's pitch in Latin America and the Caribbean? It's a difficult question, but one worth exploring. More and more CELAC states are becoming middle-income countries and thus are demanding less aid from the EU, which erodes the Union's influence in the region and in country-level policies. This, in addition to an already weakened position to influence the trade agenda. But the EU can reinvigorate the partnership to assert its role in the region as a strategic partner in four ways:

21 Guarascio, F. (2018) EU set to add Bahamas, U.S. Virgin Islands to tax haven blacklist. Brussels: Reuters News Agency (9 March 2018). <https://www.reuters.com/article/us-eu-tax-blacklist/eu-set-to-add-bahamas-u-s-virgin-islands-to-tax-haven-blacklist-idUSKCN1GL1A4>. (18 July 2018).

22 Collinder, A. (2017) CDB Sees Solution to Correspondent Worries in Rise of Chinese Renminbi. Kingston: Jamaica Gleaner (1 September 2017). <http://jamaica-gleaner.com/article/business/20170901/cdb-sees-solution-correspondent-worries-rise-chinese-renminbi>. (21 July 2018).

23 Price, M; Coates, S. (2017) Chinese bank payment networks surge as Western lenders cut ties – study. Hong Kong: Reuters News Agency (8 May 2017). <https://www.reuters.com/article/china-banks/chinese-bank-payment-networks-surge-as-western-lenders-cut-ties-study-idusl4n1ia1og>. (23 July 2018).

24 Mead, L. (2018) EU, ECLAC and OECD launch regional facility for LAC countries in transition. Winnipeg: International Institute for Sustainable Development (17 May 2018). <http://sdg.iisd.org/news/eu-eclac-and-oecd-launch-regional-facility-for-lac-countries-in-transition/>. (17 August 2018).

1. raise the stock of FDI volume in micro, small and medium-sized enterprises;
2. encourage the transfer of technology and innovation and assist in accelerating the pace of digital transformation in the economies of the region;²⁵
3. maintain a dialogue with China in the region through existing multilateral frameworks such as the World Bank or the Inter-American Development Bank (IDB) in understanding the moral hazard that comes with a passive policy of not promoting democratic values in its development projects
4. expand the Development in Transition programme to explore the proposition of some CELAC states, to have their climate-vulnerability tied to the rate at which they can access concessional development finance, in addition to their income categorisation.²⁶

While these actions are not likely to disrupt China's push to create a multipolar world order, they could rebalance relations between the region and the EU and would likely reinforce both the inherent values of the liberal world order and the importance of long-term planning towards sustainable development.

25 CEPAL. (2018) ECLAC Advocates for a Renewed Strategy of Dynamic Cooperation Based on Multilateralism between Latin America and the Caribbean and the European Union. Economic Commission of Latin America and the Caribbean (17 JULY 2018). <https://www.cepal.org/en/pressreleases/eclac-advocates-renewed-strategy-dynamic-cooperation-based-multilateralism-between>. (21 July 2018).

26 Campbell, E. (2018) CARICOM Chairman Lobbies Chile For Development Financing. Montego Bay: Jamaica Gleaner. (7 June 2018). <http://jamaica-gleaner.com/article/lead-stories/20180707/caricom-chairman-lobbies-chile-development-financing>. (23 July 2018).

02

ENVIRONMENT

THE STATE OF THE ENVIRONMENT: CONCERN, ACTION, OPTIMISM

By *Reinhard Stuth*

*General Manager, HanBao Neue Energien GmbH,
Senator/ Minister (retired), Hamburg*



Dear Readers,

Today, mankind knows more about environment, nature, climate and the impact of human behavior than ever before. Why we can't see it in the character and courage of decisions taken by companies, trade unions, society and politics? Far too many people, leaders included, don't act according to their knowledge.

This phenomenon is by far not specific for any part of the world. It applies to Europe, Latin America, the Caribbean and the entire globe. Everywhere we share similar concerns, observations, trends, changes, challenges, even threats and harassments for our daily life.

Global warming affects agriculture. Water is getting scarce. Biodiversity and habitable areas are getting lost. People have to yield and to migrate. Future generations will have to look after our nuclear waste even in 1.000 years from now. We allow millions of tons of plastic waste to harm the marine environment. We burn coal in power plants thus curtailing the life expectance of much too many people every year. We produce batteries more than ever and don't care about the disposition at the end of their life cycle.

We, Europeans, Americans, Asians, Africans, not only share these changes for our life. We also discuss the same answers: Green financing, green buildings, green mining, resilience against floods and cyclones, renewable energies. And we take the same action, although quite often in the same half-hearted, ineffectual way.

Therefore, it is worth to listen to another. Europe, Latin America and the Caribbean can learn much more from another - and much faster anyway. In a world turning into a global village we have to watch out in order not to solve our problems at the expense of others. Producers and consumers of agricultural and industrial goods should jointly care for the environment.

The authors of LACalytics 2018, coming from different continents, reflect, study, and research these issues. They take a stand and demonstrate responsibility. It is this testimonial which gives reason for optimism

Yours sincerely,
Reinhard Stuth

“

As women face changing responsibilities and employment opportunities brought on by climate change, both regions have a responsibility to foster inclusive climate action; [...] climate change impacts know no boundaries.”

*Lena Schubmann &
Nayaatha Taitt*

ENM

THE GENDERED ROAD TO PARIS 2020: HOW GENDER-INCLUSIVE CLIMATE FINANCE CAN CATALYSE AN EU-CARIBBEAN SIDS TRIPLE-WIN

By Lena Schubmann (Germany) & Nayaatha Taitt (Trinidad and Tobago)

While structural inequalities make women particularly vulnerable to the impacts of climate change, there is a growing recognition of their agency in scaling adaptation, mitigation, and disaster risk management efforts. Discover how further engendering the delivery of EU climate finance in Caribbean SIDS can allow the bi-regional partnership to achieve the triple win of gender equality, mitigation, and resilience.

Climate change is not gender-neutral. Differentiated levels of access to resources shape how women and men experience its impacts. This gendered impact is further complicated in the Caribbean, where the unique geographical and socioeconomic characteristics of Small Island Developing States (SIDS) leave the Region markedly vulnerable to climate change consequences. Simultaneously, there is a growing recognition that women's unique knowledge enables them to play an agential role in scaling adaptation, mitigation, and disaster risk management efforts.¹ This

opens the door to consider the critical link between gender equality and climate finance for inclusive sustainable development.

Such a reflection comes at a crucial time in the global response to climate change. Most countries have submitted their first Intended Nationally Determined Contributions (INDCs) and the European Union (EU)—the world's largest contributor of climate finance—has pledged its commitment to contribute towards the goal of mobilising USD 100 billion per year by 2020.²

As both blocs prepare to turn their commitments under the Paris Agreement into action, the bi-regional partnership presents an ideal space to explore how gender-sensitive approaches can channel EU climate finance to achieve greater developmental impact in Caribbean SIDS and in so doing, unlock both regions' individual and collective climate ambitions.

1 Whyte, K. (2014) Indigenous Women, Climate Change Impacts, and Collective Action. Hypatia, 29 (3). <http://library.pcw.gov.ph/sites/default/files/indigenous%20women,%20climate%20change%20impacts.pdf> (10 July 2018).

2 United Nations Framework Convention on Climate Change (UNFCCC) (2016). Roadmap to US \$100 Billion. [http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/261_295_131233554162587561-Roadmap%20to%20the%20US\\$100bn%20\(UNFCCC\).pdf](http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/261_295_131233554162587561-Roadmap%20to%20the%20US$100bn%20(UNFCCC).pdf) (9 August 2018).

She Who Feels It, Knows It



Image courtesy of D. Smillie/World Bank

Academic and policy discourse acknowledge that women are generally more vulnerable in the ways in which they experience, respond, and adapt to climate change.³ As Dinkelmann points out, “many traditional economies were founded on a gendered division of labour in which women typically had primary responsibility for certain areas of resource management”.⁴ Across Caribbean SIDS, a large proportion of women’s livelihoods depend on climate-sensitive sectors such as agriculture and tourism, 16 per cent⁵ and 55 per cent⁶, respectively. Women also tend to work more than men in the informal sector (55 per cent vs. 45 per cent)⁷, which is less resilient

3 Demetriades, J. and Esplen, E. (2008) The Gender Dimensions of Poverty and Climate Change Adaptation. *IDS Bulletin*, 39 (4). <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1759-5436.2008.tb00473.x> (10 July 2018).

4 Dankelmann, I. (2002) Climate Change: Learning from Gender Analysis and Women’s Experiences of Organising for Sustainable Development. *Gender and Development*, 10 (2): 21-29. <https://www.tandfonline.com/doi/abs/10.1080/13552070215899> (10 July 2018).

5 Food and Agriculture Organisation (FAO) (2011). *State of Food and Agriculture. Women and Agriculture: Closing the Gender Gap for Development*. Rome. <http://www.fao.org/publications/sofa/2010-11/en/> (02 April 2018).

6 World Tourism Organization (UNWTO) and the United Nations Entity for Gender Equality and the Employment of Women (UN Women) (2011). *Global Report on Women in Tourism 2010*. Madrid, 18. http://cf.cdn.unwto.org/sites/all/files/pdf/global_report_on_women_in_tourism_2010.pdf (02 April 2018).

7 United Nations Entity for Gender Equality and the Employment of Women

to climate-related shocks and does not provide access to formal social protection networks and safety nets.⁸

In agriculture, women typically confront inequalities in access to productive assets such as land, credit and critical inputs (e.g. fertilisers, irrigation, technology, information and markets).⁹ With climate impacts leading to decreased land suitability and reduced yields, the ability of women to engage in productive activities such as subsistence/smallholder farming becomes severely compromised, which affects their food security and nutrition.¹⁰ As men are more likely to migrate in search of waged labour, women also remain with an increased workload.¹¹

Moreover, women are more likely than men to be affected by natural disasters provoked by climate change.¹² They not only face greater exposure to diseases in post-disaster situations (given that they are often responsible for chores such as cooking and fetching water), but economic impacts translate into income reduction/loss, with consequences for women’s empowerment, welfare, and the welfare of their dependents. In Dominica, a post-disaster assessment estimated that 1.8 million working days were lost across the

(UN Women)(2015). *Progress of the World’s Women 2015-2016*. Madrid, 71. http://progress.unwomen.org/en/2015/pdf/UNW_progressreport.pdf (02 April 2018).

8 Nelson V. et. al. (2002) Uncertain Predictions, Invisible Impacts, and the Need to Mainstream Gender in Climate Change Adaptations. *Gender and Development*, 10 (2): 51-59. <https://www.tandfonline.com/action/showCitFormats?doi=10.1080/per%20cent2F13552070215911> (10 July 2018).

9 Brown, L. et al. (1995) *Generating Food Security in the Year 2020: Women as Producers, Gatekeepers and Shock Absorbers*. International Food Policy Research Institute 2020 Brief, 17. <https://pdfs.semanticscholar.org/01f1/9be2a78245ec09e5ccde6c7c36d96187a929.pdf> (10 July 2018).

10 Denton, F., *Climate Change Vulnerability, Impacts, and Adaptation: Why Does Gender Matter?* *Gender and Development*, 10 (2). https://www.jstor.org/stable/4030569?seq=1#page_scan_tab_contents (15 June 2018).

11 Nelson et. al. (2002).

12 Williams. M. (2016) *Gender and Climate Change Financing: Coming Out of the Margin*. London: Routledge, 534.

tourism, agriculture, and commerce sectors following the Category 5 Hurricane Maria.¹³

Finally, through cooking and other household tasks, women are primary energy users.¹⁴ Still, structural gender inequalities preclude access to assets, education and training that could expand their role in clean energy, with many resorting to energy-inefficient biomass burning for cooking, lighting, and heating at the household and community levels. At the national level, access to the energy industry as workers/entrepreneurs is often limited, resulting in gender-blind energy project planning, financing, and implementation.

As stewards of natural and household resources, however, women are well-positioned to contribute to gender-responsive and gender-equitable programmes that build resilience.

Talking the Talk and Walking the Walk

Recognising the particular vulnerability of SIDS, the EU established the Global Climate Change Alliance (GCCA) in 2007 to support SIDS' endeavours to adapt to climate change. This partnership was renewed in 2014 to become the GCCA+, with the EU placing extra emphasis "on strengthening the strategically important issues of ecosystems-based adaptation, migration and gender equality."¹⁵

13 Twinning, W. (2017). Resilience, Sustainability, and Inclusive Growth for Tourism in the Caribbean. World Bank. <https://worldbank.org/psd/resilience-sustainability-and-inclusive-growth-tourism-caribbean> (02 April 2018).

14 Huyer, S. (2016). Gender Equality in National Climate Action: Planning for Gender-Responsive Nationally Determined Contributions. United Nations Development Programme (UNDP). <http://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/gender-equality-in-national-climate-action--planning-for-gender-.html> (15 June 2018).

15 European Union (2012). Paving the Way for Climate Compatible Development: Experiences from the Global Climate Change Alliance. http://www.gcca.eu/sites/default/files/GCCA/gcca_brochure_2012_eng_pdf_lo_0.pdf (15 June 2018).

Under the GCCA, the project 'Sustainable Coastal Zone Protection Through Mangrove Management in Guyana' stands out as a best practice to demonstrate how the EU has actively integrated specific gender issues into its climate actions in the Region. With the dual objective of mitigating climate change and adapting to its effects, the project leveraged women's capabilities to contribute to carbon sequestration through reforestation and forest preservation, as well as to adapt through strengthening natural sea defences and support for coastal zone biodiversity.

Specific gender equity criteria emphasised women's increased representation in the Sea and River Defence Board and placements in Science, Engineering and Technology internships. Through learning-by-doing and valuing traditional knowledge, the project also promoted training for women to establish small women-led enterprises that would benefit from sustainable mangrove management. Lastly, the project supported the Government of Guyana in creating a National Gender Policy with complementary measures in line with the EU's Gender Action Plan 2016-2020. Among the outcomes were: an increased percentage of women in decision-making processes and non-traditional activities with development co-benefits including women's inclusion and economic empowerment.

Several lessons can be learnt: first among them, the importance of a holistic bottom-up and top-down gendered approach that not only addresses women's 'needs' at the micro/local level but focuses on women's leadership at the governance level. Second, the importance of considering the needs, interests and differential vulnerabilities of men and women in all aspects of project development, including the design, implementation, and

monitoring and evaluation phases. Third, the fact that appreciating social dimensions of target communities and that building on women’s indigenous resilience experience can improve the mainstreaming of both adaptation and mitigation actions, tailoring them to individual countries’ specific context.

Applying this insight to the EU’s broader bilateral and regional climate-related finance flows in the Region¹⁶ offers an opportunity to replicate and further scale these learnings. Over the period of 2014-2016, gender equality was an important and deliberate objective in 11 per cent of the climate activities funded, but not the principal reason for undertaking the project.¹⁷ Where present, gender equality was more often integrated into adaptation-related aid to agriculture, water, disaster risk reduction, and capacity-building and less so in economic infrastructure sectors. This leaves room to more explicitly consider women’s specific needs and contributions across both adaptation and mitigation, and at the same time, advance mitigation activities that spur gender inclusion in the energy and transport sectors.

A comparison of the sectors prioritised by gendered EU climate finance and the mitigation and adaptation priorities of Caribbean SIDS as expressed in their INDCs reveals scope to align available climate funds with complementary development priorities (Figure 1).¹⁸ The majority of SIDS that prioritise adaptation in their INDCs identify water resources as a main priority area. Meanwhile,

countries that emphasise mitigation actions propose interventions mainly in the energy sector.¹⁹ The energy and forestry sectors are identified as both mitigation and adaptation priorities. Three of 13 countries mention the linkage between gender and climate change.

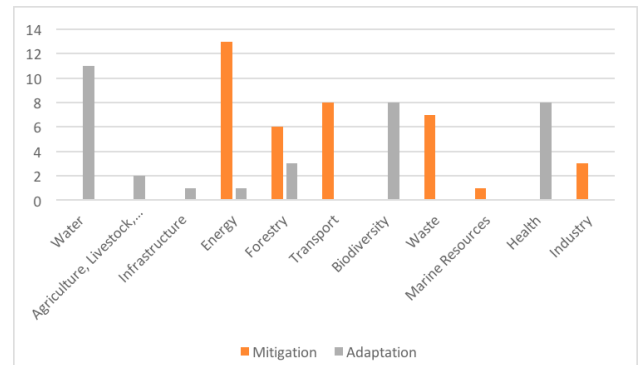


Figure 1: Sectors prioritised by Caribbean SIDS in their INDCs | Source: Compiled by the authors based on an analysis of the INDC of 13 Caribbean SIDS submitted to the United Nations Framework Convention on Climate Change (UNFCCC)

The Way Forward

So, how can this high degree of complementarity create opportunities for gender-responsive climate funding allocations that enable women to become active agents of climate action? Two critical entry points are proposed.

The first entry point is to more closely consider the gendered implications of climate change in critical areas such as energy use and to unlock mitigation-related climate aid that increases women’s participation in all levels of the green economy. Complementary to large-scale energy infrastructure and industrial efficiency programmes, small-scale interventions (e.g. microfinance schemes) can strategically engage women to scale adoption as consumers of clean energy products and

16 Compiled by authors based on an analysis of gender equality policy markers in data from the Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee’s Creditor Reporting System (CRS).

17 Ibid.

18 Compiled by the authors based on an analysis of the INDCs of 13 Caribbean SIDS submitted to the United Nations Framework Convention on Climate Change (UNFCCC).

19 Compiled by authors based on an analysis of gender equality policy markers in data from the Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee’s Creditor Reporting System (CRS).

entrepreneurs in the delivery of energy services.

The second entry point is to further pursue joint mitigation and adaptation approaches—such as in the Guyana example—that decrease women’s risk and vulnerability to climate change. There are significant co-benefits between mitigation and adaptation, with effective mitigation efforts requiring a lesser subsequent emphasis on adaptation, owing to reduced climate impacts. Contributing to cross-sectoral Nationally Appropriate Mitigation Actions through synergetic activities in the agriculture, forestry and other land use sectors can give women the tools to sustain the pursuit of joint activities in the future. For example, capacity-building on sustainable farming practices such as agroforestry not only allows women to improve food production, food security and income diversification (thereby increasing the household’s overall adaptive capacities against climate shocks); tree planting also delivers significant greenhouse gas reductions.



Image courtesy of Isak55/Shutterstock

Effectiveness, Effectiveness, Effectiveness

As women face changing responsibilities and employment opportunities brought on by climate change, both regions have a responsibility to foster inclusive climate action; this is not least because climate change

impacts know no boundaries. Caribbean SIDS as recipients should be prepared to articulate policy priorities that recognise gender responsiveness as a pathway to sustainable development through a country-driven approach. As a donor, the EU should further promote direct and aligned responses that address women’s increased burden brought on by climatic shocks, and also harness their potential to strengthen their adaptive and mitigative capacities.

In a dimension of this symbiosis that is not always considered, lessons learnt from gender and climate finance in Caribbean SIDS also add an important perspective to the EU’s internal climate agenda. For example, gender gaps in the labour market, as well as women’s disadvantaged access to highly-skilled technical and scientific jobs, finds mutual computability in both regional context.²⁰ Accordingly, financing opportunities that encourage greater female participation in Science, Technology, Engineering, and Math (STEM) fields can increase their knowledge of- and access to- appropriate sustainable energy technologies, as well as provide jobs and advancement opportunities in the clean tech sector.

Given the needs in this area, regardless of the transatlantic distance, gendered climate finance can easily represent an EU-Caribbean SIDS triple win: gender equality, mitigation, and resilience.

²⁰ Among the EU countries, women’s wages are 16.2 per cent lower than men’s wages in equal positions. In positions requiring technical and scientific skills, however, the gender pay gaps are as high as 31.3 per cent in Germany or 28.9 per cent in Italy (EUROSTAT 2016).

“ *Equitable knowledge and technology exchange programmes, [...], could help shift the EU’s sustainability paradigm from that of ‘saving the environment’ to ‘being a constitutive element of the environment’.*”

*Monica Gonzalez &
Erik Post*

EN2

TRACES OF GOLD: HOW BI-REGIONAL KNOWLEDGE EXCHANGES CAN MITIGATE SOCIO-ENVIRONMENTAL IMPACTS OF GOLD EXPLOITATION IN COLOMBIA

By *Monica Gonzalez (Colombia) & Erik Post (The Netherlands)*

The expansion of mining activities in Colombia has led to socio-environmental contradictions that aggravate armed conflicts, environmental destruction, and land and water grabs. Because gold exploitation in Colombia and consumption habits in Europe are intimately connected, this article argues that knowledge exchange between the European and LAC regions can help mitigate these negative effects.

Due to the unprecedented commodity price boom of the last two decades, mining operations are intensifying throughout the Latin America and Caribbean region (LAC). In Colombia, this expansion has led to widespread socio-environmental contradictions that aggravate armed conflicts, environmental destruction, as well as land and water grabs.¹ It is estimated that between 2000 and 2016, at least 179 active socio-environmental conflicts were related to mining in Colombia.²

1 Baptiste, B. et al., (2017) "Greening peace in Colombia," *Nature Ecology & Evolution* 1, no. 4 (2017): 0102, <https://doi.org/10.1038/s41559-017-0102>; McNeish, J. (2017), "Extracting Justice? Colombia's Commitment to Mining and Energy as a Foundation for Peace," *The International Journal of Human Rights* 21, no. 4: 500–516, <https://doi.org/10.1080/13642987.2016.1179031>; Svampa, M. (2015) "Commodities Consensus: Neoextractivism and Enclosure of the Commons in Latin America," *South Atlantic Quarterly* 114, no. 1: 65–82, <https://doi.org/10.1215/00382876-2831290>

2 Radiografía de los Conflictos Sociales del Sector Minero-Energético,"

This article argues that knowledge exchange between the European and LAC regions can help mitigate these negative effects. We highlight the linkages between the impacts of gold exploitation in Colombia's Antioquia region and consumption habits in Europe through a global supply chain analysis. Since the European Union (EU) and Colombia have a close relationship and are self-described allies, we suggest that drawing on the respective strengths of both the European and LAC regions can mitigate socio-environmental stress related to mining.³ In the EU, exposure to LAC First Nations' cosmovisions can motivate European consumers to minimise consumption of gold-carrying products. In Colombia, the government could integrate core European environmental law principles, such as the polluter pays principle and the precautionary principle, which stipulate that uncertainty or incomplete information are not reasons for postponing interventions to halt

Fundación Paz y Reconciliación (blog), May 24, 2018, <http://pares.com.co/2018/05/24/radiografia-de-los-conflictos-sociales-del-sector-minero-energetico/>.

3 European External Action Service and European Commission-Directorate General for Development and Cooperation - EuropeAid (2014) Multiannual Indicative Programme MIP 2014-2017 Colombia, Brussels: European External Action Service.

environmental degradation. Additionally, it could adopt stronger environmental standards governing mining operations inspired by EU legislation, such as increasing water recycling and reducing waste.

Case Study: The Socio-Environmental Impacts of Mining in Colombia

Since colonial times, the region of Antioquia has been the main producer of gold in Colombia. Following the gold rush of the early 2000s, violence in the region has intensified, as illegal armed groups have consolidated their control over mining areas. This has increased territorial disputes in this region, which still produces 20 per cent of Colombia's gold.⁴ The 2011 census carried out by the Colombian Ministry of Environment estimates that over 90 per cent of the gold mines do not have an environmental plan or license.⁵ According to official statistics, only 5 per cent of mining activities operate under proper environmental and safety practices.⁶

Artisanal and illegal mining relies heavily on the use of mercury; it is environmentally harmful as the chemical waste poisons bodies of water. Most unlicensed gold mines are filled with toxic gases that negatively affect the miners' health, which is further aggravated by their precarious working conditions. In these mines, the whole extraction process is conducted by hand and the mining material is carried on the miners' back and shoulders. Not

only are the miners placed into a dangerous work environment, they are also caught in the crossfire between illegal groups and the Colombian military.⁷

Since thousands of families depend on unlicensed mining for survival, a lack of alternative opportunities is a key element in the maintenance of this situation. Consequently, the Colombian government is trapped in a dilemma: cracking down on illegal extraction and favouring international mining corporations puts the miners' incomes at risk. Gold mining generates almost 50,000 jobs—around 40,000 of which are provided by illegal mining (80 per cent)—while legal mining contributes the remaining 10,000.⁸ On the other hand, the formalisation and regulation of mining activities can reduce environmental damages and improve the working conditions of miners.

The Global Supply Chain: From Mines in Colombia to Consumers in the EU

The main gateways for Colombian gold exports are international traders from the United States (US) and Switzerland, which are responsible for the majority of exports. International traders are also major conduits for illegally extracted gold: in 2016, their purchases of Colombian gold surpassed Colombia's official production figures. These traders abuse Colombia's free-trade zones to hide dirty dealings, since tax and customs regulations are weaker. Gold is also smuggled to Venezuela and Panama or shipped to the Netherlands via its territories in the

4 Ibarra Sanchez, D. (2017) "Illegal Gold Mining Fuels Violence in Colombia," Al Jazeera, <https://www.aljazeera.com/indepth/inpictures/2016/10/illegal-gold-mining-fuels-violence-colombia-161005063014208.html>.

5 Ministry of Mines and Energy (2011) Mining Census, <https://www.minminas.gov.co/censominero>

6 Güiza, L. and Aristizabal, J. (2013) "Mercury and Gold Mining in Colombia: A Failed State," *Universitas Scientiarum* 18, no. 1: 33–49.

7 Trianni, F. (2014) "A Day in The Life of An Illegal Miner in Colombia," TIME, <http://time.com/2818968/colombia-illegal-mining/>.

8 See 6.

Caribbean.⁹ Gold is notoriously difficult to track; it can be melted and mixed, rendering its origin untraceable. Even with existing due diligence practices, vast amounts of “illegal gold slip through the system”.¹⁰ Once gold leaves Colombia, there is no way of knowing whether it was procured from illegal mines, facilitating its unquestioned entry in the global supply. Figures 1 and 2 illustrate how gold enters an opaque network of transnational criminal networks, semi-legitimate traders and dubious refiners before reaching the global market.

In 2017, the EU imported EUR 14 million of gold from Colombia; however, most gold enters the EU in the form of jewellery and the circuit boards used in electronics.¹¹ Data by the World Gold Council indicates that the overwhelming majority of gold demand arises from the rapidly expanding jewellery and technology industries.¹² Illegally mined gold from Colombia inevitably ends up in smartphones, laptops, cars and even coins. A 2018 investigation by the Miami Herald exposed how a US-based trader sold illegally mined gold from South America to 67 different Fortune 500 companies, including Apple and Tiffany & Co.¹³

9 Organisation for Economic Co-operation and Development, (2016) *Due Diligence in Colombia's Gold Supply Chain - Where Does Colombian Gold Go?*, Paris: Organisation for Economic Co-operation and Development.

10 Bloomberg News, (2016) “Colombia’s ‘Blood Gold’ Turns up in Everything From Smartphones to Cars,” *The Denver Post*, <https://www.denverpost.com/2016/11/18/colombia-blood-gold-smartphones-cars/>; OjoPúblico, (2015) *Dirty Gold: Chasing the trace of the London Bullion Market*, <http://ojo-publico.com/dirty-gold-chasing-the-trace-of-the-london-bullion-market/>.

11 European External Action Service (2018). *Las Relaciones Económicas y Comerciales Entre Colombia y La Unión Europea: Cinco Años de Implementación del Acuerdo Comercial (2013-2017)*, Bogota: European External Action Service.

12 World Gold Council (2017) *Gold Demand Trends Full Year 2017*, London: World Gold Council <https://www.gold.org/research/gold-demand-trends/gold-demand-trends-full-year-2017>.

13 Weaver, J. et al. (2018). *How Drug Lords Make Billions Smuggling Gold to Miami for Your Jewelry and Phones*, *Miami Herald*,

<http://www.miamiherald.com/news/local/community/miami-dade/article194187699.html>.

Whereas India and China dominate the global demand for gold, the EU is the largest single economy and trade block in the global economy. With 500 million consumers and more imports than the US, China, or India, a large share of products carrying gold ends up in the EU. A 2014 United Nations study points to the scale of EU electronics consumption, noting that nine of the ten largest producers of electrical and electronic waste per capita are found in Europe.¹⁴ Echoing findings for other precious metals, such as tantalum, EU consumer behaviours are critical for global supply patterns, which in turn have local impacts in Colombia.¹⁵ Structurally reducing the consumption of gold-carrying products alters the global demand and price of gold, in turn dis-incentivising gold extraction in Colombia and elsewhere.

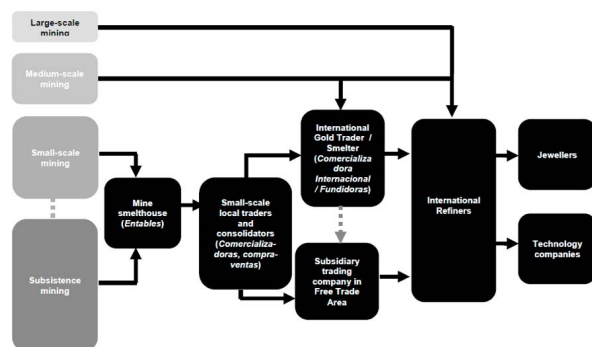


Figure 1: The gold supply chain in Colombia | Source: Organisation for Economic Co-operation and Development, “Due Diligence in Colombia's Gold Supply Chain - Overview,” OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Paris: Organisation for Economic Co-operation and Development, 2016), p. 10.

14 Institute for the Advanced Study of Sustainability (2015) *The Global E-waste Monitor 2014, Quantities, Flows, and Resources*, United Nations University.

15 Deetman, S. et al. (2017), “Deriving European Tantalum Flows Using Trade and Production Statistics: European Substance Flow Analysis for Tantalum,” *Journal of Industrial Ecology* 22, no. 1: 166–79, <https://doi.org/10.1111/jiec.12533>.

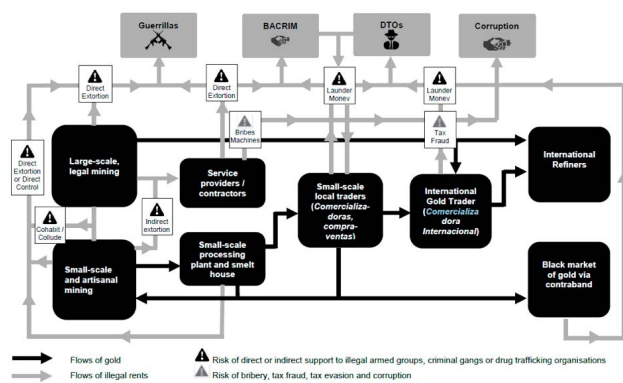


Figure 2: Illegal armed groups, criminal organisations and their relation to the gold sector. BACRIM stands for *bandas criminales*, or criminal gangs, while DTOs stands for *Drug Trafficking Organisations*. | Source: Organisation for Economic Co-operation and Development, “Due Diligence in Colombia’s Gold Supply Chain - Overview,” *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* (Paris: Organisation for Economic Co-operation and Development, 2016), p. 25.

How Knowledge Exchange Between the EU and the LAC Region Mitigates this Problem:

Recognising the enormous socio-environmental impacts of their consumption, many European consumers have begun to question their behaviour and to attempt to become more ethical consumers. More structurally, some academics, think tanks, activists and citizens have begun to propose and advocate for alternative consumption and production methods, ranging from sustainable or fair-trade consumption to the conceptualization of a circular EU economy. However, many of these initiatives are Eurocentric and do not radically break with the hegemonic rationality of modernity and progress.¹⁶

16 Escobar, A. (2004) “Beyond the Third World: Imperial Globality, Global Coloniality and Anti-Globalisation Social Movements,” *Third World Quarterly* 25, no. 1: 207–30, <https://doi.org/10.1080/0143659042000185417>; Martínez-Alier, J. et al. (2010), “Social Metabolism, Ecological Distribution Conflicts, and Valuation Languages,” *Ecological Economics* 70, no. 2: 153–58, <https://doi.org/10.1016/j.ecolecon.2010.09.024>; Shaw, D. and Newholm, T. (2002), “Voluntary Simplicity and the Ethics of Consumption,” *Psychology and Marketing* 19, no. 2: 167–85, <https://doi.org/10.1002/mar.10008>.

This inhibits more successful and equitable exchange of ideas with the LAC region, even though much wisdom can be gleaned from non-European ontologies and epistemologies. At the risk of overgeneralising and not wishing to romanticise American first nations, many pre-Hispanic cosmovisions prescribe systems of production within ecological limitations and stress the ontological unity of nature and humanity. By contrast, the European philosophical tradition clearly distinguishes between—and even contrasts the social and the natural worlds—obscuring their intimate interrelations. Many scholars and activists have emphasised that the transition to a more sustainable society requires fundamental philosophical shifts. Equitable knowledge and technology exchange programmes, for example in agro-ecological farming and renewable energy, could help shift the EU’s sustainability paradigm from that of ‘saving the environment’ to ‘being a constitutive element of the environment,’ while bolstering the autonomy of first nations.¹⁷

In Colombia, the bolstering of state management and the strengthening of institutions are vital in combating unlicensed mining. For example, the European precautionary and polluter pays principles could serve as guidance in improving the environmental protection and risk prevention protocols. This process needs to be complemented with more robust and universal enforcement. For example, the Colombian legal framework prohibits the dumping of

17 Escobar, A. (1998) “Whose Knowledge, Whose Nature? Biodiversity, Conservation, and the Political Ecology of Social Movements,” *Journal of Political Ecology* 5, no. 1: 53–82; Escobar, A. (1999), “After Nature: Steps to an Antiessentialist Political Ecology,” *Current anthropology* 40, no. 1: 1–30; Gudynas, E. (2011) “Desarrollo, Postextractivismo y ‘Buen Vivir,’” *Pueblos, Desarrollo, Cooperación y Empresas Transnacionales*, no. 69: 19–21; Leff, E. (2015) “The Powerful Distribution of Knowledge in Political Ecology,” in Perreault, T., Bridge, G. and McCarthy, J. (eds.) (2015), *Routledge Handbook of Political Ecology*, London ; New York: Routledge, Taylor & Francis Group; Sullivan, S. (2017) “What’s Ontology Got to Do with It? On Nature and Knowledge in a Political Ecology of the ‘Green Economy,’” *Journal of Political Ecology* 24: 217–42.

substances harmful to the environment such as mercury. Moreover, a procedure for handling dangerous chemicals is well described in Decree 2222 of 1993 and Law 99 of 1993, which set the standards for obtaining an environmental license. Therefore, mechanisms for the effective execution and enforcement of these policies need to be established, alongside the strengthening of responsible institutions and a shift in prosecution practices. As Director of the Punto Medio think tank Álvaro Pardo argues, there is a failure in law enforcement instruments since the miners and operators are being jailed, instead of investors and mine owners.¹⁸

Beyond legislative changes and institution-building, the re-establishment of social structures is key in mitigating the effects of illegal mining. Attention and assistance to marginalised communities along with the legalisation of artisanal mining will be more effective than predominantly focusing on law enforcement. The European Union can contribute to rebuilding the social tissue of the Colombia's rural areas by providing political, diplomatic and logistical support to the numerous peace-building and stabilisation programmes.

Conclusion

Because the negative socio-environmental impacts of illegal mining originate from a multifaceted set of challenges, they will have to be addressed from several perspectives. A significant percentage of gold extracted in Antioquia finds its way into the globalised production processes that, amongst

others, cater to the single largest consumer market: the EU. If European consumers were to engage in equitable knowledge exchange programmes with American pre-Hispanic cultures and adapt their consumption patterns to ecological limitations, gold's global market dynamics would be affected. This would indirectly mitigate some of the socio-environmental damages. On the other hand, the Colombian government could integrate European environmental principles and aspire to adapt, execute, and enforce higher standards.

It remains uncertain how Colombian mining policy will change as the new president of Colombia Ivan Duque, who took office on August 7, 2018, has yet to propose any significant changes to policies on illegal mining beyond more coercive enforcement measures. Knowledge exchange between the EU and LAC regions is thus an integral facet of a holistic approach to addressing socio-environmental impacts of illegal gold mining in Colombia.

¹⁸ Ebus, B. (2016), "Illegal Gold Mining in Colombia Is Destroying the Rainforest," Newsweek, <http://www.newsweek.com/2016/11/25/colombia-illegal-gold-mining-521717.html>.

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Most floods happen in densely populated urban areas, which is particularly challenging for LAC cities, where rapid and chaotic urbanisation has led to the emergence of illegal settlements highly vulnerable to natural disasters.”

*Stefania Guadalupe Vallejo &
Claudia Wiese*

EN3

FLOODED OR FLOATING CITIES? AN INVESTIGATION ON FLOOD MANAGEMENT SYSTEMS IN LATIN AMERICAN, CARIBBEAN AND EUROPEAN CITIES

By Stefania Guadalupe Vallejo (Ecuador) & Claudia Wiese (Germany)

While flooding is one of the most frequent natural disasters in the world, not all countries have the same financial and technical means to deal with its consequences. The following article looks at the differences in flood management systems in Latin American, Caribbean and European cities with the aim of pointing out problems and finding cost-effective, innovative solutions to prevent and deal with the consequences of flooding.

Introduction

Regularly, news about the El Niño phenomenon ravaging Latin America and the Caribbean (LAC) with severe flooding are broadcast all over the world. In 2015 alone, 150 000 people had to flee their homes swept away by raging torrents in Paraguay, Northern Argentina, Southern Brazil and Uruguay.¹ According to the UN report “The

Human Cost of Weather Related Disasters,” 2.3 billion people were affected by flooding events between 1995 and 2015, accounting for around 56 per cent of those affected by weather-related disasters.² However, the world is unequally affected: for example, while LAC countries struggle to deal with the human as well as financial consequences and barely invest into prevention mechanisms, European countries have been developing well-functioning mitigation strategies. Additionally, most floods happen in densely populated urban areas which is particularly challenging for LAC cities, where rapid and chaotic urbanisation has led to the emergence of illegal settlements highly vulnerable to natural disasters. Climate change, as well as the anthropogenic destruction of natural defence systems such as forests in and around cities, will certainly contribute to the rise of flooding in the next decade. So, why did LAC countries do so little to mitigate flooding

¹ BBC Mundo (2015); Evacúan a 150.000 personas en Paraguay, Uruguay, Argentina y Brasil por inundaciones; URL: https://www.bbc.com/mundo/noticias/2015/12/151226_america_latina_argentina_paraguay_uruguay_brasil_inundacion_desplazados_ppb (13 July 2018).

² UNISDR (2015). The Human Cost of Weather Related Disasters 1995-2015, https://www.unisdr.org/2015/docs/climatechange/COP21_WeatherDisastersReport_2015_FINAL.pdf (13 July 2018).

risks and what should they do in the future? Should they follow the European model, or is that too costly?

The following article will shed light on how LAC and European cities cope with flooding due to heavy rain or water level rise. Although these two regions are quite different topographically and socio-economically, it is worth looking into best practices and point out areas where the European Union (EU) and LAC countries can cooperate with each other for more efficient flood protection mechanisms. For instance, the EU has developed a legal framework for the implementation of structural responses (notably, dikes or tidal regulation systems) and non-structural ones (e.g., flood maps) which might be of interest for LAC countries, of which most do not even have an early warning system.

1. Integrated Approach for Flooding Management in European Cities

On the European continent, the number of disasters attributed to flooding has risen since 1998. According to a study conducted by the ENHANCE Project, the occurrence of extreme and catastrophic floods will increase to a rate of 1 every 10 years by 2050 compared to the current rate of 1 every 16 years.³ The study also indicates that the average annual economic losses caused by flooding in Europe will total EUR 23.5 billion – which represents over five times the amount for the 2000 to 2012 period.⁴

Within the EU, Flood Risk Management (FRM), which aims to reduce the likelihood and

impacts of floods, is based on both structural and non-structural responses that follow two directives: the EU Water Framework Directive 2000/60/EC and the EU Flood Directive 2007/60/EC. The latter focuses on prevention, protection, preparedness, emergency response, recovery and lessons learnt.⁵

Regarding structural response systems, the German city of Hamburg has built cascading flood embankments to minimise the effects of possible floods of the Elbe River. In the HafenCity area, dikes and buildings built upon plinths are part of the structural response of the harbour city to mitigate the effects of flooding and all new buildings stand on artificial bases that are built at 8 meters above sea level.⁶ Furthermore, new roads and bridges have to be built over 7.5 meters above sea level. In its neighbouring country, the Dutch city of Rotterdam implemented the Delta Works Program that involved the building of dike-rings and damming of bays with floodgates. The Maeslant Barrier is an example of a movable gate whose doors close when the sea level rises above 9.1 centimetres.⁷

Among the non-structural measures implemented in Europe, flood emergency planning is the cornerstone of the FRM. These plans are mandatory in flood risk areas containing comprehensive contingency plans that cover crisis management before, during

5 European Commission (2014) Links between the Floods Directive (FD 2007/60/EC) and the Water Framework Directive (WFD 2000/60/EC). <https://circabc.europa.eu/sd/a/124bcea7-2b7f-47a5-95c7-56e122652899/inks%20between%20the%20Floods%20Directive%20and%20Water%20Framework%20Directive%20-%20Resource%20Document>

6 Voorendt, M. (2012) Flood Defences: Hamburg, <https://www.flooddefences.org/hamburg.html>, HafenCity Hamburg GmbH. (2018), Flood-secure bases instead of dikes: safe from high water in HafenCity <https://www.hafencity.com/en/concepts/flood-secure-bases-instead-of-dikes-safe-from-high-water-in-hafencity.html>

7 Grossman, D. (2015) A Tale of Two Northern European Cities: Meeting the Challenges of Sea Level Rise, https://e360.yale.edu/features/a_tale_of_two_northern_european_cities_meeting_the_challenges_of_sea_level_rise

3 Enhancing Risk Management Partnerships for Catastrophic Natural Disasters in Europe

4 European Commission (2014) Science for Environment Policy: European costs could increase almost five-fold by 2050. http://ec.europa.eu/environment/integration/research/newsalert/pdf/372na7_en.pdf

and after flooding events. In the Netherlands, flood and evacuation maps along the Rhine basin show mandatory evacuation routes. Furthermore, Land Planning – which consists of a set of preventive measures that aim to avoid the construction of buildings in flood basin areas – discourages any construction that forms an obstacle to the natural flow of water. In the United Kingdom, authorities and citizens can access an interactive online Flood Map, a portal that provides up to-date information on flooding events. The goal of this initiative is to increase awareness among people regarding flood risk and to encourage them to take preventative actions. The website also serves as a portal for planning permissions in flood-prone areas for the inhabitants of England and Wales.⁸

Early warning and forecast systems are also key measures in the flood prevention repertoire of European cities. The Flood Alert System (FAS)⁹ and the European Flood Forecasting System, based on the LISFLOOD¹⁰ rainfall simulating model, help forecast flooding up to 10 days in advance. In Augustenbord in Malmö, Sweden, authorities implemented flood risk management and waste management procedures with sustainable urban drainage systems (SUDS). Measures included retention ponds and green roofs - which act as a natural rainwater management device that uses vegetation and soil to reduce the runoff response.¹¹

8 Hegger D. et al. (2016) A view on more resilient flood risk governance: key conclusions of the STAR-FLOOD project. <http://www.starflood.eu/documents/2016/03/d6-4-final-report-webversion.pdf>.

9 European Commission (2017) European Flood Awareness System. <https://www.efas.eu/>

10 LISFLOOD model is a hydrological rainfall-runoff model that is capable of simulating the hydrological processes and thus provide predictions on flooding. Burek, P et al. (2013), LISFLOOD: Distributed Water Balance and Flood Simulation Model. <https://publications.europa.eu/es/publication-detail/-/publication/e3b3c713-c832-4614-8527-f3ab720192f8>

11 Hegger D. et al. (2016) A view on more resilient flood risk governance: key conclusions of the STAR-FLOOD project. <http://www.starflood.eu/documents/2016/03/d6-4-final-report-webversion.pdf>

2. Flooding in Latin American and Caribbean Cities Call for Better Risk Management Strategies

Contrary to European countries, most LAC countries do not have a well-designed regulatory framework to deal with natural disasters. According to the Inter-American Development Bank (IDB), LAC countries face the highest median costs per disaster with a cost of about 0.18 per cent of GDP per event.¹² Additionally, total disaster costs in the last three decades (1980-2010) surpassed those of the previous eight decades between 1900 and 1980.¹³ The latter trend is not only a consequence of climate change but also of population growth and the rapid and uncontrolled process of urbanisation. Between 1970 and 2015, the urban LAC population rose from 50 per cent to 80 per cent, leading to overcrowded, unstructured cities prone to the development of slums in dangerous areas (e.g. in flood prone areas) and crucially lacking risk management strategies as well as the necessary infrastructure – such as pluvial drainage systems – to cope with extreme weather phenomena. As a consequence, 86 per cent of registered disaster events in LAC between 1980 and 2009 happened in urban and peri-urban areas entailing large-scale human displacements and casualties.¹⁴

However, despite the increased flooding risk, many LAC cities fail to develop efficient disaster management systems because of their high upfront costs. For instance, the above-mentioned Dutch Maeslant

12 Inter-American Development Bank (2013) Infraestructura Sostenible para la Competitividad y el Crecimiento Inclusivo; Estrategia de infraestructura del BID

13 Illescas C. F., Buss S. (2016) Ocurrencia y Gestión de inundaciones en América Latina y el Caribe – Factores claves y experiencia adquirida; BID

14 Mansilla E. (2010) Riesgo Urbano y Políticas Publicas en America Latina: La Irregularidad y el Acceso al Suelo; ISDR, UNDP, Corporación OSSO

Barrier cost about EUR 635 million including dike reinforcements.¹⁵ Yet, some easily implementable and cost-effective strategies exist; following heavy rainfall in 2002, which led to the death of 74 people and 120 injured, the Bolivian city of La Paz developed an early warning system and a risk map for better land use planning. In 2011, heavy rainfall led to a mega-landslide, which affected 26 per cent of the city; however, thanks to the efficient early warning system, everyone could be evacuated in a timely manner and no human lives were lost.¹⁶ Although the consequences of landslides are different from those of flooding, the latter example clearly illustrates the power of an early warning system in the prevention of human fatalities. Another interesting approach lies in 'constructing with nature.' The idea is that infrastructure projects should respect the environment within and around cities and to use these natural resources as barriers against flooding. For instance, mangroves can reduce wave heights as much as 66 per cent, providing a cheap and efficient natural barrier against flooding in coastal cities.¹⁷ Unfortunately, mangrove forest destruction has been highest on the Caribbean coast where cities would benefit most from this natural protection system.

In addition to these easy implementable measures, dams, large scale upgrading of housing substance and more efficient pluvial drainage systems are also desirable. For instance, drainage systems are often blocked by uncollected waste. In La Paz, about 30 tonnes of rubbish per day end up in

the drainage system and therefore it cannot fully operate when needed.¹⁸ Hence, recycling would be one way to face this problem. To finance these structural response systems, LAC cities have several options. For example, since the severe flooding incidents in Colombia between 2010-2011, generating a loss of USD 11.2 billion, the country has worked closely with the Dutch Government to develop an early flood management system and sustainable cities schemes with the expansion of parks as natural flood protection areas.¹⁹ Besides, to get a better grasp of informal settlements in disaster-prone areas, the city of Bogota implemented a cadastre system to register housing constructions. The system not only enabled the identification of urban areas but also the collection of property taxes, which increased local government revenues 2.5 times and thus its financial capacity to cope with natural risks.²⁰

Conclusion

In the past, LAC countries have not invested sufficiently in risk management strategies because of the lack of a legal framework and high upfront cost of structural mitigation responses. To tackle these problems, a three-pronged approach for LAC countries in managing this risk could greatly improve the current situation. The first component of the approach consists of international collaboration – the example of Dutch-Colombian collaboration illustrates a great opportunity for LAC countries to effectively anticipate and manage future flood

15 Website of Deltawerken (construction of the Measlant Barrier) <http://www.deltawerken.com/Indispensable-/464.html>

16 Filho W. L. et al. (2018) A Comparative Analysis of Climate-Risk and Extreme Event-Related Impacts on Well-Being and Health: Policy Implications; *Int. J. Environ. Res. Public Health*, 15(2), 331

17 Mcivor A. Möller I., Spencer T. Spalding M. (2012) Reduction of Wind and Swell Waves by Mangroves; *Natural Coastal Protection Series* ISSN 2050

18 Illescas C. F., Buss S. (2016) Ocurrencia y Gestión de inundaciones en América Latina y el Caribe – Factores claves y experiencia adquirida; BID

19 Ishizawa O. A. (2018) The Disaster Risk Management Challenge for Small Cities; *World Bank Blog - Latin America & Caribbean*

20 Trohanis Z. E. (2018) What is the first step for organizing Peru's cities?; *World Bank Blog – Latin America & Caribbean*.

risk – leveraging decades of investigation, investment and lessons learnt in flood-prone Western Europe. The second is to focus initially on non-structural solutions that put countrywide preventative policies and processes in place. For instance, the implementation of a flood management plan for each and every river basin should be developed. Non-structural solutions require relatively low investment (compared to structural measures) and can be effectively adapted from European best practices. Finally, the third approach is to selectively invest in structural solutions, which focus on structural investment in the highest risk cities with an emphasis on natural solutions into a safe sustainable urban future.

03

ECONOMICS

EU-LAC ECONOMIC COOPERATION MORE NECESSARY THAN EVER IN TIMES OF UNCERTAINTY

*By Florence Pinot de Villechenon
Academic Director Latin America at ESCPEurope
business school and Director of CERALE (Center
d'Etudes et de Recherche Amérique latine Europe)*



Dear readers,

The world economy is going, without a doubt, through times of high uncertainty. Woven for several decades by compromises and consensus, economic and political multilateralism is suffering the ravages of nationalist governments that in the name of defending their own interests run over the rules that have governed the coexistence of our planet.

In consideration of this context, what can the countries of Latin America, the Caribbean and Europe do together that is of mutual interest? Although the bi-regional panorama looks asymmetrical, there is room for the consolidation of a relationship that takes advantage of both parties. On the one hand, European economies are more integrated into international trade and global production chains and enjoy greater technological progress, although this does not exempt them from having to deal with unemployment and regional imbalances and

having to take on the big challenges that imposes the “fourth industrial revolution”. On the other hand, Latin America is confronted with the exhaustion of the extractive model as an engine of development and pattern of international insertion and with insufficient growth rates to ensure the well-being of its population. Anyone who feels concerned about the future of Latin America will not miss that the great battle still pending in the region is the substantial reduction of poverty with all its correlates in education, health, and consumption. While this goes through mechanisms and devices that can be implemented at the governmental level – think about the various inclusion programs such as those tested in the first decade of this century – it is necessary to point to strategies with a high structural impact that make corrective actions sustainable over time. Three are essential to us: the strengthening of institutions that, in a democratic framework of division of powers, frame the game of the

different actors (public administration, civil society, companies, etc.) and ensure their functioning; the development of a quality education for all that gives the keys to access to the world of knowledge and allows the emergence of skills and talents; and thirdly, the drastic reduction of the digital divide that allows the greatest number to access the opportunities that, at an accelerated pace, open new information technologies.

In this context, regional integration in Latin America and the various cooperations that can be established with the European Union as a supranational space become important, which in no way invalidate the initiatives conceived and carried out by the countries. Although the political horizon for the remainder of 2018 does not look as clear as could be desired by the political upheavals or by electoral uncertainties that weigh in some countries in the area, a deepening of the strategy of cooperation developed in the field of the Pacific Alliance and a greater approach to Mercosur can be expected. Although Latin American integration is conceived to take advantage of internal dynamics and confront global challenges together in all geographical directions, developing mechanisms between the European Union and Latin American regional spaces will be of benefit to both. The ambitious Association Agreements signed by the latter with Mexico, Chile, Colombia, Peru, Central America and Ecuador (and hopefully, with Mercosur) open numerous avenues of collaboration not only in terms of *stricto sensu* trade but also in matters of intangible assets (specifically regarding regulations, appellations of origin, *et cetera*). These agreements allow Latin America and the Caribbean to establish a high-profile relationship with their former partner and thus diversify their interlocutors in the global arena and the European Union,

strengthening political, economic and cultural ties with one of the regions in the world that is most related.

In this context, we believe in the substantial interest of encouraging cooperation between two specific segments of actors from both continents: SMEs and Higher Education Institutions (HEIs). The first because beyond their subjection to the principle of profitability they imbricate in their international development counterparts of diverse nature (suppliers, clients, partners) and are susceptible to project out the values of their leaders; they require, to expand abroad, more innovation and better financing, points that mobilize other actors such as financial institutions and development banks, as well as universities and innovation centres. Regarding the second (HEIs) because they impact the younger generations, preparing them for greater employability. Cultural proximity is often evoked as the foundation capable of keeping both regions close to each other. Deepening it by consolidating a bi-regional higher education space that favours the mobility of students and the circulation of talents will have positive effects on the economic and commercial relationship, bringing young people, entrepreneurs and leaders who will all experience the other continent.

The exploration of both routes is now a reality, but it needs to be consolidated in the long term in order to create lasting conditions so that the innumerable wealth in people and resources of both regions will be profitable for the greatest number of inhabitants.

Your sincerely,
Florence Pinot de Villechenon

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Looking at the impact of trade liberalisation following the 2012 EU-Central American Association Agreement, we find positive trends in overall trade. However, when disaggregating CA exports, a more complex picture appears.”

*Lewin Schmitt &
José Noguera*

ECM

TRADE BEYOND TARIFFS

REVISITING THE 2012 EU-CA ASSOCIATION AGREEMENT

By Lewin Schmitt (Germany) & José Noguera (Nicaragua)

Looking at the impact of trade liberalisation following the 2012 EU-Central American Association Agreement, we find positive trends in overall trade. However, when disaggregating CA exports, a more complex picture appears. We discuss the development of the exports' sectoral composition (primary products vs. manufactures), where for most countries we find a slight shift towards manufactures. In the future, CA agricultural exports might come under pressure through various trade liberalisation processes, which is why we underline the importance of upgrading the region's value chain.

The European Union (EU) and the Central American region (CA)¹ concluded an Association Agreement (AA) in June 2012, consisting of three pillars: political dialogue, cooperation, and trade². While the first two are important, it was undoubtedly the trade imperative that drove the negotiations, with tariffs and trade barriers gradually being removed since 2013.

1 Comprising Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2 The full text of the agreement: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=689>, (2 June 2018)



Photo by Lewin Schmitt

Advocates of the agreement referred to the positive impetus it would bring to bi-regional trade and thus to CA's economic development.³ However, little research on the trade pillar's impact has been conducted in the follow-up of the agreement, surprisingly.

3 European Commission (2012) EU-Central America: Trade relations under the Association Agreement, http://trade.ec.europa.eu/doclib/docs/2012/november/tradoc_150029.pdf and Coulombe, G. (2010). FOCAL, Central America seals association deal with EU. , <https://www.focal.ca/es/publications/focalpoint/271-july-august-2010-gabriel-coulombe-en> (28 July 2018).

To fill this gap, we present an overview on the development of bi-regional trade for the period of 2008-2017, covering the five years before and after the trade pillar took effect. We focus our analysis on the CA side, having noted that the entirety of the EU's exports to Central America have been rather stable since the Agreement. For CA, our findings show that overall exports to the EU have indeed increased, but with differing impacts on the composition of exports.

Of course, it is difficult to substantiate a direct causal link between changes in export patterns and the AA, as trade is influenced by many domestic and international factors. Externalities should not be underestimated. Notably, the decline of international commodity prices, the droughts caused by "El Niño" in 2014 and 2015, and the rust disease - that reduced coffee output by up to 70 per cent from 2010 until 2014 - all had an impact on the region's trade results.⁴

Nevertheless, as our findings indicate, the story of overall positive economic development for both sides is more ambivalent than promoters of free trade often assert. While further research is needed to thoroughly assess the situation, we want to present some first results and discuss a few possible explanations below.

Different Trends in Bi-Regional Trades

Analysing the development of CA exports to the EU for the period of 2008-2017 (fig. 1) shows stagnation in overall exports

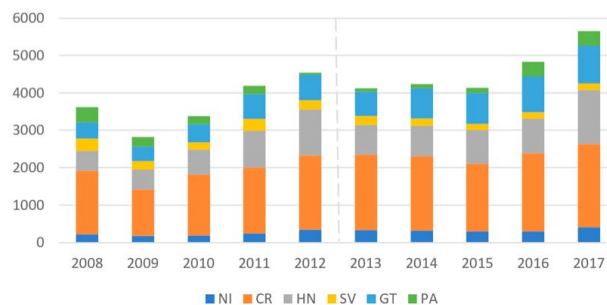


Figure 1: CA exports to EU in million USD, stacked. Source: Trademap. Note: 2017 data was unavailable for Panama, so we used the 2016 values

for the first two years after the trade pillar entered provisionally into force. This might in part be caused by the externalities mentioned above, which affected the region's output of

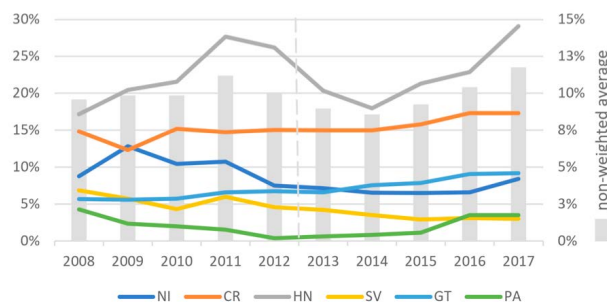


Figure 2: Exports to the EU as a share of total CA exports (lines) and the non-weighted average (bars). Source: Trademap

primary goods. Exports to the EU picked up growth again since 2016.

The non-weighted average share of exports to the EU relative to total CA exports (fig. 2, grey bars) went down just before the Agreement entered into force, but has again increased in recent years, suggesting a positive impact of trade liberalisation. In 2017, that share was at an all-time high (12 per cent), surpassing even the 2011 peak (11 per cent). That year, Costa Rica and Honduras sent respectively 17 per cent and 29 per cent of their exports to the EU.

This development has not been shared by all countries. Instead, the EU has

⁴ FEWSNET (2016) El impacto de la roya de café en el sector cafetalero de América Central. <http://fews.net/sites/default/files/documents/reports/AMERICA%20CENTRAL%20Informe%20Especial%20-%20sector%20cafetalero%20-%202016.pdf> (17 May 2018).

Country	Average before	Average after
Nicaragua	10.0 per cent	7.0 per cent
Costa Rica	14.4 per cent	16.1 per cent
Honduras	22.6 per cent	22.3 per cent
El Salvador	5.5 per cent	3.3 per cent
Guatemala	6.0 per cent	8.0 per cent
Panama	2.1 per cent	1.9 per cent

Table 1: Five-year-average share of exports to the EU relative to total exports before (2008-2012) and after (2013-2017) the trade pillar entered into force. Source: Trademap.

lost relative importance as an export destiny for Nicaragua and El Salvador (table 1). Since 2014, however, the share of exports to the EU is on an upward trend for all countries.

Changes in Sectoral Composition

According to measures by the European Commission, the share of manufactures in CA's overall export composition dropped by more than half from 44 per cent to just over 20 per cent over the last three years.⁵ This can be explained by the closing of an international chip manufacturer's assembly plant in Costa Rica.⁶ Accordingly, when we exclude Costa Rica, the reduction of manufactures in the sectoral export composition is less drastic, shrinking from 17 per cent to 13 per cent over the past three years. This reduction in the share would suggest that the increase in CA exports to the EU has been predominantly driven by a higher share of primary products.

Disaggregating these numbers and looking again at the five-year intervals before and after the trade pillar entered into force (table 2), we can see that the share of

5 European Commission, Directorate-General for Trade. (2018) Trade in Goods with Central America 6, http://trade.ec.europa.eu/doclib/docs/2013/november/tradoc_151894.pdf, (2 May 2018).

6 Randewich, N. (2014) Intel closes Costa Rica operation cuts 1,500 jobs. <https://www.reuters.com/article/us-intel-costa-rica/intel-closes-costa-rica-operation-cuts-1500-jobs-idUSBREA371TJ20140409>, (15 June 2018).

manufactures in a country's exports to the EU have increased for all but Costa Rica. Noting that the strong decline of Costa Rican exports in 2015 (-30 per cent) is also the main reason for the stagnation of overall CA exports observed in 2015, this shows how singular events, in this case completely unrelated to the AA, can have a distortionary large effect on the overall picture.

Country	Average before	Average after
Nicaragua	2.5 per cent	3.6 per cent
Costa Rica	34.1 per cent	32.2 per cent
Honduras	1.7 per cent	2.8 per cent
El Salvador	9.7 per cent	13.0 per cent
Guatemala	4.7 per cent	7.4 per cent
Panama	24.2 per cent	31.7 per cent

Table 2: Five-year-average share of manufacturing exports to EU relative to total exports to EU before (2008-2012) and after (2013-2017) the trade pillar entered into force. Source: Trademap.

While the trend of manufacturing seems to be slightly positive in the long run, it is far from the sort of industrialisation and structural changes that the "Asian Tigers Economies" experienced in the 1960's.⁷ The European Commission numbers underline the fragility of CA manufactures competing in global value chains. With this in mind, the next section will briefly discuss the implications of the AA on CA economies.

The Quest for Upgrading the Value Chain

Observers have long noted that the CA region is slow in upgrading its value chain.⁸ This is also supported by our findings, which show overall robust increases of primary

7 Hong Kong, Singapore, South Korea and Taiwan

8 Oddone, N. and Padilla, R. (2014) Upgrading Value Chains Through Professional and Supporting Services: Lessons from three Agro-Industry Chains in El Salvador and Guatemala. Mexico: CEPAL

commodity exports to the EU, while the trend in manufacturing is more ambiguous. This can be easily explained: agricultural exports are not subject to strong EU competition, as most of the concerning crops naturally grow better in the CA/ecosystem. This presents a clear competitive edge for exports, which accordingly increased after the removal of tariffs.

However, this advantage is threatened by the liberalisation process of DR-CAFTA (Dominican Republic-Central America Free Trade Agreement) in key primary sectors. Since 2015, import tariffs on agricultural goods from the US have been gradually lifted. These crops are often subsidized in the US and thus are expected to crowd out CA domestic producers. For instance, this is the most likely scenario for Nicaraguan rice, where local farmers might not be able to compete with US producers. Furthermore, considering the forthcoming trade agreement between EU and MERCOSUR, CA will encounter competition in some other agricultural products, where it may possibly lose market share.

Manufacturing and industry, however, are sectors in which many other factors define the competitiveness of a product. Besides resource inputs, labour costs are important, perhaps the only field in which CA can clearly outperform the EU through lower wages. Although productivity, R&D, skilled labour, et cetera are also decisive, and it is easy to see that in these fields, the EU has the competitive edge.

Since the AA subjected CA producers to more competition from the EU, emerging industries had new obstacles to face. Access to a big consumer market tends to benefit established players, which are rare within

the region. Therefore, for certain sectors, trade liberalisation might undermine efforts of consolidating and fostering nascent producers.



Photo by Lewin Schmitt.

Discussing Trade Beyond Tariffs

The AA strengthened bilateral trade flows between CA and the EU. CA exports did get a significant boost in primary commodities, but less so in the manufacturing sector. Our discussion of possible root causes for this mixed picture indicates that CA economies continue to struggle to include more steps of the value chain and to diversify their production.

Hence, it seems that the AA at present has had a limited impact in reducing existing imbalances and improving the business environment for CA. At the same time, EU businesses, built around an economic structure conducive to exports and international competition, were better equipped to enjoy the benefits of the agreement.

Our discussion shows that tariffs (or their elimination) are clearly not the only

determinants of exports. It might therefore be beneficial to shift the discussion of fair and sustainable trade to focus more on trade barriers and structural disadvantages such as legacy imbalances, infrastructure deficiencies, logistic costs, time consuming procedures, et cetera. There is evidence suggesting that remaining barriers in CA have limited the potential gains from Free Trade Agreements⁹ and tariffs removal alone have small effects on the number of new exporters as well as on the behaviour of incumbent firms.¹⁰

This leads us to argue that if economic development of CA and other less developed regions is to be taken seriously, trade liberalisation alone is insufficient. CA industries require more skills, resources and experience to properly use the trade opportunities made available through trade liberalisation.

For CA to benefit from increased trade openness, they need to focus on upgrading their value chains rather than merely boosting exports in particular sectors.¹¹ A comprehensive industrial policy and ambitious, focused commitments to fostering domestic industries will be decisive in achieving sustainable economic development. It is under such circumstances that the AA's trade pillar will prove the most beneficial for both sides.

9 Cunha, B. & Jaramillo, C. (2013) Trade and Logistics in Central America: A Survey of Recent Analytical Work Sponsored by The World Bank. Washington, DC: The World Bank

10 Molina, A., Bussolo, M., and Iacovone, L. (2011) The DR-CAFTA and the Extensive Margin: A Firm-Level Analysis. Washington, DC: The World Bank.

11 Gereffi, G. et al. (2013): Costa Rica in Global Value Chains: An Upgrading Analysis. Duke Center on Globalization, Governance & Competitiveness.

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The Amazon rainforest is a major carbon extractor whose conservation represents a worldwide challenge for climate change mitigation.”

*Juliette Mardon &
Raphael Zimmermann Robiatti*

EC2

THE AMAZON FUND: COMBATING DEFORESTATION FOR CLIMATE CHANGE MITIGATION

By Juliette Mardon (France) & Raphael Zimmermann Robiatti (Brazil)

The Amazon rainforest is a major carbon extractor whose conservation represents a worldwide challenge for climate change mitigation. The Amazon Fund was implemented by Brazil in 2008 to tackle the global challenge of preserving the Amazon rainforest through the introduction of an innovative, multi-stakeholder governance mechanism fostered by international cooperation. Ten years later, the time has come to assess the merits and shortcomings of this initiative.

The Amazon Fund is an innovative framework for combating deforestation and mitigating climate change; however, concerns surrounding its modus operandi and doubts about its effectiveness have recently begun to emerge. This article will introduce the Fund, its objectives, and its innovative multi-stakeholder governance structure. Subsequently, an analysis will shed light on its current challenges, such as the difficulty to assess the long-term impact of projects, the limited number of donors, and the gap between its potential and its outcomes. The conclusion argues that the establishment of indicators to quantify and learn from successful

projects could endow the Fund with potential for interaction between ventures, allowing expansion and replication. If implemented, this solution could help to address the issues affecting the Fund's capacity to perform.

The Amazon Fund: A Pioneering Initiative for Climate Change Mitigation

Brazil is one of the ten largest greenhouse gas emitters in the world; it is the largest in Latin America, with 50 per cent of its emissions caused by deforestation.¹ To address this issue, the Brazilian federal government within the framework of its National Plan on Climate Change², created the Amazon Fund (AF) in 2008, which has accumulated US 1.21 billion in donations to date.³ It has gathered international grants based on voluntary contributions from governments, companies, NGOs and individuals to prevent, monitor

1 World Bank. (2012) Total Greenhouse Gas Emission. <https://data.worldbank.org/indicator/EN.ATM.GHGT.KT.CE?view=chart> (9 July 2018)

2 Governo Federal do Brasil. (2008) National Plan On Climate Change. http://www.mma.gov.br/estruturas/208/_arquivos/national_plan_208.pdf (18 April 2018).

3 Governo Federal do Brasil. (2008) Decreto Executivo 6.527/2008. Brasília. http://legislacao.planalto.gov.br/legisla/legislacao.nsf/Viw_Identificacao/DEC%206.527-2008?OpenDocument (18 April 2018)

and combat deforestation, as well as promote conservation and sustainable use of the Amazon under REDD+ (Reducing Emissions from Deforestation and Forest Degradation), an international framework on sustainable forest management and forest carbon stocks enhancement.

The Brazilian National Development Bank (BNDES), one of the largest development banks in the world, is responsible for managing the AF due to its extensive experience in investing in socially sustainable projects with a special attention to financial and environmental aspects. Development Banks have a comparative advantage in accessing small and medium enterprises (SMEs) and small rural producers – the main target group for AF’s operations – in comparison to private financiers.⁴ As the private banks’ primary concern is the financial aspect of an operation, they are discouraged from targeting ‘riskier’ groups as credit risk deteriorates. In contrast, development banks can internalise positive externalities and are encouraged to finance projects, which potentially yield high social returns.⁵ At the same time, they can provide technical assistance to these groups, which is extremely valuable for implementing the AF’s spearhead: Payment for Ecosystem Services (PES).

In contrast to the ‘Polluter Pays Principle,’ PES proposes a ‘Beneficiary Pays Principle.’ It enables emission reduction and poverty alleviation through financial compensation for local communities and individuals, whose use of land and productive

activities positively influence ecosystem services.⁶ As the beneficiary, society compensates these groups for preserving biodiversity and avoiding the long-term costs associated with pollution. Due to their dependence on environmental services, the main impact of the sustainable use of the forest would be felt in the poorest regions; this speaks to the importance of AF investment in PES and its provision of alternatives for these populations.

Governing a Multi-Stakeholder Project

BNDES is entrusted with the responsibility of managing the AF, as well as for raising and investing funds; hiring services; monitoring the projects supported by the fund; and rendering accounts. BNDES contributes to the fund by providing its project analysis expertise and by offering a robust infrastructure to channel the Fund’s resources to meritorious projects.⁷ The Amazon Fund Steering Committee (COFA) is a tripartite guidance committee composed of federal and state governments representatives as well as civil society representatives. The committee is charged with the responsibility of setting guidelines and criteria for the investment of funds, following up on projects and approving the AF’s yearly activity reports. The Technical Committee (CTFA) is composed of reputable scientists who are appointed by the Ministry of the Environment after consultation with the Brazilian Forum on Climate Change. They play an essential role in certifying that

4 Bancoldex. (2017) The role of national development banks in fostering SME access to finance. http://www.unescap.org/sites/default/files/Session%205_Hernando%20Castro%20Restrepo.pdf (20 April 2018)

5 Torres, E. and Zeidan, R. (2006) The life cycle of national development banks: the experience of Brazil’s BNDES. *The Quarterly Review of Economics and Finance*, Volume (62): 97-104. <https://doi.org/10.1016/j.qref.2016.07.006> (20 April 2018).

6 Strassburg, B.B.N (2009) Sumaria avaliação económica dos impactos das mudanças climáticas sobre biomas brasileiros.

7 Zadek, S. et al. (2009) Radical Simplicity in Designing National Climate Institutions: Lessons from the Amazon Fund. *Accountability Climate Briefing Series*. https://hiyamaya.files.wordpress.com/2009/12/radical-simplicity-in-designing-national-climate-institutions_lessons-from-the-amazon-fund.pdf (18 April 2018)

the objectives of the fund are being met by validating the annual calculation of emission reduction.

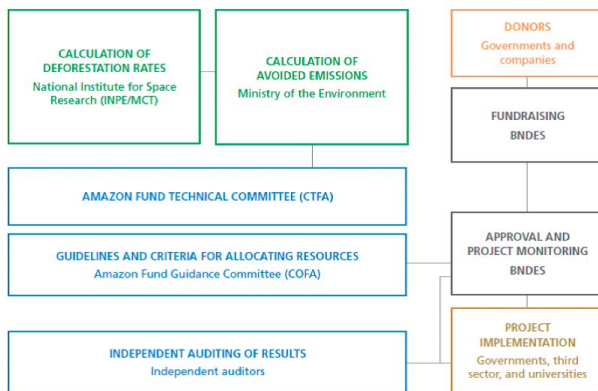


Figure 1: Governance of the Amazon Fund: a tripartite guidance committee | Source: Banco Nacional de Desenvolvimento Econômico e Social. 2016 Amazon Fund Activity Report 2016. Brasília⁸

Ten Years Later: Perspectives and Challenges for the Amazon Fund's Governance

The multi-stakeholder management system of the Amazon Fund is innovative as it brings together governmental authorities and members of civil society. It is inclusive because it represents various institutions, all of which are affected by the issues that the Fund's activities target.⁹ Since Norway and the EU are the most preeminent underwriters of REDD+, the fund's primary source of funding, the successful management of the AF can provide a benchmark for international cooperation models to combat climate change, especially in an EU-LAC context. As the fund manager, BNDES offers its financial expertise and infrastructure to finance projects, COFA provides a forum for defining

8 Banco Nacional de Desenvolvimento Econômico e Social. (2016) Amazon Fund Activity Report 2016. Brasília: p. 22. http://www.fundoamazonia.gov.br/export/sites/default/en/galleries/documents/rafa/RAFA_2016_en.pdf (18 April 2018)

9 Marcovich, J. and Pinsky, V.C. (2014) Amazon Fund: Financing Deforestation Avoidance. *Revista de Administração*, Volume 49 (2): 280 - 290.

goals and analysing the progress of different projects under the AF's framework. Finally, the CTFA plays a legitimising role with its in-depth analyses to certify the Fund's impact and fundraising potential.

The Fund raised USD 1.21 billion in donations by December 2017. 93.23 per cent of these funds were donated by the Norwegian government, 6.16 per cent by the German government through the KfW Development Bank, and 0.61 per cent by Petrobras.¹⁰ The donations raised are sizeable but still very concentrated, primarily because the assessment of the portfolio's efficiency and its impact on climate change mitigation are limited. Attracting new donors and partners can most likely only be done once the Fund establishes methodologically robust means to assess its long-term impact. For now, German and Norwegian governments are still committed to supporting the AF. They pledged to donate an additional USD 133 million and USD 600 million respectively until the end of 2020.¹¹ Still, finding new donors is important to mitigate the risk of one or another withdrawing from their commitments.¹³

10 Amazon Fund. (2018). Donations. <http://www.amazonfund.gov.br/en/donations/> (25 April 2018).

11 Norway's Ministry of Climate and Environment. (2017) Norway is committed to the partnership with Brazil on reducing deforestation. Norway. <https://www.regjeringen.no/en/aktuelt/norway-brazil-cooperation/id2558980/> (25 April 2018).

12 BNDES. (2017) The Amazon Fund receives another R\$ 271.2 million from Norway and Germany. Rio de Janeiro. https://www.bndes.gov.br/SiteBNDES/bndes/bndes_en/Institucional/Press/Noticias/2017/20171220_the_amazon_fund.htm (25 April 2018)

13 Carrington, D. (2017) Norway issues \$1bn threat to Brazil over rising Amazon destruction, *The Guardian*, London. <https://www.theguardian.com/environment/2017/jun/22/norway-issues-1bn-threat-brazil-rising-amazon-destruction> (8 July 2018)

A Gap Between Fundraising Potentials and the Action on the Field

At the moment, funding is not the most pressing concern. The learning curve BNDES faced to establish a new department to manage the fund took its toll on the number of projects financed during the first couple of years, but as the capacity built gradually, the number of supported projects eventually grew. It currently takes a minimum of 210 days to appraise new proposals, which some researchers still consider to be far too long.¹⁴

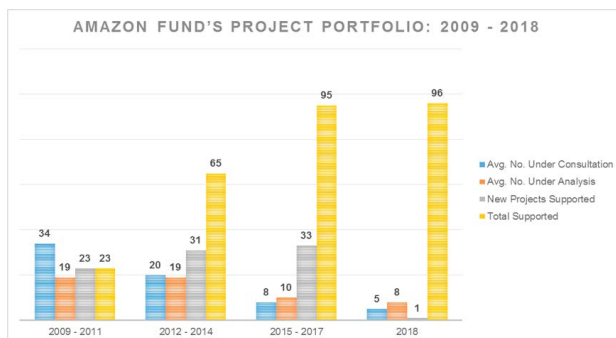


Figure 2: Amazon Fund, 2013¹⁵ and Amazon Fund 2018¹⁶. Adapted by the authors with information retrieved on 18.04.2018

The Fund has supported US 655 million worth of projects since 2009, whereas it accumulated US 1.21 billion in donations. This means that the AF has employed only 53 per cent of its resources. There is a significant gap between the Amazon Fund's fundraising capacity and its ability to utilize their funds. This happens in part because AF's disbursements are subject to BNDES policies, which, besides assuring well-established fiduciary standards, may cause difficulties for

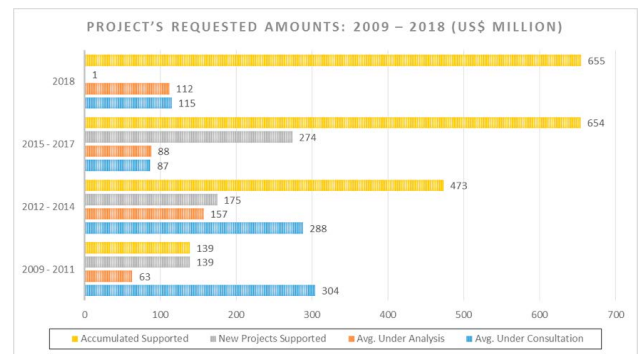


Figure 3: Amazon Fund 2013 and 2018 Portfolio Reports. Adapted by the authors with information retrieved on 18.04.2018

smaller organisations to access money. The bank must scrutinise projects following strict evaluative criteria, frequently demanding additional documentation to ensure the project's capacity to meet its objectives. This causes many tenderers to abandon their applications, while several other projects are rejected due to their lack of foreseeable implementation capacity, for not complying with the Fund's guidelines and criteria, or for low technical quality or incomplete proposals, among others.¹⁷ One approach to tackle this issue was launched in 2015 and involved thematic invitations offering less restrictive conditions, especially for small-range projects.¹⁸ Applicants, international organisations, local governments, or small NGOs dispose of unequal capacity and resources and the level of their proposals reflect this difference. BNDES also invested time and effort into supporting applicants to develop their proposals to ensure higher technical quality, and consequently increased approval rates.

14 Marcovich, J. and Pinsky, V.C. (2014) Amazon Fund: Financing Deforestation Avoidance. *Revista de Administração*, Volume 49 (2): p. 280 - 290.

15 Amazon Fund. (2013) Portfolio Report. http://www.fundoamazonia.gov.br/export/sites/default/en/.galleries/documents/portfolio-report/2013_12_Amazon-Fund-Portfolio-Report.pdf (18 April 2018).

16 Amazon Fund. (2018) Portfolio Report. http://www.fundoamazonia.gov.br/export/sites/default/en/.galleries/documents/portfolio-report/2018_02_Amazon-Fund-Portfolio-Report.pdf (18 April 2018).

17 Forstater, M. et al. (2013) The Effectiveness of Climate Finance: A Review of the Amazon Fund. London: ODI Working Paper (372). <https://www.odi.org/publications/7382-multilateral-climate-finance-effectiveness-amazon-fund-brazil-development-bank> (18 April 2018).

18 KfW. (2016) Amazon Fund and Amazon Basin Ex-Post Evaluation Report. Germany. https://www.kfw-entwicklungsbank.de/PDF/Evaluierung/Ergebnisse-und-Publikationen/PDF-Dokumente-A-D_EN/Brasilien_Amazonienfonds_2016_E.pdf (18 April 2018).

A Cooperative Solution for a Local and Global Issue

Former UN Secretary-General Ban Ki-moon commented that “The partnership between Brazil and Norway through the Amazon Fund shows intensified support for one of the most impressive climate change mitigation actions of the past decades.”¹⁹

The Amazon Fund indeed provides an excellent example of an inclusive governance mechanism that aims to tackle a local problem causing global repercussions. Brazil created a tool for participatory decision-making under an internationally accepted framework and increased the fund’s potential to foster international cooperation; an essential step for addressing climate change-related issues. However, the project faces obstacles in unlocking its full potential. In practice, BNDES offers the necessary transparency and technical capacity to manage this fund. However, the impact of these projects is still hardly quantifiable. This creates difficulties to attract support from more donors and in providing a benchmark for other similar initiatives. Moreover, BNDES’ strict policies combined with lengthy evaluation processes seem to be unsuitable for many project applications by smaller applicants.

The Amazon Fund surely is a pioneering initiative, which demonstrates that there is a role for development banks to play in fostering the sustainable management of forests, via PES. It also has offered an opportunity for international cooperation between the European Economic Area (EEA) – represented by Germany and Norway –

and Latin America. However, it would be important to implement measures to help to quantify and learn from the implemented projects. This could be achieved by working closely with local communities to provide feedback and data for impact indicators; by providing regular reports on impact and the Fund’s allocation at project and area level; and by using green bonds’ best practices for such reports. As small rural producers and SMEs play a fundamental role in PES schemes, BNDES needs to find more alternatives to build-up their capacity to access financing. Due to the diversity of AF’s project portfolio and given the BNDES team’s limited capacity, it seems that the fund falls short of identifying the potential for interaction between old and new projects.

Beyond anchoring Brazilian efforts for a sustainable forest management, this innovative solution became a model for other national climate change funds. It must now make use of its broad range of stakeholders and reinvent itself to face the issues affecting its capacity to perform and grow even further.

19 Norway’s Ministry of Climate and Environment. (2017) Norway fulfils one billion dollar commitment to Brazil, in recognition of reduced deforestation in the Amazon. Norway. <https://www.regjeringen.no/en/aktuelt/norway-fulfils-commitment-to-brazil/id2439969/> (25 April 2018).

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The Pacific Alliance members have long-standing ties with European countries. Yet, they chose the Asia-Pacific as a target region for their intensive international trade liberalisation efforts.”

*Nora Cyrus &
Alexandre San Martim Portes*

EC3

THE EU AND THE PACIFIC ALLIANCE: CHANGING ECONOMIC TIES IN AN EASTWARD-LOOKING ERA

By Nora Cyrus (Germany) & Alexandre San Martim Portes (Brazil)

The Pacific Alliance members have long-standing ties with European countries. Yet, they chose the Asia-Pacific as a target region for their intensive international trade liberalisation efforts. This begs the question: What should be the EU's appropriate response? A comparative analysis of the Alliance's trade and investment flows carves out how the EU can strengthen its relationship with the bloc despite its eastward-oriented approach.

Few developments have shaped economies in Latin America and the Caribbean (LAC) in the past decades as decidedly as China's economic growth and its explosive demand for commodities. The end of the 'commodity boom' thus presented LAC with an unmistakable reminder that effective strategies for sustained economic growth and international competitiveness are urgently needed.

The Pacific Alliance (PA), a bloc composed of Chile, Colombia, Mexico and Peru,¹ founded in 2012, hopes to address these issues; first, by increasing its members' 'deep' integration, and secondly, through trade liberalisation with a focus on the broader Asia-Pacific region.² While

many observers expect that this regional focus will affect the PA member countries' relations with the EU,³ the concrete outcomes are still unclear.

We take this as a starting point and argue that the PA's Asia-Pacific focus presents an opportunity for stronger economic and political ties between the EU and the PA countries. Our analysis of the PA's trade relations and FDI flows illustrates that it is mainly (potential) high-volume trade and global value chain integration that make Asia-Pacific an attractive target region. Against this backdrop, we suggest the EU should choose an alternative focus: Instead of striving for direct trade competition, its future relations with the PA should concentrate on (1) ensuring and expanding diversified trade and FDI and (2) the provision of expertise, both in trade regulation through institutional cooperation, and in technical cooperation, for instance through business partnerships in areas

China, India, South Korea.

³ EU-LAC Foundation (2017). China, Latin America and the Caribbean and the European Union: A Triangular Relationship? Conference Proceedings, 4 November 2015. <https://eulacfoundation.org/en/system/files/ConferenceProceedings.pdf> (10 August 2018); Nolte, D. (2018). China Is Challenging but (Still) Not Displacing Europe in Latin America. <https://www.giga-hamburg.de/en/publication/china-is-challenging-but-still-not-displacing-europe-in-latin-america> (10. August 2018); Malamud, R. (2015). Regional Integration and Cooperation in Latin America: Diagnosis and Proposals. *Global Journal of Emerging Market Economies* 7(2) 92–120 <http://journals.sagepub.com/doi/abs/10.1177/0974910115574168> (24 March 2018).

¹ Current review of potential membership of Costa Rica, Ecuador and Panama.

² This analysis focuses on emerging markets in the Asia-Pacific region, including the ASEAN members (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam), as well as

like renewable energy, information technology, and (agro-)industry. Thereby, the EU would offer a coherent strategy that supports the PA's goals, enhances economic stability in LAC more broadly, and positions the EU as a long-term partner for innovation and sustainable growth.

Comparative Analysis

To extrapolate sensible next steps for the EU in light of the PA's Asia-Pacific focus, we analyse and compare the PA's economic ties with the EU and Asia-Pacific emerging markets. We focus on economic factors, as they are the main cornerstones of the bloc's strategy.

Free Trade Agreements (FTAs) are central to the PA's trade liberalization strategy. Table 1 illustrates that all PA members have signed FTAs with the EU. In contrast, the number and timing of bilateral FTAs with Asia Pacific countries vary considerably.

Asia-Pacific (selected)	Pacific Alliance			
	Chile	Colombia	Mexico	Peru
Australia	2009	-	-	-
Brunei	206	-	-	-
Cambodia	-	-	-	-
Canada	1996	2008	1994	2008
China	2006	-	-	2008
Hong Kong	2006	-	-	-
Japan	2007	-	2005	-
Laos	-	-	-	-
Malaysia	2012	-	-	-
New Zealand	2006	-	-	-
Philippines	-	-	-	-
Singapore	2006	-	-	2009
South Korea	2004	2016	-	2011
Thailand	2015	-	-	2005
Vietnam	2014	-	-	-
European Union	2003	2013	2000	2013
United States	2004	2012	1994	2009

Table 1: Free Trade Agreements of the PA with EU and Asia-Pacific markets | Source: SICE (2018)⁴

4 SICE (Sistema de Información de Comercio Exterior) (2018). Trade Agreements. http://www.sice.oas.org/agreements_e.asp (23 July 2018).

The PA has yet to explore the opportunities for free trade with many – especially emerging – countries in the Asia-Pacific region. Its existing FTAs with the EU, however, also still offer room for improvement. For instance, the EU's FTA with Mexico was recently modernised and their Agreement with Chile is currently being renegotiated to achieve modern trade standards.⁵ These renegotiations resulted from the European “better regulation agenda,” which aims to strengthen the EU's regulatory framework with the help of relevant stakeholders, such as business organisations and trade unions.⁶

This leads us to the volume and structure of the PA's trade with its partners. When comparing overall trade values, it is evident that the PA has traded more with Asia-Pacific countries than with the EU in 2015, mainly thanks to China. Compared to 2005, the share of the EU in the PA's total trade value remained stable at around 10 per cent, while China's share grew from 5 per cent to 13 per cent. The relevance of different Asian economies for the PA members, and that of the EU, however varies substantially (see Figures 1 & 2). These figures illustrate that emerging Asia-Pacific is attractive for the PA. Yet, the EU continues to be an important trade partner for the bloc due to its existing commitments, long-standing historical ties, and the more diversified exports compared to Asian economies.⁷

5 European Commission (2016a). Executive Summary of The Impact Assessment. Brussels; European Commission (2017). Ex-ante Study of a Possible Modernisation of the EU-Chile Association Agreement. Luxembourg; European Union.

6 European Commission (2016b). Consultation strategy linked to Impact Assessment on a possible modernisation of the trade part of the EU-Chile Association Agreement. http://trade.ec.europa.eu/doclib/docs/2016/april/tradoc_154438.pdf. (23 July 2018); European Commission (2018). Consultation strategy linked to Impact assessment of the proposal to modernise the trade pillar of the EU-Mexico Global Agreement. http://trade.ec.europa.eu/doclib/docs/2015/july/tradoc_153665.pdf. (23 July 2018).

7 Inoue, K. (2017). Situación del comercio exterior de América Latina y el Caribe. https://www.cepal.org/sites/default/files/document/files/keiji_

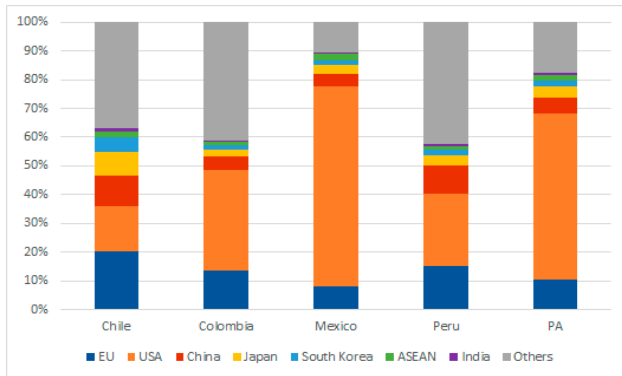


Figure 1: Shares of total value of PA trade in goods (export and import) by partner (2005) | Source: ITC Trade Map; UN Comtrade (own elaboration)⁸

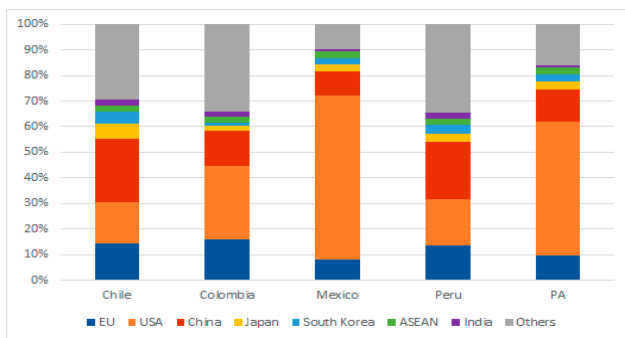


Figure 2: Shares of total value of PA trade in goods (export and import) by partner (2015) | Source: ITC Trade Map; UN Comtrade (own elaboration)⁶

As illustrated in Figure 3, PA members tend to export commodities to countries outside the Alliance, such as copper products (Chile, Peru), coffee (Colombia, Peru), petroleum (Colombia), wine (Chile) and flours (Peru)⁹, while they import manufactured and high-technology goods from the EU and Asia-Pacific. Mexico is a notable exception to this tendency: 82 per cent of its exports are manufactured goods, such as automobile-related products, electronics and clothing¹⁰. It therefore competes with several

inoue.pdf (9 August 2018).

8 International Trade Center. (2018). Trade Map - Trade statistics for international business development. <https://www.trademap.org/Index.aspx> (31 May 2018); United Nations. (2018). UN Comtrade. <https://comtrade.un.org/> (31 May 2018).

9 World Trade Organization (2018). Country Profiles: Chile, Colombia, Mexico, Peru. <http://stat.wto.org/CountryProfile/WSDBCountryPFView.aspx?Language=E&Country=CL,CO,MX,PE> (25 July 2018).

10 Novak, F. & Navihas, S. (2015). Alianza del Pacífico: Situación, Perspectivas y Propuestas Para Su Consolidación. IDEI & Konrad Adenauer Stiftung: Lima. http://www.kas.de/wf/doc/kas_43567-1522-1-30.pdf?151204155843 (31 May 2018).

Asian economies and focuses on exports to the US.¹¹

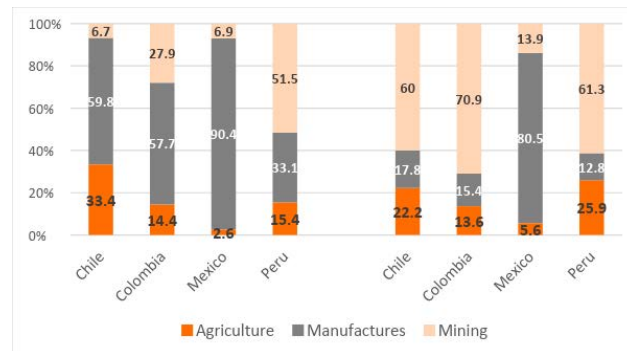


Figure 3: Export composition of PA, within (left) and outside (right) of the PA | Source: Danielken, 2016 based on Comtrade data from 2014¹²

As Figure 4 illustrates, the decline in commodity prices has led to a high negative trade balance for the PA members. Hence, while free trade clearly offers the PA Member States economic opportunities, their reliance on primary commodities as the main source of (export) income does pose a real macroeconomic threat.

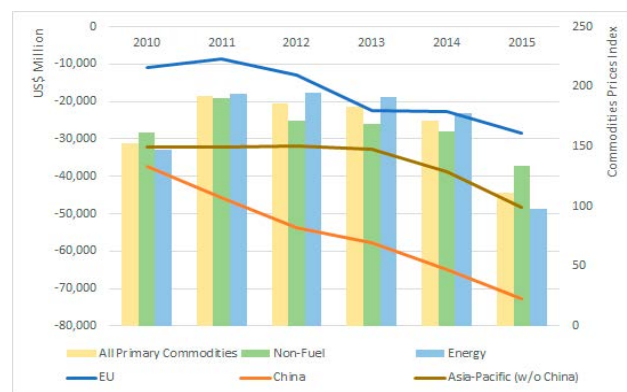


Figure 4: Trade balance of Pacific Alliance members and selected foreign economies | Source: IMF, ITC Trade Map (own elaboration)¹³

11 Gallagher, K. (2016). The China triangle. Latin America's china boom and the fate of the Washington consensus. Oxford: Oxford University Press; Jenkins, R. & Barbosa, A. d. F. (2012). Fear for manufacturing? China and the future of industry in Brazil and Latin America. The China Quarterly, 209: 59-81.

12 Danielken, M. (2016). Infraestructura y desempeño de las exportaciones en la Alianza del Pacífico. Inter-American Development Bank. <https://publications.iadb.org/bitstream/handle/11319/7568/Infraestructura-y-desempeno-de-las-exportaciones-en-la-Alianza-del-Pacifico.pdf> (29 May 2018).

13 International Monetary Fund (2018). IMF Primary Commodity Prices.

Aside from trade, FDI is crucial for economic development. Considering the dangers associated with low productivity, lack of diversification and shrinking employment rates the PA members are facing,¹⁴ accelerating selected FDI inflows will be critical for them. However, two major trends in the LAC region – the decline in commodity prices since 2010, and the related decrease in FDI profitability – have left their imprint on FDI inflows into the PA.¹⁵

Owing to the different economic structures, FDI development among the PA members has been incoherent: as Table 2 shows, Chile experienced the most severe drop in FDI inflows, and Peru and Mexico likewise suffered losses. Even though Colombia experienced the highest FDI profitability losses of the four countries, it received 15.9 per cent more FDI. This was mainly related to the privatisation of a state-owned energy company.¹⁶ Furthermore, despite the reduced FDI volume, Chile and Mexico benefited from increasing investments into renewable energy.

Region Country	2005-2009	2010	2011	2012	2013
Chile	12.268	16.153	24.374	30.562	21.092
Colombia	8.894	6.430	14.648	15.039	16.209
Mexico	26.276	21.035	23.792	17.101	46.597
Peru	4.978	8.455	7.341	11.788	9.800
Total LAC	107.088	168.421	206.935	201.118	195,518

<http://www.imf.org/external/np/res/commod/index.aspx> (31 May 2018); International Trade Center. (2018). Trade Map - Trade statistics for international business development. <https://www.trademap.org/Index.aspx> (31 May 2018).

14 McKinsey (2017). Where will Latin America's growth come from? <https://www.mckinsey.com/~media/mckinsey/featured%20insights/employment%20and%20growth/how%20to%20counter%20three%20threats%20to%20growth%20in%20latin%20america/mgi-discussion-paper-where-will-latin-americas-growth-come-from-april-2017.ashx> (14 July 2018).

15 ECLAC (Economic Commission for Latin America and the Caribbean) (2017). Foreign Direct Investment in Latin America and the Caribbean. https://repositorio.cepal.org/bitstream/handle/11362/42024/9/S1700815_en.pdf (29 May 2018).

16 Lloyds Bank (2018). Foreign Direct Investment (FDI) in Colombia. <https://www.lloydsbanktrade.com/en/market-potential/colombia/investment> (29 May 2018).

Region Country	2014	2015	2016	FDI Inflows (per cent GDP) 2016	Relative variation 2016-2015
Chile	24.011	20.469	12.225	4.9 per cent	-40.3 per cent
Colombia	16.163	11.732	13.593	4.9 per cent	15.9 per cent
Mexico	29.296	34.878	32.113	3.2 per cent	-7.9 per cent
Peru	4.441	8.271	6.863	3.6 per cent	-17.0 per cent
Total LAC	198.687	183.144	167.180	3.5 per cent	-7.8 per cent

Table 2: Flows of Foreign Direct Investments into PA members (2005-2016) in million USD | Source: ECLAC (2017), World Bank (2018).¹⁷

In terms of sectorial composition, FDI also differed notably among the PA members. Mexico received two thirds of FDI in the manufacturing sector,¹⁸ while Chile's main recipient sectors were mining (28.9 per cent) and financial services (29.5 per cent).¹⁹ Colombia received the most FDI in their electricity, gas and water sectors (53.5 per cent).²⁰ Peru's FDI inflows are more diversified, with 22 per cent in mining, 19 per cent in the communications and financial sectors, and 14 per cent in energy.²¹

Aside from mining, (agro-)industry, and energy, the PA's current deficits concerning trade-relevant land infrastructure and skilled human capital²² are areas of interest for

17 ECLAC (Economic Commission for Latin America and the Caribbean) (2017). Foreign Direct Investment in Latin America and the Caribbean; World Bank (2018). World Bank Open Data. <https://data.worldbank.org/> (24 July 2018).

18 GDM (Gobierno de México) (2017). México registró 26,738.6 millones de dólares de Inversión Extranjera Directa de enero a diciembre de 2016. Blog post, published 5 February 2017. https://www.gob.mx/se/articulos/mexico-registro-26-738-6-millones-de-dolares-de-inversion-extranjera-directa-de-enero-a-diciembre-de-2016?lien_externe_oui=Continue (30 May 2018).

19 BCC (Banco Central de Chile) (2018). Inversión extranjera directa por país, sector y región. <https://si3.bcentral.cl/estadisticas/Principal1/Estudios/SE/BDP/IED.html> (30 May 2018).

20 Procolombia (2016). Estadísticas de Inversión Extranjera Directa IED en Colombia. <http://www.inviertaencolombia.com.co/publicaciones/estadisticas-ied-en-colombia.html> (30 May 2018).

21 ProInversión (2017). Estadísticas de Inversión Extranjera. <http://www.investinperu.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=0&jer=5652> (30 May 2018).

22 ECLAC (Economic Commission for Latin America and the Caribbean) (2018). ECLAC Highlights Importance and Opportunity in Strengthening Ties between China and Latin America and the Caribbean. <https://www.cepal.org/en/pressreleases/eclac-highlights-importance-and-opportunity-strengthening-ties-between-china-and-latin> (14 July 2018); OECD (2015).

attracting FDI. These are also sectors for which China and other Asia-Pacific countries are deemed suitable partners.²³ Nevertheless, none of these countries are currently a significant source of FDI; the largest investors in the PA in 2016 were the USA, Spain and Canada, as well as other European and regional countries (see Table 3).

PA Member	Largest sources of FDI				
Chile	USA 15.2 per cent	Canada 9.0 per cent	Netherlands 7.7 per cent	Spain 7.6 per cent	Brazil 4.0 per cent
Colombia	Canada 15.8 per cent	USA 15.1 per cent	Bermuda 12.3 per cent	Spain 10.6 per cent	Panama 10.3 per cent
Mexico	USA 38.9 per cent	Spain 10.7 per cent	Germany 9.0 per cent	Israel 7.5 per cent	Canada 6.3 per cent
Peru	Spain 18 per cent	UK 17 per cent	USA 13 per cent	Chile 12 per cent	Netherlands 6 per cent

Table 3: Top 5 sources of FDI to PA countries (by country of origin, in 2016) | Sources: BRC (n.d.), BCC (2018), GDM (2017), ProInversión (2017)²⁴

An issue related to both trade and FDI is that the current global value chain (GVC) participation of the PA countries is low,²⁵ meaning that they lack opportunities for diversification and technology transfer.²⁶ Today's GVCs are

often located in the Asia-Pacific region,²⁷ another aspect making the region attractive.

One central measure the PA has taken to increase its GVC participation is to first increase integration among its members, using this as a platform for GVC access. For instance, through the FTA between Colombia and Chile, Colombia's agricultural exports are brought to Chile, where they are processed and then exported to the Asia-Pacific within the framework of Chile's broad base of FTAs with the region. A similar approach has been identified for other constellations: for example for polyester fibres and carpets between Peru and Chile, and phosphates and detergents between Mexico and Peru.²⁸

To conclude, the PA members' economic relations with the EU, both in terms of trade and FDI, are well-established and overall more diversified than those with Asia-Pacific. FDI from (and into) emerging Asia-Pacific, in contrast, is in a nascent phase. In line with trade, it offers large growth opportunities. There is hence a vast potential that the PA hopes to tap into by establishing itself as the 'gate' of Asia-Pacific to LAC.

How Could the EU Deal with the PA in an Effective and Mutually Beneficial Way in this Context?

Recommendations

In the interest of long-term macroeconomic stability, we believe that

Latin American Economic Outlook 2015: Education, Skills and Innovation for Development. World Economic Forum (2014). Enabling Trade: Enabling Trade in the Pacific Alliance. <http://reports.weforum.org/enabling-trade-from-valuation-to-action/wp-content/blogs.dir/38/mp/files/pages/files/4-enabling-trade-in-the-pacific-alliance.pdf> (10 August 2018).

23 Carrasquilla, G. (2018). VII Foro de la Alianza del Pacífico, una ventana para la atracción de inversión extranjera. Blog post, published 28 April 2018. <https://alianzapacifico.net/vii-foro-de-la-alianza-del-pacifico-una-ventana-para-la-atraccion-de-inversion-extranjera-2/> (30 May 2018).

24 BRC (Banco de la República - Colombia) (n.d.). Flujos de inversión directa - balanza de pagos. <http://www.banrep.gov.co/es/inversion-directa> (30 May 2018); BCC (Banco Central de Chile) (2018). Inversión extranjera directa por país, sector y región. <https://si3.bcentral.cl/estadisticas/Principal1/Estudios/SE/BDP/IED.html> (30 May 2018); Procolombia (2016). Estadísticas de Inversión Extranjera Directa IED en Colombia. <http://www.inviertaencolombia.com.co/publicaciones/estadisticas-ied-en-colombia.html> (30 May 2018); ProInversión (2017). Estadísticas de Inversión Extranjera. <http://www.investinperu.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=0&jer=5652> (30 May 2018).

25 UNCTAD (2013). Global Value Chains and Development. http://unctad.org/en/PublicationsLibrary/diae2013d1_en.pdf (30 May 2018).

26 Blyde, J. (2014). Synchronised factories: Latin America and the Caribbean in the era of global value chains. <https://voxeu.org/article/latin-americas-missing-global-value-chains> (24 July 2018).

27 Torres Jarrín, M. & Violante Pica, J. (2016). Emerging Markets – The Pacific Alliance Perspectives & Opportunities for Latin America. European Institute of International Studies: Salamanca, pp. 65-96. http://www.ieeiweb.eu/wp-content/uploads/2016/01/The-Pacific-Alliance_book.pdf (29 May 2018).

28 CCB (Camara de Comercio Bogotá) (2012). Los encadenamientos productivos en la Alianza del Pacífico. <https://www.ccb.org.co/content/ccbsearch?SearchText=encadenamiento&buttonSearchHeader=Daten+absen+den> (29 May 2018). Page 03.

any European response should primarily be underpinned by a sincere interest in supporting the PA economies to diversify and upgrade their production. This will help them to move away from primary commodities and into higher value-added goods and services, and to enhance productivity and competitiveness. In pursuing this strategy, the EU should not merely expand trade with LAC, but focus on a diversified import basket on the one hand, and an enhanced collaboration with the PA in areas in which it can provide expertise on the other hand. These are, for instance, effective trade regulation and technical cooperation.

Appropriate regulatory frameworks are not only a key issue for trade facilitation, but also one of the main objectives of the PA. European regulation has been strongly diffused to the PA through FTAs and the EU can provide capacity-building and technical assistance to help the group achieve its implementation easier. Additionally, the relevance of European standards in the PA can already be seen in their endeavours in regional regulation, such as in the recent agreement on cosmetic production.²⁹ It is also relevant that standards compliance leads to a better inclusion in GVCs.³⁰ Therefore, regulatory cooperation might not only enhance the EU-PA relations but also increase trade and production diversification.

Expanding technical cooperation across private and public-sector stakeholders could likewise help to boost future EU-PA relations in a mutually beneficial way. The EU should push existing initiatives such as the European Latin American Technology based Business

Network (ELAN) further and actively promote joint ventures (JVs). This approach could fuel (i) the diversification and productivity of PA economies, (ii) the development of locally relevant technology, and (iii) the attraction of much-needed human capital.³¹ At the same time, it could open up opportunities and fast market access for European businesses to some of the largest economies in LAC and provide a vehicle for the EU's positioning as a responsible partner with long-term economic interests in the PA and LAC.

To conclude, we believe the PA's regional focus on Asia-Pacific should not be considered a threat for the EU and its future relations to PA members. As we have shown, this new focus in fact holds economic and political opportunities for strong future EU-PA ties. Yet, a coordinated effort and clear strategy that takes the PA's approach seriously, and offers European expertise, will have to be developed swiftly if the EU wants to realise this potential.

³¹ Ramos, G. (2016) Trade, Investment and SMEs as Engines for Growth in the Pacific Alliance. In Torres Jarrín, M. & Violante Pica, J. (eds.) (2016) Emerging Markets – The Pacific Alliance Perspectives & Opportunities for Latin America. European Institute of International Studies: Salamanca, pp. 65-96. http://www.ieeiweb.eu/wp-content/uploads/2016/01/The-Pacific-Alliance_book.pdf (29 May 2018).

²⁹ Pacific Alliance (2018). Eliminación De Obstáculos Técnicos Al Comercio De Productos Cosméticos. <https://alianzapacifico.net/cloudcomputing/iadb-org/serverhosted/alianzapacifico/multimedia/archivos/Anexo-1-Cosmeticos-26-06-15-limpio-webex.pdf> (31 May 2018).

³⁰ Kaplinsky & Morris (2017). Do Regulations and Standards Support Sustainability Dynamics in Global Value Chains? Bridges Africa, 6 (7). <https://www.ictsd.org/bridges-news/bridges-africa/news/do-regulations-and-standards-support-sustainability-dynamics-in>. (23 July 2018).



04

**CIVIL SOCIETY
& CULTURE**

CULTURE, THE HEART OF SOCIAL INCLUSION AND COHESION

By *Rebeca Grynspan*
Ibero-American Secretary General



Dear Readers,

We tend to think of culture in very narrow ways. The word evokes images of long hallways in imposing museums or the melodic sound of violins playing in an orchestra. Although museums and orchestras are very much part of culture, culture exceeds and transcends the arts. In its broadest sense, culture is the combination of ideas, customs and behaviours of a particular group. It is perhaps the most social of social phenomena, and thus the cornerstone of our ability to build inclusive, sustainable societies. Societies where every person is allowed what Hannah Arendt called equality and distinction, that is, the dual condition of belonging to a social unity while preserving that which makes us our own, unique selves.

Many of the challenges currently facing the world have cultural underpinnings. From gender discrimination to religious persecution, from social exclusion of minority groups to unsustainable patterns of consumption that pose a serious threat to the environment. Studies have shown that cultural anxiety largely explains the current backlash against globalization in the

developed world, with worrisome tinges of xenophobia, nationalism and protectionism.

Any strategy for the future should therefore include a cultural dimension, together with an economic, social and environmental dimension. Over and over again, we have seen that our ability to attain higher human development is conditioned not only by physical, tangible factors, but also by the narratives that explain and sustain the relationships and connections between individuals and groups within a society. Culture refers to the way we relate to one another, the way we treat each other and the planet we all share. This realization should be a source of hope, because it implies the ability to change and evolve towards a more peaceful, free and open coexistence.

Latin America and Europe share this conviction. For many years, both regions have implemented cultural programmes with an aim to promote social inclusion, social cohesion and interpersonal trust. This is especially necessary in Latin America, the most unequal region in the world and one of

the most violent. Only 14 out of every 100 Latin Americans say you can trust most people, an expression of just how fragmented and wary our societies have become. Although cultural and social challenges in Europe are not the same as the ones facing Latin America, we all have to find ways to enhance social capital in our communities, to build bridges among different groups and subgroups, and to manage growing diversity without a collapse in trust.

Trust is an essential component in the overcoming of barriers to collective action. Without it, it would be extremely hard for people from different backgrounds to agree to work towards shared goals; and there is no shared goal larger or more consequential than our ability to build a common future. Culture is at the heart of this ability, at the heart of social inclusion and cohesion.

This section gathers works by authors from Europe and Latin America. The articles include an analysis of bilingual education for minorities in Ecuador and Germany; a study on 'gender ideology' and the discourses of homophobia in Latin America, the Caribbean and Europe; and an examination of social critique in Nordic noir and narcovelas. The range and diversity of the topics covered is a reflection of the wealth of issues we need to understand and address if we are to move beyond toxic and simplistic notions of "culture wars."

The world is changing at an accelerated pace. It is important that we tend to the cultural implications of that speed, and not just the material effects. It is also in the realm of narratives, of values, and of immaterial things where we will find the tools to build more inclusive and sustainable societies.

Yours sincerely,
Rebeca Grynspar

“

Policy makers need to determine the desired impact of minorities' education. The limited opportunities for minority groups go beyond school premises.”

*Rebecca Gramlich &
Paz Patiño*

SC1

IMPLEMENTING BILINGUAL EDUCATION FOR MINORITIES: LESSONS FROM ECUADOR AND GERMANY

By Rebecca Gramlich (Germany) & Paz Patiño (Ecuador)

Policies to guarantee education in the mother tongue of minorities are put in place around the world. Ecuador and Germany have bilingual schools that use Kichwa and Sorbian, respectively, as languages of instruction. This achievement comes with everyday challenges of implementation that show the need for holistic planning.

Have you ever imagined starting school in a language you do not know? According to Article 4 of the Declaration on the Rights of Persons belonging to National or Ethnic, Religious and Linguistic minorities, it is the states' responsibility to provide "opportunities [...] to have instruction in their mother tongue."¹ Thereby, governments aim to guarantee the preservation of linguistic diversity and the quality of learning for minority language speakers. In Ecuador, Germany and around the world, this has translated into the implementation of bilingual educational policies, with differing levels of success.² It is worth analysing the obstacles these systems face, especially in terms of key features of teacher training that improved, as well as what new bilingual education policies need to overcome.

1 United Nations (1992) Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities. <http://www.ohchr.org/EN/ProfessionalInterest/Pages/Minorities.aspx> (23 April 2018).

2 Bühmann, B. and Trudell, B. (2008) Mother Tongue Matters: Local Language as a Key to Effective Learning. France: United Nations Educational, Scientific and Cultural Organization.

History of Kichwa Yachachikuy³

The first article of the Ecuadorian Constitution states that the country is multicultural. Official data from the national census shows that the indigenous population comprises approximately one million people from 14 different indigenous nationalities (see Map 1). From these groups, Kichwa is the largest nationality, with almost half of the total indigenous population, spreading across the highlands and smaller communities in the Amazon region.⁴

In the Ecuadorian Constitution of 1984, Kichwa was officially recognised as the language of education for regions where a majority of the population speaks it at home.⁵ Furthermore, the Bilingual Intercultural System of Education (SEIB), which is part of the National System of Education, allows indigenous people to learn in their language and in accordance with their cultural views, while promoting Spanish as a

3 Education in Kichwa

4 Ministerio Coordinador de Patrimonio & UNICEF (2014) Nacionalidades y Pueblos Indígenas, y políticas interculturales en Ecuador: Una mirada desde la Educación. Quito.

5 Asamblea Nacional Constituyente (1984) Constitución Política de la República del Ecuador. Artículo 27. Quito.

language for intercultural communication.^{6,7} At the beginning stages of formal education in the SEIB, students and teachers use only Kichwa; later, in high school 40 per cent of classes take place in Kichwa and 40 per cent in Spanish, with the final 20 per cent taking place in a foreign language.⁸

Schools of the SEIB are built in regions with a large indigenous population. The government integrates small rural community schools with Spanish-speaking schools to create larger institutions with better services. In 2017, 146,000 students with different backgrounds were assigned to intercultural schools based on the proximity of their homes to the institutions. The curriculum they follow covers the main subjects of the National System and adds specific cultural knowledge as well as language lessons.⁹

History of Sorbian *kubłanje*¹⁰

Upper and Lower Sorbian are recognised minority languages in Germany.¹¹ Nowadays, only about half of the approximately 60,000 Sorbs¹² living in Upper and Lower Lusatia

(Saxony/ Brandenburg) are considered active speakers of the endangered Sorbian languages (see Map 2). Federal and international policies protect Sorbian minority rights, such as the preservation of their culture and language. However, the government's policy of 'economic rationalism' keeps those aforementioned rights "a blueprint for an idealistic situation," as outlined by Ted Cichon.¹³ The closure of two Sorbian high schools in Crostwitz and Panschwitz-Kuckau due to insufficient demand exemplifies this. In Crostwitz, the Saxon State Ministry of Education and Cultural Affairs (SMK) closed a school because three of the 20 required enrolments were missing. Although citizens protested and pursued legal actions to claim exceptions granted by policies that protect the Sorb's rights, the decision was not changed.¹⁴ In contrast, the Witaj Center for Language and the Sorbian School Association, two institutions with overlapping responsibilities, prevail notwithstanding expert's critique of dual administrative structures.¹⁵

Whereas Brandenburg has no standardised bilingual educational model, the SMK has implemented the '2plus Concept' for bilingual schools since 2013. In the framework of this project, students learn in German and Sorbian and acquire additional foreign languages (for example, English). Specifically, Sorbian serves as the language of instruction in three bilingually-taught subjects during primary school and five during high school.¹⁶ The concept's underlying

6 Asamblea Nacional Constituyente (2008) Constitución Política de la República del Ecuador. Artículo 69. Quito.

7 Subsecretaría de Educación Intercultural Bilingüe. Ministerio de Educación (2013) Modelo del Sistema de Educación Intercultural Bilingüe. Quito.

8 Subsecretaría de Educación Intercultural Bilingüe. Ministerio de Educación (2013) Modelo del Sistema de Educación Intercultural Bilingüe. Quito.

9 Asamblea Nacional (2011) Ley Orgánica de Educación Intercultural. Título Cuarto. Quito.

10 Education in Sorbian

11 European Union (1992) European Charter for Regional or Minority Languages. Strasbourg, (05.11.1992). <https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/148> (21 April 2018).

12 Another common name is "Wends". There is no significant difference in meaning but "Sorbs" became more frequently used due to a pejorative connotation of "Wends" in the past. Official documents all include both names or state the intention to actively include all Wends when using the term Sorbs, which is what we chose for this article. They refer to themselves as "serbski" (the "b" is silent). The number is estimated as the avowal to Sorbian identity is voluntary. Ministerium für Wissenschaft, Forschung und Kultur (2017) 1. Bericht der Landesregierung zur Lage des sorbischen/wendischen Volkes im Land Brandenburg. 15. http://www.mwfk.brandenburg.de/media_fast/4055/Landessorbenbericht2017.pdf (25 April 2018). and Staatsregierung Sachsen (2017) Fünfter Bericht

der Sächsischen Staatsregierung zur Lage des sorbischen Volkes. http://edas.landtag.sachsen.de/viewer.aspx?dok_nr=11575&dok_art= Drs&leg_per=6&pos_dok=&dok_id=242817 (22 April 2018).

13 Cichon, T. (2004) Qualitative Changes in Ethno-Linguistic Status: A Case Study of the Sorbs in Germany. PhD Thesis, Australia: University of Tasmania, 446-447.

14 Nuk, J. (2004) Zur aktuellen Situation des sorbischen Schulwesens. DOMOWINA In: (eds.) (2004) Das sorbische Schulwesen als Minderheitenschulwesen im Kontext europäischer Übereinkommen. Bautzen: Lausitzer Druck- und Verlagshaus, 10-20.

15 Vogt, M. (2012) Empfehlungen zur Stärkung der sorbischen Minderheit. Europäisches Journal für Minderheitenfragen, 5(4): 257, 323.

16 Brezan, B. and Nowak, M. (2016) Sorbian: The Sorbian Language

idea is to form heterogeneous classes, which are only separated into skill-based subgroups for Sorbian language lessons. The idea builds on the successful Witaj-kindergarten model that provides Sorbian immersive environments for children from all linguistic backgrounds in Lusatia.

In contrast to Ecuador, where Kichwa is mainly used at home,¹⁷ the services of infant immersion in Sorbian language are important because the generational transmission of the language in Sorbian households, while still frequent in Upper Lusatia, happens only in singular cases in Lower Lusatia.¹⁸ This difference can be attributed to historical processes; the Sorbian community suffered from religious and linguistic persecution, especially during the 19th and 20th centuries. The confessional differences are associated with less frequent inheritance of Sorbian in households across the Protestant region of Brandenburg, in comparison to their Catholic counterparts in Saxony.¹⁹ The use of Sorbian continues to decrease, but negative perceptions of these communities started to turn with the recognition of Sorbian rights in the German Democratic Republic (GDR) and, particularly, with the German Unification.

Currently, the only explicit statement of the Sorbian communities' rights is found at the federal level in the constitutions of Saxony and Brandenburg, with no mention at the national level. On the contrary, the Kichwa community

has national recognition partly due to the size of the population. Although the amount of indigenous people in Ecuador has determined their inclusion in politics through social mobilisation,²⁰ it also represents a challenge in the regulation of intercultural education and the different languages. In Ecuador, the institutionalisation of indigenous languages, including Kichwa, is still in progress. This process comes with imminent standardisation that erases differences in the language spoken in different regions. For example, Kichwa people in the Amazon region encounter a strange language in bilingual institutions because the words and expressions are not the same as the ones used in their home communities.²¹ Despite the longer history of two institutionalised variations of the Sorbian language, standardisation is still a source of tension in the Sorbian community.²² As was briefly described above, bilingual education in Ecuador and Germany is complex in different ways due to the countries' distinctive features. However, the existence of minorities in these countries and their aim at providing appropriate education is a common concern that is exacerbated by the existence of various minority groups in both.

Qualified Teachers Are Key - and Missing!

To achieve proper bilingual education, schools depend on skilled professionals who master the language of instruction and adequate teaching methodologies. The obstacles in

in Education in Germany. Mercator European Research Centre on Multilingualism and Language Learning, 2016: 26-27, 33. <https://files.eric.ed.gov/fulltext/ED573644.pdf> (24 April 2018).

17 Universidad de Cuenca (2012) Sabiduría de la Cultura Kichwa de la Amazonía Ecuatoriana. Serie Sabiduría Amazónica. Cuenca.

18 Brezan, B. and Nowak, M. (2016) Sorbian: The Sorbian Language in Education in Germany. Mercator European Research Centre on Multilingualism and Language Learning, 2016: 5. <https://files.eric.ed.gov/fulltext/ED573644.pdf> (24 April 2018).

19 Spreng, E. (2011) "Walking the line": Bilingual Sorbs, Emotions, and the Endangerment in Eastern Germany. PhD Thesis, United States: University of Illinois, 38.

20 Rodríguez, M. (2015) La educación intercultural bilingüe en el Ecuador del Buen Vivir. De la normativización legislativa a la praxis educativa. In: Gómez, S. et al. (eds.) Derechos humanos emergentes y periodismo. Sevilla, 656-692.

21 Uzendoski, M. (2009). La textualidad oral Napo Kichwa y las paradojas de la educación bilingüe intercultural en la Amazonía. In: Martínez, C. (ed.) Repensando las identidades y políticas indígenas en América Latina. 147-171.

22 Spreng, E. (2011) "Walking the line": Bilingual Sorbs, Emotions, and the Endangerment in Eastern Germany. PhD Thesis, United States: University of Illinois, 62, 169.

Germany and Ecuador begin with recruitment. Approximately 100 Sorbian-speaking teachers will retire in Lusatia by 2025; meanwhile, the number of people enrolled in the official Sorbian teacher training numbered approximately 20 in the past couple of years and is decreasing.²³ This exacerbates the fact that 30 per cent of the currently employed teachers are not qualified to teach in Sorbian.²⁴ As for Ecuador, 60 per cent of teachers in the bilingual system are Mestizo and often do not speak Kichwa fluently.^{25 26 27}

Linguistic qualification is not the only barrier to teaching additional subjects in a minority language. A survey for bilingual teachers in public schools in Ecuador shows that they are not familiar with the methodologies to use Kichwa exclusively and teach Spanish as a second language. They report that both languages are usually treated as a first language also due to the presence of non-Kichwa students in the same classrooms.²⁸ To handle the special didactical challenge of teaching students with diverse levels of fluency in the minority language, the 2plus Concept suggests teaching teams of one German and one Sorbian native speaker per class. What seems effective in terms of handling the students' heterogeneous linguistic needs, increases the number of (Sorbian) teachers required, in a system with

no extra funds for bilingual schools.²⁹ Another problem for teachers in both countries is the lack of substantiated guidance due to difficult and "almost non-existent"³⁰ scientific studies to evaluate the bilingual education models.^{31 32} In response, both countries' education ministries implemented workshops to reinforce knowledge on methodologies, the bilingual system and its curriculum. Aware of the shortage of qualified teachers, they also promote enrolment in teaching careers among local high school students and other professionals.^{33 34}

Bottlenecks of Higher Education

Once a person decides to enter the promoted teacher career, there are limited options due to university entrance exams and scarce institutions with remote locations. In Ecuador, the 'Ser Bachiller' assessment is mandatory to achieve a high school diploma; it determines access to public universities and programmes of study.³⁵ The exam is only available in Spanish, even for students in the SEIB. In Germany, the 'Abitur' exam is available

29 Nuk, J. (2004) Zur aktuellen Situation des sorbischen Schulwesens. In: DOMOWINA (eds.) (2004) Das sorbische Schulwesen als Minderheitenschulwesen im Kontext europäischer Übereinkommen. Bautzen: Lausitzer Druck- und Verlagshaus, 18.

30 Stoop, C. (2017) Children's Rights to Mother-Tongue Education in a Multilingual World: A Comparative Analysis between South Africa and Germany. PER / PELJ, 2017(20): 2-35. <http://dx.doi.org/10.17159/1727-3781/2017/v20i0a820> (12 April 2018).

31 Werner, P. (2015) Sorbische Sprachpolitik im 20./ 21. Jh. und das heutige sorbische Bildungssystem in Sachsen. Online: Witaj Sprachzentrum (2016) https://www.witaj-sprachzentrum.de/wp-content/uploads/sites/3/2016/05/Werner_wiss_Arbeit_Bildungssystem.pdf (25 April 2018).

32 Nuk, J. (2004) Zur aktuellen Situation des sorbischen Schulwesens. In: DOMOWINA (eds.) (2004) Das sorbische Schulwesen als Minderheitenschulwesen im Kontext europäischer Übereinkommen. Bautzen: Lausitzer Druck- und Verlagshaus, 17.

33 Ministerio de Educación (2018) Talleres fortalecen la Educación Intercultural Bilingüe en el país. Tena. <https://educacion.gob.ec/talleres-fortalecen-la-educacion-intercultural-bilingue-en-el-pais/> (15 April 2018).

34 Kelch, M. (2016) Neue Maßnahmen für mehr Lehrer an sorbischen Schulen. Online: SMK-Blog (23.08.2016). <https://www.bildung.sachsen.de/blog/index.php/2016/08/23/neue-massnahmen-fuer-mehr-lehrer-an-sorbischen-schulen/> (22 April 2018).

35 Instituto Nacional de Evaluación Educativa (2017) El examen Ser Bachiller lleva cinco años cambiando y mejorando. <http://www.evaluacion.gob.ec/el-examen-ser-bachiller-lleva-cinco-anos-cambiando-y-mejorando/> (23 April 2018).

23 Kelch, M. (2016) Neue Maßnahmen für mehr Lehrer an sorbischen Schulen. Online: SMK-Blog (23.08.2016). <https://www.bildung.sachsen.de/blog/index.php/2016/08/23/neue-massnahmen-fuer-mehr-lehrer-an-sorbischen-schulen/> (22 April 2018).

24 Nuk, J. (2004) Zur aktuellen Situation des sorbischen Schulwesens. In: DOMOWINA (eds.) (2004) Das sorbische Schulwesen als Minderheitenschulwesen im Kontext europäischer Übereinkommen. Bautzen: Lausitzer Druck- und Verlagshaus, 17.

25 Ministerio de Educación (2010) Manual de Metodología de Enseñanza de Lenguas. Quito, 15.

26 Arellano, A. (2008) Educación Intercultural Bilingüe en el Ecuador. La propuesta educativa y su proceso. Alteridad, November: 64-82.

27 Rodríguez, M. (2015) La educación intercultural bilingüe en el Ecuador del Buen Vivir. De la normativización legislativa a la praxis educativa. In: Gómez, S. et al. (eds.) Derechos humanos emergentes y periodismo. Sevilla, 656-692.

28 Ministerio de Educación (2010) Manual de Metodología de Enseñanza de Lenguas. Quito, 6-32.

in Sorbian, but only at one Sorbian grammar school per state. Students from other areas can only attend if they enrol in boarding schools.³⁶

Limited supplies of services are also seen in the amount of higher education institutions that prepare for bilingual teaching. In both Germany and Ecuador there is only one public university that offers the specific programme. The University of Leipzig itself lacks qualified lecturers.³⁷ Therefore, courses designed to prepare future teachers for either Upper or Lower Sorbian separately are joined and held only in Upper Sorbian at the expense of Lower Sorbian speakers.³⁸ In Ecuador³⁹, the programme of the National University of Education (UNAE) contains some training on pedagogic methodologies but focuses on educational research and project design. Furthermore, the core courses are in Spanish, while Kichwa is merely treated as a subject.⁴⁰ There are also concerns in terms of the geographic accessibility of these institutions. Leipzig is located relatively far from Sorbian areas, limiting the possibilities of practical experience in bilingual schools.⁴¹ UNAE is located in the southern region of Ecuador,

although most indigenous communities settle in the north. However, the availability of the programme online decreases the impact of the distant location.⁴²

Lessons to Learn

Around the world, children are still starting school in a language they do not know. Many countries are in the process of putting the rights of linguistic minorities into practice. Even Ecuador and Germany have more minority languages than Kichwa or Sorbian to cover. The above cases analysed, despite of their differences, teach us a lesson on common problems faced when implementing bilingual schools to guarantee education in different mother tongues. Preparedness and the location of teachers and institutions should be treated as prerequisites that cannot be considered merely along the way. To accomplish this, the academic systems must be adapted, and the scientific gap needs to be filled to integrate specialised teacher training courses and bachelor's degrees. These should consider that the methodology for bilingual and intercultural education is as crucial as the linguistic ability to ensure quality education for heterogeneous groups of students. Keeping the institutions regional creates accessibility and involvement of native speakers to solve their recruitment issues. Foremost, policy makers need to determine the desired impact of minorities' education. The limited opportunities for minority groups go beyond school premises. Their right to use their mother tongue, for example in academic or professional careers, must be contemplated to ensure that the long-term objectives of bilingual systems are met.

36 Ministerium für Wissenschaft, Forschung und Kultur (2017) 1. Bericht der Landesregierung zur Lage des sorbischen/wendischen Volkes im Land Brandenburg, 48. http://www.mwfk.brandenburg.de/media_fast/4055/Landessorbenbericht2017.pdf (25 April 2018).

37 Staatsregierung Sachsen (2017) Fünfter Bericht der Sächsischen Staatsregierung zur Lage des sorbischen Volkes, 49-50. http://edas.landtag.sachsen.de/viewer.aspx?dok_nr=11575&dok_art=Drs&leg_per=6&pos_dok=&dok_id=242817 (22 April 2018).

38 Brezan, B. and Nowak, M. (2016) Sorbian: The Sorbian Language in Education in Germany. Mercator European Research Centre on Multilingualism and Language Learning 2016: 42. <https://files.eric.ed.gov/fulltext/ED573644.pdf> (24 April 2018).

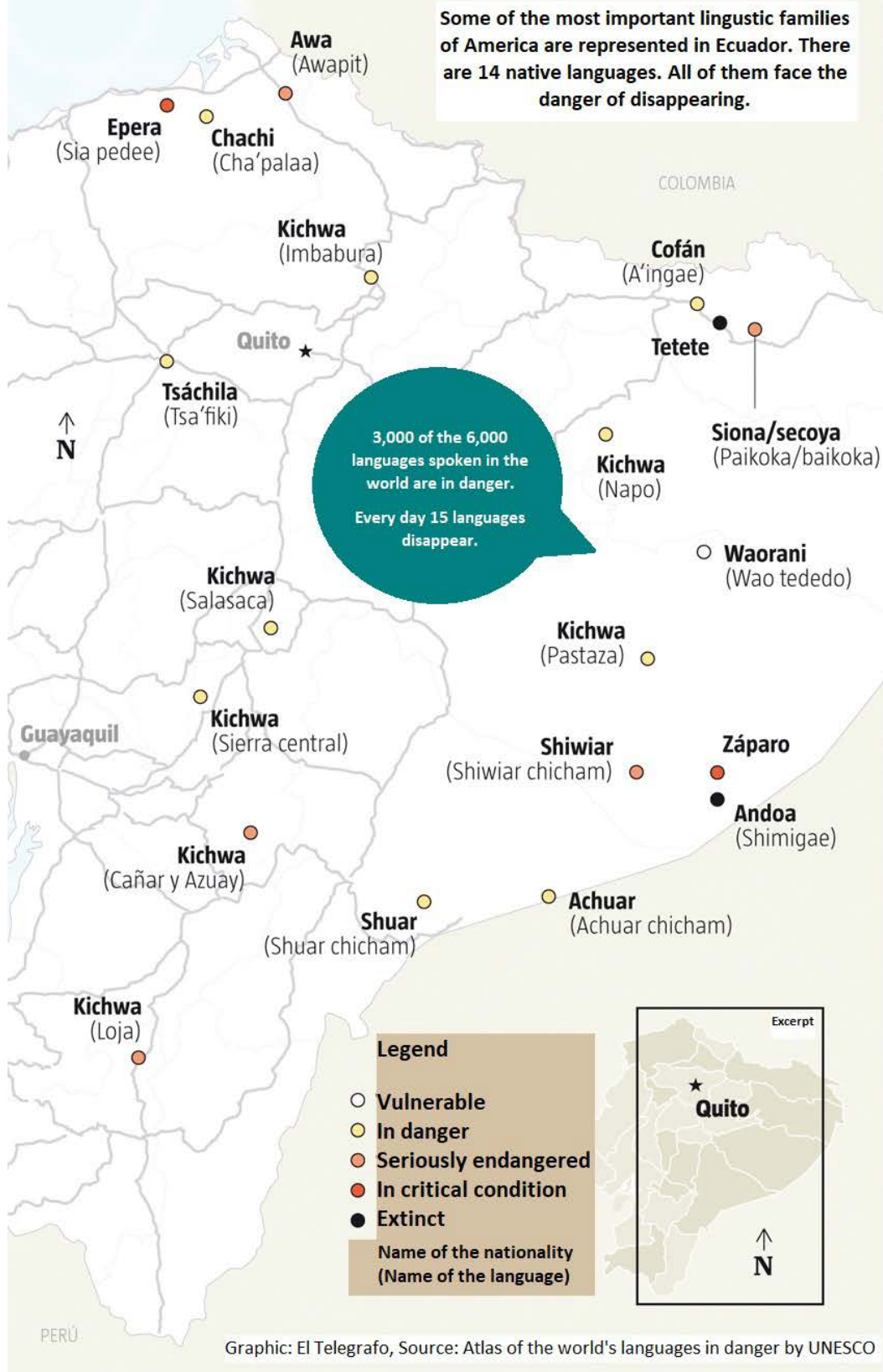
39 A publication by the University of Cuenca in 2012 (p. 476) mentions four state technical institutes of pedagogy for intercultural education. However, further research gives no information on their status.

40 More information about the programme: <http://www.unae.edu.ec/interculturalbilingue> (26 April 2018).

41 The vocational training of pre-school/kindergarten teachers takes place in the centre of Lusatia in Bautzen but isn't ideal either, as 160 hours during the three years course are insufficient for the acquisition of the appropriate language skills for the Witaj immersion model. See: Brezan, B. and Nowak, M. (2016) Sorbian: The Sorbian Language in Education in Germany. Mercator European Research Centre on Multilingualism and Language Learning 2016: 36. <https://files.eric.ed.gov/fulltext/ED573644.pdf> (24 April 2018).

42 Ministerio de Educación (2017) Docentes con título de bachiller, técnico y tecnológico podrán acceder a carrera en ciencias de la educación. Quito. <https://educacion.gob.ec/docentes-con-titulo-de-bachiller-tecnico-y-tecnologico-podran-acceder-a-carrera-en-ciencias-de-la-educacion/> (20 April 2018).

Vitality of indigenous languages in Ecuador



Graphic: El Telégrafo, Source: Atlas of the world's languages in danger by UNESCO

Figure 1: Distribution of (endangered) indigenous languages in Ecuador © El Telégrafo. El Telégrafo (2017) Las lenguas en Ecuador, entre la vitalidad y la vulnerabilidad. Cultura. Retrieved from: <https://www.eltelegrafo.com.ec/noticias/cultura/7/las-lenguas-en-ecuador-entre-la-vitalidad-y-la-vulnerabilidad> (23 February 2018)

Map of Sorbian kindergartens and schools (2017/2018)

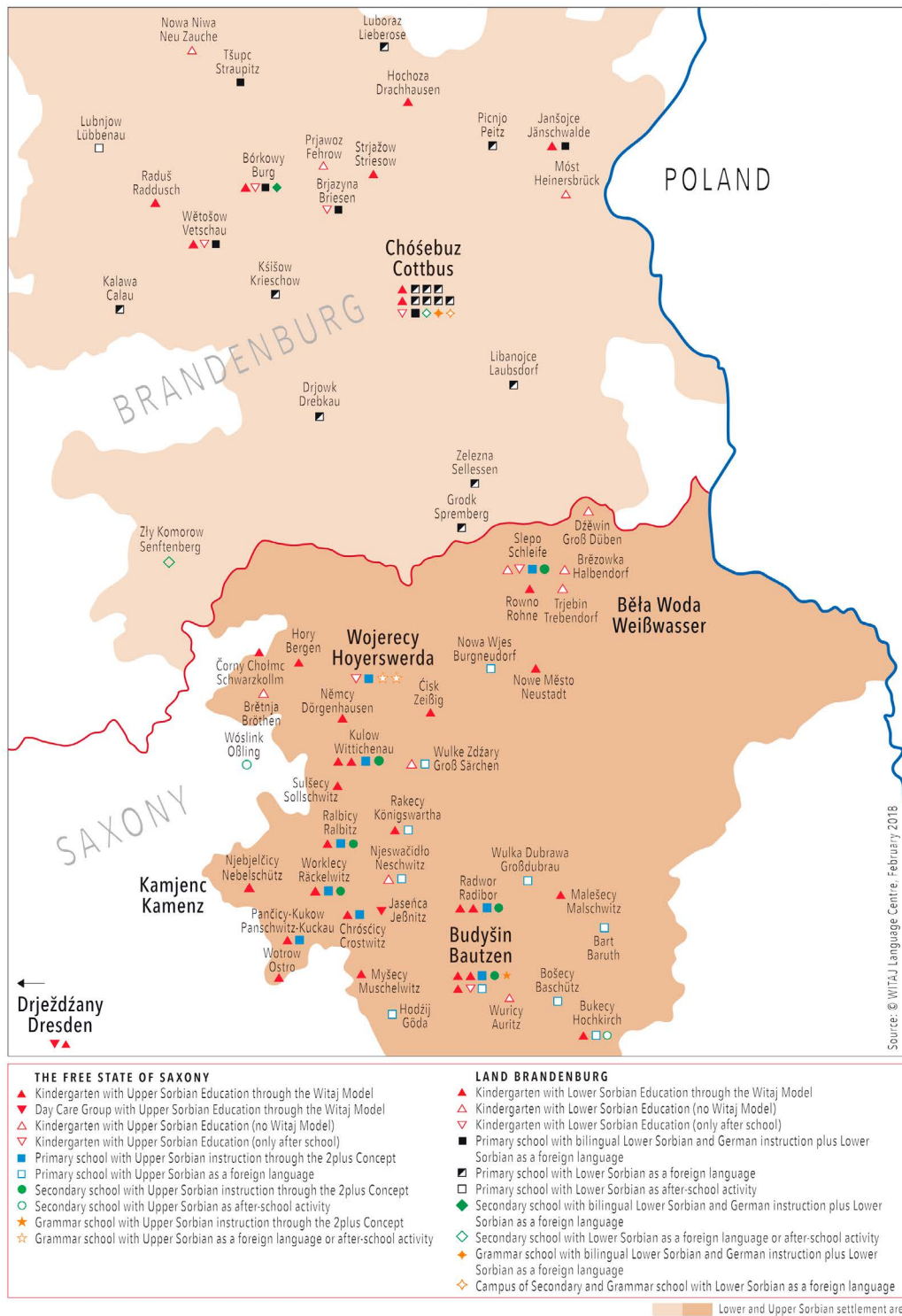


Figure 2: Map of Sorbian kindergartens and schools (2017/18) © Witaj Language Center directly from institution, contact: jadwiga.kaulferstowa@witaj.domowina.de

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The struggle for women's and LGBTQ+ equality is far from over, even in those countries that are deemed most progressive.”

*Sian Creely &
André W. Blackburn*

SC2

BEYOND THE CULTURE WARS: ‘GENDER IDEOLOGY’ AND DISCOURSES OF HOMOPHOBIA IN LATIN AMERICA, THE CARIBBEAN AND EUROPE

By Sian Creely (United Kingdom) & André W. Blackburn (Trinidad)

Stemming from a belief that what lies behind a new wave of opposition to LGBTQ+ rights goes far beyond simple homophobia, a study of the discourses and counter-discourses of anti-LGBTQ+ movements in relationship to new waves of populism and discontent with globalisation illuminates the broader issues at play, where ideas like ‘gender ideology’ are present.

Discourses of Homophobia

In recent years, a new backlash against LGBTQ+ rights has emerged across Europe, Latin America, the Caribbean and other regions. Social conservatives, such as religious groups, have mobilised in opposition to concepts such as ‘gender ideology’, in an attempt to paint LGBTQ+ rights as a nefarious ideology, a foreign imposition, and an attack on the ‘traditional’ family; and by extension, on the nation state. In response, LGBTQ+ Social Movement Organisations (SMOs) and activists alike have adopted new framing strategies to counter these arguments in order to advance sexual minority rights. ‘Framing’ refers to the cognitive and

ideational processes whereby mobilising and counter-mobilising ideas and meaning are produced.¹ Counter-framing, on the other hand, is defined as the “rhetorical strategies that challenge the original claims or frames.”² In this article, we examine both discursive and counter-discursive frames of LGBTQ+ rights in Latin America, the Caribbean, and Europe.

A New Enemy: Gender Ideology

Across Latin America, the Caribbean, Europe and other regions, the term ‘gender ideology’ has been increasingly used by social conservatives to counter advances in women’s and LGBTQ+ rights. In Spain, the ultra-catholic organisation *Hazteoír* sent buses emblazoned with transphobic slogans warning against the ‘gender ideology’ around several cities. In France, *La Manif Pour Tous*

1 Benford, R and Snow, D. (2000) Framing Process and Social Movements - An Overview and Assessment *Annual Review of Sociology* 26:611-639.

2 Benford, R.D. and Hunt, S. (2003) cited in Ayoub, P & Chetaille, A. (2017) ‘Movement/ Countermovement interaction and instrumental framing in a multi-level world: rooting Polish Lesbian and Gay Activism’ *Social Movement Studies* <https://www.tandfonline.com/doi/full/10.1080/14742837.2017.1338941> (30 May 2018).

mobilised people against marriage equality and the teaching of 'gender theory' in schools. In Colombia, thousands of people protested against the supposed inclusion of 'gender ideology' in school curricula and a plebiscite on an agreement to end the 56-year civil war was narrowly voted down with many people citing the presence of 'gender ideology' as a motivating factor. In Brazil protesters greeted gender theorist Judith Butler at a São Paulo amongst cries of "witch" and "paedophile" and decried her "nefarious ideology".³

This narrative suggests that 'gender' is an ideology along the lines of Nazism or communism, thought up by radical feminists and imposed around the world through international organisations such as the United Nations (UN), or through the education system. In an age where outright declarations of homophobia are restricted by anti-discrimination laws and hate speech legislation, 'gender ideology' is a new way for social conservatives to couch their opposition to issues such as marriage equality, improved sex-education in schools or adoption for same sex couples. It plays on fears that positive depictions of LGBT persons run the risk of 'homosexualising' society and exhorts 'natural' (namely, antiquated) gender roles. Its opponents claim to be acting in defence of the 'traditional' family and protecting children from confusing concepts such as gender roles, gender identity or sexual orientation. 'Gender ideology' is not lacking in geopolitical undertones. 'Imposed' from outside, opponents of 'gender ideology' claim to be saving the 'natural' family from nefarious foreign influence. This idea that education systems or peace agreements are being 'colonised' by Western concepts has a

3 See <https://www.insidehighered.com/news/2017/11/13/judith-butler-discusses-being-burned-effigy-and-protested-brazil>

particularly powerful pull in Latin America and the Caribbean.

However, rather than seeing these anti-gender mobilisations as an expression of renewed religious fundamentalism, or deep-seated homophobia, we can best understand 'gender ideology' to be a kind of 'symbolic glue'⁴, a catch-all term that encompasses a wide set of dissatisfactions with (neo)liberal democracy. These include: the increased importance of identity politics in relation to material issues; the increased influence of international organisations and the global economy on domestic politics; increased economic instability and 'precarisation'; and the detachment of political and economic elites from the rest of the population.⁵

The impacts of globalisation have affected the family unit in particular. Rapid urbanisation often tears families apart as family members move in search of jobs, leaving behind communities and support networks, as well as the disintegration of local culture.⁶ It is against this backdrop that rallies 'in defence of the family' have a particular pull.

Anti-gender activists also decry the 'imposition' of progressive reforms by organisations such as the European Union (EU) or the UN, calling these reforms 'ideological colonisation.' This narrative ignores the tireless work of local activists who struggle for the defence of LGBTQ+ rights. Far from passively accepting policies imposed

4 Grzebalska, W et al. (2017) Gender as symbolic glue: how 'gender' became an umbrella term for the rejection of the (neo)liberal order. *Political Critique*. <http://politicalcritique.org/long-read/2017/gender-as-symbolic-glue-how-gender-became-an-umbrella-term-for-the-rejection-of-the-neoliberal-order/> (30 May 2018).

5 Ibid

6 Butler, J. (2006) *Born Again: The Christian Right Globalized*. London: Pluto Press, 32.

by the UN or the EU, national governments are often capitulating to the demands of grassroots activists when recognising the rights of their LGBTQ+ populations. This narrative also obscures the complex colonial histories of family and (hetero)sexuality.

The role of organisations such as the EU or the UN in promoting LGBT-friendly policies around the world compounds people's fears over a loss of their 'authentic' national culture. One might point out the irony of conservative activists decrying the imposition of 'foreign' ideas whilst belonging to international institutions such as the Catholic Church and using imported discursive models. However, the historic links between church and state mean that religious values are often 'camouflaged' within national culture,⁷ meaning it is easy for religious groups, themselves often being members of international networks, to avoid the accusations of 'foreignness' they level at their opponents.

"Get to Know Us": Activist Responses

In response, LGBTQ+ grassroots organisations and activists in Latin America, the Caribbean and Europe have devised effective counter-discursive frames to mobilise against conservative factions. A common thread in these frames is a tendency to emphasise the 'local' nature of LGBTQ+ rights and people, as well as the diverse scope of discrimination. By doing so, they undermine the narrative that LGBTQ+ rights are 'externally imposed', and, at the same time, demonstrate that minority rights are an

issue of citizen and human rights, rather than a matter of philosophy.

In the Caribbean, for instance, LGBTQ+ advocates have done this by employing rhetoric that rejects colonialism and imperialism, shedding light on the hypocrisy of defending colonial-era laws in the name of national sovereignty. For example, in 2010, the Executive Director of the Coalition Advocating for Inclusion of Sexual Orientation (CAISO) in Trinidad and Tobago, Colin Robinson, stated:

"our nation... [overcame] several forms of domination and repression: Colonialism, that says your land and your decision making do not belong to you. Imperialism, that says your resources do not belong to you... and slavery, that says your body does not belong to you... [as slavery has shown] when your body does not belong to you, neither do [sic] your sexuality nor your reproduction- they belong to master."⁸

Furthermore, the 2013 video campaign "We are Jamaicans" launched by the Jamaican Forum for Lesbians, All Sexuals and Gays (J-FLAG) is another example of the 'indigenous' discursive frames used by LGBTQ+ advocates to counter anti-LGBTQ narratives. The videos are uploaded to YouTube for mass dissemination and highlights the 'Jamaicanness' of LGBTQ+ persons who share their experiences living on the island and their perspectives about LGBTQ+ human rights.⁹ In one of the videos,

⁸ CAISO (2010) Sexual rights: protection of sexuality as something good, natural, precious, essential – at the core of human expression...human freedom...human community. <https://gspottt.wordpress.com/2010/03/23/sexual-rights-at-the-core-of-human-freedom/> (30 May 2018).

⁹ JFLAG (N/d) We are Jamaicans: Telling the story of LGBT people and allies. <http://jflag.org/tag/we-are-jamaican/> (30 May 2018).

⁷ Ibid

Ricardo McKenzie begins by stating “I am Jamaican. Jamaica is my home, but I don’t feel very Jamaican, because I am gay.”¹⁰ The organisation, thus, sends the message that LGBTQ+ people in Jamaica are also citizens, “they are not different,” and therefore they deserve “respect,” including rights and protection, as every other citizen.

Similarly, in Poland, LGBTQ+ SMOs have also deployed autochthonous-centred approaches in mobilising against anti-LGBTQ rhetoric. The *Kampania Przeciw Homofobii* (Campaign Against Homophobia, KPM), developed an initiative in 2003 called “I am gay. I am lesbian. Get to know us”, whereby members of the gay and lesbian community and human rights activists were invited to speak with students in universities throughout the country.¹¹ In the 2000s, lesbian and gay SMOs in Poland also organised marches, using language such as ‘equality’ and ‘tolerance’ as the names of their parades, underscoring that gay and lesbian rights in Poland were a human rights issue.

In Latin America, LGBTQ+ groups have adopted a similar position. In Uruguay, for instance, *La Oveja Negra* (The Black Sheep) shifted its emphasis from identity politics to a discourse, which accentuated the diversity of Uruguayan society to lobby for same-sex civil unions. Opponents of the same-sex union bill argued that it would bring an end to the ‘traditional family’, inferring that there was one type of family in Uruguay. In response, lobbyists for LGBTQ+ rights adopted language such as ‘social justice’ and ‘equality’, which

not only appealed to a wide cross-section of society, including feminist groups, students, workers’ movements and progressive political parties, but also effectively undermined the ‘social homogenisation’ narrative used against same-sex civil union rights.

In this sense, the discursive counter-frames employed by LGBTQ+ organisations in Europe, Latin America and the Caribbean converge in many ways. In all three territories, LGBTQ+ SMOs have responded to the ‘gender ideology’ and ‘foreign imposition’ narratives, which are used to deride LGBTQ+ rights, by showing that neither LGBTQ+ rights nor people are ‘foreign.’ Moreover, through the deployment of ‘indigenous-rooted’ discursive frames they have shown that LGBTQ+ people are very much citizens, and therefore the provision of rights and protections for LGBTQ+ people is a matter of human and citizens’ rights.

Beyond the Culture Clash

Successful discursive strategies must therefore avoid a ‘clash of cultures’ narrative, which locates LGBT rights in a particular geographical space (somewhere in “the West”), a particular intellectual context (universities inhabited by queer theorists) and a particular point in time (a progressive future utopia). The struggle for women’s and LGBTQ+ equality is far from over, even in those countries that are deemed most progressive. It is incorrect to characterise the West as an oasis of equality, something activists in these areas should be very clear on. At the same time, LGBTQ+ activists must also bear in mind that in many places the battle for the secular state is not completely won. An emotive, value-laden discourse could therefore be

¹⁰ We are Jamaicans (2013) We are Jamaicans - Ricardo Mackenzie. https://www.youtube.com/watch?v=oOM1p_IWTqY&t=23s (30 May 2018).

¹¹ Ayoub, P & Chetaille, A. (2017) ‘Movement/Countermovement interaction and instrumental framing in a multi-level world: rooting Polish Lesbian and Gay Activism’ *Social Movement Studies* <https://www.tandfonline.com/doi/full/10.1080/14742837.2017.1338941> (30 May 2018).

more successful than the dry, technical language often used by progressives. LGBTQ+ activists have tended to focus only on the positive aspects of modernisation, which has granted greater freedoms, rather than taking a mixed approach, which recognises the strains of fragmentation, ‘precariousness’ and rapid urbanisation.¹²¹² As a result, progressive politics are associated with a prioritisation of identity politics over material redistribution. In the future, useful counter-discourses might therefore consider a re-centring of redistributive projects in the framing of LGBTQ+ issues, which should stop conservatives from being able to blame ‘gender ideology’ for the increasingly fragmented social order and declining power of the nation state in the age of globalisation.

¹² Ibid.

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Both narconovelas and Nordic noir point to social injustices in a subtle, nonconfrontational way by including social problems as the setting of entertaining TV shows.”

*Ella Rouhe &
Antonio Romero*

SC3

BLEAK TIMES ON AND OFF SCREEN: CONTEMPORARY SOCIAL CRITIQUE IN NORDIC NOIR AND NARCONOVELAS

By Ella Rouhe (Finland) & Antonio Romero (Mexico)

Nordic noir and narconovelas have become very popular TV genres in their respective regions as well as worldwide. Comparing the depiction of the state and society through the narratives and characters in these two types of crime drama allows us to better understand the concerns and challenges each region is facing and to recognise how cultural products can portray and critique social issues in a fictionalised way.

Popular Crime TV Series

Mexico and other Latin American countries have long been known for *telenovelas*, soap operas that typically feature narratives about family, social ascent and self-sacrificing female characters.¹ In recent years, a new genre has emerged from the same foundations but takes a slightly darker turn, as it is set amidst the cartels, crime and violence of the contemporary Mexican ‘war on drugs.’ These new TV series, taking drug lords as the protagonists, have been dubbed *narconovelas*.²

Nordic *noir* is another TV genre with a similarly specific regional context. Coming from the tradition of detective novels, but combining elements of thriller, political drama and noir, the Nordic countries have produced a new type of crime drama.³ Although Nordic noir TV series generally follow the storyline of a detective show, they have a darker tone, resulting from a gloomy cinematography similar to *film noir*, critique of social problems, and plot twists reminiscent of political thrillers.

Both new types of crime drama have become popular beyond their regions, with viewers from around the globe. Netflix has also produced US adaptations of series from both genres, attesting to their international influence and making the series accessible to new audiences. Although Nordic noir and *narconovelas* are both new and popular types of crime drama, they also have key differences, as they are set in very distinct social contexts and originate from particular backgrounds.

This article analyses and compares Nordic noir and *narconovelas*, focusing on the depiction of the state and society through the narratives and characters to reveal the critical social commentary beneath the

1 Franco, D. (2012) Ciudadanos de ficción: discursos y derechos ciudadanos en las telenovelas mexicanas. El caso Alma de Hierro. *Comunicación y sociedad*, Volume 9 (1): p. 45. <http://www.scielo.org.mx/pdf/comso/n17/n17a3.pdf> (26 April 2018).

2 Volpi, J. (2013) Dispatches from the front: on *narconovelas*. *The Nation*. <https://www.thenation.com/article/dispatches-front-narconovelas/> (24 May 2018).

3 Nordic Noir: The Story of Scandinavian Crime Fiction (2010) [TV programme] 4: BBC.

entertainment. Comparing these two types of crime dramas can help us better understand the concerns and challenges each region is facing and recognise how popular culture can portray and criticise social realities. The article shows how both narconovelas and Nordic noir point to social injustices in a subtle, non-confrontational way, by including social problems within the setting of entertaining TV shows.

Cracks in the Nordic Welfare States

The Nordic countries consistently top world rankings on quality of life, happiness, freedom, and stability.⁴ They are perceived as some of the least corrupt countries in the world and have extremely low homicide rates.⁵ Yet the crime drama series produced in the Nordic countries — Sweden, Denmark, Norway, Finland and Iceland — paint a very different picture.

Nordic noir portrays the countries as gloomy places, far from the paradises the statistics would have us believe. Using cinematographic elements such as “unusual camera placement, heavily subdued lighting and a pronounced use of shadows,” the TV series present their Nordic settings as cold and bleak places where people are alone,

unhappy and struggling.⁶ Furthermore, rather than simply focusing on how the crimes are solved, as in typical detective stories, Nordic noir also highlights the pain and struggle that characters feel.

Nordic noir suggests that beneath the surface of the Nordic welfare states, there is a part of society filled with crime, violence and marginalised people falling through the cracks of the system. Social critique is particularly pronounced in the first season of *Bron/Broen*, where the perpetrator seeks to gain attention by targeting social issues such as immigration, homelessness and child labour. In other series, even when the murderers do not explicitly point to social inequalities, the detectives uncover social problems at every turn. In *Karppi*, for example, the murder of a social worker leads detectives to discover shady business deals, drug trafficking and sexual abuse, while in the first season of *Forbrydelsen*, the brutal rape and murder of a young student is linked to a prominent politician.

The transnational nature of contemporary society is also a core aspect of many series in the genre, perhaps most clearly in the Danish-Swedish collaboration *Bron/Broen*, which begins when the body of a woman cut in half is found in the middle of the *Øresund* Bridge, the connection between Malmö and Copenhagen.⁷ The corpse belongs to two different people: the upper half to a Swedish politician and the lower half to a Danish prostitute, bringing together

4 See e.g. Organisation for Economic Co-operation and Development. (2018) Better Life Index. <http://www.oecdbetterlifeindex.org/> (26 April 2018); Numbeo. (2018) Quality of Life index for Country. https://www.numbeo.com/quality-of-life/rankings_by_country.jsp (26 April 2018); Helliwell, J. et. al. (2018) World Happiness Report 2018. <http://worldhappiness.report/ed/2018/> (26 April 2018); Freedom House. (2018) Freedom in the World 2018: Table of Country Scores. <https://freedomhouse.org/report/freedom-world-2018-table-country-scores> (26 April 2018); Fund for Peace. (2018) Fragile States Index. <http://fundforpeace.org/fsi/> (26 April 2018).

5 See e.g. World Atlas. (2018) Murder Rate by Country. <https://www.worldatlas.com/articles/murder-rates-by-country.html> (24 April 2018); Transparency International. (2017) Corruption Perceptions Index 2017. https://www.transparency.org/news/feature/corruption_perceptions_index_2017 (24 April 2018).

6 Waade, A. and Jensen P. (2013) Nordic noir production values: The Killing and The Bridge. *Academic quarter*, Volume 7 (fall): 191. http://www.akademiskvarter.hum.aau.dk/pdf/vol7/13a_AWaadePMJensen_NordicNoir.pdf (26 April 2018).

7 Åberg, A. (2015) Bridges and Tunnels: Negotiating the National in Transnational Television Drama. In: Gustafsson, T. and Kääpä, P. (eds.) (2015) *Nordic Genre Film: Small Nation Film Cultures in the Global Marketplace*. Edinburgh: Edinburgh University Press, 91-103.

detectives Saga Norén from Sweden and Martin Rohde from Denmark to investigate the crime. The use of real, recognisable places and the inclusion of topical phenomena in Nordic societies today, such as migration, environmental concerns, and new technology makes the misery and gloom portrayed in Nordic noir series more tangible.

Indeed, the series exaggerate the social problems found in Nordic societies, but setting them in a recognisable, contemporary Nordic society with enough accurate detail and context makes the shows more believable. Although the Nordic countries generally do well in quality of life rankings and even happiness surveys, the genre depicts the kinds of crime and hardship that could conceivably occur there, particularly in their portrayal of violence against women and social exclusion. Through an exaggerated image of the contemporary Nordic society, the series subtly point to social injustices of the real-life Nordic countries.

A Broken Mexican State

Similar to Nordic noir, narconovelas portray social problems and the weakness of the state in their own regional context. Narconovelas present a state that is not in control of its territory, with corrupt leaders in charge and a police force that does not investigate crime but is complicit in it.⁸ They depict Mexican society as a violent setting, where drug lords run the show.

In *El Chapo*, a TV series following the life of the infamous drug lord Joaquín Guzmán

Loera, the Mexican state creates a pact with drug cartels to redistribute their zones of influence under the condition that they stop violent disputes amongst themselves and continue to give profits to the government. Rather than following the rule of law, the police only seek to arrest El Chapo after a political decision by the Mexican president. Even then, local officials are presented as self-interested individuals that can be bought to help El Chapo. Violence and murder form part of everyday life in a battle for power.

The main characters in narconovelas are drug lords, who are typically portrayed as macho men who always need to be the most powerful and demand respect. For example, in *El Señor de los Cielos*, Aurelio Casillas is presented as a powerful man with his hat, guns and a muscular body. Or, for El Chapo it is very important to be called “El Patrón” (The Boss) and he goes to great lengths to achieve this status. In the world of narco, the weak cannot survive.

Somewhat less typically, the protagonist in *La Reina del Sur* is female, Teresa Mendoza. She becomes involved with drug-dealing after her boyfriend is assassinated in Culiacán, a violent city in northwestern Mexico. Teresa has to escape to Spain, where she enters the drug business. The storyline shows another common narrative element in narconovelas: characters who become increasingly engaged in organised crime because they lack other opportunities in society.⁹

Transnationalism is also present in narconovelas, where, similarly to Nordic noir, criminal activity is not limited by national

8 Vázquez, A. (2015) Narco Series: a new narco-ethics? *Voices of Mexico*, Issue 100: 58. <http://www.revistascisan.unam.mx/Voices/pdfs/10012.pdf> (26 April 2018).

9 Dittmar, V. (2016) Mexico's narco soap opera do more than just glorify drug trade. *Insight Crime*. <https://www.insightcrime.org/news/analysis/mexico-narco-soap-operas-do-more-than-just-glorify-drug-trade/> (25 May 2018).

borders, and neighbouring countries' law enforcement officials cooperate. Drug trafficking is by definition a transnational crime,¹⁰ and drug lords are presented as tricky characters who devise innovative ways to cross borders, whether by digging tunnels, flying airplanes or hiding in the boots of cars. The US Drug Enforcement Administration (DEA) also plays a part in many series of the genre, pursuing its own interests whether by pressuring the Mexican president or working with local officials.

Making Social Problems Visible

Both Nordic noir and narconovelas critique the society they are set in, not in an explicit or confrontational way but rather more subtly, by simply making visible the cracks in the systems and the hardship that some people in these societies may experience. Nordic noir presents the state as a functional structure that, despite ensuring public services and a good standard of living for most, has not been able to include some marginalised groups or deal with problems such as sexual and domestic violence. In narconovelas, the state is broken and institutions are corrupt, leaving social problems to be solved by individuals and self-organised groups.

These storylines reflect and critique the social realities of their respective regions. In Nordic noir, crimes are mainly perpetrated by individuals with personal motives and resentments, whereas in narconovelas, crimes are mostly executed by organised groups that portray a strong "gang" mentality, who protect their families and members with absolute

loyalty, seek revenge and are in constant rivalry with opposite groups. In the Mexican context, the gangs often take the role that the state has in the Nordic context.

Both genres demonstrate an intricate and complex depiction of morality and ethics. In narconovelas, the drug lords are presented as the show's heroes, but they also commit crimes. In Nordic noir, the main characters are police officers struggling with all sorts of personal problems, are disobeying the law or cheating, and are even committing murder. These nuanced depictions portray both character types such as drug lords and police officers, as human beings, flaws included. They also leave it to the viewers to decide for themselves whether something was morally right or wrong. Furthermore, presenting both police officers and criminals as flawed and emotional, struggling human beings adds to the dark, gloomy depiction of the contemporary society and lends credibility to the subtle social critique.

Although both genres criticise the societies they are set in, there are limitations to these critiques. They both mainly focus on violence and ignore some other prominent social issues. For example, narconovelas usually portray stereotypical gender roles, where women are portrayed as one-dimensional characters, whose actions are motivated by their relationship to the male characters.¹¹ Furthermore, while in Nordic noir the gender roles are more equal, the series can still be considered to fetishize the female body, as the crimes portrayed often include sexual violence against women simply to portray the male perpetrator's evilness and

10 United Nations Office on Drugs and Crime. (2018) Drug trafficking. <https://www.unodc.org/unodc/en/drug-trafficking/index.html> (26 April 2018).

11 Tiznado, K. (2017) *Narcotelenovelas: la construcción de nuevos estereotipos de mujer en la ficción televisiva de Colombia y México a través del retrato de una realidad social*. PhD. Universitat Autònoma de Barcelona, 137-211.

masculine authority.¹²

The societies and the social injustices presented in Nordic noir and narconovelas are distinct due to the different regional contexts of the series; however, in both genres the contemporary social problems of the region are made visible through an exaggerated, crime-filled drama. The backdrop of crime and hardship in a specific contemporary society that is the distinguishing feature of these two genres presents a critique that cuts through the entertaining elements of murder mystery, unexpected plot twists, sex and romance.

Beyond Fiction

Nordic noir and narconovelas are two new types of crime drama, both with very specific regional contexts. Analysing these TV series by focusing on the depiction of the state and society through the narratives and characters has revealed a critical social commentary beneath the initial layer of entertainment. This article has shown how both narconovelas and Nordic noir point to social injustices in a subtle, non-confrontational way by including social problems as the setting of entertaining TV shows. More generally, comparing these two types of crime dramas allows us to better understand the concerns and challenges each region is facing, and recognise how popular culture can reflect and criticise social realities.

¹² Shaw, K. (2015) 'Men who hate women': masculinities, violence and the gender politics of Nordic noir. *International Journal of Humanities and Cultural Studies*, Volume 2 (3): 767. <https://www.ijhcs.com/index.php/ijhcs/article/viewFile/421/418> (28 May 2018).

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- Karppi (2017-) [TV series] Dionysos Films.
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05

**FEATURE:
SCIENCE,
TECHNOLOGY &
INNOVATION**

“

Chile, one of the leaders in lithium productions and the UK as a leader in battery innovation and waste management provide a bi-regional perspective of the processes that must be considered when assessing the life cycle of a product.”

*Scarleth Vasconcelos &
Eleanor Gibson*

STI1

INNOVATION THROUGH TECHNOLOGY: THE SUSTAINABILITY OF LITHIUM BATTERIES IN ELECTRIC VEHICLES

By Scarleth Vasconcelos (Nicaragua) & Eleanor Gibson (United Kingdom)

The production of energy storage systems for electric vehicle applications using lithium-ion batteries form the basis of this bi-regional case study. The assessment draws attention to the sustainability of two stages of the lifecycle of lithium-ion batteries in order to understand resource availability and product sustainability for current and future manufacturing, not only for electric vehicles but also for other electronic devices powered by lithium-ion batteries technology.

Technology is providing new and exciting opportunities to help combat current anthropogenic issues such as climate change. Batteries in particular have become a key element in modern day society; from mobile devices and laptops to the growing markets of clean energy (such as solar panels, wind turbines, etc.) and electric vehicles. With the evolution of the rechargeable battery, society is becoming aware of the benefits it can provide, not only to people, but also to the natural environment.

In response to global efforts to reduce CO₂ emissions in the transportation sector, electric vehicles (EVs) have become a growing market.¹ It has been estimated that EVs

will increase more than thirtyfold by 2030 (see Figure 1), competing against laptops and mobile phones for the use of lithium-ion (Li-ion) batteries.² The growing interest in the Li-ion battery specifically is due to its long life, lightweight characteristics and its cost-efficiency, which has forecast it to have the highest potential for future energy storage technology.³ The increase in EVs has consequently increased demand for Li-ion batteries, placing a greater pressure on the sourcing of the necessary raw materials such as cobalt, graphite and lithium.⁴ Worldwide lithium production, for example, has increased by approximately 13 per cent during 2017.⁵

Although EVs do not directly emit CO₂, their overall greenhouse gas emissions depend on the fuel type used to generate the electricity

¹ [graphics/2017-lithium-battery-future/](https://www.bloomberg.com/graphics/2017-lithium-battery-future/) (26 July 2018).

² Shankleman, J. et al. (2018) We're Going to Need More Lithium. Bloomberg.com (7 Sept. 2017). <https://www.bloomberg.com/graphics/2017-lithium-battery-future/> (26 July 2018).

³ REDUse, Friends of the Earth, Global 2000 (2013). Less is more Resource efficiency through waste collection, recycling and reuse of aluminium, cotton and lithium in Europe. Brussels: GLOBAL 2000 Verlagsges.m.b.H., Neustiftgasse 36, 1070 Vienna., pp.3-10. http://www.foeeurope.org/sites/default/files/news/foee_report_-_less_is_more.pdf (10 June 2018).

⁴ Sun, X. et al. (2017). Tracing global lithium flow: A trade-linked material flow analysis. Resources, Conservation and Recycling Research gate, 124(50-61). https://www.researchgate.net/publication/316747087_Tracing_global_lithium_flow_A_trade-linked_material_flow_analysis. (24 July 2018).

⁵ Zinke, R. et al. (2018) U.S. Geological Survey, Mineral Commodity Summaries, January 2018. <https://doi.org/10.3133/70194932>. (26 July 2018) 98 p.

¹ Shankleman, J. et al. (2018) We're Going to Need More Lithium. Bloomberg.com (7 Sept. 2017). <https://www.bloomberg.com/>

that is used to charge the battery. An EV's environmental footprint, like any product, also depends on the sustainability of the process of production, including the steps taken to produce and dispose of the battery. One way to analyse its sustainability is to carry out a life cycle analysis.⁶

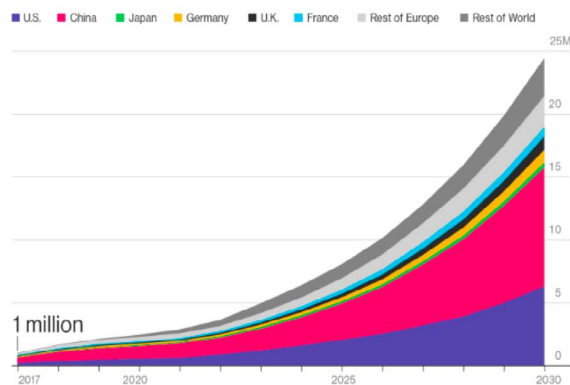


Figure 1: Annual global electric vehicle sales are forecast to hit 24.4 million by 2030. Courtesy: Bloomberg Energy Finance

Life Cycle

A product will go through several stages before it reaches the end of its life or "use." The life cycle of a product has five main stages: Resource Mining, Chemical Production, Product Manufacture, Product Use and Waste Management.⁷ Companies are becoming more aware of this life cycle and that it is important to analyse how each part of the process is carried out.⁸ In this particular case, two of the main stages in the life cycle of the Li-ion battery for EVs will be discussed: the resource mining of lithium and the waste management of Li-ion batteries.

The two stages will be based on the

6 Sun, X. et al. (2017) Tracing global lithium flow: A trade-linked material flow analysis. *Resources, Conservation and Recycling Research gate*, 124(50-61). https://www.researchgate.net/publication/316747087_Tracing_global_lithium_flow_A_trade-linked_material_flow_analysis. (24 July 2018).

7 Ibid

8 Sun, X. et al. (2017) Tracing global lithium flow: A trade-linked material flow analysis. *Resources, Conservation and Recycling Research gate*, 124(50-61). https://www.researchgate.net/publication/316747087_Tracing_global_lithium_flow_A_trade-linked_material_flow_analysis. (24 July 2018).

following discussions; first, the potential environmental impact of the resource extraction of lithium in Chile and options for improving sustainability, and second, sustainable and efficient waste management in the UK of Li-ion batteries no longer of capacity to power an EV. While the manufacturing stage is just as important in regards to sustainability, focus will be placed upon the direct environmental effects of the life cycle of a Li-ion battery from an EV during the extraction process, and how it is dealt with when it is no longer of use to the consumer.

The Salt Flats of Chile

Currently, around 70 million cars are produced globally per year.⁹ Around 7 million lithium ion batteries are manufactured each year, equating to enough batteries for just 10 per cent of vehicle production.¹⁰ According to Armand and Tarascon (2008), replacing the world's 800 million cars and lorries with electric transportation would use 30 per cent of the world's known reserves of lithium.¹¹ The issue with lithium is not its availability but rather the rate at which it is being produced.¹²

The Salar de Atacama in Northern Chile is one of the biggest producers of lithium salt from brine deposits (also known as evaporation ponds) in the world.¹³ Extracting lithium from

9 Tahil, W. (2007) The Trouble with Lithium Implications of Future PHEV Production for Lithium Demand. *Meridian International Research* (January, 2007) pp.p.1-p.27. http://meridian-int-res.com/Projects/Lithium_Problem_2.pdf (4 June 2018).

10 Ibid

11 Armand, M. and Tarascon, J. (2008) Building better batteries. *Nature*, 451(7179), pp.652-657. https://www.researchgate.net/publication/5594867_Building_Better_Batteries. (4 June 2018).

12 Armand, M. and Tarascon, J. (2008) Building better batteries. *Nature*, 451(7179), pp.652-657. https://www.researchgate.net/publication/5594867_Building_Better_Batteries (4 June 2018).

13 REDUse, Friends of the Earth, Global 2000 (2013). *Less is more Resource efficiency through waste collection, recycling and reuse of aluminium*,

brines requires solar energy to allow for the evaporation of water and large dumpsites are used to store the salt residue generated during the process.¹⁴ This can take up to 24 months.¹⁵

Although this method is more sustainable than the conventional mining of lithium, the extraction process in Chile does have a negative impact on the surrounding environment.¹⁶ Water is currently the main source of controversy as mining consumes around 65 per cent of water available in the Salar de Atacama region.¹⁷ The intense use of water in this region not only negatively impacts the surrounding flora and fauna but also the neighbouring communities, whose livelihoods rely on the already scarce supply of water. If the demand for lithium increases, as it has been forecasted to, then these issues will only intensify further.¹⁸

Improvements in extraction technology will, in part, improve the sustainability of the first stage in the life cycle of the Li-ion battery (cobalt, nickel and other raw materials used in Li-ion batteries would require similar life cycle analysis to further improve the sustainability).

cotton and lithium in Europe. Brussels: GLOBAL 2000 Verlagsges.m.b.H., Neustiftgasse 36, 1070 Vienna., pp.3-10. http://www.foeeurope.org/sites/default/files/news/foee_report_-_less_is_more.pdf (10 June 2018).

14 Brussels: European Commission 35-42 (2018) COMMISSION STAFF WORKING DOCUMENT Report on Raw Materials for Battery Applications. <https://ec.europa.eu/transport/sites/transport/files/3rd-mobility-pack/swd20180245.pdf> (26 July 2018).

15 Ec.europa.eu. (2018) Development of an innovative and sustainable lithium extraction process from medium lithium grade brines - European Commission. <https://ec.europa.eu/growth/tools-databases/eip-raw-materials/en/content/development-innovative-and-sustainable-lithium-extraction-process-medium-lithium-grade> (26 July 2018).

16 Notter, D. et al. (2010) Contribution of Li-Ion Batteries to the Environmental Impact of Electric Vehicles. *Environmental Science & Technology*, 44(17), pp.6550-6556. <https://pubs.acs.org/doi/ipdf/10.1021/es903729a> (26 July 2018).

17 Tahil, W. (2007) The Trouble with Lithium Implications of Future PHEV Production for Lithium Demand. *Meridian International Research* (January,2007) pp.p.1-p.27. http://meridian-int-res.com/Projects/Lithium_Problem_2.pdf (4 June 2018).

18 USGS (2018) U.S. Geological Survey, Mineral Commodity Summaries. Minerals.usgs.gov. (2018). <https://minerals.usgs.gov/minerals/pubs/commodity/lithium/mcs-2018-lithi.pdf> (26 July 2018).

The European Commission has been involved in research that is developing a more innovative and sustainable method of lithium extraction from salt brines.¹⁹ The project is known as the Lithium Direct Extraction Process and if successful will not only allow for the industrialisation of high quality lithium, but will also reduce its environmental impact.

The process is an innovative alternative to solar evaporation using a solid to liquid extraction technology. Lithium-depleted brine is returned to the natural environment instead of storing it in large waste sites. In doing so, the impact on the hydric balance will be significantly reduced.²⁰ This process would not only alleviate pressure from areas like the Atacama Desert, it would also enable lithium extraction by countries previously unable due to inadequate natural conditions for effective evaporation, such as a lack of sunshine or lower altitudes.

How Rechargeable Batteries Are Made

Once the lithium is extracted, along with the other necessary raw materials, the manufacturing of the Li-ion battery takes place. Li-ion batteries are composed of three layers: an anode, a cathode, and a porous separator.²¹ The anode is composed of graphite and other

19 Ec.europa.eu. (2018) Development of an innovative and sustainable lithium extraction process from medium lithium grade brines - European Commission. <https://ec.europa.eu/growth/tools-databases/eip-raw-materials/en/content/development-innovative-and-sustainable-lithium-extraction-process-medium-lithium-grade> (26 July 2018).

20 Ec.europa.eu. (2018) Development of an innovative and sustainable lithium extraction process from medium lithium grade brines - European Commission. <https://ec.europa.eu/growth/tools-databases/eip-raw-materials/en/content/development-innovative-and-sustainable-lithium-extraction-process-medium-lithium-grade> (26 July 2018).

21 Amarakoon, S. et al. (2013) Application of LCA to Nanoscale Technology: Li-ion Batteries for Electric Vehicles. United States Environmental Protection Agency (EPA) National Risk Management Research Laboratory EPA's Office of Research and Development (2013). https://www.epa.gov/sites/production/files/201401/documents/lithium_batteries_lca.pdf (26 July 2018).

conductive additives. The cathode is composed of layered transition metal oxides. The product is saturated in an electrolyte solution, consisting of lithium-salt and organic solvents and sealed in a casing usually composed of steel or aluminium material to create a battery cell.²²

Once the battery cell is complete, several cells are arranged to form a battery pack. The battery cells are separated within the battery pack and housed with other components, including a thermal control unit, wiring, and electronic card.

Waste Management

The lifespan of an electric vehicle is projected at being over ten years, yet the lifespan of a Li-ion battery is less than this.²³ By the time a Li-ion battery reaches 60-80 per cent capacity it will reduce the driving range for an EV and will need to be replaced.²⁴ According to a report titled “Circular opportunities in the lithium-ion industry” by Hans Eric Melin, the availability of used Li-ion batteries ready for recycling will exceed 150,000 tonnes by 2025.²⁵ This quantity of battery would generate more than 20,000 tonnes of lithium and 15,000

tonnes of cobalt. Please see Figures 2 and 3 for a more comprehensive understanding.

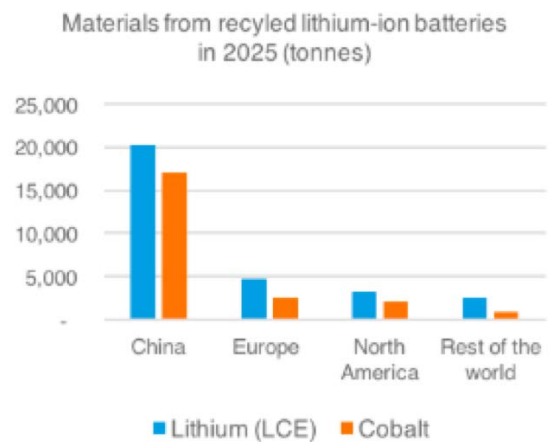


Figure 2: Materials from recycled lithium-ion batteries in 2025. Courtesy: Bloomberg Energy Finance

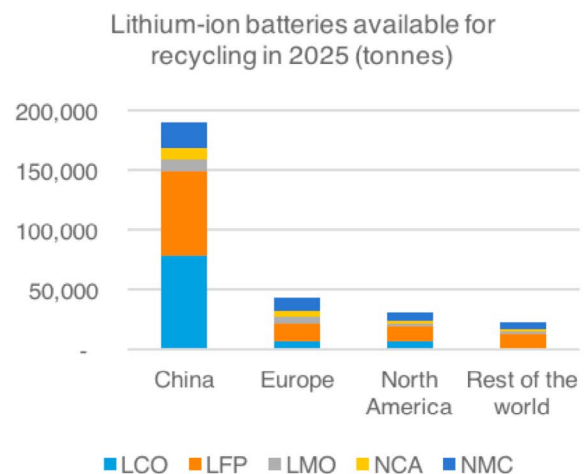


Figure 3: Lithium-ion batteries availability for recycling in 2025. Courtesy: Bloomberg Energy Finance

Technologies that recycle all components of a lithium battery would require the ability to: discharge the spent lithium battery; dismantle and classify the components; separate the electrode components; and refine and add value.²⁶ However, the current reality of the recycling of Li-ion batteries is that although it has the ability to achieve up to 95 per cent recovery, most of the techniques are energy-

22 Amarakoon, S. et al. (2013) Application of LCA to Nanoscale Technology: Li-ion Batteries for Electric Vehicles. United States Environmental Protection Agency (EPA) National Risk Management Research Laboratory EPA's Office of Research and Development (2013). https://www.epa.gov/sites/production/files/201401/documents/lithium_batteries_lca.pdf (26 July 2018)

23 Vikström, H. et al. (2013) Lithium availability and future production outlooks. Science Direct 110, pp.252-266. <https://doi.org/10.1016/j.apenergy.2013.04.005> (26 July 2018).

24 Ethan N. Elkind (2014) REUSE AND REPOWER How to Save Money and Clean the Grid with Second-Life Electric Vehicle Batteries. UCLA School of Law's Emmett Institute on Climate Change and the Environment and UC Berkeley School of Law's Center for Law, Energy & the Environment. (2018). https://www.law.berkeley.edu/files/ccelp/Reuse_and_Repower_-_Web_Copy.pdf (26 July 2018).

25 Melin, H. (2018) Press release: Recycled lithium to reach 9 per cent of total lithium battery supply in 2025. Circular Energy Storage(2018). <https://circularenergystorage.com/news/2017/11/30/press-release-recycled-lithium-to-reach-9-percent-of-total-lithium-battery-supply-in-2025> (26 July 2018).

26 Lebedeva, N. et al. (2016) Lithium ion battery value chain and related opportunities for Europe. Brussels: European Commission.(2016) https://ec.europa.eu/jrc/sites/jrcsh/files/jrc105010_161214_li-ion_battery_value_chain_jrc105010.pdf (26 July 2018).

intensive processes and would require a much higher investment in comparison to the cost of lithium extraction and importation from countries such as Chile.²⁷

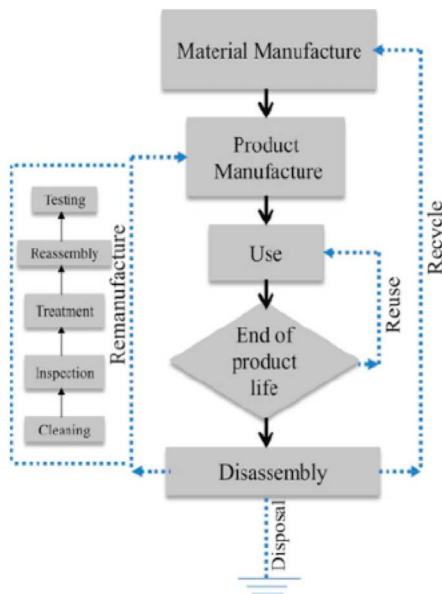


Figure 4: End of life methods | Courtesy: Hong-Chao Zhang

The UK has recently announced that there will be investments in 27 research projects involving 66 organisations for the innovation of battery technology. The projects aim to put the UK on the map as a global leader in the development and manufacturing of new battery technology. In addition, there will be projects that will research and identify more sustainable end uses for batteries by either reusing, remanufacturing or recycling them.²⁸ To this end, the Nissan LEAF factory in Sunderland has also been advocating for the transition to more sustainable lifestyles through technology that reuses EV Li-ion

batteries to store solar energy.²⁹ Not only will this create societal access to more sustainable lifestyles, but it also increases the sustainability and lifespan within the life cycle of an Li-ion battery.

Next Steps

The assessment of a product's life cycle can help pinpoint areas in which the production process can be improved to achieve greater sustainability and reduce environmental damage. New technology could reshape the life cycle of an Li-ion battery and increase its sustainability. In doing so, an electric vehicle's overall life cycle would expect to have a reduced carbon footprint.

In the future, the recycling of Li-ion batteries could reduce pressure on the extraction of lithium and other raw materials that are necessary in the composition of a battery. In addition, new, innovative extraction techniques will not only relieve the pressure of water supply for local communities in Chile but will also open the lithium market to countries previously hindered by lack of solar energy for the evaporation process. In doing so, the demand for lithium produced in Chile may fluctuate. With this in mind, the government of Chile has been considering both a value-added approach as well as investing in research and technological development to allow for the production of Li-ion batteries.³⁰

Chile, one of the leaders in lithium production, and the UK as a leader in battery innovation and waste management provide

27 Lebedeva, N. et al. (2016) Lithium ion battery value chain and related opportunities for Europe. Brussels: European Commission (2016) https://ec.europa.eu/jrc/sites/jrcsh/files/jrc105010_161214_li-ion_battery_value_chain_jrc105010.pdf (26 July 2018).

28 GOV.UK (2017) Future electric vehicle batteries: long-lasting, cleaner, better. GOV.UK (2017). <https://www.gov.uk/government/news/future-electric-vehicle-batteries-long-lasting-cleaner-better#history> (26 July 2018).

29 Nissan. (2018) Clean power energy | Nissan. xStorage by Nissan(2018) <https://www.nissan.co.uk/experience-nissan/electric-vehicle-leadership/xstorage-by-nissan.html> (26 July 2018).

30 Sophia Boddenberg (2018) Chile's lithium – blessing or curse? Made for minds(2018). <https://www.dw.com/en/chiles-lithium-blessing-or-curse/a-43721539> (26 July 2018).

a bi-regional perspective of the processes that must be considered when assessing the life cycle of a product. Extant literature promotes an interdisciplinary approach when developing sustainable technologies on an international level.³¹ In the past, trade agreements between the European Union and Chile have included articles related to the promotion of the exchange of knowledge and experience between the two regions.³² This agreement could lay out the foundation for a new and more tailored model to share science and technology-based knowledge specifically in relation to the lithium-ion battery.

Continued learning between stakeholders within the value chain of the production of electric vehicles and the promotion of innovation, science and technology will further the successes in achieving a sustainable life cycle.

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32 European Commission (2002) EU - Chile Association Agreement. European Commission (2002). https://eur-lex.europa.eu/resource.html?uri=cellar:f83a503c-fa20-4b3a-9535-f1074175eaf0.0004.02/DOC_2&format=PDF (15 August 2018).

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