

Analysis

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Chile ramps up climate ambition, but is it enough?

Chile's new climate change plan, unveiled by President Sebastian Pinera this week, puts the host of this year's UN climate conference on track to play its part in meeting globally agreed goals to limit warming of the planet, researchers said. But green-leaning politicians and activists in the South American nation called on the government to bring forward its deadlines for closing coal-fired power plants. On Tuesday, Pinera unveiled a climate action plan that would shut all coal power plants by 2040, and target carbon neutrality by 2050, meaning the country would emit no more heat-trapping carbon dioxide emissions than it can absorb in its forests. "One of the greatest dangers we confront as humanity is global warming and climate change," said the president.

Eight coal-fired power plants will be closed down in the next five years, he announced. Coal produces almost twice the amount of carbon dioxide as natural gas when burned. By 2050, all economic sectors - including agriculture, waste and industrial processes - should become carbon-neutral, the plan said. Chile's forests absorbed 36 percent of national emissions in 2013, and the 2050 net-zero goal would depend on their contribution to the carbon accounting.

In December, 20,000 to 30,000 delegates, including world leaders, are expected in Santiago for the annual UN climate talks, where governments will be urged to ramp up pledges to reduce emissions under the Paris climate change accord. Research consortium Climate Action Tracker (CAT) told the Thomson Reuters Foundation that if Chile's decarbonization plan became an official commitment under the Paris Agreement, it would be compatible with the most ambitious goal to curb warming at 1.5 degrees Celsius (2.7F) above pre-industrial times.

The Paris pact, adopted by nearly 200 nations, set a goal to limit global temperature rise to "well below" 2C, and to "pursue efforts" for 1.5C. But still-rising global emissions are currently on track to fuel at least 3C of warming, climate scientists say. In the build-up to the Paris conference where the climate accord was agreed in 2015, Chile committed to reduce the intensity of its emissions relative to GDP by 30 percent by 2030 from 2007 levels. This target was rated "highly insufficient" by CAT. Moreover, under that plan, CAT calculated that Chile's emissions would actually rise 41 percent by 2030 compared to 2010 levels as the country left itself space for economic growth. Environment Minister Carolina Schmidt described the unveiling of Chile's more ambitious plan this week as "an enormous landmark in the transformation needed throughout the world for sustainable development and carbon neutrality".

Melting glaciers

But not all politicians are satisfied. In late May, opposition leader Catalina Perez proposed a "climate emergency" declaration to the organizing committee for the "COP25" U.N. climate change conference. "It went badly," she said afterwards, with fellow members unable to reach consensus. Meanwhile the effects of global warming are becoming more evident in the Andean nation. "We have to learn to live with climate change," a windswept Pinera said a week ago, as he visited the southern Bio Bio region, which had been hit by highly unusual tornadoes. "It has come to stay."

Scientists are still investigating the influence of climate change on the severity and frequency of tornadoes. Chile is currently affected by a multi-year drought and creeping deserts, which are shifting fruit production to the more temperate south. The country is home to 82 percent of Andean glaciers, nearly all of which are in retreat, threatening water supplies. Flooding, heatwaves and devastating forest fires are other impacts already being experienced - and which scientists predict will worsen as the planet heats up.

On Wednesday's World Environment Day, Perez's Democratic Revolution Party joined 52 civil society groups in a letter urging Pinera to deepen commitments to tackling climate change. Signatories included Extinction Rebellion Chile, Greenpeace Chile and the international youth movement of children skipping school to protest about climate inaction, "Fridays for Future". "We hope COP25 will be remembered by future generations as the moment that the planet's luck changed," it concluded.

Meanwhile, in the inhabited areas around Chile's coal-power plants, air pollution is a far bigger issue than carbon dioxide emissions. Parliamentarian Diego Ibanez, who represents Quintero and Puchuncavi, two of the coal plant zones, warned that the region's children would be "condemned to five more years" of health risks, citing a prevalence of cognitive difficulties and cancer among the local population. Others fear plant closures could result in job losses and rising energy prices, but Energy Minister Susana Jimenez said seven months of talks with the affected industries had preceded the announcement. — Reuters

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A sign commemorating the 100th anniversary of the International Labour Organization (ILO) is pictured in front of its headquarters on June 7, 2019 in Geneva. — AFP

ILO, survivor from League of Nations, turns 100

Of all the institutions set up in Geneva under the League of Nations after World War I, only one, the International Labour Organization, survived the rise of fascism and World War II. Historians have pointed to several reasons why the ILO, which marks its 100th anniversary today, endured while the rest of the League collapsed. They included anxiety in the West about worker uprisings following the Russian Revolution, the election of US president Franklin Roosevelt in 1932, and the ILO's exile in Montreal from 1940-47.

More modern concerns will top the agenda at the ILO's annual congress this week, where dozens of leaders including French President Emmanuel Macron, German Chancellor Angela Merkel and Russian Prime Minister Dmitry Medvedev are expected. Following the #MeToo movement, ILO delegates will consider a convention on harassment and violence in the workplace, but may end up settling for a non-binding "recommendation," the organization's director general, Guy Ryder, told journalists recently.

Under ILO's 100-year-old "tripartite" structure, delegates include government officials, union leaders and private sector employer representatives. "It's going to be hard grind multilateral tripartite negotiations," Ryder said, stressing that he is not expecting a celebratory atmosphere at a congress also due to issue a declaration on "The Future of Work". "I'd love to think there'll be a festive moment in it," Ryder said. "I very much doubt it."

Nazis out, Americans in

In the preamble to the articles that set up the ILO -

originally called the International Labour Office - the Treaty of Versailles stressed that harsh working conditions were so pervasive they "imperilled the peace and harmony of the world". The victorious powers of WWI faced heavy pressure to establish a dedicated world labour office, said Dorothea Hoehltker, who leads historical research at the ILO. This was partly because unions had made significant demands following the crucial role workers played in the war effort, Hoehltker told AFP.

But also the Russian Revolution of 1917 - which, among other things, featured a working class revolt against the elite - forced Western powers to face the prospect of "a complete political and economic system change," she added. The ILO was founded as a cornerstone of the new League, but its fate proved different. The League suffered its first major blow in Nov 1919 when the US Senate rejected American participation, despite president Woodrow Wilson being one its architects. That left the League almost fully reliant on European powers.

While the emergence of fascist dictatorships in Italy and Germany precipitated the League's collapse, the ILO was saved due largely to Roosevelt's election. The US signed onto the body in 1934, just months after the Nazis walked away, as Roosevelt was in the process of implementing the New Deal - his pro-jobs program designed as a response to the Great Depression. "The New Deal was perfectly in line with what the ILO wanted," Hoehltker said. Roosevelt-ally and former New Hampshire governor John Winant became ILO director in 1939. Because Geneva is surrounded by French territory, Winant moved a scaled-down ILO to

McGill University in Montreal shortly after the Nazis attacked France in 1940. The agency continued working during the war, notably by helping set up social security systems in Latin America.

Stalin says no

The ILO's survival was again threatened after World War II. As the winning powers were shaping a new global governance system, which became the United Nations, the Soviet Union under Joseph Stalin expressed staunch opposition to the ILO, especially its tripartite structure that offers roles for unions and employers. "The Soviet Union really didn't want the ILO to exist, Hoehltker said. "They didn't like freedom of association and they didn't want to have employers - capitalist employers - in the organization." Ultimately, the West prevailed and the ILO in 1946 was established as the first specialized agency of the UN, returning to Geneva the next year.

Post #MeToo convention

The ILO's tripartite structure, unique across the UN, still creates complications at times, including during the debate on harassment and violence in the workplace. One of the obstacles in the talks, Ryder said, is that employers have concerns about the extent of their responsibility, especially whether an enterprise should be responsible for harassment among colleagues that happens away from the workplace. "We have to find ways through these outstanding issues," Ryder said. "I'm confident that we will." — AFP

Alternative meat seen as potentially juicy business

No longer at the food fringes, plant-based meats are selling well in supermarkets and emerging as a hot commodity for fast food chains, industrial food companies and Wall Street investors. JPMorgan Chase has estimated the market for plant-based meat could easily top \$100 billion in 15 years. Barclays says the "alternative meat" market could account for around 10 percent of all global meat sales, or up to \$140 billion in 10 years.

Among big restaurant chains, Burger King has been testing since April a vegetarian version of its flagship "Whopper", while McDonald's has unveiled a meatless burger in Germany. Kentucky Fried Chicken is studying non-meat options for its menu. Alternatives to meat are not new, of course, but startups and other growing players in the business have taken advantage of newer technologies to simulate the taste and texture of authentic meat more comprehensively.

At the same time, more consumers are opting for plant-based products out of concern for the environment, animal welfare or for health reasons. The best-known new ventures, Impossible Food and Beyond Meat, have had difficulty at times meeting surging demand for their products, even as Wall Street has bet on their potential. On its first day on Wall Street as a publicly-traded company, Beyond Meat surged 163 percent, finishing the session at \$65.75.

Since then, shares have more than doubled, ending Friday's session at \$139.13, up a stunning 39.4 percent after the company said it anticipates sales growth of 140 percent. Impossible Burger, which is already sold in more than 7,000 restaurants in the United States and Asia, recently raised \$300 million in a financing round that valued the company at \$2 billion.

Enter food giants

Among large food companies, Swiss giant Nestle in April launched its "Incredible Burger" in Europe based on soy, wheat and extracts of beetroot and other plants. In the fall, Nestle plans to offer a pea-based "Sweet Earth" veggie burger in the United States. Anglo-Dutch company Unilever last year bought the Vegetarian Butcher, which has said it aims to become the "largest butcher in the



In this photo taken on Jan 7, 2019 the Impossible Burger 2.0, the new and improved version of the company's plant-based veggie burger that tastes like real beef, is introduced at a press event during CES 2019 in Las Vegas. — AFP

world" with plant-based meat. US company Kellogg has been present in alternative meat since the 1970s through MorningStar Farms. While the brand has not enjoyed the same outsized gains of late as the newer players, it remains the biggest producer in the United States. Others active in the burgeoning business include Brazilian giant JBS, which is launching a vegetarian burger in its home market, and Tyson Foods, a one-time investor in Beyond Meat that plans its own plant-based product.

Sales of alternative meat jumped 23 percent in 2018 in the United States, according to the Food Institute. Yet that accounts for just one percent of the total market for meat, much lower than the 13 percent of milk represented by non-dairy sources such as soy, almond and coconut.

Some risks

In spite of the strong potential, analysts caution against losing sight of some uncertainties facing the industry. "There are risk factors to consider, such as alternative meat products being less healthy than claimed as a result of additives to appeal to customer taste," said the Barclays note. Barclays also pointed to "potential regulatory restrictions" as far as marketing. For example, farm groups have lobbied Washington to restrict the term "meat" to animal-based products.

Also, there is always a risk that emerging stars in the business could be roiled by a recall, said JPMorgan. And the impact of mistakes could be amplified by the growing presence of bigger and more diversified companies that are racing into the market. The conventional companies also have sophisticated supply chains and ready access to capital. — AFP

With Venezuela in collapse, towns slip into primitive isolation

At the once-busy beach resort of Patanemo, tourism has evaporated over the last two years as Venezuela's economic crisis has deepened and deteriorating cellphone service left visitors too afraid of robbery to brave the isolated roads. Gone are the vendors who once walked the sands of the crescent-shaped beach hawking bathing suits and empanadas - a traditional savory pastry. These days, its Caribbean shoreline flanked by forested hills receives a different type of visitor: people who walk 10 minutes from a nearby town carrying rice, plantains or bananas in hopes of exchanging them for the fishermen's latest catch.

With bank notes made useless by hyperinflation, and no easy access to the debit card terminals widely used to conduct transactions in urban areas, residents of Patanemo rely mainly on barter. It is just one of a growing number of rural towns slipping into isolation as Venezuela's economy implodes amid a long-running political crisis. From the peaks of the Andes to Venezuela's sweltering southern savannahs, the collapse of basic services including power, telephone and internet has left many towns struggling to survive.

The subsistence economy stands in stark contrast to the oil boom years when abundance seeped into the most remote reaches of what was once Latin America's richest nation. "The fish that we catch is to exchange or give away," said Yofran Arias, one of 15 fishermen who have grown accustomed to a rustic existence even though they live a 15-minute drive from Venezuela's main port of Puerto Cabello. "Money doesn't buy anything so it's better for people to bring food so we can give them fish," he said, while cleaning bonefish, known for abundant bones and limited commercial value.

In visits to three villages across Venezuela, Reuters reporters saw residents exchanging fish, coffee beans and hand-picked fruit for essentials to make ends meet in an economy that shrank 48 percent during the first five years of President Nicolas Maduro's government, according to recent central bank figures. Venezuela's crisis has taken a heavy toll on rural areas, where the number of households in poverty reached 74 percent in 2017 compared with 34 percent in the capital of Caracas,

according to an annual survey called Encovi carried out by private Venezuelan universities.

Residents rarely travel to nearby cities, due to a lack of public transportation, growing fuel shortages and the prohibitive cost of consumer goods. In some regions, travel requires negotiating roads barricaded by residents looking to steal from travelers. At one such roadblock in eastern Venezuela, a Reuters witness saw a driver fire gunshots in the air to disperse a crowd. "I haven't been to the city center in almost two years. What would I do there? I don't have enough (money) to buy a shirt or a pair of shorts," said a fisherman in Patanemo who identified himself only as Luis. "I'm better off here swapping things to survive."

Coffee for fuel

Venezuela is suffering one of the worst economic collapses in modern history. Inflation has topped 1 million percent, according to figures released by the opposition-run congress. The United Nations says 4 million citizens have fled Venezuela, 3.3 million of them since 2015. Maduro blames the situation on an "economic war" waged by his political adversaries as well as US sanctions that have hobbled the oil industry and prevented his government from borrowing abroad.

The central bank in April released economic indicators for the first time in the nearly four years, showing a less severe cataclysm than figures published by congress. But the bank's data underscored a dramatic contraction and spiraling consumer prices, nonetheless. The bolivar has lost 99 percent of its value since Maduro took office in 2013. In the mountains of the central state of Lara, residents of the town of Guarico this year found a different way of paying bills - coffee beans.

Residents of the coffee-growing region now exchange roasted beans for anything from haircuts to spare parts for agricultural machinery. "Based on the cost of the product, we agree with the customer on the kilos or number of bags of coffee that they have to pay," said hardware store manager Haideliz Linares. The transactions are based on a reference price for how much coffee fetches on the local market, Linares said. In April, one kilo of beans was worth the equivalent of \$3.00. In El Tocuyo, another town in Lara state, three 100 kilo sacks of coffee buy 200 liters of gasoline, which is in increasingly short supply in the OPEC nation due to chronic operational problems at state oil company PDVSA. In Borburata, another town a few miles from Patanemo, Keila Ovalles harvests eggplant, tomato and passion fruit in the backyard of her modest home. She said it was similar to the way her family lived in the early 20th century. — Reuters